



Investor Presentation – July 2014

Runge Pincock Minarco

Runge Pincock Minarco

The largest publicly listed
independent group of
mining technical experts
in the world.

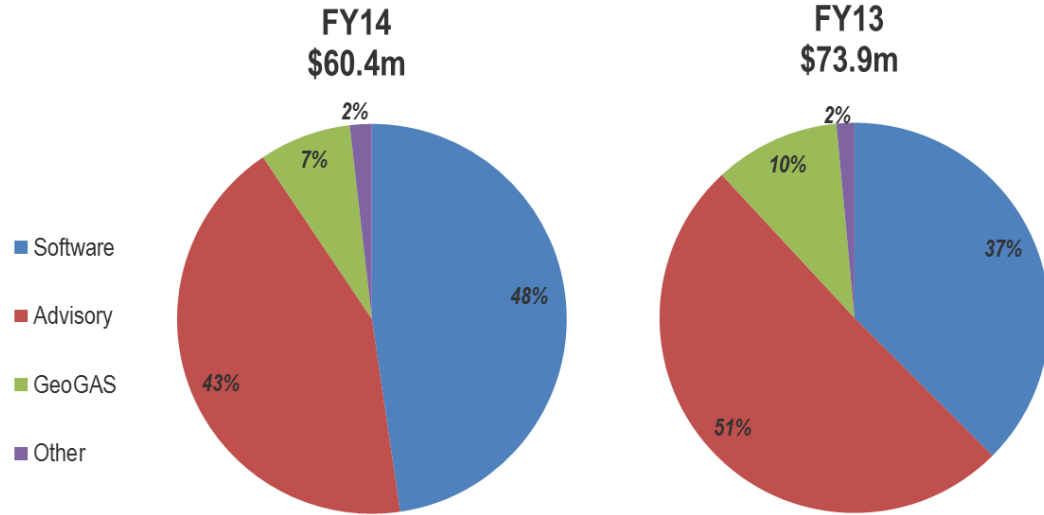
18 offices globally
45+ years' experience
118 countries
5,000 software installs
13,000 studies



Revenue By Division

Total Revenues attributed to Software is now greater than that attributed to Advisory

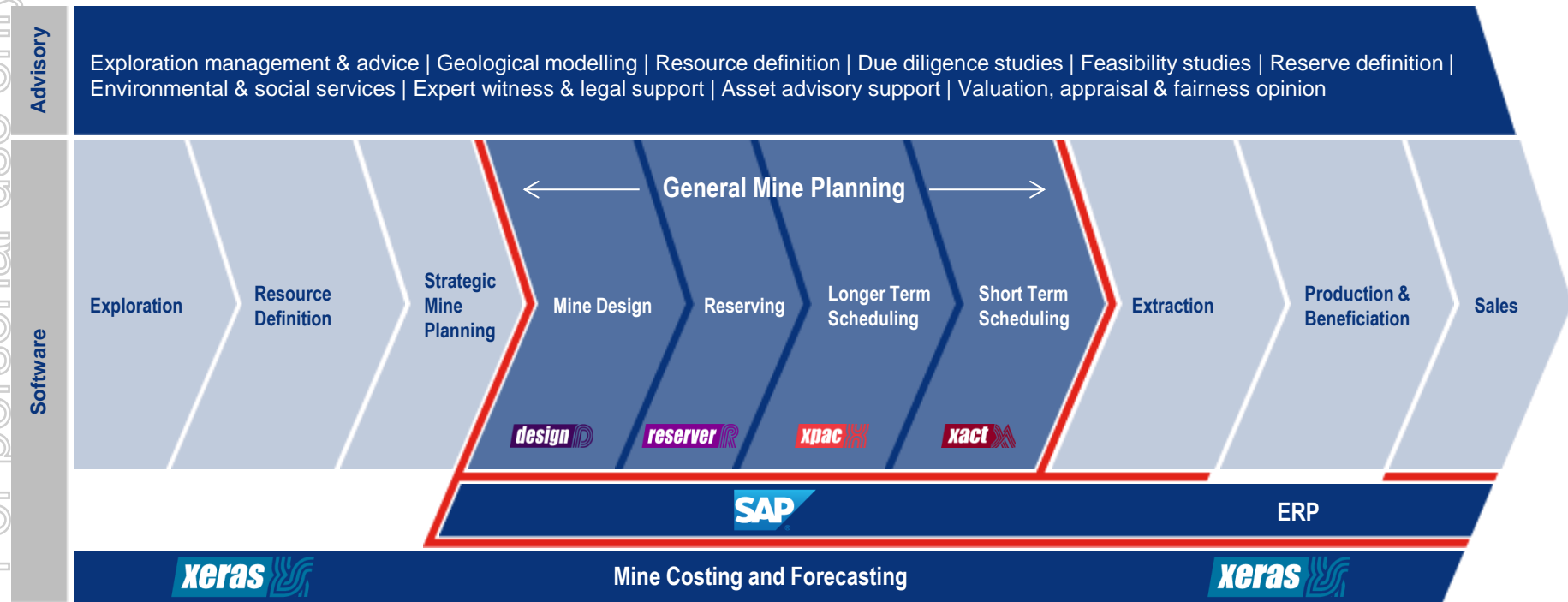
- Software License Revenue is growing strongly (44% YOY) on the back of new product sales
- Maintenance revenue up 12% YOY
- We have released 7 new products over the last 12 months
- The Software pipeline is over 5X larger than at the same time last year



Division	FY14	FY13	\$'var	%'var
Software	28.8	27.7	1.1	4%
License	9.8	6.8	3.0	44%
Maintenance	12.6	11.3	1.3	12%
Consulting	6.9	10.0	(3.1)	(31)%
Direct Expenses	(0.4)	(0.4)	-	-
Advisory	25.9	37.4	(11.5)	(31)%
GeoGAS	4.6	7.7	(3.1)	(40)%
Other	1.1	1.1	-	-
Net Operating Revenue	60.4	73.9	(13.5)	(18.3)%

Mining Value Chain – RPM's Service Lines

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Software Strategy Standardise and Simplify

Provide integrated **Enterprise** and **Divisional** based applications as well as site based products

Release a suite of **commodity based solutions** for different commodities and mining methods

Provide **seamless** solutions that deliver a **step change** in simulation, mine planning and execution














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Offering 18 months ago

Mine Scheduling

Financial Modelling

Equipment Simulation

Site		Business Unit		Enterprise	
Long Term > 3 months	Short Term < 3 months	Long Term > 3 months	Short Term < 3 months	Long Term > 3 months	Short Term < 3 months
					
					
    					





























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Current
Offering

Mine
Scheduling

Financial
Modelling

Equipment
Simulation

Site		Business Unit		Enterprise	
Long / Med Term > 3 months	Short Term < 3 months	Long / Med Term > 3 months	Short Term < 3 months	Long / Med Term > 3 months	Short Term < 3 months
     		    			
					
     					
				 	

New Product Customers

OPEN PIT METALS
xpac SOLUTION

bhpbilliton

BARRICK

Worsley Alumina Pty Ltd
UKWAZI GROUP

MIMG

dml
DISCOVERY METALS LIMITED

Amur Minerals

ANGLO AMERICAN

MOROB
MINING
JOINT VENTURES

ZAMIN GROUP

Perseus
MINING LIMITED

世紀陽光集團
CENTURY SUNSHINE GROUP
HKSE Stock Code: 00509
世紀阳光

XeXERAS
FOR ENTERPRISE

sasol
reaching new frontiers

bhpbilliton

YANCOAL
兗煤澳大利亞有限公司

BUMA

SUNCOR
ENERGY

CHINALCO

hualsim

NEWCREST
MINING LIMITED

SOUTHERN COPPER
SOUTHERN PERU

ILUKA

UKWAZI GROUP

bhpbilliton

OIL SANDS
xpac SOLUTION

Canadian Natural

OPEN PIT DIAMONDS
xpac SOLUTION

DE BEERS
A DIAMOND IS FOREVER

UNDERGROUND COAL
xpac SOLUTION

VALE

Teck

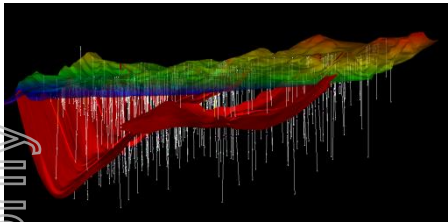
Cockatoo
Coal Limited

Hidli 恒鼎

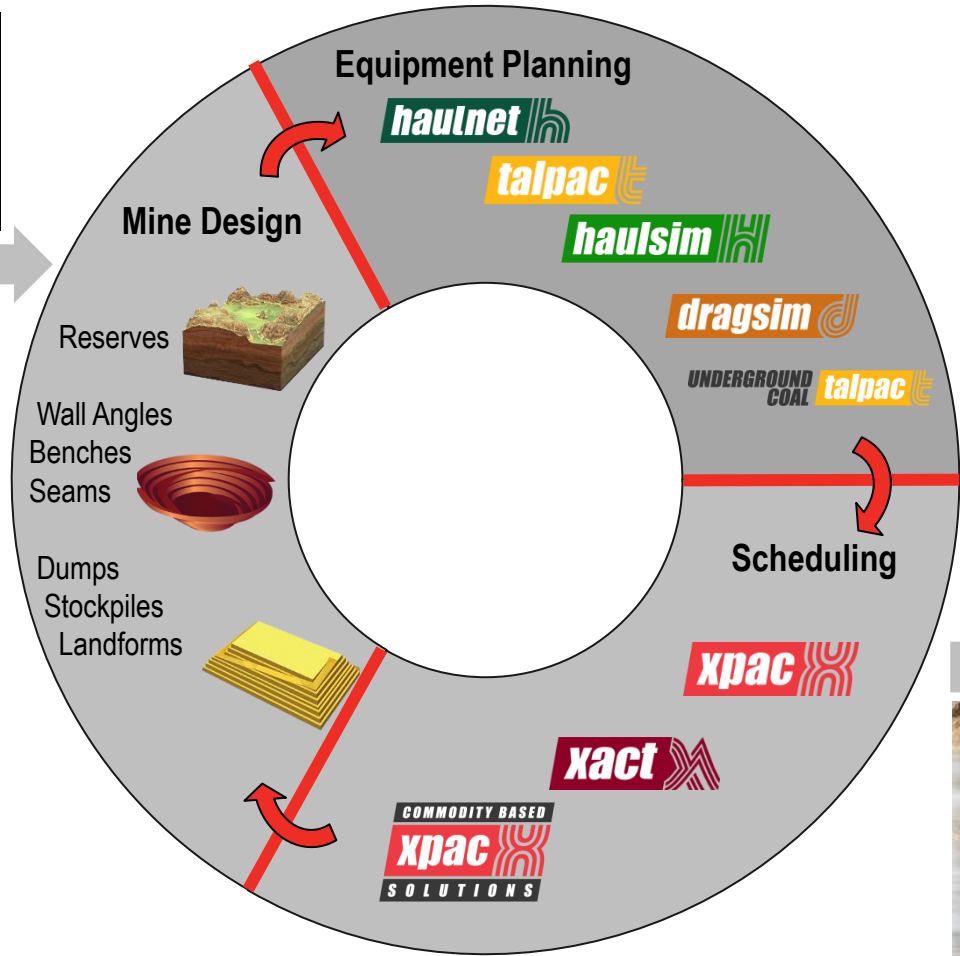
Advisory Project

Mine Design Capability

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Geology

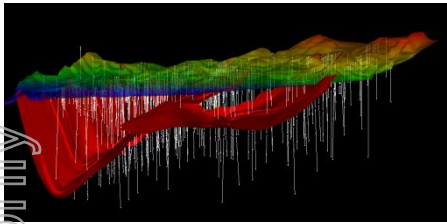


Extraction

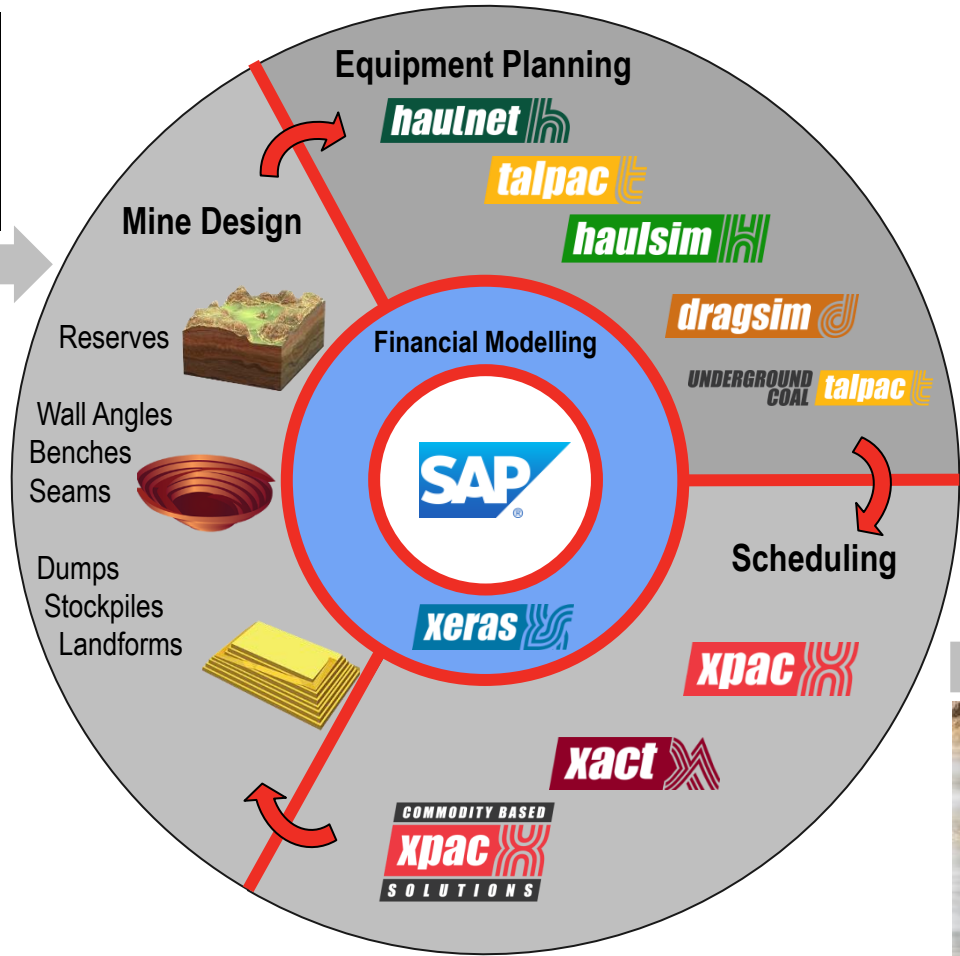


Mine Design Capability

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Geology



Extraction



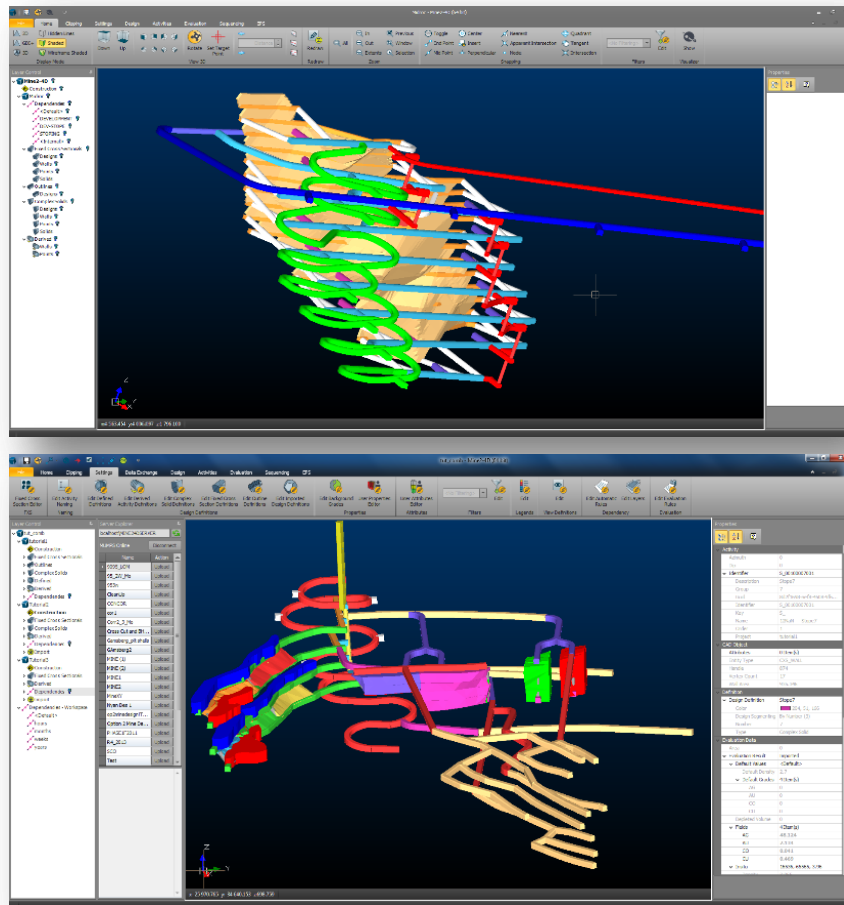


Was a capability gap in our offering but will now become a strength

After evaluating many options, RPM acquired the best available technology to deliver integrated planning for our clients

Based on the **next generation** of the industry standard Mine2-4D code - completely re-written in 2013

Full integration with solutions and short term scheduling





Financial Analysis

Runge Pincock Minarco

Financial Results Summary

A\$m	FY14	FY13	\$ Var	% Var
Net Operating Revenue	60.4	73.9	(13.5)	(18.3)%
Field Expenses	(45.6)	(55.1)	9.5	(17.2)%
Development Expenses	(5.9)	(5.9)	-	-
Corporate Expenses	(9.4)	(11.2)	1.8	(16.1)%
FX gain/(loss)	(0.4)	0.2	(0.6)	
Operating EBITDA	(0.9)	1.9	(2.8)	
Depreciation & amortisation	(3.5)	(3.8)	0.3	(7.9)%
Operating EBIT	(4.4)	(1.9)	(2.5)	
Goodwill Impairment	(3.0)	(0.4)	(2.6)	
Significant items*	(1.5)	(5.0)	3.5	
Net finance costs	(0.1)	(0.5)	0.4	
Profit before Tax	(9.0)	(7.8)	(1.2)	
Net Cash/(Debt)	7.5	6.9	0.6	

* Significant items in FY14 include costs of staff restructuring (\$1.0m) and provisions for onerous premises leases \$(0.5)m.

Software Division

Software now the largest division of the Group

- 48% of Revenue FY14 (FY13: 38%)

7 new products released in the year

- R&D costs in line with FY13

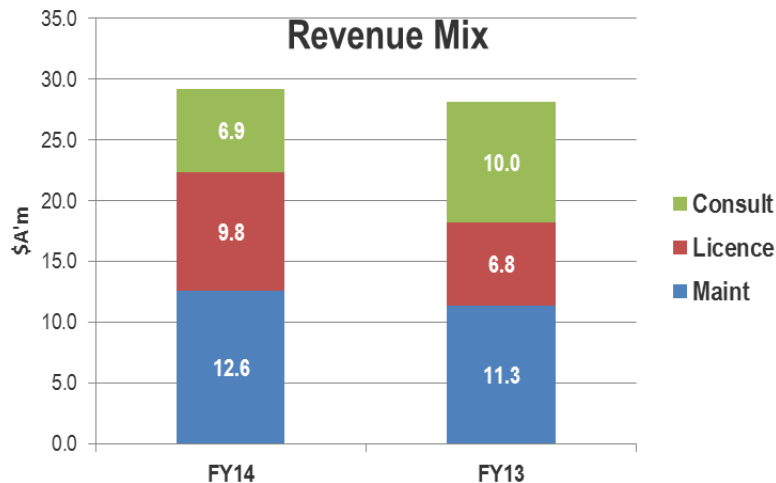
License sales up 44% on FY13 to \$9.8m

- Includes \$4.2m of new product sales
- Maintenance revenue up 12% on FY13

Pipeline 5x larger than same time last year

- Q4 sales up 254% to \$3.3m (Q4'13: \$1.3m)
- Many license sales are initial/pilot sales of new products

A\$'000	FY14	FY13	\$ Var	% Var
Software Revenue	28,841	27,709	1,132	4.1%
Operating Expenses	(17,634)	(19,095)	1,461	(7.7)%
Gross Contribution	11,207	8,614	2,593	30.1%
Margin	39%	31%		
Development Expenses	5,918	5,905	13	0.2%
Net Contribution	5,289	2,709	2,580	95.2%
Headcount (#'y/e)	131	140		(6.4)%



Advisory Division

Advisory revenue \$30.2m, down 28% on FY13

- Australia and Americas continued to decline in 2nd half of the year
- Asia in line with FY13

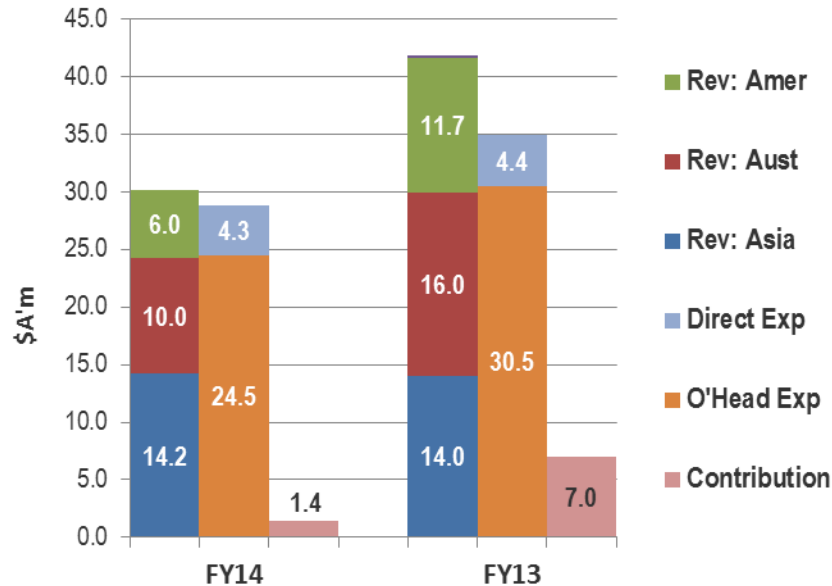
Advisory pipeline remains patchy

- Mine planning and feasibility studies very competitive
- M&A activity increasing

Further restructuring of staff in FY14

- Headcount reduced by 20%
- Increased use of Associates and sub-contractors (direct expenses)
- Operating expenses reduced by 20% from FY13

A\$'000	FY14	FY13	\$ Var	% Var
Advisory Revenue	30,224	41,903	(11,679)	(27.9)%
Direct Expenses	(4,303)	(4,448)	145	(3.3)%
Operating Expenses	(24,528)	(30,502)	5,974	(19.6)%
Contribution	1,393	6,953	(5,560)	(80.0)%
Margin	5%	17%		
Headcount (#' y/e)	111	139		(20.1)%



GeoGAS Division

Further contraction in exploration activity in 2nd half of the year

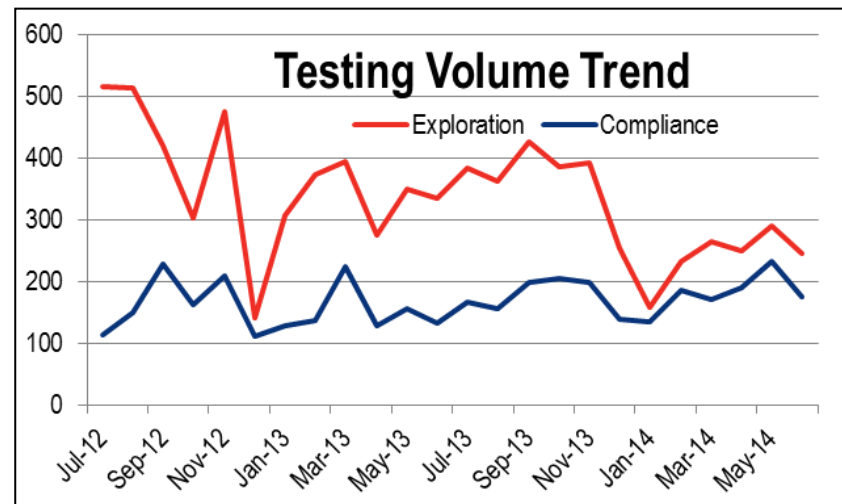
- Impact on laboratory testing and hire revenue (down 40% from FY13)
- Impact on consulting studies and planning activities

Compliance test volumes remain solid and in line with previous year, but customer pressure on pricing remains high

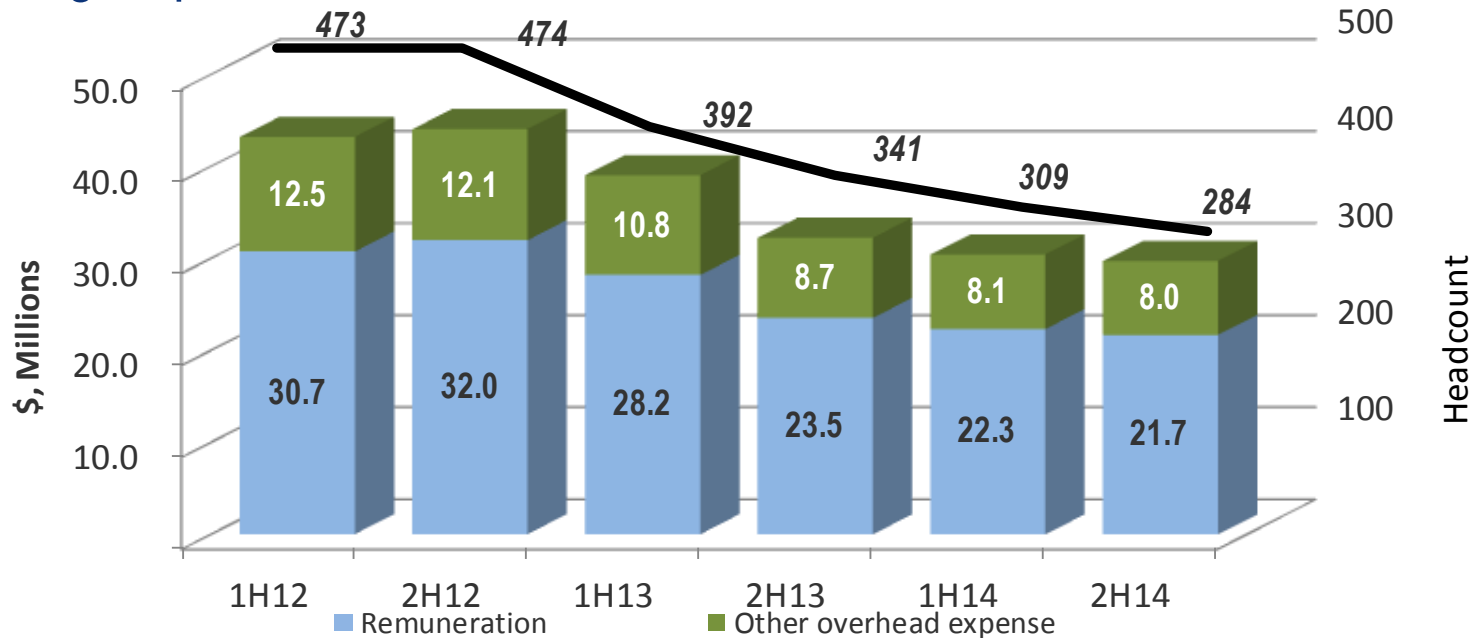
Operating expenses reduced by 44%

- Headcount reduced by 40%

A\$'000	FY14	FY13	\$ Var	% Var
Laboratory	3,996	6,681	(2,685)	(40.2)%
Consulting	674	1,890	(1,216)	(64.3)%
GeoGAS Revenue	4,670	8,571	(3,901)	(45.5)%
Operating Expenses	(3,598)	(6,439)	2,841	(44.1)%
Contribution	1,072	2,132	(1,060)	(49.7)%
Margin	23%	25%		
Headcount (#' y/e)	23	38		(39.5)%



Operating Expense *(by half, excluding FX and impairment of receivables)*



Headcount by division	Jun-12	Dec-12	Jun-13	Dec-13	Jun-14	% var 2yr
Consulting & Software Development	355	310	267	243	233	(34%)
Development	55*	43	42	42	43	(22%)
Corporate & Administration	119	82	74	66	51	(57%)
Total	474	392	341	309	284	(40%)

* includes Kuala Lumpur Development centre closed in November 2012.

Cashflow

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\$'000	FY14	FY13
Cash from operations	3,127	(3,178)
Restructure costs : Staff	(1,120)	(2,261)
Restructure costs : Premises	(507)	(409)
Property Plant & Equipment	(377)	(1,303)
Capitalised R&D	(134)	(341)
Dividends	-	(2,482)
Cap Raising	-	9,247
Borrowings	-	(5,004)
Net Inc/(Dec) in Cash	989	(5,731)
FX restatement	(396)	
Net Cash/(Debt)	7,521	6,928



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