

24 February 2017

Dear Shareholder

The Company has today released its results for the six months to 31 December 2016.

Reported profit before tax for the period was \$6,581,686 on revenue from operations up 0.2% to \$79,187,651. Profit after tax was \$5,500,989, representing 8.03 cents per share.

Underlying profit before tax for the period was \$4,000,250, after adjustments for the profit on sale of the non-core Malaga properties of \$2,871,331, and an expense for an increase in the deferred contingent payment of \$289,895 related to the GMK Logistics acquisition, a decline of 12.8% on the underlying profit for the previous corresponding period. Underlying earnings per share after tax was 3.84 cents.

As a transport and warehousing company we did well during the mining boom in Western Australia. While a downturn was not unexpected, when it arrived two years ago we were suddenly competing in a market with severe over-capacity and weakening demand, leading to price and margin pressures which reflect through to the bottom line. We have fought these pressures with productivity improvement and cost reduction initiatives, supported by the implementation of enhanced IT operating systems in both transport and warehousing. These initiatives are ongoing and we have already seen the benefits. We are also looking at several opportunities for expansion and growth, within WA and also nationally, where our earlier diversifications with GMK Logistics and our SA operations have already helped offset the downturn in WA.

Alongside the above we are continuing to improve our security business, which installs and monitors alarm systems for commercial and residential customers. We recently installed a new state-of-the-art alarm monitoring control system, which also enhances our video surveillance capability and facilitates a lone worker safety package.

In our correspondence to you last year we noted our expectation to resume paying dividends during the current financial year. The directors have decided to declare an interim dividend of 1.75 cents per share fully franked, payable on 11 April 2017. May we remind you that the Dividend Re-investment Plan and Bonus Share Plan are available for you to receive your dividend in fully paid ordinary shares at a discount of 2.5% in lieu of cash if you wish. The last election date for participation in the Plans is 9 March 2017. Participation may be effected by logging on to the Computershare Investor Centre (<http://www.investorcentre.com/au>).

Yours faithfully

David Watson
EXECUTIVE CHAIRMAN