

For personal use only



FEBRUARY 2019

HALF YEAR RESULTS PRESENTATION



HALF YEAR RESULTS



For personal use only

\$324m

REVENUE (up 14% on pcp)

\$27.6m

EBITDA

\$8.1m

NPAT

FY19 revenue guidance increased to

\$640m

Interim Dividend of

2cps

Cash at bank of

\$71.6m

Net debt of

\$6.5m

Order book of

\$2.2b as at Feb19

OPERATIONAL & CORPORATE HIGHLIGHTS



For personal use only

HIGHLIGHTS

DETAILS



Mining Australia Mining International

- Contract extension at Regis Resources
- Commenced Bluff Coal Project
- Preferred at Echo Resources Yandal Gold Project
- MoU with Emerald Resources Okvau Project - Cambodia

- 5 year term, \$590m revenue
- 10 year term, \$700m revenue
- 4+ year term, \$172m revenue
- 7 year term, US\$220m revenue



Crushing

- Started BHP Mining Area C Crushing Operations
- Started BHP Stemming - multiple WAIO operations
- Award of BHP Eastern Ridge Crushing

- 3 year +1 +1 term, up to 12Mtpa
- 2 year + 1 + 1 term, tonnage dependent
- 12 month term, 5Mtpa



Civil & Infrastructure

- Successful completion Gruyere Bulk Earthworks
- Extension of MRWA maintenance contract
- Extension of Western Vic maintenance contract
- Commenced MRWA Coongan Gorge project
- Continued growth in Victorian civil/infrastructure sector

- In line with tendered expectations
- 1 year option exercised
- 1 year VicRoads extension
- \$30M Design and construct contract
- Over \$60M work in hand for 18/19 period



MACA Interquip

- Adaman Resources Kirkalocka Gold Project
- Echo Resources Yandal Gold Project
- Construction of BHP (MAC) for MACA Crushing

- 8 months from Feb19, \$28m revenue
- Value of \$14M
- Support to construct 12Mtpa plant



Corporate







- Order book growth – up to \$2.2 billion (Feb19)
- Participation in a placement of 1.5m EAR (Echo Resources) shares
- Great Panther acquisition of Beadell
- Continuous Improvement program
- Technology Strategy and Implementation

- Purchase price of shares at \$0.11 / share
- Accelerated repayment schedule

OUR SERVICES



For personal use only

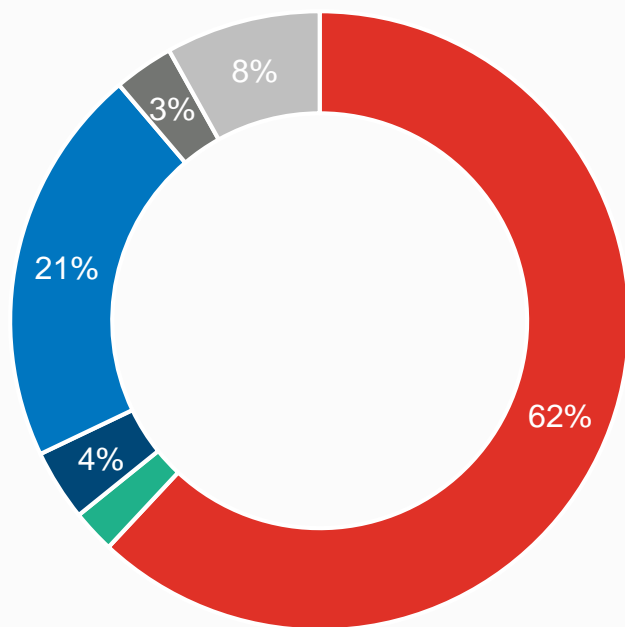
 <p>MINING AUSTRALIA</p>	 <p>CRUSHING</p>	 <p>MINING INTERNATIONAL</p>	 <p>CIVIL CONSTRUCTION</p>	 <p>INFRASTRUCTURE MAINTENANCE</p>	 <p>MACA INTERQUIP</p>
<ul style="list-style-type: none"> • Modern fleet of surface mining equipment • Load & haul mining contracts • Bulk overburden removal • Bulk earthworks • Modern fleet of proven drilling equipment • Complete blasting service utilising latest technology • Experience in gold, iron ore, lithium, coal and others 	<ul style="list-style-type: none"> • Modern fleet of crushing equipment including primary jaw crushers, secondary cone crushers and tertiary cone crushers • Complete screening services utilising the latest technology with scalping screens, vibrating and fixed screens and single, double and triple deck screens 	<ul style="list-style-type: none"> • Equipment and operating techniques are used to meet client needs in diverse operating environments • Load and haul • Drill and blast • Experience in gold and copper international projects 	<ul style="list-style-type: none"> • Civil bulk earthworks for the private / resource sector including mining, TSF road, borefield and camp infrastructure • Public works civil capabilities include roads and bridges, bulk earthworks, aerodromes, drainage and marine works 	<ul style="list-style-type: none"> • Infrastructure capabilities and experience includes roads maintenance and construction, parks and gardens, specialist services, verge works, bridge works and safety barriers • Asset management and maintenance segments in Australia 	<ul style="list-style-type: none"> • Delivering small to large scale structural, mechanical and piping projects • New and refurbished plant and equipment • Consumables to the mineral processing sector of the resources industry



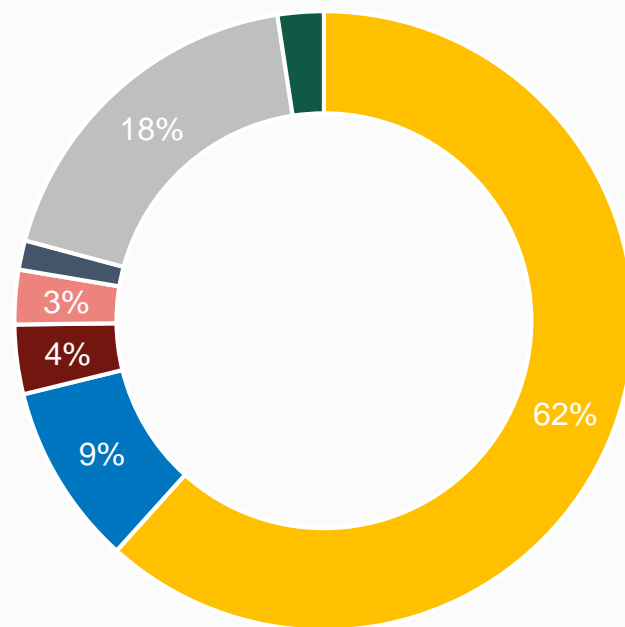
DIVERSIFIED BY REVENUE & COMMODITY (1H19)

For personal use only

REVENUE



SECTOR / COMMODITY



■ Mining Australia

■ Crushing

■ Mining International

■ Gold

■ Lithium

■ Iron Ore

■ Nickel

■ Civil

■ Infrastructure

■ Interquip

■ Coal

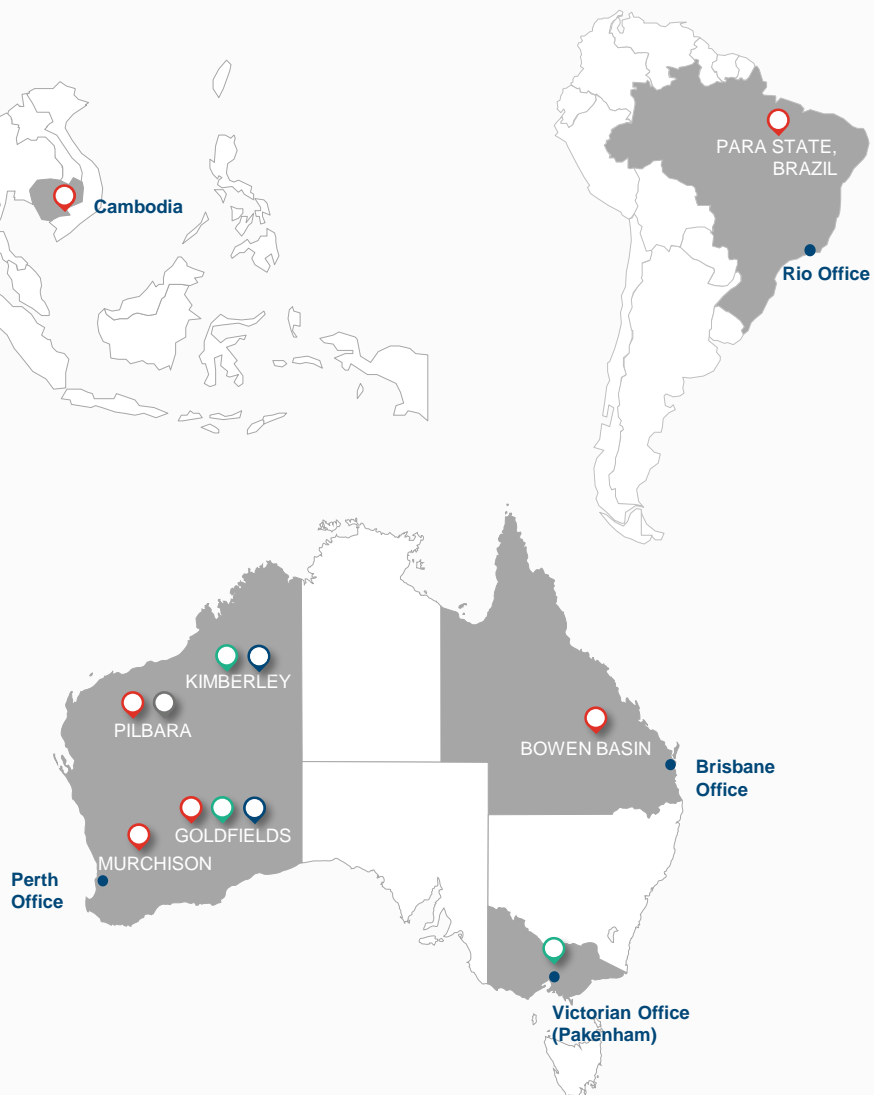
■ Government

■ Other

GEOGRAPHIC DIVERSITY: KEY PROJECTS



For personal use only



WA – Goldfields	Regis Resources	Duketon South Moolart Well
	Blackham Resources	Matilda Gold
	Echo Resources*	Yandal Gold
	Gold Road / Gold Fields JV	Gruyere Earthworks
	AngloGold Ashanti	Tropicana Joint Venture
WA – Murchison	Ramelius Resources	Mount Magnet
	Minjar Gold	Gossan Hill
	Adaman Resources	Kirkalocka
WA – Pilbara	Pilbara Minerals	Pilgangoora
	BHP Billiton	Mining Area C Eastern Ridge WAIO
	Atlas Iron	Mt Dove Crushing
WA – Kimberley	MainRoads WA	Coongan Gorge Kimberly Road Maintenance
	Panoramic Resources	Savannah
QLD – Bowen Basin	Carabella Resources	Bluff Coal
VIC – Regional	VicRoads	Network Maintenance
		Verge Maintenance
		O’Herns Road Signalised Intersection
		Safe System Infrastructure Program
		Doncaster Bus Lanes
	Baw Baw Shire	Network Maintenance
Brazil – Para State	OZ Minerals	Antas North
Cambodia (East)	Emerald Resources**	Okvau Gold

* LOI entered into as per ASX announcement 6-Dec-18

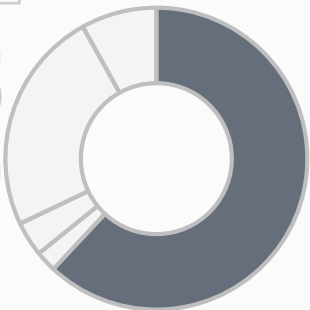
** MoU entered into as per ASX announcement 30-Jan-19

OPERATIONAL OVERVIEW

For personal use only



**MINING
AUSTRALIA**



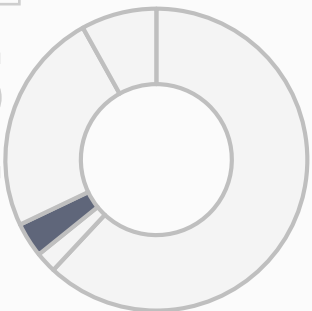
- **Contract extension at Regis Resources:** 5 year term from July 2018, with option for a further 5 year extension, expected to generate approximately \$590m over the initial 5 year term
- **Award and commencement of Bluff Coal:** Life of mine contract with Carabella Resources Pty Ltd for mining services at the Bluff Coal project in the Bowen Basin in Queensland, expected to generate \$700m in revenue over a 10 year mine life. Project utilising a larger fleet class including 400t excavators and 220t and 180t class dump-trucks
- **Pilbara Minerals:** Proudly supported the ramp up during their critical first year of operations through both mining and civil divisions
- **Ramelius Resources:** Focussed on delivering peak volume in the first year of operations at Mt Magnet. Potential for additional volume
- **Blackham Resources:** Operating since 2016, with strong relationship built as operations have stabilised during 2018
- **Minjar Gold:** Small project successfully delivered

OPERATIONAL OVERVIEW

For personal use only



MINING INTERNATIONAL



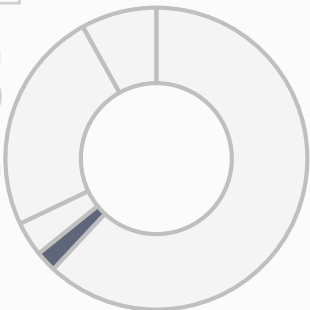
- **Antas Copper and Gold Project:** OZ Minerals acquired Avanco Resources, the owner of the Antas Copper and Gold Project in Brazil. We continue to successfully deliver this project and are optimistic of future opportunities arising with OZ Minerals
- **Emerald Resources – Okvau Project Cambodia:** MoU signed between the parties in January 2019 pending a final investment decision. The initial term of the contract will be 7 years with an option to extend and equates to approximately US\$220 million in revenue
- **Beadell Resources Tucano Project:** In February 2019, shareholders of Beadell Resources and Great Panther Silver Limited have approved the acquisition of Beadell. MACA agreed with Great Panther a number of amendments to its outstanding receivable due from Beadell. In 1H19, \$6.3m of repayments were received from Beadell

OPERATIONAL OVERVIEW

For personal use only



CRUSHING



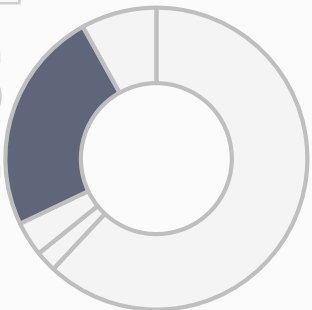
- **BHP Mining Area C:** MACA executed a framework agreement with BHP in May 2018 for a 3 year (plus two-yearly extensions) for construction of a crushing plant, which will commence operations in March 2019
- **BHP Stemming:** MACA was awarded the crushing of blast hole stemming material to various WAIO sites for a term of 2 years, plus 2 x 1 year options
- **BHP Eastern Ridge:** Executed under the framework agreement for crushing of 5Mtpa from May 2019
- **Atlas Iron Mt Dove Iron Ore and Lithium:** All works completed in the first quarter

OPERATIONAL OVERVIEW

For personal use only



CIVIL & INFRASTRUCTURE



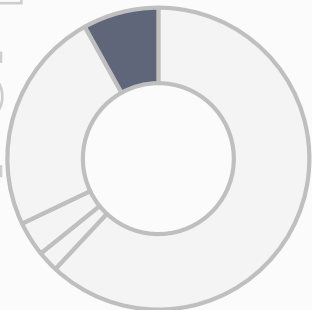
- **Coongan Gorge:** MACA is currently undertaking a \$30 million design and construct contract with Main Roads Western Australia for the Coongan Gorge realignment in the Kimberley Region
- **Gruyere Joint Venture:** a \$12 million variation to the bulk earthworks contract with the Gruyere Joint Venture, which extended contracted works to October 2018
- **Cosmos Nickel Project Civil Earthworks:** constructing evaporating ponds for Western Areas Limited at its Cosmos Nickel Project, which is expected to generate revenues in FY19 of \$6 million
- **VicRoads:** \$6 million contract for an intersection upgrade for VicRoads
- **Pilbara Minerals:** Road and tailings infrastructure work undertaken alongside our mining team

OPERATIONAL OVERVIEW

For personal use only



MACA INTERQUIP



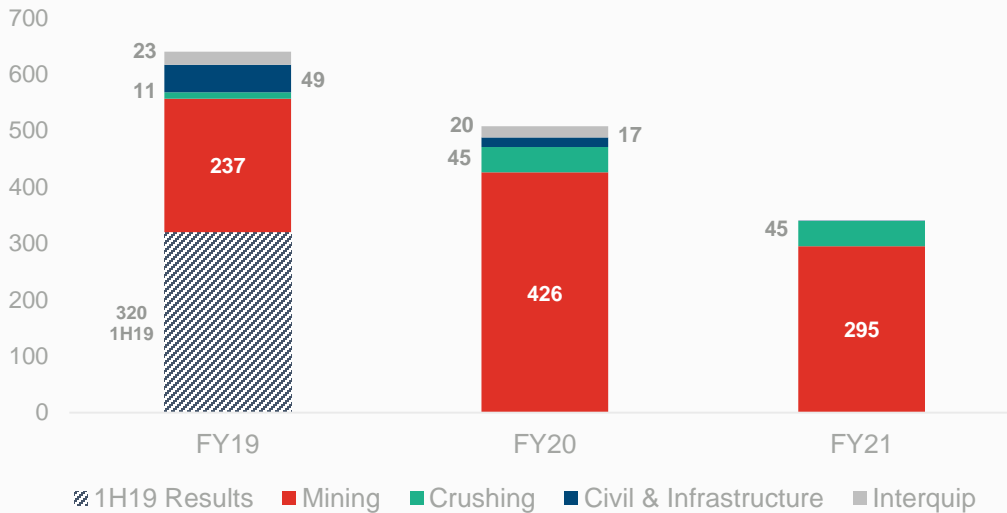
- **Tropicana Gold Project:** completed a \$6 million structural, mechanical and piping contract by Anglo Gold Ashanti at the Tropicana Gold Project in WA. The works relate to a secondary mill upgrade at the plant
- **Kirkalocka Gold Project:** Contract award for Adaman Resources (a privately-owned resource company) of approximately \$28 million and will commence in Feb 2019 with a duration of eight months. The scope of work will include a new semi-autogenous grinding (SAG) mill installation and refurbishment of an existing mineral processing plant
- **Echo Resources:** LOI for a Mill Refurbishment contract at the Yandal Gold Project in Western Australia

WORK IN HAND: \$2.2B AT FEB19

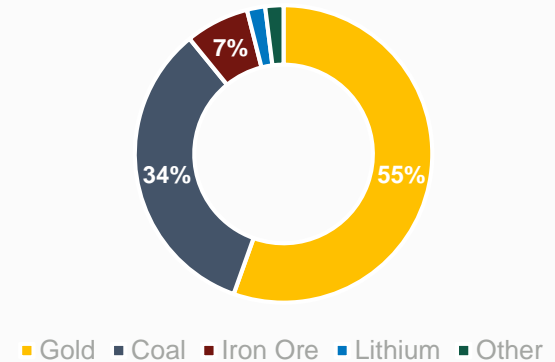


For personal use only

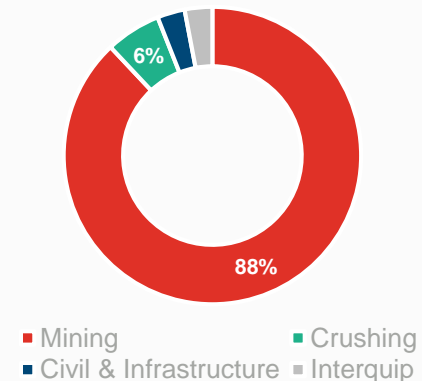
Work in Hand: Projected Source of Revenue



Commodity Split: All Mining WIH



Sector Split: All WIH



Strong work in hand position

- Order book at Feb19 of \$2.2b, which includes \$530m Echo (Letter of Intent) and Okvau (MoU, subject to finance)
- Increase on Jun18 due to both new wins and extensions of existing projects
- Solid platform for growth with tenure of contracts ranging from one to ten years

TENURE – MINING / CRUSHING



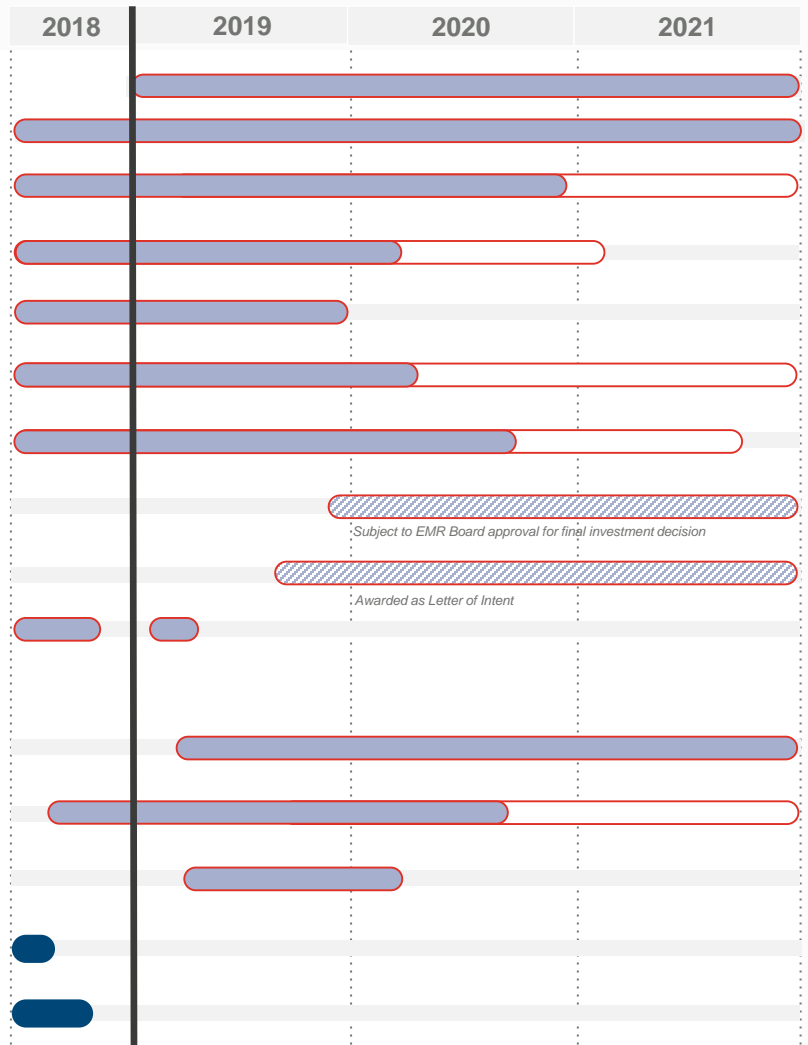
For personal use only

MINING

- Carabella Resources** Bluff Coal
- Regis Resources** Duketon South
- Moolart Well
- Blackham Resources** Matilda
- Ramelius Resources** Mt Magnet
- Pilbara Minerals** Pilgangoora
- Oz Minerals** Antas North (Brazil)
- Emerald Resources** Okvau (Cambodia)
- Echo Resources** Yandal Gold
- Minjar Gold** Gossan Hill

CRUSHING

- BHP Billiton** Mining Area C
- WAIO Operations
- Eastern Ridge
- Atlas Iron** Mt Dove
- Pilgangoora DSO



■ Current Contracts
 ■ Subject to Approval
 ■ Option to Extend
 ■ Completed Contracts

Contract durations are based on

- contract terms being time based and/or volume
- latest schedule information and pricing
- stage of client approval

TENURE – CIVIL / INFRA / INTERQUIP



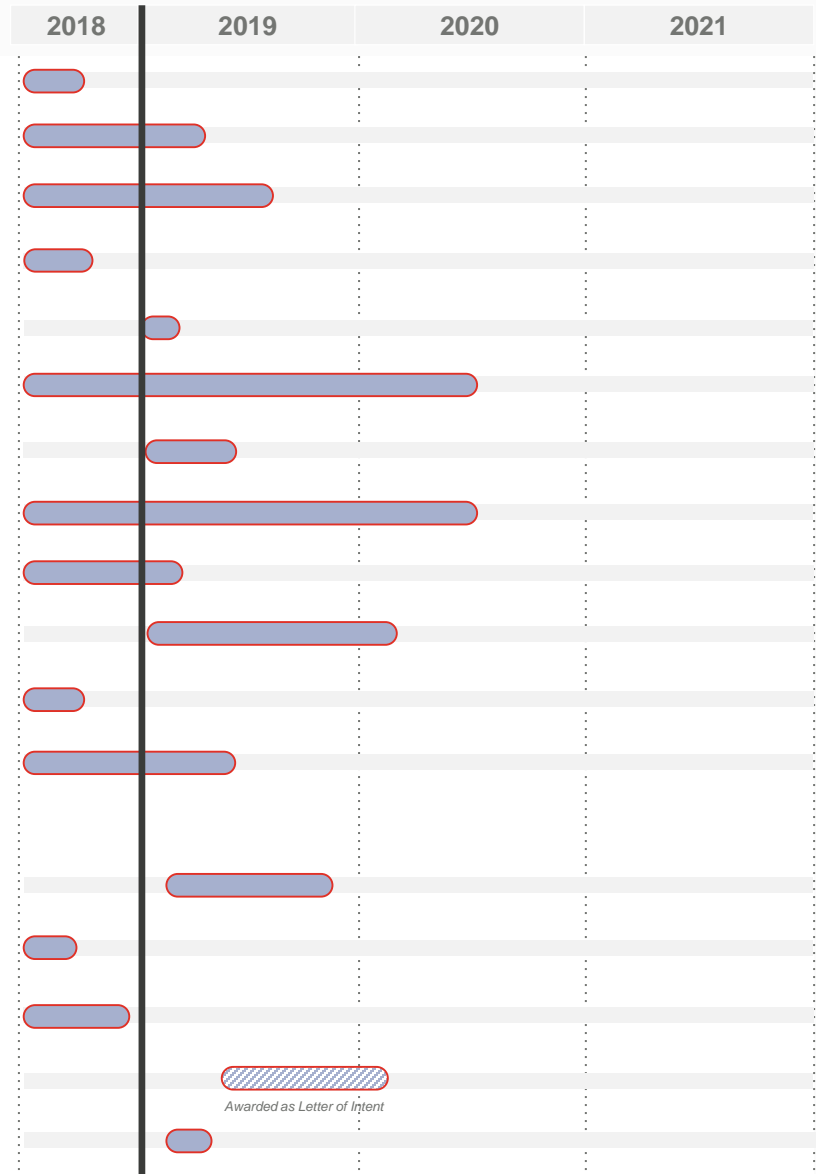
For personal use only

CIVIL & INFRASTRUCTURE

Gold Road	Gruyere JV
MRWA	Coongan Gorge
MRWA	Williams Bridge JV
Western Areas	Odysseus Evaporation Ponds
Pilbara Minerals	Road Intersection
MRWA	Kimberley Road Maintenance
VicRoads	Midland Highway
VicRoads	VicRoads (CN 8124)
VicRoads	O'Herns Road Upgrade
VicRoads	Findon Road
VicRoads	Doncaster Bus Lanes
Victoria	Baw Baw Shire (25101)

INTERQUIP

Adaman Resources	Kirkalocka
Panoramic Resources	Savannah
AngloGold Ashanti	Tropicana JV
Echo Resources	Yandal Gold
BHP Billiton	Eastern Ridge

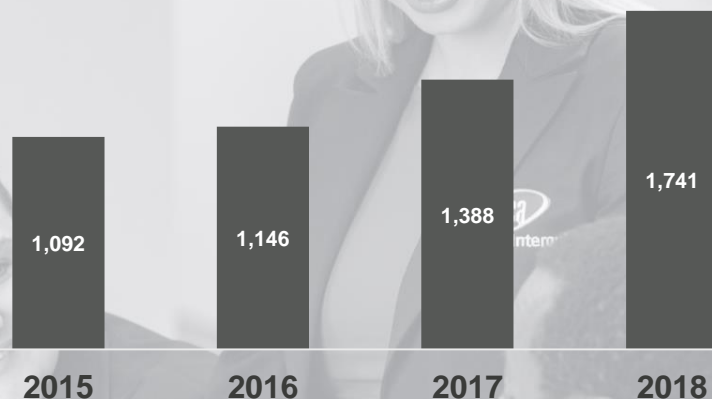


PEOPLE

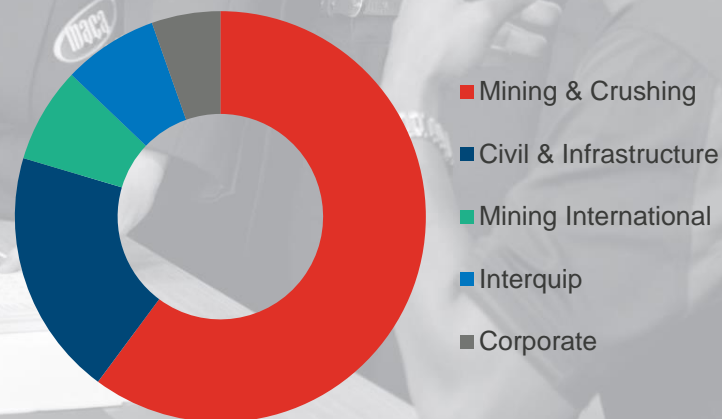
1H19 HIGHLIGHTS

- As at Feb19, MACA employs a workforce of +2,200 personnel throughout Australia and Brazil
- Staffing continues to be challenging in the current mining environment in Western Australia
- Positive recruitment and employment relationship at Bluff Coal Project in Queensland
- Continuation of successful Leadership and Management Program for staff development and talent identification
- Continual rollout of junior and mature age apprenticeships
- Employment of veterans through the Australian Veteran Program and Working Spirit

Group Employee Numbers (including contractors)



Employees by Division



SAFETY

MACA knows strong safety leadership is critical to our business success

During the half our established Continuous Improvement (CI) framework assisted to unify all sites in our goal of Zero Harm

Both Corporate and Site risks are audited quarterly against our certified Occupational and Safety management system (AS/NZ: 4801 and Environmental Management Systems (ISO14001: 2004)

1H19 HIGHLIGHTS

- Safe completion of the complex Gruyere Civil Bulk Earthworks project for Goldfields / Gold Road JV
- Graduation of our Leadership Class of 18
- Developed operating mine to exceed industry standards and Qld mining regulations
- Development of MACA Health and Wellbeing Program



INCOME STATEMENT



A\$ million

1HFY17

1HFY18

1HFY19

Revenue	242.5	285.0	324.0
EBITDA	52.2	37.8	27.6
<i>EBITDA margin</i>	21.5%	13.3%	8.5%
EBIT	26.1	13.7	10.1
<i>EBIT margin</i>	10.7%	4.8%	3.1%
Net Profit After Tax (attributable to members)	16.6	12.0	8.1
<i>Net Profit Margin</i>	6.8%	4.2%	2.5%
Basic earning per share - cents	7.12	4.73	3.02
Total dividends per share - cents	4.5	3.0	2.0
Shareholders funds	265.7	326.2	324.4
Net cash flow from operating activities	43.6	0.1	18.8
Net cash / (debt)	61.1	89.4	(6.5)

BALANCE SHEET



A\$ million	1HFY17	1HFY18	1HFY19
Cash and cash equivalents	121.9	136.1	71.6
Trade and other receivables	94.7	129.6	172.6
Loans	8.1	9.7	35.0
Inventories	13.4	14.1	16.0
Work In Progress	3.1	(3.0)	(1.3)
Property, plant and equipment	143.0	126.4	175.2
Other assets	15.1	23.1	21.6
Total Assets	399.3	436.0	490.7
Payables	58.4	46.1	72.8
Borrowings	60.8	46.8	78.1
Provisions	10.3	10.5	12.3
Other Liabilities	4.1	6.5	3.1
Total Liabilities	133.6	109.8	166.3
Shareholders Equity	265.7	326.2	324.4
Net Cash / (Debt)	61.1	89.4	(6.5)
Net tangible asset backing - cps (basic)	108.28	117.26	119.90

For personal use only

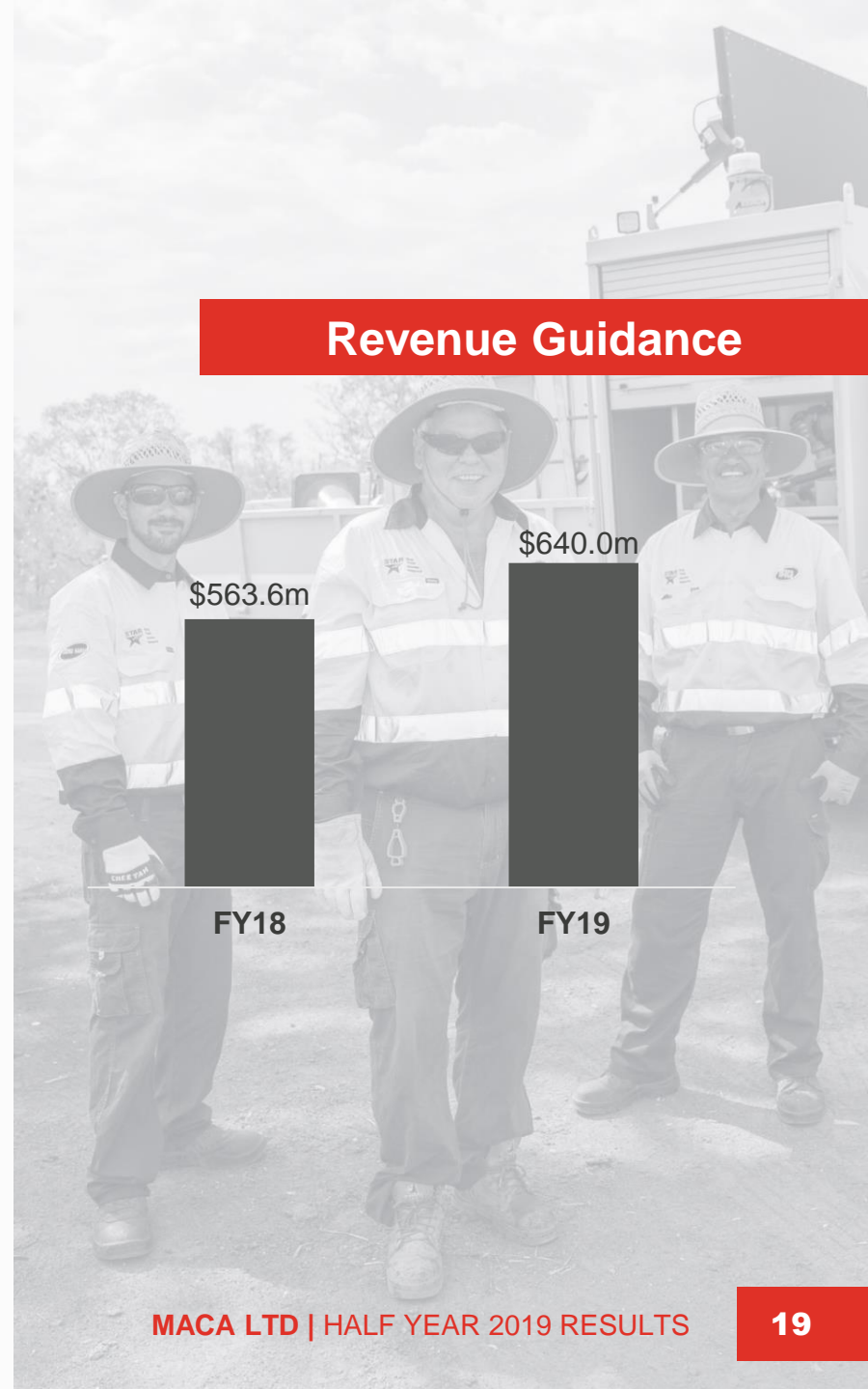
COMPANY OUTLOOK

A disappointing first half driven by a decline in first half mining margins, however, a positive outlook for the second half supported by:

- Strong Work in Hand position of \$2.2 billion
- Mining: Significant Capital Investment in the current financial year to improve efficiency and profitability in 2019. 2 new projects at LOI stage and other opportunities available.
- Crushing: pursuing other crushing opportunities in the Pilbara with Tier 1 clients. Utilisation of previously idle crushing plant will also contribute to increased margins in the second half and beyond.
- International: reset of operations in Brazil and opening up a new jurisdiction with the award of work in Cambodia
- Civil & Infrastructure: pursuing larger value opportunities in both asset maintenance and civil disciplines in Western Australia and Victoria
- Interquip: solid pipeline and building on the work available in this sector

Guidance for FY19 (full year):

- Revenue: \$640m.
- The second half financial performance is expected to be stronger than that achieved in the first half as a result of improved margins.



Revenue Guidance

\$563.6m

FY18

\$640.0m

FY19

STRATEGY

For personal use only



Delivering for Existing Clients while Winning New Work



Diversifying into New Markets, Services and Commodities



Supporting our Trading Divisions to extract their full value



Implementing long-term strategic plans for Human Resources and Technology



Encouraging an environment of Continuous Improvement to drive financial outcomes

COMMUNITY FOCUS



MACA is proud of its history of making positive contributions and commitments to the communities in which we operate. Some highlights from the last six months include:

- **Cancer200:** Team MACA raised \$1.4m this year, with 220 riders, bringing the total raised over the past 7 years to more than \$8.5m for the Perkins Institute
- **Research Australia Award:** MACA was named the 2018 winners of the prestigious Research Australia Health and Medical Research Award for Leadership in Corporate Giving
- **Defence Force Veterans:** Employment in concert with Working Spirit
- **Indigenous Employment:** Increased to highest level to date



CORPORATE SNAPSHOT



Capital Structure

Share price (22 February 2019)	\$0.985
Fully paid ordinary shares (ASX:MLD)	268.0 million
Market capitalisation (undiluted)	\$264.0million
Net tangible assets (31 December 2018)	\$312.2million
Cash (31 December 2018)	\$71.6million
Bank debt (31 December 2018)	\$78.1million
Enterprise value	\$270.5million

Substantial Shareholders – 31 December 2018

Name	Shareholding
Schroder Investment Management (Australia) Ltd	10.1%
Kenneth Kamon	6.6%
Celeste Funds Management Limited	6.0%
Perpetual Investments Ltd	5.2%
Top 20 Shareholders	66.0%
Top 50 Shareholders	77.3%

Directors and Senior Management

Andrew Edwards	Non-executive Chairman
Chris Tuckwell	Managing Director / CEO
Geoff Baker	Executive Director
Linton Kirk	Non-executive Director
Robert Ryan	Non-executive Director
Peter Gilford	CFO / Company Secretary

Analyst Coverage

Hartleys Limited	Trent Barnett
Moelis Australia	Sean Kiriwan
Cannacord Genuity	Cameron Bell

IMPORTANT NOTICE AND DISCLAIMER



This presentation and these materials (together the “Presentation”) have been prepared by MACA Limited ABN 42 144 745 782 (ASX:MLD) (“MACA”) as an Investor Presentation and a summary of MACA’s half year results to 31 December 2018. By participating in this Presentation or reviewing or retaining these materials, you acknowledge and represent that you have read, understood and accepted the terms of this Important Notice and Disclaimer Information, including forecast financial information in this presentation should not be considered as a recommendation in relation to holding, purchasing or selling shares, securities or other instruments in MACA or any other company. Due care and attention has been used in the preparation of forecast information. However, actual results may vary from forecast and any variation may be materially positive or negative.

Forecasts, by their very nature, are subject to uncertainty and contingencies may occur which are outside the control of MACA. Before making or varying any decision in relation to holding, purchasing or selling shares in MACA, investors should consider the appropriateness of that investment in light of their individual investment objectives and financial situation and should seek their own independent professional advice.

All currency is denominated in Australian dollars.

For further information contact:

Chris Tuckwell
Managing Director / CEO

chris.tuckwell@maca.net.au

Peter Gilford
CFO / Company Secretary

peter.gilford@maca.net.au

MACA Limited

45 Division Street
Welshpool WA 6106

PO Box 625
Welshpool DC WA 6986

www.maca.net.au

For personal use only