



21 May 2018

Dear Shareholder(s),

As we make our way through the 2018 financial year, the executive and board of directors would like to provide an update on corporate activities, activities in Brazil and the results of our investment in Safety Barriers WA Pty Ltd.

BRAZIL

Since the previous shareholder update, our team has continued to work diligently at advancing the Urubu project.

As you may recall, in the previous update, Inema, the Environmental Department of the mining division in Brazil had requested additional magnetic separation testing. This testing was performed for minimum cost and re-submitted to Inema. The results of this testing indicated a slightly better recovery rate over sections of our deposit via magnetic separation.

The approval from Inema is essential in moving to the final step of applying for the mining permit from the “DNPM” (Department of mines). This has been a slow and frustrating procedure and our team in Brazil continue to work diligently every single week, on minimum remuneration, to keep pushing through the permitting process.

However, after extensive counsel from our legal representative, we have informed Inema that if a result is not issued from their department, be it positive or negative, by the end of May 2018, then we will take legal action to recover the costs incurred in Brazil since the application was made and also for the estimated opportunity costs of not being able to develop our asset further. We look forward to providing a further update on this matter as soon as it becomes available.

The team also continues to discuss possible buying partners for the project, with several interested parties and three confidentiality agreements signed in the past 60 days to advance the discussions.

SAFETY BARRIERS WA (SBWA)

AIG, for the first 6 months, up until 12 December 2017 owned 64% of SBWA. The executive is pleased to announce that settlement went ahead as planned to purchase the remaining 36% and AIG now own 100% of SBWA.

AIG was contractually obligated to purchase the remaining 36% from the minority shareholders over the next 3 years for no less than AUD\$2.3m in addition to an existing family loan of AUD\$700k.

Alternatively, the early settlement represents a saving of AUD\$1.5m.

Funding for this payment was sourced through debt finance from the ANZ bank over 5 years at 5.52% interest p.a. It is the intention of the executive to use residual funds generated from SBWA to concentrate on paying this debt down faster than the available terms in order to release the entity which is used as security. Therefore no dividends should be expected by shareholders until this debt has been paid off.

The board of directors feel this is an excellent outcome for all shareholders as it represents a significant saving on the original purchase price and entitles AIG to 100% of any future success which can be generated.

Performance for the year to date ending April, representing 10 months, is \$9.25m and a profit before tax of \$900k.

These results are encouraging as they already exceed the full year results for 2017 and do not yet reflect the major contracts that have been won but not yet commenced. Currently the company has \$17m of signed ongoing works which is more than has been achieved previously at any one time. This is a result of winning the Northlink 2 (www.mainroads.wa.gov.au/northlink) tender in Western Australia for approx. \$6m and entering into a Joint Venture Agreement with Ertech Civil Contractors (www.ertech.com.au) for works in Victoria.

SBWA has been operating in Victoria since February this year and has recently been awarded a further \$3m of works. The executive hopes that this expansion into Victoria will lay the foundation for the company to become a nation wide Safety Barrier installer.

In addition to the increased works, the company is actively engaged in investigating the acquisition of similar sized Safety Barrier groups on the east coast of Australia in order to fast track the goal of expanding beyond Western Australia alone.

CORPORATE ACTIVITIES

There has been no issuance of AIG securities since the last AGM and no shareholder meetings have been held.

TRADING OF SECURITIES AND ENQUIRIES

There has been indication from some existing shareholders that they have appetite to purchase shares if available.

As the Company is now private and unlisted, shareholders wishing to buy or sell their shares should contact the Chief Executive Officer on the email above and Mr. Morton will do his best to help facilitate the transaction.

Shareholders are also encouraged to email AIG@advancedinvestmentsgroup.com and register their email address and other contact details to ensure efficient communication in the future.

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