



Full Year Results 2019

Financial Highlights and FY20 Guidance

FY19 Revenue

\$1,103.0m

▲ 55% on FY18

FY19 Underlying EBITDA¹

\$181.4m

▲ 52% on FY18

FY19 Underlying EBIT¹

\$75.1m

▲ 81% on FY18

FY19 Underlying NPAT¹

\$56.7m

▲ 80% on FY18

FY19 Operating cash flow

\$125.9m

▲ 24% on FY18

Order Book²

~\$4.7bn

Net Tangible Assets

20.3 cps

▲ 8% on FY18

Return on Average
Capital Employed¹

13.9%

FY19 Dividend

0.5 cps

FY20 Revenue Guidance³

\$1.2–\$1.3bn

\$1.2bn contracted

FY20 EBIT Guidance³

\$80–\$90m

Index

S&P/ASX300

1. Underlying numbers, refer to reconciliation on slide 23

2. Includes GBF Group

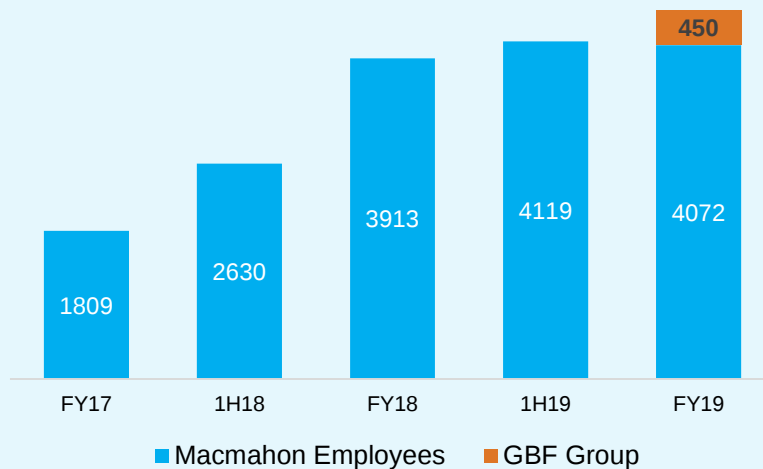
3. This guidance assumes an exchange rate of AUD:USD 0.72, and excludes one-off items and amortisation related to the GBF Group acquisition.

FY19 Key Developments

Financial	• Continued strong growth delivering results within guidance • Secured \$210m+ of new work • Robust financial position • Board has approved new capital allocation policy – outlined on slide 11 • Reinstatement of sustainable dividends after 7 years
Surface Mining	• Strong result due to successful ramp up of several large contracts that commenced in FY18 • Achieved record monthly volumes for major contracts - Batu Hijau, Tropicana, Byerwen, Telfer & Mt Morgans • Secured \$40m 7 year quarry contract at Langkawi
Underground Mining	• Secured \$170m 5 year Tropicana Boston Shaker contract • Acquisition of specialist underground contractor, GBF Group
Telfer Contract	• Good progress in recently renewed discussions with Newcrest to increase contract rates • Currently expect contract to be cash flow positive and so no onerous contract provision required
Board	• Unexpected resignations of Jim Walker and Kim Horne • No fundamental issues - no change in business strategy or positive outlook • Reappointed Mr Vyril Vella as an Independent Non-Executive Director (NED) • Opportunity for Board refresh - recruitment of NEDs underway

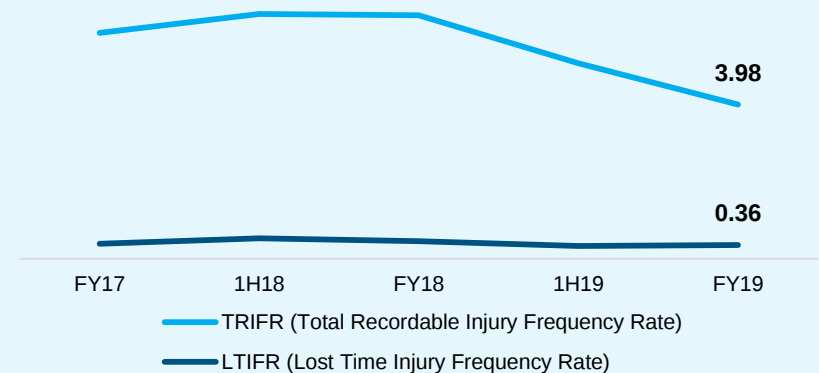
People and Safety

Group Employee Numbers ¹



- New leadership program was implemented
- Traineeship and apprenticeship programs have expanded
- Diversity continues to increase
 - 5.4% of Australian workforce is Indigenous
 - 13.8% of our total workforce is female
- Strong Minds, Strong Mines program continues to improve mental health awareness

Injury Frequency Rates



- Safety of people is our utmost priority
- 37% yearly improvement in TRIFR down to 3.98
- 22% yearly improvement in LTIFR down to 0.36
- Targeting further improvement in FY20
- Overshadowed by unfortunate Batu Hijau fatality in March - FY19
STIP for key executives was reduced by 60%

1. Group employee numbers includes Full Time Equivalent contractors

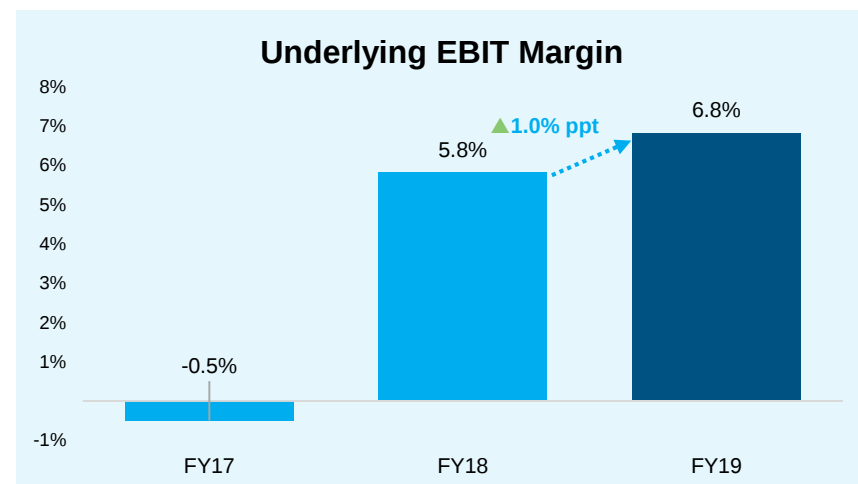
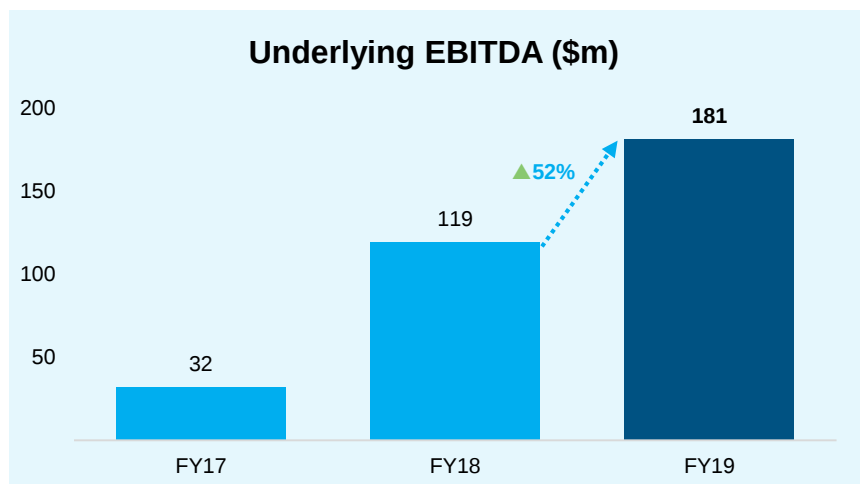
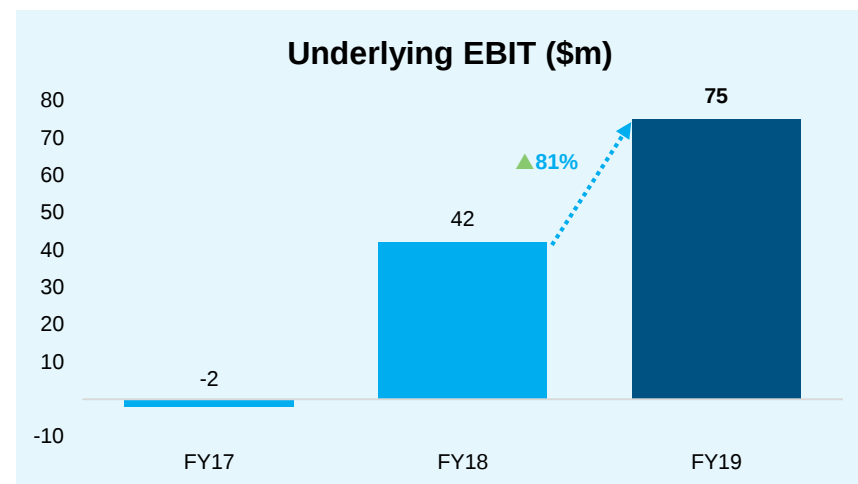
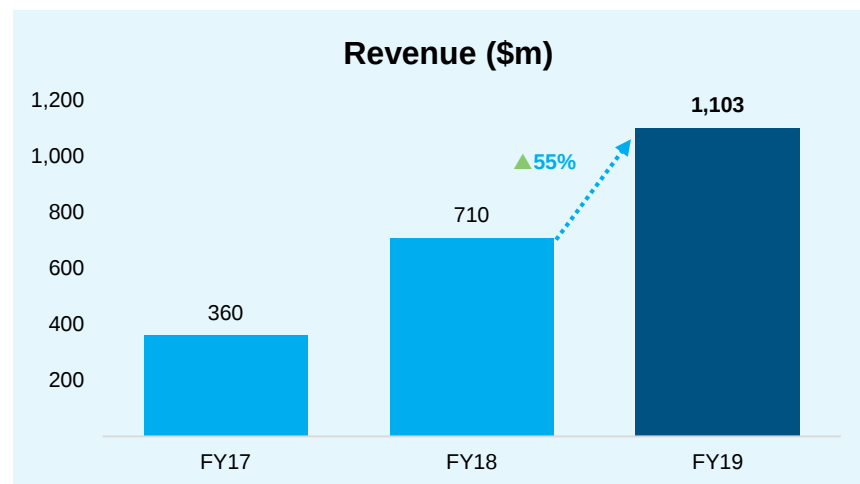
Key Contracts

Project / Client	Location	Commodity / Type	Comments
Tropicana AngloGold Ashanti / Independence Group	WA Australia	Gold Open-pit	• Alliance life-of-mine contract • Commenced 2012 • Long Island commenced, to continue to 2023
Telfer Newcrest	WA Australia	Copper-gold Open-pit	• Commenced February 2016 • Life of mine contract – current estimate to January 2023
Mt Morgans Dacian Gold	WA Australia	Gold Open-pit	• Commenced December 2017 • 5 year contract
Byerwen QCoal	QLD Australia	Coking Coal Open-pit	• Commenced August 2017 • 3 year contract
Batu Hijau PT AMNT	Sumbawa Indonesia	Copper / Gold Open Pit	• Alliance life-of-mine contract • Commenced August 2017 • Potential to extend scope to include future developments such as Elang • Macmahon has been operating in Indonesia for more than 10 years
Underground Various	Australia & Indonesia	Various Mining Services	• Boston Shaker Tropicana alliance 5 year contract, commenced May 2019 • 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
GBF Group Various	Australia	Gold Underground	• Silver Lake Resources (Daisy Milano, Maxwells, Deflector) • Millenium Minerals (Bartons) • Pantoro (Nicolsons) • Carlowen Mining (Comet Vale)
Civil (TMM Group) Various	Australia	Various Mining Services	• Civil and rehabilitation work at Peak Downs, Saraji, Rolleston, Poitrel and South Walker Creek



FY19 Results

Financial Performance



Profit and Loss



\$ Millions	FY18	1H19	2H19	FY19	Change
Revenue	710.3	542.1	560.9	1,103.0	▲ 55%
EBITDA¹	119.2	89.1	92.3	181.4	▲ 52%
<i>EBITDA margin</i>	<i>16.8%</i>	<i>16.4%</i>	<i>16.5%</i>	<i>16.4%</i>	
EBIT¹	41.5	39.9	35.2	75.1	▲ 81%
<i>EBIT margin</i>	<i>5.8%</i>	<i>7.4%</i>	<i>6.3%</i>	<i>6.8%</i>	
Net finance costs	(2.4)	(4.8)	(5.9)	(10.7)	
PBT¹	39.1	35.1	29.3	64.5	▲ 65%
<i>PBT margin</i>	<i>5.5%</i>	<i>6.5%</i>	<i>5.2%</i>	<i>5.8%</i>	
Tax expense	(7.5)	(2.8)	(4.9)	(7.7)	
NPAT¹	31.6	32.3	24.4	56.7	▲ 80%
<i>NPAT margin</i>	<i>4.4%</i>	<i>6.0%</i>	<i>4.4%</i>	<i>5.1%</i>	
Underlying EPS¹ (basic)	1.5 cps	1.5 cps	1.2 cps	2.7 cps	▲ 74%
Reported NPAT ²	31.3	23.6	22.5	46.1	▲ 47%
Reported EPS² (basic)	1.5 cps	1.1 cps	1.1 cps	2.2 cps	▲ 43%
Dividends per share	-			0.5 cps	

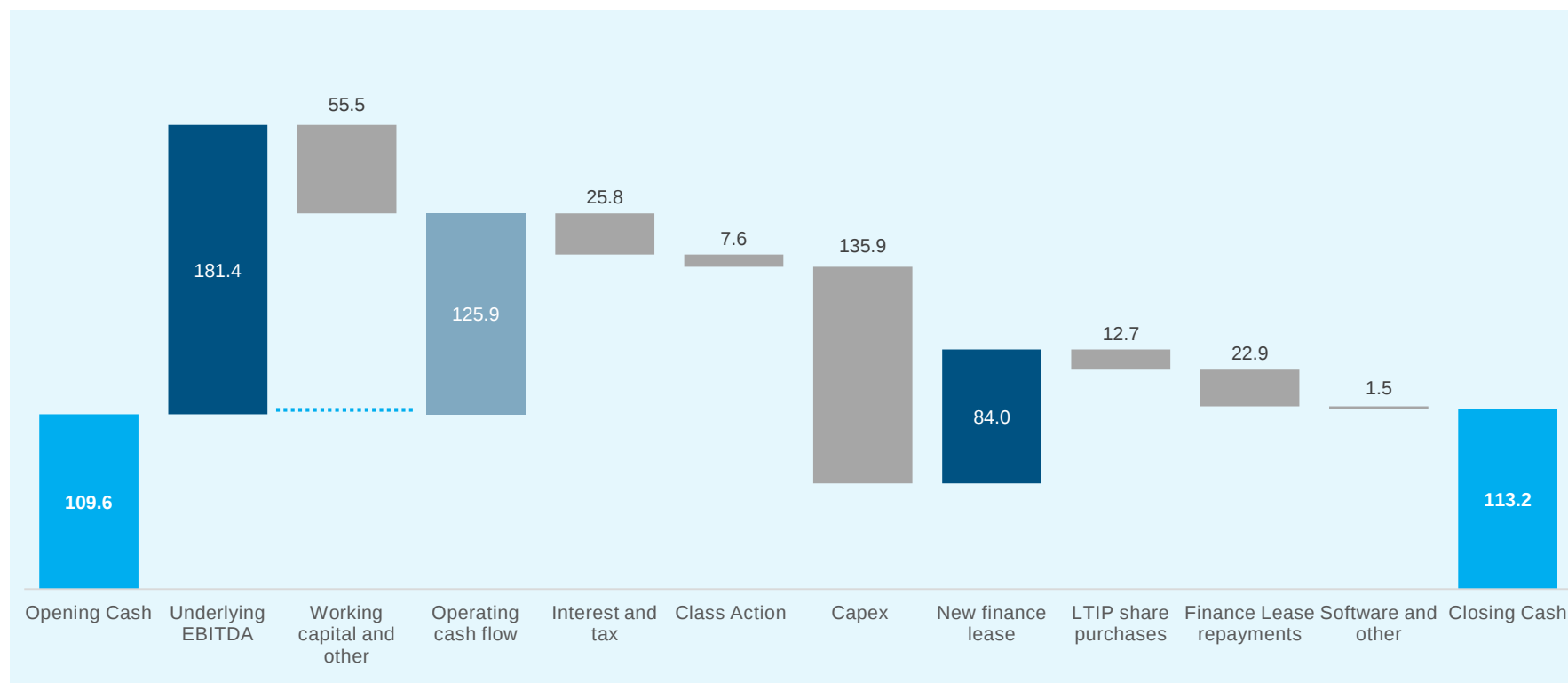
- Another strong result with significant growth in revenue and earnings – in line with guidance
- 2H was impacted by Telfer losses and includes one-off FY19 STIP payment (\$3.0m) for 450 staff, FY20 STIP materially changed
- Australian tax expense reduced due to deferred tax assets. Expect benefit over next 2 years and effective tax rate of ~15%

1. Underlying earnings from continuing operations, refer to reconciliation on slide 23

2. Continuing Operations

3. Columns may not add due to rounding

Cash Flow Waterfall



- Operating cash flow of \$125.9m, up 24% on FY18, however impacted by delayed receivables of \$24m which were received in first week of July
- EBITDA conversion would have been **82.6%** including these receipts
- FY20 capex expected to be **\$110m** of which **\$85m** is sustaining capex – supports current order book
- Cash was impacted by class action settlement (\$7.6m) and purchase of shares for executive LTIP (\$12.7m)

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

2. Columns may not add due to rounding

Balance Sheet



\$ Millions	FY18	1H19	FY19
Cash	109.6	77.4	113.2
Receivables	152.3	183.0	181.5
Inventories	42.0	45.8	45.8
Property, plant and equipment	380.1	408.2	399.6
Intangible assets and goodwill	5.8	9.6	10.2
Other assets	33.5	67.1	74.6
Total assets	723.3	791.2	824.9
Payables	175.0	175.0	168.6
Borrowings	106.3	158.6	165.8
Other liabilities	32.2	33.2	42.8
Total liabilities	313.5	366.8	377.3
Total Equity	409.8	424.4	447.6
Net Debt / (Cash)	(3.3)	81.2	52.7
Net Tangible Assets (NTA)	18.7 cps	19.2 cps	20.3 cps
Gearing¹	(0.8)%	16.1%	10.5%
ROACE²	12.1%		13.9%

- Robust balance sheet - Gearing 10.5%, Net Debt/EBITDA of 0.3x
- Net Debt position \$52.7m improved to \$28.7m in first week of July following receipt of delayed receivables
- Significant asset backing - NTA increased to 20.3 cps

1. Net Debt / (Net Debt + Equity)

2. Underlying EBIT / Average (Total Assets – Current Liabilities)

3. Columns may not add due to rounding

Capital Allocation Policy & FY19 Dividend

New policy adopted to balance growth and cash returns to shareholders			
Objectives	1. Maintain financial strength	2. Invest in growth	3. Return cash to shareholders
Priorities	1. Maintain strong balance sheet 2. Ensure appropriate liquidity and gearing with regard to revenue visibility and outlook 3. Retain flexibility to fund tender pipeline and accretive acquisitions 4. Return cash to shareholders via dividends and/or share buyback		
FY19 Dividend	• Board has reinstated sustainable dividends • FY19 final dividend of 0.5 cents per share • 30% franked • Record date of 14 October 2019 • Payment date of 29 October 2019		



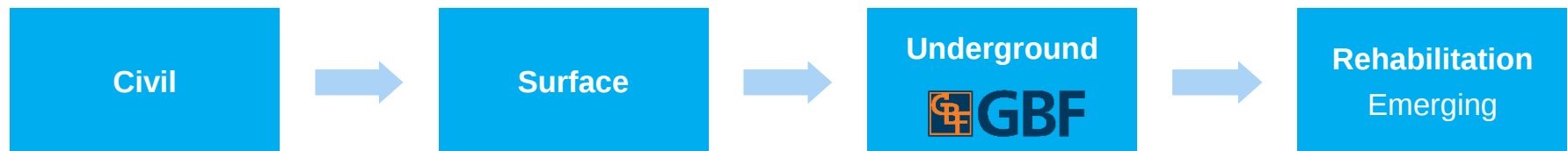
Strategy and Outlook

Strategy Remains Unchanged



Our strong order book with excellent revenue visibility underpins a focus on execution of work in hand and pursuit of new opportunities

A premium provider of contract mining services across the mining value chain, delivering consistent returns and stable employment					
Safety	Execution and Relationships	Technology	People and Culture	New work	Diversification
Safety performance across operations a core priority	Ensure project performance at or above expectations with commitment to strong client relationships	Invest in innovation and technology striving for increased efficiency and productivity	Proactive, positive culture with people empowered to make decisions, are accountable and appropriately rewarded	Macmahon remains focused on winning new work across a diverse spread of commodities, clients and geographies	Grow our core mining business with a focus on underground and rehabilitation, including exploring M&A opportunities



GBF Acquisition Bolsters Underground Services



Leading underground contractor in WA

- GBF has solid track record with WA-based gold clients and strong safety culture
- Currently employs 450 people
- Acquisition completed in August

GBF delivers

Scale, depth and capability in underground contracting

A proven and experienced team with aligned culture

Broader set of relationships and opportunities

Diversification of client and earnings base

Complementary business, consistent with growth strategy

GBF continues to be managed by founders and management team

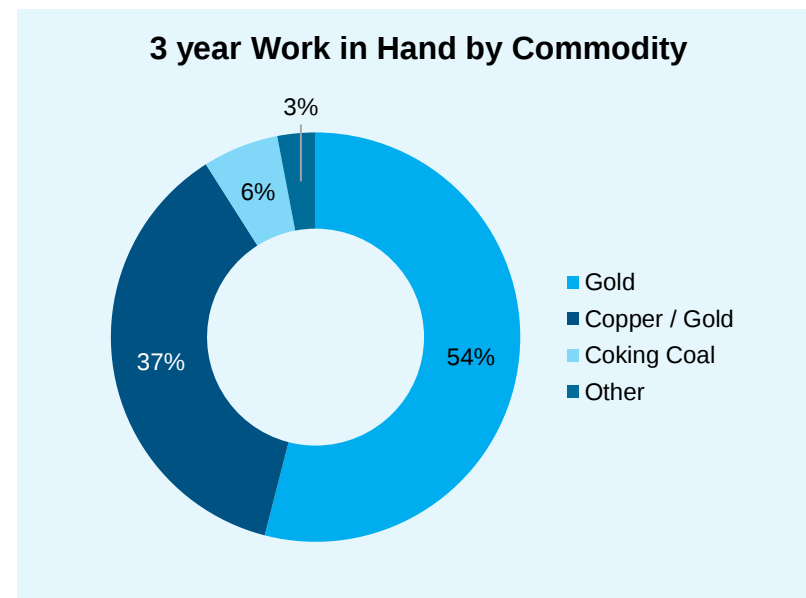
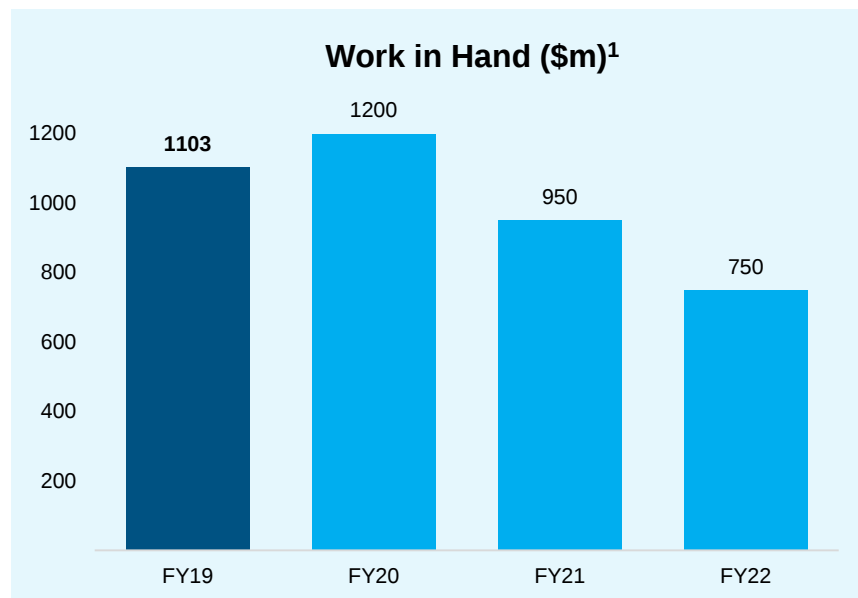
GBF brings pipeline of existing contracts, tender opportunities

Increases gold and Australian earnings

Stronger business

- **Expected to be EPS accretive in FY20 pre synergies**
- Forecast to generate FY20 revenue of circa \$180m and EBITDA of circa \$20m
- Integration has commenced
- GBF founders remain as key executives, incentivised with earnouts over FY20 & FY21 performance

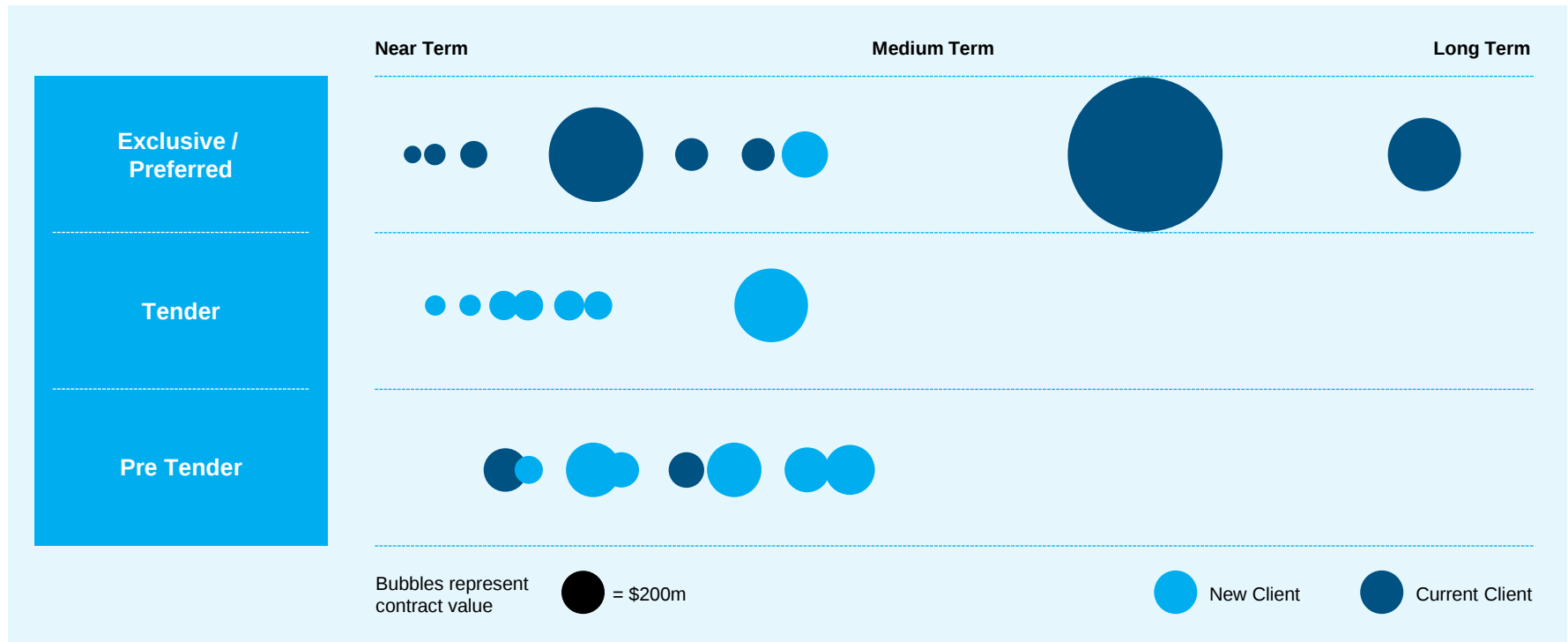
Work in Hand



- Order book of ~\$4.7 billion, including GBF Group
- Existing order book underpins FY20 growth before any new contracts, civil and underground churn work
- Solid medium term earnings visibility with largely long term alliance style contracts
- Majority of order book is exposed to Copper/Gold and Gold

1. Excludes Civil and JV revenue

Tender Pipeline



- 24 tender opportunities worth \$7bn+, split between Australia and Indonesia, and gold, base metals, lithium and coal
- \$4.5bn+ exclusive or preferred tenderer
- \$4.5bn+ current clients
- \$1.5bn+ potentially to be awarded in FY20

FY20 Outlook

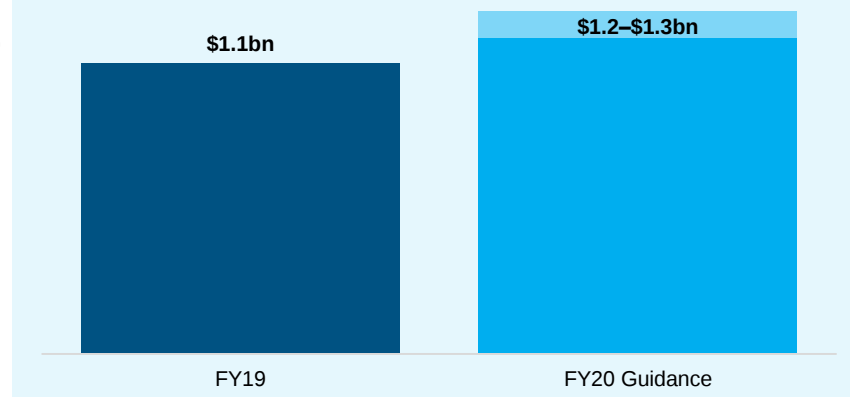
FY20 Guidance¹

- **Revenue of \$1.2 - \$1.3bn** (underpinned by \$1.2bn in contracted work)
- **EBIT of \$80 - 90m**

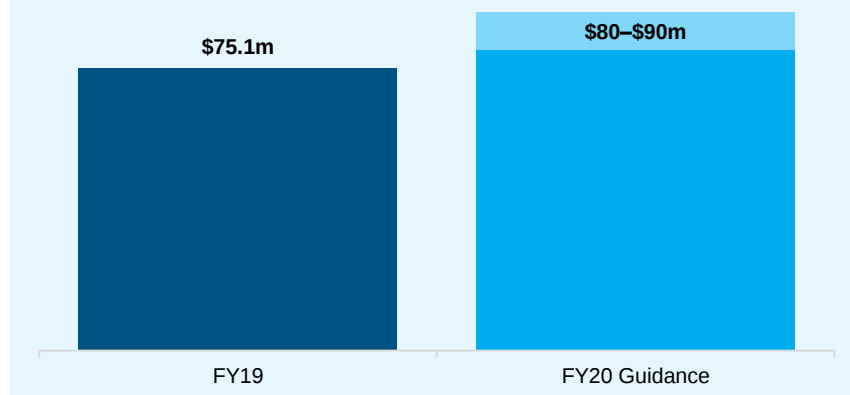
Positive outlook supported by:

- ✓ Strong order book of ~\$4.7bn
- ✓ FY20 work in hand of ~\$1.2bn
- ✓ Significant \$7bn+ tender pipeline
- ✓ Robust balance sheet
- ✓ GBF acquisition - greater scale and diversity

Revenue Guidance



EBIT Guidance



1. This guidance assumes an exchange rate of AUD:USD 0.72, and excludes the impact of one-offs, and amortisation related to GBF Group acquisition.

Thank You



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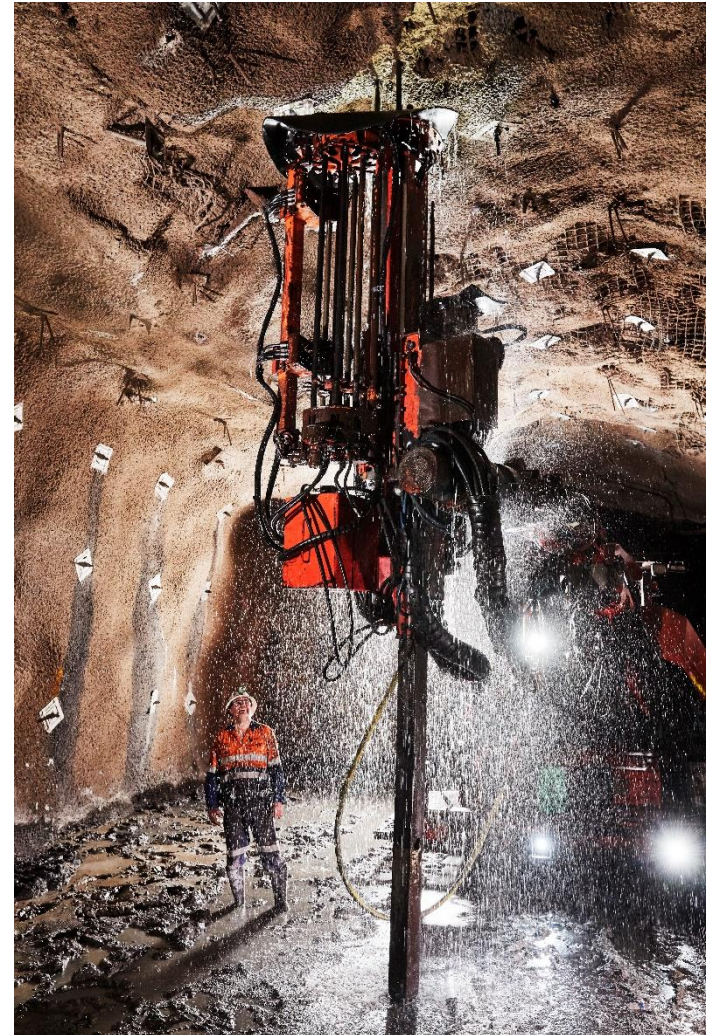
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Appendix

Corporate Overview



Capital Structure

Share Price	\$0.175
Fully paid ordinary shares (m)	2,155
Market Capitalisation	\$377.1m
Cash as at 30 June 2019	\$113.2m
Debt as at 30 June 2019	\$165.8m
Enterprise Value	\$324.5m

Directors and Senior Management

Eva Skira	Non-Executive Chair
Vyrl Vella	Non-Executive Director
Alex Ramlie	Non-Executive Director
Arief Sidarto	Non-Executive Director
Michael Finnegan	Chief Executive Officer
Giles Everist	Chief Financial Officer
Greg Gettingby	Chief Development Officer

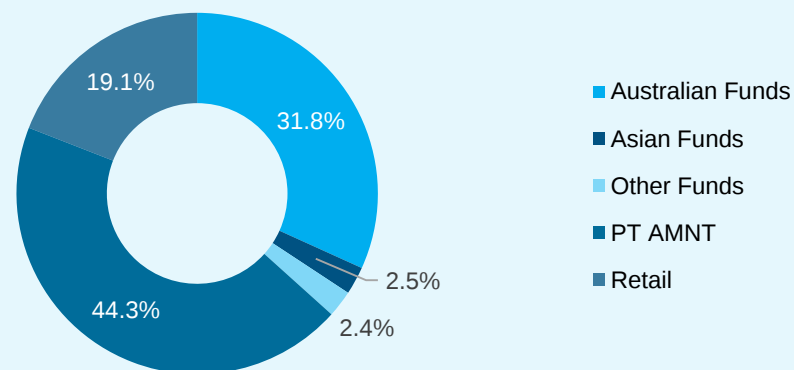
Analyst Coverage

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

Share Price 1 year

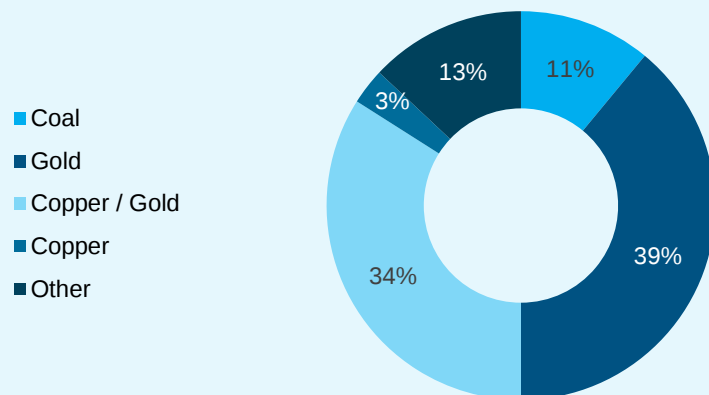


Register – Top 20 account for 80%

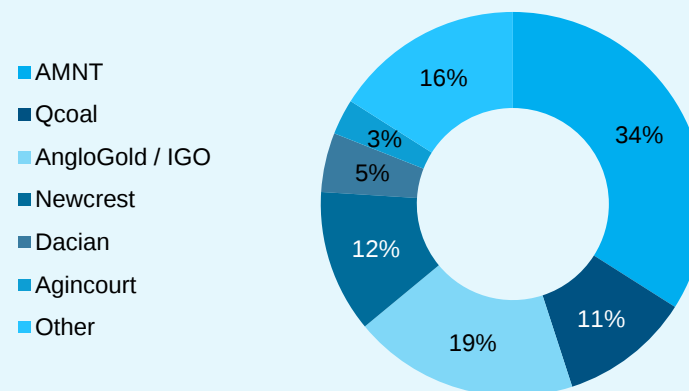


FY19 Revenue Diversification

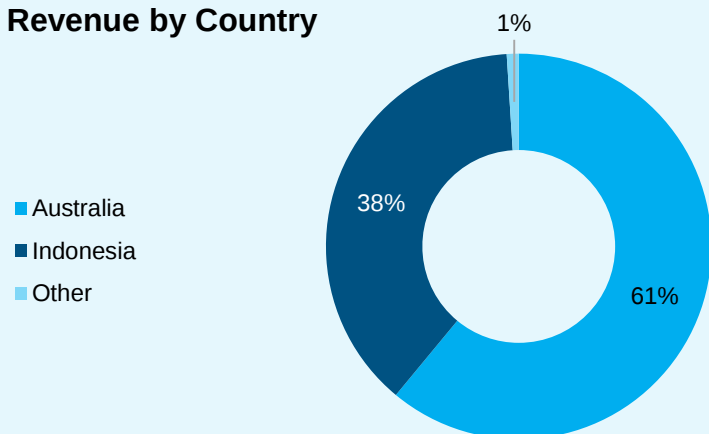
Revenue by Commodity



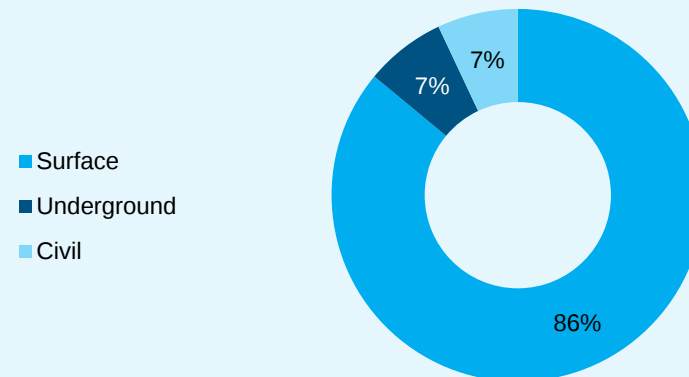
Revenue by Customer



Revenue by Country



Revenue by Activity



Cash Flow



\$ Millions	FY18	FY19
EBITDA	119.2	181.4
Movement in receivables	(93.8)	(41.5)
Movement in inventory	(9.9)	(3.8)
Movement in payables and provisions	88.0	0.1
Other	(1.6)	(10.3)
Interest and tax (paid) / received	3.9	(25.8)
Class Action Settlement	-	(7.6)
Net operating cash flow	105.8	92.5
Capital expenditure (cash)	(41.3)	(51.8)
Payment of software	(2.8)	(4.8)
Proceeds from sale of assets	3.1	2.4
Net repayment of borrowings and finance leases	(12.3)	(22.9)
Shares purchased on market for Long Term Incentive Plan	-	(12.7)
Other movements	(5.7)	0.9
Net cash flow	46.7	3.5
Operating cash flow¹	101.9	125.9
EBITDA conversion	85.5%	69.4%
Capex²	146.5	135.9

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

2. PPE and lease receivable

3. Columns may not add due to rounding

Reconciliation of Non-IFRS Financial Information



\$ Millions	FY18 Restated ¹	FY19
Profit for the year (as reported)	33.2	46.1
Add back: Loss from discontinued operations (net of tax)	-	0.0
Less: Profit from discontinued operations (net of tax)	(1.9)	-
Net profit after tax from continuing operations (as reported)	31.3	46.1
Add back:		
• Share Based Payment expense	0.3	2.6
• Class Action Settlement	-	7.3
• M&A transaction costs	-	0.7
Underlying Net profit after tax (NPAT)	31.6	56.7
Add back: Tax expense	7.5	7.7
Underlying Profit before tax (PBT)	39.1	64.5
Add back: Net finance costs	2.4	10.7
Underlying earnings before interest and tax (EBIT)	41.5	75.1
Add back: Depreciation and amortisation expense	77.7	106.2
Underlying earnings before interest, tax, depreciation and amortisation (EBITDA)	119.2	181.4
Weighted Average Number of Shares (m)	2041	2105
Underlying basic EPS (cents)	1.55	2.69

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

2. Columns may not add due to rounding

Our Services



Civil / Mining Services

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



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



Underground Mining

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



Rehabilitation

Design
Bulk earthworks
Revegetation
Monitoring
Maintenance



Performance Enhancement

Coaching and training
Cultural change
Mine planning
Maintenance
Employee engagement



Plant & Maintenance

Facilities in Perth, Adelaide and Bowen Basin
Service and maintain equipment
Rebuild components and complete repairs in-house

Our Equipment

Dump Trucks

277



Excavators
and Loaders

110

Drill Rigs

74



Map of Operations

Surface Mining

- 1 Argyle
- 2 Batu Hijau
- 3 Byerwen
- 4 Kanthan
- 5 Langkawi
- 6 Lhoknga
- 7 Martabe
- 8 Mt Morgans
- 9 Telfer
- 10 Tropicana

TMM Group

- 11 Norwich Park
- 12 Peak Downs
- 13 Poitrel
- 14 Rolleston
- 15 Saraji

Performance Enhancement

- 16 Mogalakwena

Underground Mining/Services

- 17 Ballarat
- 18 Boston Shaker
- 19 Fosterville
- 20 Granny Smith
- 21 Leinster
- 22 Mt Wright
- 23 Nifty
- 24 Olympic Dam
- 25 Ranger 3 Deeps
- 26 Tujuh Bukit

GBF Underground

- 27 Deflector
SILVERLAKE – SLR 
- 28 Maxwells
SILVERLAKE – SLR 
- 29 Daisy Milano
SILVERLAKE – SLR 
- 30 Bartons
MILLENNIUM – MOY 
- 31 Nicolsons
PANTORO – PNR 
- 32 Comet Vale
ORMINEX – ONX 



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, Indonesia
- Second largest copper-gold mine in Indonesia (behind Grasberg)
- Infrastructure includes: 120ktpd processing plant, 158MW coal-fired power plant, Benete port, town-site
- Conducting smelter feasibility currently
- First quartile of the global copper cost curve

Performance Update

- Project performing well - achieving record productivities
- FY20 guidance does not include any potential gain share

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 resource¹
- Potential production of ~365mlbs Cu and ~480k oz Au per annum¹

1. PT Medco Energi Internasional Tbk company website (see www.medcoenergi.com)

SUMBAWA



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