



# OTOC Limited

ACN 122 958 178

**ASX ANNOUNCEMENT**

**30 APRIL 2012**

## **QUARTERLY REPORT TO 31 MARCH 2012**

### **Highlights**

- **Receipts from customers for the quarter of \$38.4m (\$90.7m year to date)**
- **Awarded \$14m contract by Rio Tinto**
- **Strong growth outlook**
- **Continued to progress the sale of Emerson Stewart Consulting**

### **MARCH QUARTER RESULTS**

OTOC Limited (ASX: OTC) ("OTC" or "The Company") reported net cash flow for the three months ended 31 March 2012 of \$2.1 million.

The March Quarter cashflow was impacted by seasonal lower revenue and resultant receipts of the December/January holiday period.

During the quarter OTOC was awarded a \$14m contract by Rio Tinto Iron Ore for the installation of transportable accommodation buildings and infrastructure upgrades to the West Angelas Village.

Whelans (WA) Pty Ltd ("Whelans") continues to perform in line with expectations.

### **Commenting on the March quarter results, the CEO of OTOC, Mr. Adam Lamond said:**

"We were pleased to see continued strong growth in our core business. The demand for non-process infrastructure and accommodation services is underpinned by record investment in the iron ore sector. Our strong relationship with blue-chip clients in the sector ensures we are well positioned to capitalise on this growth.

Expanding OTOC's service offering to the oil & gas sector remains a key strategic focus.

Going forward, the Company expects to record improved operating cash flow. The implementation of the Jobpac management system and introduction of senior contract administrators will enable management to better monitor costs on each project and reduce the revenue recovery cycle."



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The Company's cash flow statement is summarised below (see attached Appendix 4C for full details).

OTOC Limited	Mar Qtr \$'000s	Dec Qtr \$'000s	YTD \$'000s
Receipts from customers	38,380	42,988	90,697
Payments for: staff costs	-16,228	-16,554	-39,215
Payments for: other working capital	-24,064	-28,070	-53,712
Net interest expense	-336	-301	-706
<b>Net operating cash flows</b>	<b>-2,248</b>	<b>-1,937</b>	<b>-2,936</b>
Payments for non-current assets	-596	-543	-1,240
Payments for businesses		-9,072	-9,072
<b>Net investing cash flows</b>	<b>-596</b>	<b>-9,615</b>	<b>-10,312</b>
Proceeds from issue of shares		8,496	8,496
Proceeds from borrowings	5,796	3,807	9,833
Repayment of borrowings	-843	-1,433	-3,461
<b>Net financing cash flows</b>	<b>4,953</b>	<b>10,870</b>	<b>14,868</b>
<b>Net increase/(decrease) in cash</b>	<b>2,109</b>	<b>-682</b>	<b>1,620</b>
Cash at beginning of Qtr	-500	182	-11
<b>Cash at end of Qtr</b>	<b>1,609</b>	<b>-500</b>	<b>1,609</b>

## ORDER BOOK

The Company's order book is a reflection of its strong competitive position and robust industry outlook.

OTOC's work on hand is \$70 million, with an estimated \$36 million to be delivered in Q4 FY2012.

The Whelan's order book is \$10 million. Whelan's existing recurring work stream is complemented by new opportunities predominantly in the oil & gas industry.

## FINANCIAL POSITION

At 31 March 2012 the Company had cash at bank of \$1.6m.

The following bank and finance facilities were in place:

National Australia Bank	\$7.93m
Other	\$4.11m



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## **SALE OF EMERSTON STEWART CONSULTING**

The Company continues to make progress towards the sale of Emerson Stewart Consulting.

*For further information please contact:*

Mr Adam Lamond  
Group CEO  
Telephone: (08) 9317 0628

**ENDS**

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## **ABOUT OTOC LIMITED**

OTOC Limited is a leading provider of resources and infrastructure services through its wholly owned subsidiaries OTOC Group Pty Ltd ("OTOC") and Whelans (WA) Pty Ltd ("Whelans").

Established in 2003, OTOC specialises in the installation of mine site accommodation and non-process infrastructure for mining and oil and gas projects. OTOC has a successful track record of delivering turnkey mining camp solutions for blue-chip clients including BHP Billiton, Rio Tinto and FMG.

Whelans is a leading consultancy in the provision of surveying, mapping and town planning, with a focus on the oil and gas sector. Whelans has 110 professional staff operating from offices in Perth, Karratha, Broome, Kununurra and Kalgoorlie.

# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

OTOC Limited

ABN

80 122 958 178

Quarter ended ("current quarter")

March 2012

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from customers	38,380	90,697
1.2 Payments for (a) staff costs	(16,228)	(39,215)
(b) advertising and marketing		
(c) research and development		
(d) leased assets		
(e) other working capital	(24,064)	(53,712)
1.3 Dividends received	1	13
1.4 Interest and other items of a similar nature received	(337)	(719)
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)		
<b>Net operating cash flows</b>	<b>(2,248)</b>	<b>(2,936)</b>

+ See chapter 19 for defined terms.

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

	Current quarter \$A'000	Year to date (9 months) \$A'000
1.8 Net operating cash flows (carried forward)	(2,248)	(2,936)
<b>Cash flows related to investing activities</b>		
1.9 Payment for acquisition of:		
(a) businesses (item 5)		(6,799)
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets	(611)	(1,272)
(e) other non-current assets		
1.10 Proceeds from disposal of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets	15	32
(e) other non-current assets		
1.11 Loans to other entities		
1.12 Loans repaid by other entities		
1.13 Other (cash balance acquired from business acquisition)		(2,273)
<b>Net investing cash flows</b>	(596)	(10,312)
1.14 <b>Total operating and investing cash flows</b>	(2,844)	(13,248)
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.		8,496
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings	5,796	9,833
1.18 Repayment of borrowings	(843)	(3,461)
1.19 Dividends paid		
1.20 Other (provide details if material)		
<b>Net financing cash flows</b>	4,953	14,868
<b>Net increase (decrease) in cash held</b>		
1.21 Cash at beginning of quarter/year to date	2,109	1,620
1.22 Exchange rate adjustments to item 1.20	(500)	(11)
1.23 <b>Cash at end of quarter</b>	1,609	1,609

+ See chapter 19 for defined terms.

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	131
1.25	Aggregate amount of loans to the parties included in item 1.11	
1.26	Explanation necessary for an understanding of the transactions	
Executive and non-executive Director remuneration.		

**Non-cash financing and investing activities**

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

**Financing facilities available**

*Add notes as necessary for an understanding of the position.*

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	650	650
3.2	Credit standby arrangements	11,399	10,429

+ See chapter 19 for defined terms.

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

**Reconciliation of cash**


Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	1,762	114
4.2 Deposits at call	-	-
4.3 Bank overdraft	(153)	(614)
4.4 Other (provide details)		
<b>Total: cash at end of quarter (item 1.23)</b>	<b>1,609</b>	<b>(500)</b>

**Acquisitions and disposals of business entities**

	Acquisitions <i>(Item 1.9(a))</i>	Disposals <i>(Item 1.10(a))</i>
5.1 Name of entity		
5.2 Place of incorporation or registration		
5.3 Consideration for acquisition or disposal		
5.4 Total net assets		
5.5 Nature of business		

**Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:   
 .....  
 (Company secretary)

Date: 30<sup>th</sup> APRIL 2012

Print name: Vince Salsano

**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

+ See chapter 19 for defined terms.

2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
  
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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