

ASX & MEDIA RELEASE

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Nomad Modular Building, Western Australian Operations – Business Update

Nomad Building Solutions (Nomad) has been conducting a review of its Western Australian modular business, Nomad Modular Building, WA (Nomad WA). An independent review has been completed by KPMG and this report has been considered by the Nomad Board.

While the demand for modular product remains strong in Western Australia, Nomad WA has not been able to successfully and profitably service this market. This has been due to a lack of leadership and poor operational management of this business unit over an extended period. This has resulted in the business operating from an inadequate site, with high staff turnover, poor cost controls and low morale.

As such, the Nomad Board has determined to wind down Nomad WA, with this process to be largely complete by 30 June 2012. This business accounts for approximately 20 percent of total group revenue.

The wind down will include the delivery of final project buildings; the surrender of leased premises at Bibra Lake and the reduction in staff numbers. This will ensure that the operating losses from this business do not recur in the 2012/13 financial year.

The Board of Nomad would like to acknowledge the outstanding efforts of operational staff in completing the final contracts in what has been a difficult working environment.

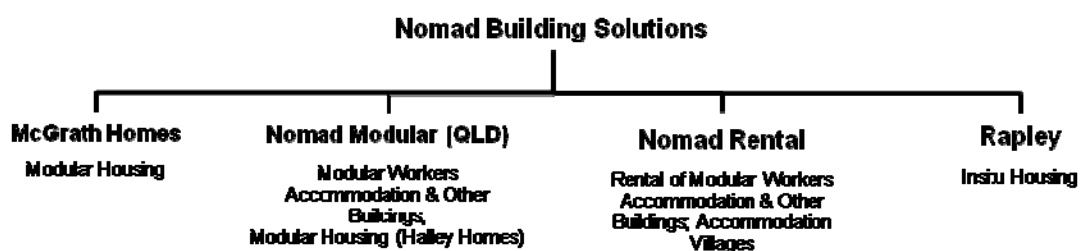
A small Nomad WA team will be retained to ensure that contract documentation is completed and that client service and maintenance requirements are adequately addressed going forward. Some selected clients will be serviced from the Company’s modular business in Queensland and its McGrath Homes facilities.

The rental activities of Nomad WA will be integrated, along with the other rental and mining camp assets of the Nomad Group, into a new business unit. A dedicated management team will then focus on expanding these activities.

In the medium to long term, Nomad will consider re-entering the Western Australian modular market in a considered way, leveraging off the extensive modular manufacturing expertise retained within McGrath Homes and Nomad’s Queensland operations.

Revised Divisional Structure

With the proposed wind down of Nomad WA and the creation of a new rental business unit, Nomad will consist of four operating divisions as detailed below.



For more information please contact:

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About Us:

McGrath Homes is a leading Western Australian based manufacturer of modular housing for the mining, commercial and residential sectors. It operates in WA.

Rapley is an in-situ builder focus on remote areas. Key clients span the mining, commercial and residential sectors. It operates in WA.

Nomad Modular (QLD) is involved in the manufacture and sale of modular buildings for the mining, commercial and residential sectors. It operates in QLD

Nomad Rental is involved in the rental of modular buildings for the mining and commercial sectors. It operates in QLD and WA.