

31 December 2019

Site enters A\$15 million debt funding arrangement for asset optimisation and to accelerate International Business growth

Highlights:

- **Site has executed a facility agreement for up to A\$15 million**
- **Site fully funded for its Asset optimisation plan**
- **Removal of cash constraints on International Business**
- **Site balance sheet strengthened whilst minimising dilution**

The Directors of Site Group International Limited (“Site”, ASX:SIT) are pleased to announce the company has entered into funding arrangements with Lucerne Investment Partners (“Lucerne”) that will secure funding for Site’s previously announced plans regarding its Clark Asset and International Business expansion through to 2021.

Site will utilise the A\$15 million funding facility (“Facility”) for the following objectives and uses:

- Progressing the development of the Clark Asset;
- Accelerate International Business growth; and
- Provide working capital.

Key terms of the Facility include:

- 3-year term with 2 x 1-year options to extend;
- Interest of 9.5% p.a. on drawn amounts;
- Initial Drawing of A\$2 million occurred on 31 December 2019;
- Progressive drawings conditional upon final documentation and achieving milestones through to December 2020;
- The granting of Detachable Warrants to Lucerne with an exercise price of the lower of 12 cents per share, or 20% discount of any future equity raise, exercisable up to 4 years from the Initial Drawing; and
- 2020 drawdowns subject to completion of due diligence within 4 weeks.

The above Facility will enable Site to continue its optimisation and development plans with a higher degree of certainty throughout 2020 and beyond. Site has significant demand and customer expansion potential previously unmet due to capital constraints. Site expects this funding initiative to provide sufficient capital to remove any cash constraints on achieving sustainable revenue growth and profit.

On 22 November 2019, Site announced further details regarding the optimisation of its Clark Asset and further information on Bahrain and KSA developments. Previously Site has made several announcements regarding its Safe Live Process Plant (SLPP) and the intended expansion of its Engineering Work Experience Program (EWEP). These programs are working very well in PNG and Myanmar for customers such as KUMUL, EXXON, PTET and Woodside.

Site is focussed on the delivery of SLPPs and EWEPs to lead the expansion of its international and domestic training business units. The previously announced Unitraining Skills Centre for Bahrain in

collaboration with Sayed Kadhem Al Durazi and Sons (SKD) are part of this expansion plan, in addition to possible further expansion in Singapore and Australia.

About the Clark Asset

Site is the holder of a 25-year lease agreement with an option to extend for another 25 years with the Philippine government through Clark Development Corporation (CDC). This agreement grants Site the right to manage, operate and sublease its approximately 30-hectare property.

Given the significant development of the Clark Precinct and government plans to see Clark develop as a CBD, Site announced last year the appointment of renowned Urban Renewal Specialist, Palafox and Associates to undertake a conceptual scoping study, which has since been received by Site and is being actively considered by the Board. The concept plan can be viewed on Site's website.

The concept plan proposes a unique, mixed-use real estate development that will allow Site to participate in the growth of a region poised to become the next economic powerhouse in the Philippines whilst continuing with its core training business.

Strategically located at a prime location within the Clark Freeport Zone ("CFZ"), the project benefits from the robust regional growth, abundant supply of skilled labour force and natural disaster-resilient infrastructure.

The Philippine Government has announced plans to develop Clark as a new CBD north of Manila, which will include the relocation of some government services from Manila to ease congestion.

This includes significant investment in further development of Clark Airport (2,367 hectares) to ultimately include 3 runways and increase facilities from a 12 million annual passenger capacity in 2020 to in excess of 50 million passengers per annum. Conversely, Manila Airport (645 hectares) has a locked capacity of circa 30 million passengers per annum and operates 2 cross runways. Additionally, the Manila-Clark train is expected to commence taking passengers in 2023, with further extensions planned to Tarlac and Subic via Clark.

Site's leasehold proximity to Clark International Airport, Subic Bay, and major road networks strategically links the potential development to other major CBDs locally and internationally. As part of Central Luzon, the Project is at the centre of high-priority infrastructure projects of the Philippines' Build, Build, Build program led by the Bases Commission Development Authority (BCDA) and CDC.

Shareholders who wish to view the list of developments in Clark should visit the BCDA official website under "projects".

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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, 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. Site Institute has students studying in Australia from countries including Argentina, Brazil, Chile, Colombia, Mexico, Peru and South Korea, with additional networks being established in other countries.

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.

SGI 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.