



8 June 2007

The Manager
Companies Section
Australian Stock Exchange Limited

The Manager
Companies Section
New Zealand Stock Exchange Limited

Pages: Three (3) pages

Dear Sir

Stock Exchange Announcement

Bovis Lend Lease secures A\$263 million defence contract

Lend Lease Corporation Limited ("Lend Lease") today announced that its subsidiary, Bovis Lend Lease Limited ("Bovis Lend Lease"), has signed an A\$263.6 million contract with the Department of Defence for the redevelopment of the Commonwealth's propellant manufacturing facility at Mulwala, in southern New South Wales.

Federal Government gave the green light for the project to proceed in March when the redevelopment was formally approved by the Parliamentary Joint Standing Committee on Public Works.

As head contractor for the redevelopment, Bovis Lend Lease will be responsible for the design and construction of the propellant manufacturing process and the facilities to house it.

Engineering design work will commence immediately to enable construction to begin during the second quarter of 2008. The project is scheduled to be completed ready for the Department of Defence to commence propellant testing in 2012.

Further details are included in the attached media statement.

Yours faithfully
LEND LEASE CORPORATION LIMITED

A handwritten signature in black ink, appearing to read 'S. Sharpe', is written over a light blue horizontal line.

S J SHARPE
Company Secretary

Media Release

Bovis Lend Lease secures A\$263 million defence contract

8 June 2007

Project management, design and construction company Bovis Lend Lease today signed an A\$263.6 million contract with the Department of Defence for the redevelopment of the Commonwealth's propellant manufacturing facility at Mulwala, in southern New South Wales.

Federal Parliament gave the green light for the project to proceed in March when the redevelopment was formally approved by the Parliamentary Joint Standing Committee on Public Works.

The Mulwala facility, originally developed in the early 1940s, supplies military grade propellants and high explosives to the Benalla ammunition manufacturing facility in northern Victoria. It is operated by ADI Limited, a major Australian defence and technology company.

As head contractor for the redevelopment, Bovis Lend Lease will be responsible for the design and construction of 28 new buildings and the refurbishment of several other key facilities. The project also involves the construction of new nitrocellulose, propellant and solvent production facilities, supporting infrastructure and ancillary systems to create a completely modernised facility.

Bovis Lend Lease's Asia Pacific Chief Executive Officer, Mr Sergio Casari, said the new equipment and updated safety and control systems will allow the facility to provide a safer and healthier work environment.

"Bovis Lend Lease is excited to be working with the Department of Defence on the Mulwala redevelopment project," Mr Casari said.

"The improved plant will provide world class manufacturing capabilities with stringent safety and environmental safeguards designed to meet environmental legislative requirements," he said.

Bovis Lend Lease is partnering with US based defence company ATK for the project. ATK, a world leading producer of weapons-grade propellant and energetics, will provide the production process design, critical equipment and support for start-up, product qualification and performance testing of the new facilities.

The Bovis Lend Lease/ATK team brings extensive experience and complementary skills to the Mulwala redevelopment.

"ATK is honoured to participate in this important project and we look forward to working side-by-side with our Australian customers," said Ron Dittmore, President of ATK Launch Systems Group.

"We have developed an excellent relationship with Bovis Lend Lease and all the parties involved, and are excited to be a partner in developing a world class facility," he added.



The redevelopment will provide short term economic benefit to the local region during construction and continued long term employment during its operation.

A workforce of around 250 people will be employed on site at the peak of construction.

The Bovis Lend Lease and ATK team will complete the necessary engineering design work to enable construction to commence during the second quarter of 2008. The plant is scheduled to be fully operational in 2012 after Defence has completed its propellant testing activities.

Bovis Lend Lease has developed a close association with the Department of Defence, successfully delivering 20 major projects over the last ten years. The Australian based global project management, design and construction company has offices in more than 40 countries across six continents.

ENDS

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