



FIRST HALF YEAR RESULTS 2019

1H19 HIGHLIGHTS

✓ Significant uplift in financial performance

- 1H19 Revenue of \$542.2m, up 101% on 1H18
- 1H19 EBIT¹ of \$39.9m, up 311% on 1H18
- 1H19 EBITDA¹ of \$89.1m, up 94% on 1H18
- 1H19 NPAT¹ of \$32.3m, up 304% on 1H18
- Underlying basic EPS¹ of 1.53cps, up 273% on 1H18

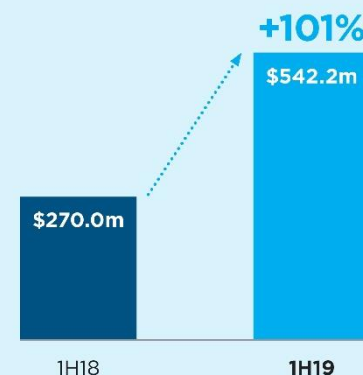
✓ Key Achievements

- Successful ramp-up of Batu Hijau capacity, performance (gain-share) payment of \$780k achieved in 1H
- Ongoing improvement in safety performance including rollout of mental health program
- Secured new work at Nifty, Fosterville and a new quarry project

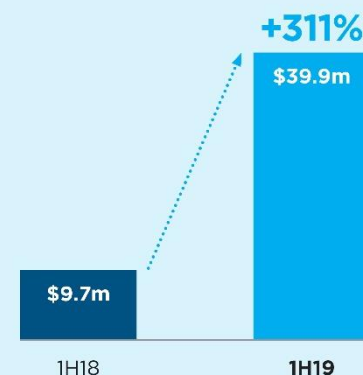
✓ Reaffirm FY19 Guidance and strong outlook

- Significant order book of ~\$4.8 billion
- Healthy tender pipeline of ~\$7 billion
- Forecast net debt position of \$25 million to \$35 million at June 19
- FY19 expected Revenue of \$0.95 billion - \$1.05 billion²
- FY19 expected EBIT of \$70 - 80 million²

Revenue



Underlying EBIT



1. Underlying numbers, refer to reconciliation on slide 25

2. Guidance is not a guarantee of future performance and is subject to known and unknown risks. This guidance assumes an exchange rate of AUD:USD 0.76, and excludes the impact of one-offs including the shareholder class action that was settled in FY19. Guidance excludes Performance (gain-share) payments and share based payments.

FINANCIAL PERFORMANCE



Revenue \$m



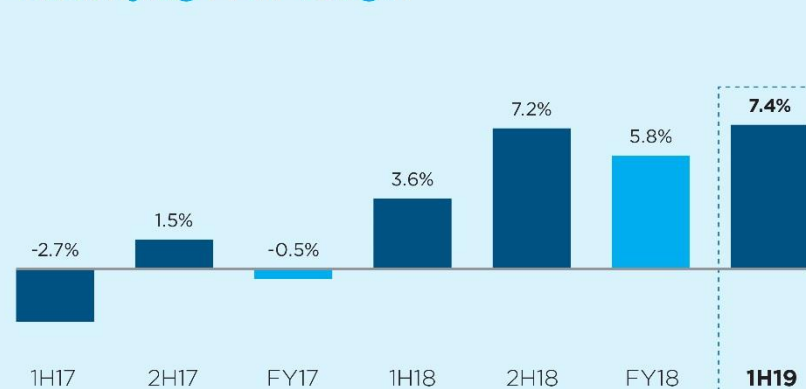
Underlying EBIT \$m



Underlying EBITDA \$m



Underlying EBIT Margin



* FY18 has been restated for consistency with the current year's presentation

KEY CONTRACTS

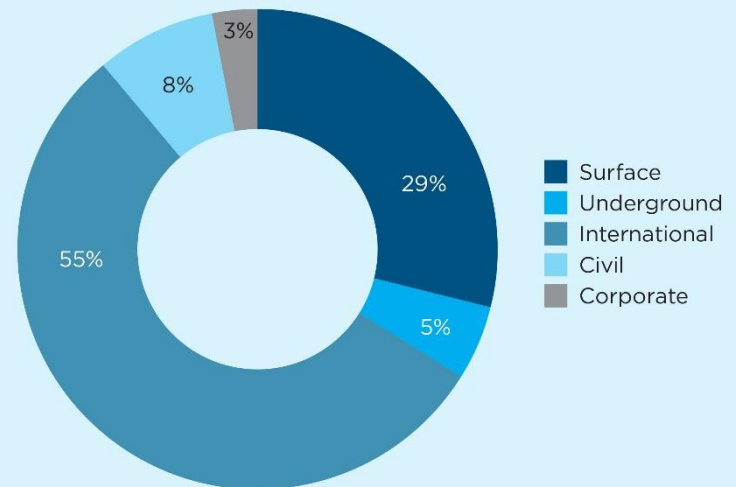
Project / Client	Location	Commodity / Type	Comments
Tropicana AngloGold Ashanti / Independence Group	WA Australia	Gold Open-pit	<ul style="list-style-type: none"> • Alliance life-of-mine contract • Achieved reduction in unit cost by ~37% from 2015 • Phase 1 of Long Island commenced
Telfer Newcrest	WA Australia	Copper-gold Open-pit	<ul style="list-style-type: none"> • Commenced February 2016 • Life of mine contract
Mount Morgans Dacian Gold	WA Australia	Gold Open-pit	<ul style="list-style-type: none"> • Commenced December 2017 • 5 year contract
Byerwen QCoal	QLD Australia	Coking Coal Open-pit	<ul style="list-style-type: none"> • Commenced August 2017 • 3 year contract
Martabe PT Agincourt Resources	North Sumatra, Indonesia	Gold Open-pit	<ul style="list-style-type: none"> • 50:50 NKE Joint venture commenced 2015 • Contract maturity FY21
Batu Hijau PT AMNT	Sumbawa Island, Indonesia	Copper / Gold Open Pit	<ul style="list-style-type: none"> • Alliance life-of-mine contract • Commenced in August 2017 • Potential to extend scope to include future developments such as Elang • Performance fee (Gain share) achieved in 1H
Underground Various	Australia & Indonesia	Various Mining Services	<ul style="list-style-type: none"> • In Australia, continued to secure repeat, sustainable work including at Nifty, Fosterville and Olympic Dam. • 50:50 NKE joint venture developing an exploration decline at Tujuh Bukit
Civil (TMM Group) Various	Australia	Various Mining Services	<ul style="list-style-type: none"> • TMM undertook various civil work for Peak Downs, Rolleston and Poitrel

PEOPLE

Group Employee Numbers ¹



Employees by Business Unit

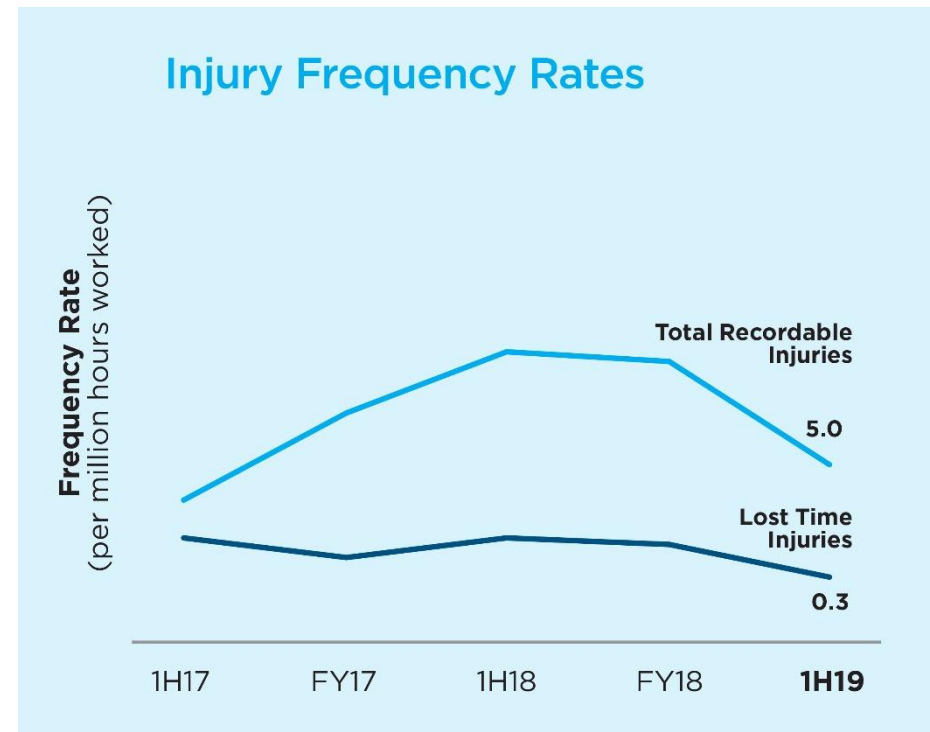


- Employee increase driven by ramp up of existing projects to steady state
- In Australia, 5% of our total workforce is Indigenous
- Indonesian workforce 99% national, 10% from local communities
- 11.3% of our total workforce is female
- Survey showed high levels of engagement across the business
- Continued investment in people including expansion of the traineeship program, introduction of an accelerated apprenticeship program, and rollout of a leadership development program

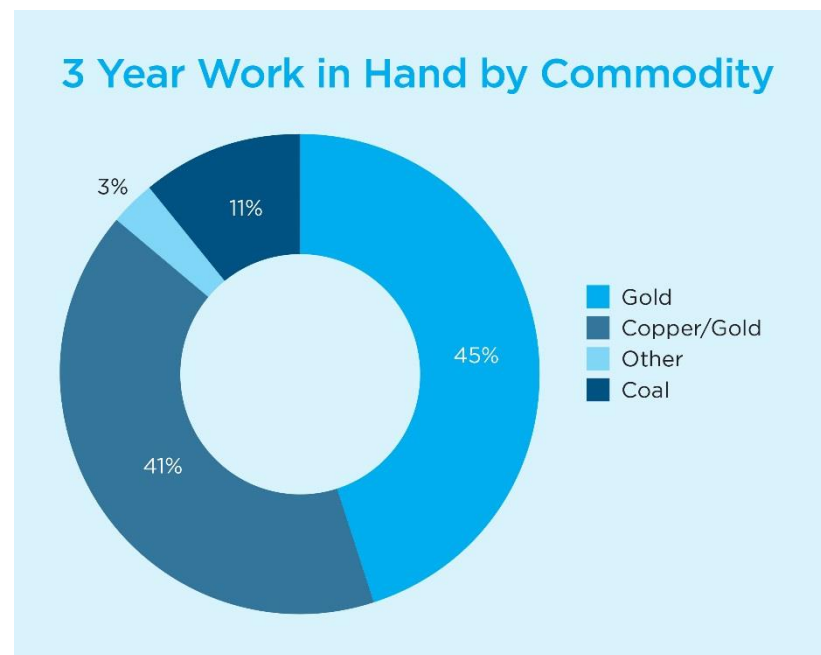
1. Group employee numbers includes Full Time Equivalent contractors

SAFETY

- Safety performance continues to improve
- TRIFR on track to be below industry average by end of FY19
- No permanent disabling injuries or fatalities recorded
- Ongoing rollout of successful Mental and Physical Health Program

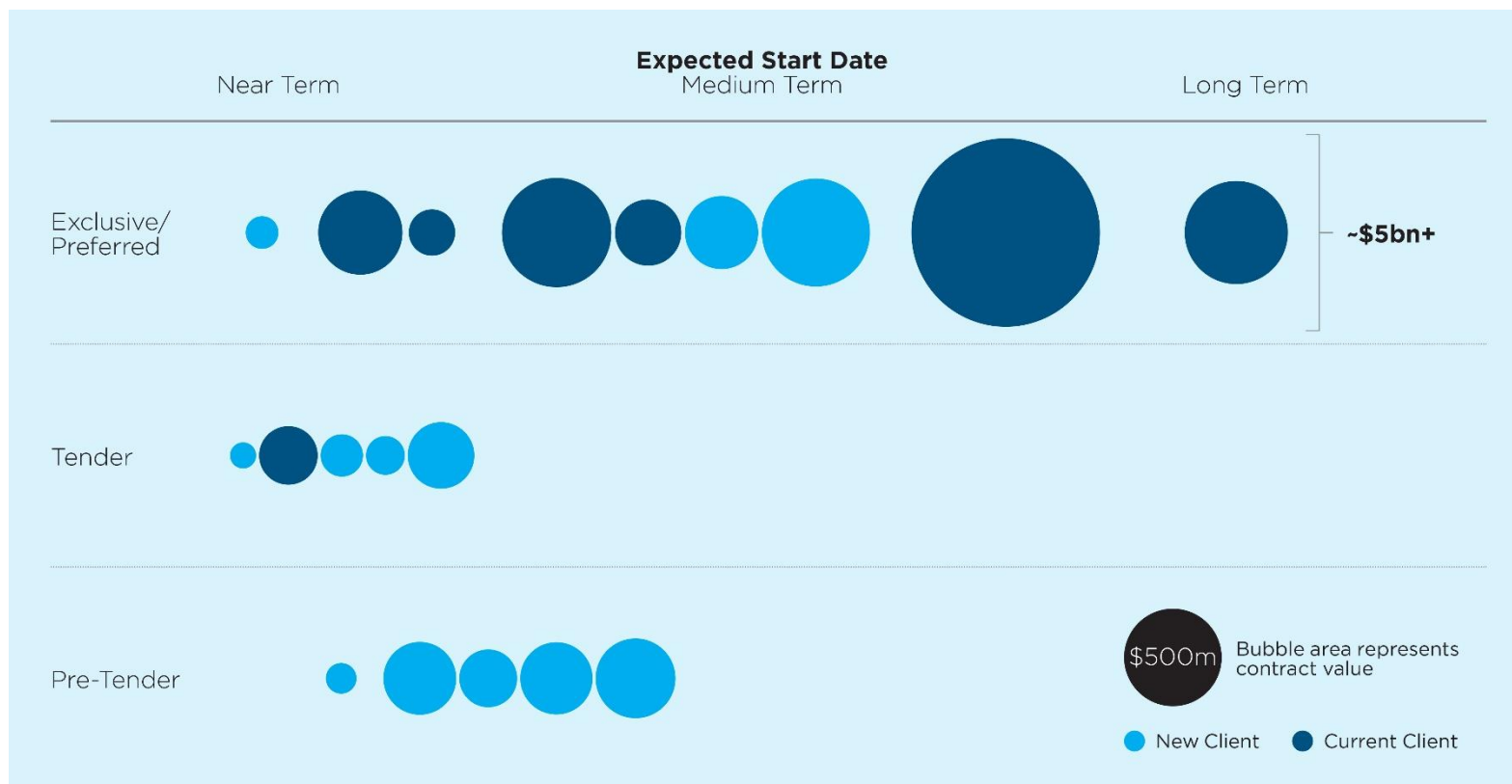


WORK IN HAND



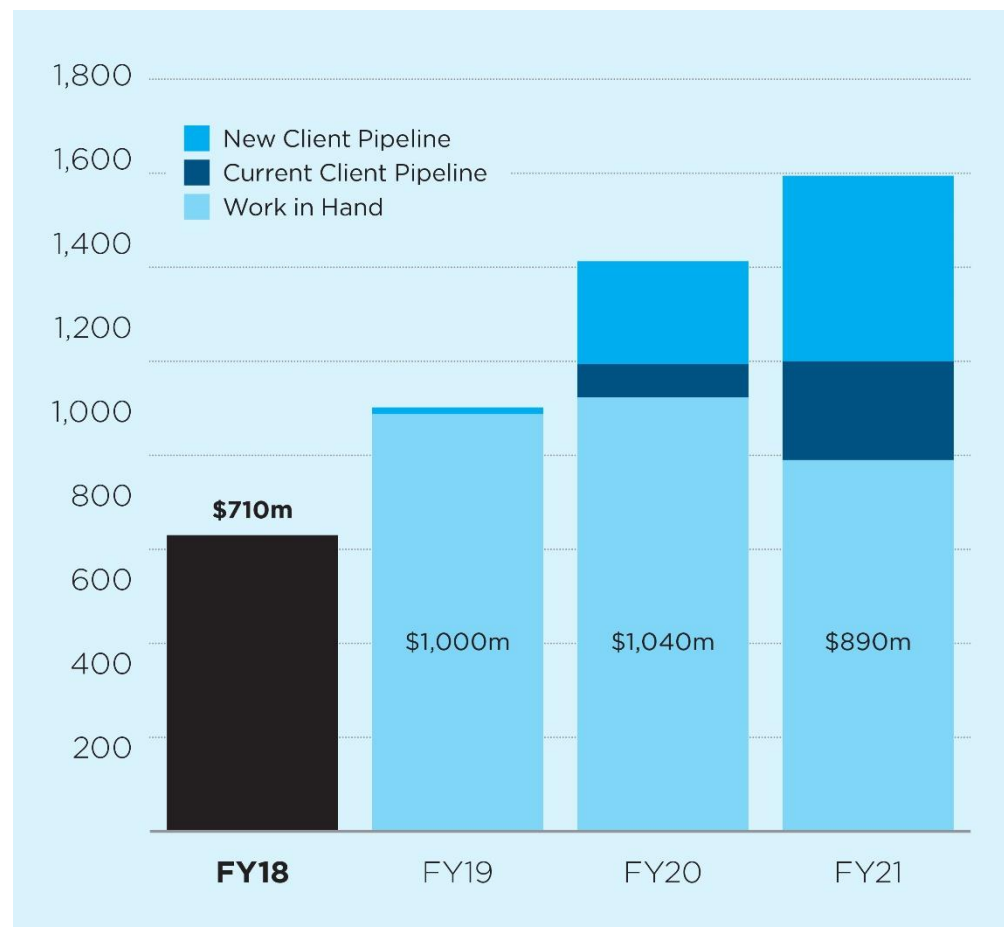
- Order book of ~\$4.8bn
- Excellent visibility and solid platform
- Operating at revenue run rate of ~\$1bn

TENDER PIPELINE



- 19 tender opportunities worth ~\$7bn, split between Australia and Indonesia, and gold, base metals, lithium and coal
- \$5bn+ (~70%) – preferred tenderer
- \$4bn+ (~60%) – current clients
- \$1.5bn potentially to be awarded in 2019

POTENTIAL REVENUE GROWTH



- Note: the figures in this graph are indicative only and should not be treated as guidance

PROFIT & LOSS



\$ Millions	1H18	1H19	Change
Sales revenue	270.0	542.2	+101%
EBITDA¹	45.9	89.1	+94%
<i>EBITDA margin</i>	<i>17.0%</i>	<i>16.4%</i>	
EBIT¹	9.7	39.9	+311%
<i>EBIT margin</i>	<i>3.6%</i>	<i>7.4%</i>	
Net finance costs	(0.7)	(4.8)	
PBT¹	9.0	35.1	+290%
<i>PBT margin</i>	<i>3.3%</i>	<i>6.5%</i>	
Tax expense	(1.0)	(2.8)	
NPAT¹	8.0	32.3	+304%
<i>NPAT margin</i>	<i>3.0%</i>	<i>6.0%</i>	
Underlying EPS¹ (basic)	0.41 cps	1.53cps	+273%

- Strong 1H19 results highlights we are on track to FY19 guidance²
- Margin improvement driven by successful ramp up of new work, optimisation of current work and Batu Hijau gain share payment of \$780k
- Australian tax expense reduced due to deferred tax assets. Expect benefit over next 3 years

1. Underlying earnings from continuing operations, refer to reconciliation on slide 25.

2. FY19 Revenue of \$0.95 – 1.05bn and underlying EBIT of \$70-80m

3. Columns may not add due to rounding

CASH FLOW



\$ Millions	1H18	1H19
EBITDA	45.9	89.1
Interest and tax	9.4	(10.0)
Class Action Settlement	-	(7.6)
Working capital and other	(32.5)	(54.4)
Net operating cash flow	22.8	17.1
Proceeds from sale of assets	0.6	0.2
Capital expenditure (cash)	(13.6)	(25.4)
Net repayment of borrowings and finance leases	(2.4)	(9.8)
Shares purchased on market for Long Term Incentive Plan ¹	-	(11.3)
Other movements	(0.1)	(3.8)
Net cash flow	7.3	(33.1)
Operating cash flow²	13.4	34.6
EBITDA conversion	29.2%	38.8%

- Operating cash flow impacted by December revenue accruals and late debtor payments of \$37.9m
- EBITDA conversion would have been 81% including these payments
- 1H19 capex of \$87.6m, \$62.2m funded via finance lease
- Expected 2H19 capex of \$50m, \$20m to be finance leased
- FY20 capex expected to be \$70m

1. See announcement on 5 July 2019

2. Net Operating cash flow excluding interest, tax and class action settlement

3. Columns may not add due to rounding

BALANCE SHEET



\$ Millions	FY18	1H19
Cash	109.6	77.4
Receivables	152.3	183.0
Inventories	42.0	45.8
Property, plant and equipment	380.1	408.2
Other assets	39.3	76.8
Total assets	723.3	791.2
Payables	175.0	175.0
Borrowings	106.3	158.6
Other liabilities	32.2	33.2
Total liabilities	313.5	366.8
Shareholders' Equity	409.8	424.4
Net Debt / (Cash)	(3.3)	81.2
Net Tangible Assets	18.7cps	19.2cps

- Robust balance sheet
- Cash was impacted by class action settlement (\$7.6m) and purchase of shares for executive LTIP (\$11.3m)
- Net Debt position \$81.2m would improve to \$24.4m, excluding the impact of delayed receivables, class action and share purchases
- Forecast net debt position of \$25m - \$35m at June 19
- NTA increased to 19.2cps
- General corporate credit facility of \$50m with CBA which was drawn to \$17.3m

1. Columns may not add due to rounding

FY19 OUTLOOK & STRATEGY

Positive outlook supported by:

- ✓ Strong order book of \$4.8bn
- ✓ FY19 work in hand of \$1bn
- ✓ Significant \$7bn tender pipeline
- ✓ Robust balance sheet
- ✓ Greater scale, diversity and improving market conditions

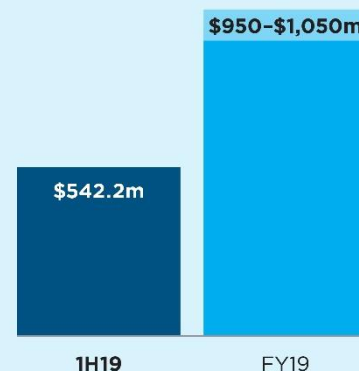
Reiterate Earnings guidance for FY19¹

- Expected Revenue of \$0.95 - \$1.05bn (at least 34% growth)
- Expected EBIT of \$70 - 80m (at least 69% growth)

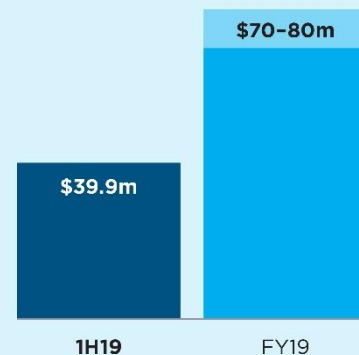
Strategic Priorities

- Improving safety performance
- Ongoing focus on project execution and disciplined bidding
- Returns to shareholders and disciplined approach to capital management
- Fostering strong relationships with clients
- Continued investment in recruitment, retention and the development of our people
- Increased investment in technology and innovation
- Pursuing accretive acquisition opportunities to grow and expand offering

Revenue Guidance



EBIT Guidance



1. Guidance is not a guarantee of future performance and is subject to known and unknown risks. This guidance assumes an exchange rate of AUD:USD 0.76, and excludes the impact of one-offs including the shareholder class action which was settled in FY19. Guidance excludes Performance (gain-share) payments and share based payments.

THANK YOU



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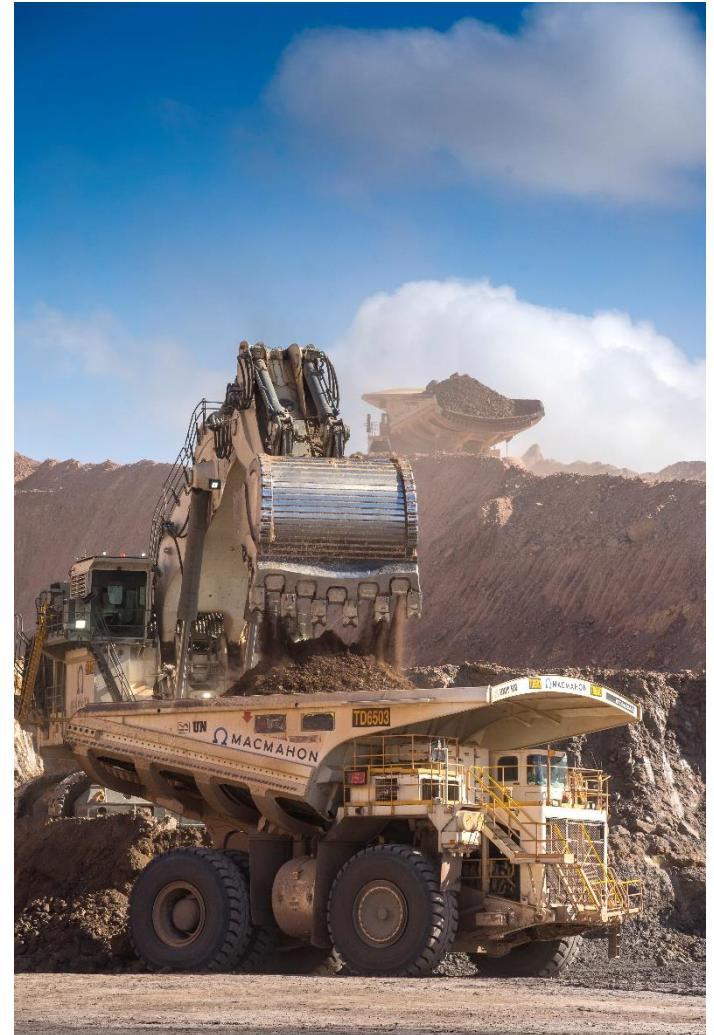
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APPENDIX

CORPORATE OVERVIEW



Capital Structure

Share price (February 2019)	\$0.26
Fully paid ordinary shares (m)	2,155
Market Capitalisation	\$560.3m
Cash	\$77.4m
Debt	\$158.6m
Enterprise Value	\$641.5m

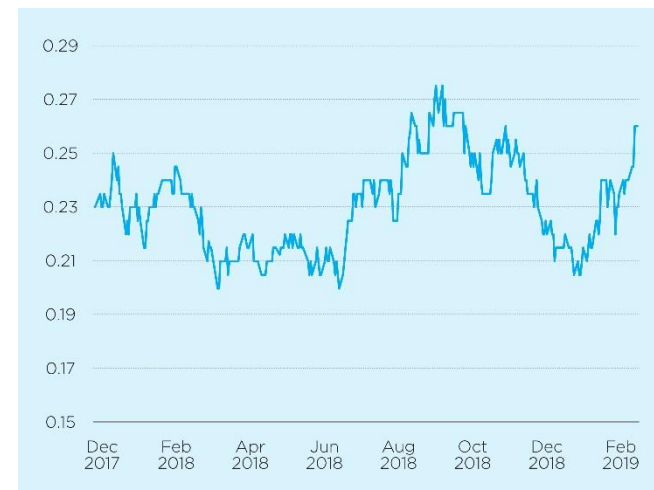
Directors and Senior Management

Jim Walker	Non-executive Chairman
Eva Skira	Non-executive Director
Alex Ramlie	Non-executive Director
Arief Sidarto	Non-executive Director
Kim Horne	Non-executive Director
Michael Finnegan	Chief Executive Officer
Giles Everist	Chief Financial Officer
Greg Gettingby	Chief Development Officer

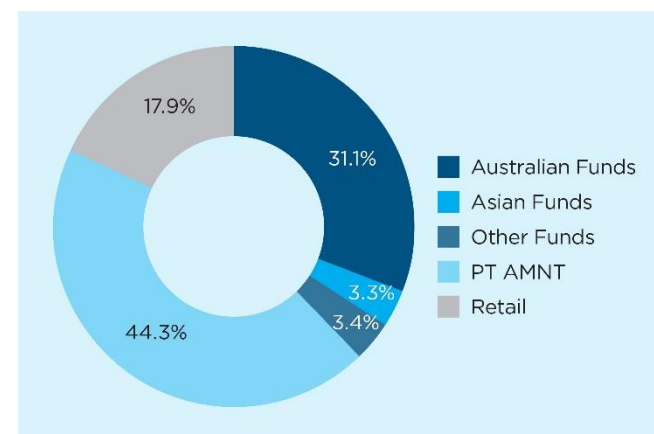
Analyst Coverage

Euroz	Gavin Allen
Hartleys	Trent Barnett
Moelis	Sean Kiriwan
Patersons	Phil Carter

Share Price

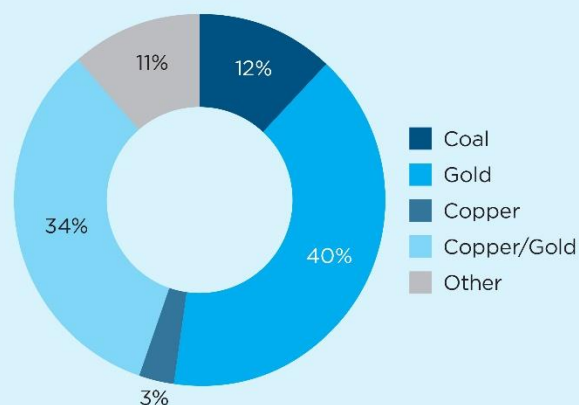


Register – Top 20 account for 80%

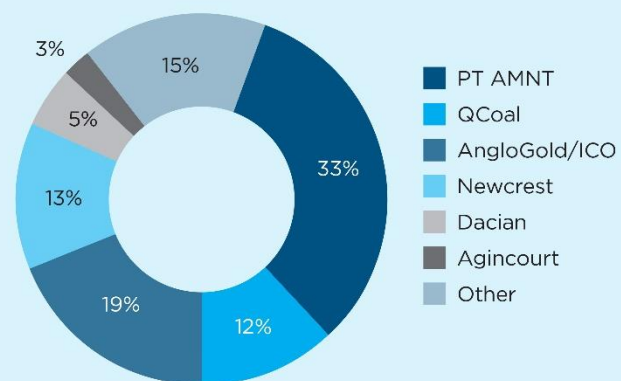


1H19 REVENUE DIVERSIFICATION

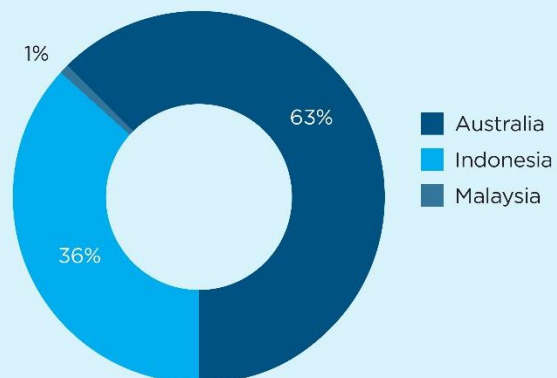
Revenue by Commodity



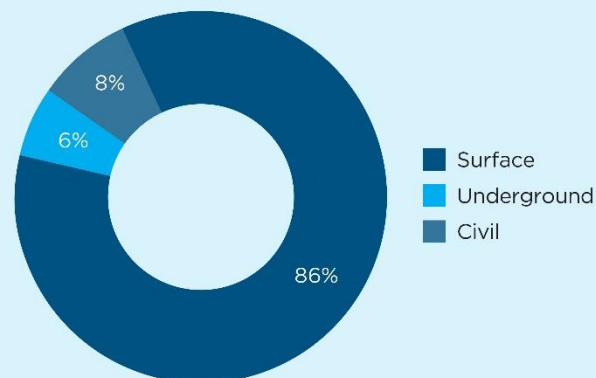
Revenue by Customer



Revenue by Country



Revenue by Activity



OUR SERVICES



UNDERGROUND MINING

- Mine development
- Mine production
- Raise drilling
- Cablebolting
- Shotcreting
- Remote shaft lining
- Shaft sinking



CIVIL / MINING SERVICES

Mining infrastructure

- Overburden stripping
- Bulk earthworks
- Road design and construction
- Train loading facilities
- Water infrastructure

Rehabilitation

- Design
- Bulk earthworks
- Revegetation
- Monitoring
- Maintenance



SURFACE MINING

- Mine planning and analysis
- Mine management
- Drill and blast
- Bulk and selective mining
- Crushing and screening
- Fixed plant maintenance
- Water management
- Equipment operation and maintenance



PLANT & MAINTENANCE

- Service and maintain equipment
- Rebuild components and complete repairs in-house

OUR EQUIPMENT

Dump Trucks

268



Excavators
and Loaders

112

Drill Rigs

72



MAP OF OPERATIONS

Offices

- 1 Perth
- 2 Brisbane
- 3 Jakarta

Surface Mining

- 4 Kanthan
- 5 Lhoknga
- 6 Martabe
- 7 Batu Hijau
- 8 Telfer
- 9 Tropicana
- 10 Mt Morgans
- 11 Byerwen
- 12 Argyle

Underground Mining

- 13 Tujuh Bukit
- 14 Ranger 3 Deeps
- 15 Mt Wright
- 16 Nifty
- 17 Granny Smith
- 18 Ballarat
- 19 Olympic Dam
- 20 Leinster
- 21 Fosterville

TMM Group

- 22 Peak Downs
- 23 Norwich Park
- 24 Rolleston
- 25 Saraji
- 26 Poitrel

Workshops

- 1 Perth
- 27 Lonsdale
- 28 Coppabella



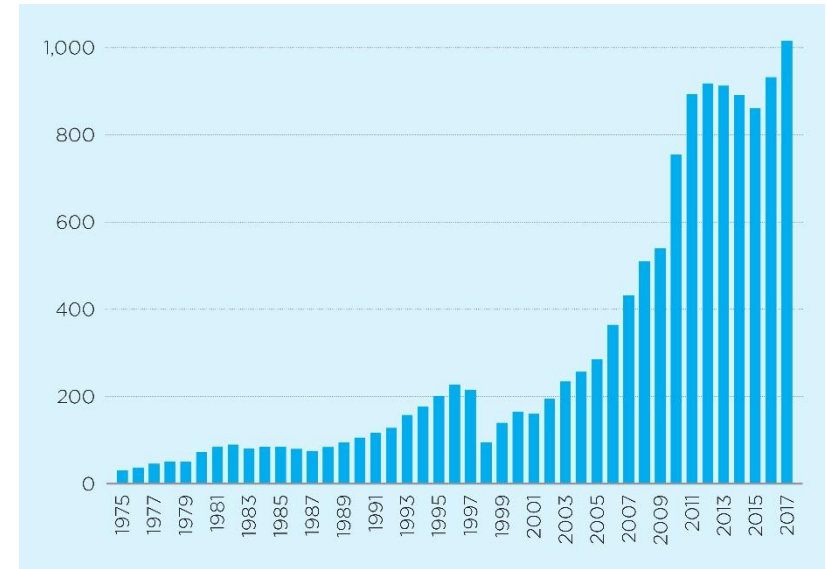
INDONESIA

Ranked 11 out of 89 countries



Source: Resource Governance Institute 2017 RGI

GDP current (US \$Bn) - Large growing economy



Source: World Bank

- Indonesia has a long successful mining history
- Macmahon has successfully operated in Indonesia for many years
- Currently at Martabe (since 2015) and Lhoknga quarry (since 2010)

BATU HIJAU

AMNT

- AMNT is an Indonesian mining company that acquired 82.2% of Batu Hijau mine from Newmont and Sumitomo in November 2016
- Supportive shareholder and two board representatives

Batu Hijau

- Open pit, copper-gold porphyry located on Sumbawa Island, Indonesia
- Second largest copper-gold mine in Indonesia (behind Grasberg)
- Commenced production in 2000
- Infrastructure includes: 120ktpd processing plant, 112MW coal-fired power plant, Benete port, town-site
- Conducting smelter feasibility currently
- First quartile of the global copper cost curve with a C1 cash cost of US\$1.17/lb Cu¹

Elang

- Potential to extend scope of work to Elang if developed
- Elang is one the world's largest undeveloped copper-gold porphyry deposits with a 13 billion lb Cu/ 20 million oz Au resource²
- Potential production of ~365mlbs Cu and ~480k oz Au per annum²

SUMBAWA ISLAND



1. Wood Mackenzie Ltd. Dataset 2017 Q1.
2. PT Medco Energi Internasional Tbk company website (see www.medcoenergi.com)

Life-of-mine Alliance Style contract

- Approved by shareholders in July 2017 and commenced in August 2017
- Cost reimbursable with a management fee and gain/pain share mechanism subject to cost and production targets
- Management fee payable if 90% of production target achieved
- US\$2.9 billion over 14 year life-of-mine
- US\$1.8 billion over the first 5 years from commencement – mining of cut back, movement of stockpiles thereafter

Gain share/pain share mechanism

- Gain share payable if 100% of production volume achieved and costs are below target
- Cost savings below target will be shared between MAH and AMNT, 40%/60% respectively
- Gain share/pain share to be tested every 6 months

Risk Management mechanisms

- Cost payments made monthly in advance
- AMNT shares held in escrow for 30 months
- Batu Hijau equipment depreciated over 60 months and paid in cash by AMNT ($\text{\$US145.6m} / 60 \text{ months} = \text{US\$2.4m} / \text{month}$)
- If contract terminated, AMNT obligated to purchase equipment back at written down value or have MAH shares to same value cancelled
- Pain share capped at the management fee - if costs are more than expected this will only erode the profit component

Performance Update

- Project performing well
- Operating below target costs - supplier contracts renegotiated and we are achieving good truck and excavator productivities
- FY19 guidance does not include any potential gain share

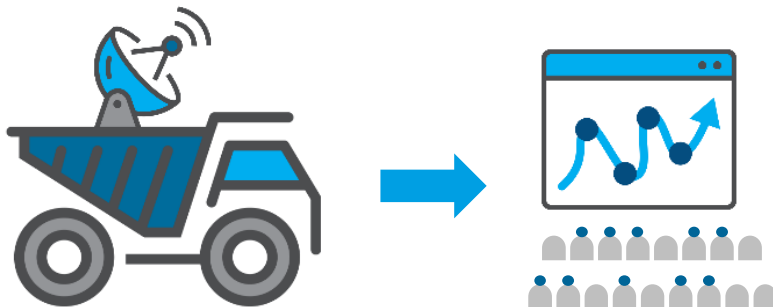
DIGITAL TRANSFORMATION

Optimising performance and equipment health through deployment of next generation operational technology

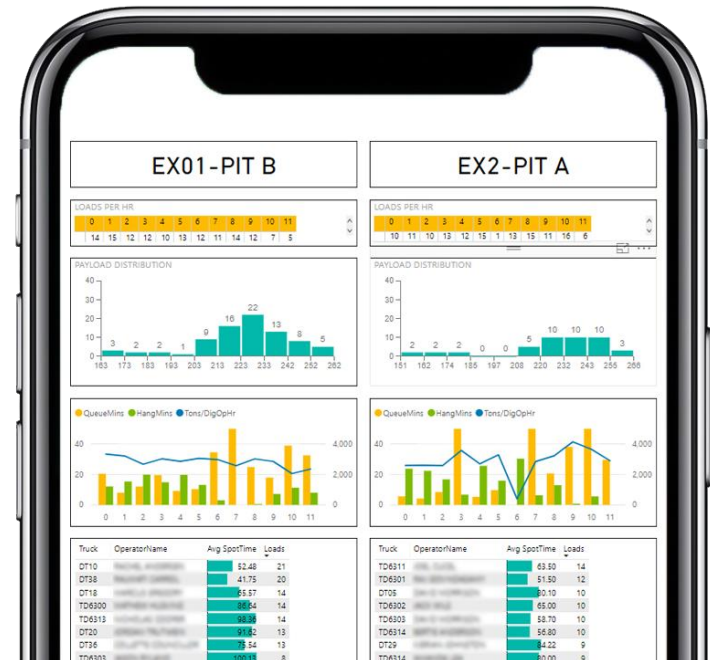
- Increasing visibility of business performance – implemented phase 1 of our ERP digital transformation project
- Improving decision making through near real time actionable insights directly to our frontline team
- Extending our technology capability through Co-development programs

Up to 1.4 million data points
per truck per hour

Big Data
Artificial Intelligence
Automated Reporting



Operator behaviour, machine performance, mine conditions,
machine health, diagnostic tools



RECONCILIATION OF NON-IFRS FINANCIAL INFORMATION



\$ Millions	1H18 Restated ¹	1H19
Profit for the year (as reported)	8.4	23.5
Add back: Loss from discontinued operations (net of tax)	-	0.1
Less: Profit from discontinued operations (net of tax)	(0.2)	-
Net profit after tax from continuing operations (as reported)	8.2	23.6
Add back:		
• Share Based Payment expense	-	1.4
• Class Action Settlement	-	7.3
Less: Share Based Payment gain	(0.2)	-
Underlying Net profit after tax (NPAT)	8.0	32.3
Add back: Tax expense	1.0	2.8
Underlying Profit before tax (PBT)	9.0	35.1
Add back: Net finance costs	0.7	4.8
Underlying earnings before interest and tax (EBIT)	9.7	39.9
Add back: Depreciation and amortisation expense	36.2	49.3
Underlying earnings before interest, tax, depreciation and amortization (EBITDA)	45.9	89.1
Weighted Average Number of Shares (m)	1,941	2,115
Underlying basis EPS (cents)	0.41	1.53

1. 1H18 has been restated for consistency with the current year's presentation
2. Columns may not add due to rounding

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