



ASX Release

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ASX: EHL ('EMECO' OR 'THE COMPANY')

Level 3, 71 Walters Drive
Osborne Park WA 6017, Australia

PO Box 1341, Osborne Park DC WA 6916, Australia

T +61 (0) 8 9420 0222 F +61 (0) 8 9420 0205

E corporate@emecogroup.com

emecogroup.com

Emeco Holdings Limited ACN 112 188 815

CANADA MARKET WEAKENS, FY16 OPERATING EBITDA GUIDANCE \$53 TO \$57 MILLION

Emeco today announced that worsening conditions in the oilsands industry resulting from the sustained lower oil price have significantly reduced the winter work programs in Canada. These weakening conditions have lowered outlook for the remainder of the financial year.

Managing Director, Ian Testrow, said "the Canada business did not experience its typical seasonal uplift in utilisation late in the second quarter. The oilsands industry has been hit hard by the sustained lower oil price with producers delaying reclamation works to reduce operating costs."

"This poor performance in Canada is expected to continue for the remainder of FY16, however has been somewhat offset by improved performance in Australia and Chile", Mr Testrow said.

With greater visibility our FY16 Operating EBITDA guidance for the group is between \$53 million and \$57 million, representing approximately 22% to 30% growth on the prior year.

Further details on second quarter operating performance will be provided in our Q2 FY16 trading update, to be released next week.

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Investor and media enquiries

Brendan Shalders

Group Manager, Investor Relations & Corporate Development

+61 8 9420 0258

About Emeco

Established in 1972, Emeco is the world's largest, independent mining equipment rental business and currently services major resource projects across Australia, Canada and Chile. Emeco pursues a best in class asset management strategy and operates a global fleet of equipment from a range of original equipment manufacturers to deliver the most effective equipment rental and maintenance solutions for its customers. Emeco is a publicly listed company on the Australian Securities Exchange (ASX:EHL).

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