

**ASX ANNOUNCEMENT**

17 December 2020

**Acquisition of the G James NSW Extrusion Plant**

Capral is pleased to announce that it has entered into an agreement to acquire the NSW Aluminium Extrusion assets of G James Extrusion Co Pty Ltd (G James), located in Smithfield.

The G James Smithfield extrusion plant has been in operation since 2001, producing architectural and industrial grade extrusions with an annual capacity of approximately 9,000 tonnes. The plant has become excess to G James' requirements as they near completion of their new two press plant at Eagle Farm, QLD. The Smithfield plant has been maintained to a high standard and in excellent operating condition.

Capral is acquiring plant and equipment, spare parts and raw material inventory, and relevant employees will be offered employment with Capral. The transaction is expected to complete by the end of January 2021.

The acquisition price is around \$8m and will be funded from Capral's current cash reserves, assisted by JobKeeper receipts which will be used to maintain existing jobs and create new jobs during 2021.

Capral will enter into a 12-month toll manufacturing agreement with G James to ensure a smooth transition for both parties. This will allow Capral to recover the fixed plant operating costs during this period. Capral will also enter into a term lease agreement with G James for the 8,500m<sup>2</sup> Smithfield extrusion site.

The acquisition of the Smithfield extrusion plant represents a strategically important initiative for Capral. It provides Capral with the opportunity to expand its manufacturing presence in the large NSW market reducing freight and improving quality and service for Capral's NSW customers.

Yours faithfully



**Tony Dragicevich**  
Managing Director

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