



THE STAR

## ASX AND MEDIA RELEASE

22 December 2023

### QUEEN'S WHARF BRISBANE – SETTLEMENT WITH MULTIPLEX

Further to the announcements of 21 August and 29 August 2023, The Star Entertainment Group Limited (**The Star**) advises that Destination Brisbane Consortium (**DBC**) (50% owned by The Star) has entered into a settlement deed with Multiplex Constructions Qld Pty Ltd (**Multiplex**) to settle the matters the subject of the separate Supreme Court of Queensland proceedings and the adjudication application lodged with the Queensland Building and Construction Commission under the *Building Industry Fairness (Security of Payment) Act 2017* (Qld) in relation to the Queen's Wharf Project.

The key terms of the settlement (which remain subject to DBC financier approval) are as follows:

- Multiplex will discontinue its Supreme Court proceedings and release DBC from all claims arising prior to the settlement, with each party bearing its own costs in relation to those proceedings;
- the adjudication process will be terminated by agreement, with each party sharing the adjudicator's costs and each party bearing its own costs in relation to the adjudication process;
- DBC will release Multiplex from any delay claims arising prior to the settlement becoming effective;
- Multiplex will release DBC from all claims arising prior to the settlement date, save for a limited number of defined variation claims;
- DBC will make certain payments to Multiplex:
  - for the outstanding variations referred to above (if the parties can not resolve any variation, it will be referred to an independent certifier for determination); and
  - to facilitate subcontractor support, to be repaid by Multiplex at practical completion;
- DBC has also agreed to repay a portion of liquidated damages previously deducted by DBC, such payment to be made 50% on opening of the Queens Wharf Project and the balance paid by equal monthly instalments over the following 2 years;
- DBC has also agreed to cease deducting liquidated damages from future payment claims and waive its entitlement to liquidated damages not deducted beyond the October 2023 payment claim; and

- DBC and Multiplex have agreed to revised completion dates for the remaining works and increased liquidated damages (subject to a cap) to be set-off against the payments referred to above if the revised dates are not met.

The revised program of work agreed between DBC and Multiplex means that the phased opening of Queen’s Wharf Brisbane is now expected to occur in August 2024.

The total amount payable by DBC to Multiplex as part of the settlement arrangements will depend on the project delivery dates achieved by Multiplex, however The Star’s share is expected to be within the range of \$30 million to \$85 million.

It is expected that DBC will satisfy its obligation to pay the additional amounts to Multiplex as part of the settlement arrangements through a combination of existing resources and additional equity contributions from the joint venture participants. As previously disclosed, each party to the DBC joint venture has indicated it will provide additional equity contributions in proportion with their interests in DBC to meet these obligations and other expected additional costs to achieve completion of the Queen’s Wharf Project.

It is currently anticipated that The Star’s share of the costs (in addition to the settlement arrangements above) to complete the Queen’s Wharf Project (subject to the delivery dates achieved by Multiplex and certain other factors) will be approximately \$110 million.

The Star’s Group CEO and Managing Director Robbie Cooke said:

“The resolution of this long-running dispute between Multiplex and Destination Brisbane Consortium is a significant and positive step. It removes considerable uncertainty and distraction and enables the project team to now focus solely on the delivery of a transformational precinct that will showcase Brisbane to locals, interstate and international visitors.”

**Authorised by:**

Board of Directors

**FOR FURTHER INFORMATION:**

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