



Tempo Australia Limited
ABN 51 000 689 725
Level 29, 66 Goulburn Street
Sydney NSW 2000 Australia

3 April 2013

The Manager
Market Announcements Office
ASX Limited

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www.tempoaust.com

Level 4
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

2013 Notice of Annual General Meeting

Pursuant to ASX Listing Rule 3.17, attached for the market's information is:

- (i) the 2013 Notice of Annual General Meeting;
- (ii) the Chairman's letter; and
- (iii) a shareholder proxy form.

Hard copies of these documents are being mailed to those shareholders who have requested to receive a hard copy. Shareholders who have elected to receive the above documents electronically should receive an email today.

We are pleased to advise that the 2012 Annual Report to shareholders has been lodged with the ASX and available on-line, those who have requested a hard copy will be mailed within the next 2 business days.

Tempo Australia Ltd (Tempo's) Annual General Meeting is scheduled for 2:00pm (WST) on Thursday 2nd of May 2013 at the BGC Centre, ground level, 28 The Esplanade, Perth WA 6000.

Yours faithfully

A handwritten signature in black ink, appearing to read "John Rainbow".

John Rainbow
Company Secretary

3 April 2013

Dear Shareholder

On behalf of the Board of Directors, I am pleased to invite you to the Annual General Meeting (AGM) of Tempo Australia Limited (Tempo) to be held on Thursday 2nd of May 2013, which for the first time, will be held in Perth to reflect the company's West Australian focus. The AGM will be held from 2:00pm at the BGC Centre, ground level, 28 The Esplanade, Perth WA 6000. The Notice of Meeting (Notice), including explanatory notes, as well as a proxy form, are enclosed.

As you would be aware, on Monday 11th of March I was appointed Chairman and Director of Tempo and as such Mr Robert Whitton stepped down from the Chairman's role but remains a non executive director. On behalf of the board I would like to thank Robert for his contribution. As Chairman he oversaw the implementation of several key events in the company's recent history:

- the restructuring of the company in 2011 where the company effectuated a Deed of Company Arrangement, came out of administration and was subsequently reinstated to official quotation;
- The acquisition of Industry Partners Pty Ltd; and
- Change of business activities to Resource Services.

With my first AGM as Chairman of Tempo, in this letter I am seeking to provide some context and a high-level overview of a number of the key resolutions that will be considered by the AGM which the board believe are pivotal to the further development of the company.

Resolution 1 seeks shareholder approval for the adoption of the remuneration report of the Company. Remuneration policy and strategy is a key focus of your Board as we strive to attract and retain the experienced staff needed to grow Tempo but at the same time showing fiscal constraint. I believe our strategy is sound and seek your support by voting in favour of this resolution.

Resolution 2 and 3 pertains to the re-election of Peter Dykes and myself as Directors.

Tempo Australia Limited presently has 5 directors including myself, a brief bio of each director as follows:

Nick Bowen

Chairman

More than 30 years experience in resources and contracting with open cut mining, underground mining and civil engineering experience both in Australian and Internationally. Has 22 years

experience as CEO of ASX200 listed contracting companies including 13 years at Macmahon.

Richard Wright

Managing Director

40 years resources sector experience, delivering multi-billion dollar resource projects in Australia and internationally. A strong track record in growing resource services companies. Key roles with Rio Tinto, Fluor, Johns Perry, UIE (France), ADrail, Hancock Prospecting and Decmil.

Carmelo Bontempo

Non-Executive Director

A Founding partner and former executive of UGL Limited, Managing Director of Monadelphous Group Limited and a key advisor to numerous private and publicly listed companies in Australia.

Robert Whitton

Non-Executive Director

More than 25 years business advisory, insolvency and reconstruction experience. Currently a Director at William Buck, Chartered Accountants & Advisors. Non-Executive Director to various listed Australian companies.

Peter Dykes

Non-Executive Director

Over 15 years of experience in the technology industry, advising some of Australia's largest corporate clients, including BHP Billiton, Boral and Telstra also small start-up companies in respect of their research and development and commercialisation efforts. Non-Executive Director to listed Australian companies.

With your support for this resolution Tempo will maintain an experienced and competent Board to lead the growth of the company in the future.

Resolution 4 pertains to the issue of options to myself as part of a capital raising and as part of my remuneration package which the board, prior to my appointment, deemed necessary in order to attract a suitably qualified Chairman. In January of this year I agreed to accept the role of Chairman and in doing so committed to investing \$500,000 through a share issue which was based on the 30 day volume-weighted average price to Thursday 24th January 2013 (VWAP), being A\$0.0855 per share. As part of this issue each share will be issued with One (1) attaching Class A option exercisable at A\$0.1282 on or before 24 months from the issue date plus One (1) attaching Class B options exercisable at A\$0.1710 on or before 36 months from the issue date.

I have committed to this significant investment as I see the future of Tempo providing all Shareholders considerable upside. The Board is fully supportive of my investment and they seek your support by voting in favour of this resolution

Resolution 5 seeks Shareholder approval to establish and maintain the Tempo Australia Limited Employee Share Option Plan (“the Plan”) to provide ongoing incentives to employees of the Company as part of a performance based incentive program which the board believes is required to attract and retain quality staff.

Resolution 6 provides the Company additional capacity to issue equity securities of up to 25% of the Company’s issued share capital should there be a requirement to do so. This is a standard resolution being utilised by the majority of small ASX listed companies.

Resolutions 7 and 8 seek shareholder approval to change auditor to Perth based RMS Bird Cameron. The board believes that the change to a Perth based auditor will benefit the company

I encourage you to read the Notice, especially its explanatory notes, together with the Remuneration Report that is included in the 2012 Annual Report. The Board intends to vote in favour of all the Resolutions (except where restrictions do not allow them to vote) and urge shareholders to also vote in favour of all the Resolutions

Thankyou for your ongoing support

Yours faithfully



Nick Bowen
Chairman



Notice of Annual General Meeting and Explanatory Memorandum to Shareholders

Date of Meeting: Thursday 2nd May 2013
Time of Meeting: 2:00 pm (WST)
Place of Meeting: Ground Floor, BGC
Centre
28 The Esplanade
Perth WA 6000 Australia

This Notice of Annual General Meeting for Tempo Australia Ltd (000 689 725) should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser before voting.

TEMPO AUSTRALIA LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given this 3rd Day of April 2013, that the 2013 Annual General Meeting of Tempo Australia Limited ACN 000 689 725 will be held in Perth at 2:00pm (WST) on Thursday 2nd of May 2013 at the ground level, BGC Centre, 28 The Esplanade, Perth WA 6000.

The attached Explanatory Statement is provided to supply Shareholders with information to enable Shareholders to make an informed decision regarding the Resolutions set out in this Notice. The Explanatory Statement is to be read in conjunction with this Notice.

1. Agenda for the Meeting

Financial statements and reports

The Meeting will consider the financial statements and reports of the Company including the income statement, balance sheet, statement of changes in equity, cash flow statement, the notes to the financial statements, the Directors' declaration and the reports of the Directors and Auditors for the financial year ended 31 December 2012.

While no resolution is required in relation to this item, Shareholders will be given the opportunity to ask questions and make comments on the Company's financial statements and reports.

The Company's auditor, Pitcher Partners, will be present at the Meeting and Shareholders will have an opportunity to ask the auditor questions in relation to the conduct of the audit, the auditor's report, the Company's accounting policies, and the independence of the auditor.

The Tempo Australia Limited 2012 Annual Report can be viewed online at the Company's website www.tempoaust.com.

Resolution 1 - Adoption of Remuneration Report

To consider and if thought fit, pass the following resolution as a non-binding resolution:

"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the year ended 31 December 2012 included in the Directors' Report, which is attached to the Financial Statements as required under section 300A of the Corporations Act, be adopted by the Company."

Voting Exclusion Statement: in accordance with the Corporations Act the Company will disregard any votes cast in relation to this resolution by or on behalf of the Key Management Personnel (in any capacity), which includes the Directors and the five highest paid executives in the consolidated group whose remuneration is included in the remuneration report (Excluded Persons) and closely related parties of an Excluded Person. However, an Excluded Person may cast a vote on the resolution if that person does so as a proxy appointed in writing that specifies how the proxy is to vote on the resolution and the vote is

not cast on behalf of an Excluded Person. Further details, including in relation to the ability of the Chairman to vote on undirected proxies are set out in the Explanatory Statement.

Resolution 2 - Election of Peter Dykes as a Director

To consider and if thought fit, pass the following resolution as an ordinary resolution:

“That Peter Dykes having been appointed as a Director of the Company, and being a Director of the Company who retires by rotation pursuant to clause 47 of the Company’s Constitution, offers himself for election pursuant to clause 46 of the Company’s Constitution and being eligible, is elected as a Director of the Company.”

Resolution 3 - Election of Nick Bowen as a Director

To consider and if thought fit, pass the following resolution as an ordinary resolution:

“That Nick Bowen, having been appointed as a casual Director of the Company by a resolution of the Board of Directors on 11 March 2013, offers himself for election pursuant to clause 46 of the Company’s Constitution and being eligible, is elected as a Director of the Company.”

Resolution 4 – Approve the issue of Shares and Attaching Options to Nick Bowen

To consider and if thought fit, pass the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the issue of 5,847,954 fully paid ordinary shares at an issue price of \$0.0855 per share and 11,695,908 attaching options at nil cost to Nick Bowen on the terms and conditions set out in the Explanatory Memorandum, is approved.”

Voting Exclusion Statement: The Company will disregard any votes cast on this resolution by any person who will participate in the issue or any person who may obtain a benefit and any of their associates. However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 5 – Employee Share Option Plan

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That, for the purposes of being approved as an exemption from Listing Rule 7.1 pursuant to Listing Rule 7.2, exception 9, and for all other purposes, approval is given for the issue of securities and the implementation of the Tempo Australia Limited Employee Share Option Plan on the terms set out in the Explanatory Memorandum.”

Voting Exclusion Statement: The Company will disregard any votes cast on this resolution by an Employee of the Company who is eligible to participate in the Employee Share Option Plan and any of their associates and any Director of the Company (except one who is ineligible to participate in the Employee Share Option Plan). However, the Company need not disregard a vote, if it is cast in accordance with the directions on the proxy form or if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote and is cast in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 6 - Approval of additional capacity to issue shares under ASX Listing Rule 7.1A

To consider and, if thought fit, pass the following resolution as a special resolution:

“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, the Company having the additional capacity to issue equity securities under Listing Rule 7.1A, on the terms and conditions set out in the Explanatory Statement, is approved.”

Short Explanation: ASX Listing Rule 7.1 permits directors to issue securities of up to 15% of the Company’s issued share capital. ASX Listing Rule 7.1A permits eligible entities to obtain shareholder approval to issue an additional 10% of the entities’ issued ordinary securities during a 12 month period. The Additional Placement Capacity is in addition to the Company’s 15% placement capacity under ASX Listing Rule 7.1 and, as such, if the Additional Placement Capacity is approved, the Directors will be allowed to issue equity securities of up to 25% of the Company’s issued share capital. Shareholder approval must be given by a special resolution (at least 75% approval) at an annual general meeting.

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and an associate of such person. In accordance with Listing Rule 14.11.1 and the relevant Note under that rule concerning Rule 7.1A, as at the date of this Notice of Meeting it is not known who may participate in the proposed issue (if any). On that basis, no security holders are currently excluded.

Resolution 7 – Removal of Auditor

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That Pitcher Partners, the current auditor of the Company, be removed as the auditor of the Company effective from 2nd May 2013.

Resolution 8 – Appointment of Auditor

To consider, and if thought fit, to pass, with or without amendment, the following resolution as a special resolution:

“That, subject to the passing of Resolution 7, RSM Bird Cameron Partners being qualified to act as auditor of the Company and having consented to act as auditor of the Company, be appointed as the auditor of the Company effective from 2nd May 2013 and the Directors be authorised to agree the remuneration.”

2. Determination of voting entitlement

For the purpose of determining a person’s entitlement to vote at the Meeting, a person will be recognised as a shareholder and the holder of Shares if that person is registered as a holder of those Shares at 2:00 p.m. WST on Tuesday, 30 April 2013.

3. Votes

Unless a poll is demanded in advance of voting on a resolution, voting on each resolution will initially be by way of a show of hands. On a show of hands, each member present in person or by proxy or, in the case of a body corporate, by a representative, shall have one vote.

On a poll, every member present in person or by attorney or by proxy or, in the case of a body corporate, by a representative, shall have one vote for each share held by him, her or it.

4. Questions and Comments by Shareholders at the Meeting

A reasonable opportunity will be given to Shareholders to ask questions and/or make comments on the management of the Company at the Meeting.

A reasonable opportunity will be given for Shareholders to ask questions of the Company's external auditor, Pitcher Partners. These questions should be relevant to:

- a) the conduct of the audit;
- b) the preparation and contents of the audit report;
- c) the accounting policies adopted by the Company in relation to the preparation of its financial statements; and
- d) the independence of the auditor in relation to the conduct of the audit.

Shareholders may also submit written questions to Pitcher Partners but only if the questions are relevant to the content of the audit report or the conduct of its audit of the Company's financial report for the year ended 31 December 2012. Relevant written questions for Pitcher Partners must be received by the Company no later than 4:00pm WST on Tuesday, 30 April 2013. A representative of Pitcher Partners will provide answers to the questions at the Meeting.

5. Voting and the proxy

For the purpose of determining the voting entitlements at the meeting, the directors have determined that shares in Tempo Australia Limited will be taken to be held by the registered holders of those shares at 2:00pm (WST) on Tuesday, 30 April 2013 being not more than 48 hours before the meeting. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

A shareholder wishing to vote on the resolutions contained in this Notice should either attend in person, or appoint a proxy or proxies to attend or vote on the shareholder's behalf. A proxy form is enclosed with this Notice. The proxy or proxies do not need to be a shareholder of Tempo. A shareholder that is a body corporate may in accordance with the Corporations Act appoint a representative to attend.

A shareholder entitled to attend and to cast two or more votes is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes able to be cast by the appointing shareholder.

The proxy form (and any power of attorney under which it is signed) must be received at the address below not later than 2.00pm (WST) on Tuesday, 30 April 2013 (being 48 hours before the commencement of the meeting). Any proxy forms received after that time

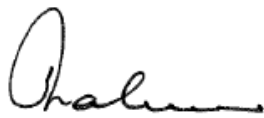
will not be valid for the meeting.

Completed proxy forms should be sent to:

By mail: Tempo Australia Limited
 C/- Link Market Services Limited
 Locked Bag A14
 SYDNEY SOUTH NSW 1235
 AUSTRALIA

By fax: +61 9287 0309

By hand: Delivering it to Link Market Services Limited,
 1A Homebush Bay Drive,
 Rhodes NSW 2138



John Rainbow
Company Secretary
On behalf of the Board of Directors
Tempo Australia Limited
Date: 2 April 2013

EXPLANATORY STATEMENT

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in this Notice.

The Directors recommend that Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

Resolution 1: Adoption of remuneration report

In accordance with Section 300A(1) of the Corporations Act the Remuneration Report is included in the Directors Report for the financial year ended 31 December 2012.

The Remuneration Report sets out details of the remuneration received by the directors and key Company executives, in addition to describing Board policy in respect of remuneration. Resolution 1 seeks shareholder approval of the adoption of the remuneration report by the Company.

The outcome of this resolution is not binding on the Company or the Board. However, sections 250U to 250Y of Corporations Act provide for a 'two strikes and re-election' process in relation to the shareholder vote on the Remuneration Report provided that:

- A 'first strike' will occur if this Remuneration Report resolution receives a 'no' vote of 25% or more. If this occurs, the Company's subsequent remuneration report will contain an explanation of the Board's proposed action in response to the 'no' vote or an explanation of why no action has been taken by the Board.
- A 'second strike' will occur if the resolution to adopt the Remuneration Report at the 2013 Company Annual General Meeting also receives a 'no' vote of 25% or more. If this occurs, shareholders will vote at that Annual General Meeting to determine whether the Directors will need to stand for re-election at a separate, subsequent meeting (the 'spill resolution'). If the spill resolution passes with 50% or more of eligible votes cast, the spill meeting must take place within 90 days.

The Company has not received a 'first strike'.

The Remuneration Report is set out in the Company's 2012 Annual Report. The Tempo Australia Limited 2012 Annual Report can be viewed online at the Company's website, www.tempoaust.com.

In the event that you choose to appoint the Chairman as your proxy:

- The Chairman's voting intention is to vote in favour of this resolution to adopt the Remuneration Report.
- The attached Proxy Form provides that if the Chairman is appointed as proxy, the Chairman is directed to vote in accordance with the voting intention set out above, unless you direct the Chairman to vote in a different manner.
- The Chairman will only vote in accordance with his stated voting intention if the relevant box is ticked.
- If the relevant box is un-ticked the Chairman will not be permitted to vote the relevant shares on the resolution in relation to the remuneration report.
- For all other resolutions where the Chairman is appointed as proxy, those proxies will remain undirected and may be voted on by the Chairman on that basis.

Resolution 2 and 3: Election of Peter Dykes and Nick Bowen as Directors

Clause 47 of the Tempo Australia Limited constitution provides that the following directors automatically retire at the end of each annual general meeting:

- (a) any director appointed by the Directors of Tempo Australia Limited in general meeting since the last annual general meeting;
- (b) one third (or if that is not a whole number, the next lowest whole number) of the other directors (not counting the managing director) provided that there must be at least one retiring director; and
- (c) any director for whom this would be the third annual general meeting since their last appointment or three years since their last appointment (whichever is longer).

The directors who must retire under above criteria are those directors who have been longest in office since their appointment on registration or their last election (whichever is later). If they became directors on the same day, they may agree who retires. If they do not agree, they may select by lot who retires.

This does not apply to the Managing Director.

The constitution of Tempo Australia Limited essentially ensures that no director (except the Managing Director) is able to remain in office longer than three years without facing re-election. Each director is entitled to offer himself or herself for re-election as a director at the Annual General Meeting.

Tempo Australia Limited presently has 5 directors.

Mr Peter Dykes is retiring by rotation and offers himself for re-election.

Mr Nick Bowen was appointed by the Directors to the position of Director and Chairman of the Company, which appointment took effect on 11 March 2013. Mr Nick Bowen is retiring by rotation and offers himself for re-election.

The Directors (other than Peter Dykes) unanimously recommend that Shareholders approve Resolution 2.

The Directors (other than Nick Bowen) unanimously recommend that Shareholders approve Resolution 3.

Resolution 4 – Issue of Options to Mr Nick Bowen, Chairman

Corporations Act requirements

Chapter 2E, and in particular, Section 208 of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) shareholder approval is obtained and the benefit is given within 15 months after the approval; or
- (b) the giving of the benefit falls within one of the exceptions to Section 208.

For the purposes of Chapter 2E, directors are considered to be related parties of a company, and the issue of Options is considered to be the giving of a financial benefit.

Consequently, approval by Shareholders under Chapter 2E of the Corporations Act is required for the issue of shares and Options to any Director, being the giving of a financial benefit to a related party of the Company.

Listing Rules requirements

Under Listing Rule 10.11, shareholder approval is required for the issue of equity securities (including Options) to a related party of a listed company such as a director.

Consequently, approval by Shareholders is required for the issue of Shares and Options to any Director of the Company.

Listing Rule 7.1 provides that a company must not, without shareholder approval (but subject to certain exceptions), issue or agree to issue during any 12 month period any equity securities (including ordinary shares and options over unissued ordinary shares) if the number of those securities exceeds 15% of the number of fully paid securities on issue at the commencement of that 12 month period. Exception 14 under Listing Rule 7.2 provides that Listing Rule 7.1 does not apply to an issue of securities made with shareholder approval under Listing Rule 10.11.

Therefore, if approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

Purpose of Resolution

In accordance with Chapter 2E of the Corporations Act and Listing Rule 10.11, the Board seeks approval by Shareholders for the issue of 5,847,954 Shares, 5,847,954 Class A Options at nil cost and 5,847,954 Class B Options at nil cost (being a total of 11,695,908 options) to or for the benefit of Mr Nick Bowen, a Director and therefore a related party of the Company, on the terms and conditions set out in Schedule 1 to this Notice of Meeting.

The Shares are to be issued at a price of \$0.0855 per share to raise approximately \$500,000. The issue price of the shares is based on the 30 day volume-weighted average price to Thursday 24th January 2013 (VWAP).

The most recent closing price of the Shares before the date of this Notice of Meeting was \$0.080. The exercise price for the Class A Options is A\$0.1282 and the exercise price for the Class B options is A\$0.1710. Although the Class A Options and Class B Options are being issued for nil consideration, the exercise price for each of the Class A Options and Class B Options is higher than the most recent closing price of the Shares.

The Company considers that the Shares (excluding the attaching options) to be issued to Mr Bowen in accordance with this resolution are being issued on arm's length terms. However given Mr Bowen will be receiving the attaching options at nil cost, the Company considers that approval is required for the purpose of Chapter 2E of the Corporations Act.

Having considered the circumstances of the Company and Mr Bowen (including the responsibilities of his office), the Directors consider that the issue of the attaching Options at nil cost to Mr Bowen is reasonable and in the best interests of the Company to assist Mr Bowen's retention as an incentive during the further advancement of the Company's prospects.

Disclosure required under Chapter 2E of Corporations Act

In accordance with Section 219 of the Corporations Act, the following information is provided:

	Requirement	Information/ Explanation
1	The related parties to whom the proposed resolution would permit financial benefits to be given	Mr Nick Bowen or his nominee.
2	The nature of the financial benefits	The issue of 5,847,954 Class A Options and 5,847,954 Class B Options for no consideration. The terms of the attaching Options are set out in Schedule 1 to the Notice of Meeting. The Board has obtained an independent expert valuation from RSM Bird Cameron Partners on 8 March 2013 who has valued the Class A Options at \$67,836 and the Class B Options at \$67,251, totalling a value of \$135,087. The valuation by RSM Bird Cameron Partners is set out in full in Schedule 2 to the Notice of Meeting.
3	In relation to each company director, their reasons for making or not making a recommendation to members about the proposed resolution, or if they were not available to consider the proposed resolution - why not.	Each Director other than Mr Bowen recommends that Shareholders vote in favour of Resolution 4. Having considered the circumstances of the Company and Mr Bowen (including the responsibilities of his office), they consider that the issue of the attaching Options to Mr Bowen is reasonable and in the best interests of the Company to assist Mr Bowen's retention as an incentive during the further advancement of the Company's prospects. Mr Bowen does not make any recommendation to Shareholders about Resolution 4 as he has an interest in the outcome of the Resolution as described in item 4 below.
4	In relation to each company director, whether the director has an interest in the outcome of the proposed resolution, and if so, what it is.	Mr Bowen has an interest in the outcome of Resolution 4, being the receipt of 5,847,954 Class A Options and 5,847,954 Class B Options having a value of \$135,087 as determined by RSM Bird Cameron Partners on 8 March 2013. The valuation by RSM Bird Cameron Partners is set out in full in Schedule 2 to the Notice of Meeting. None of the Directors other than Mr Bowen has any interest in the outcome of Resolution 4.
5	All other information known to the company or any of its Directors which members would reasonably require to determine whether or not the proposed resolution is in the company's interests.	The terms of issue of the attaching Options are set out in Schedule 1 to the Notice of Meeting. Shareholders are otherwise advised to carefully review the Notice of Meeting (including the Explanatory Statement) in its entirety. Additional information is also provided after this table.

The following additional information is also provided:

- (a) the attaching Options to be granted will not be listed on ASX;
- (b) the Class A Options and Class B Options will vest upon grant and, thereafter, the Class A Options may be exercised on or before the expiration of two years from the issue date and the Class B Options may be exercised on or before the expiration of three years from the issue date;
- (c) At the date of preparation of this notice, Mr Bowen had a relevant interest in the following securities of the Company;
- Fully Paid Ordinary Shares: Nil
 - Unlisted Options: Nil
- (d) Mr Bowen's expected total remuneration package for the period commencing 11 March 2013 until 31 December 2013 is as follows:
- Salary & Fees \$97,143
 - Superannuation \$8,743

If Resolution 4 is passed and the attaching options are issued to Mr Bowen, the total remuneration package for the year ending 31 December 2013 will increase by \$135,087 (being the value of the attaching options at nil cost as determined by RSM Bird Cameron Partners) to \$240,973.

- (e) Ownership of shares pursuant to the exercise of the Options will entitle the holders of shares to receive benefits of ownership/membership, on the same basis as existing Shareholders of the Company;
- (f) RSM Bird Cameron Partners has valued the Options at \$135,087 using the Binominal option pricing model, being Peter Hoadley's *Options1* option valuation model. The valuation by RSM Bird Cameron Partners is set out in full in Schedule 2 to the Notice of Meeting;
- (g) If the attaching Options issued to Mr Bowen are exercised, it would have an effect of diluting the shareholdings of existing Shareholders. As at the date of this Notice of Meeting, the Company has 149,491,854 Shares on issue. On a fully diluted basis, the issue of shares and the attaching Options represents approximately 10.50% of the Company's issued capital;
- (h) The market price of the Company's Shares during the term of the attaching Options will normally determine whether or not the holder exercises the Options. At the time any Options are exercised and Shares issued pursuant to the exercise of the Options, the Company's Shares may be trading on ASX at a price which is higher than the exercise price of the Options;
- (i) The Options will not be quoted on ASX and as such have no actual market value. Since re-quotation of the company's securities on the 27 June 2012, the Shares have traded in the range of \$0.07 to \$0.20. The most recent closing price before the date of this Notice of Meeting was \$0.080. The Options are capable of being converted to Shares by payment of the exercise price and on the terms set out in Schedule 1;
- (j) The most recent closing price before the date of this Notice of Meeting was \$0.080. If the Share price is above that level when the Options are exercised, there will be a cost to the Company being the difference between the Share price and the exercise price. On the other hand, if the Share price is below that level when the Options are

exercised, there will be benefit to the Company being the difference between the exercise price and the Share price;

(k) Mr Bowen has entered into an escrow agreement which restricts:

- a. the sale of the Shares issued in accordance with this resolution;
- b. the sale of the Class A Options and Class B Options; and
- c. the sale of any Shares arising pursuant to the exercise of the Class A Options and/or Class B Options

for a period of 12 Months from the issue date of each of the Shares issued in accordance with this resolution, the Class A Options and the Class B Options.

Disclosure required under Listing Rule 10.13

For the purpose of ASX Listing Rule 10.13, the following information is provided:

- (a) the related party to whom the Shares and attaching Options the subject of this resolution will be issued is Mr Nick Bowen, his nominees and associates;
- (b) the maximum number of Shares to be issued is 5,847,954 shares. The maximum number of attaching Options to be issued is 11,695,908 Options;
- (c) the Shares and attaching Options will be issued no later than one month after the date of the general meeting if this resolution is passed;
- (d) the issue price for the 5,847,954 shares is \$0.0855 per share. The attaching Class A Options and Class B Options are to be issued for nil consideration. The exercise price for the Class A Options is A\$0.1282. The exercise price for the Class B options is A\$0.1710.
- (e) the 5,847,954 Shares to be issued will be fully paid ordinary shares in the capital of Tempo on the same terms and conditions as the existing Tempo Shares then on issue;
- (f) the terms of the Class A Options and Class B Options are set out in Schedule 1 to this Notice.
- (g) no funds will be raised by the issue of the Class A Options and Class B Options. The funds raised from the Shares issued and the attaching Options (if exercised) will be used for working capital purposes.

Resolution 5 – Approval of the Tempo Australia Limited Employee Share Option Plan

Approval to issue shares to employees

Resolution 5 seeks Shareholder approval to establish and maintain the Tempo Australia Limited Employee Share Option Plan (“the Plan”) to provide ongoing incentives to employees of the Company. If this Resolution is passed, the Plan will enable the Company to issue Options to subscribe for Shares in the Company (and to issue Shares upon the exercise of such Options) (“Scheme Shares”) from time to time to employees as part of a performance based incentive program. The Options will be granted and issued under the Plan at the discretion of the Board. Subject to the Corporations Act and Listing Rules, Directors are eligible to participate in the Plan.

ASX Listing Rule 7.1 allows the Company to issue new securities of up to 15% of the existing capital of the Company in any 12 month period without the prior approval of

Shareholders. ASX Listing Rule 7.2 provides several circumstances where particular issues of securities are excluded from the calculation of the 15% limit under ASX Listing Rule 7.1, including issues under an employee incentive scheme if within three years before the date of issue, shareholders approved the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

The Plan is an employee incentive scheme for the purposes of ASX Listing Rule 7.2. Shareholder approval is sought under exception 9 to ASX Listing Rule 7.2 for the issue of Options to subscribe for Shares in the Company under the Plan for a period of three years from the date of the Meeting.

No Shareholder approval to date has been obtained for the issue of Scheme Shares. There have been no Scheme Shares issued under the Plan.

The effect of passing this Resolution will provide the Company with financing flexibility going forward as Scheme Shares issued under the Plan during the three year approval period will not be issued under the Company's 15% capacity under ASX Listing Rule 7.1.

The Rules of the Plan are set out in Schedule 3 of this Notice.

Resolution 6 – Approval of additional capacity to issue shares under ASX Listing Rule 7.1A

ASX Listing Rule 7.1A

In August 2012, the ASX introduced ASX Listing Rule 7.1A which enables certain 'eligible entities' to issue equity securities of up to 10% of their issued share capital through placements over a 12 month period commencing after the annual general meeting (Additional Placement Capacity). ASX Listing Rules require that Shareholders approve the Additional Placement Capacity by special resolution, at an annual general meeting before any equity securities are issued under the Additional Placement Capacity.

For the purposes of ASX Listing Rule 7.1A an 'eligible entity' is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an 'eligible entity'. The Additional Placement Capacity is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1 and, as such, if the Additional Placement Capacity is approved, the Directors will be allowed to issue equity securities of up to 25% of the Company's issued share capital.

While the Company does not have current plans to undertake a capital raising, the Company seeks shareholder approval by way of a special resolution to have the ability and flexibility to issue securities under the Additional Placement Capacity should the need arise.

ASX Listing Rule 7.3A

In accordance with ASX Listing Rule 7.3A the Company provides the following information.

The issue price for each security issued under the Additional Placement Capacity will not be less than 75% of the volume weighted average price for securities in that class over the 15 trading days on which trades in that class were recorded immediately before:

- the date on which the price at which the securities are to be issued is agreed; or

- if the securities are not issued within 5 trading days of the date above, the date on which the securities are issued.

The issue of equity securities under the Additional Placement Capacity may result in voting dilution of existing ordinary shareholders (as shown in Table 1). There is also the risk that:

- the market price for equity securities in that class may be significantly lower on the issue date than on the date of the Annual General Meeting; and
- the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the issue date.

Equity securities under the Additional Placement Capacity may be issued until the earlier of:

- 2nd May 2014; and
- the date of approval by ordinary shareholders of a significant change to the Company's activities under ASX Listing Rule 11.1.2 or the date of approval by ordinary shareholders of a disposal of a major asset under ASX Listing Rule 11.2.

Any approval of the Additional Placement Capacity at this Annual General Meeting will cease to be valid in the event that ordinary shareholders approve a transaction under ASX Listing Rule 11.1.2 or 11.2.

The Company may issue equity securities under the Additional Placement Capacity for the following purposes:

- non-cash consideration: for the acquisition of new assets and investments (in such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rules); or
- cash consideration: to raise funds for working capital, the acquisition of new assets or to repay debt.

The Company's allocation policy for issues under the Additional Placement Capacity is dependent on prevailing market conditions at the time of any proposed issue.

The identity of the allottees of the equity securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- the methods of raising funds that are available to the Company, including rights issues or other issues in which existing shareholders may participate;
- the effect of the issue of the equity securities on the control of the Company;
- the financial situation and solvency of the Company; and
- advice from the Company's advisors.

As the Company has no current plans to undertake a new capital raising, the allottees under the Additional Placement Capacity have not yet been determined but if such an exercise was undertaken, allottees may include existing substantial shareholders and or new shareholders who are not related parties or associates of a related party of the Company.

ASX Listing Rule 7.1A was introduced in August 2012 and as such, the Company has not previously obtained approval for the Additional Placement Capacity.

A voting exclusion statement has been included in this Notice. However, as at the date of this Notice, the Company has not approached any particular existing shareholder to participate in the issue of equity securities under the Additional Placement Capacity. No existing shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

Table 1

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.04 50% decrease in Issue Price	\$0.08 Issue Price	\$0.16 100% increase in Issue Price
Current Variable A - 149,491,854 Shares	10% Voting Dilution	14,949,185 Shares	14,949,185 Shares	14,949,185 Shares
	Funds Raised	\$597,967	\$1,195,934	\$2,391,870
50% increase in current Variable A - 224,237,781 Shares	10% Voting Dilution	22,423,778 Shares	22,423,778 Shares	22,423,778 Shares
	Funds Raised	\$874,527.34	\$1,749,055	\$3,498,109
100% increase in current variable A - 298,983,708 Shares	10% Voting Dilution	29,898,370 Shares	29,989,370 Shares	29,898,370 Shares
	Funds Raised	\$1,195,935	\$2,391,870	\$4,783,739

Table 1 has been prepared based on the following assumptions:

- Current Variable A is calculated as at 28 March 2013
- The Company issues the maximum number of equity securities available under the Additional Placement Capacity.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue.
- The table shows only the issue of equity securities under the Additional Placement Capacity and not under ASX Listing Rule 7.1.
- The issue of equity securities under the additional placement capacity includes only shares.
- The issue price of \$0.080 was the closing price of Shares as traded on ASX as at 28 March 2013.

Resolution 7 and 8 – Removal and Appointment of Auditor

Given that the Company's operation base is substantially situated in Western Australia, the Directors have taken the opportunity to review and select a suitable Perth based firm. The directors are of the opinion that the Company's best interests are served by appointing RSM Bird Cameron Partners.

Under Section 329 of the Corporations Act, an auditor of a company may be removed from office by resolution at a general meeting of which 2 months' notice of intention to move the resolution has been given. The notice of intention to remove Pitcher Partners is provided to shareholders with this Notice of General Meeting.

It should be noted that under this section, if a company calls a meeting after the notice of intention has been given, the meeting may pass the resolution even though the meeting is held less than 2 months after the notice of intention is given.

The Company provides the notice of intention to Shareholders at Appendix A to this Notice and seeks the approval to remove the auditor even though the meeting will be held less than 2 months after the notice of intention is given.

Under Section 327D of the Corporations Act, the Company in a general meeting may appoint an auditor to replace an auditor removed under Section 329 of the Corporations Act.

If Pitcher Partners is removed under Resolution 9, the Directors propose that RSM Bird Cameron Partners be appointed as the Company's auditor effective from the Meeting. The notice of intention to remove Pitcher Partners as auditor of the Company and nomination of RSM Bird Cameron Partners as auditor of the Company is provided to Shareholders in Schedule 4 to this Notice of General Meeting. RSM Bird Cameron Partners has given written consent to act as the company's auditor in accordance with Section 328A(1) of the Corporations Act.

If Resolutions 9 and 10 are passed, the appointment of RSM Bird Cameron Partners as the Company's auditor will take effect on the 2nd of May 2013.

GLOSSARY

In the Notice of Meeting and Explanatory Statement the following terms have the following meanings:

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the listing rules of ASX.

Board means the board of directors of the Company.

Company or **Tempo** or **Tempo Australia Limited** means Tempo Australia Limited (ACN 000 689 725).

Corporations Act means Corporations Act 2001 (Cth).

Director means a current director of the Company.

Employee means a person who is a full-time or permanent part-time employee or officer, or director of the Company or any related body corporate of the Company.

Explanatory Statement means the explanatory statement to this Notice of Meeting.

Meeting means the 2013 Annual General Meeting of the Shareholders of the Company to be held on 2nd May 2013, to which the Notice of Meeting and Explanatory Statement relate.

Notice of Meeting means this notice of meeting of the Company dated the 2nd of April 2013.

Option means and Option to acquire a Share

Plan means Tempo Australia Limited Employee Share Option Plan governed by the Plan Rules set out in Schedule 3 attached to this Notice of Meeting.

Plan Rules means the Tempo Australia Limited Employee Share Option Plan Rules set out in Schedule 3 to this Notice of Meeting.

Resolution means a resolution referred to in the Notice.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of Shares.

WST means Western Standard Time.

Words importing the singular include the plural and vice versa.
All references to currency are in Australian dollars.

SCHEDULE 1

OPTION TERMS

Name of Proposed Holder:	Nick Bowen
Number of "A" Class Options to be issued:	5,847,954
Number of "B" Class Options to be issued	5,847,954

1. Each option entitles the holder to subscribe for and be allotted one ordinary share in Tempo Australia Ltd.
2. The "A" Class Options are exercisable at the price per ordinary share of A\$0.1282.
3. The "B" Class Options are exercisable at the price per ordinary share of A\$0.1710.
4. The "A" Class Options will expire on the date 24 months from the date of issue (the First Expiry Date).
5. The "B" Class Options will expire on the date 36 months from the date of issue (the Second Expiry Date).
6. Options not exercised on or before the First Expiry Date or the Second Expiry Date as the case may be will automatically lapse.
7. Options are not transferable except with the prior consent of the Board.
8. Options are exercisable at any time prior to the First Expiry Date or Second Expiry Date as the case may be by notice in writing to the Directors accompanied by payment of the exercise price.
9. Option holders cannot participate in new issues of shares without exercising the options.
10. Shares issued on the exercise of options will be issued not more than fourteen (14) days after receipt of a properly executed exercise notice and application moneys. Shares allotted pursuant to the exercise of an option will rank equally with the then issued ordinary shares of the Employer in all respects. If the Employer is listed on ASX it will, pursuant to the exercise of an option, apply to ASX for Quotation of the Shares issued as a result of the exercise, in accordance with the Corporations Act 2001 and the ASX Listing Rules.
11. In the event of any reorganisation (including consolidation, sub-division, reduction or return) of the issued capital of the Employer, all rights of the optionholder will be changed to the extent necessary to comply with the ASX Listing Rules applying to the reorganisation of capital at the time of the reorganisation.
12. If there is a bonus issue to the holders of ordinary shares, the number of ordinary shares over which each option is exercisable will be increased by the number of ordinary shares which the holder of the option would have received if the option had been exercised before the record date for the bonus issue.
13. In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying Shares, the exercise price of the options may be reduced in accordance with ASX Listing Rule 6.22.
14. The Employer has no present intention to make any application for the options to be quoted on the Official List of the ASX.

SCHEDULE 2

RSM BIRD CAMERON PARTNERS VALUATION

Tempo Australia Limited
Option Valuation

8 March 2013

8 March 2013

Tempo Australia Limited
Level 7, BGC Centre
28 The Esplanade
Perth WA 6000

Attention: Giuseppe Leone – Chief Operating Officer

Dear Mr Leone

Valuation of share options

In accordance with our correspondence on 6 March 2013, please find enclosed our valuation report, which sets out an indicative valuation of certain share options to be issued by Tempo Australia Limited (“Tempo”).

Specifically, you have requested us to provide our opinion as to the fair value of share options (“Options”) to be issued to Mr Nick Bowen, the incoming Executive Chairman of Tempo.

We understand this indicative assessment of the fair value of the Options is required for inclusion in the Notice of the Annual General Meeting (“AGM”) and Explanatory Statement (“Notice”), which will be distributed to shareholders prior to the AGM.

This report has been prepared to provide an indicative assessment of the fair value of the Options to be included either in whole or by reference to, in the Notice, and should not be relied on by any other person or for any other purpose without our prior written consent.

Should you have any queries in relation to our report, or the valuation opinions contained therein, please do not hesitate to contact me on 08 9261 9447.

Yours faithfully



Andy Gilmour

Director – Corporate Finance
RSM Bird Cameron

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1. Introduction

1.1 Terms of reference

In accordance with your instructions, we have performed an indicative assessment of the fair value of the share options to be issued to Mr Bowen subject to shareholder approval.

For the purposes of this report “fair value” is defined as: the price, expressed in terms of cash equivalents, at which property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arm’s length in an open and unrestricted market, when neither is under compulsion to buy or sell and when both have reasonable knowledge of the relevant facts.

We understand this valuation is required for inclusion in the Notice, and this report or information included in this report will be included in the Notice.

1.2 Nature of the assignment

This indicative valuation engagement has been undertaken in accordance with APES 225 – *Valuation Services*.

This indicative valuation has been undertaken by Andy Gilmour, a director of the Corporate Finance Division of RSM Bird Cameron, acting independently. Andy Gilmour has extensive experience in providing valuations of businesses, shares and other equities. A brief resume is set out at Appendix A to this report.

The fee to be paid to RSM Bird Cameron for this valuation assignment is not contingent on the conclusion, content or future use of this valuation report.

This valuation is indicative as the spot price and issue date of the options will only be known when they are granted.

1.3 Disclaimer

The statements and opinions given in this report are given in good faith and in the belief that such statements and opinions are not false or misleading. In preparing this report we have relied upon information supplied by Tempo’s Chief Operating Officer, which we believe to be accurate and reliable. We have not, in preparing this report, independently verified the correctness, existence or value of any item, which is, or should be, in such information. We do not have any reason to believe that any material facts have been withheld from us, nor do we warrant that our investigation has revealed all of the matters which an audit or more extensive examination might disclose. Although the report and opinions expressed herein are based on information supplied to us, we believe the report and opinions to be accurate. However, for the above reasons, we do not warrant the accuracy or reliability of either the information supplied to us or the conclusion drawn there from.

2. Scope of valuation

2.1 Background

We understand that Tempo's incoming Executive Chairman, Nick Bowen, will subject to shareholder approval be issued a total of 11,695,908 options in two tranches (Tranches A and B) of 5,847,954 per tranche. Each option entitles Mr Bowen to purchase one fully paid ordinary Tempo share. Nick Bowen commences his position with Tempo on 11 March 2013.

2.2 Option terms

Both tranches of Options will vest immediately upon issue. The Tranche A options are exercisable at \$0.1282 at any time within 24 months of the issue date. The Tranche B options are exercisable at \$0.1710 at any time within 36 months of the issue date.

The terms attached to the options are summarised as follows:

Options	Tranche A	Tranche B
Number	5,847,954	5,847,954
Grant date	NA	NA
Exercise Price	\$0.1282	\$0.1710
Expiry date	2 years post issue	3 years post issue
Maximum life (Years)	2	3
Vesting date	Upon grant	Upon grant

We understand there are no vesting conditions attached to the Options and, as such, the Options can be exercised into ordinary shares in Tempo at any time between the grant date and the expiry date.

2.3 Scope of indicative valuation

The scope of the work performed in assessing the fair value of the Options has consisted of:

- An assessment of the fair value of the options using the binomial pricing model;
- A review of the historical price volatility of Tempo and Tempo's peers; and
- Discussions with Tempo's Chief Operating Officer.

3. Valuation methodology

3.1 Methodology

Accounting Standard AASB 2 *Share Based Payments* prescribes that the following should be factored into the valuation of options:

- strike or exercise price;
- price on grant date of the underlying share;
- life of the option;
- volatility of the underlying share;
- dividends expected on the shares (if appropriate); and
- risk free interest rate.

The table below analyses the impact on the fair value of the option of an increase in each of the variables listed, all other factors remaining the same.

Variable increased	Effect on the value of the Right
Exercise Price	Decrease
Current Stock Price	Increase
Life of the option	Increase
Volatility	Increase
Dividends	Decrease
Risk free interest rate	Increase
Vesting period	Increase

The basis of the valuation we have undertaken is the binomial option pricing model.

Binomial option pricing models consist of three components:

- Plots the possible future value of the underlying stock (in this case Tempo shares) by using a model with many binomial steps. Each

step represents a movement upward or downward, the magnitude of which is based on the assessed price volatility of Tempo shares;

- At each step the underlying stock values are translated to option values; and
- These future option values are discounted back to determine a single present value of the option as at the grant date.

The binomial model we have used in our valuation of Tranches A and B is Peter Hoadley's ("Hoadley") *Options1* option valuation model. Further information regarding Hoadley's share option valuation models can be found at www.hoadley.net.

3.2 Assumptions

We set out the assumptions we have used in the binomial model below, in assessing the indicative fair value of the Options.

Assumption	Ref:	Tranche 1	Tranche 2
Grant date	1	NA	NA
Spot price	2	\$0.0800	\$0.0800
Exercise price	3	\$0.1282	\$0.1710
Maximum options life (years)	4	2	3
Expected future volatility	5	50%	50%
Risk free rate	6	2.80%	2.85%
Dividend yield	7	0%	0%
Vesting period (years)	8	Nil	Nil

- 1. Grant date** – This is not known as at the date of our report as the issue of the Options to Nick Bowen is subject to shareholder approval.
- 2. Underlying share price at grant date** – This is usually assumed to be the closing share price of a company's shares on the last trading day prior to the grant date. As we are providing an indicative assessment of the fair value, and the Options which are the subject of this report have yet to be granted we have assumed that the underlying share price at the grant date is the closing share price on 7 March 2013, being the last completed trading date prior to the issue of this report. In this case the closing share price is \$0.080 on 7 March 2013.
- 3. Exercise price** – The exercise price of the Tranche A options is \$0.1282. The exercise price of the Tranche B options is \$0.1710.
- 4. Maximum options life** – the maximum life of the options is 2 years for Tranche A and 3 years for Tranche B.

- 5. Expected future volatility** – Following a change in the nature and scale of the activities and completion of a recapitalisation of the company Tempo was reinstated to official quotation on the ASX on 27 June 2012. Prior to the recapitalisation Tempo was previously named Fermiscan Limited and operated in a different sector as a biotech company. Therefore we have not considered the volatility in Tempo's share prior the recapitalisation in assessing the expected future volatility assumption used in the valuation of the Options.

The historical volatility of the company's shares over the period since the recapitalisation to 7 March 2013 is 94%.

Given the relatively short time Tempo has been trading on the ASX since the recapitalisation (9 months) compared with the life of options (2 and 3 years) we have also considered the historical volatility of a basket of Tempo's listed peers over longer periods of time as summarised in the table below.

Ticker	Company	Historical annualised volatility (%) last		
		1 YR	2 YR	5 YR
ASX:MND	Monadelphous Group Limited	31.20	31.94	36.37
ASX:NWH	NRW Holdings Limited	65.21	53.84	76.08
ASX:CLO	Clough Limited	25.86	31.91	53.10
ASX:FGE	Forge Group Limited	44.96	42.83	61.27
ASX:DCG	Decmil Group Limited.	47.07	48.08	62.55
ASX:GNG	GR Engineering Services Limited	46.32	-	-
ASX:RCR	RCR Tomlinson Limited	33.10	35.72	59.13
ASX:SWK	Swick Mining Services Limited	44.36	41.11	54.89
ASX:ASL	Ausdrill Ltd.	47.22	43.12	50.55
ASX:AJL	AJ Lucas Group Limited	86.26	67.42	65.15
ASX:MAH	MacMahon Holdings Ltd.	78.93	63.16	69.25
ASX:WDS	WDS Limited	51.40	46.10	70.12
ASX:WTP	Watpac Ltd.	44.38	38.11	47.77
ASX:SWL	Seymour Whyte Limited	62.86	48.40	-
ASX:BYL	Brierty Limited	38.73	43.47	72.48
ASX:MYE	Mastermyne Pty Ltd.	47.61	39.97	-
ASX:STS	Structural Systems Limited	36.09	35.20	49.21
Median		46.32	42.83	54.89
Average		48.92	41.79	48.70

Source: S&P Capital IQ 7 March 2013

Our analysis indicates that the median annualised volatility of Tempo's peers ranges from approximately 43% (Measured over 2 years) to approximately 55% (measured over 5 years) and the average ranges from approximately 42% (measured over 2 years) to 49% (measured over 1 year).

In our opinion we consider that the historical volatility of Tempo's peers is a more appropriate indicator of the expected future volatility in the price of Tempo's shares over the option life than their own historical volatility given the relatively short period of time Tempo has been listed post the recapitalisation. As such we have concluded that a volatility figure of 50% to be a reasonable assumption of the future volatility of the Company's shares over the life of the Options which are the subject of this valuation.

6. *Risk free rate* - We have determined this based on the yield of Commonwealth Government two and three year bonds, being the periods which most closely corresponds to the estimated option life for Tranche A and B. At 7 March 2013 per the Reserve Bank of Australia website, a two year Commonwealth Government bond yielded 2.80% and a three year Commonwealth Government Bond yielded 2.85%.
7. *Dividend Yield* – Dividend yield of 0% has been assumed as the Company has no history of dividends and is not expected to pay dividends over the option period.
8. *Vesting period* – Both tranches vest immediately upon issue.

4. Indicative valuation

Based on the methodology and assumptions set out in Section 3 of this report, we summarise our indicative assessment of the fair value of the Options in the table below:

Director	Number of options	Value per option	Total value
Tranche A	5,847,954	\$0.0116	\$67,836
Tranche B	5,847,954	\$0.0115	\$67,251
Total			\$135,087

If you have any queries or would like further information please do not hesitate to contact the writer.

Appendix A

Qualifications and experience of Andy Gilmour

Andy Gilmour FCA

Andy Gilmour has been a partner in the Corporate Finance Division of RSM Bird Cameron for the last 18 years. He is currently the national head of the division. Andy is also the Chairman and responsible person for RSM Bird Cameron Corporate Pty Ltd holder of an Australian Financial Services licence.

Andy is the WA Representative of the National Committee of the Business Valuations Special Interest Group of the Institute of Chartered Accountants.

Andy has over 24 years valuation experience and has undertaken valuations of companies and businesses for many different purposes including Independent Expert Reports to shareholders for takeovers, acquisitions and disposals, in relation to taxation – capital gains tax, tax consolidation, stamp duty - in relation to litigation matters, assisting in determining appropriate acquisition and disposal prices for purchase and sale of businesses, for bank lending purposes and for internal management and restructuring purposes.

Andy has valued businesses from a wide range of industries including, mining, health, manufacturing, financial services, construction, agribusiness, hospitality and retailing.

Our one-firm structure enables us to provide strong connections and a focus on client relationships. Clients can readily connect to our national and international expertise and networks, our extensive understanding of Australian business and to our senior advisors. With RSM Bird Cameron you really are... [Connected for Success](#)

For more information please contact:

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Liability limited by a scheme approved under Professional Standards Legislation.

RSM Bird Cameron is a member of the RSM network. Each member of the RSM network is an independent accounting and advisory firm which practises in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

SCHEDULE 3

EMPLOYEE SHARE OPTION PLAN RULES



Tempo Australia Ltd Employee Share Option Plan

Issued by order of the board on 22 January 2013

GADENS LAWYERS

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Perth WA 6000, Australia

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F +61 8 9323 0900
Ref 32616506:PG

Tempo Australia Limited

ACN 000 689 725
Level 29, 66 Goulburn Street
Sydney NSW 2000 Australia

T: 1300 4 TEMPO
www.tempoaust.com

Rules of the Tempo Australia Ltd Employee Share Option Plan

1. Defined meanings

Words used in this document and the rules of interpretation that apply are set out and explained in the definitions and interpretation section at the back of this document.

2. Purpose

- (a) The Plan is a key part of the longer term retention and incentive strategy of the Company.
- (b) The Plan is designed to provide incentives to the Directors and employees of the Group to remain with the Group and to improve longer-term performance of the Group, and to recognise their contribution to the Group's success.

3. Rules

This document sets out the rules of the Plan.

4. Commencement of the Plan

The Plan commences on the day that approval for introduction of the Plan is first given by the Board, such date being 22 January 2013.

5. The Plan

5.1 Options

- (a) Subject to the Listing Rules, the Company may issue such number of Options as the Board determines until such time as the Plan is terminated.
- (b) The Options are issued for \$ nil consideration.
- (c) The Options lapse on their Expiry Date.
- (d) Without the prior written approval of the Board, an Option may not be sold, transferred, mortgaged, charged or otherwise dealt with or encumbered.
- (e) The Options will not be listed or quoted on any stock exchange.
- (f) Option Holders have no rights or entitlements to participate in dividends declared by the Company or rights to vote at meetings of the Company in respect of an Option that they hold.

5.2 Exercise Price

- (a) The Board will specify the Exercise Price of each Option at the time of making an Offer to an Eligible Employee.
- (b) Without limiting the ways in which the Exercise Price may be specified in paragraph 5.2(a) above, the Exercise Price may include:
 - (i) a fixed amount;
 - (ii) the Market Price of a Share on the date the Offer is made under Rule 6.1;
 - (iii) the Market Price of a Share on the date the Options are granted;
 - (iv) the Market Price of a Share on a specified date which is after the date the Options are granted; or
 - (v) a percentage above the amount in sub paragraphs (ii), (iii) or (iv).

5.3 Vesting

- (a) The issue of an Option does not confer any right or interest, whether legal or equitable, in any Shares until the Vesting Conditions in respect of such Option (if any) have been satisfied or waived by the Board at its discretion, or the Options have otherwise become exercisable in accordance with this Plan (in particular, refer to Rule 12 of this Plan).
- (b) Notwithstanding that an Option has become Vested, if the Option has lapsed prior to exercise then the Option does not confer any further right or interest, whether legal or equitable, in any Shares.

5.4 Exercise of Options

Subject to an Option becoming Vested and not having lapsed, an Option Holder may exercise all or any of the Options that he or she holds on any Business Day during the period that the Options are exercisable, by lodging with the Company:

- (a) a written notice of exercise of Options specifying the number of Shares in respect of which Options are being exercised;
- (b) a cheque for the Exercise Price multiplied by the number of Shares in respect of which Options are being exercised; and
- (c) the Certificate for the Options being exercised.

5.5 Issue of Shares on exercise of Options

- (a) Following exercise of an Option, the Company must, within such time as the Board determines, issue to the Option Holder the number of Shares in respect of which the Option has been exercised.
- (b) Shares issued on the exercise of Options will rank equally in all respects with all existing Shares at the date of allotment, including in relation to:

- (i) voting rights;
- (ii) entitlements to participate in:
 - (A) distributions and dividends;
 - (B) future rights issues and bonus issues,

where the record date for determining entitlements falls on or after the date of issue of the Shares.

- (c) If the Company is Listed, the Company must apply for official quotation by ASX of all Shares allotted pursuant to the exercise of Options not later than 10 Business Days after the date of allotment.

5.6 Eligibility

- (a) The Company may only make an Offer to an Eligible Employee who has provided the Company with their TFN or ABN.
- (b) Eligibility to participate in the Plan under Rule 5.6(a) does not confer a right to participate in the Plan.
- (c) The Board's determination as to whether a person is or is not an Eligible Employee shall be final and binding.

5.7 Determination of Offers

The Board may in its absolute discretion make Offers of Options to those Eligible Employees who the Board determines Offers should be made at any time or times. In determining which Eligible Employees will receive Offers, and which Eligible Employees will not, the Board may have regard to any matters which it considers relevant, including:

- (a) the Eligible Employee's length of service with the Group;
- (b) the contribution to the Group which has been made by the Eligible Employee;
- (c) the potential contribution of the Eligible Employee to the Group;
- (d) any misconduct or wilful default by an Eligible Employee;
- (e) whether the Eligible Employee will continue to be an employee of the Group at or soon after the time of issue of the Options;
- (f) taxation implications for the Group, the Eligible Employee and/or other Eligible Employees participating in the Plan; and
- (g) any applicable securities and/or employment laws.

5.8 Liability of Eligible Employee

- (a) An Eligible Employee is not liable to make any payment to the Company as consideration for the issue of Options to the Eligible Employee under the Plan.

- (b) No brokerage, commission, stamp duty or other transaction costs will be payable by the Eligible Employee in respect of any allotment or, if permitted, any transfer of Options under the Plan.

5.9 Terms of issue

Options must be issued in compliance with:

- (a) the terms of these Rules;
- (b) the Corporations Act;
- (c) if the Company is Listed, the Listing Rules;
- (d) Income Tax Assessment Act and Regulations;
- (e) the terms of any Contract; and
- (f) any additional terms as the Board considers appropriate (not being inconsistent with these Rules and any Contract).

6. Offer and Acceptance

6.1 Offers

- (a) The Board may from time to time make Offers in writing to Eligible Employees inviting them to take up Options under the Plan.
- (b) The number of Options Offered to an Eligible Employee is the number determined from time to time by the Board in its absolute discretion.
- (c) Each Offer made by the Board must be in writing and must:
 - (i) specify the number of Options for which the Eligible Employee may apply;
 - (ii) specify the terms and conditions of the issue of the Options the subject of the Offer, including:
 - (A) the Exercise Price of the Options or the method of determining the Exercise Price;
 - (B) the Expiry Date of the Options;
 - (C) any applicable Vesting Conditions;
 - (D) the Acceptance Period; and
 - (E) any other terms and conditions relating to the Offer or the Options which are not inconsistent with these Rules or any Contract; and
 - (iii) be accompanied by:

- (A) any other information or documents that:
 - (I) the Corporations Act;
 - (II) if the Company is Listed, the Listing Rules; and
 - (III) any other applicable law,require the Company to give to the Eligible Employee;
- (B) such other information as the Board in its discretion determines; and
- (iv) have attached an Acceptance Form and a copy of these Rules.

6.2 Acceptance

- (a) To accept an Offer made by the Board under the Plan the Eligible Employee must send a completed Acceptance Form to the Company.
- (b) The Acceptance Form must be received by the Company within the Acceptance Period.

6.3 Effect of Acceptance

By completing and returning the Acceptance Form within the Acceptance Period, an Eligible Employee will be taken to have agreed to be bound by:

- (a) the terms of the Acceptance Form;
- (b) these Rules; and
- (c) the terms of issue as specified in the Offer.

6.4 Issue of Options

Subject to the satisfaction of any terms and conditions set out in the Acceptance Form, following receipt of a completed and signed Acceptance Form and the acceptance by the Board of the Acceptance Form, the Company will, as soon as practicable after the end of the Acceptance Period:

- (a) issue to the Eligible Employee the number of Options applied for by the Eligible Employee on the terms of issue specified in the Offer and a Certificate for those Options; and
- (b) update the Register in accordance with these Rules.

7. Restriction on Offer of Options

The Board shall not Offer or issue Options to any Eligible Employee in accordance with the Plan if:

- (a) it would cause the Company to exceed any thresholds set out in ASIC Class Order 03/184 (or any class order or law which supersedes it); and
- (b) if the Company is Listed, any thresholds set out in the Listing Rules.

8. Lapse of Options

8.1 Lapse of Options

Any Options issued pursuant to the Plan will be allotted on the condition that notwithstanding that an Option may have become Vested, the whole of the Options issued to an Eligible Employee automatically lapse and are forfeited:

- (a) 30 days after that Eligible Employee voluntarily resigns from employment with the Group other than to take up employment with another member of the Group;
- (b) subject to clause 8.1(c), immediately, if that Eligible Employee is dismissed from employment with the Group for any one or more of the following reasons:
 - (i) wilful misconduct bringing disrepute on the Group;
 - (ii) repeated disobedience, after prior written warning;
 - (iii) incompetence in the performance of any duties for which the Eligible Employee was employed, after prior written warning;
 - (iv) fraud or any other dishonesty in respect of the property or affairs of the Group; or
 - (v) any other reason, based on which the Board believes it is fair and reasonable to warrant that the Options lapse and are forfeited.
- (c) if the dismissal or termination is determined to be improper by agreement between the Group and the Eligible Employee or by an order by a court or tribunal of competent jurisdiction, the Board may negotiate a commercial settlement in respect of the Options.

8.2 Exceptions

- (a) Options issued to an Eligible Employee will not lapse and be forfeited where an Eligible Employee ceases employment with, or ceases to perform work or render services to, the Group in the following circumstances:
 - (i) death or where the Eligible Employee becomes disabled and (in the opinion of a medical practitioner nominated by the Board) is unable to perform their normal duties;
 - (ii) retirement;
 - (iii) redundancy; or

- (iv) any other circumstance where the employment comes to an end except as set out in clause 8.1.
- (b) Should an Eligible Employee, in the opinion of the Board, satisfy the requirements of Rule 8.2(a) the Eligible Employee or his or her legal representative will have a period of six months to exercise the Option from the date of the specified event.

9. Taxation

- (a) Neither the Company nor its Directors, officers, employees, representatives or agents take any responsibility or assume any liability for the taxation liabilities of Eligible Employees or Option Holders.
- (b) Eligible Employees and Option Holders acknowledge that as a result of participating in the Plan the Company may be required to provide their personal information, including, but not limited to, their name, address, ABN and/or TFN, to the Australian Taxation Office.

10. Listing Rules

If the Company is Listed, the terms and conditions of the Plan must at all times comply with the Listing Rules. If there is any inconsistency between the terms and conditions of the Plan and the Listing Rules then the Listing Rules will prevail.

11. Reconstructions and New Issues

11.1 Participation in future issues

An Option Holder cannot participate in new issues of Shares or other securities made only to holders of Shares unless the Shares in respect of the Options held by the Option Holder have been issued to and registered in the name of the Option Holder before the record date for determining entitlements to the new issue.

11.2 Bonus Issues

If the Company makes a pro-rata bonus issue of Shares or other securities to holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and Shares in respect of Options held by an Option Holder have not been issued to and registered in the name of the Option Holder before the record date for determining entitlements to the bonus issue, then the number of Shares which may be issued as a result of exercise of the Options held by the Option Holder will be increased by the number of Shares that the Option Holder would have received if the Shares which may be issued as a result of the exercise of the Options had been registered in the name of the Option Holder before the record date for the bonus issue without any increase in the Exercise Price.

11.3 Rights Issues

If the Company makes a pro-rata issue of securities (except a bonus issue to which Rule 11.2 applies) to the holders of Shares:

- (a) if no amount is payable on the exercise of Options, the number of Options (or other terms and conditions, if any, applicable to the Options held by an Option Holder) may be adjusted in such manner as the Board in its discretion determines. Such adjustment, if any, will be subject to:
 - (i) if the Company is Listed, the Listing Rules;
 - (ii) the Corporations Act; and
 - (iii) any other applicable law.

11.4 Reconstruction subject to the Listing Rules

In the event of any reconstruction (including consolidation, sub-division, reduction, capital return, buy back or cancellation) of the share capital of the Company, the number of Options to which each Option Holder is entitled and/or the Exercise Price of those Options must be reconstructed in accordance with the Listing Rules, whether or not the Company is Listed. Options must be reconstructed in a manner which will not result in any additional benefits being conferred on Option Holders which are not conferred on other security holders of the Company.

12. Takeovers or Change of Control

Notwithstanding that Vesting Conditions of some or all Options held by an Option Holder or Option Holders have not been satisfied or waived by the Board, where a Change of Control Event occurs, the Vesting Conditions of the Options are deemed to have been satisfied or waived by the Board and the Option may be exercised immediately.

13. Administration of the Plan

13.1 Administration

The Plan will be administered by the Board in accordance with these Rules. The Board may make regulations for the operation of the Plan which are consistent with these Rules.

13.2 Powers of the Board

- (a) Any power or discretion which is conferred on the Board by these Rules may be exercised by the Board in the interests or for the benefit of the Company, and the Board is not, in exercising that power or discretion, under any fiduciary or other obligation to any other person.
- (b) Any power or discretion which is conferred on the Board by these Rules may be delegated by the Board for such period and on such conditions as the Board may determine to a committee or any one or more persons, who need not be or include Directors.

- (c) Every exercise of discretion by the Board (or its delegate) and every decision of the Board as to the interpretation, effect or application of these Rules is final, conclusive and binding.

14. Rights of Participants

Nothing in these Rules:

- (a) confers on any employee the right to receive any Options;
- (b) confers on any employee the right to continue as an employee of the Group;
- (c) affects any rights which the Group may have to terminate the employment of any employee; or
- (d) may be used to increase damages in any action brought against the Group in respect of the termination of the employment of any employee of the Group.

15. Amendment of these Rules

15.1 Amendment

Subject to Rules 15.3 and 15.4, the Company may at any time, by written instrument or by resolution of the Board, amend all or any of the provisions of these Rules (including this Rule 15).

15.2 Variation

Subject to Rules 15.3 and 15.4, the Company may, in a Contract to be offered to a prospective employee, vary all or any of the provisions of these Rules, and such variation shall prevail over any inconsistency with these Rules.

15.3 Restrictions on amendment or variation

No amendment or variation of the provisions of these Rules is to reduce the rights of any Option Holder in respect of Options issued to the Option Holder prior to the date of the amendment or variation, other than an amendment or variation introduced primarily:

- (a) for the purposes of complying with or conforming to present or future laws governing or regulating the maintenance or operation of the Plan or like plans;
- (b) to correct any manifest error or mistake;
- (c) to enable contributions or other amounts paid by the Group in respect of the Plan to qualify as tax deductions for that entity;
- (d) to enable the Option Holder or their employer to reduce the amount of tax or impost that may otherwise be payable by the Option Holder or their employer in relation to the Plan including under the *Fringe Benefits Tax Assessment Act 1986* and the *Income Tax Assessment Acts of 1936 and 1997*, or any other similar legislation in any jurisdiction outside Australia;

- (e) for the purpose of enabling Eligible Employees generally (but not necessarily each Eligible Employee) to receive a more favourable taxation treatment in respect of their participation in the Plan;
- (f) to enable the Group to comply with the Listing Rules or the Corporations Act or any other applicable legislation or regulation whether in Australia or outside Australia; or
- (g) make regulations for the operation of the Plan which are not inconsistent with these Rules to apply to Eligible Employees and Option Holders who are residents outside of Australia.

15.4 Listing Rules

Where the Company is Listed, any amendment or variation of these Rules must be made in accordance with, and in the manner stipulated (if any), by the Listing Rules.

15.5 Retrospective effect of amendment

Subject to the provisions of this Rule 15, any amendment made under Rule 15.1 may be given retrospective effect, as specified in the written instrument or resolution by which the amendment is made.

16. Termination and suspension of Plan

The Board may, in its absolute discretion, at any time by resolution of the Board and, where the Company is Listed, notification thereof to the ASX:

- (a) determine that the Plan be terminated; or
- (b) suspend the Plan for such period as the Board determines or for an indefinite period.

17. Register of Option Holders

The required information in relation to all Options must be entered in the Register of Option Holders maintained by the Company in accordance with the Corporations Act.

18. Notices

Any notice regarding Options issued under the Plan will be sent to the address of the Option Holder as recorded in the Register maintained by the Company or the share registry of the Company.

19. Governing Law

The Plan is governed by, and is to be construed and take effect in accordance with, the laws of Western Australia, Australia.

20. Definitions and interpretation

20.1 Definitions

In these Rules, the following words and expressions have the meanings indicated unless a contrary intention appears:

ABN means an Australian Business Number;

Acceptance Form means a form to accept Options Offered under the Plan substantially in the form annexed to these Rules as Annexure A with any amendment or modification determined from time to time by the Board;

Acceptance Period means the time within which the Offer may be accepted by the Eligible Employee;

ASX means the ASX Limited (ACN 008 624 691);

Board means all or some of the Directors acting as a board of the Company;

Business Day means any day other than a Saturday, Sunday or public holiday in Western Australia, Australia;

Certificate means a certificate in respect of Options issued under the Plan in such form as the Board may approve from time to time;

Change of Control Event means any of the following:

- (a) if a person acquires voting power (within the meaning of section 610 of the Corporations Act) in more than 50% of the Shares in the Company as a result of a takeover bid;
- (b) if a person acquires voting power (within the meaning of section 610 of the Corporations Act) in more than 50% of the Shares in the Company through a scheme of arrangement; or
- (c) any event (including a merger of the Company with another company) whether specified above or not and whether at a different percentage to that specified above or not, which the Board determines, in its absolute discretion, to be a Change of Control Event;

Company means Tempo Australia Limited ACN 000 689 725;

Contract means a contract of employment entered into between the Company and an Eligible Employee;

Corporations Act means *Corporations Act 2001* (Cth);

Director means a director of the Company;

Eligible Employee means a person who:

- (a) has an Offer to take up Options under the Plan within that employee's Contract; or
- (b) is at the time of the Offer, and has been for a period of at least 12 months, a full or part-time employee or an executive or non-executive Director of the Group;

Exercise Price means the price determined by or the mechanism by which the price will be determined by the Board under Rule 5.2;

Expiry Date means the expiry date of Options, being the latest date at which the Options can be exercised, as set out in an Offer to an Eligible Employee and subject to the Rules;

Group means the Company and each of its Subsidiaries from time to time;

Listed means the Shares of the Company are officially quoted by the ASX;

Listing Rules means the official listing rules of the ASX;

Market Price means, in relation to a particular date, the weighted average market price per Share (weighted by reference to volume) during five consecutive trading days on the ASX ending on the day before the particular date;

Offer means an offer in writing made by the Board to an Eligible Employee to take up Options under the Plan made in accordance with Rule 6;

Option means, subject to adjustment in accordance with Rule 11, an option to subscribe for one Share in accordance with the Rules;

Option Holder means the holder of an Option issued under the Plan;

Plan means the Tempo Australia Limited Employee Share Option Plan established in accordance with the Rules;

Register means the register referred to in Rule 17;

Rules means the rules of the Tempo Australia Limited Employee Share Option Plan; and

Share means a fully paid ordinary share in the Company;

Subsidiary has the same meaning as in section 46 of the Corporations Act;

TFN means tax file number issued by the Australian Taxation Office; and

Vesting Conditions means one or more conditions (if any) as determined by the Board to apply to an Option as set out under the Offer which are conditions of the Option becoming Vested and **Vested** means that all such conditions have been satisfied.

20.2 Interpretation

In these Rules, unless the context otherwise requires:

- (a) Rule and sub-Rule headings are for reference purposes only;
- (b) the singular includes the plural and vice versa;

- (c) words denoting any gender include all genders;
- (d) reference to a person includes any other entity recognised by law and vice versa;
- (e) where a word or phrase is defined its other grammatical forms have a corresponding meaning;
- (f) any reference to a party to this document includes its successors and permitted assigns;
- (g) any reference to any agreement or document includes that agreement or document as amended at any time;
- (h) the use of the word **includes** or **including** is not to be taken as limiting the meaning of the words preceding it;
- (i) the expression **at any time** includes reference to past, present and future time and the performance of any action from time to time;
- (j) an agreement, representation or warranty on the part of two or more persons binds them jointly and severally;
- (k) an agreement, representation or warranty on the part of two or more persons is for the benefit of them jointly and severally;
- (l) reference to an exhibit, annexure, attachment or schedule is a reference to the corresponding exhibit, annexure, attachment or schedule in this document;
- (m) reference to a provision described, prefaced or qualified by the name, heading or caption of a Rule, subRule, paragraph, schedule, item, annexure, exhibit or attachment in this document means a cross reference to that Rule, subRule, paragraph, schedule, item, annexure, exhibit or attachment;
- (n) when a thing is required to be done or money required to be paid under this document on a day which is not a Business Day, the thing must be done and the money paid on the immediately preceding Business Day;
- (o) reference to a statute includes all regulations and amendments to that statute and any statute passed in substitution for that statute or incorporating any of its provisions to the extent that they are incorporated;
- (p) a reference to a Listing Rule includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of that Listing Rule; and
- (q) a reference to a person includes a reference to the person's executors, administrators and successors, a legal personal representative, a firm or a body corporate.

Annexure A – Acceptance Form

**Tempo Australia Limited
ACN 000 689 725
(the Company)**

Employee Share Option Plan

Agreement to accept Options

I _____ of _____

hereby accept the issue of _____ Options with an issue price of \$nil to subscribe for an equal number of Shares in the capital of the Company at an Exercise Price of \$ _____ per Share (subject to adjustment in accordance with the Rules of the Plan).

I agree that upon issue of those Options I shall hold those Options and deal with them only in accordance with the Offer made by the Board of Directors of the Company to me (a copy of which is attached), the Rules of the Employee Share Option Plan of the Company (a copy of which is attached) and the Listing Rules of ASX Limited.

Dated this _____ day of _____ 20 _____

Signed: _____

Name: _____

SCHEDULE 4

NOTICE OF INTENTION TO REMOVE AUDITOR

11 March 2013

The Board of Directors

Dear Sirs

NOMINATION OF RSM BIRD CAMERON PARTNERS AS COMPANY AUDITOR

I, Carmelo Bontempo of 52 View Street, Peppermint Grove WA 6011 being a member of Tempo Australia Limited, request that a general meeting of the Company be held on the first available time, in any event no later than 2 months from the date of this notice to consider, and, if thought fit, pass resolutions that:

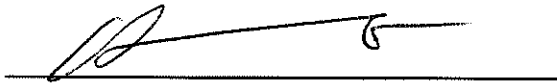
- (a) Pitcher Partners be removed as auditor of the Company; and
- (b) RSM Bird Cameron Partners be appointed as the new auditor of the Company.

Furthermore, for the purposes of Section 328B(1) of the Corporations Act 2001, I hereby give you notice of the nomination of RSM Bird Cameron Partners of 8 St Georges Terrace Perth WA 6000 as auditor of the Company.

SIGNED by

Carmelo Bontempo)

in the presence of:)



Signature of Witness

Huanan Li

Name of Witness (Print)

24B LUBA ROAD, NOLLAMARA

Address (Print)

Corporate Accountant - CPA

Occupation (Print)

E-mail: tutu.phong@rsmi.com.au
Direct line: 9261 9355
TUTU:SET

26 March 2013

Board of Directors
Tempo Australia Limited
Level 29
66 Goulburn Street
SYDNEY NSW 2000

Dear Directors

Consent to Appointment as Auditor – Tempo Australia Limited

We are pleased to receive nomination to act as auditors of Tempo Australia Limited (the company).

In accordance with section 328A of the Corporations Act 2001, RSM Bird Cameron Partners hereby consent to our appointment as auditor of the company.

Our consent is subject to the appropriate resolutions being passed at the company's forthcoming Annual General Meeting.

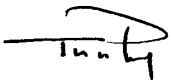
This consent will remain in force until cancelled in writing.

Please contact us if further information or clarification is required.

Yours faithfully

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS



TUTU PHONG
Registered Company Auditor



TEMPO AUSTRALIA LTD
ABN 51 000 689 725

LODGE YOUR VOTE



ONLINE >

www.linkmarketservices.com.au



By mail:
Tempo Australia Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



By fax: +61 2 9287 0309



All enquiries to: Telephone: 1300 554 474 Overseas: +61 1300 554 474



X99999999999

SHAREHOLDER PROXY FORM

I/We being a member(s) of Tempo Australia Limited and entitled to attend and vote hereby appoint:

STEP 1

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy. I/we appoint the Chairman of the Meeting as an alternate proxy to the person named.

If no person/body corporate is named, the Chairman of the Meeting, is appointed as my/our proxy and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at 2:00pm (WST) on Thursday, 2 May 2013, at at BGC Centre, ground level, 28 The Esplanade, Perth WA 6000 and at any adjournment or postponement of the meeting. I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel.

The Chairman of the Meeting intends to vote undirected proxies in favour of all items of business.

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the meeting.

Please read the voting instructions overleaf before marking any boxes with an

STEP 2

VOTING DIRECTIONS

	For	Against	Abstain*		For	Against	Abstain*
Resolution 1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 5 Approval of the Tempo Australia Limited Employee Share Option Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Election of Peter Dykes as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 6 Approval of additional capacity to issue shares under ASX Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Election of Nick Bowen as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 7 Removal of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Approve the issue of Shares and Attaching Options to Nick Bowen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 8 Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

i * If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3

IMPORTANT - VOTING EXCLUSIONS

If the Chairman of the Meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote as your proxy in respect of Items 4 & 6 above, please place a mark in this box. By marking this box, you acknowledge that the Chairman of the Meeting may exercise your proxy even though he/she has an interest in the outcome of these Items and that votes cast by him/her for these Items, other than as proxyholder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Items 4 & 6 and your votes will not be counted in calculating the required majority if a poll is called on these Items. The Chairman of the Meeting intends to vote undirected proxies in favour of Items 4 & 6.

STEP 4

SIGNATURE OF SHAREHOLDERS - THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

TPP PRX302R



HOW TO COMPLETE THIS PROXY FORM

Your Name and Address

This is your name and address as it appears on the company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in Step 1. If you appoint someone other than the Chairman of the Meeting as your proxy, you will also be appointing the Chairman of the Meeting as your alternate proxy to act as your proxy in the event the named proxy does not attend the meeting.

Votes on Items of Business - Proxy Appointment

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form and return them both together. The appointment of the Chairman of the Meeting as your alternate proxy also applies to the appointment of the second proxy.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together.

Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

Corporate Representatives

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the company's share registry.

Lodgement of a Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **2:00pm (WST) on Tuesday, 30 April 2013**, being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the proxy form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the proxy form).



by mail:

Tempo Australia Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



by fax:

+61 2 9287 0309



by hand:

delivering it to Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138.

**If you would like to attend and vote at the Annual General Meeting, please bring this form with you.
This will assist in registering your attendance.**