

**BARMINCO HOLDINGS PTY LIMITED**

ABN 85 126 398 276

Unaudited condensed consolidated interim financial statements

For the 9 month period ended 31 March 2014

# Barmenco Holdings Pty Limited

## Unaudited condensed consolidated interim financial statements

For the 9 month period ended 31 March 2014

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Note: All "\$" amounts refer to Australian dollars unless otherwise indicated

# Barmenco Holdings Pty Limited

## Unaudited condensed consolidated interim statement of comprehensive income For the 9 month period ended 31 March 2014

|                                                                                        |       | 9 Mths<br>Ended<br>31 Mar 2014<br>\$'000 | 9 Mths<br>Ended<br>31 Mar 2013<br>\$'000 |
|----------------------------------------------------------------------------------------|-------|------------------------------------------|------------------------------------------|
|                                                                                        | Notes |                                          |                                          |
| Revenue                                                                                |       | 410,477                                  | 520,795                                  |
| Other income                                                                           |       | 971                                      | 1,494                                    |
| Consumables used                                                                       |       | (130,738)                                | (139,864)                                |
| Employee benefits expense                                                              |       | (180,385)                                | (213,921)                                |
| Contractor and consultant expenses                                                     |       | (10,802)                                 | (21,424)                                 |
| Depreciation and impairment of property, plant & equipment                             |       | (46,286)                                 | (43,788)                                 |
| Amortisation of intangible assets                                                      |       | (768)                                    | (1,964)                                  |
| Other expenses                                                                         |       | (11,613)                                 | (49,656)                                 |
| <b>Results from operating activities</b>                                               |       | <b>30,856</b>                            | <b>51,672</b>                            |
| Share of profit from equity accounted investments                                      |       | 6,164                                    | 15,905                                   |
| Net financing costs                                                                    |       | (79,959)                                 | (54,200)                                 |
| <b>Profit/(loss) before income tax</b>                                                 |       | <b>(42,939)</b>                          | <b>13,377</b>                            |
| Income tax expense                                                                     | 4     | (1,110)                                  | (1,633)                                  |
| <b>Profit/(loss) for the period attributable to equity holders of the Company</b>      |       | <b>(44,049)</b>                          | <b>11,744</b>                            |
| <b>Other comprehensive income/(loss)</b>                                               |       |                                          |                                          |
| <i>Items that may be reclassified to profit or loss</i>                                |       |                                          |                                          |
| Effective portion of changes in fair value of cash flow hedges                         |       | (2,048)                                  | 2,258                                    |
| Foreign currency translation differences – foreign operations                          |       | 1,529                                    | (883)                                    |
| <b>Other comprehensive income/(loss) for the period, net of tax</b>                    |       | <b>(519)</b>                             | <b>1,375</b>                             |
| <b>Total comprehensive income/(loss) attributable to equity holders of the Company</b> |       | <b>(44,568)</b>                          | <b>13,119</b>                            |
|                                                                                        |       | <b>Cents</b>                             | <b>Cents</b>                             |
| <b>Earnings/(Loss) per share</b>                                                       |       |                                          |                                          |
| Basic and diluted earnings/(loss) per share                                            |       | (896.9)                                  | 264.0                                    |

The above interim consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

# Barmenco Holdings Pty Limited

## Unaudited condensed consolidated interim statement of financial position As at 31 March 2014

|                    |                                                   | 31 March<br>2014<br>\$'000 | 30 June<br>2013<br>\$'000 |
|--------------------|---------------------------------------------------|----------------------------|---------------------------|
| Notes              |                                                   |                            |                           |
| <b>ASSETS</b>      |                                                   |                            |                           |
|                    | Cash and cash equivalents                         | 121,399                    | 106,591                   |
|                    | Trade and other receivables                       | 52,775                     | 88,149                    |
|                    | Inventories                                       | 23,407                     | 25,923                    |
|                    | Prepayments                                       | 5,440                      | 4,443                     |
|                    | <b>Total current assets</b>                       | <b>203,021</b>             | <b>225,106</b>            |
|                    | Other non-current assets                          | 8,661                      | 9,934                     |
|                    | Investments Accounted for using the equity method | 73,434                     | 65,743                    |
| 6                  | Derivative financial instruments                  | 30,632                     | 39,224                    |
| 5                  | Property, plant and equipment                     | 124,085                    | 133,307                   |
|                    | Intangibles                                       | 260,508                    | 261,275                   |
| 4                  | Deferred tax asset                                | 713                        | 662                       |
|                    | <b>Total non-current assets</b>                   | <b>498,033</b>             | <b>510,145</b>            |
|                    | <b>TOTAL ASSETS</b>                               | <b>701,054</b>             | <b>735,251</b>            |
| <b>LIABILITIES</b> |                                                   |                            |                           |
|                    | Trade and other payables                          | 69,823                     | 68,277                    |
| 7                  | Borrowings                                        | 8,897                      | 16,635                    |
|                    | Employee benefits                                 | 26,846                     | 29,432                    |
|                    | Provisions                                        | 102                        | 86                        |
|                    | Current tax liabilities                           | 794                        | 2,896                     |
|                    | <b>Total current liabilities</b>                  | <b>106,462</b>             | <b>117,326</b>            |
| 7                  | Borrowings                                        | 821,471                    | 799,612                   |
|                    | Employee benefits                                 | 2,202                      | 2,825                     |
|                    | <b>Total non-current liabilities</b>              | <b>823,673</b>             | <b>802,437</b>            |
|                    | <b>TOTAL LIABILITIES</b>                          | <b>930,135</b>             | <b>919,763</b>            |
|                    | <b>NET LIABILITIES</b>                            | <b>(229,081)</b>           | <b>(184,512)</b>          |
| <b>EQUITY</b>      |                                                   |                            |                           |
|                    | Contributed equity                                | 4,719                      | 4,720                     |
|                    | Reserves                                          | 320                        | 839                       |
|                    | Accumulated losses                                | (234,120)                  | (190,071)                 |
|                    | <b>TOTAL EQUITY</b>                               | <b>(229,081)</b>           | <b>(184,512)</b>          |

The above interim consolidated statement of financial position should be read in conjunction with the accompanying notes.

# Barmenco Holdings Pty Limited

## Unaudited condensed consolidated interim statement of cash flows

For the 9 month period ended 31 March 2014

|                                                            | 9 Mths<br>Ended<br>31 Mar 2014<br>\$'000 | 9 Mths<br>Ended<br>31 Mar 2013<br>\$'000 |
|------------------------------------------------------------|------------------------------------------|------------------------------------------|
| <b>Cash flows from operating activities</b>                |                                          |                                          |
| Receipts from customers                                    | 483,414                                  | 538,484                                  |
| Payments to suppliers and employees                        | (385,319)                                | (442,648)                                |
| Interest received                                          | 2,520                                    | 1,767                                    |
| Interest paid                                              | (36,610)                                 | (22,417)                                 |
| Income taxes received/(paid)                               | (1,898)                                  | (2,429)                                  |
| <b>Net cash inflow from operating activities</b>           | <b>62,107</b>                            | <b>72,757</b>                            |
| <b>Cash flows from investing activities</b>                |                                          |                                          |
| Repurchase of ordinary shares                              | (1)                                      | -                                        |
| Payments for property, plant and equipment                 | (27,781)                                 | (35,351)                                 |
| Proceeds from sale of property, plant and equipment        | 2,657                                    | 5,646                                    |
| <b>Net cash outflow from investing activities</b>          | <b>(25,125)</b>                          | <b>(29,705)</b>                          |
| <b>Cash flows from financing activities</b>                |                                          |                                          |
| Proceeds from borrowings                                   | -                                        | 8,500                                    |
| Repayment of borrowings                                    | -                                        | (26,117)                                 |
| Fees paid for financing                                    | (591)                                    | -                                        |
| Finance lease payments                                     | (21,583)                                 | (13,372)                                 |
| <b>Net cash inflow/(outflow) from financing activities</b> | <b>(22,174)</b>                          | <b>(30,989)</b>                          |
| <b>Net increase in cash and cash equivalents</b>           | <b>14,808</b>                            | <b>12,063</b>                            |
| Cash and cash equivalents at beginning of the period       | 106,591                                  | 71,672                                   |
| <b>Cash and cash equivalents at end of the period</b>      | <b>121,399</b>                           | <b>83,735</b>                            |

The above interim consolidated statement of cash flows should be read in conjunction with the accompanying notes.

# Barmenco Holdings Pty Limited

## Unaudited condensed consolidated interim statement of changes in equity

For the 9 month period ended 31 March 2014

|                                                           | Contributed<br>Equity<br>\$'000 | Hedging<br>Reserve<br>\$'000 | Foreign<br>Currency<br>Translation<br>Reserve<br>\$'000 | Accumulated<br>Losses<br>\$'000 | Total<br>Equity<br>\$'000 |
|-----------------------------------------------------------|---------------------------------|------------------------------|---------------------------------------------------------|---------------------------------|---------------------------|
| Balance at 1 July 2013                                    | 4,720                           | (4,035)                      | 4,874                                                   | (190,071)                       | (184,512)                 |
| <b>Total comprehensive income/(loss) for the period</b>   |                                 |                              |                                                         |                                 |                           |
| Profit/(loss) for the period                              | -                               | -                            | -                                                       | (44,049)                        | (44,049)                  |
| Other comprehensive income/(loss)                         |                                 |                              |                                                         |                                 |                           |
| Changes in the fair value of cash flow hedges, net of tax | -                               | (2,048)                      | -                                                       | -                               | (2,048)                   |
| Changes in the foreign exchange translation reserve       | -                               | -                            | 1,529                                                   | -                               | 1,529                     |
| Total other comprehensive income/(loss)                   | -                               | (2,048)                      | 1,529                                                   | -                               | (519)                     |
| <b>Total comprehensive income/(loss) for the period</b>   | <b>-</b>                        | <b>(2,048)</b>               | <b>1,529</b>                                            | <b>(44,049)</b>                 | <b>(44,568)</b>           |
| <b>Transactions with owners of the Company</b>            |                                 |                              |                                                         |                                 |                           |
| Repurchase of ordinary shares                             | (1)                             | -                            | -                                                       | -                               | (1)                       |
| <b>Total transactions with owners of the Company</b>      | <b>(1)</b>                      | <b>-</b>                     | <b>-</b>                                                | <b>-</b>                        | <b>(1)</b>                |
| <b>Balance at 31 March 2014</b>                           | <b>4,719</b>                    | <b>(6,083)</b>               | <b>6,403</b>                                            | <b>(234,120)</b>                | <b>(229,081)</b>          |

The above interim consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

# Barmenco Holdings Pty Limited

## Unaudited condensed consolidated interim statement of changes in equity

For the 9 month period ended 31 March 2013

|                                                           | Contributed<br>Equity<br>\$'000 | Hedging<br>Reserve<br>\$'000 | Foreign<br>Currency<br>Translation<br>Reserve<br>\$'000 | Accumulated<br>Losses<br>\$'000 | Total<br>Equity<br>\$'000 |
|-----------------------------------------------------------|---------------------------------|------------------------------|---------------------------------------------------------|---------------------------------|---------------------------|
| Balance at 1 July 2012                                    | 4,720                           | (2,459)                      | (2,552)                                                 | (195,747)                       | (196,038)                 |
| <b>Total comprehensive income/(loss) for the period</b>   |                                 |                              |                                                         |                                 |                           |
| Profit/(loss) for the period                              | -                               | -                            | -                                                       | 11,744                          | 11,744                    |
| Other comprehensive income                                |                                 |                              |                                                         |                                 |                           |
| Changes in the fair value of cash flow hedges, net of tax | -                               | 2,258                        | -                                                       | -                               | 2,258                     |
| Changes in the foreign exchange translation reserve       | -                               | -                            | (883)                                                   | -                               | (883)                     |
| Total other comprehensive income                          | -                               | 2,258                        | (883)                                                   | -                               | 1,375                     |
| <b>Total comprehensive income/(loss) for the period</b>   | <b>-</b>                        | <b>2,258</b>                 | <b>(883)</b>                                            | <b>11,744</b>                   | <b>13,119</b>             |
| <b>Balance at 31 March 2013</b>                           | <b>4,720</b>                    | <b>(201)</b>                 | <b>(3,435)</b>                                          | <b>(184,003)</b>                | <b>(182,919)</b>          |

The above interim consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

# Barmenco Holdings Pty Limited

## Notes to the condensed consolidated interim financial statements

For the 9 month period ended 31 March 2014

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# Barmenco Holdings Pty Limited

## Notes to the condensed consolidated interim financial statements (continued)

For the 9 month period ended 31 March 2014

### 1. Corporate information

Barmenco Holdings Pty Limited ("the Company") is a company limited by shares, incorporated and domiciled in Australia. The Company was registered on 5 July 2007. The address of the Company's registered office is 390 Stirling Crescent Hazelmere, Western Australia, 6055. The Company changed its name from Barholdco Pty Limited effective 28 March 2013. The Company is a for profit entity and is primarily involved in underground contract development and production mining and development projects in Australia, Egypt, and West Africa. Operations in South Africa ceased on 30 June 2013.

The interim financial statements of the Company for the 9 month period ended 31 March 2014 comprises the Company and its subsidiaries (the "Group") and the Group's interest in jointly controlled entities.

### 2. Basis of preparation

#### a) Statement of Compliance

The interim financial report is a general purpose financial report which has been prepared in accordance with IAS 34 *Interim Financial Reporting*. They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 30 June 2013.

#### b) Critical accounting judgements and estimates

In preparing these interim financial statements, management make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2013.

# Barmenco Holdings Pty Limited

## Notes to the condensed consolidated interim financial statements (continued)

For the 9 month period ended 31 March 2014

### 3. Significant accounting policies

The significant accounting policies that have been used in the preparation of these consolidated interim financial statements are summarised below.

The consolidated interim financial statements have been prepared in accordance with the accounting policies adopted in the Group's last annual financial statements for the year ended 30 June 2013, except in relation to the matters discussed below. The relevant amendments and their effects on the current period or prior periods are described below.

#### a) Change in accounting policy

The Group had to change accounting policies as the result of new and amended accounting standards which became effective for the first time on 1 July 2013. AASB 10 *Consolidated Financial Statements* affected the Group's principles of consolidation and AASB 11 *Joint Arrangements* resulted in the Group changing its accounting for joint ventures from proportionate consolidation to the equity method.

Other new and amended standards that apply for the first time to the 31 March 2014 interim period include AASB 12 *Disclosure of Interests in Other Entities*, AASB 13 *Fair Value Measurement*, AASB 119 *Employee Benefits*, AASB 2011-8 *Amendments to Australian Accounting Standards arising from AASB 13*, AASB 2012-2 *Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities* and AASB 2012-5 *Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle*. As these interim financial statements are special purpose reports prepared specifically for the holders of the Senior Notes, these new disclosure requirements have not been applied to these interim financial statements in accordance with the Indenture, which requires the application of accounting standards in effect as at 1 July 2013.

#### b) Basis of Consolidation

AASB 10 establishes a revised control model that applies to all entities. It replaces the consolidation requirements in AASB 127 *Consolidated and Separate Financial Statements* and AASB Interpretation 112 *Consolidation – Special Purpose Entities*. The revised control model broadens the situations when an entity is considered to be controlled by another entity and includes additional application guidance.

Under AASB 10, the group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The group has reassessed its consolidation conclusions in light of the new control principles in AASB 10 and concluded that no changes are required. Accordingly, the adoption of AASB 10 has not resulted in any adjustments to the carrying amounts in the financial statements.

#### c) Investments in Joint Ventures

AASB 11 replaces AASB 131 *Interests in Joint Ventures* and AASB Interpretation 113 *Jointly-controlled Entities – Non-monetary Contributions by Ventures*. AASB 11 uses the principle of control in AASB 10 to define joint control, and therefore the determination of whether joint control exists may change. In addition, AASB 11 removes the option to account for jointly-controlled entities (JCEs) using proportionate consolidation. Instead, accounting for a joint arrangement is dependent of the nature of the rights and obligations arising from the arrangement. Joint operations that give the venturers a right to the net assets and obligations for liabilities are accounted for by recognising the share of those assets and liabilities. Joint ventures that give the venturers a right to the net assets are accounted for using the equity method.

# Barmenco Holdings Pty Limited

## Notes to the condensed consolidated interim financial statements (continued)

For the 9 month period ended 31 March 2014

A review of all entities and contractual arrangements in the Group which are less than 100 per cent owned determined that the African Underground Mining Services (AUMS) operations are classified as joint ventures under AASB11 and therefore will be accounted for under the requirements of the revised AASB 128 *"Investments in Associates and Joint Ventures"*.

As a result, the Group no longer recognises its proportionate share of the revenue, expenses, assets, liabilities and cash flows of each of the above operations. From 1 July 2013, the Group recognises its share of net assets on a single line in the Consolidated Balance Sheet, its share of net profit on a single line in the Consolidated Income Statement and cash flows from dividends in the Consolidated Cash Flow Statement.

As required by AASB 11, the change in accounting policy has been applied retrospectively and, as a consequence, adjustments were recognised in the statement of financial position as at 1 July 2012.

As the group was not previously required to provide reports on a quarterly or half yearly basis, the comparative figures for the period have not been restated to show the impact of the change in policy from proportionate consolidation to the equity accounting method.

### 4. Income tax

| 31 Mar | 30 June |
|--------|---------|
| 2014   | 2013    |
| \$'000 | \$'000  |

#### a) Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect on the following items:

|                                   |                |                |
|-----------------------------------|----------------|----------------|
| Tax losses (gross)                | 149,557        | 124,995        |
| Other deferred tax assets (gross) | 11,558         | 1,772          |
| Tax losses (gross)                | <b>161,115</b> | <b>126,767</b> |

A deferred tax asset has not been recognised as at 31 March 2014 as, given tax losses incurred in the Australian tax consolidated group in recent years, the taxable profits earned during the current period do not provide sufficient justification at this stage to recognise unused tax losses. The Group reviews evidence of the recoverability of these tax losses at each reporting date and additional evidence indicating recoverability may result in recognition at a future reporting date

The availability of these carried forward tax losses to offset profits in future years depends on the Group's continued ability to satisfy the requirements under Australian tax law.

### 5. Property, plant and equipment

#### a) Additions and disposals

During the 9 month period additions to property, plant and equipment totalled \$38,750,000 (nine month period ended 31 March 2013 \$35,531,000). The book value of disposals during the period was \$2,657,000 (nine month period ended 31 March 2013 \$5,646,000).

During the period there were \$10,969,000 of additions using finance leases, which are a non-cash item (nine month period ended 31 March 2013 \$ Nil).

# Barmenco Holdings Pty Limited

## Notes to the condensed consolidated interim financial statements (continued)

For the 9 month period ended 31 March 2014

| 31 Mar<br>2014<br>\$'000 | 30 June<br>2013<br>\$'000 |
|--------------------------|---------------------------|
|--------------------------|---------------------------|

### 6. Derivative financial instruments

#### Non-current asset

|                                                            |        |        |
|------------------------------------------------------------|--------|--------|
| Cross currency interest rate swap contract cash flow hedge | 30,632 | 39,224 |
|------------------------------------------------------------|--------|--------|

In connection with the issuance of US\$485 million aggregate principal amount of 9.00% Senior Notes due 2018 (the "Senior Notes") in May 2013, the Group entered into cross currency interest rate swaps with various parties for a notional principal of US\$485 million maturing on 1 June 2018. The swaps are for fixed interest to fixed interest United States Dollar/Australian Dollar swaps under which the Group receives a United States Dollar fixed interest payment and pays an Australian Dollar interest payment, with interest settled on 1 June and 1 December each year respectively until maturity. On maturity the Group will receive US\$485,000,000 and pay A\$487,780,000 in final settlement of the swaps.

# Barmenco Holdings Pty Limited

## Notes to the condensed consolidated interim financial statements (continued)

For the 9 month period ended 31 March 2014

| 7. Borrowings                             | Note | Currency | Nominal<br>interest rate | Year of<br>maturity | 31 March 2014     |                       | 30 June 2013      |                       |
|-------------------------------------------|------|----------|--------------------------|---------------------|-------------------|-----------------------|-------------------|-----------------------|
|                                           |      |          |                          |                     | Current<br>\$'000 | Non-current<br>\$'000 | Current<br>\$'000 | Non-current<br>\$'000 |
| Senior Notes                              | (e)  | USD      | 9%                       | 2018                | -                 | 524,494               | -                 | 531,041               |
| Shareholder loans                         | (b)  | AUD      | 14.00%                   | 2019                | -                 | 14,291                | -                 | 12,940                |
| Warrants                                  | (d)  | AUD      | n/a                      | 2013                | -                 | -                     | 30                | -                     |
| Redeemable preference shares              | (c)  | AUD      | 14.00%                   | 2019                | -                 | 291,993               | -                 | 264,402               |
| Finance lease liabilities                 | (a)  | AUD      | 8.92%                    | 2014 - 2016         | 12,880            | 3,953                 | 20,587            | 6,860                 |
|                                           |      |          |                          |                     | 12,880            | 834,731               | 20,617            | 815,243               |
| Capitalised borrowings costs              |      | AUD      |                          |                     | (3,983)           | (13,260)              | (3,982)           | (15,631)              |
| <b>Total interest bearing liabilities</b> |      |          |                          |                     | <b>8,897</b>      | <b>821,471</b>        | <b>16,635</b>     | <b>799,612</b>        |

# Barmenco Holdings Pty Limited

## Notes to the condensed consolidated interim financial statements (continued)

For the 9 month period ended 31 March 2014

### 7. Borrowings (continued)

#### a) Finance lease liabilities

Lease liabilities are effectively secured, as the rights to the leased assets which are recognised in the financial statements revert to the lessor in the event of a default.

#### b) Shareholder loan notes

Capitalised interest of 14% is added to the shareholder loan notes balance annually on the 30<sup>th</sup> August each year. The shareholder loan notes mature on 31 January 2019 and are subordinated to the Senior Notes.

#### c) Redeemable preference shares

Redeemable preference shares (RPS) are on issue at \$1 each with an interest rate of 14% compounded annually and unpaid interest is capitalised to the RPS balance. The RPS's are subordinated to the Senior Notes.

#### d) Warrants

The warrants are recognised as a financial liability at fair value on inception with any subsequent changes in fair value being recognised in the statement of comprehensive income. The warrants expired during the period and as such the value recognised as at 31 March 2014 was \$Nil. (The fair value of the warrants as at June 2013 was \$30,000).

#### e) Senior Notes

The Senior Notes are unsecured and mature on 1 June 2018. The Senior Notes were issued by Barmenco Finance Pty Limited and have been guaranteed by Barmenco Holdings Pty Limited and several of its subsidiaries. Interest is payable on 1 June and 1 December of each year. In connection with the issuance of the Senior Notes, the Group entered into a cross-currency swap. Refer to Note 6.

### 8. Related parties

#### a) Director transactions

##### (i) Mr P M Bartlett - Director of Barmenco Holdings

Bremerton Pty Ltd (an entity controlled by Mr Bartlett), has redeemable preference shares, the accumulated interest as at 31 March 2014 was \$49,649,926.

Bremerton has a loan note and as at 31 March 2014 the accumulated interest was \$8,276,020.

Peter Bartlett and his associated entities have an interest in Ausdrill Ltd which in turn have a subsidiary which operates the Miners Rest Hotel. Barmenco business with the Miners Rest Hotel has diminished with the completion of a nearby mining contract last year. Costs incurred for the period \$22,139.

A consultancy agreement between Peter Bartlett and the Group provides for a consultancy fee. Costs incurred during the period: \$250,000.

Hahn Electrical Contracting Pty Ltd ("Hahn") 49% interest, costs incurred during the period: \$9,119,104.

The Group has a contract with Peter Bartlett for the lease of the property located at 390 Stirling Crescent Hazelmere, Western Australia. Costs incurred during the period: \$1,553,042.

# Barmenco Holdings Pty Limited

## Notes to the condensed consolidated interim financial statements (continued)

For the 9 month period ended 31 March 2014

### (ii) Existing Gresham Investors

Gresham Investors hold redeemable preference shares. The accumulated interest as at 31 March 2014 was \$115,904,863.

A consultancy agreement between Gresham Private Equity Limited and the Group allows for consultancy fees. Costs incurred during the period: \$500,000.

### b) Other related party transactions

#### AUMS Joint Ventures

The Group has a 50% interest in the AUMS Joint Ventures. At 31 March 2014 a subsidiary of the Group has a related party receivable loan to AUMS of \$6,813,020 (US\$6,300,000), and related party trade debtors of \$541,920.

## 9. Segment reporting

The Group has identified its operating segments based on the internal reports that are reviewed and used by the CEO and CFO in assessing performance and in determining the allocation of resources.

Management has determined that the nature of the company's services and products are the same across the whole business. The same equipment is acquired from the same suppliers in order to perform similar services contracted by the respective clients. The same types of equipment are used, and the same processes are applied as they relate to each underground mine. Additionally, the company's customers are involved in the same industry and several customer sites are operated under common client ownership. Accordingly, management believes there is only the single segment.

### a) Geographical information

In presenting information on the basis of geographical information, revenue is based on the geographical location of customers. Assets are based on the geographical location of the assets.

|                                      | 9 Months Ended<br>31 Mar 2014 | As at<br>31 Mar 2014 | 9 Months Ended<br>31 Mar 2013 | As at<br>30 June 2013 |
|--------------------------------------|-------------------------------|----------------------|-------------------------------|-----------------------|
|                                      | Revenue/ Other<br>income      | Non-current assets   | Revenue/ Other<br>income      | Non-current assets    |
|                                      | \$'000                        | \$'000               | \$'000                        | \$'000                |
| Australia                            | 375,552                       | 412,996              | 492,458                       | 437,769               |
| Africa                               | 35,896                        | 11,603               | 29,831                        | 6,633                 |
| Africa - AUMS Joint<br>Venture (50%) | -                             | 73,434               | -                             | 65,743                |
|                                      | <b>411,448</b>                | <b>498,033</b>       | <b>522,289</b>                | <b>510,145</b>        |

## 10. Subsequent events

There are no matters or significant events that have arisen since 31 March 2014 that have or may significantly affect the operations, results, or state of affairs of the Group.