

30 October 2015

First Quarter FY2016 Update and Appendix 4C

The Directors of Site Group International Limited ("Site", ASX:SIT) are pleased to release the Appendix 4C for the 3 months ended 30 September 2015.

The result for Quarter 1 2015/2016 Financial Year, was lower in both revenue and subsequently EBITDA than for the same quarter last year with revenue of \$8.4 million and negative EBITDA of \$1.2 million.

However management expect overall the first half to 31 December 2015 will outperform the corresponding six month of last financial year (Revenue \$20.5m, EBITDA \$1.1m).

The lower results this quarter were as a result of several delays to new projects and an intensified investment into several areas of services which will positively impact Quarter 2 and beyond.

The areas of impact in summary are:

- Delays in several international programs in Malaysia, Philippines and PNG – All of which are expected to kick in between end of September 2015 and March 2016
- Investment occurred into the following specific projects of over \$400k to enable the creation of further revenues including some new lines of business:
 - Inbound international market
 - Domestic apprenticeship capability
 - A rigid pre-registration system for any candidates receiving government funding
 - Fit out of several Facilities at Clark
 - Investment in the PNG Project

Overall, the impact of lower commodity prices has had a delaying impact on programs in the pipeline for Site domestically and internationally. It is clear the lower oil and gas and general commodity pricings have had a substantial sobering effect on global markets and in particular a review by global oil and gas providers of their respective projects.

Whilst this has created some delays to projects in the pipeline Site is involved with we have experienced zero cancellations and fully expect shareholders will benefit from projects in the pipeline in 2016 and beyond.

In addition the Nationalization of Workforces agenda for countries such as PNG has a continued focus and are relevant to Site through its investment in competency based programs required to train workforces over the next 10-30 years.

During the quarter Site also opened the OceanaGold Training Centre with a world first class facility at its Clark Training Centre, Philippines.

The opening was co-hosted with Board and Management of OceanaGold and various industry

Partners including MonarkCat, Mynesight, Immersive Technologies, ORICA, Indodrill, mineARC Systems and others.

Site is confident that with the opening of the underground training facility and several other new projects at Clark, utilization will be significantly stronger in 2016 and beyond. Management expects to announce several vendor partner training relationships for Clark early in 2016.

In the Australian market, government funded programs continue to have focus of the media. It is clear that education and training will continue to receive funding support from federal and state governments, however the tightening of rules should lead to an improved and more stable environment from 2016 and beyond.

As mentioned previously management expects a sound finish to the calendar year and shareholders can expect the commencement of additional new programs in 2016 to continue the strong build of Site.

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Media and Investors

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About Site

Site Group International Limited (“Site”) operates several businesses specialising in the delivery of education, training and labour services.

Services are delivered to government, corporate and individual clients, predominately operating in energy, mining, construction and industrial sectors.

Site operates over a dozen facilities throughout Australia, as well as in Papua New Guinea, Myanmar and Malaysia, with a flagship 300,000sqm training and live-in environment in the Philippines.

Further, Site has delivered its services to governments and companies throughout the world, in countries including Indonesia, Singapore, China, UAE, Azerbaijan and others.

Site Group International Limited is an emerging company with a strategic business model pursuing earnings-accretive acquisition opportunities along with organic growth. Site is run by an experienced board and management team.

Competency Framework Development

Site consult on competency requirements to ensure a workforce holds skills required to safely perform their tasks. Clients include governments and tier one project owners in the oil and gas space.

Immersive Environment Training Centres

In conjunction with project owners, managers and/or operators, Site engineer, procure and construct Immersive Environment Training Centres which replicate real-life worksite conditions for proper training and competency development of individuals. Amongst others, Site has constructed safe live process plants and underground mine training environments for these purposes.

Training

Site specialise in the delivery of training across numerous industries, including energy, mining, construction and professional services. Training is delivered across a range of accredited and non-accredited short courses, Australian High Risk Licences, competency assurance testing, and non-funded and government funded certificate to advanced diploma level courses, apprenticeships and traineeships. Clients include multinational corporations, Small to medium Enterprise, governments and individuals.

Online Learning

Site has the capacity for the development, implementation and management of Online Learning Management Systems (LMS) and online training programs. The provision of training services occurs on our online learning platform. These services are delivered to corporate and individual clients across all training brands.

Workforce Labour Services

Site deliver the sourcing, training and deployment of skilled labour on to projects throughout numerous countries. Site has expanded this capability to include the provision of labour hire services and expat workforce management.

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

Site Group International Limited

ABN

73 003 201 910

Quarter ended ("current quarter")

30 September 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current Quarter \$A'000	Year to date (3 months) \$A'000
1.01 Receipts from customers	9,253	9,253
1.02 Payments for (a)staff costs	(4,279)	(4,279)
(b)advertising and marketing	(240)	(240)
(c)research and development		
(d)leased assets	(15)	(15)
(e)other working capital	(5,232)	(5,232)
1.03 Dividends received	-	-
1.04 Interest and other items of a similar nature received	6	6
1.05 Interest and other costs of finance paid	(8)	(8)
1.06 Income taxes paid	(370)	(370)
1.07 Other (provide details if material)	-	-
Net operating cash flows	(885)	(885)

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current Quarter \$A'000	Year to date (3 months) \$A'000
1.08 Net operating cash flows (carried forward)	(885)	(885)
1.09 Cash flows related to investing activities		
Payment for acquisition of:		
(a) businesses (item 5)	537	537
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(533)	(533)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (Cash securing bank guarantees)	329	329
Net investing cash flows	333	333
1.14 Total operating and investing cash flows	(552)	(552)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	200	200
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings (includes convertible notes)	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other (Transaction costs on shares issued)	-	-
Net financing cash flows	200	200
Net increase (decrease) in cash held	352	352
1.21 Cash at beginning of quarter/year to date	2,275	2,275
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	1,923	1,923

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current Quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.02	133
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

The payments at 1.24 are for management fees and directors fees.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	4,000	-
3.2	Credit standby arrangements	-	-

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
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Reconciliation of cash


Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current Quarter \$A'000	Previous Quarter \$A'000
4.1 Cash on hand and at bank	1,923	2,275
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	1,923	2,275

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))		Disposals (Item 1.10(a))
	Wild Geese International Pty Ltd	Innovium Pty Ltd	
5.1 Name of entity	WA	QLD	
5.2 Place of incorporation or registration			
5.3 Consideration for acquisition or disposal	As per ASX release on 1 July 2015	As per ASX release 14 July 2015	
5.4 Total net assets	As per ASX release on 1 July 2015	As per ASX release 14 July 2015	
5.5 Nature of business	RTO delivering training and competency development consultancy and personnel to the Oil and Gas Industry	RTO delivering a range of programs across project management and business for individuals and corporate clients	

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does ~~does not~~* (delete one) give a true and fair view of the matters disclosed.

Sign here:  Date:30 October 2015.....
 (Director/Company secretary)

Print name:Vernon Wills.....

+ See chapter 19 for defined terms.

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

+ See chapter 19 for defined terms.