

27 March 2020

Market Update

The Directors of Site Group International Limited ("Site", ASX:SIT) provide this update in relation to the challenging market associated with the COVID-19 pandemic.

Lucerne agreement

On 31 December 2019, Site advised shareholders it had agreed terms with Lucerne Investment Partners ("Lucerne") to provide an \$15M debt funding arrangement for the purpose of Asset Optimization and accelerate International Business Growth.

Site drew down \$2M of the facility on 31 December 2019 however no further drawings have been made.

Due to market circumstances, brought on through the COVID-19 pandemic, Lucerne and Site have agreed to cease further drawdowns on the facility and suspend the arrangement until market conditions become clearer. The existing \$2 million facility will remain in place on the previous terms announced.

Clark property

The optimisation of the Clark Asset remains a core focus however the development timetable has extended due to the unknown effect of the COVID-19 virus on the Global and Philippines economy. The directors remain of the belief this asset will make a significant contribution to the Clark precinct and shareholders in due course.

Philippines COVID-19 response

Similar to Australia and the rest of the world the Philippines has exercised due caution and taken preventive steps in closing down access to many areas including Clark. This has led to cancelation and postponement of training courses at the Clark facility.

However Site has worked diligently with Clark Development Corporation (CDC) and is utilising its Clark facility on commercial terms with the BPO providers to provide accommodation and meals for these corporations whose staff must remain in Clark to service their global market clients. This assists Site by more than replacing lost revenues from the training business with plans for the facility to house circa 700 workers during the disruption period.

Site enabling distance delivery

Site Institute ("SI") has implemented a robust and engaging online learning system to support the face-to-face student experience within its CRICOS registered courses.

In recent weeks the business has taken a proactive and precautionary approach to the uncertainty surrounding the COVID-19 health emergency by bringing forward any practical learning and assessment activities requiring students' physical in-class presence. The extension of the Learning

Management system ("LMS") capability with live interactive online classrooms and student discussion groups to enable a smooth transition to an online-only delivery mode.

Trainers and student services teams are confident in their ability to continue to provide a quality educational experience and continue to support students course progress in an online learning environment. SI will be ready to pivot to online delivery for all courses from today. Longer term, the business is well placed to provide online delivery plus small student group (5 or less) practicals for as long as community efforts for containment of COVID-19 require.

In addition, the Site Online team in the Philippines have commenced a work from home regime to complete a number of key projects for its commercial customers and mitigate the risk if any spread of COVID-19 among its staff.

Kingdom of Saudi Arabia (KSA)

All delivery in KSA for the National Construction Training Centre project continues online as requested by the customer with approximately 400 students actively engaged.

Bahrain

Work on the Feasibility Study leading up to the completion of the Financial Investment Decision continues along with the work developing the UniTraining Centre with SKD. The project has been impacted, slowed but not ceased and is expected to report during April.

Other measures being investigated

Like many Australian businesses the potential impact of COVID-19 is severe on the national economy and workforce. Site continues to work with its customers and staff to ensure the most minimal impact on all during this time.

Site does intend to fully explore the various assistance packages for the company and its employees being offered by the Australian Federal and State Governments and Banking Institutions.

Authorised for release by the Board

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Media and Investors

Vernon Wills

Managing Director and CEO
+61 (7) 3114 5188
vern.wills@site.edu.au

Craig Dawson

CFO
+61 (7) 3114 5188
craig.dawson@site.edu.au

Principal & Registered Office: Level 4, 488 Queen St, Brisbane QLD 4000

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, oil and gas and industrial sectors.

Site Group International Limited is an emerging company with a strategic business model pursuing earnings-accretive growth based on previous acquisitions along with organic growth.

Wild Geese International

Site operate a Perth based specialist Oil and Gas Competency Development and Design consultancy business unit, out of Perth, and had been operating for ~15 years prior to joining Site.

An Australian Registered Training Organisation, Wild Geese have integrated in to Site's broader national and international service capability.

Site Skills Training

An Australian Registered Training Organisation, Site Skills Training delivers Accredited and Non-Accredited High-Risk Licence, Health and Safety and industry programs extensively throughout Australia and internationally. Site deliver ~25,000 short course programs in Australia each year including delivery of Apprenticeships and Traineeships, and VET in Schools programs.

Site Institute

Site Institute is an Australian Registered Training Organisation and International CRICOS education provider specialising in engineering, trade and business qualifications. Site Institute has students studying from more than 25 countries including Brazil, China, Colombia, France, Germany, Hong Kong, Italy, Nepal, Taiwan UK and Zimbabwe.

Site Online

Site established an online learning, learning software and platform development business. Site Online services and hosts Site's learning, student and competency management systems across its businesses, develops online learning programs, and converts existing learning content in to online programs.

Site Online is also established to service requirements of clients including those of other business units.

Site Group International Pte Ltd

The Site Group International business division builds immersive training environments for the purposes of undertaking competency development, specifically the Engineering, Procurement, Construction and Commissioning of Safe Live Process Plant environments.

SGL is based in Singapore and Malaysia and services predominately oil and gas industry clients throughout the world, utilising industry best practice and international standards for the development of competency frameworks and implementation of training programs.

TESOL Asia

TESOL Asia is a training and industry focussed organisation for Teachers in the English as a Second Language (ESL) sector. It provides access to training, consulting, industry conferences and academic journals around the world.

Teaching English to Speakers of Other Languages (TESOL) focusses on bringing English language acquisition academics together with professional teachers to support and develop the industry globally.