

ASX Announcement

30 July 2012

Non-binding Heads of Agreement to Acquire an Asset Management Company and Business Update

HIGHLIGHTS

- Tempo Australia Limited (Tempo) enters into a non-binding heads of agreement to acquire 100% of the shares of a West Australian based Asset Management Group (the Company).
- The Company has unaudited Revenue of \$20.3M and an unaudited EBIT of \$2.7M for the financial year ending 30 June 2012.
- To be acquired on a multiple of up to 3.5 times the 2012 EBIT.
- Qualified General Services Contractor with Rio Tinto and BHPBIO.
- Majority scrip transaction.
- Industry Partners is on track to achieve its forecast earnings.

The Board of Tempo Australia Ltd is pleased to advise that a wholly owned subsidiary of Tempo has entered into a non-binding heads of agreement to acquire 100% of the issued shares in a West Australian based Asset Management Group which provides the following services to Australian and international mining companies:

- Engineering;
- Construction and maintenance;
- Labour management;
- Asset integrity;

as well as the design and installation of Heavy Mobile Mining Equipment wash facilities.

This transaction is subject to the completion of due diligence, shareholder approval and the parties negotiating and entering into formal legal documentation with all the necessary parties. Completion of transaction is anticipated by the board mid to late October 2012.

The Company and its associated entities for the financial year ending 30 June 2012 has achieved Revenue of \$20.3M and EBIT of \$2.7M (unaudited). The shares in the Company will be acquired on a multiple of up to 3.5 times the 2012 EBIT. Revenue and EBIT of \$30M and \$4.0M respectively has been forecast for the financial year ending 30 June 2013 by the Company and its associated entities.

The Company has offices in Perth and workshop facilities in the Eastern Goldfields. It has for over 20 years been a provider of Asset Management Services to blue chip clients in the resources sector, and more recently established itself as a supplier of environmentally friendly and efficient Heavy Mobile Mining Equipment wash facilities Australia wide and internationally.

The Company has a strong presence in Western Australia with a current workforce of 150, and is a Qualified General Services Contractor with Rio Tinto and BHPBIO.

The Board of Tempo Australia Ltd is pleased to announce this opportunity as it is an excellent fit with Industry Partners and consistent with Tempo's strategic plan to grow a strong resource services company through acquisition and organic growth.

For further information, please contact Robert Whitton on 0418 962 212 or Richard Wright on 0418 211 999.

Yours faithfully



Robert Whitton
Chairman