

23-Nov-2017

## Annual General Meeting, Managing Director's Presentation

It is my pleasure to address the shareholders at the Site Group International Limited (ASX : SIT, "Site") 2017 Annual General Meeting.

As shareholders would be aware it has been a difficult year with the ongoing Audit of the VET FEE-HELP scheme from the 2015 Calendar year and associated enquiries from ACCC and ASQA. Site Board and management continue to provide information as requested and are in regular dialogue with DET and hopeful the reconciliation process is closer to being finalised.

The core business continues to build in line with previous market guidance with revenues for the year indicating the previously estimated above \$36m gross is within reach.

Additionally management is confident several new projects which form part of its sales funnel will be announced in the 3rd quarter.

Interestingly a number of key highlights announced during the year remain constant showing we are getting consistency within the business.

- Over 130,000 students trained for industry over the last 5 years with current run rate with industry partners increasing;
- Apprenticeship business proving very popular with Industry and Students;
- New Darwin facility providing new areas of skills for Industry partnerships;
- Proposal for Industry driven SLPP for Gladstone strongly supported;
- Development of Work Integrated Learning (WIL) for graduating engineers receiving strong support from Industry, Universities, Student bodies and Internship companies;
- New upstream opportunities with domestic and International implications with addition of well management, maintenance and operations; and
- Continuing sound results from subsidiary Wild Geese International.

Some of the recent highlights include:

### Singapore

Site Group International Energy Division (SGI) is pleased to advise its project to design and develop the Skills Framework for the Energy and Chemicals sector, Singapore has been formally released into the public domain by SkillsFuture Singapore. The process included validation and endorsement of the Skills Framework which has been welcomed by the industry.

SGI is now embarking on the next stage to engage with industry and stakeholders to promote adoption of the framework and its components and thereby ensuring this significant initiative is fully realised in the form of a training, coaching and assessment centre delivering the Skills Framework. The SkillsFuture framework can be seen at:

<http://www.skillsfuture.sg/skills-framework/energyandchemicals>

The Skills Framework is an integral component of the Industry Transformation Maps and it is co-created by Employers, Industry Associations, Unions and Government for the Singapore workforce. The Skills Framework provides key information on sector and employment, career pathways,

occupations/job roles, as well as existing and emerging skills required for the occupations/job roles. The Framework also provides a list of training programmes for skills upgrading and mastery. SGI completed this project in August 2017.

## Papua New Guinea

Site attended the media launch for the commencement of commissioning of the Safe Life Process Plant (SLPP) in Port Moresby which received considerable interest from Industry.

The commissioning of the PNG SLPP environment will allow for ongoing growth and development of projects in country, and a continuation of services at the facility for Kumul Petroleum, ExxonMobil, and other clients.



Furthermore, the location of an operating Safe Live Process Plant facility with easy proximity and access to Australia will strengthen the capability to rollout additional programs, both for in-country clients and for the Australian market. Particularly, ongoing development of the Work Integrated Learning program for Engineering Students will provide capacity for Australian University students to access WIL programs at the facility, and for PNG domestic engineers and engineering students to access additional, unique programs.

Three different PNG newspapers wrote articles regarding the Safe Live Process Plant and training being undertaken.



## Myanmar

Engineering university students in Myanmar have commenced their Woodside sponsored Work Integrated Learning (WIL) Projects.

The WIL programme in Myanmar will run for 16 weeks and provide competency and familiarisation experience for Petroleum Engineers undertaking their Bachelor of Engineering at Yangon Technology University.

Yangon Technology University is a partner of Australia's Curtin University, with the WIL programme to utilise real engineering documents and processes associated with the Safe Live Process Plant to provide the engineering students with work experience across core engineering skillsets and the engineering cycle including Project Feasibility, Front End Engineering Design (FEED), Design Modification, HAZOP, Project Engineering and Project Management. Site expects this and other WIL Projects in the Philippines, Papua New Guinea and Australia will feature significantly in Site's future results.

## KSA

Site with its Saudi partners AlAjmi and Canadian Petroleum Services continues to gain interest in growth of current projects and potential new initiatives which gives the consortium confidence of a strong 18/19.

## Australia

Site Skills Training has been developing its Apprenticeship and Traineeship capability in the following trades:

- Welding
- Process Plant Tech
- Carpentry
- Horticulture
- Building and Construction
- VET in Schools (VETiS)

The above products fall within UserChoice and Cert 3 Guarantee Funding Contracts in QLD. Site has commenced the first Cert II Welding Program at its Logan facility and Carpentry Apprentices have commenced training. Demand in those areas remains strong and we are confident that these products will be growing our revenue and profitability in the next couple of months.

Landsborough has commenced training in Production Horticulture and are expecting the entrance of new Apprentices in the coming months. These programs have natural alignments with civils and agriculture, which have a similar program base to our high risk / health and safety programs, particularly around mobile plant, chainsaw, weed and seed and related programs which have been delivered extensively to council and other clients.

Site Skills Training's management project a significant growth in Landsborough in 2018 with a number of new training agreements expected for infrastructure projects.

Additionally there are strong signals the current recovery in commodity prices is leading to increased

enquiry in Western Australia.

Construction Skills Queensland remains a stable partner in QLD with \$1 million in funding through to September 30 2018.

Site Skills Training has confirmed enrolments in the next intake of VETiS students in Brisbane which commences in Jan 2018 with approximately 75 students.

After winning the Jemena contract, Site have started delivering first courses this month in VIC, ACT and NSW. Jobs on the Origin, CS Energy, Logan City Council, Gladstone Regional Council, and Gladstone Ports Contracts are showing considerable demand.

## Sales Pipeline

With the recent recovery in global commodity prices many industry contractors and project owners are forecasting significant growth. Site has been experiencing significant enquiry around major projects in Australia and Internationally and expects to gain several major projects in 2018. The sales funnel has never been as strong and management has expectation that Site can convert some of these in the next 2 quarters.

The company is well positioned to build on its very solid platform in Australia where Industry acknowledgement of Site's capabilities and services continues to see strong growth and demand and Internationally where Industry and Government agencies are seeking to utilise Site's unique competency capabilities particularly around National workforce development utilising SLPP and competency based training.

Site has also featured in the [Federal Governments ASEAN publication](#) for its services particularly in the Philippines and Myanmar.

[ASEAN Now Publication, page 55 reference.](#)

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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 Street, 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 and industrial sectors.

Site operate over a dozen facilities throughout Australia, as well as in Papua New Guinea, Myanmar and Malaysia, with a flagship 300,00sqm training and live-in environment in the Philippines. Further, Site has delivered its services to governments and companies throughout the world, in countries including Indonesia, Singapore, China, UAE, Azerbaijan and others.

Site Group International Limited is an emerging company with a strategic business model pursuing earnings-accretive acquisition opportunities along with organic growth. Site is run by an experienced board and management team.

### **Competency Framework Development**

*Site consult on competency requirements to ensure a workforce holds skills required to safely perform their tasks. Clients include governments and tier one project owners in the oil and gas space.*

### **Immersive Environment Training Centres**

*In conjunction with project owners, managers and/or operators, Site engineer, procure and construct Immersive Environment Training Centres which replicate real-life worksite conditions for proper training and competency development of individuals. Amongst others, Site has constructed scaled live process plants and underground mine training environments for these purposes.*

### **Training**

*Site specialise in the delivery of training across numerous industries, including energy, mining, construction and professional services. Training is delivered across a range of accredited and non-accredited short courses, Australian High Risk Licences, competency assurance testing, and non-funded and government funded certificate to advanced diploma level courses, apprenticeships and traineeships. Clients include multinational corporations, Small to medium Enterprise, governments and individuals.*

### **Online Learning**

*Site has the capacity for the development, implementation and management of Online Learning Management Systems (LMS) and online training programs. The provision of training services occurs on our online learning platform. These services are delivered to corporate and individual clients across all training brands.*

### **Workforce Labour Services**

*Site deliver the sourcing, training and deployment of skilled labour on to projects throughout numerous countries. Site has expanded this capability to include the provision of labour hire services and expat workforce management.*