

Tempo Australia Ltd

(ASX : TPP)

Investor Update

April 2015



People | Productivity | Performance

Disclaimer and Forward Looking Statements

This Presentation is provided by Tempo Australia Ltd (the Company).

You should not rely upon anything in this presentation and/or any information obtained from the Company, its Directors or their associates in deciding whether or not to seek to participate in the shares of the Company.

This is not an offer to subscribe for securities in the Company.

The Presentation may contain quantitative statements of anticipated future performance such as projections, forecasts, calculations, forward-looking statements or estimates all of which are based on certain assumptions (Forward Looking Statements).

The Forward Looking Statements may involve subjective judgements and are based on a large number of assumptions and are subject to significant uncertainties and contingencies, many of which are outside the control of the Company and may not prove to be correct.

No representation or warranty is made that any Forward Looking Statements will be achieved, or occur, or that the assumptions upon which they are based are reasonable or the financial calculations from which they have been derived are correct. Actual future events may vary significantly from the Forward Looking Statements.

Each Recipient should undertake its own independent review of the Forward Looking Statements, including the assumptions on which they are based and the financial calculations from which they are derived

Overview

- Emerging ASX listed contractor and services company to the resources, energy and infrastructure sectors.
- Business model based on securing projects with blue chip clients by delivering high quality, safe, on-time and cost effective projects.
- Target contract size ~\$1m-\$50m – geared for these scopes of work, not economic for large players.
- Operating divisions:
 - Construction & Maintenance; and
 - Personnel Management
- Market Focus
 - Construction, sustaining capital, maintenance
 - Resources, Oil & Gas, Hydrocarbon storage and Infrastructure
- Well positioned for sustainable and strategic growth – strong new business pipeline

Capital Structure

ASX code	TPP
Shares on issue	195.4m
Options on issue ¹	16.1m
Market capitalisation ²	~A\$13.7m
12 month price range ²	11.5c-2.6c
Net Assets ³	\$7.1m

Shareholders

Board and Management	23.42%
Top 20 Shareholders	66.01%
Major Shareholders	
Bontempo Nominees	19.85%
Peter Koadlow	14.45%
GAB Superannuation Fund	3.97%

1) Employees and Board member options exercisable at various prices of \$0.10 or greater with various vesting conditions

2) As at 27 April 2015

3) As at 31 December 2015

Board and Leadership Team



Carmelo (Charlie) Bontempo
Chairman

Founding partner of UGL Limited and MD of Monadelphous Group Limited during its early restructuring.



Nick Bowen
Non Executive Director

30 years international mining and civil engineering. Currently Executive Global Head Mining Services of Orica Ltd. Previously CEO Macmahon Holdings.



Philip Loots
Non Executive Director

A lawyer with a PMD from Harvard Business School. Legal counsel to Bechtel, with significant experience in mega oil and gas, construction and resources.



Brian Thomas
Non Executive Director

Experienced Executive and Non-Executive Director and specialist in corporate finance, M&A and investor relations. Career spanning stockbroking, investment banking, fund management and operations in the energy and resource industry.



Michael West
CFO and Company Secretary

Experience in finance, strategy and engineering, spanning construction, maintenance, engineering, private equity and investment banking.



Daniel Hibbs
General Manager

21 years mining and oil and gas experience (upstream and downstream) – across Australia and remote Pilbara locations.



Michael Douglas
Construction Operations Manager

30 years multi-disciplined construction operations management experience throughout Australia

Capabilities

Structural



Fabricate, Erect:

- Structural Steel
- Process facilities
- Workshops
- Crushers
- Buildings
- ROM Structures

Mechanical



Install, Refurbish:

- Mech. Equip.
- Pumps
- Ball/SAG Mills
- Agitators & Crushers
- Screens/Hopper
- Cyclone Chutes
- Floatation sys.

Piping



Fabricate, Install:

- Carbon pipe
- Stainless pipe
- Duplex pipe
- HDPE
- GRP

Electrical and Instrumentation



- Licenced contractor
- Construction
- Commissioning
- Instrumentation
- Fibre optics

Bulk Storage tanks & Material Handling



Fabricate, Erect:

- Storage tanks to API650
- Tank refurb. to API653
- Stackers
- Reclaimers
- Ship Loaders
- Conveyor systems

Supervised Teams & Trades



Construction & execution teams:

- Skilled construction labour
- greenfield and brown field projects

Complete Life Cycle Project Delivery

Services cover construction, maintenance, sustaining capital, shutdowns and supplementary labour



Tempo Projects

Client: Rio Tinto

**Project: Cape Lambert
Port Expansion**



Initial Project Value:

AU\$13.5m

Variations for up to:






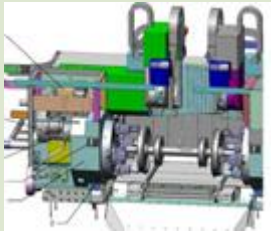


AU\$11m

Total Project Value:

~AU\$25m

- July 2014, Tempo awarded a \$13.4m contract with Rio Tinto at its Cape Lambert Port Expansion, in the Pilbara region of Western Australia.
- Contract is for Structural, Mechanical and Piping Miscellaneous Works, Shutdowns and Commissioning Support.
- Represents Tempo's first major contract direct with Rio Tinto.
- February 2015, Company awarded approval for variations to contract of up to \$11m.
- Variations increase the total potential contract value with Rio to approx \$25m.
- Company currently has ~140 personnel engaged on site.
- Variations demonstrate Company's capabilities to deliver on a wide range of activities.
- Tempo is well funded to deliver this contract.

Other Projects

End Client	Project	Location	Description	
	General Services and Sustaining Capital Works	Cooper Basin, Queensland	3 year General Services contract to support increased export capacity at Santos Cooper Basin 24/7 operations in SW Queensland. SOW Miscellaneous SMPE&I, General maintenance, Management & Operational Support, Commissioning works.	
	Cape Lambert Port A (353 MTPA) Expansion Project	Cape Lambert, Western Australia	Project supports the increased export capacity for Rio Tinto's Iron Ore operations in the Pilbara. Provided structural mechanical and piping erection and installation services. Allocated the sample station (520T), drive station (1600T), overland conveyors from Screen house to sample station and general shutdowns and punch list activities.	
	BHP Billiton Ore Car Repair Shop (OCRS) Project	Port Hedland, Western Australia	Ore Car Repair workshop will cover 10,000m ² with office space for 92 people. Will be fitted with high tech process equipment to refurbish ore carts in an automatic environment. Workshop will facilitate maintenance and refurbishment of 36 ore cars a day when Stage 1 works are complete.	
	Coastal Fuels	Parker Point, Cape Lambert	Diesel storage Tank at Parker Point required a full floor replacement and refurbishment of existing 11ML capacity (30m diameter x 20m high) diesel tank. Also included supply and installation of fire water and portable water piping.	

People, Performance & Productivity

- Large database of qualified trades people and supervisors – core group of 400.
- Highly experienced management and board team.
- Recruitment, selection and induction techniques to employ the best people.
- Open 360° communication and collaborative approach to engage with employees to drive safety, quality and productivity.
- Employing systems and procedures to ensure safe and efficient delivery.
- Excellent results from independent review by Achilles – acts as pre-qualification for major Oil & Gas clients including Santos, Clough, QGC, Senex and more



Safety

- Substantial improvement in safety statistics
 - 754 days LTI free
 - TRIFR running at Zero for calendar 2015 YTD
- Utilising systems and procedures to ensure safe and efficient delivery
- Roll out of **Operation Zero** – working towards no safety incidents
 - Site staff working on initiatives to improve safety – getting involvement from the people with the most to benefit and visibility of potential hazards
 - Emphasis on looking out for each other's safety
 - Excellent employee engagement



Growth Model

Focus Areas

Competitive advantage ;
hire the best people,
productivity, innovation
& customer
responsiveness

Grow customer base -
clients and sectors

Expand capabilities as
multi-disciplinary
construction and
maintenance provider

Improve systems,
processes, financing
and capabilities to
improve performance
and governance

Achievements and Plans

- Database of over 3,000 qualified trades people and supervisors – Core group of 400
- Highly experienced management and Board
- Increase productivity through intelligent construction methodologies, detailed plans and safety focus, plus process and systems to improve productivity and innovation

- Projects won direct with Rio Tinto and Santos
- Work performed by Tempo at new client sites including BHP Billiton and Sino Iron
- Pre-Qualified to work for oil & gas following completion of Achilles FPS Audit
- Business development continuing with Oil & Gas, mining and process industry clients

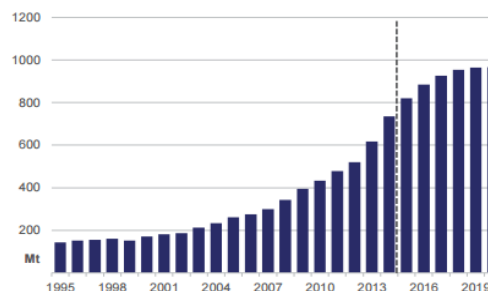
- Extensive Structural, Mechanical and Piping works and experience
- Growing maintenance and shutdown experience
- Teaming with other companies to deliver other disciplines
- Reviewing development of other disciplines

- Investment into improved process and systems
 - Achilles Oil & Gas audit recognised the work done so far
 - E-induct, and QHSE Skytrust system roll-out
- Working with financial institutions to help fund future growth
- Continual improvement focus on all areas of business

Success in a challenging market

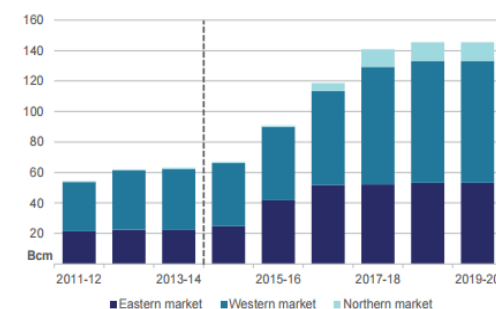
- Fewer large expansion projects but production volumes growing, leading to:
 - More sustaining capital projects, shutdowns, debottlenecking and maintenance.
 - Large number of projects valued between \$1m-\$50m – ideal target market for Tempo.
- Tempo has a tender pipeline of over \$500m – variety of clients, projects, sectors, contract sizes and disciplines.
- Every project Tempo delivers at a client site (no matter the size) allows it to demonstrate its capabilities and potentially secure larger projects – as with \$25m Rio Tinto contract
- Excellent engagement with oil and gas companies following the successful Achilles oil and gas audit and Santos contract award.

Australian annual iron ore production

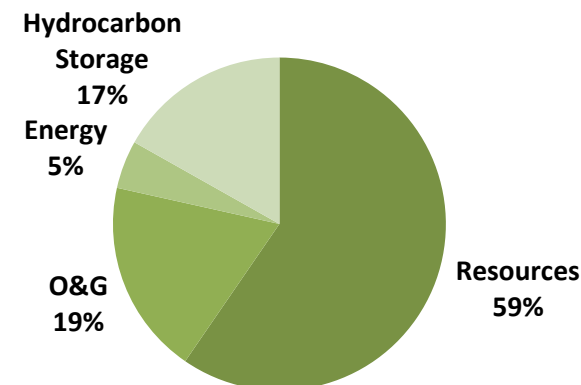


Source: March 2015 - Resources and energy Quarterly. Department of Industry and Science

Australian gas production by market



Tempo active Tender Pipeline >\$500m



Investment thesis

Strong reputation for delivery	<ul style="list-style-type: none">• Direct project win with Rio Tinto – performing very well• Prequalification for oil & gas clients• Track record of excellent project results across multiple delivery methods• Diverse pipeline of opportunities
Quality Client base	<ul style="list-style-type: none">• Tempo's current work in hand and pipeline focuses on working for blue chip clients, including:<ul style="list-style-type: none">• Rio Tinto• BHP Billiton• Chevron• Santos
Experienced team	<ul style="list-style-type: none">• Company focused on people, safety, productivity and efficiency• Support from Executive Chairman, Charlie Bontempo• Strong board with track record and skill set required to achieve results• Experienced and respected management to execute on strategy• Access to experienced, productive and qualified trades



Tempo Australia Ltd
Level 3, 38 Station Street,
Subiaco, Western Australia
6008

T: +61 (08) 6180 2040
F: +61 (08) 9388 1892
E: info@tempoaustralia.com
W: www.tempoaustralia.com