



# FULL YEAR TO 30 JUNE 2016

## RESULTS PRESENTATION

24 AUGUST 2016

## Overview

- Significant business turnaround delivering profit from continuing operations of \$20.2 million.
- Strong balance sheet with exceptional cash flow delivering increased cash reserves of \$181.9 million and lower gearing of 26.3%.
- Business re-focus on core activities through the sale and closure of non-core businesses generating \$35.7 million profit on sale, and in excess of \$70 million in sale proceeds.
- Reported profit of \$58.2 million, basic earnings per share 18.6 cents per share.
- No final dividend declared.
- Improved safety performance across the Group.
- FY17 revenue target of ~\$800 million with an anticipated profit uplift of 50% on continuing operations.

\$M	FY16	% change
<b>Continuing Operations</b>		
Sales revenue <sup>(1)</sup>	743.9	3.3%
EBITDA <sup>(1)</sup>	124.9	12.7%
EBIT <sup>(1)</sup>	56.9	52.9%
Profit before tax <sup>(1)</sup>	24.8	1,103.8%
Profit/(loss) after tax <sup>(1)</sup>	20.2	112.6%
<b>Discontinued Operations after tax</b>		
Profit/(loss)	37.9	347.7%
Reported Profit/(loss) after tax	58.2	133.1%
Cash flow	104.1	375.8%

<sup>1)</sup> Excludes significant items in prior corresponding periods

# Operational Performance

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## ▪ Drilling

- Revenues stabilised on the back of new drill and blast works secured at Telfer and Rocky's Reward and Ensham contract renewal.
- Exploration drilling market remains challenging.
- Business consolidation and cost-out initiatives main drivers of margin improvement.

## ▪ Africa

- Revenues increased in USD terms on the back of contract renewals at the Iduapriem project for AngloGold Ashanti and the Bissa Gold project for Nordgold, and a rates adjustment at the Siguiiri project for AngloGold Ashanti.
- Tendering activities offer upside potential with a number of greenfield projects in the pipeline and existing projects moving to contracting model.

## ▪ Equipment Services & Supplies

- Revenues stabilised despite tough market conditions.
- Restructured to consolidate divisions and refresh management team.
- Margin improvement driven by cost-out and productivity improvement initiatives.
- Exit from non-core businesses, a key value driver.

## Operational Performance (continued)

- Business improvement and rationalisation driving margin improvement:
  - Sale of DTA – sold for \$66 million generating \$36.3 million profit on sale;
  - Exit of DT HiLoad - \$3.2 million in asset sale proceeds received to date;
  - Sale of Miners Rest Motel for \$2.5 million, subsequent to year end, with settlement expected September 2016, subject to due diligence;
  - EDA assets placed into care and maintenance on the back of depressed oil and gas market;
  - BTP turnaround driven by new management, business consolidation and cost reduction initiatives. Commencement of LEAN program;
  - Drilling business warehousing, workshop and transport activities now rationalised;
  - Wage cost savings generated through EA renegotiation; and
  - “Cost-out” initiatives in progress – strategic sourcing and shared service model.
  
- One Safe All Safe program delivering benefits ~ 45% reduction in TRIFR.

## Australia – Contract update

- New contract at Kundana and a contract extension at Kanowna Belle for Northern Star in Kalgoorlie, Western Australia, commenced July 2016.
- New contract for drilling and blasting services for Thiess at the BHP owned Rocky’s Reward mine, Western Australia, commenced August 2015.
- New contract to provide drilling and blasting services direct to Macmahon at the Newcrest owned Telfer gold-copper mine in the Pilbara, Western Australia, commenced February 2016.
- Production drilling contract extension at Ensham coal mine in Queensland, Australia.



*Ausdrill purpose built “Lake Rigs” in operation on Lake Carey, near Laverton, Western Australia*

## Africa – Contract update

- AMS awarded a USD120 million 42 month contract to provide surface mining services to Perseus at its Edikan gold mine, Esuajah North deposit in Ghana.
- AMS appointed Preferred Contractor for mine establishment and operation of KEFI Minerals Tulu Kapi gold project in Ethiopia.
- AUMS commenced a 31 month contract to provide underground mining services to AngloGold Ashanti at the Geita gold mine Star and Comet Pit in Tanzania.



*AMS operations for Perseus at the Edikan Gold Mine, Ghana*



# FINANCIAL PERFORMANCE

12 MONTHS TO 30 JUNE 2016

## Financial Performance

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Sales revenue<sup>(1)</sup> up 3.3% to \$743.9 million

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EBITDA<sup>(1)(2)</sup> up 12.7% to \$124.9 million

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EBIT<sup>(1)(2)</sup> up 52.9% to \$56.9 million

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Operating PBT<sup>(1)(2)</sup> up 1,103.8% to \$24.8 million

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Net profit after tax<sup>(1)</sup> of \$20.2 million from continuing operations

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Return on average capital employed<sup>(1)(2)(3)</sup> increased from 3.6% to 6.5%

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(1) From continuing operations before individual material items

(2) Excludes significant items in prior corresponding period

(3) Return on average capital employed = EBIT excluding significant items/sum of average receivables, inventories, PP&E, intangibles, associates less trade payables



## Profit &amp; Loss

Profit & Loss - A\$ million	FY15	FY16	% Change from pcp
<b>Continuing Operations</b>			
Sales revenue	719.8	743.9	3.3%
EBITDA <sup>(1)</sup>	110.8	124.9	12.7%
<i>EBITDA margin <sup>(2)</sup></i>	13.6%	15.6%	199bps
EBIT <sup>(1)</sup>	37.2	56.9	52.9%
<i>EBIT margin <sup>(2)</sup></i>	3.4%	6.4%	307bps
Profit/(loss) before tax <sup>(1)</sup>	2.1	24.8	1,103.8%
<i>Profit before tax margin <sup>(1)</sup></i>	0.3%	3.3%	305bps
Profit/(loss) after tax	(160.3)	20.2	112.6%
Return on average capital <sup>(1) (3)</sup>	3.6%	6.5%	288bps
<b>Discontinued Operations – Profit/(loss)</b>	<b>(15.3)</b>	<b>37.9</b>	<b>347.7%</b>
<b>Profit/(loss) after tax from continuing and discontinued operations</b>	<b>(175.6)</b>	<b>58.2</b>	<b>133.1%</b>

- Revenues stabilising.
- Profits and returns improving on the back of business improvement initiatives.
- Tax benefit in prior corresponding period relates to impairment expense recognised.

1) Excludes significant items in prior corresponding periods

2) Excludes significant items in prior corresponding periods and equity accounted profits

3) Return on Average Capital = EBIT / sum of average receivables, inventories, PP&E, intangibles, investment in associates less trade payables

## Balance Sheet

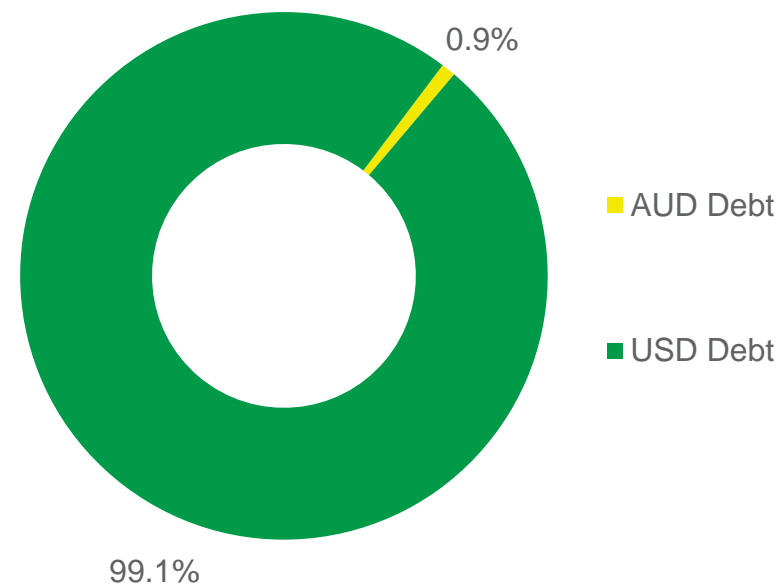
Balance Sheet - A\$ million	FY15	FY16
Cash and cash equivalents	77.9	181.9
Receivables	141.8	169.8
Inventories	226.9	191.4
Property, plant and equipment	559.7	489.8
Other assets	123.8	117.5
<b>Total assets</b>	<b>1,130.0</b>	<b>1,150.4</b>
Payables	84.6	82.8
Borrowings	433.8	398.5
Employee obligations	31.7	34.9
Other liabilities	26.6	27.6
<b>Total liabilities</b>	<b>576.7</b>	<b>543.8</b>
<b>Shareholders' equity</b>	<b>553.3</b>	<b>606.6</b>

Note: Columns may not add due to rounding

- Strong balance sheet provides flexibility and liquidity.
- Debt reduction a key focus with \$47.8 million in net debt repayments made during the year. Total net debt repayments over the last two years total \$143.1 million. At 30 June 2016 the Group reported net debt of \$216.7 million.
- Working capital decreased by \$5.7 million.
- Capex restricted to \$12.4 million. Asset sales totalled \$11.4 million.
- NTA per share increased from \$1.77 per share to \$1.94 per share

## Group Debt Position (1)

- At 30 June 2016 the Group had gross debt of \$398.5 million, net debt of \$216.7 million.
- Net debt repayments for the year totalled \$47.8 million. Debt reduction remains a key focus.
- Gearing (Net Debt : Net Debt & Equity) reduced from 39.1% to 26.3%.
- Significant liquidity with cash on hand of \$181.9 million plus undrawn facilities in excess of \$100 million.
- USD debt naturally hedged with net assets of African business.
- Net Interest Cover (EBITDA: Net Cash Interest) of 3.9 x.
- AUMS JV is equity accounted and separately funded.

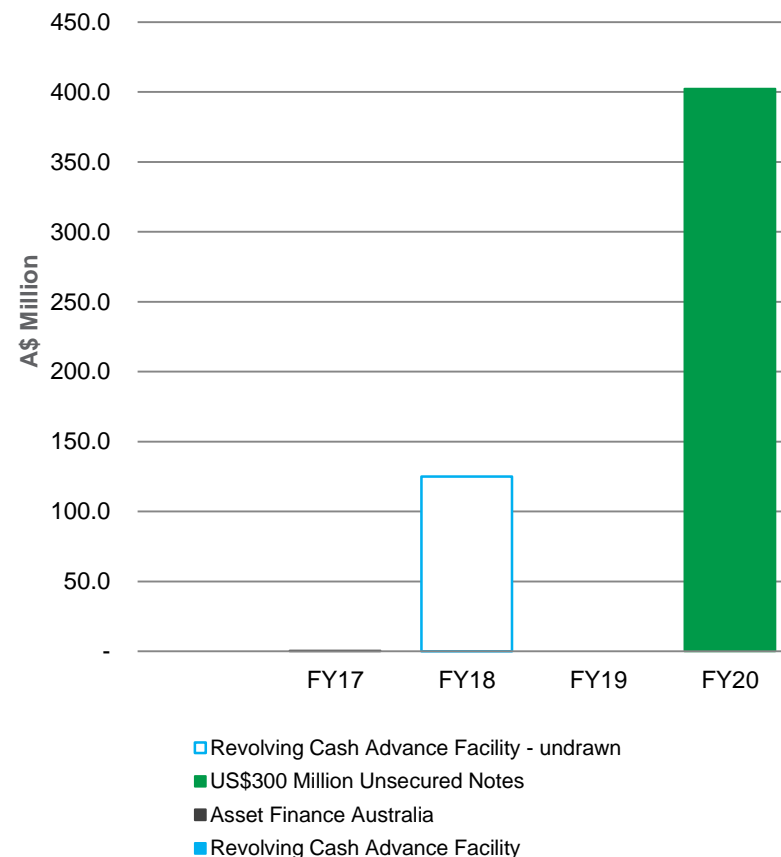


(1) Includes pre-paid borrowing costs and insurance premium funding

## Group Debt Position and Maturity Profile

Group debt - A\$ million	FY15	FY16
Revolving cash advance facility	25.0	-
Asset finance and other funding	22.9	0.5
US\$300 million unsecured notes	390.7	402.3
Insurance premium funding and prepaid borrowing costs	(4.8)	(4.2)
Total borrowings	433.8	398.5
<b>Cash and cash equivalents</b>	<b>(77.9)</b>	<b>(181.9)</b>
Net debt	355.9	216.7
<b>Gearing ratio</b>	<b>39.1%</b>	<b>26.3%</b>

- Borrowings include unrealised FX translation impact of \$11.6 million due to falling AUD during the year



## Cash Flow

Cash Flow - A\$ million	FY15	FY16
Operating cash flows after interest and tax	117.9	91.0
Net debt (repayments)/proceeds	(95.3)	(47.8)
Capital expenditure	(28.5)	(12.4)
Proceeds from asset disposals	5.9	11.4
Distributions from associates	17.8	8.9
Proceeds from sales of business	-	49.4
Loans repaid by associates	6.7	-
Other movements	(2.6)	3.6
Cash flow before shareholder return	21.9	104.1
Dividends	(9.4)	-
<b>Net cash flow</b>	<b>12.5</b>	<b>104.1</b>

Working Capital Changes since June 2015	A\$m
Receivables	28.0
Inventories	(35.5)
Less Payables	(1.8)
<b>Net increase/(decrease)</b>	<b>(5.7)</b>

Underlying net decrease excluding the impact of FX translation on working capital of \$12.6 million.

Note: Columns may not add due to rounding

## Capital Expenditure

Capital expenditure - A\$ million	FY15	FY16
Drilling Services Australia	(6.3)	(3.8)
Contract Mining Services Africa	(14.1)	(6.8)
Equipment Supplies & Services	(7.8)	(1.7)
Other	(0.3)	(0.1)
Proceeds from asset sales	5.9	11.4
<b>CAPEX net of asset sales</b>	<b>(22.6)</b>	<b>(1.0)</b>

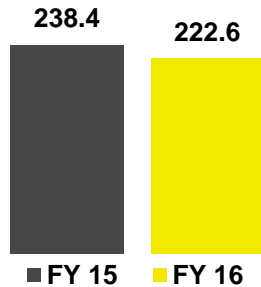
Note: Columns may not add due to rounding

- Capex spend continues to be contained at \$12.4 million.
- Depreciation of \$68.0 million from continuing operations.
- Surplus asset disposals generated \$11.4 million in additional cash, \$3.7 million net gain on sale.
- Redeployment of idle assets to areas of demand will assist with minimising capex.

## Drilling Services Australia

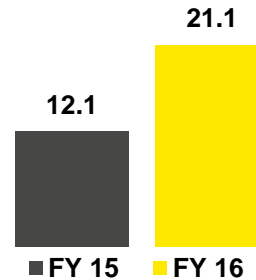
### External Sales Revenue\* (\$m)

\* Excluding intersegment sales



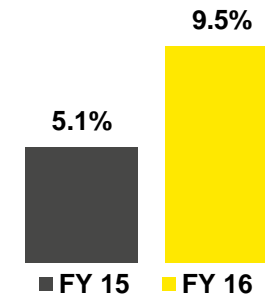
### EBIT\*\* (\$m)

\*\* Significant items expense in pcp excluded



### EBIT\*\* Margin

\*\* Significant items expense in pcp excluded

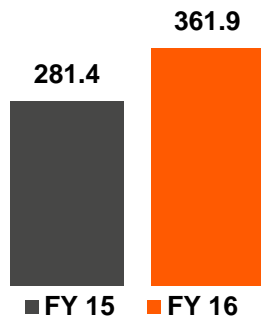


- Revenue stabilising but remains under pressure on back of lower demand:
  - Core drill and blast operations remain solid with retention of several existing projects and new works at Rocky's Reward for Thiess.
  - Ensham contract renewed.
  - Exploration drilling has stabilised but remains competitive.
  - Water well drilling in iron ore sector receding – commodity diversification strategy in progress.
- Improved margin driven by business rationalisation and cost reduction initiatives - warehousing, workshop and transport activities rationalised, wage cost savings generated through EA renegotiation.

## Contract Mining Services Africa

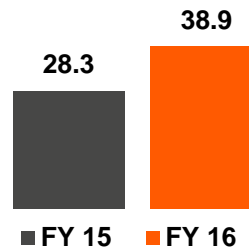
### External Sales Revenue\* (\$m)

\* Excluding intersegment sales



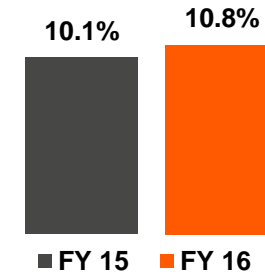
### EBIT\*\* (\$m)

\*\* Significant items expense in pcp excluded



### EBIT\*\* Margin

\*\* Significant items expense in pcp excluded



- Increase in reported revenue driven by contract renewals and prior period contract rate adjustments.
  - Fully mobilised and well into mining eastern pits at the Perseus Edikan gold mine, Ghana.
  - Contract renewals at Iduapriem for AngloGold Ashanti, Ghana and at Bissa Gold for Nordgold, Burkina Faso.
  - New contract awarded with Perseus at its Edikan gold mine, Esuajah North deposit, Ghana.
- Margins improved in the second half of the financial year following settlement of prior period rate adjustments on the Siguiri contract in Guinea. Underlying margins for the year increased, despite timing of major component change outs on trucking fleet and operational delays caused by wet weather and travel restrictions.
- Tender pipeline for AMS offers upside opportunity for FY17.

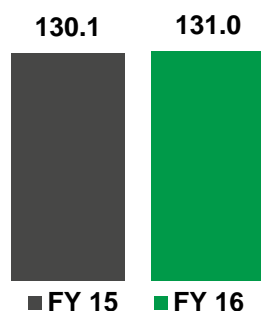
*Note: Figures exclude equity accounted profits from AUMS joint venture, shown on slide 18.*



## Equipment Services & Supplies

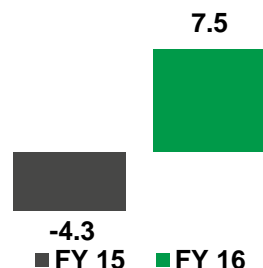
### External Sales Revenue\* (\$m)

\* Excluding intersegment sales



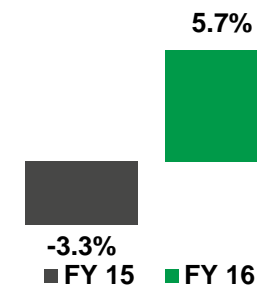
### EBIT\*\* (\$m)

\*\* Significant items expense in pcp excluded



### EBIT\*\* Margin

\*\* Significant items expense in pcp excluded



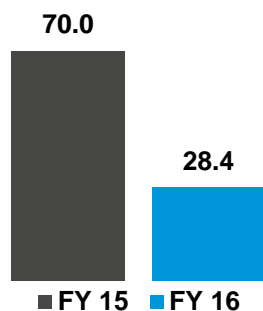
- New management has delivered significant turnaround in BTP earnings performance.
- Key rental and supply contracts performing as expected, including Peabody contract.
- Equipment sales remain challenging in Australia. Large portion of idle fleet is being mobilised into Africa.
- Weaker AUD provides opportunity to deliver competitive offering to clients globally.
- Exit of DTA and DT HiLoad businesses has generated significant shareholder value, reflected in discontinued operations.

*Note: Following the sale of the Drilling Tools Australia and DT HiLoad businesses, the continuing businesses of the Equipment, Services and Supplies segment comprise the BTP Group and Supply Direct. All figures above reflect only continuing operations.*

## All Other Segments

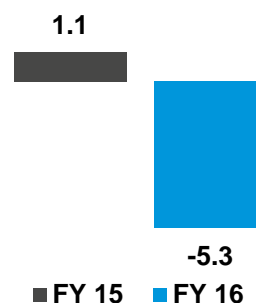
### External Sales Revenue\* (\$m)

\* Excluding intersegment sales



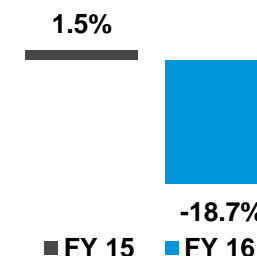
### EBIT\*\* (\$m)

\*\* Significant items expense in pcp excluded



### EBIT\*\* Margin

\*\* Significant items expense in pcp excluded

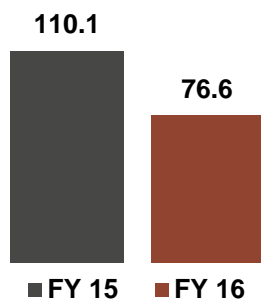


- Comprises Diamond Communications, MinAnalytical, Energy Drilling Australia (EDA) and Ausdrill Properties.
- A reduction in oil prices over the last six months resulted in cancellation of drilling programs in which EDA was expecting to participate. EDA assets placed into care and maintenance, EDA loss before interest and tax for the year \$6.8 million. Overhead has been downsized considerably and is limited largely to “warehousing” and “care and maintenance” costs to retain the value of inventory and plant.
- Diamond Communications delivered a small profit before interest and tax for the year, whilst MinAnalytical delivered a close to breakeven EBIT position.
- The sale of the Miners Rest motel business, subsequent to year end, delivers another element of the strategy to divest/exit non-core, non-performing assets.

## African Underground Mining Services (50% share)

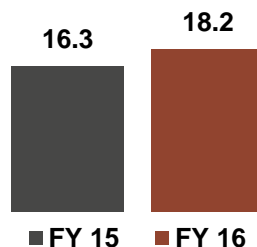
### External Sales Revenue\* (\$m)

\* Excluding intersegment sales



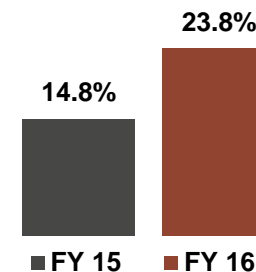
### EBIT\*\* (\$m)

\*\* Significant items expense in pcp excluded



### EBIT\*\* Margin

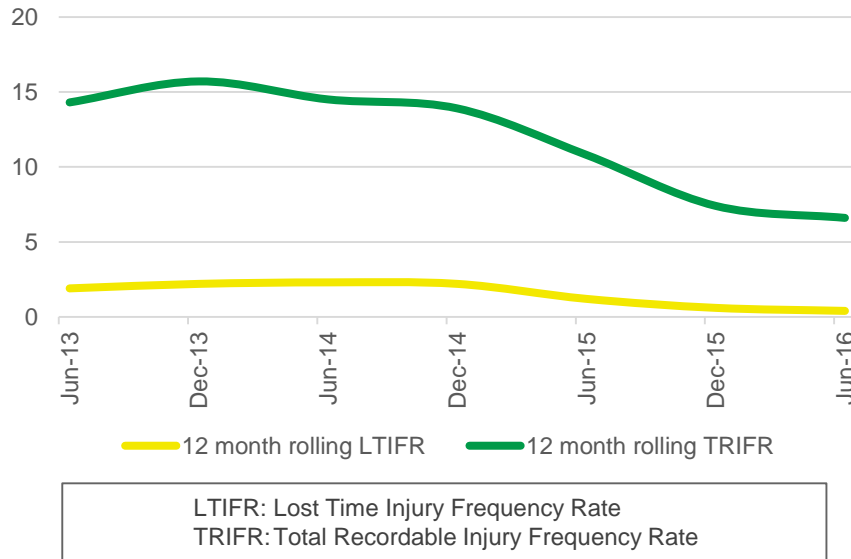
\*\* Significant items expense in pcp excluded



- African Underground Mining Services (50% owned) contributed equity accounted net profit of \$9.1 million (FY15: \$13.0 million).
- Operations currently focussed in Ghana, Burkina Faso and Tanzania.
- Revenue down 44% on prior corresponding period due to completion of the Gara contract for Randgold in Mali. Works commenced at the Roxgold Yaramoko project in Burkina Faso and the AngloGold Geita gold mine in Tanzania during the year.
- Significant uplift in margin aided by increase in value of investment in Roxgold shares and profit on sale of assets to Randgold on completion of Gara project.
- Underlying EBIT margin (excluding Roxgold share valuation) at 18.8%.
- Tender pipeline offers revenue upside for second half of FY17.



# SAFETY AND PEOPLE

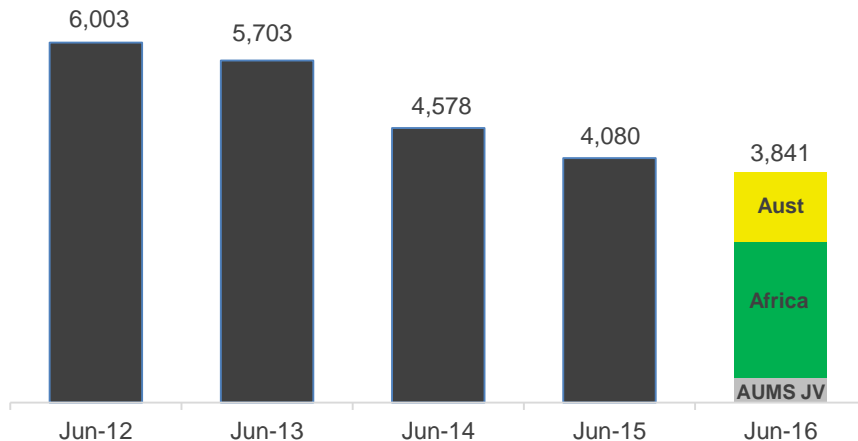


## SAFETY

- Ausdrill’s commitment to safety remains a core business value.
- A key component of the continuing One Safe All Safe program is to provide positive feedback at every opportunity to work crews.
- The renewed focus by the leadership team has seen a reduction in the number of incidents and a ~ 45% reduction in the reported total recordable injury frequency rate (TRIFR) within the period.

## PEOPLE

- At 30 June 2016 the number of employees within the Group, including jointly owned entities, decreased to 3,841 – a decrease of 5.9% compared with the corresponding period last year.
- The total number of Australian employees reduced from 1,388 in July 2015 to 1,148 in June 2016, a decline of 17.3% due to redundancies and natural attrition, following business rationalisation.

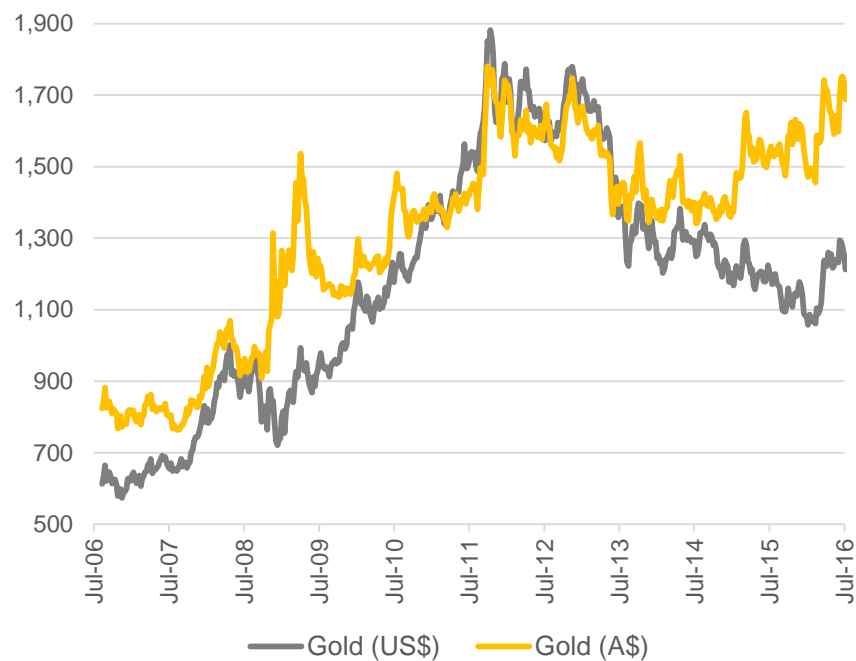




# OUTLOOK AND STRATEGY

## Current Environment and Outlook

- Competitive landscape remains challenging.
- Business improvement initiatives have and will continue to strengthen our sustainability and competitiveness.
- Lower input costs and lower AUD provide a buffer against lower commodity prices for domestic miners.
- AUD gold price at historic highs.
- Sentiment picking up – especially in gold sector.
- New project wins in Africa.
- Minor uplift in Australian exploration activity.
- FY17 revenue target of ~\$800 million and profit uplift of ~50% on continuing operations.



## Strategic Initiatives

- Rationalise business activities:
  - Exit/turnaround non-core, non-performing businesses.
  - Cost-out initiatives focussed on underperforming businesses.
  - Participate in industry rationalisation for mutual benefit.
- Pursue opportunistic relationships as market consolidates:
  - Expand business development activities to tap into global opportunities.
  - Customer and supplier relationships for mutual benefit.
  - Cash and “in kind” equity support for exploration drilling opportunities.
  - “Shared” buying strategies and distribution networks.
- Targeted debt reduction program.
- Business improvement program.

### CORE BUSINESS

DRILLING  
SERVICES  
AUSTRALIA

CONTRACT  
MINING  
AFRICA

EQUIPMENT  
SERVICES &  
SUPPLIES

### OTHER

DIAMOND  
COMMS.

ENERGY  
DRILLING  
AUSTRALIA

MINERS  
REST \*

MINANALYTICAL

\* Sold subsequent to 30 June 2016

### INVESTMENTS

AUMS

DRILL FOR  
EQUITY



## Business Improvement Initiatives

### BIP Focus

- Business rationalisation
- Productivity / operating efficiency gains
- Strategic sourcing program
- Shared functional services
- Business overhead reduction

### Cash Generation Initiatives

- Non-core asset sales
  - DT HiLoad sold
  - DTA sold
  - Miners Rest sold subsequent to year end
- Sale of surplus plant
- Redeployment of unutilised plant and inventory

### Business Rationalisation

- Consolidate maintenance and workshop activities and office accommodation across Australian businesses
- Northwest transport outsourced
- Oil and gas assets placed into “care and maintenance”
- Consolidate residual oil and gas activities

## Sale of Non-Core Businesses

In line with Ausdrill's strategy to refocus on its core competencies, the Drilling Tools Australia and DT HiLoad truck tray manufacturing businesses were sold in the second half of the year:



- On 30 June 2016, Ausdrill sold DTA to Robit plc for \$66 million, to be paid in two tranches, and delivered a \$36.3m profit on sale for the Group.
  - Tranche 1 - \$46.2m received 30 Jun 2016
  - Tranche 2 - \$19.8m payable by 31 Dec 2016
- DTA continues manufacturing operations at its facility in Canning Vale, WA, under a 5 year lease arrangement with Ausdrill.
- Ausdrill entered a 2.5 year preferred supply arrangement with DTA for the supply of drill bits.



- In January 2016, Ausdrill announced it would be exiting its DT HiLoad truck tray manufacturing business to facilitate industry consolidation.
- The business assets were subsequently sold during March 2016 and the business has been wound down to closure.
- The sale is expected to generate total proceeds of up to \$8 million over three years, with \$3.2 million in asset sale proceeds received to date.

## Sale/Exit of Non-Core Businesses

In line with Ausdrill’s strategy to refocus on its core competencies, the EDA oil and gas assets were placed into care and maintenance and the Miners Rest motel was sold, subsequent to year end:



- Subsequent to year end, Ausdrill sold the Miners Rest Motel and its associated assets for \$2.5 million, with settlement expected to occur in September 2016, subject to due diligence.
- Ausdrill entered into a 1 year accommodation arrangement with the new owners as a condition of the sale.



- EDA oil and gas assets were warehoused in Queensland pending an improvement in market conditions.
- EBIT contribution for the financial year was a loss of \$6.8 million.
- Overhead downsized considerably and limited to “warehousing” and “care and maintenance” costs to retain the value of inventory and plant.



# APPENDICES

# APPENDICES

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## DRILLING SERVICES

EXPLORATION  
DRILL & BLAST  
PRODUCTION  
GRADE CONTROL  
WATER WELLS



## CONTRACT MINING SERVICES

SURFACE MINING  
UNDERGROUND MINING  
EXPLORATION DRILLING



## EQUIPMENT SERVICES & SUPPLIES

EARTHMOVING FLEET HIRE & SALES  
EARTHMOVING EQUIPMENT PARTS  
SUPPLY AND LOGISTICS



# AUSTRALIA

**BHPBIO – Pilbara region**  
Exploration drilling services

**BHPBIO – Pilbara region**  
Equipment hire

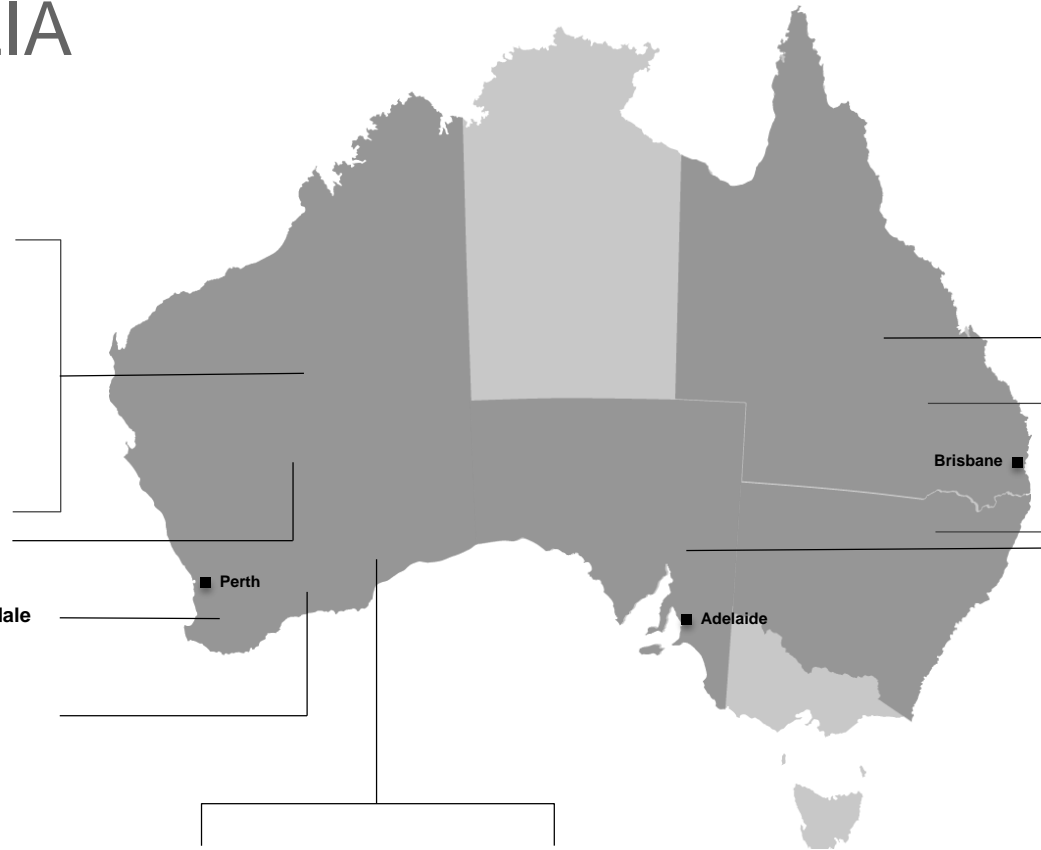
**BHPBIO – Pilbara region**  
Drill and blast services

**Macmahon – Telfer**  
Drill and blast services

**Various – Regional**  
Exploration drilling services

**Piacentini & Son – Huntly & Willowdale**  
Drill and blast services

**Piacentini & Son – Ravensthorpe**  
Drill and blast services



**Ensham Resources – Bowen Basin, QLD**  
Production drilling services  
Associated since 2004

**Peabody Energy  
Hunter Valley, NSW & Bowen Basin, QLD**  
Equipment hire

**OZ Minerals – Prominent Hill**  
Production drilling and grade control  
Associated since 2007

**KCGM – Superpit**  
Production drilling and grade control  
Associated since 1989

**Evolution - Mungari**  
Exploration drilling services  
Drill and blast and grade control services

**Gold Fields – Kambalda and Granny Smith**  
Exploration drilling and grade control  
Associated since 1996

**Northern Star – Kundana and Kanowna Belle**  
Exploration drilling services

**Macmahon – Tropicana**  
Drill and blast services

**Thiess – Rocky's Reward**  
Drill and blast services

# AFRICA

**Resolute Mining – Syama, Mali**  
Gold - Open pit mining services

**B2Gold – Fekola, Mali**  
Gold - Exploration drilling

**AngloGold Ashanti – Sigiri, Guinea**  
Gold - Open pit mining services

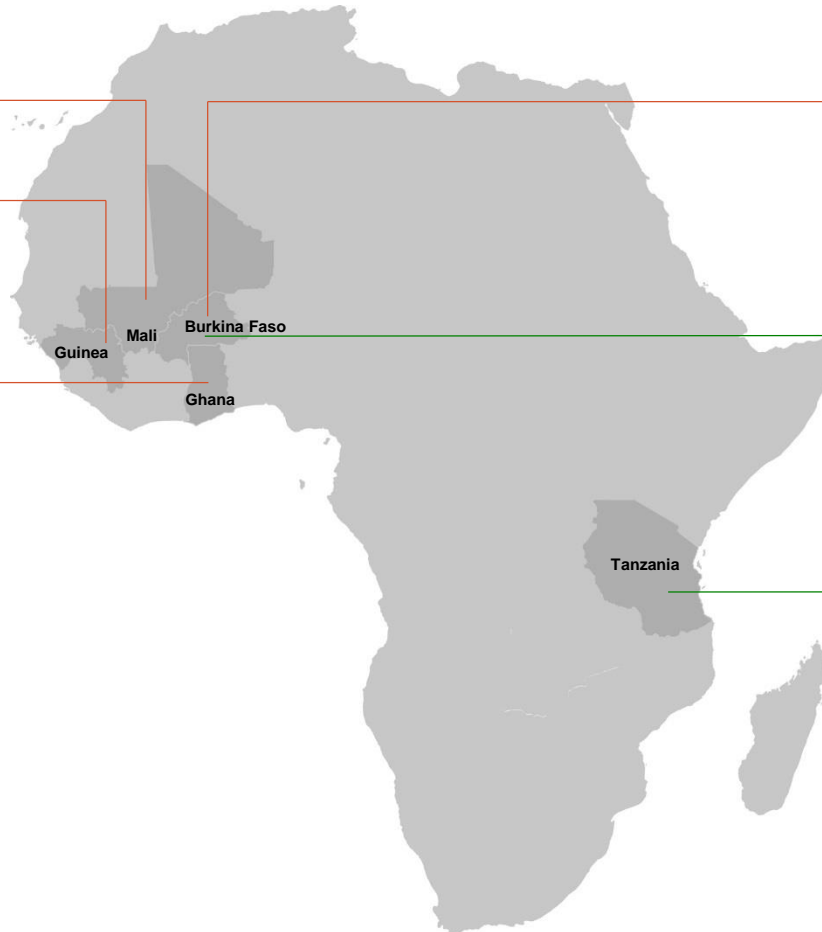
**AngloGold Ashanti – Iduapriem, Ghana**  
Gold - Open pit mining services

**Endeavour Mining – Nzema, Ghana**  
Gold - Open pit mining services

**Perseus Mining – Edikan, Ghana**  
Gold - Open pit mining services

**Cardinal Resources – Bolgatanga, Ghana**  
Gold – Exploration drilling

- African Mining Services
- African Underground Mining Services (AUMS 50% JV)



**Nordgold – Bissa, Taparko and Bourum, Burkina Faso**  
Gold - Equipment hire

**B2 Gold – Kiaka, Burkina Faso**  
Gold – Exploration drilling

**West African Resources – Tanlouka, Burkina Faso**  
Gold – Exploration drilling

**Vital Metals – Zeko, Burkina Faso**  
Gold – Exploration drilling

**Roxgold – Yaramoko, Burkina Faso**  
Gold – Underground mining services

**Nantou Mining – Perkoa, Burkina Faso**  
Zinc – Underground mining services

**AngloGold Ashanti – Geita, Tanzania**  
Gold – Underground mining services

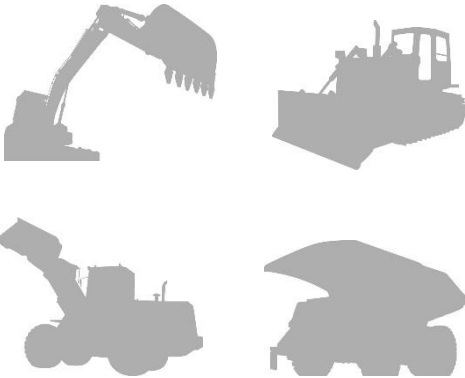


Client	Project	Location	Services Provided
<b>AUSTRALIA</b>			
Gold Fields	Kambalda and Granny Smith	Goldfields, WA	Exploration drilling
Northern Star Resources	Kanowna Belle and Kundana	Goldfields, WA	Exploration drilling
BHP Billiton	Several Pilbara mine sites	Pilbara, WA	Exploration drilling, drill and blast, equipment hire
Evolution Mining	Mungari	Goldfields, WA	Exploration drilling, drill and blast, grade control
KCGM	Superpit	Goldfields, WA	Production drilling, grade control
Ensham Resources	Ensham Coal	Ensham, QLD	Production drilling
OZ Minerals	Prominent Hill Copper Gold	Prominent Hill, SA	Drill and blast
Piacentini & Son	Ravensthorpe Nickel	Ravensthorpe, WA	Drill and blast
Piacentini & Son	Huntly and Willowdale Aluminium	Huntly, WA	Drill and blast
Macmahon	Tropicana Gold	Goldfields, WA	Drill and blast
Macmahon	Telfer Gold-Copper	Pilbara, WA	Drill and blast
Thiess	Rocky's Reward Nickel	Goldfields, WA	Drill and blast
Peabody Energy Australia	Several mine sites	NSW, QLD	Equipment hire
<b>AFRICA</b>			
B2Gold	Fekola Gold	Mali	Exploration drilling
B2Gold	Kiaka Gold	Burkina Faso	Exploration drilling
West African Resources	Tanlouka Gold	Burkina Faso	Exploration drilling
Vital Metals	Zeko Gold	Burkina Faso	Exploration drilling
Cardinal Resources	Bolgatanga	Ghana	Exploration drilling
Resolute	Syama Gold	Mali	Open pit mining
Perseus	Edikan Gold	Ghana	Open pit mining
Endeavour	Nzema Gold	Ghana	Open pit mining
AngloGold Ashanti	Iduapriem Gold	Ghana	Open pit mining
AngloGold Ashanti	Siguiri Gold	Guinea	Open pit mining
Nordgold	Bissa Gold and Taparko Gold	Burkina Faso	Equipment hire
<b>AUMS JV</b>			
Nantou	Perkoa Zinc	Burkina Faso	Underground mining services
Roxgold	Yaramoko	Burkina Faso	Underground mining services
AngloGold Ashanti	Star and Comet	Tanzania	Underground mining services

Surface Mining

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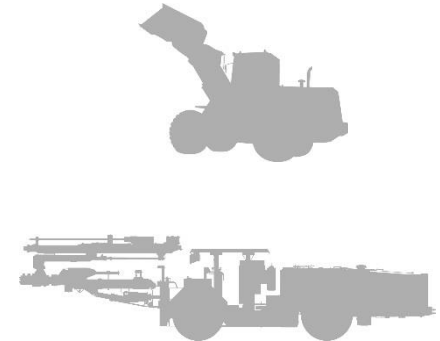
450



Underground Mining

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84



Drill Rigs

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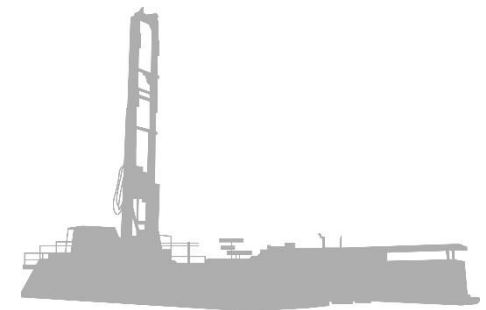
272



Oil & Gas Rigs

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*Note: Numbers represent the number of major equipment items owned by the Group and AUMS*

<b>Profit &amp; Loss - A\$ million</b>	<b>FY15</b>	<b>FY16</b>	<b>% Change from pcp</b>
<b>Continuing Operations</b>			
<b>Sales revenue</b>	719.8	<b>743.9</b>	3.3%
Interest income	1.8	<b>1.6</b>	(10.7%)
Materials	(285.5)	<b>(299.1)</b>	(4.8%)
Labour	(253.2)	<b>(240.8)</b>	4.9%
Rental and hire	(10.7)	<b>(14.0)</b>	(30.8%)
Depreciation & amortisation expense	(73.6)	<b>(68.0)</b>	7.6%
Finance costs	(37.0)	<b>(33.7)</b>	8.8%
Share of associates profits	13.0	<b>9.1</b>	(30.3%)
Other items	(72.6)	<b>(74.2)</b>	(2.2%)
<b>EBITDA<sup>(1)</sup></b>	110.8	<b>124.9</b>	12.7%
<i>EBITDA margin <sup>(2)</sup></i>	13.6%	15.6%	
<b>EBIT<sup>(1)</sup></b>	37.2	<b>56.9</b>	52.9%
<i>EBIT margin <sup>(2)</sup></i>	3.4%	6.4%	
<b>Operating profit before tax<sup>(1)</sup></b>	2.1	<b>24.8</b>	1,103.8%
<i>Operating profit margin <sup>(3)</sup></i>	0.3%	3.3%	
<b>Profit/(loss) after tax and impairment</b>	(160.3)	<b>20.2</b>	112.6%
<b>Discontinued Operations – Profit/(loss)</b>	(15.3)	<b>37.9</b>	347.7%
<b>Profit/(loss) after tax from continuing and discontinued operations</b>	(175.6)	<b>58.2</b>	133.1%

Note: Columns may not add due to rounding

1) Excludes significant items in prior corresponding periods

2) Excludes significant items in prior corresponding periods and equity accounted profits

3) Operating profit margin = Profit before tax from continuing operations excluding significant items in prior corresponding periods as a % of sales revenue

Balance Sheet - A\$ million	FY15	FY16
Cash and cash equivalents	77.9	181.9
Current receivables	141.8	169.8
Inventories	226.9	191.4
Property, plant and equipment	559.7	489.8
Other assets	123.7	117.5
<b>Total assets</b>	<b>1,130.0</b>	<b>1,150.4</b>
Payables	84.6	82.8
Borrowings	433.8	398.5
Employee Obligations	31.7	34.9
Other liabilities	26.6	27.6
<b>Total liabilities</b>	<b>576.7</b>	<b>543.8</b>
<b>Shareholders' equity</b>	<b>553.3</b>	<b>606.6</b>
Net debt	355.9	216.7

Note: Columns may not add due to rounding

Cash Flow - A\$ million	FY15	FY16
Receipts from customers (inclusive of GST)	830.2	791.5
Payments to suppliers and employees (inclusive of GST)	(691.7)	(668.3)
	<b>138.5</b>	<b>123.2</b>
Interest received	1.7	1.7
Interest and other costs of finance paid	(33.1)	(30.9)
Income taxes received / (paid)	7.1	(6.4)
Other	3.7	3.4
<b>Net cash inflow/(outflow) from operating activities</b>	<b>117.9</b>	<b>91.0</b>
Payments for property, plant and equipment	(28.5)	(12.4)
Proceeds from sale of property, plant and equipment	5.9	11.4
Proceeds from sale of available-for-sale financial assets	3.8	7.5
Payments for available-for-sale financial assets	(6.4)	(3.9)
Proceeds from sale of business	-	49.4
Distributions from associates and loan repayments	24.5	8.9
Other	(0.1)	-
<b>Net cash inflow/(outflow) from investing activities</b>	<b>(0.7)</b>	<b>60.9</b>
Proceeds from secured borrowings	12.5	-
Proceeds from unsecured borrowings	6.8	4.3
Repayment of borrowings	(96.2)	(44.1)
Repayment of hire purchase and lease liabilities	(18.5)	(8.0)
Dividends paid to company's shareholders	(9.4)	-
Other	0.1	-
<b>Net cash inflow/(outflow) from financing activities</b>	<b>(104.7)</b>	<b>(47.8)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>12.5</b>	<b>104.1</b>
Cash and cash equivalents at the beginning of the period	62.7	77.9
Effects of exchange rate changes on cash and cash equivalents	2.7	(0.1)
<b>Cash and cash equivalents at end of period</b>	<b>77.9</b>	<b>181.9</b>

Note: Columns may not add due to rounding

## Ausdrill's 50% share on a pro-forma basis

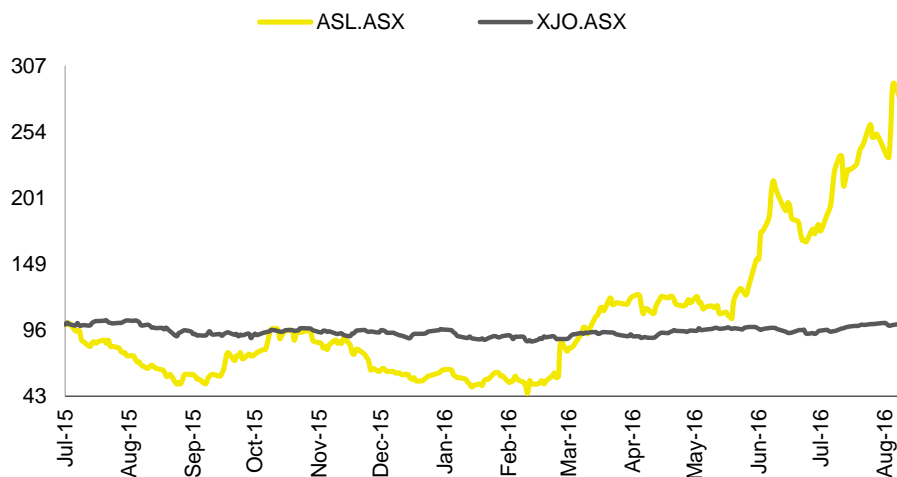
Balance Sheet - A\$ million	FY15	FY16
Cash and cash equivalents	20.5	5.8
Receivables	28.8	24.0
Inventories	22.3	21.6
Property, plant and equipment	19.6	23.7
Other assets	2.2	8.9
<b>Total assets</b>	<b>93.4</b>	<b>84.0</b>
Payables	22.5	7.8
Borrowings – external	0.2	0.1
Provisions	0.1	0.3
Other liabilities	3.0	1.7
<b>Total liabilities</b>	<b>25.8</b>	<b>9.9</b>
<b>Shareholders' equity</b>	<b>67.6</b>	<b>69.8</b>

Note: Columns may not add due to rounding

## CAPITAL STRUCTURE

Share price (close as at 21 Aug 2016)	\$1.20
Fully paid ordinary shares	312.3 million
Market capitalisation (undiluted)	\$374.8 million
Net Tangible Assets (30 Jun 2016)	\$606.6 million
Cash (as at 30 Jun 2016)	\$181.9 million
Debt (as at 30 Jun 2016)	\$398.5 million
Enterprise value	\$591.4 million
Net Debt/Net Debt & Equity (as at 30 Jun 2016)	26.3%

## SHARE PRICE PERFORMANCE (REBASED)



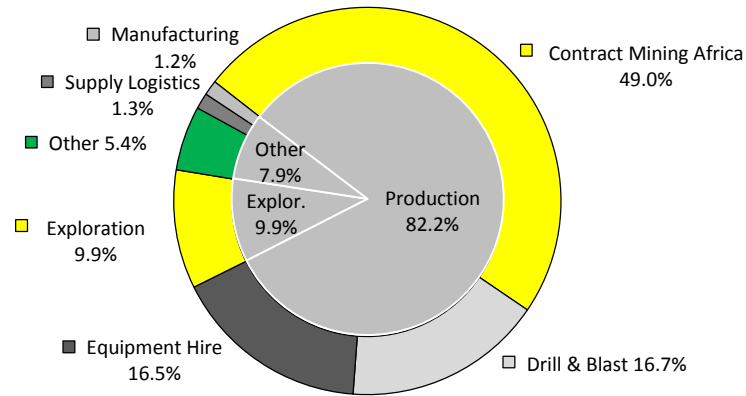
## DIRECTORS AND SENIOR MANAGEMENT

Terence O'Connor	Chairman, Non-executive Director
Ronald Sayers	Managing Director
Ian Cochrane	Deputy Chairman, Non-executive Director
Terrence Strapp	Non-executive Director
Donald Argent	Non-executive Director
Mark Connelly	Non-executive Director
Mark Hine	Non-executive Director
Andrew Broad	COO Australian Operations
John Kavanagh	COO African Operations
Theresa Mlikota	Chief Financial Officer
Domenic Santini	Company Secretary
Strati Gregoriadis	General Counsel/Company Secretary

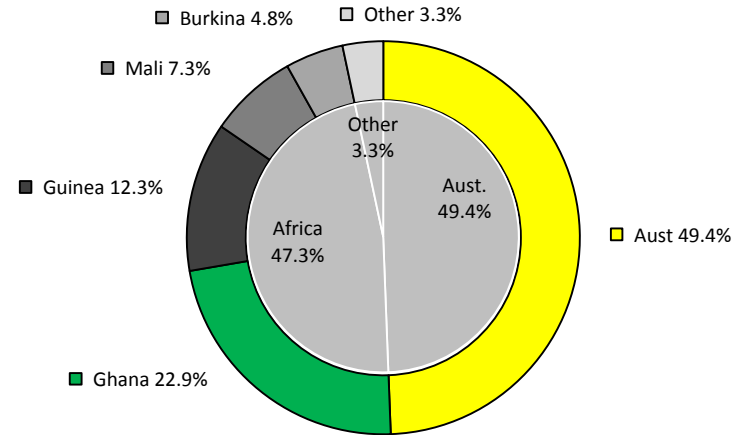
## SUBSTANTIAL SHAREHOLDERS

Name	Shareholding
Ronald Sayers / Cherry Garden Nominees	11.94%
FMR LLC	8.37%
PM & JL Bartlett / Bremerton Group	6.58%

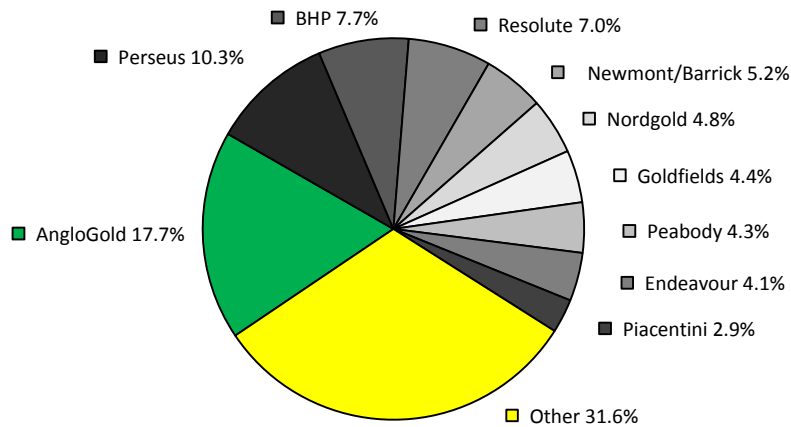
## Sales Revenue By Business Activity <sup>(1)</sup>



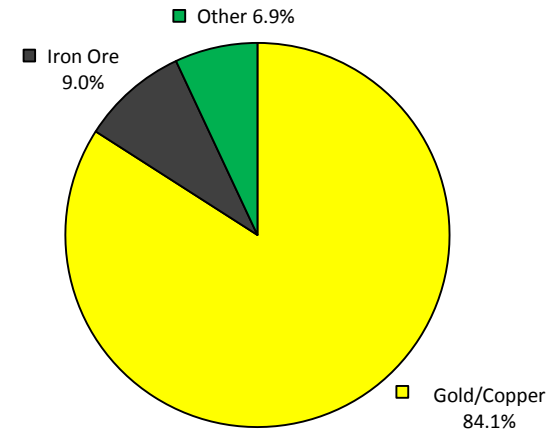
## Sales Revenue By Geography <sup>(1)</sup>



## Sales Revenue By Top 10 Customers <sup>(1)</sup>



## DSA and CMSA Sales Revenue by Commodity <sup>(2)</sup>



Notes

1. Based on FY16 sales - figures may not add due to rounding
2. Based on FY16 sales revenue for Drilling Services Australia (DSA) and Contract Mining Services Africa (CMSA) – representing 74% of total external revenue



A\$ million	FY15
<b>Continuing Operations</b>	
<b>Loss after tax as reported</b>	(160.3)
Add back:	
Impairment expense	184.2
Deduct:	
Tax (credit) / expense	(21.9)
<b>Profit before tax</b>	2.1
Net interest expense	35.1
<b>EBIT</b>	37.2
Depreciation and amortisation expense	73.6
<b>EBITDA</b>	110.8

Note: Columns may not add due to rounding

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