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SeaLink Travel Group Ltd
Proposed acquisition of
Transit Systems Marine Business

16 September 2015

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For more information please contact: Carla Schaefer, Investor Relations, SeaLink Travel Group 08 8202 8619, 0409 101 188 or carla@sealink.com.au



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Transaction highlights and overview **1**

Transaction highlights: Overview

Transaction Summary

- SeaLink Travel Group Limited ('SeaLink') is to acquire 100% of the securities in the entities that comprise Transit Systems Marine, which operates passenger ferry and vehicular barge services in south-east Queensland and in Gladstone, Queensland, subject to certain conditions.
- The purchase price is \$125 million plus working capital adjustments, including deferred cash consideration of up to \$3 million.
- The purchase price is to be funded as follows:
 - \$8 million placement to the Transit Systems Marine vendors which will be subject to a 1 year escrow
 - Approximately \$40 million via placement to professional and sophisticated investors
 - Net debt of approximately \$6 million that SeaLink will assume (interest free)
 - A share purchase plan to current SeaLink shareholders that could raise up to \$16.9 million
 - Bank finance for the balance.
- Shares issued under the private placement, to the vendor and under the share purchase plan, will be issued at \$2.50 per share ('Issue Price').

Impact of transaction on SLK

- Pro forma underlying earnings are based on the estimated maintainable earnings after completion of the existing contracts in Gladstone, unaudited FY15 Transit Systems accounts and adjusted for the expected change in finance costs. Furthermore, they assume no synergy benefits, integration costs and no impact of the amortisation of intangibles. Pro forma financial information in this presentation has not been audited or reviewed.
- Post the acquisition, approximately 50-60% of the Transit Systems Marine's underlying EBIT relate to contracted, annuity style earnings.
- The Directors expect that the actual earnings generated by Transit Systems Marine in FY16 will be materially higher than the estimated underlying earnings as existing contracts in Gladstone will continue to contribute.
- On an underlying earnings basis, for the 12 months ending June 2015:
 - Pro forma EBITDA would have increased from \$18.6 million to \$37.5 million
 - Pro forma EPS would have increased from 12.5 cents per share to 17.7 cents per share
 - Pro forma interest bearing debt would have been 1.8 times EBITDA and EBIT interest cover would have been 7.0 times.
- The Directors believe that the transaction will be EPS and EBITDA accretive in FY16, prior to any acquisition related amortisation, synergies and integration costs.

Transaction highlights: Financial Summary

Pro-forma for the 12 months to 30 June 2015	SeaLink Standalone ¹	Actual merged entity ²	Underlying merged entity ³	Impact (underlying)
No. of vessels	27 vessels	60 vessels	60 vessels	↑ 122%
No. of locations	6	8	8	↑ 33%
EBITDA	\$18.6m	\$52.0m	\$37.5m	↑ 102%
EBIT	\$14.8m	\$40.6m	\$29.3m	↑ 98%
NPAT ^{4,5}	\$9.6m	\$25.5m	\$17.5m	↑ 82%
Basic EPS ⁵	12.5 cents	25.8 cents	17.7 cents	↑ 42%
ND / EBITDA	0.3x	1.3x	1.8x	N/A
EBIT interest cover	12.3x	9.7x	7.0x	N/A

1. SeaLink based on audited accounts.

2. Actual reported earnings includes un-audited 2015 accounts for Transit Systems Marine.

3. Based on estimated maintainable earnings after the current Gladstone contracts are completed.

4. Underlying numbers exclude the effect of any amortisation and costs associated with the acquisition.

5. Assumes 40% of the maximum amount is raised under the share purchase plan.



The transaction explained

2

The transaction explained

Acquisition Overview

- SeaLink has entered into a securities sales agreement with Transit Systems, to acquire 100% of the securities in the entities that comprise Transit Systems Marine. The agreement is subject to various condition precedent including contractual approvals.
- Total consideration is \$125 million (including deferred cash consideration of \$3 million), which represents 6.6 times FY15 underlying EBITDA and 8.6 times FY15 underlying EBIT.
- Based on market valuations, the purchase consideration includes: vessels, land, plant and equipment, all contracts, licences, intellectual property and goodwill.
- The \$3 million deferred cash consideration is payable to the vendor, if:
 - A particular transport contract is awarded to Transit Systems Marine; or
 - There has been no formal decision by the Queensland Government within two years to reduce the term of the sand mining lease on North Stradbroke Island (the current lease expires in 2035 although the Queensland Government has indicated this will be brought forward to expire in 2019, subject to final approval).

The transaction explained

Institutional capital raising, private placements, and share purchase plan

Shares to be issued

- To fund the transaction, SeaLink will issue:
 - 19.2 million ordinary shares representing 25% of the current capital of SeaLink. This includes \$8.0 million worth of shares issued to the vendor; and
 - a share purchase plan to existing shareholders.
- New shares will rank pari passu with existing ordinary shares but will not be entitled to the final FY15 dividend of 4cps (ex-dividend date of 10 September 2015).

Issue Price

- Shares issued under the private placement, to the vendor and the share purchase plan, will be issued at \$2.50 per share.
- This price represents a discount of approximately 3.5%¹ to the volume weighted average price of SeaLink's shares for the 10 trading days up to 15 September 2015.

Private placement

- Approximately \$40 million is to be raised through the issue of 16 million SeaLink shares under a private placement to sophisticated and professional investors.
- The private placement, which will be jointly managed by Bell Potter Securities Limited, Ord Minnett Limited and Taylor Collison Limited.

Placement to vendors

- As part of the consideration, approximately 3.2 million SeaLink shares (\$8.0 million) will be issued to the vendors at the Issue Price of \$2.50 per share.
- These shares will be subject to voluntary escrow for one year from 15 September 2015.

Share purchase plan

- SeaLink's existing shareholders will be given the opportunity to subscribe for up to \$15,000 worth of shares under the share purchase plan of up to approximately \$16.9 million (based on 1,129 shareholders).

¹Adjusted for the 4 cents per share dividend that was announced on 19 August 2015.

The transaction explained

Debt funding

- SeaLink has entered into a binding funding commitment letter with ANZ Banking Group ('ANZ') whereby the bank has agreed (subject to the satisfaction of certain conditions precedent) to advance SeaLink up to \$80 million in debt financing to complete the acquisition of Transit Systems Marine and fund the ongoing business of the merged Group.
- Based on the purchase price of \$125 million, bank funding for the acquisition is estimated at \$57 million, depending on the amount of money raised under the share purchase plan.
- In addition, the bank facility provides performance guarantees of \$15 million, which will be required to support marine contracts.
- Post completion, SeaLink's net interest bearing debt will be circa \$67 million.
- SeaLink will be assigned an interest free net debt of approximately \$6.0 million which will be paid out over the next two years.

Source of funds	\$m	Uses of funds	\$m
Capital raising (Placement, vendor shares plus SPP) ¹	55	Purchase price	125
Bank financing	57	Transaction costs	2
Assumption of net, interest free debt	6		
Assumption of tax liability	9		
TOTAL	127		127

Approvals, conditions precedents and regulatory considerations

- Shareholder approval is required in respect of financial assistance being provided in connection with the transaction pursuant to section 260B of the Corporations Act. However, this is not a condition precedent to the provision of finance for settlement.
- The acquisition is conditional on receiving customary contractual approvals from State Government, Local Government, regulatory approvals and from parties with which material contracts are held.

¹Assumes SeaLink raises 40% of the maximum \$16.9 million under the share purchase plan at the Issue Price

The transaction explained

The indicative capital structure of SeaLink post completion of the transaction is as follows:

Description	Max No. of shares
Existing shares	76,814,923
25% Placement shares (including vendor allotment)	<u>19,203,730</u>
Total shares prior to share purchase plan	96,018,653
Shares that could be issued under the share purchase plan ¹	2,709,600
Maximum total after allocation under the share purchase plan	<u>98,728,253</u>

Post completion capital structure

¹Assumes SeaLink raises 40% of the maximum \$16.9 million under the share purchase plan at the Issue Price



About Transit Systems Marine **3**

Overview: Transit Systems Marine

Summary

- Transit Systems is an Australian-owned transport company:
 - Founded in 1995
 - Current owners wish to divest the marine component of the business in order to focus on their bus services business

Fleet

- 33 vessels comprising:
 - 19 passenger-only ferries
 - 10 vehicular ferries
 - 2 water ambulances
 - 1 utility boat
 - 1 cable ferry on the Brisbane River at Moggill
- Well maintained modern fleet, reducing overall fleet age

Key operations

- Ferry operations in Gladstone
- Both vehicular/passenger and barging service in North Stradbroke Island
- Vehicular and barging services to Southern Moreton Bay Island
- Vehicular/passenger Bay Island Transit (BITS) in Southern Moreton Bay
- Moggill Ferry on the Brisbane River
- Mineral Sand barging from North Stradbroke Island
- Staff 265 (including 16 admin staff)

Complementary service offering

- Complementary service offering to SeaLink's existing operations
- Strong management team who will stay with the business
- The Transit Systems brand will not be acquired as part of the purchase. The business will be re-branded with the SeaLink name

Underlying business growth drivers

- Dynamic pricing for Stradbroke Ferries
- Tourism growth to North Stradbroke Island
- Potential charter work for Capricornian class vessels
- CPI growth for transport contracts

Gladstone Ferries

Background

- Three LNG processing plants and shipping terminals are currently being constructed in Gladstone
- The plants are on Curtis Island, therefore all plant and personnel are transported by water, on a daily basis
- Contracts for the construction phase are in place for varying periods up until June 2017
 - Transit Systems Marine provides barging and ferry services for two of the three construction projects through its existing contract
- Following completion, contracts for the operational phase will be required
 - Transit Systems Marine has won one operational contract covering two of the plants
 - Third plant contract currently under tender

Potential alternative uses – Capricornian Fleet

- Any currently contracted vessels that are not required in Gladstone as contracts complete, could be re-deployed as follows:
 - Economic reason to leave a vessel in Gladstone for peak periods such as shut downs
 - Sydney Harbour charter growth opportunities
 - Queensland coast opportunities
 - Melbourne to Portarlington (under discussion)
 - Auckland Transport Ferry Services
 - Other opportunities around Australia (e.g. Darwin crew transfer, South of Embley mine, etc.)

Services provided

- 14 vessels currently located in Gladstone
- 5 vessels are the Capricornian class type vessels which are sought after 400 passenger vessels
- The Capricornian vessels complete contracts between November 2015 and June 2017. Opportunities have been identified in New South Wales, Victoria and New Zealand
- The new operational phase transport contract requires 6 vessels to fulfil the contract
- Contract under tender requires 3 vessels to fulfil the contract
- Services include:
 - Passenger transport
 - Barging
 - Ambulance
 - Work boat

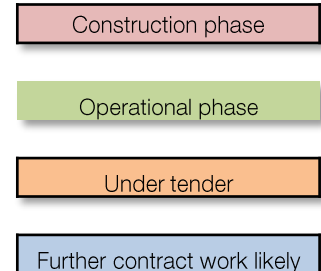
Pictures of the vessels



Gladstone Ferries

Vessels

Vessel	Type	Year Ended				
		2016	2017	2018	2019	2020
Parangool	200 Pax Ferry	Operational Vessel				
Torresian	200 Pax Ferry					
Bruce	RoRo Ferry					
Quandamooka	RoRo Ferry	Construction phase	Operational Vessel			
Capricorn Spirit	400 Pax Ferry	Construction phase	Operational Vessel			
Capricorn Dancer	400 Pax Ferry	Construction phase	Operational Vessel			
Capricorn Sunrise	400 Pax Ferry	Operational Vessel				
Capricorn Surfer	400 Pax Ferry	Operational Vessel				
Capricorn Sunset	400 Pax Ferry	Construction phase	Further contract work likely			
Canapia	180 Pax Ferry	Operational Vessel				
Brahminy Kite	200 Pax Ferry	Construction phase	Under tender			
Mandurama	300 Pax Ferry	Construction phase	Further contract work likely			
Duffy	Abulance Ferry	Construction phase	Further contract work likely			
RV Tyrrell	Utility Boat	Operational Vessel				



North Stradbroke Island

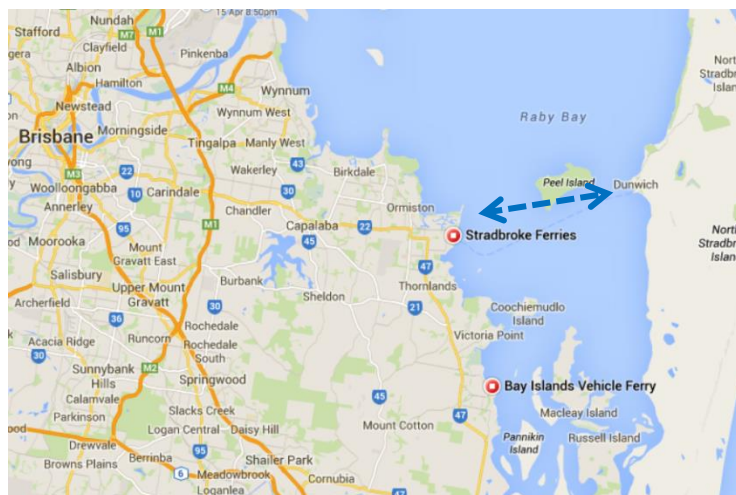
Services provided

- Service from Cleveland on the mainland to Dunwich on North Stradbroke Island
- Both vehicular/passenger and passenger only service
- Vehicular Ferries – Sea Breeze and Minjerrabah
- Passenger only ferry – Escape to Stradbroke and Inswiabon
- Only operator of vehicular barges
- Competition on water taxi service

Facts

- 2 vehicular vessels (plus additional fleet for peak periods)
- Vehicular vessels take about 40 mins to cross a 13 km trip
- 1 vessel for passenger only service
- Vehicular ferries recently refurbished with over \$1.0m spent on each
- Transit Systems Marine take all fare box risk and has long term wharfage arrangements at both Cleveland and Dunwich
- Lease at Cleveland for ferry terminal expires February 2023

Geographic region



Pictures of the vessels



Bay Island Transit Service (BITS)

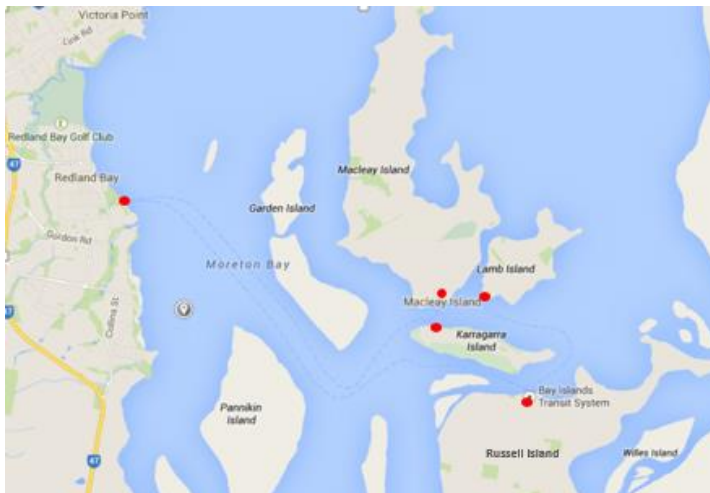
Services provided

- Services 4 islands (Karragarra, Macleay, Lamb, Russell)
- Contracted service for Queensland Government's 'Translink'
- Operates within the South East Queensland integrated public transport network
- Operates from Redland Bay and connects with public transport - rail and bus
- Maintains and operates an ambulance boat under a cost plus contract with the Queensland Ambulance Service
- Market consists of predominantly local residents

Facts

- 5 passenger ferries in service under a contract with the Queensland Government expiring 31 December 2018
- Cost plus contract plus incentives for passenger growth
- Queensland Government retains the fare box
- Strong synergies with SeaLink's Palm Island service from Townsville

Geographic region



Pictures of the vessels on service



Bay Island Barging Service

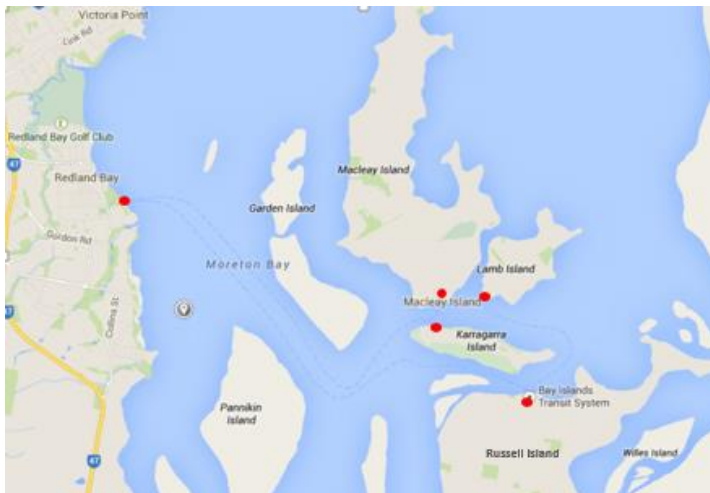
Services provided

- Vehicular barge service that operates 3 vessels to the same group of islands as the Bay Island Transit (Karragarra, Macleay, Lamb, Russell) from Redland Bay
- Service provides the only link for the movement of vehicles, goods and services to the Southern Moreton Bay Islands
- Majority of the customers are local residents

Facts

- Each vessel carries between 16 and 36 cars
- Vital supplies such as fuel, food and public works services
- Sole permit held to access the barge ramp at Redlands Bay
- Long term lease for marine facilities due for renewing 2019
- Similar to Kangaroo Island, servicing residents and freight transport

Geographic region



Pictures of the vessels



Moggill Ferry

Services provided

- 1 new cable ferry, crossing the Brisbane River in the western suburbs of the greater Brisbane metropolitan area
- Connects South/West Brisbane and Ipswich with North/West Brisbane
- Closest alternative bridges are the Centenary Highway to the East and the Mt. Crosby Road to the west
- Saves time and distance for a key demographic and is an alternative route in peak hour traffic
- Contract with the Queensland Department of Transport, currently under negotiation
- Current contract expires December 2015

Facts

- Brand new ferry
- 22 cars and 65 passengers
- Currently a set fee contract
- Government contract, guaranteed income

Geographic region



Mineral Sands barging

Services provided

- Approximately 150 barge trips per year
- Contract in place with Sibelco until June 2016
- Government has indicated they intend to reduce the mining lease term from 2035 to 2019
- Government is considering options to provide future employment on the Island post the completion of mining
- Government has committed an initial \$20 million dollars to develop the island which would have tourism as a main focus
- The barging service is sub-contracted to a 3rd party

Facts

- Sand mining operations have existed on the island for over sixty years



Strategic Rationale

Natural Alignment

- A key focus of SeaLink's business strategy is to seek domestic growth opportunities, by business or vessel acquisitions, with a focus on marine and tourism transport services.
- SeaLink and Transit Systems Marine operate similar businesses. Both businesses operate passenger ferry and vehicular barge services in Australia and both have operations in Queensland.
- SeaLink is strong in the tourism marketing field which can be aligned to North Stradbroke Island.
- Transit System Marine like SeaLink has a reputation for safe, reliable and environmentally responsible marine operations driven by a quality work force.

A new growth engine for SeaLink Travel Group

- Transit Systems Marine will significantly enhance SeaLink's ability to compete for large scale marine transport business opportunities in Australia and overseas.
- The acquisition gives SeaLink the ability to win new business with broader expertise and fleet capacity.
- Growth in tourism traffic to North Stradbroke Island and packaging revenue through coordination with existing SeaLink marketing capability, leveraging its strong international, domestic, online sales and marketing infrastructure.
- Leverage the reputation and skills of the Gladstone operations to become a more significant participant in the ferry and barge transport services field.

EBITDA and EPS accretion

- On an underlying, pro-forma basis, SeaLink's FY15 EBITDA and EPS would increase by 102% and 42% respectively over SeaLink's stand-alone business for that period.

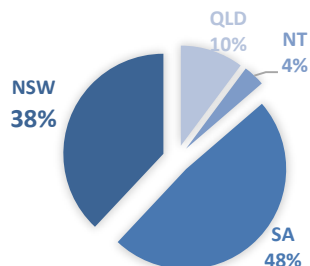
Strategic Rationale

- SeaLink will become the largest marine transport and tourism business in Australia improving our diversification profile with a blend of secure marine contracts, core island tourism services and charter work.
- Improved quality earnings stream, with long term marine revenue contracts.
- Expansion into Queensland will improve SeaLink's geographic diversification.

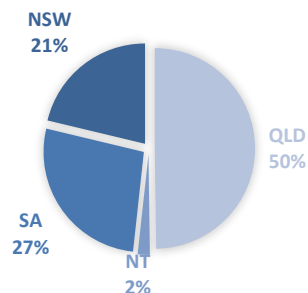


Portfolio diversification

2015 revenue spread pre-acquisition



2015 revenue spread post-acquisition



Complementary management skills

- Strong operational management team have been retained.
- Both SeaLink and Transit Systems Marine have highly capable and experienced senior management teams with proven track records of delivering strong results.



Pro-forma Financial Information

Pro-forma consolidated statement of profit & loss for the 12 months ending 30 June 2015

\$millions	A SLK ¹	B Transit Systems actual ²	C Transit Systems underlying ³	D Pro-forma adjustments ⁴	A + C + D Pro-forma consolidated
EBITDA	18.6	33.4	18.9		37.5
Depreciation and amortisation	(3.8)	(7.6)	(4.4)		(8.2)
EBIT	14.8	25.8	14.5		29.3
Interest received (paid)	(1.2)	-	-	(3.0)	(4.2)
Underlying profit before taxation	13.6	25.8	14.5	(3.0)	25.1
Income tax expense	(4.2)	(7.7)	(4.3)	0.9	(7.6)
Net profit after tax	9.6	18.1	10.2	(2.1)	17.5
No. of shares on issue (millions)	76.8			22.0	98.8
Basic earnings per share	12.5 cents				17.7 cents

1. The figures for SLK are based on the 2015 audited accounts.
2. Actual reported earnings from the un-audited Transit Systems Marine accounts including actual contributions from operations under contract in Gladstone.
3. Underlying financials are based on the estimated maintainable earnings after completion of the construction contracts in Gladstone, unaudited FY15 Transit Systems accounts and adjusted for the expected change in finance costs. Furthermore, they assume no synergy benefits, integration costs and no impact of the amortisation of intangibles.
4. Assumes 40% of the maximum amount raised under the share purchase plan.

Pro-forma Financial Information

Pro-forma summary consolidated statement of financial position as at 30 June 2015

\$millions	SLK ¹	Transit Systems ²	Pro-forma adjustments ²	Pro-forma consolidated
Current assets				
Cash & equivalents	2.2	-		2.2
Receivables, inventory & other	5.8	30.4		36.2
Total current assets	8.0	30.4		38.4
Total non current assets	82.0	97.2	44.1	223.2
Current liabilities	(18.4)	(10.7)		(29.1)
Non current liabilities				
Non-Interest bearing debt	-	(37.2)		(37.2)
Interest bearing debt (non current)	(7.0)	-	(62.1)	(69.1)
Total non current liabilities	(3.3)	(8.6)		(11.9)
NET ASSETS	61.3	71.0		114.3
Issued Capital	33.9	-	53.0	86.9
Reserves and retained earnings	27.4	71.0	(71.0)	27.4
TOTAL EQUITY	61.3	71.0	(18.0)	114.3

1. SeaLink's financials as at June 2015 have been subject to full-year audit, Transit Systems Marine's figures are unaudited.

2. The following pro-forma adjustments have been made to reflect the consolidated financial position of the group as if Transit Systems Marine been acquired for \$125m for the 12 months to 30 June 2015:

- The value of intangibles has been increased to reflect the excess of the pro-forma purchase price over pro-forma net tangible assets. No amortisation of the intangibles has been reflected.
- The non-current liabilities have been adjusted to reflect the value of the debt component of the purchase price.



Indicative timetable

Indicative timetable

Event	Date
Trading halt requested	16 September 2015
Record date for eligibility to participate in share purchase plan	16 September 2015 at 7.00pm ¹
Transaction announcement	16 September 2015 before 10.00am ¹
Book build opens	16 September 2015 at 10.00am ¹
Book build closes	16 September 2015 at 5.00pm ¹
Trading halt lifted	18 September 2015
Settlement of placement	23 September 2015
Placement shares allotted and commence trading	24 September 2015
Expected date of acquisition of Transit Systems Marine (subject to CP's)	30 October 2015
Share purchase plan offer to open	24 September 2015
Share purchase plan offer to close	13 October 2015

1. Australian Eastern Standard Time

Note: SeaLink reserves the right to vary these dates



Key risks of an investment in SeaLink Travel Group and Transit Systems Marine

Risks specific to the acquisition of Transit Systems Marine

Completion risk – There is a risk that the transaction may not complete due to a failure to satisfy any of the conditions precedent (for example, a failure to obtain a key contract approval). Where the transaction is not completed, SeaLink intends to use the proceeds raised under the placement for other potential acquisitions or for general corporate purposes.

Integration risk - There are risks that any integration between the businesses of SeaLink and Transit Systems Marine may be more complex than expected. A failure to fully integrate the operations of Transit Systems Marine, or a delay in the integration process, could impose unexpected costs that may adversely affect the financial performance and position of SeaLink.

Funding risk – The availability of the debt facility from ANZ is subject to various conditions precedent such as vessel valuations. However, the provision of debt finance is not a condition to the transaction. As such, there is a risk that SeaLink may have an obligation to pay the purchase price for Transit Systems Marine under the transaction but, due to the unavailability of the debt facility, does not have the necessary amount of funding available. In this instance SeaLink would need to seek to put in place new financing arrangements, the terms of which may be less attractive than the proposed transaction funding mix.

Debt funding – The use of debt finance to fund the transaction means that SeaLink will be exposed to risks associated with gearing. For example, SeaLink will be more exposed to any movements in interest rates.

Transit Systems Marine's future earnings – SeaLink has undertaken financial and business analysis of Transit Systems Marine in order to determine its attractiveness to SeaLink and whether to pursue the transaction. To the extent that the actual results achieved by Transit Systems Marine are weaker than those anticipated, there is a risk that the profitability and future earnings of the operations of the combined group may differ (including in a materially adverse way) from the current performance as reflected in this presentation.

Factors which could have a material adverse impact on Transit Systems Marine's future earnings

Rates of sale and sales growth – A number of factors could have a material impact on Transit Systems future sales. Such factors include, but are not limited to:

- Significant changes in consumer sentiment, the mine lease term for sand mining operations on North Stradbroke Island, employment opportunities for SMBI residents and the macro-economic factors
- The success of dynamic pricing on the Stradbroke ferries business
- Rates of CPI which will underpin pricing increases to some routes
- Demand for vessels that are demobilised upon the completion of contractual arrangements in Gladstone

Key risks of an investment in SeaLink Travel Group and Transit Systems Marine

Factors which could have a material adverse impact on Transit Systems Marine's future earnings (cont.)

Non-renewal of key contracts – The non-renewal of a major contract, such as those contracts with the Queensland Department of Main Roads and Transport, could have a material impact on the profitability of Transit Systems Marine's business.

Route	Maturity
Moggill Ferry	31 December 2015
Mineral Sands	30 June 2016
BITS	31 December 2018

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Key risks of an investment in SeaLink Travel Group and Transit Systems Marine

General Risks of investing in SeaLink Travel Group

Economic risks – General economic conditions may negatively affect SeaLink’s performance and the performance of SeaLink shares. Any protracted slow down in economic conditions or factors such as movements in inflation including increases in the price of key inputs such as diesel fuel, increases in interest rates and industrial disruption may have a negative impact on SeaLink’s costs and revenue. These changes could adversely affect SeaLink’s operations and earnings, and impact on SeaLink’s share price.

Market conditions – Investors should be aware that there are risks associated with any investment in a company listed on the ASX. The market value of SeaLink will fluctuate depending on the price at which SeaLink shares are traded on the ASX, and may rise above or below the current SeaLink share price depending on:

- the financial and operating performance of SeaLink; and
- external factors over which SeaLink and its directors have no control. These external factors (which are unpredictable and may be unrelated or disproportionate to the performance of SeaLink) include:
 - economic conditions in Australia and overseas which may have a negative impact on equity capital markets;
 - changing sentiment in the local and international stock markets;
 - changes in domestic or international fiscal, monetary, regulatory and other government policies;
 - developments and general conditions in the various markets in which SeaLink operates (and proposes to operate); and
 - changes in exchange rates.

Operational risk – While SeaLink has operational risk management practices, its profitability will continue to be subject to a variety of operational risks including strategic and business decisions, technology risk (including business systems failure), reputation risk, fraud, compliance with legal and regulatory obligations, counterparty performance, business continuity planning, legal risk, data integrity risk, client default risk, key person risk and external events.

Liquidity – There can be no guarantee of an active market in the shares in SeaLink or that the price of the shares in SeaLink will increase. There may be relatively few potential buyers or sellers of SeaLink shares on the ASX at any time. This may increase the volatility of the market price of SeaLink shares. It may also affect the prevailing market price at which shareholders are able to sell their shares in SeaLink.

Key risks of an investment in SeaLink Travel Group and Transit Systems Marine

General Risks of investing in SeaLink Travel Group (cont.)

Competition – SeaLink operates in an industry with many competitors. SeaLink competes on the basis of a number of factors, including the quality of products, reputation and price. However, there is no assurance that competitors will not succeed in offering products that are more economic or otherwise more desirable than those being offered by SeaLink.

Port Facilities – All of the major ports to which SeaLink operates are owned by government agencies and consequently SeaLink may be exposed to increases in costs and charges imposed by the various port authorities. Any significant increase in these costs and charges could adversely affect SeaLink's businesses and financial performance. SeaLink currently operates under licences and agreements to access major port facilities in South Australia until 2024. Access to wharves in Sydney Harbour and Townsville is governed by various agreements with differing terms and conditions. Should any of these access rights be amended or reduced there may be a material adverse effect on SeaLink's financial position and performance.

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- (a) A corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) A trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Shares pursuant to an offer made under Section 275 of the SFA except:
 - (c) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
 - (d) where no consideration is or will be given for the transfer;
 - (e) where the transfer is by operation of law;
 - (f) as specified in Section 276(7) of the SFA; or
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