

ASX Announcement

3 October 2012

Suspension of Due Diligence and Negotiations

The Board of Tempo Australia Ltd (**Tempo**) advises that, following due diligence, it has ceased negotiations with the West Australian-based asset management company (**Target**) announced on the 27th of July 2012.

The Board of Tempo conducted extensive due diligence on the Target and, as a result of the due diligence findings, Tempo and the target were unable to agree upon a proposed transaction structure that met Tempo's acquisition guidelines.

Tempo will instead continue with its enquiries on a number of other acquisition targets currently under consideration.

The Directors remain committed to maintaining strong, disciplined approach with respect selection criteria and due diligence on potential acquisitions. The recent softening of the economy has yielded a favourable environment for Tempo, with a greater number of opportunities to consider.

The Board remains committed to its focus on building a profit base in Western Australia leveraging off the first acquisition (Industry Partners) to create a tier one resource services provider. Several organic growth initiatives are in place with realisation of these initiatives expected from January 2013.

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

Yours faithfully



Robert Whitton
Chairman