



Resource  
Development  
Group

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17 September 2014

ASX Market Announcements  
ASX Limited

Via e-lodgement

**PRESENTATION BY MANAGING DIRECTOR**

Resource Development Group Limited advises that the Managing Director Mr. Jeff Brill will be in Karatha today presenting to various institutional investors.

A copy of the presentation is attached.

Yours Faithfully

Mark Pugsley  
Company Secretary

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**An Integrated Engineering & Construction Business**  
**Presented By: Jeff Brill, Managing Director**



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# Introduction

- Resource Development Group Limited (RDG) is an Australian based integrated engineering and construction business servicing the resource and infrastructure sectors.
  - Ecologia (environmental consultancy),
  - Engenium (studies and project delivery),
  - Intellect Systems (industrial technology and systems integrator),
  - Pacer (EPC, D&C).
- Recently announced the acquisition of Central Systems, a high quality multi-discipline construction contractor.
- Combined business will be a diversified provider offering whole of project life services.
- Combined workforce of over 840 with locations in Perth, Karratha, Newman, Brisbane and Townsville.
- FY14 combined results of \$218m revenue
- Integration planning underway



# Transaction Overview and Corporate Snapshot (post transaction)

- Announced agreement on 4<sup>th</sup> August 2014.
- EGM on 18<sup>th</sup> September 2014 and completion targeted for 22<sup>nd</sup> September 2014.
- Centrals FY14 unaudited revenue of \$195m and EBITDA of \$27m.
- Excellent track record of winning projects and contract execution.
- Experienced managers Andrew Ellison and Richard Eden joining the board of RDG.
- Fully funded via scrip transaction & subordinated shareholder loans.

## Directors & Senior Managers

Mel Ashton	<i>Non-Executive Chairman</i>
Jeff Brill	<i>Managing Director</i>
Andrew Ellison	<i>Executive Director</i>
Richard Eden	<i>Executive Director</i>
Mark Pugsley	<i>CFO/Company Secretary</i>
Wayne Peel	<i>Director - Consulting</i>
Gary Reid	<i>Director - Construction</i>
Ivan Ruefli	<i>Director - Services</i>

## Substantial Shareholders (At Completion)

Name	Shareholding
Andrew Ellison	16.73%
Gary Reid	16.73%
Ivan Ruefli	16.73%
Steve Batchelor	11.81%
Richard Eden	9.54%
Jeff Brill	2.16%
Management & Directors	73.7%

## Capital Structure

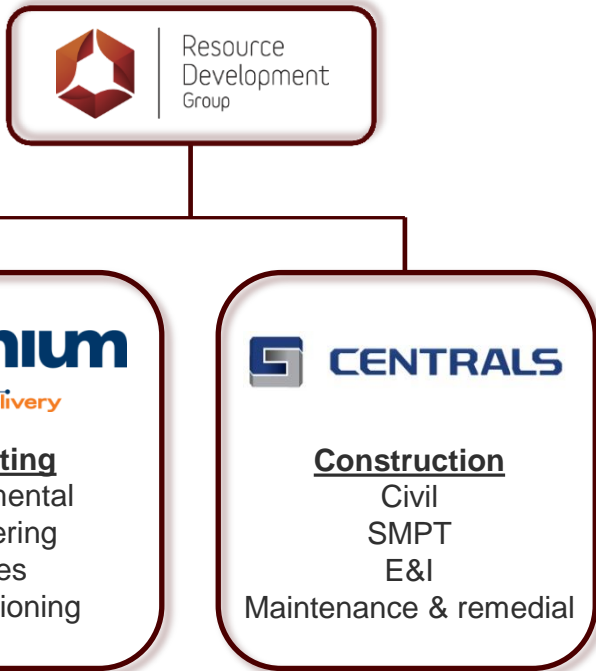
Fully Paid Ordinary Shares (at Completion)	631,404,067
Options (at Completion)	6,000,000
Share Price (as at 11 September 2014)	\$0.10
Market capitalisation (fully diluted)	\$64.0m
Cash (as at 30 June 2014)	\$18.3m
Senior Debt (30 June 2014)	\$10.7m
Vendor Finance / SH Loan (est. 30 June 2014)	\$25.8m





# Combined Business Overview

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Key Clients	Key Projects
Fortescue Metals Group	Samsung – Roy Hill Bridges
BHP Billiton Iron Ore	FMG – Northstar SMP
Rio Tinto Iron Ore	BMX – Roy Hill NPI
Samsung C&T	FMG – Solomon SMP
Roy Hill	FMG – Solomon NPI
MCC Mining	FMG – Solomon Fuel Farm
Newcrest Mining	NSM – Vessel Blasting & Painting
Sandvik	FMG – Multiple environmental
Enerflex	FMG – Multiple engineering
Sinosteel Midwest Corp.	BHP – Multiple engineering
Polaris Metals	BHP - Whaleback Conveyor
SolGold	CBH – Concrete Repairs



# Strategy

- Integration of RDG and Centrals including corporate rationalisation.
- Target D&C opportunities up to \$100m in value to capitalise on current client sentiment towards D&C.
- Combine Centrals E&I capability with Intellect Systems panel manufacturing business line.
- Extend Newman client base (BHP) to include Rio Tinto, FMG and Roy Hill plus cross sell engineering and D&C.
- Strengthen presence on the East Coast via Cadia contract and increased workforce.
- Targeting oil & gas sector via acquisition.
- Management focused on:
  - Contract execution
  - Margins
  - Client relationships
  - Pipeline of work
  - Forward thinking

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# HSEQ

## Industry Leading Accreditations

Engenium and Centrals have received certificates of registration for the following ISO and AS/NZS management system standards:

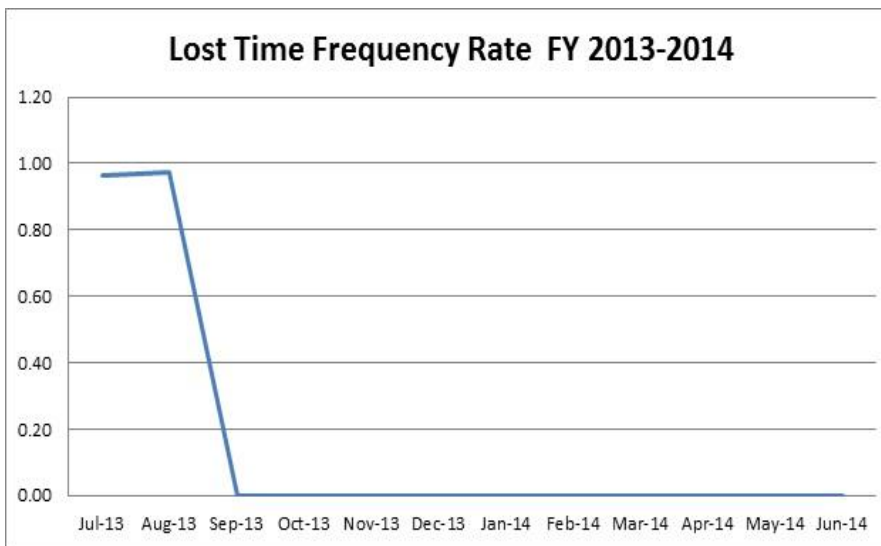
- ISO 9001 Quality Management Systems
- ISO 14001 Environmental Management Systems
- 4801 OHS Management Systems



In addition, Centrals are a Federal Safety Certified Contractor



### Lost Time Frequency Rate FY 2013-2014

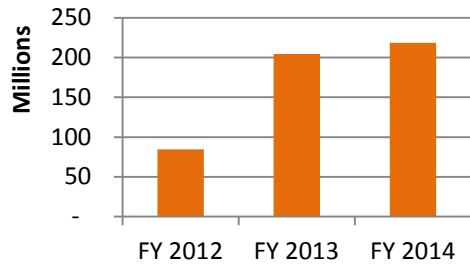




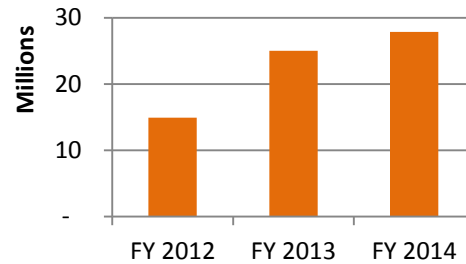
# Financial History (Including Centrals)

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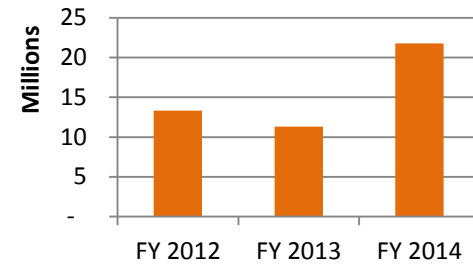
### Revenue



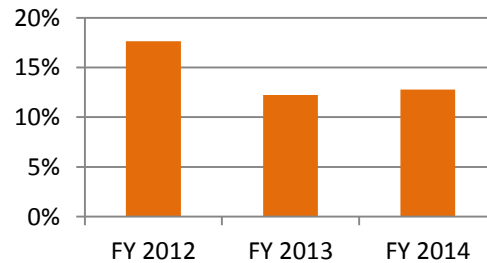
### EBITDA



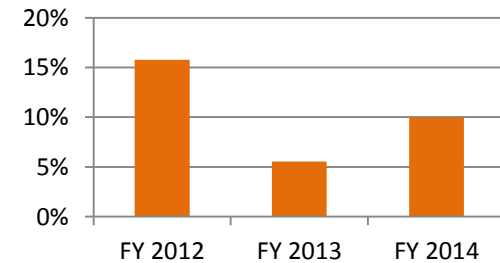
### EBIT



### EBITDA %



### EBIT %



\* Note \$7.7m non-cash impairment in FY13

\* Note \$1.5m non-cash impairment in FY14







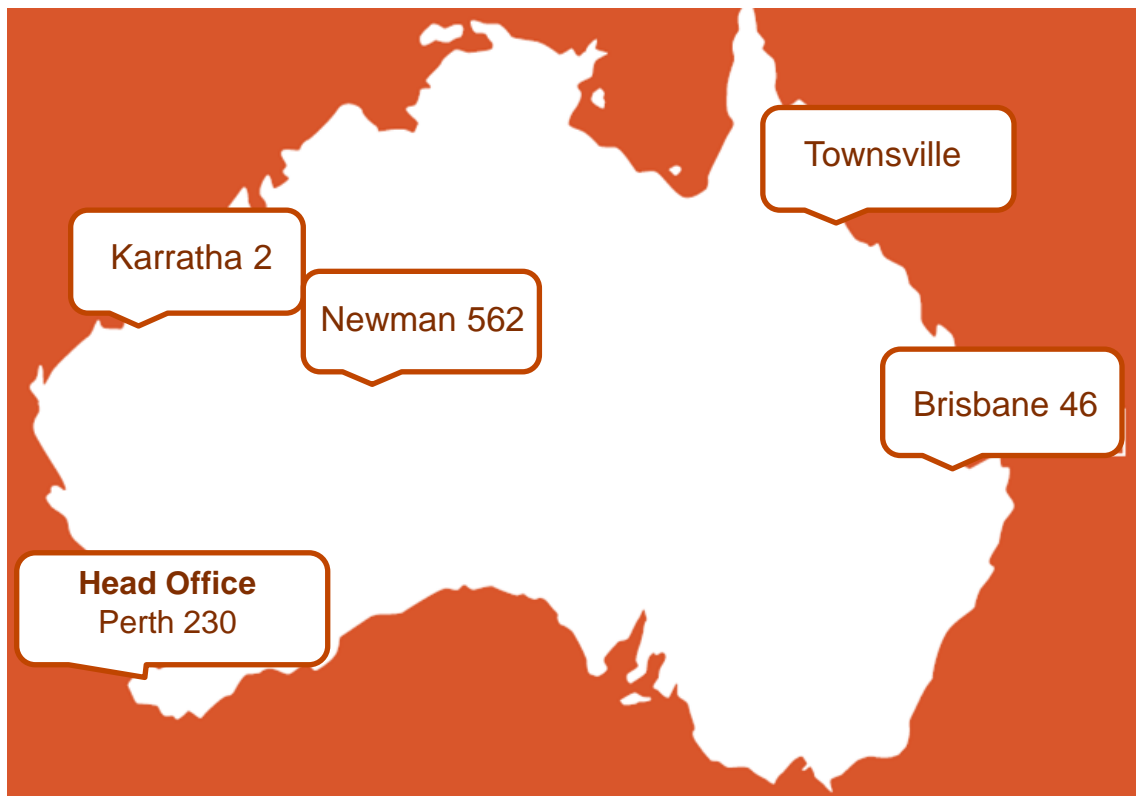
# Workforce & Locations

## Workforce (As at End August 2014)

Combined Workforce of over 840 personnel

Consulting workforce of 140 personnel (white collar)

Construction workforce over 700 personnel (mainly blue collar)





# Order Book & Outlook

- Order book at 30 June 2014 of \$140m
- High level of activity in H1 with strong focus on winning work for H2 and FY16
- Tendering activity remains high across the entire group.
- Outlook in iron ore is tightening, however still opportunities including D&C.
- Opportunities in sustaining works for consulting and construction divisions across BHP, FMG and RIO.
- Tendering D&C opportunities with:
  - Sirius (Nova project),
  - Atlantic (Mid West Vanadium beneficiation plant rebuild),
  - Newcrest (Cadia Filter Building),
  - Assorted BHP sustaining works.



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# Key Clients & Projects



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# Key Clients & Projects - Consulting

## Multiyear Framework Agreement, Multiple Projects

### *Fortescue Metals Group*

Pilbara, Western Australia

**Duration:** Ongoing

**Value:** Various (Up to \$750k in project value)

#### Projects include:

- Solomon Life of Mine Project (Level 2 Flora, Fauna and SRE)
- North Star Project – Baseline Environmental Assessments; Environmental Monitoring; and Environmental Plans
- Main Line (Rail) – Environmental Monitoring (conservation significant fauna, mulga)
- Hamersley Line (Rail) – Environmental Monitoring (conservation significant fauna, mulga, ant communities)
- Christmas Creek - Environmental Monitoring (conservation significant fauna)
- Cloudbreak - Environmental Monitoring (vegetation health)
- Fig Tree – Level 2 Flora and Vegetation Assessment
- Prairie Heights – Level 2 Flora and Vegetation Assessment
- Indibiddy – Level 2 Vertebrate Fauna and SRE Assessment
- Kutayi – Baseline Environmental Assessment (Flora, Fauna and SRE)

## Multiple Projects

### *Rio Tinto Iron Ore*

Pilbara, Western Australia

**Duration:** Ongoing

**Value:** Various (Up to \$500k in project value)

#### Projects include:

- Juna Downs Rail Siding Extension Targeted Flora
- Greater West Angelas Baseline Environmental Assessment (Flora, Fauna, SRE and subterranean)
- Middle Robe and East Deepdale Flora, Fauna SRE and subterranean
- Mesa J Road Reconstruction
- Turee Creek Monitoring
- West Angelas Discharge Monitoring
- West Angelas Mulga Monitoring
- Emu to Brolga Rail Level 2 Fauna, Flora and SRE Assessments
- Paraburdoo Mine Area Flora and Fauna
- Nammuldi Silvergrass SRE Assessment
- NVCP Revegetation and Rehabilitation Plan
- Wildlife Carers Audit





# Key Clients & Projects - Consulting

## Other Projects

### *Various Government/Regional Development Projects*

Perth and South West, Western Australia

**Value:** Various

#### **Projects include:**

- City of Cockburn Public Environmental Review
- Water Corporation Beenyup Flora and Fauna Assessments
- Water Corp Lower Helena Talbot Road Flora and Fauna
- Water Corp Secret Harbour Flora and Fauna
- Water Corp Canns Rd Flora and Fauna
- Water Corporation Busselton Flora & Fauna
- Water Corp Dandalup Flora Fauna
- Water Corp Kondinin Level 1 Flora & Fauna
- Water Corp Ellenbrook Level 1 Flora & Fauna
- Main Roads Western Australia PEIA EMP PCIA VMP
- Fairwater Pty Ltd – Canning River Foreshore, West Martin
- Port Hedland Port Authority – Mangrove Monitoring
- EHSIS Ungani Oil Fields Unclaimed areas Cultural Heritage
- EHSIS Cultural Heritage Flora and Fauna
- Government of Ecuador- EIA training

## Other Projects

### *Various Junior to Mid-Tier Clients*

**Value:** Various (Up to \$550k in project value)

#### **Projects include:**

- Toro Energy - Lake Maitland and Millipede Peer reviews
- Toro Energy - Toro Millipede to Lake Maitland haul road flora and fauna
- SMC Blue Hills Fauna Clearance
- SMC & Asia Iron - Koolanooka endemism study
- SMC Jack Hills NVCP Flora and Fauna
- SMC Robinson Range NVCP Flora and Fauna
- Solgold -Cascabel Project
- Solgold -Kuma Exploration HSE Management Solomon Islands
- Sheffield Resources – Thunderbird Approvals Pathways
- Oil Basins Limited – Derby Block EP and biological surveys
- Polaris Metals (Mineral Resources) - Compliance Audit
- Polaris Metals (Mineral Resources) – Jackson 4 Baseline and targeted assessment ((Flora, Fauna and SRE)
- Mount Gibson – Shine Haul Road NVCP assessments (Flora and Fauna)





# Key Clients & Projects - Consulting

## Multiyear Framework Agreement, Multiple Projects

### *BHP Billiton Iron Ore*

Pilbara, Western Australia

**Duration:** Ongoing

**Value:** Various

#### **Projects include:**

- Nelson Point Sample Stations DPS and Detailed Design
- Yandi OHP1 MCC DPS and Detailed Engineering
- Yandi OHP1 and OHP2 Capacity and Improvement SPS
- OB25 Debottlenecking Project
- Newman Warehouse DPS and Detailed Design
- Exploration Newman Offices and Core Facility SPS and DPS
- Exploration Marillana and Jinidi Portable Offices SPS
- BHPB Mining Area C Expansion Infrastructure IPS
- BHPB Rail Marshalling IPS
- RGP2, RGP3 from concept to commissioning
- RGP5: Port Hedland Rail Infrastructure and Facilities DPS
- RGP5: Loco Servicing Workshop
- RGP6: Loco Overhaul Workshops
- RGP6 and Quantum SPS works
- Port Hedland, Nelson Point Sample Station IPS, SPS
- Newman Workshop IPS and SPS Engineering

## Multiyear Framework Agreement, Multiple Projects

### *Rio Tinto Iron Ore*

Pilbara, Western Australia

**Duration:** Ongoing

**Value:** Various

#### **Projects include:**

- EII Dust Mitigation Study
- Paraburdoo Spirals Plant Upgrade Design
- SE Prongs Dewatering
- PN8931 Hair Pin Sump Pumping EPCM
- Pilbara Iron Flowmeters Design and EPCM
- Pilbara Iron - HV Underground EPCM
- Phil's Creek Cutback Borefield EPCM
- Pilbara Iron - Potable Water EPCM
- Pilbara Iron - JSE Dewatering TB001 EPCM
- Pilbara Iron - Heavy Duty Workshop EPCM
- Brockman 2 Buried Services Upgrade PES
- Brockman 2 Buried Services Upgrade DES
- Landfill Tom Price Engineering Study
- RTIO-Supply Yard C Culverts Engineering Study
- Turkeys Nest-Tom Price Engineering Study
- In Pit Watering-Tom Price DES





# Key Clients & Projects - Consulting

## Multiyear Framework Agreement, Multiple Projects

### *Fortescue Metals Group*

Pilbara, Western Australia

**Duration:** Ongoing

**Value:** Various

#### **Projects include:**

- Magnetic Separator, Cloudbreak - Detailed Design and Process Support
- Solomon B60 Project - Detailed Design
- Solomon Study Support – Fast Track Study
- Northstar Early Ore Project - Definition Study
- IO Camp Work - Detailed Design
- Various In-House Project Services, Project Controls and Engineering Support

## Other Projects

### *Various Junior to Mid-Tier Clients*

**Value:** Various

#### **Projects include:**

- Radar Iron – Various, including a Scoping Study at Yerecoin.
- Amex Resources - Mba Delta Ironsands BFS, Detailed Design, Contracting and Procurement
- Norton Gold Fields – Enterprise Mine Infrastructure, EPCM Services
- Foyson Resources – Amazon Bay Ironsands, PFS
- SMC – Blue Hills Mine Project, Management and Engineering Support
- Hancock Prospecting, Mulga Downs DSO, BFS
- API – West Pilbara Iron Ore Project, Scoping Study, PFS, DFS
- Atlas Iron – Abydos Resource Development Camp, EPCM
- Blackham Resources – Scaddan Project, Scoping Study
- Cove Resources – Koivu Titanium Project, Scoping Study
- Eastern Iron – Nowa Nowa Project, Scoping Study
- MaCarthur Minerals – Lake Giles Project, PFS
- IMX Resources – Snaefell Concept Study, Concept Study
- Legacy iron – Mt Bevan Magnetite Project, Project Development Report

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# Key Clients & Projects - Consulting

## **Fortescue Metals Group**

Pilbara, Western Australia

**Duration:** Ongoing

**Value:** Various (Up to \$2M in project value)

### **Projects include:**

- North Star Stage 1 – Process Control Systems Design and Development
- North Star Stage 1 – Communications Cubicles, Marshalling Panel, Distribution boards and Junction Boxes manufacture.
- Christmas Creek Control Systems OPF and Stockyard Optimisation
- Solomon Primary Diesel Fuel Storage Communications Cubicles

## **Sandvik**

Pilbara, Western Australia

**Duration:** Ongoing

**Value:** Various (Up to \$1.5M in project value)

### **Projects include:**

- Rio Tinto Namuldi Mobile Machines Commissioning and Completions
- Rio Tinto Yandi Mobile Machines Commissioning and Completions
- Rio Tinto Cape Lambert B Mobile Machines Commissioning and Completions
- Rio Tinto Hope Downs 4 Mobile Machines Commissioning and Completions
- Sino Iron Ore Barge Loader Mobile Machines Commissioning and Completions
- Rio Tinto Cape Lambert Phase A Mobile Machines Commissioning and Completions
- Rio Tinto Marandoo Mobile Machines Commissioning and Completions
- REC3P and RC01 BHP Slew Bearing Monitoring Upgrade







# Key Clients & Projects - Consulting

## **Enerflex**

Overseas\Interstate

**Duration:** Ongoing

**Value:** Various (Up to \$1.5M in project value)

**Projects include:**

- Arrow MGPX Node 3 Compression Facility
- OCEP Block 60 Compressor Station Oman
- Banana + Rolleston Compressor Stations
- Charleville and Delta Compressor Station
- Mila Compressor Station

## **Rio Tinto Iron Ore**

Pilbara, Western Australia

**Duration:** Ongoing

**Value:** Various (Up to \$500K in project value)

**Projects include:**

- West Angelas Fuel Hub Project
- Brockman 2 Fuel Hub Project

INTELLECT  
SYSTEMS

1. MANUFACTURER - INTELLECT SYSTEMS
  2. PROJECT NO. - 12025
- EQUIPMENT TAG - 85-08-20





# Key Clients & Projects - Construction

## Roy Hill, Package 2 – Bridgeworks

Pilbara, Western Australia

### Construction of Rail Bridges

*Samsung C&T*

**Duration:** 14 months

**Value:** \$100M

**Personnel on Site:** 175

**Man Hours:** Est 252,000

**Concrete:** 11,000 m<sup>3</sup>

**Structural Steel:** 2,600 tonnes

- Construction of 11 Rail Bridges, spanning from Mine Site to Port.
- 8 Water Crossings.
- 2 Live Rail Crossings.
- 1 Haul Road Crossing.
- All in-situ Concrete Placement & Detailed Earthworks.
- Construction of Pre-Cast Concrete Elements.
- Installation of Structural Steel.

## FMG Solomon Hub Ore Processing Facilities

Tom Price, Western Australia

### Structural Concrete Construction Package

*Fortescue Metals Group*

**Duration:** 18 months

**Value:** \$230M

**Personnel on Site:** 250

**Man Hours:** 568,000

**Concrete:** 44,000 m<sup>3</sup>

- New construction of ore processing facilities and three iron ore crushers.
- Construction of RE walls and backfill activities.
- Earthworks, formwork, reinforcing steel and concrete placement to the CID and BID plant.
- Concrete placement to crusher foundations and associated equipment.
- Project management services.





# Key Clients & Projects - Construction

## **FMG North Star Process Plant SMP Installation** 120km South of Port Hedland, Western Australia

### **Complete SMP Package**

*Fortescue Metals Group*

**Duration:** 22 months

**Value:** \$48M

**Personnel on Site:** 180

**Man Hours:** Est 120,000

**Structural Steel:** 1,600 tonnes

**Piping:** 6 km's

- Supply, manufacture, installation, construction testing and pre-commissioning of process plant.
- Fabrication, transport and delivery of approximately 1,600 tonnes of structural steel.
- Installation of high pressure grinding roller (HPGR), air Classifiers, Dry and Wet Magnetic Separators, Concentrate and Tailing Thickeners, Concentrate Filters and several pumps.

## **Sino Iron Ore Project**

Cape Preston, Western Australia

### **Structural Concrete Construction Package**

*MCC Mining*

**Duration:** 30 months

**Value:** \$240M

**Personnel on Site:** 350

**Man Hours:** 1,106,381

**Concrete:** 51,000 m<sup>3</sup>

**Earthworks:** 720,000 m<sup>3</sup>

- New concrete construction foundations to four (4) filter buildings.
- Detailed earthworks and placement of in-ground services for filter buildings.
- Structural steel erection for filter buildings.
- Concrete placement for associated conveyors and infrastructure.
- Concrete placement and earthworks for stockyard
- Project management services.





# Key Clients & Projects - Construction

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## Tropicana Gold Mine

North East of Kalgoorlie, Western Australia

### Structural Concrete Construction Package

*Anglo Gold Ashanti*

**Duration:** 12 months

**Value:** \$30M

**Personnel on Site:** 170

**Man Hours:** 175,000

**Concrete:** 14,300 m<sup>3</sup>

**Earthworks:** 190,000 m<sup>3</sup>

- New Mine construction of crushing and mill circuits.
- Associated conveyors and infrastructure.
- Dry area included primary crusher, reclaim tunnel, secondary crusher and screening area.
- Wet area included ball mill, CIL area and thickener area.

## Kings Valley Overland Conveyors

Tom Price, Western Australia

### Complete Construction Package

*Fortescue Metals Group*

**Duration:** 18 months

**Value:** \$22M

**Personnel on Site:** 1100

**Man Hours:** 96,000

**SMP:** 3 Conveyors – 6.16 km

**E&I:** 3 Systems with 5 Drive Units

- New overland conveyors from primary crusher to processing plant (x2).
- New overland conveyor from processing plant towards loadout facility (3.84 km).
- SMEI installation and commissioning.
- Associated minor concrete and earthworks.





# Key Clients & Projects - Construction

## Cadia East Project

Orange, New South Wales

### Surface & Underground Construction Works

*Newcrest Mining Ltd*

**Duration:** Ongoing

**Value:** \$90M+

**Personnel on Site:** 130

**Man Hours:** 666,958

- Concrete placement to underground primary and secondary crusher.
- Concrete placement to all associated conveyors and infrastructure.
- New concrete placement and earthworks for new ball mill and MCC building.
- All civil works to non process infrastructure including concrete placement, earthworks and in-grounds services.
- Construction of reclaim tunnel.
- Bulk earthworks for the removal of various stockpiles.

## Gorgon CO2 Injection Pipeline

Barrow Island, Western Australia

### Precast Concrete, Earthworks & Civil Project

*Monadelphous KT Pty Ltd*

**Duration:** 10 months

**Value:** \$9M

- Mobilisation including quarantine and logistics.
- Well site earthworks and preparation including clear and grading, earthworks, drainage and pavement construction.
- Installation of well cellars, pig receiver and other miscellaneous precast elements.
- Grouting and miscellaneous finishing works.
- Various in-situ concrete constructions i.e., anchor block and retaining walls.

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# Disclaimer

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