

Thursday, 2nd May 2013

The Manager
Company Announcements
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Via Electronic Lodgement

Dear Sir/Madam

Chairman's Address and Presentation

The company is pleased to provide the Chairman's Address and presentation to be delivered at that the 2013 Annual General Meeting of Tempo Australia Limited which is scheduled to commence at 2:00pm (WST) today.

On behalf of the Board of
Tempo Australia Limited



Robert Whitton
Director

2nd May 2013

2013 Annual General Meeting – Chairman's Address

Address to shareholders by Mr Nick Bowen, at Tempo Australia Limited's Annual General Meeting in Perth on the 2nd of May 2013.

Good afternoon, ladies and gentlemen and welcome to the Tempo 2012 AGM. My name is Nick Bowen and I am the Chairman of Tempo Australia Limited.

To begin with let me introduce my fellow directors and the Tempo senior management team.

The Directors are:

- Dick Wright- Managing Director
- Robert Whitton- Non Executive Director and former Chairman
- Charlie Bontempo- Non Executive Director, and
- Peter Dykes- Non Executive Director

From the Management team we have with us today

- Giuseppe Leone – Chief Operating Officer
- Daniel Hibbs – General Manager Construction & Maintenance, and
- Craig Hudson – General Manager Personnel Management

Also attending today, by teleconference, is John Rainbow our Company Secretary and Rod Shanley Director of Pitcher Partners, the company's Auditors. Rod will be available to answer questions in relation to the conduct of the audit, the Auditor's Report, the Company's accounting policies and the independence of the Auditor.

For a young start-up company I believe we have a very strong and experienced Board and Management team established which is the base for building a new resource services organization.

2012 Year in Review

The 2012 calendar year was characterized by a number of significant achievements including:

- The acquisition of Industry Partners;
- Being re-admitted to the ASX as Tempo Australia Ltd (TPP);
- The commencement of Revenue from Resource Services;
- The appointment of key Management;
- Capital raised and shares consolidated; and
- Marketing of the new business model to clients.

Following the acquisition of Industry Partners, now being rebranded to Personnel Management, the Company did investigate a number of acquisition opportunities in the Construction & Maintenance sectors. However it was determined that the asking prices were too high and the Board also considered that the projected growth rates were too optimistic, a point which has now been proven.

As a result of not making an acquisition in the Construction & Maintenance sector the Board adjusted the strategic execution strategy to grow by organic means.

From a financial perspective 2012 delivered:

- \$6.0 million of revenue;
- A \$0.6 million loss before tax from normal operations; and
- A total loss before tax of \$1.6 million after including acquisition and investigation related costs.

Although a loss is never acceptable, considering that 2012 only included six months of operations and involved the establishment of Tempo the results are considered reasonable. At year end the Company had \$2.3 million of cash, no debt, a strong management team in place and an operating Personnel Management business which was a sound position to enter the 2013 year

Current Industry Conditions

There is currently much written about the market conditions in the Resources sector but I do believe there has been an over reaction. It is correct that commodity prices are down from their peaks and there is also forecast to be lower levels of capital expenditure going forward. However a closer look at the figures reveals:

- that Resource production volumes continue to increase year on year
- that capital investment in the Resources sector will hit a peak in 2013 and start to decline in 2014 but the 2013, 2014 and 2015 years are all forecasting expenditure levels higher than that seen in 2012 , a year which was viewed by all as positive.

In reality what we are seeing is a pull back from unsustainable levels of growth with the consequent cost increases to what is more manageable . So in simple terms there is still a lot of capital work to be done and there is also an increasing level of ongoing maintenance expenditure required.

However the recent dampening in commodity prices and lower levels of growth going forward have caused the industry to “take breath” which has resulted in delays to some projects.

What is more interesting is the message from the Resource owners that costs are too high and productivity in Australia too low. It may surprise you but I agree 100% with these comments.

Over the last five years there has been a period of rapid growth in the Resources sector combined with high commodity prices. This resulted in a focus on “getting the job done at almost any cost”. The outcome is the industry has become inefficient, layers of bureaucracy have been introduced, wages have increased and there has been a lack of focus on productivity.

This is I believe, a great opportunity for Tempo.

Tempo Strategy

Our strategy is to create a fully integrated multidisciplinary Engineering, Procurement and Construction service provider delivering end-to-end turnkey solutions to the Mining and Oil & Gas sectors in Australia.

This strategy has been developed following consultation with the industry as to what they see as the need. The message we have also been given is keep it simple and deliver productivity improvements.

Tempo has a great advantage over all its competitors in that we are a new company, effectively a clean sheet of paper. Being less than one year old we have the opportunity to develop the company so that it meets the needs of today's customer expectations.

To achieve this Tempo is being structured with an absolute focus on Productivity and Cost Control. The essential elements of this are:

- A lean structure with low overheads;
- A focus of project performance with accountability and control at the project level and not at head office;
- Ensuring our people are given the freedom to deliver productivity improvements; and
- A proactive and experienced Board;

From a financial and shareholder perspective our strategy is about conserving shareholder capital and delivering year on year earnings per share growth.

2013 Year to Date

Notwithstanding some levelling off in the Resource sectors 2013 has seen further success for Tempo. The decision to focus on organic growth of the Construction & Maintenance business placed the emphasis on winning our first contract, and without doubt the first contract is always the hardest to win. As such the award in March of the Construction Services contract with Laing O'Rourke for work on the Rio Tinto Cape Lambert Iron Ore port expansion was a very significant achievement for Tempo.

This contract initially scheduled to run until the end of May, 2013 has already had its scope of work increased and the term of the contract has been extended out until the end of July. The Tempo team on site has been able to demonstrate its capability to carry out the work and is also delivering productivity improvements.

In terms of additional work the Management team has continued to focus on business development across iron ore and oil & gas projects in Western Australia. A number of tendering opportunities have now transpired and the team is focused on winning the next job.

Outlook

Compared to all our competitors Tempo has several advantages. We are coming off a low base with 2012 revenues of only \$6 million. Also we have no legacy contracts and our cost base is low.

What this means is that under all circumstances Tempo revenue will grow in 2013 and again in 2014. So whilst other contractors are looking at revenue reductions and profit downgrades Tempo is the opposite. We will grow in 2013 and subject to the timing of new work the level of growth could be very high. In terms of the bottom line the target is for Tempo to deliver a profit in calendar 2013. We also need to prudently grow so as to manage our cash.

Overall I believe there are sufficient projects available for Tempo to have a successful 2013.

Conclusion

So to conclude, I believe Tempo is in good shape to grow and deliver positive returns to our shareholders. I am aware that many of you are concerned and disappointed with the current share price. Your board is equally concerned but unfortunately the whole Resources Services sector is not flavour of the month at present.

I think it is worth mentioning why I joined the Tempo Board. Having spent 30 years working in the Construction and Mining sectors I share the vision and strategy of Tempo and believe we can make good return. To back this up I am investing \$500,000 in the Company and as you will note from today's meeting my entry price is 8.55 cents which is above the current trading price. This should give you confidence in your stock.

I would like to specifically thank Robert Whitton for his two and a half years of service as Chairman of Tempo. Robert has been a key part of the success of Tempo. On your behalf I also wish to thank the management team for their work over the last 12 months.

Finally, I would like to thank you, our shareholders, for your continued and loyal support of the Company. Our focus at Tempo is on delivering value to our shareholders and we will do this by being focused, flexible, disciplined and lean.

Thank you.

End of Address

Nick Bowen
Chairman

For further information, please check our website (www.tempoaust.com) or contact Nick Bowen on 0411 754 258.



A people driven business improving productivity in the resources sector

Tempo Australia Limited
2013 AGM Presentation

02 May 2013

1. Directors and Management
2. 2012 Year in Review
3. Current Industry Conditions
4. Strategy
5. 2013 Update
6. Outlook and Conclusion

Nick Bowen

Executive Chairman

30 years international mining and construction experience: CEO Macmahon Holdings 2000 to 2013, CEO Eltin Limited 1990 to 1999. Life Member Chamber of Minerals and Energy WA

Richard (Dick) Wright

Managing Director

40 years delivering multi-billion dollar resource projects: MD Fluor Australia, Chairman Alice Spring to Darwin Railway, key roles Hancock Prospecting, Rio Tinto, Johns Perry, UIE, Decmil. Strong track record growing resource services companies.

Carmelo (Charlie) Bontempo

Non Executive Director & Customer Relations

Founder of UGL Limited, MD of Monadelphous Group and key advisor to numerous private and publicly listed companies in Australia.

Robert Whitton

Non-Executive Director

More than 25 years business advisory, insolvency and reconstruction experience. Currently a Director at William Buck, Chartered Accountants & Advisors. Non-Executive Director to various listed Australian companies.

Peter Dykes

Non-Executive Director

Over 15 years of experience in the technology industry, advising some of Australia's largest corporate clients, including BHP Billiton, Boral and Telstra also small start-up companies. Non-Executive Director to various listed Australian companies.

Giuseppe Leone

Chief Operating Officer

18 years of experience in Industrial Services in the oil and gas, minerals and mining, chemical and power sectors across South East Asia, Australia and the Pacific Rim.

Daniel Hibbs

General Manager- Construction and Maintenance

18 years "hands-on" experience across Australia in the resources sector with key oil and gas experience. Significant exposure on projects across the Pilbara Region, WA.

Craig Hudson

General Manager- Personnel Management

13 years in managed labour services, recruitment and labour hire to the resources sector. Previously, general Manager of Mining and Resources for the Integrated Group.

2012 Year in Review

safety | people | productivity

2012 has been a landmark year for Tempo

Highlights

- ✓ Acquisition of Industry Partners
- ✓ Re-listed on ASX as Tempo Australia Ltd (TPP)
- ✓ Commencement of Revenue from Resource Services
- ✓ Appointment of Key Management
- ✓ Share consolidation
- ✓ \$5.6m in capital raised through the issue of ordinary shares and early exercise of options
- ✓ Marketing of the new business model to clients.

\$6.0m

Revenue

(0.6m)

Adjusted Loss before tax¹

Zero Harm

Safety Performance

149.5M

Ordinary Shares on Issue
YE 2012

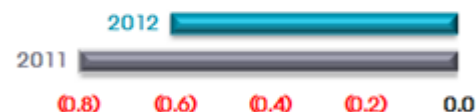
Loss after tax (\$'M)



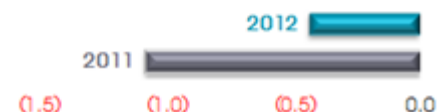
EPS (cents)



Adjusted loss before tax (\$'M)¹



Adjusted EPS before tax (cents)



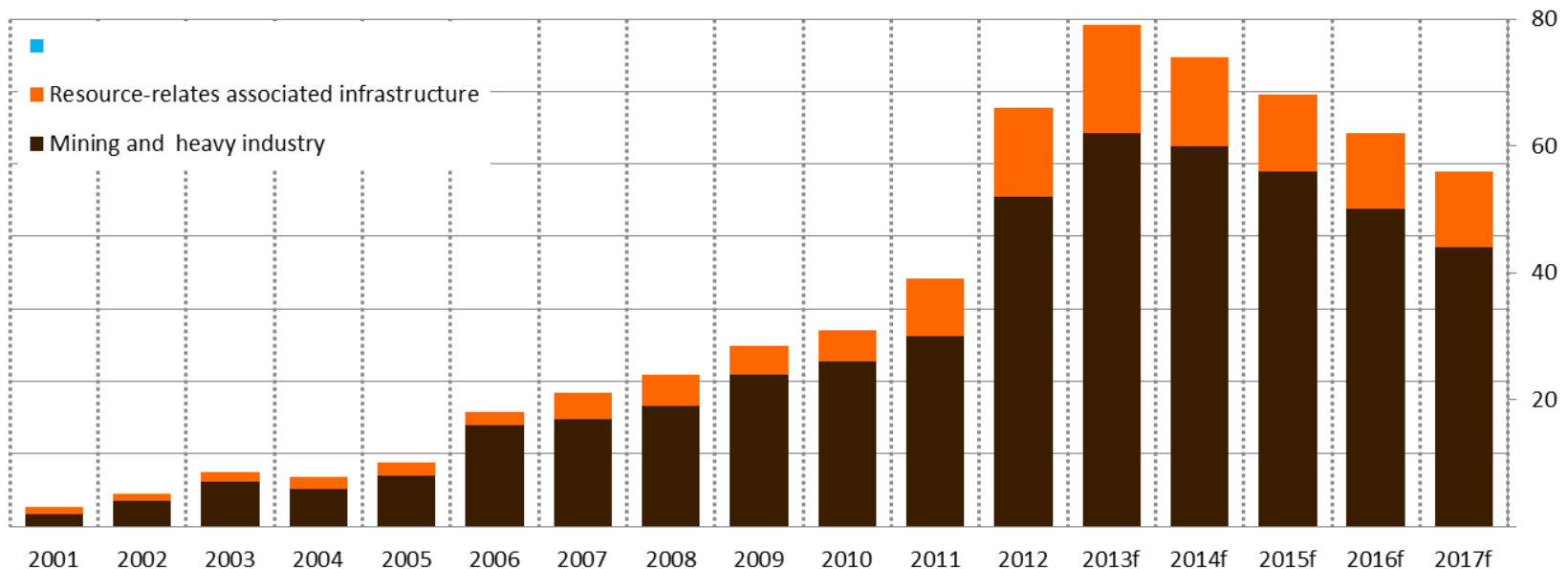
¹Adjusted for acquisition and one-off non-operating items not expected in future years.

Current Industry Conditions

safety | people | productivity

- Investment in the Resources sector is expected to hit a peak in 2013.
- Forecast expenditure 2013 to 2015 at levels higher than that seen in 2012.
- Significant structural, mechanical and piping work still to be done

Engineering construction work done, constant 2010-11 prices, year ended June (\$Bn)



SOURCE: BIS SHRAPMNEL, ABS
Australian Fin Review
Monday 29 April 2013,

- Our strategy is to create a fully integrated multidisciplinary Engineering, Procurement and Construction service provider delivering end -to -end turnkey solutions to the Mining and Oil & Gas sectors in Australia.
- Our advantage is that we can develop the company so that it meets the needs of todays customer expectations.
- Tempo structured with a focus on Productivity and Cost Control.
 - Lean structure with low overheads
 - Focus on project performance with accountability at project level
 - Ensuring our people are given the freedom to deliver productivity improvements
- Our strategy is about conserving shareholder capital and delivering year on year earnings per share growth.

- Efforts focused on blue chip miners and tier 1 contractors to provide opportunities for the start-up construction and maintenance business.
- Award in March of the Construction Services contract with Laing O'Rourke for work on the Rio Tinto Cape Lambert Iron Ore port expansion.
- Contract scope expanded and duration extended till July 2013.
- Continued to focus on business development across iron ore and oil and gas projects in Western Australia.
- A number of tendering opportunities have transpired and the team is focused on winning the next job.

- Tempo is growing from a low base which provides significant upside.
- The target is for Tempo to deliver a profit in calendar 2013.
- Revenue and profit for 2013 will be determined by the timing of new work
- Tempo is in good shape to grow and deliver positive returns to shareholders
- The Board thanks shareholders for their support
- We will remain focused, flexible, disciplined and lean.



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