

17 July 2014

The Manager
Company Announcements
Australian Securities Exchange
Level 5, 20 Bridge Street
SYDNEY NSW 2000

By Electronic Lodgement

Dear Sirs

Consolidated Activities Report – Proposed Business Strategy

The Board of INT Corporation Limited (**Company**) confirms that its proposed business strategy remains the same as it appeared in Section 5.3 of the supplementary prospectus lodged with ASIC and the ASX on 24 June 2014 (which replaces Section 5.3 of the prospectus lodged with ASIC and the ASX on 29 May 2014).

Please find **enclosed** a consolidated activities report setting out the Company's proposed business strategy.

Yours faithfully



Andrew Whitten
Company Secretary

Consolidated Activities Report – Proposed Business Strategy

The Company will investigate relaunching some parts of its former business of providing outsourced services and managed utilities such as internet, telephony, electricity, water and gas and was also involved in the design and supply of hardware and software technology solutions and applications. The Company will also actively consider the acquisition of other investments.

It was a condition of the Proposal that the Company retain existing business assets (unencumbered) with the exception of the business assets sold by the Administrators, as announced to the ASX on 16 August 2013. The Administrator sold most of the assets of Intermoco Group Pty Ltd a wholly owned subsidiary of INT Corporation Limited and the trading entity of the group.

The remaining Company assets including intellectual property and know how such as the PowerSave business name, work manuals, check lists, process and procedure manuals, quote sheets, marketing materials, customer support paraphernalia, technology and supplier relationships and other know how that may assist in the potential relaunch of some parts of the Company's former operations.

With the price of utilities such as electricity escalating over recent years, the Directors wish to investigate whether there is an avenue for Company to re-enter some parts of the broader utilities management industry utilising its know-how.

The Company intends to undertake an operational review of its assets to establish if there are opportunities to offer some of the following embedded network services to commercial developments, business parks, retail complexes, residential towers and retirement villages:

- design, specification and implementation of voice, data, energy, gas and water embedded network services;
- wholesale utility procurement and the management of distributor interfaces (sub-metering) to the tenants;
- provision of multiple services on a single bill at superior rates to typical retail services and tenant collection and debtor management services;
- design and development of industry related software solutions and applications; and
- the supply of utility management hardware and equipment such as smart meters and other energy efficiency products.

The Company intends to evaluate the potential via discussions with body corporates, developers, financiers, architects and builders focussing on the East Coast corridor of Australia. As a Company that has been through administration that is intending to investigate relaunching its former business, the Company's future operations may be affected by a range of factors as outlined in Section 8.2.3 of the prospectus dated 29 May 2014 (**Prospectus**) (which is to be read together with the supplementary prospectus dated 24 June 2014). Given the impact of the administration, the fact that the Company has not operated its former business for some time and does not have any employees or clients the Board considers the relaunch of the business carries risk more typically associated with a start-up business than a mature business. There is also the risk following the investigation by the Company that the existing business may not be relaunched.

To mitigate these risks, and to avoid the large losses the Company suffered under its former management, the Company may, amongst other things:

- engage with industry participants as partners and engage sub-contractors to control cost;
- consider acting as a distributor/agent for other embedded network and building service providers; and
- consider sourcing and distributing energy efficiency products including solar and the provision of energy efficiency consulting via online channels utilising the PowerSave name that the Company owns. Once again, this would be way of partnering with current industry participants.

As outlined in Section 3.1 of the Prospectus, the Company has budgeted \$200,000 in year 1 and \$225,000 in year 2 for the review and development of existing assets.

As outlined in Section 3.1 of the Prospectus, the Company has also budgeted \$175,000 in year 1 and \$175,000 in year 2 for the review and evaluation of new projects. In this regard, the Board will actively consider the acquisition and development of other investments, both within the utilities industry as well as in unrelated market segments.

The Company has a highly qualified Board and Advisory Committee with over 30 years private equity investment experience. The Board is constantly reviewing acquisition opportunities however there are no acquisition opportunities sufficiently advanced to warrant disclosure. Whilst not being prescriptive, the Board is seeking acquisitions that will accelerate the transformation of the Company into a high growth and strong cash-flow generating business.

It should be noted that by pursuing any new opportunity, the Company may be required by ASX to re-comply with Chapters 1 and 2 of the ASX Listing Rules. This will depend on the transaction, which would also require Shareholder approval.