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Half Year Review
six months to 31 December 2014

Runge Pincock Minarco

Runge Pincock Minarco

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

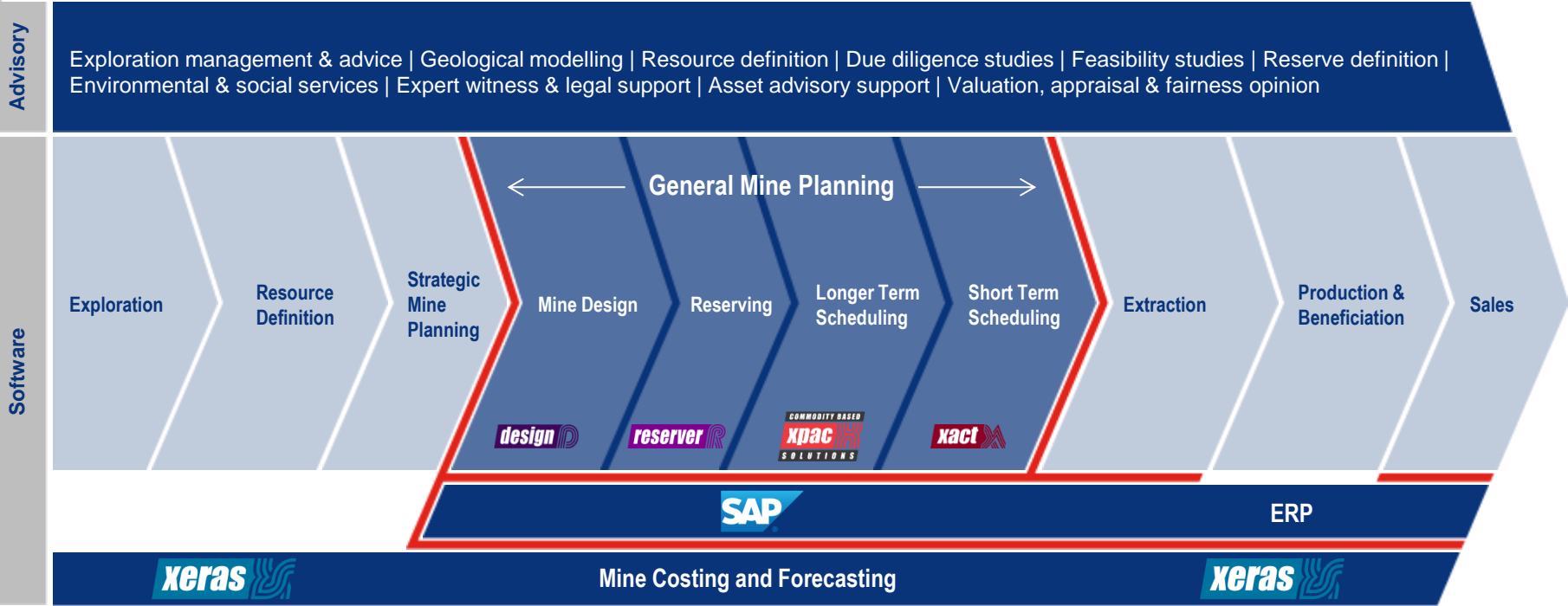
- 18 offices globally
- 45+ years' experience
- 118 countries
- >5,000 software installs
- >13,000 Advisory studies



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Mining Value Chain - RPM's Service Lines

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Financial Analysis

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Revenue By Division

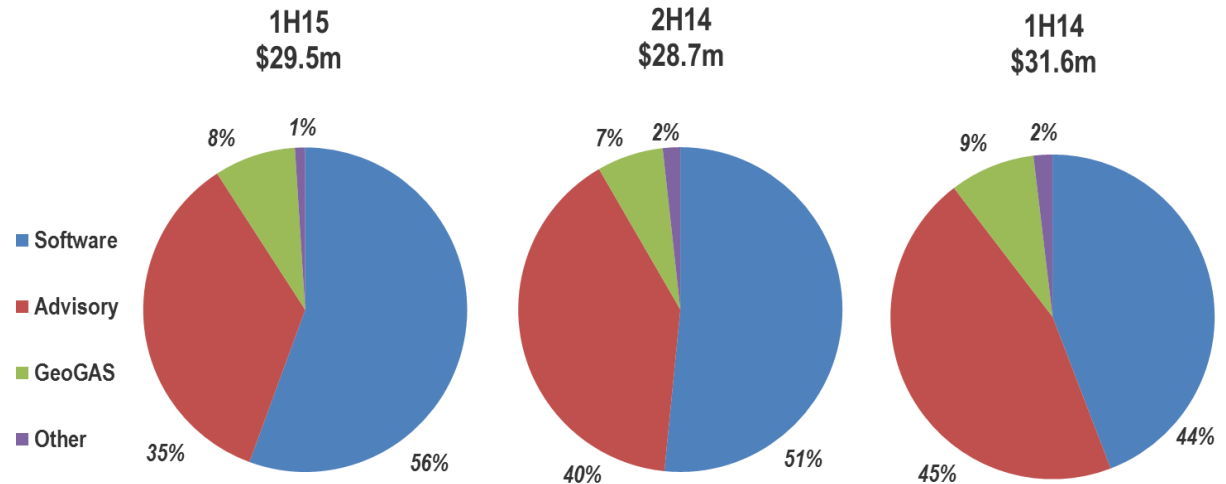
Net Revenue \$29.5m, up 3% on 2H14 due to growth from Software License and Maintenance revenue.

Software Revenue now accounts for 56% of Net Revenue, 1H14, 44%:

- License Sales of \$6.1m, best first half result since listing;
- Maintenance Revenue up 13% on 2H14 to \$6.9m. Best ever half-year result.

Advisory Revenue down 10% to \$10.4m from 2H14.

GeoGAS revenue up 26% on last half due to increased exploration testing volumes.



Division	1H15	2H14	%'var	1H14	%'var
Software	16.4	14.8	11%	14.0	17%
Advisory	10.4	11.5	(10)%	14.4	(28)%
GeoGAS	2.4	1.9	26%	2.7	(11)%
Other (<i>Office sublet</i>)	0.3	0.5	(40)%	0.6	(50)%
Net Operating Revenue	29.5	28.7	3%	31.7	(7)%

Financial Results Summary

A\$'m	1H15	2H14	%'var	1H14	%'var
Net Operating Revenue	29.5	28.7	3%	31.7	(7)%
Field Expenses	(19.6)	(22.1)	(11)%	(22.5)	(13)%
Product & Development Expenses	(3.9)	(3.6)	8%	(3.3)	18%
Corporate Expenses	(4.9)	(4.7)	4%	(4.7)	4%
FX Gain/(Loss)	0.4	(0.7)	(157)%	0.3	33%
Operating Expense	(28.0)	(31.1)	(10)%	(30.2)	(7)%
Operating EBITDA	1.5	(2.4)	162%	1.5	-
Depreciation & amortisation - normalised	(1.5)	(1.8)	(17)%	(1.7)	(12)%
Operating EBIT	0.0	(4.2)	100%	(0.2)	100%
Net finance costs	0.1	0.1	-	(0.2)	150%
Significant items*	(3.0)	(4.1)		(0.4)	
Loss before Tax	(2.9)	(8.2)		(0.8)	
Net Cash	20.4	7.5		6.6	

* Significant items in 1H15 include costs of staff restructuring (\$0.3m) and costs related to restructuring leases for surplus office premises \$(2.7)m. Significant items in 2H14 includes a \$(3.0)m charge for Impairment of Goodwill associated with the Advisory Division, staff restructuring (\$0.6)m and costs related to restructuring office premises \$(0.5)m.

Software Division

Total Software Revenue \$17m, up 16% on 1H14 and 13% on 2H14.

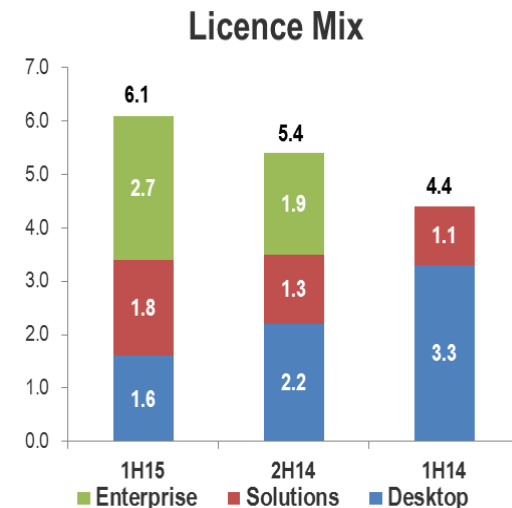
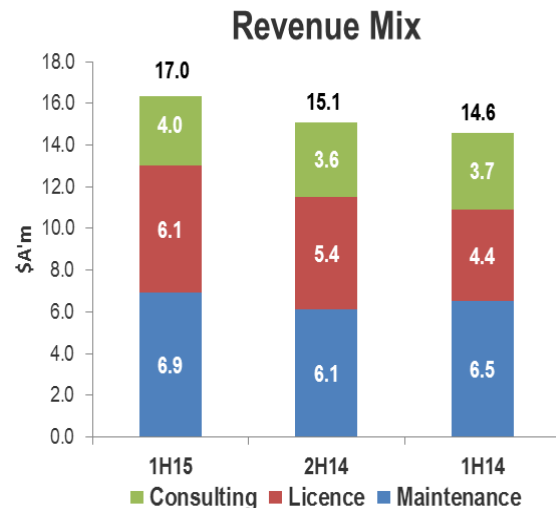
License sales up 39% on 1H14 to \$6.1m:

- \$2.7m of Enterprise product sales (1H14: \$nil), including first Enterprise OMI license sale;
- \$1.8m of Commodity product sales (1H14: \$1.1m);
- Highest first half license sales since listing on ASX in 2008.

Maintenance revenue up 13% on 2H14 to \$6.9m, highest ever half-year result.

Consulting services revenue up by 11% on 2H14 to \$4.0m due to continued product sales.

A\$'000	1H15	2H14	% Var	1H14	% Var
Software revenue	17.0	15.1	13%	14.6	16%
Operating & Direct expenses	(9.5)	(9.6)	(1)%	(8.9)	7%
Gross Contribution	7.5	5.5	36%	5.7	32%
Margin	44%	36%		39%	
Development Expenses	(3.3)	(3.1)	6%	(2.8)	18%
Net Contribution	4.2	2.4	75%	2.9	45%



Advisory Division

Advisory revenue \$13.1m, down 7% on 2H14:

- Australian sourced revenue down 16% to \$3.8m;
- Asian sourced revenue down 9% to \$6.2m.

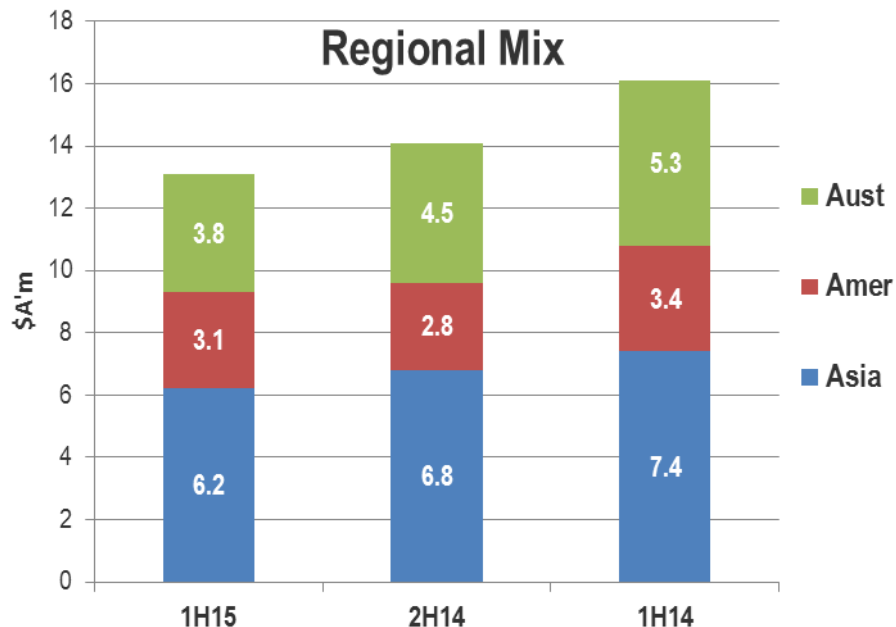
Advisory Division returned a positive contribution in 1H15:

- Contribution \$0.7m, at 5% margin;
- 16% reduction in operating expenses arising from staff reductions;
- Headcount down 8% to 102 at end of half.

Advisory pipeline expected to remain challenging:

- Iron Ore and Oil pricing fall across 1H15;
- Flow on to level of investment and development activity.

A\$'000	1H15	2H14	% Var	1H14	% Var
Advisory Revenue	13.1	14.1	(7)%	16.1	(19)%
Direct expenses	(2.6)	(2.6)	-	(1.7)	53%
Operating expenses	(9.8)	(11.6)	(16)%	(12.9)	(24)%
Contribution	0.7	(0.1)	800%	1.5	(53)%
Margin	5%	-		9%	



GeoGAS Division

Laboratory Revenue up 36% from 2H14 to \$1.9m:

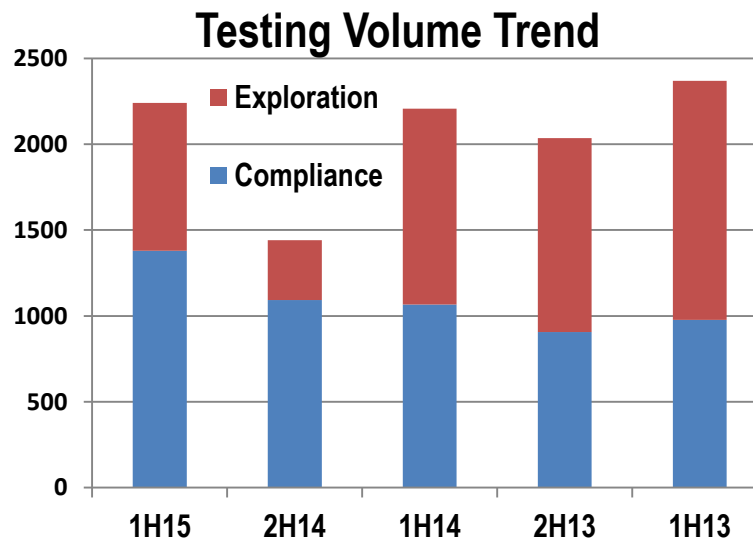
- Continued growth in compliance testing;
- Strong but patchy growth in exploration related testing.

Rationalisation of laboratory operating expenses saw 12% reduction in operating costs from 2H14.

Contribution of \$0.9m up 13% on comparative period despite lower revenue.

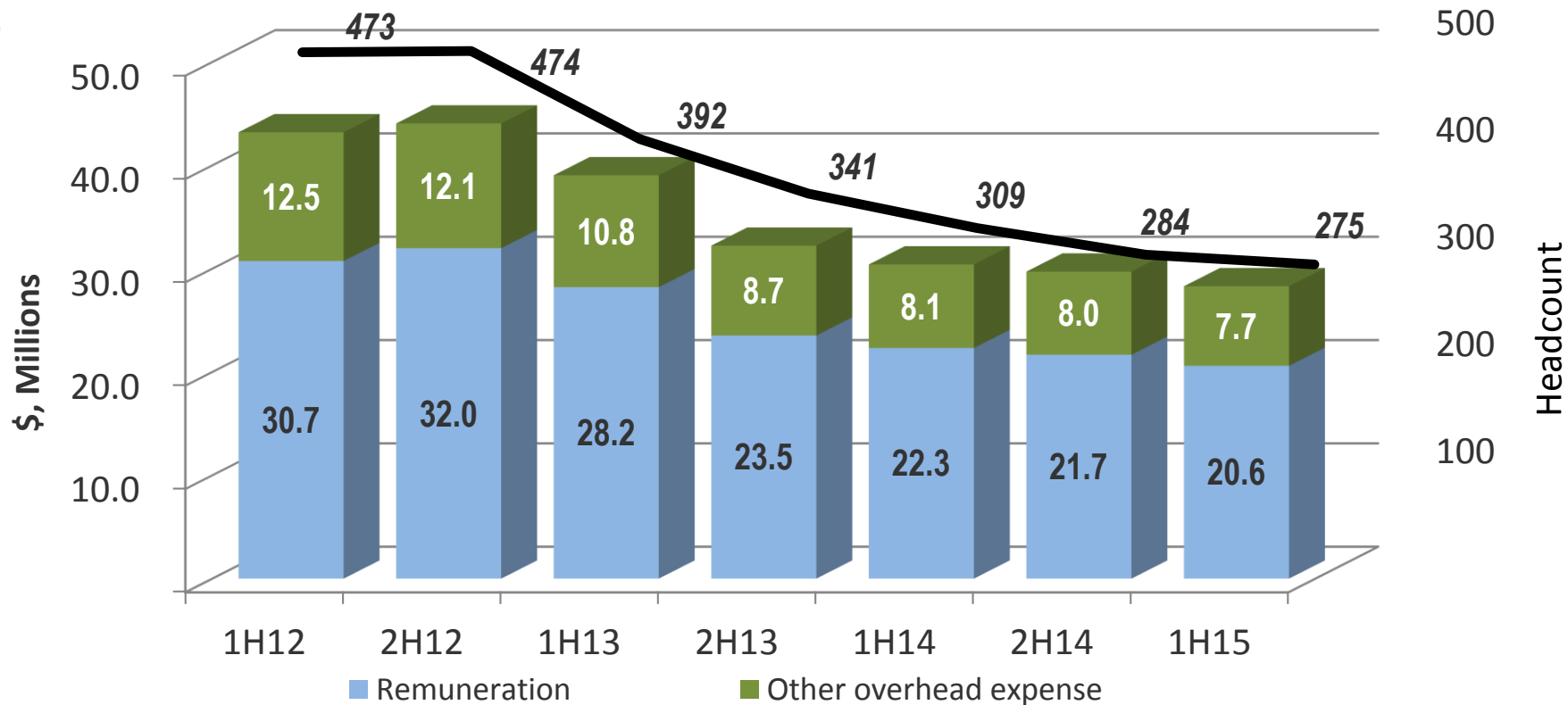
Laboratory capability extended to include relative density and proximate analysis testing, NATA accreditation received.

A\$'000	1H15	2H14	% Var	1H14	% Var
Laboratory	1.9	1.4	36%	2.5	(24)%
Consulting	0.5	0.5	-	0.2	150%
GeoGAS revenue	2.4	1.9	26%	2.7	(11)%
Operating expenses	(1.5)	(1.7)	(12)%	(1.9)	(21)%
Contribution	0.9	0.2	350%	0.8	13%



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

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Significant Items: Restructure of Australian Office Premises

Restructuring of offices leases following staff downsizing is now complete - \$2.4m p.a. saving from FY16.

Brisbane head office lease commences July 2015:

- Space reduced from 4,300sqm to 2,400sqm;
- 5 year sub-lease, inclusive of fitout;
- 61% saving p.a. against current lease.

Sydney office lease assigned from January 2015:

- Assigned term to July 2019;
- space reduced from 1,100sqm to 390sqm;
- 73% saving p.a. against current lease.

FY15 includes \$2.0m in lease non-recurring restructuring costs + \$1.5m in accelerated depreciation on Brisbane head office.

<i>\$'million</i>	FY14	FY15	FY16	FY16 - FY14 Savings	
				\$'m	%
Rent & Dep'n Expense					
Brisbane	2.3	2.2	0.9	(1.4)	(61)%
Sydney	1.0	0.6	0.3	(0.7)	(73)%
Perth	0.6	0.4	0.3	(0.3)	(53)%
	3.8	3.2	1.4	(2.4)	(63)%
Restructure costs					
Brisbane	0.5	-	-		
Sydney	-	1.6	-		
Perth	-	0.4	-		
	0.5	2.0			
Accelerated Dep'n					
Brisbane	0.2	1.5			

Cashflow

\$'000	1H'15	2H'14	1H'14
Cash from operations	(6,110)	2,822	305
Restructure costs : Staff	(766)	(579)	(541)
Restructure costs : Premises	-	(385)	(122)
Property Plant & Equipment	(138)	(474)	97
Capitalised Intangibles	(1,278)	101	(235)
Capital Raising	20,982	-	-
Net Inc/(Dec) in Cash	12,690	1,485	(496)
FX restatement	208	(578)	182
Net Cash/(Debt)	20,419	7,521	6,614

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Software Progress Update

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Software Strategy

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

Underground Coal

Open Cut Coal

Open Pit Metals

Oil Sands

Open Pit Diamonds

Provide **integrated enterprise** solutions

XERAS for Enterprise *XACT for Enterprise*

Operational Mining Integration Platform

SAP® Certified

Integration with SAP Applications

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

HAULSIM

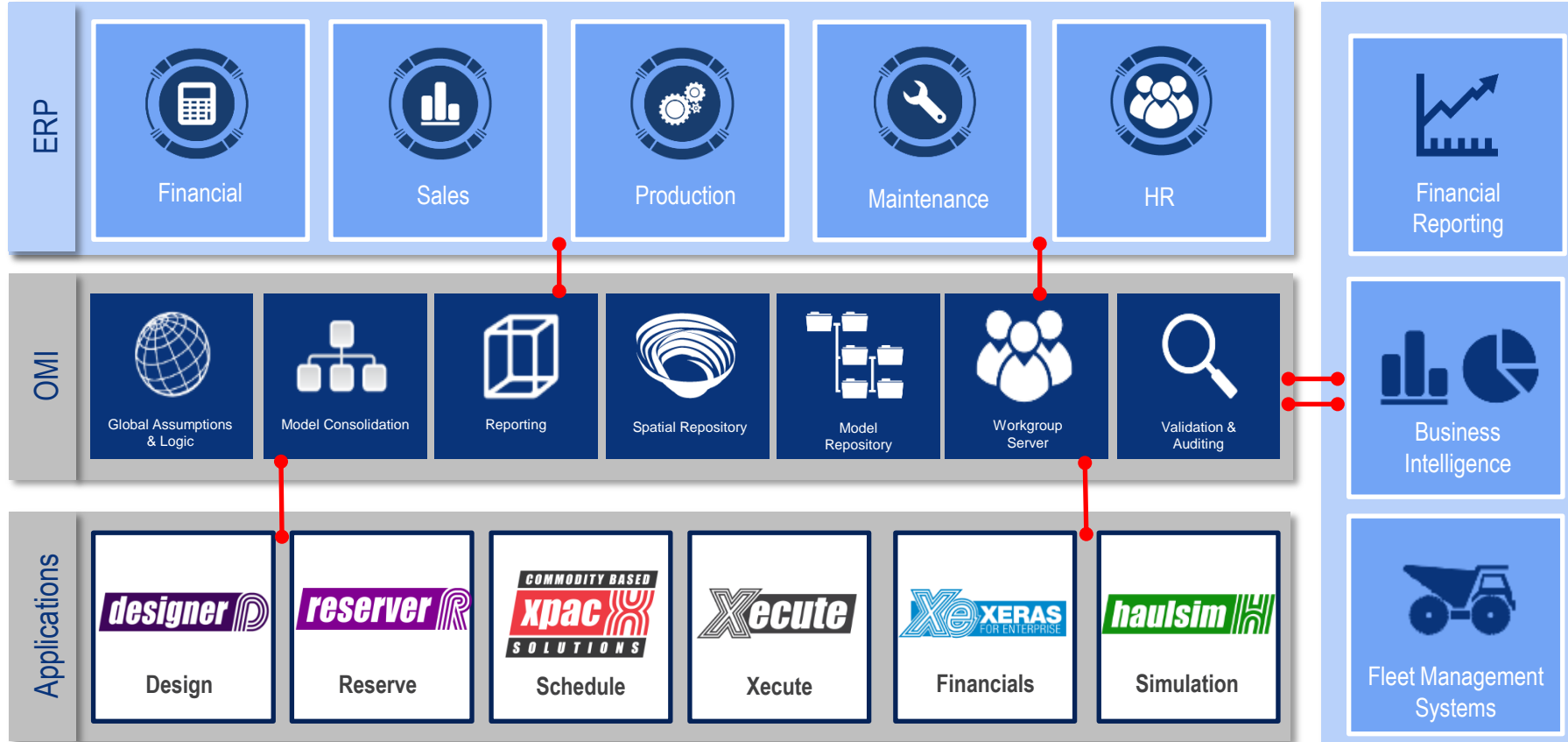
Ultra Short Term



Operational Mining Integration Platform



Operational use
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SAP

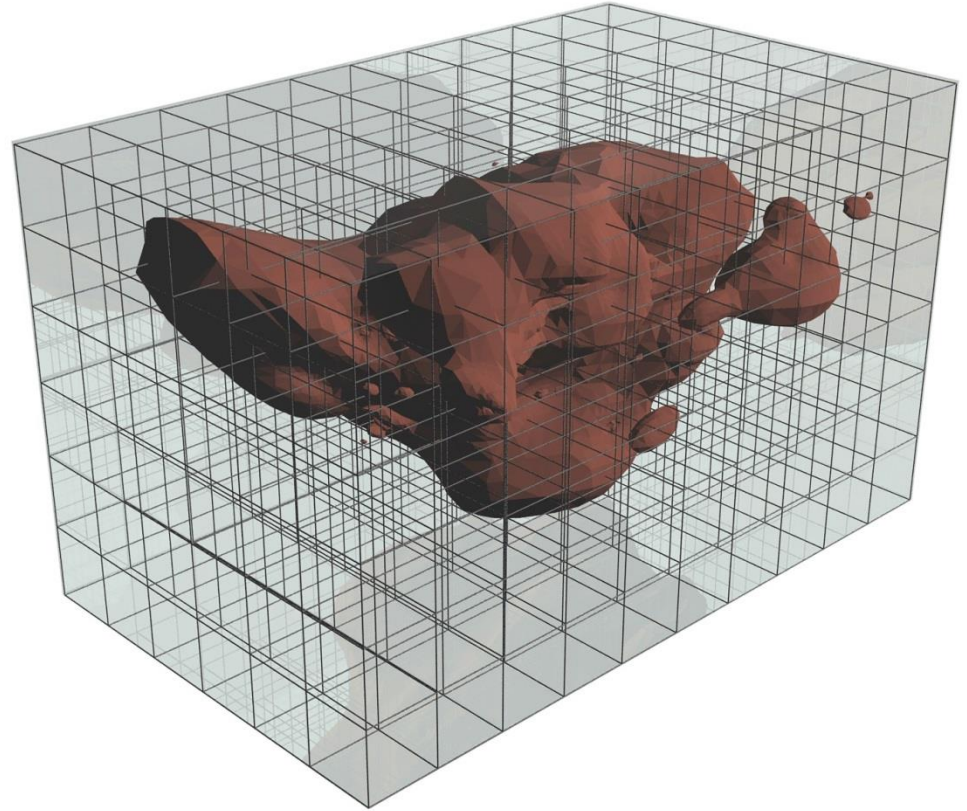


Spatial Repository

In January 2015, the Company acquired the intellectual property rights to a Geospatial management software product.

This software will provide the underlying capability to structure, inventorise, manage and share Geospatial data right across the mining enterprise.

It will provide us with the ability to link and transfer Transactional and Spatial data across the company's key operational systems - planning, inventory, fleet management and corporate.



OMI

Xecute
Application Logic



Dynamic Reserving



Multiuser



Gaming Software



Xecute
Application Logic



Dynamic Reserving

OMI

Integration Platform



Mine2-4D
4th dimension mining

3D Graphics Libraries *



Spatial Database



Graphical Scheduling



Multiuser

Commercial Off the Shelf (COTS)

Prototype

* RPM acquired the non-exclusive rights to the Mine 2-4D software code in August 2014

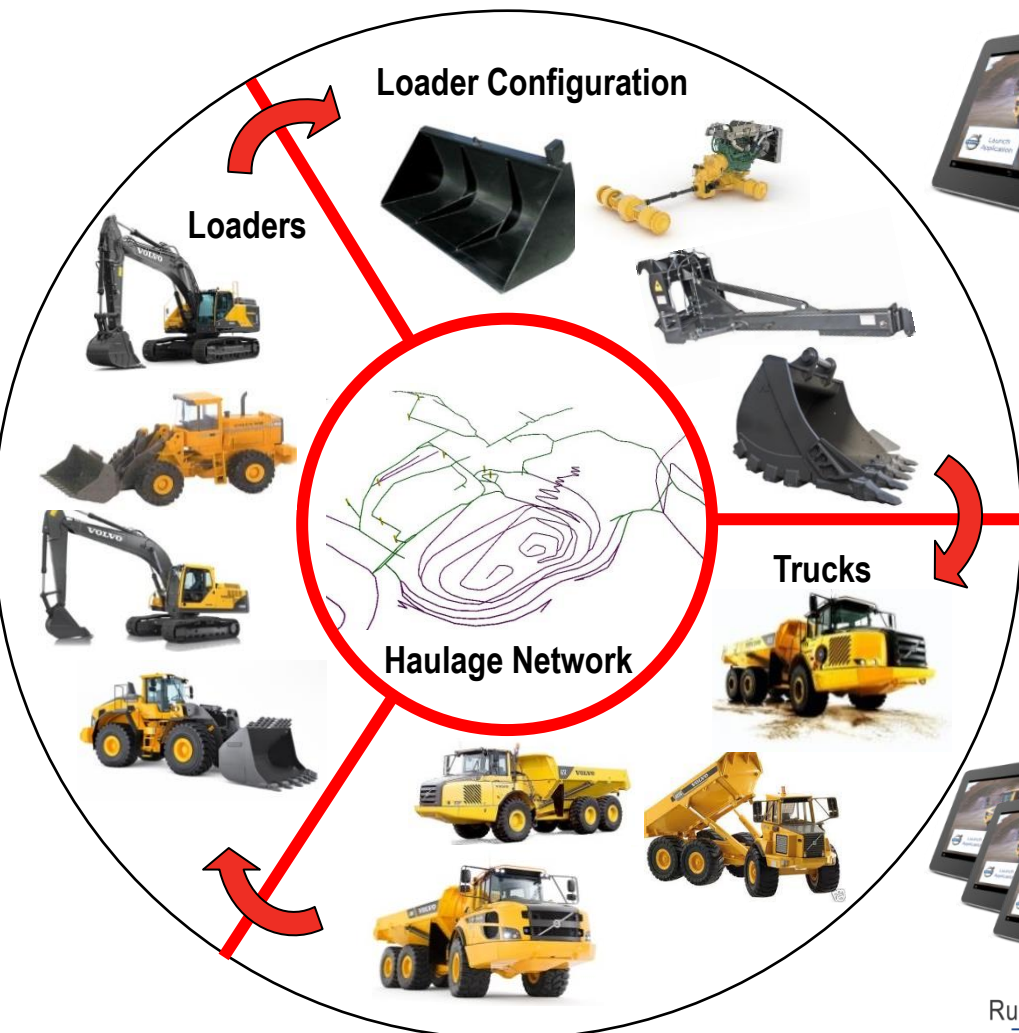
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Material Type



Annual Production Target



H1 Version Releases

OPMS 1.2 (July 2014)

- Enterprise Integration with the OMI Platform
- Irregular Shaped Blocks
- Localised Equipment Deployment Rules/Constraints

OPMS 1.2.1 (September 2014)

- Interactive Scheduling - Manual Override
- Dynamic Scheduling - Hybrid (Manual & Automatic)
- Road Network Intensity Graphics

OPMS 1.3 (December 2014)

- HAULSIM Integration
- Equipment Capacity Utilisation Analysis
- Multi Resource/Destination Performance Improvements
- Block Model Detailed Resolution

OPMS tackles the complex challenges involved in mine scheduling by integrating each task from geology to haulage planning and reporting

Customers





XERAS for Enterprise uses a streamlined process which provides consolidated budgets, true plan vs. actual analysis and dynamic reforecasting to give a future view of the company's financial position

H1 Version Release

XERAS 8.3 (October 2014)

- Major Performance Improvements
- Advanced Data Synchronisation - Match and Append
- Usability Improvements

Major Transformation - XERAS 9

- True Client Server Architecture
- State of the Art User Interface
- New Calculation Engine
- Model Repository
- Event Driven Architecture



Customers



G-RESOURCES





HAULSIM accurately models mine haulage systems so a user can visualise every aspect of their haulage environment (trucks, loaders, routes, etc.) and see how changes would impact the mine's financial performance

H1 Version Releases

HAULSIM 1.1 (July 2014)

- Load and Carry
- One Lane Road Rules
- Underground Ore Passes
- Truck and Loader Groupings

HAULSIM 1.2 (December 2014)

- One Way, No Through Roads
- Conveyors
- Load Points
- On Demand Travel Time
- Integration to OPMS

Customers



ILUKA



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SOUTHERN PERU



GLENCORE

Rio Tinto



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The material in this presentation is a summary of the results of RungePincockMinarco Limited (RPM) for the six months ended 31 December 2014 including historical financial information from prior half year's results as announced to the market and an update on RPM's business and activities and is current at the date of preparation, 16 February 2015. Further details are provided in RPM's Appendix 4D - Half Yearly Results - 31 December 2014 released on 16 February 2015 and RPM's Appendix 4E and Annual Report for the full year ended 30 June 2014 released on 20 August 2014.

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