



Appendix 4D

OTOC LIMITED FOR THE HALF YEAR ENDED 31 DECEMBER 2012

The current reporting period is the half-year ended 31 December 2012

The prior reporting period is for the half-year ended 31 December 2011

RESULTS ANNOUNCEMENT TO THE MARKET 31 DECEMBER 2012				\$000's
Revenue from ordinary activities	down	28%	to	50,807
Profit from operating activities	up	138%	to	1,948
Profit from operating activities after tax attributable to members	down	58%	to	731
Net profit after tax for the period attributable to members	down	58%	to	731

NTA Backing	31 December 2012	31 December 2011
	cents per share	cents per share
Net tangible assets per ordinary share	8.9 cents	5.0 cents

Dividends declared

No dividends were declared or paid during the period by OTOC Limited.

Dividends or distribution reinvestment plan

OTOC Limited does not currently operate a dividend reinvestment plan.

Associates and joint venture entities

Not applicable.

Foreign entities GAAP applied

Not applicable.

Audit report

This report is based on the interim financial report which has been independently reviewed and is not subject to qualifications.



OTOC Limited

31 December 2012
Interim Financial Report

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OTOC Limited 31 December 2012 Interim Financial Report

Directors' report

The directors of OTOC Limited (the "Company") present their report together with the consolidated financial statements of the group comprising OTOC Limited and its controlled entities ("OTOC or the "Group"), for the six months ended 31 December 2012 and the review report thereon.

Directors

The directors of the Company at any time during or since the end of the interim period are:

Name	Period of directorship
Non-executive	
Derek La Ferla - Chairperson	Appointed 28 October 2011
Tom Lawrence - Non-Executive Director	Appointed 13 October 2011
Executive	
Adam Lamond - Chief Executive Officer	Appointed 13 October 2011

The Directors of the Company in office during the interim period until the date of their resignations are set out below:

Dario Amara (Non-Executive Director – resigned 30 November 2012)

Derek La Ferla

Mr La Ferla is a partner with the Perth office of international law firm Norton Rose. He is Non-Executive Chairman of ASX listed Sandfire Resources Limited and of unlisted public company Cashmere Iron Ltd.

He has been a director of a number of public and private companies over the years (including ASX listed Katana Capital Limited) and has served on the board of the predecessor firm to Norton Rose in Australia (Deacons).

As a senior corporate solicitor over the past 26 years, Mr La Ferla has worked closely with the boards and management of many public, private and statutory corporations, with particular emphasis over the past eight years on corporate governance, director responsibilities and balancing commercial, risk and management considerations.

Mr La Ferla holds Bachelor of Arts and Bachelor of Laws degrees and is a Fellow of the Australian Institute of Company Directors.

Special Responsibilities

Mr La Ferla is Chairman of the nomination and remuneration committee and a member of the audit committee.

Former directorships in last 3 years

Sandfire Resources Limited (May 2010 – Current)

Tom Lawrence

Mr Lawrence is a qualified accountant and taxation law expert with a Masters Degree in taxation. Mr Lawrence has been the principal of Lawrence Business Management for over 15 years, providing tax and management advice to a diverse range of businesses. Mr Lawrence has been an advisor to OTOC from its inception.

Special Responsibilities

Mr Lawrence is Chairman of the audit committee and a member of the nomination and remuneration committee.

Former directorships in last 3 years

None.

Adam Lamond

Mr Lamond is a qualified electrician and electrical contractor with over 17 years of experience in the mining industry. Mr Lamond has particular expertise in the electrical trade and camp installations in remote Western Australia.

Mr Lamond began his career in the mining industry in 1995, working for a private electrical contractor and subsequently as a sub-contractor. He founded his own electrical contracting business in 2003 before merging it with several other private contracting businesses to form Ocean to Outback Contracting Pty Ltd, and held the position of Chief Executive Officer.

Special Responsibilities

Managing Director.

Former directorships in last 3 years

None.

Company Secretary

Lisa Wynne was appointed Company Secretary on 6 July 2012 following the resignations of joint Company Secretaries, Gene Lilly and Vince Salsano.

Ms Wynne is a Chartered Accountant with significant experience in the administration of ASX and TSX listed companies, corporate governance and financial accounting. Ms Wynne is Company Secretary of a number of ASX listed resources companies and an owner of corporate advisory firm Blue Horse Corporate Pty Ltd specialising in the provision of corporate services to public companies.

Principal Activities

OTOC is a leading provider of infrastructure and related services to remote areas through its wholly owned subsidiaries OTOC Group Pty Ltd and Whelans Australia Pty Ltd ("Whelans"). Established in 2003, OTOC Group Pty Ltd specialises in the establishment of remote area infrastructure for government, mining, and oil and gas projects. Whelans Australia is a leading consultancy in the provision of surveying, mapping, town planning. The group has 6 offices located at strategic locations within Western Australia and approximately 360 staff.

There were no changes to the principal activities of the Company during the interim period under review.

Review of operations

For the interim period ended 31 December 2012 the Company achieved a profit from operating activities of \$1,948,000. This represents a 137% increase on the previous corresponding half result of (2011: \$820,000).

The Company achieved operating revenue of \$50,807,000 and net profit after tax from continuing operations of \$1,073,000.

The Company's other wholly owned subsidiary Emerson Stewart Pty Ltd contributed a loss after tax of \$342,000 from discontinued operations.

Lead auditor's independence declaration

The lead auditor's independence declaration is set out on page 18 and forms part of the directors' report for the six months ended 31 December 2012.

Rounding off

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in the condensed consolidated interim financial statements and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the directors:



Adam Lamond
Director

Dated at Perth this 28th day of February 2013

Condensed consolidated statement of financial position

In thousands of dollars

	31 Dec 2012	30 Jun 2012
Assets		
Cash and cash equivalents	3,728	3,962
Investments	402	-
Trade and other receivables	10,954	13,429
Work in progress	13,146	25,226
Prepayments	523	630
Assets held for sale	-	887
Total current assets	28,753	44,134
Other investments	80	80
Property, plant and equipment	12,510	10,418
Other non-current assets	-	116
Intangible assets	992	1,052
Total non-current assets	13,582	11,666
Total assets	42,335	55,800
Liabilities		
Trade and other payables	12,022	22,711
Loans and borrowings	4,980	6,522
Employee benefits	2,297	3,454
Financial liability	-	4,600
Liabilities relating to assets held for sale	-	183
Total current liabilities	19,299	37,470
Loans and borrowings	2,926	3,429
Employee benefits	78	255
Deferred tax liabilities	1,866	1,811
Total non-current liabilities	4,870	5,495
Total liabilities	24,169	42,965
Net assets	18,166	12,835
Equity		
Share capital	9,188	4,588
Retained earnings	8,978	8,247
Total equity	18,166	12,835

The condensed notes on pages 10 to 14 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated statement of comprehensive income

For the six months ended 31 December

n thousands of dollars

	Note	2012	2011
Continuing operations			
Revenue		50,807	70,492
Cost of sales		(41,752)	(63,715)
Gross profit		9,055	6,777
Selling and distribution expenses		(72)	(100)
Administrative expenses		(6,053)	(5,258)
Occupancy expenses		(982)	(599)
Results from operating activities		1,948	820
Finance income		-	2,029
Finance costs		(622)	(618)
Net finance (costs)/income		(622)	1,411
Profit before tax		1,326	2,231
Tax expense		(253)	(83)
Profit from continuing operations		1,073	2,148
Discontinued operation			
Loss from discontinued operation (net of tax)	6	(342)	(402)
Profit and total comprehensive income for the period		731	1,746
Earnings per share			
Basic earnings cents per share		0.42	1.20
Diluted earnings cents per share		0.42	1.06
Earnings per share - continuing operations			
Basic earnings cents per share		0.62	1.40
Diluted earnings cents per share		0.62	1.11

The condensed notes on pages 10 to 14 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated statement of changes in equity

in thousands of dollars

	Share Capital	Retained Earnings	Total Equity
Balance at 1 July 2011	1,975	3,580	5,555
Total comprehensive income for the period			
Profit for the period	-	1,746	1,746
Total comprehensive income for the period	-	1,746	1,746
Transactions with owners of the Company, recognised directly in equity			
Equity issued net of transaction costs	1,316	-	1,316
Dividend to owners of the Company	-	(950)	(950)
Share-based payment transactions	-	(46)	(46)
Adjustment on reverse acquisition	1,297	74	1,371
Total transactions with owners of the Company	2,613	(922)	1,691
Balance at 31 December 2011	4,588	4,404	8,992

For the six months ended 31 December 2012

in thousands of dollars

	Share Capital	Retained Earnings	Total Equity
Balance at 1 July 2012	4,588	8,247	12,835
Total comprehensive income for the period			
Profit for the period	-	731	731
Total comprehensive income for the period	-	731	731
Transactions with owners of the Company, recognised directly in equity			
Issue of ordinary shares related to business combinations	4,600	-	4,600
Total transactions with owners of the Company	4,600	-	4,600
Balance at 31 December 2012	9,188	8,978	18,166

The condensed notes on pages 10 to 14 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated statement of cash flows

For the six months ended 31 December

In thousands of dollars

	2012	2011
Cash flows from operating activities		
Cash receipts from customers	70,443	81,755
Cash paid to suppliers and employees	(63,539)	(85,754)
Cash generated from operations	6,904	(3,999)
Interest paid	(622)	(618)
Taxes paid	-	(1,712)
Net cash from/(used in) operating activities	6,282	(6,329)
Cash flows from investing activities		
Interest received	-	29
Proceeds from sale of property, plant and equipment	120	57
Discontinued operations	(540)	(646)
Payment to OTOC Group Pty Ltd shareholders	-	(5,280)
Acquisition of property, plant and equipment	(3,649)	(2,349)
Acquisition of other investments	(402)	(80)
Net cash (used in) investing activities	(4,471)	(8,269)
Cash flows from financing activities		
Proceeds from the issue of share capital	-	7,633
Proceeds from lease borrowings	961	5,713
Repayment of borrowings and lease liabilities	(3,006)	(418)
Dividends paid	-	(950)
Net cash (used in)/from financing activities	(2,045)	11,978
Net increase (decrease) in cash and cash equivalents	(234)	(2,620)
Cash and cash equivalents at 1 July	3,962	2,094
Cash and cash equivalents at 31 December	3,728	(526)

The condensed notes on pages 10 to 14 are an integral part of these consolidated interim financial statements.

Notes to the condensed consolidated interim financial statements

1. Reporting entity

OTOC Limited (the "Company") is a company domiciled in Australia. The condensed consolidated interim financial statements of the Company as at and for the six months ended 31 December 2012 comprises the Company and its subsidiaries (together referred to as the "Group"). The Group primarily is involved in Construction and Surveying (see note 5).

The consolidated annual financial statements of the Group as at and for the year ended 30 June 2012 are available upon request from the Company's registered office at Level 12, 3 Hasler Road Osborne Park WA 6017 or at www.otoclimited.com.au

2. Basis of preparation

Statement of compliance

The condensed consolidated interim financial statements are general purpose financial statements prepared in accordance with AASB 134 *Interim Financial Reporting* and the Corporations Act 2001, and with IAS 34 *Interim Financial Reporting*.

Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended 30 June 2012. The consolidated interim financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated annual financial statements of the Group as at and for the year ended 30 June 2012.

These condensed consolidated interim financial statements were approved by the Board of Directors on 28 February 2013.

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with the Class Order, amounts in the consolidated interim financial statements have been rounded off to the nearest thousand dollars, unless otherwise stated.

Estimates

Preparing interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2012.

3. Significant accounting policies

The accounting policies applied by the Group in the condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 30 June 2012.

4. Financial instruments

Financial risk management

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial report as at and for the year ended 30 June 2012.

Notes to the condensed consolidated interim financial statements

5. Operating segments

Information about reportable segments

The Group has three reportable segments being managed separately by the service provided. Internal management reports on the performance of these reportable segments are reviewed monthly by the Chief Executive Officer. The following summary describes the operations in each of the Group's reportable segments:

OTOC Operations – provides remote area infrastructure both within Australia and Internationally.

Whelans Operations – provides surveying, mapping and town planning services throughout Western Australian and internationally.

Corporate – provides corporate services to the OTOC group.

As at 30 June 2012 Management had committed to a plan to sell its Emerson Stewart Consulting Operations ("ES Operations") segment which provides project management, engineering and environmental science services across the infrastructure, resources and energy sectors. On 5 September 2012 the completion of sale of ES Operations was announced. OTOC received approximately \$1 million as consideration for the sale.

Information regarding the results of each reportable segment is detailed below. Comparative segment information has been presented in conformity with the requirement of AASB 8 Operating Segments.

For the six months ended 31 December

<i>In thousands of dollars</i>	OTOC Operations		Whelans Operations		Corporate		Discontinued Operations		Total	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
External revenues	36,711	64,785	14,096	5,707	-	-	1,070	1,948	51,877	72,440
Inter-segment revenue	-	-	143	431	-	-	-	48	143	479
Reportable segment profit/(loss) before tax	1,019	251	1,294	243	(987)	(263)	(540)	(568)	786	(337)
Reportable Segment assets	27,231	34,954	14,894	13,980	100	304	110	2,464	42,335	51,702

Notes to the condensed consolidated interim financial statements

5. Operating segments (continued)

Reconciliation of reportable segment profit or loss

For the six months ended 31 December

In thousands of dollars

	2012	2011
Total profit or loss for reportable segments before tax	786	(337)
Fair value gain on financial liability	-	2,000
Elimination of discontinued operations	540	568
Profit before tax	1,326	2,231

Segment assets

There were no major changes in segment assets during the period.

6. Discontinued operation

In September 2012 the Group sold the Emerson Stewart Business segment. The segment was classified as held for sale and its results are presented as loss from discontinued operations as at 30 June 2012.

For the six months ended 31 December

In thousands of dollars

Results of discontinued operation

	2012	2011
Revenue	1,070	1,948
Expenses	(1,910)	(2,516)
<i>Results from operating activities</i>	<i>(840)</i>	<i>(568)</i>
Income tax benefit	288	166
<i>Results from operating activities, net of income tax</i>	<i>(552)</i>	<i>(402)</i>
Gain on sale of discontinued operation	300	-
Income tax on gain on sale of discontinued operation	(90)	-
<i>Profit (loss) for the period</i>	<i>(342)</i>	<i>(402)</i>

Notes to the condensed consolidated interim financial statements

7. Capital and reserves

Issues of ordinary shares

The Group issued 20 million performance shares on 13 October 2011 as part of the consideration for the purchase of OTOC Group Pty Ltd under the terms of the purchase agreement entered into in June 2011. The purchase agreement allowed for the Performance shares to be converted into ordinary shares on the achievement of certain earnings milestones for the period ended 30 June 2012 (EBIT between \$5.5m and \$6.5m). These earnings milestones have been achieved for the period and subsequently, at a meeting of Directors of OTOC Limited held on 28 September 2012, the Board resolved to convert 20,000,000 performance shares into 40,000,000 ordinary shares as a result of OTOC Group Pty Ltd achieving prescribed earnings before interest and taxation in excess of \$6,500,000.

Dividends

The following dividends were declared and paid by the Company:

For the six months ended 31 December

In thousands of dollars

	2012	2011
Dividends paid	-	950

8. Loans and borrowings

<i>In thousands of dollars</i>	Interest rate nominal*	Face value	Carrying amount	Year of maturity
Hire purchase liabilities	6.8% – 9.2%		5,643	2013 - 2017
Loans from shareholders	12%		755	2013
Loans from director	12%		1,508	
			7,906	

All loans and borrowings are denominated in Australian Dollars

9. Related parties

Transactions with key management personnel

During the period, certain related parties made loans to the Company under normal commercial terms. The details of these loans are as follows:

Other related party transactions

<i>In thousands of dollars</i>	Balance outstanding	
	31 Dec 2012	30 June 2012
<i>Loan amount</i>		
Director (Adam Lamond)	1,508	1,855
Shareholders	755	884

Loans outstanding to related parties are made under normal commercial terms, and are repayable on demand. Interest is accrued monthly.

None of the loans are secured.

Notes to the condensed consolidated interim financial statements

10. Subsequent event

No significant subsequent events occurred since the end of the period.

OTOC Limited

Directors' declaration

In the opinion of the directors of OTOC Limited ("the Company"):

1. the condensed consolidated financial statements and notes set out on pages 6 to 14, are in accordance with the Corporations Act 2001 including:
 - (a) giving a true and fair view of the Group's financial position as at 31 December 2012 and of its performance for the six month period ended on that date; and
 - (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:



Adam Lamond
Director
Dated at Perth this 28th day of February 2013

Independent auditor's review report to the members of OTOC Limited

We have reviewed the accompanying interim financial report of OTOC Limited (the Company), which comprises the condensed consolidated statement of financial position as at 31 December 2012, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, notes 1 to 10 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the Company and the entities it controlled at the half-year's end or from time to time during the half-year period.

Directors' responsibility for the interim financial report

The directors of the Company are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the interim financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2012 and its performance for the interim period ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of OTOC Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of OTOC Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and
- (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



KPMG



Brent Steedman
Partner

Perth

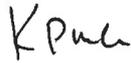
28 February 2013

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

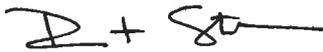
To: the directors of OTOC Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2012 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.



KPMG



Brent Steedman
Partner

Perth

28 February 2013

Corporate Information

The registered office of the company is:

OTOC Limited
Level 12, 3 Hasler Road
Osborne Park WA 6017

The principal place of business is:

OTOC Limited
Level 12, 3 Hasler Road
Osborne Park WA 6017