



FY16 BUSINESS UPDATE



DISCLAIMER

The information contained in this presentation is not investment or financial product advice and is not intended to be used as the basis for making an investment decision. This presentation by Barminco Finance Pty Limited (“Barminco”) is not, and does not constitute, an offer to sell or the solicitation, invitation or recommendation to purchase any securities. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. To the maximum extent permitted by law, none of Barminco, its directors, employees or agents, nor any other person accepts any liability, including with out limitation, any liability arising out of fault or negligence for any loss arising from the use of the information contained in this presentation. This presentation contains statements that constitute "forward looking statements". Examples of these forward looking statements include, but are not limited to, (i) statements regarding Barminco’s future results of operations and financial condition, (ii) statements of plans, objectives or goals and (iii) statements of assumptions underlying those statements. Words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "believe", "continue", "probability", "risk" and other similar words are intended to identify forward looking statements but are not the exclusive means of identifying those statements. By their very nature, forward looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that such predictions, forecasts, projections and other forward looking statements will not be achieved. A number of important factors could cause Barminco’s actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward looking statements. As such, undue reliance should not be placed on any forward looking statement. Certain financial data included in the presentation are “non-GAAP financial measures” under Regulation G of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”), including Adjusted EBITDA and EBIT. These non-GAAP financial measures do not have a standardized meaning prescribed by International Financial Reporting Standards and therefore may not be comparable to similarly titled measures presented by other entities, nor should they be construed as an alternative to other financial measures determined in accordance with International Financial Reporting Standards. Although Barminco believes these non-GAAP financial measures provide useful information to users measuring the financial performance and condition of the business, persons are cautioned not to place undue reliance on any non-GAAP financial measuring the financial performance and condition of the business and persons are cautioned not to place undue reliance on any non-GAAP financial measures and ratios included in this presentation.

INTRODUCTIONS

Peter Stokes

Chief Executive Officer



- Peter Stokes was appointed Chief Executive Officer of Barmenco in February 2013 and has over 25 years of resources and mining services experience
- Prior to joining Barmenco, Peter served as the Chief Operating Officer at Linfox Pty Ltd, Australia's second largest logistics provider
- Peter was also previously a Partner in the resources practice of Accenture

Peter Bryant

Chief Financial Officer and Company Secretary



- Peter Bryant was appointed Chief Financial Officer in April 2013 and has over 25 years of financial and company secretarial experience
- Prior to joining Barmenco, Peter held leadership roles, including Chief Financial Officer and Company Secretary, at Seven West Media and engineering and development group GRD Limited, both of which were in the ASX 100
- Peter commenced his career with Ernst & Young

CONTENTS

- FY16 Highlights
- Major Mining Contracts Contributing to FY16 Results
- FY16 Financial Overview
 - Barminto
 - AUMS
 - Proportional Consolidation
- Liability Management
- FY17 – What to Expect

FY16 OPERATIONAL HIGHLIGHTS

- LTIFR of 0.3
- TRIFR down 30%
- A\$275m Kundana contract secured
- A\$215m Agnew contract extension until FY19
- A\$270m Dugald River contract extension until FY21
- Results consistent with guidance
- Continued liability management
- Successful implementation of SAP operating system

MAJOR MINING CONTRACTS CONTRIBUTING TO FY16 RESULTS

BARMINCO

PROJECT	ULTIMATE CLIENT	COMMODITY	LOCATION	COMMENCEMENT	CONTRACT END DATE
Sunrise Dam	AngloGold Ashanti	Au	WA	2003	QTR 4 – FY19
Flying Fox	Western Areas	Ni	WA	2004	QTR 4 – FY17
Spotted Quoll	Western Areas	Ni	WA	2011	QTR 4 – FY17
Sukari	Centamin	Au	Egypt	2009	QTR 2 – FY17
Agnew	Gold Fields	Au	WA	2010	QTR4 – FY18
Dugald River	MMG	Zn	QLD	2012	QTR3 – FY19
Rosebery	MMG	Zn	TAS	2004	QTR 3 – FY18
Nova Bollinger	Sirius Resources/ Independence Group	Ni	WA	2015	QTR 4 – FY18
Gordon Sirdar	FMR Investments	Au	WA	2016	QTR 3 – FY18
Renison	Metals X	Sn	TAS	2013	QTR 3 – FY16

AUMS

PROJECT	ULTIMATE CLIENT	COMMODITY	LOCATION	COMMENCEMENT	CONTRACT END DATE
Perkoa	Glencore	Zn (Pb & Ag)	Burkina Faso	2012	2016
Yaramoko	Roxgold Inc	Au	Burkina Faso	2015	2018
Geita	AngloGold Ashanti	Au	Tanzania	2016	2019

FY 16 RESULTS

(EXCLUDING AUMS)

- EBITDA of \$106.6m – up \$9.8m pcp
- EBITDA margin on target at 21.0%
- Trading EBIT of \$57.0m up \$13.4m pcp
- Cost management focus continued

	Jun-16 YEAR \$M	Jun-15 YEAR \$M
Revenue		
Mining	454.9	440.3
Diamond Drilling	48.5	49.3
Crushing	0.1	1.0
Other	4.4	2.3
Total Revenue	507.9	492.9
Project Costs	400.7	394.9
Project EBITDA		
Mining	100.8	90.8
Diamond Drilling	5.6	6.6
Crushing	0.5	0.5
Other	0.3	0.1
Total Project EBITDA	107.2	98.0
Shared Services Costs		
Operational & Admin Services	31.4	30.4
SS Allocation	(30.8)	(29.2)
EBITDA	106.6	96.8
Depreciation	48.9	52.3
Amortisation	0.7	1.0
Trading EBIT	57.0	43.6
Redundancy Costs	3.1	1.7
EBIT	53.9	41.8

FY16 RESULTS BY QUARTER

(EXCLUDING AUMS)

- Q1 impacted by seismic activity at Agnew and Renison
- Cost management program implemented in Q2
- Positive growth in Q4 despite conclusion of Renison contract
- FY17 Q1 run rate will soften due to Renison exit and Kundana ramp-up

	Jun-16	Mar-16	Dec-15	Sep-15
	QTR	QTR	QTR	QTR
	\$M	\$M	\$M	\$M
Revenue				
Mining	108.3	110.3	119.3	117.0
Diamond Drilling	11.0	12.1	11.5	13.9
Crushing	-	-	0.1	-
Other	2.0	0.7	0.5	1.2
Total Revenue	121.3	123.1	131.4	132.1
Project Costs	92.7	95.9	103.2	108.9
Project EBITDA				
Mining	26.7	25.3	27.0	21.8
Diamond Drilling	1.6	1.5	1.3	1.2
Crushing	0.4	-	-	0.1
Other	(0.1)	0.4	(0.1)	0.1
Total Project EBITDA	28.6	27.2	28.2	23.2
Shared Services Costs				
Operational & Admin Services	7.9	7.3	7.7	8.5
SS Allocation	(7.2)	(7.6)	(8.0)	(8.0)
EBITDA	28.0	27.4	28.5	22.7
Depreciation	11.6	12.2	12.6	12.5
Amortisation	0.3	0.1	0.1	0.2
Trading EBIT	16.1	15.1	15.8	10.0

SUMMARY OF RESULTS - AUMS

(BARMINCO 50% SHARE)

- AUMS is outside the HYB Credit Group
- Solid performance continued post the conclusion of Loulo in October 2015
- Geita project performing ahead of initial targets

	Jun-16 YTD A\$M	Jun-15 YTD A\$M
Revenue	159.6	227.8
EBITDA	52.6	59.1
<i>EBITDA Margin</i>	32.9%	25.9%
Depreciation	16.1	25.9
EBIT	36.5	33.2
Net Interest	-	(0.2)
Tax	18.3	6.0
NPAT	18.2	27.4

	Jun-16 A\$M	Jun-15 A\$M
Barmarco's 50% Share (USD)	9.1	13.7
Elimination Entries and Adjustments (AUD)	0.9	0.9
Equity Accounted Share of Profits (AUD)	10.0	14.6

RESULTS BY QUARTER- AUMS

(BARMINCO 50% SHARE)

- Work on Randgold's Loulo contract concluded in October 2015
- Geita project commenced January 2016
- Roxgold shares revalued in Q4 which had an impact of A\$3.1m (50% share)

	Jun-16 QTR A\$M	Mar-16 QTR A\$M	Dec-15 QTR A\$M	Sep-15 QTR A\$M
Revenue	19.0	13.2	14.3	33.3
EBITDA	8.4	3.2	4.9	9.8
<i>EBITDA Margin</i>	<i>44.2%</i>	<i>24.2%</i>	<i>34.3%</i>	<i>29.4%</i>
Depreciation	2.3	1.5	1.6	2.6
EBIT	6.1	1.7	3.3	7.2
Net Interest	0.1	-	(0.1)	-
Tax	5.2	0.6	1.1	2.3
NPAT	0.8	1.1	2.3	4.9

PROPORTIONATELY CONSOLIDATED P&L (BARMINCO AND 50% SHARE OF AUMS)

- Proportionately consolidated EBITDA up 5.2% PCP
- Proportionately consolidated Trading EBIT up 25.3% PCP
- AUMS converted to A\$ at 0.7399

	Barminto	Jun-16 AUMS 50%	TOTAL
	A\$M	A\$M	A\$M
Revenue	507.9	79.8	587.7
Project Costs	401.3	53.5	454.8
EBITDA	106.6	26.3	132.9
Depreciation	48.9	8.0	56.9
Amortisation	0.7	-	0.7
Trading EBIT	57.0	18.3	75.3
Redundancy Costs	3.1	-	3.1
EBIT	53.9	18.3	72.2

	Jun-15	
	Barminto	AUMS 50%
	A\$M	A\$M
	492.9	113.9
	396.1	84.4
	96.8	29.5
	52.3	13.0
	1.0	-
	43.6	16.5
	1.7	-
	41.8	16.5

BALANCE SHEET

(BARMINCO EXCLUDING AUMS)

- Redeemable preference shares classified as equity
- \$74m tax asset recognised
- Revolving credit facility of \$19m effectively undrawn
- Shareholder loans excluded
- Total reduction in US\$ debt is US\$179m, to US\$306m, fully swapped at 0.74c

		Jun-16 \$M	Jun-15 \$M
Current Assets	Cash and Cash Equivalents	70.6	104.8
	Trade and Other Receivables	48.5	57.5
	Inventories	19.7	25.3
	Other	3.1	5.5
	Total Current Assets	141.9	193.2
Non-Current Assets	Property, Plant & Equipment	116.4	114.5
	Intangible Assets	260.8	259.2
	Derivatives	-	10.5
	Investment in Joint Venture (AUMS)	69.5	67.3
	Deferred Tax Asset	75.3	0.8
	Other	1.9	1.7
	Total Non-current Assets	523.9	454.0
Total Assets		665.8	647.2
Current Liabilities	Trade, Other Payables & Provisions	57.4	54.0
	HP Liabilities	5.1	3.3
	Employee Benefits and Other	23.7	25.5
	Total Current Liabilities	86.2	82.8
Non-Current Liabilities	HP Liabilities	6.1	2.4
	Derivatives	5.4	-
	High Yield Bonds (<i>net of capitalized borrowing costs</i>)	409.1	498.1
	Employee Benefits and Other	1.7	2.7
	Total Non-Current Liabilities	422.3	503.2
Total Liabilities		508.5	586.0
Net Assets		157.3	61.2

RECONCILIATION TO STATUTORY BALANCE SHEET (BARMINCO EXCLUDING AUMS)

- Redeemable preference shares now treated as equity
- Shareholder loan notes classified as debt for accounting purposes

	Jun-16	Jun-15
	\$M	\$M
Net Assets	157.3	61.2
Redeemable preference shares (classified as equity in fiscal 2016)	-	343.6
Shareholder loan notes	10.0	16.9
Statutory Net Assets	147.3	(299.3)

CASH FLOW

(BARMINCO EXCLUDING AUMS)

- Cash on hand \$70.6m
- Cash funded \$63.2m of HYB purchases in October, February and June
- Interest down due to bond repurchase
- AUMS dividends of A\$8.8m received
- Positive working capital contribution of \$15.9m

	Jun-16 YTD \$M	Jun-15 YTD \$M
EBITDA (after redundancies)	103.5	95.1
Movement in Working Capital	15.9	1.5
Subtotal	119.4	96.6
Capital Expenditure (net of disposals)	(42.6)	(38.9)
Dividends/Loan Receipts from JVs	8.8	25.1
Proceeds from Reset of Cross Currency Interest Rate Swaps	32.1	118.8
Repurchase of High Yield Bonds	(95.3)	(119.5)
Finance Lease Payments	(4.7)	(10.2)
Interest (net)	(50.8)	(60.2)
Tax	(0.6)	(0.8)
Other	(0.5)	(1.9)
Cashflow	(34.2)	9.0
Opening Cash	104.8	95.8
Closing Cash	70.6	104.8

CAPITAL EXPENDITURE

(BARMINCO EXCLUDING AUMS)

- 86.1% of capex funded via cash

	Jun-16	Jun-15
	YTD	YTD
	\$M	\$M
Growth	16.8	8.7
Stay in Business	35.1	40.1
Total Capital Expenditure	51.9	48.8

LIABILITY MANAGEMENT

- 2018 refinance
- High Yield Bond repurchases
- Revolving Credit Facility extension
- Redeemable Preference Shares classified as equity

HIGH YIELD BOND BUY BACKS

ORIGINAL POSITION		\$US	Fixed currency rate (SWAP)	\$AUD
	Value	\$485M	0.9964 ^c	\$487M
	Interest	9%	3.4%	12.4%
	Interest paid in AUD per annum			\$60.6M

SWAP FUNDED	Buy back \$124M of bonds (face value)		Release \$124M from SWAP	
	↓		↓	
	Value	Final debt reduced to \$361M	0.74 ^c	\$487M
	Interest	9%	1.9%	10.9%
	New interest paid in AUD per annum			\$53.1M
	Savings per annum			\$7.5M

CASH FUNDED		\$US	Fixed currency rate (SWAP)	\$AUD
	Reduction in Debt	\$54.8M		
	Value	\$306.2M	0.74 ^c	\$413.8M
	Interest	9%		10.9%
	New interest paid in AUD per annum			\$45.1M
	Savings per annum			\$8.0M

Saving in final principal payment due to cash repurchase at discount \$AUD			\$11.9M
TOTAL INTEREST SAVING IN \$AUD PER ANNUM			\$15.5M

BUSINESS OUTLOOK

- General market overview
 - Australia
 - Africa
 - Other
- Pipeline projects
 - Australia
 - Africa
- What will FY17 look like for Barmenco

PIPELINE OPPORTUNITIES

BARMINCO

Mine	Commodity	Client	Start Date	Location
Rampura Agucha	Zn	Hindustan Zinc	QTR 2 - FY17	India
Mt Gordon	Cu	Capricorn Copper	QTR 3 - FY17	Queensland
Telfer	Au	Newcrest Mining	QTR 2 - FY17	Western Australia
Zone 5	Cu	Khoemacau Copper Mining	FY17	Botswana
Olympic Dam	Cu/Au	BHP Billiton	FY17	South Australia
Jadar Project	Li	Rio Tinto	FY17	Serbia
Mount Morgans	Au	Dacian Gold	FY18	Western Australia

AUMS

Mine	Commodity	Client	Start Date	Location
Subika	Au	Newmont	FY17	Ghana
Nyankanga	Au	AngloGold Ashanti	FY17	Tanzania
Bagassi South	Au	Roxgold	FY18	Burkina Faso