



ABN: 98 010 562 562

1024 Ann Street
PO Box 2053, Fortitude Valley
Queensland 4006 Australia

Phone: 07 3251 6300
Fax: 07 3251 6393
Web: www.watpac.com.au

20 April 2010

The Manager
Company Announcements Office
ASX
10th Floor, 20 Bond Street
SYDNEY NSW 2001

Dear Sir,

RE: CONTINUOUS DISCLOSURE ANNOUNCEMENT

Please find attached a Continuous Disclosure Announcement – Watpac Awarded \$300M Mining Contract by BC Iron.

Yours sincerely,
WATPAC LIMITED

A handwritten signature in black ink, appearing to read "Doug McAlpine", written in a cursive style.

Doug McAlpine
COMPANY SECRETARY

20 April 2010

WATPAC CIVIL & MINING AWARDED OVER \$300M OF CONTRACTS BY BC IRON NULLAGINE

Watpac's (ASX: WTP) Civil & Mining division has been awarded two major contracts by Western Australian iron ore company BC Iron (ASX: BCI) totalling in excess of \$300 million for the Nullagine Iron Ore Joint Venture (BCI 50%/FMG 50%) in the Pilbara region of Western Australia (WA).

The contracts include the mining, crushing, and screening activities at site, and the haul road construction project.

Over the next month, project commencement details will be confirmed by both parties.

The haul road contract involves the construction of a 55km haul road between the mine site near Nullagine and the Fortescue Metals Group (ASX: FMG) rail line at its Christmas Creek operation.

Work on the haul road is scheduled to commence in June and be completed prior to Christmas this year.

The mining contract commences in September this year and involves the mining of the deposit by surface miners, the loading and hauling of the material to the ROM pad, and the crushing and screening of the ore to stockpile.

The contract is a five-year term with initial production around 3 million tonnes per annum (mtpa) and ramping up to 5mtpa during the contract.

The Nullagine project is operated under a Joint Venture agreement between BC Iron Limited and Fortescue Metals Group, with BC Iron being the Manager of the Joint Venture.

Greg Kempton, Watpac Managing Director, said the award of the projects was a significant milestone for the company.

"The Nullagine Iron Ore Joint Venture project is indicative of the impressive growth in the scope and complexity of the mining projects undertaken by Watpac in recent times," Mr Kempton said.

"It is also demonstrative of the success of our capital-raising venture in late 2009, which has allowed us to pursue a much wider range of projects in this sector.

"For Watpac, this is a rewarding opportunity to work with a publicly-listed client, with similar aspirations to ourselves, and the corporate governance that goes along with being an ASX-listed company.

“It also assists in expanding the Company’s footprint in the WA market.

“We are looking forward to beginning work on site soon, and to extending our excellent relationship with BC Iron Nullagine.”

Mike Young, BC Iron Managing Director, said the contracts were crucial to the long-term success of the Nullagine Joint Venture as it gears up to commence first production later this year.

“We’re very pleased to be able to award these vital contracts to Watpac, who have considerable experience in the industry,” Mr Young said.

“With their help, we are looking forward to becoming the Pilbara’s next producer and exporter of iron ore later this year.”

For further information, please contact:

| | |
|----------------|---|
| Name | Melanie Loy |
| Title | Marketing & Communications Manager |
| Contact | 07 3251 6333 |

Note to editors: Watpac is an ASX-listed company specialising in construction, civil engineering and mining, specialty services (including refurbishments), and property development. We have offices in Brisbane, Townsville, Sydney, Melbourne, Adelaide, and Perth. More information can be found at www.watpac.com.au.