

ASX/MEDIA RELEASE - OTOC



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OTOC AUSTRALIA \$4.3M PROJECT AWARD AND MARKET UPDATE

OTOC's Infrastructure division, OTOC Australia is pleased to announce the award of communications works to upgrade BHP Billiton village entertainment systems for WAIO Villages, with an initial contract value of \$4.3m.

OTOC Australia has seen the first signs of a reduction in work to be priced at Nauru. Current work in hand is expected to be completed by the end of Q3 FY17.

Infrastructre earnings from OTOC Australia are expected to be lower than achieved in FY16, with FY17 first half EBITDA forecast to range between \$3.0 - \$4.0 million (1H FY16: \$6.0 million). Full year earnings will be impacted by the forecast reduction in infrastructure works at Nauru. OTOC Australia will continue to manage overhead costs in line with revenue and its project pipeline.

OTOC Australia will continue to focus on sourcing and delivering infrastructure projects, including its remote Communications solutions that meet managed growth criteria set by the OTOC Limited Board.

OTOC CEO Simon Thomas said:

"OTOC Australia's three year project on Nauru has been successfully delivered to one of the most remote locations in the world with a high degree of safety and quality, I would like to personally congratulate all those involved in constructing these infrastuctre works for the people of Nauru."

OTOC Australia's Communications project win supports the ongoing focus on this capability within our business after several years of technological development to meet client demand for robust remote area entertainment solutions. We anticipate future growth for OTOC Australia's Communications team."

– Ends –

About OTOC

OTOC offers surveying, planning and design services throughout Australasia. A leading provider of professional consulting and innovative spatial solutions, OTOC delivers quality service to clients across a range of industry sectors.

OTOC Australia, OTOC's Infrastructure division provides infrastructure construction and maintenance services to clients covering communications, renewable energy, government, resources, utilities and remote areas.

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