

2015 Annual General Meeting Chairman's and Managing Director's Addresses

RungePincockMinarco Limited ACN 010 672 321

Annual General Meeting Held at:

Location	Cliftons Conference Centre Brisbane, Level 24, 288 Edward Street, Brisbane, Queensland, Australia
Date	Friday, 23 October 2015
Time	10:00 am (Brisbane time)

Chairman's Address

Dear fellow shareholders,

The 2015 financial year was another challenging one for the mining industry.

Low cost producers have continued to expand production, with supply growth outstripping demand growth.

Commodity prices have also largely declined over the last year, especially in iron ore, coal, and copper – representatively the three biggest commodities that our Company's products and services support.

The year was also another grim one for exploration companies whose ability to raise capital in the current market continues to be very limited.

We expect most of our clients to be subjected to similar market pressures in the year ahead.

As you would expect, we too were negatively impacted by these market influences. Our Advisory and Laboratory business units both suffered reduced demand. In addition, pricing competition for the small number of Advisory projects available continued to intensify which adversely impacted our project margins.

In last year's report I assured our shareholders that we would closely monitor the dynamics and unfolding events within the market and respond swiftly and decisively if needed. This we have done, with downsizing occurring in both the Advisory and GeoGAS Laboratory divisions due to reduced workload. As such our operating costs have again come down and we retained a tight cap on our capital expenditure.

The Company undertook further Advisory and GeoGAS restructuring during the year in response to declining revenues, with Advisory operating costs down 21% and GeoGAS operating costs down 17%.

Redundancy costs associated with these changes in the 2015 financial year were \$1.3 million. The staff restructuring which was undertaken during the year will result in annualised savings in employee costs of \$3.8 million.

We also moved into smaller and cheaper office accommodation in Brisbane, Sydney, Jakarta, Toronto and Gillette, with similar changes planned this year for Denver and Santiago, which significantly reduces our ongoing fixed costs.

As a result of the premises restructure, the Company booked \$1.5 million in once-off accelerated depreciation and onerous lease obligations of \$1.9 million this financial year. The annualised savings in premises costs as a result of these accommodation changes is \$1.4 million.

The near term outlook of the Advisory business remains constrained, with no clear indicators that the market is about to turn any time soon. Because of this, the Company has recognised a non-cash impairment of \$2.5 million to the Goodwill of the Advisory division.

Through-out this difficult period we have ensured that we retained our core capabilities, capacity and quality.

While we have reduced the operating costs of the business, we have continued to invest in our technology products. We have added additional features and functionality to our products and released a new Commodity Based Solution specifically for Quarries, a new Ultra Short term scheduling product (XECUTE) and an Equipment Simulation product for Original Equipment Manufacturers (SIMULATE).

Following the capital raising which I referred to at last year's AGM, we strategically acquired a copy of the intellectual property in three key mining technology products. The first occurred early in the year when we purchased a copy of the Mine Design software Mine 2-4D from South African company MineRP. In December 2014 we acquired a copy of a Spatial Repository Database from PrimeThought also a South African company, and then at the end of the year we purchased a copy of the FlexSim simulation engine which drives our HAULSIM and SIMULATE products from US based company FlexSim.

This investment in the software division generated a 62% increase in Software Licence revenue for 2015. This percentage increase, which we believe is the highest in the industry, is a clear illustration of the success of the company's software strategy.

Software now represents 58% of the revenue of the business (2014: 48%) and appropriately resulted in Standard and Poors reclassifying RPM in August 2015, as a "Software and Services" company under the "Information Technology" sector global industry classification standard (GICS) rather than as a Mining Services Company.

We have also seen another year of shareholder consolidation with the number of shareholders in the Company dropping to 750 and the percentage of shares held by financial institutions at the end of September 2015 increasing to 58%.

The Board has resolved not to pay a dividend this financial year.

It has been another difficult year which has tested everyone in the business and I would like to acknowledge the effort and commitment our staff demonstrated during the year. As a Board, we support and commend Richard and his management team for making timely and appropriate decisions in response to market conditions and the significant progress made in the year on delivery of our software strategy.

The near term outlook for the Advisory and GeoGAS businesses remains tough; however, longer term fundamentals remain positive. We believe both businesses will report improved performance in 2016 on reduced revenue expectations.

We remain excited about the momentum of the software division. The newly released products are each supported by initial customers which positions us well leading into the 2016 financial year. There is no doubt that the Company took another major step forward during the year in relation to its competitiveness and relevance to the software industry.

I would like to once again thank you, our Shareholders, for your continued support and encouragement.

Managing Director's Address

Thank-you Allan.

Today I would like to cover two key topics:

1. How are we positioned competitively?
2. What progress have we made on the software business?

I have a short presentation I would like to take you through which addresses these two topics.

The Company's operational financial performance in 2015 was better than in 2014. Additionally, from a competitive positioning perspective we again made good progress during the last twelve months.

Demand for mining Advisory services, desktop software products and coal gas exploration testing was again severely impacted by the pressure on commodity prices and the associated drive from mining companies to reduce their overall costs.

Our Advisory division and GeoGAS division are both sensitive to coal exploration which was almost non-existent during the year. Demand for services associated with bank financing and company listing activities were all less than the previous year which had an obvious knock-on impact on the Company.

The Research and Development team have had another busy year. During the year, we released new versions of our desktop products and released one new Commodity Based Solution for Quarries as well as an Ultra Short Term scheduling product (XECUTE) and an advanced Simulation product for Original Equipment Manufacturers (SIMULATE).

Once again the Open Pit Metals Solution and XERAS for Enterprise both had particularly good years in terms of software license sales. 2015 also saw the first sales of our Enterprise Planning Framework (EPF) and our Ultra Short Term Planning product XECUTE.

As Allan spoke about we acquired three new pieces of technology during the year all of which we are building into our technology products as quickly as we can. Management is firmly of the opinion that the investments made over the last three years have laid the foundation for growth now that the value propositions of our new products are becoming better understood and accepted by the market.

We continue to work closely with the other major technology providers to the mining industry to extend our integrated offering. This relationship is providing our joint customers with real productivity opportunities.

We are expecting mining companies to continue to focus on productivity improvements in the year ahead. Whilst Management believes our Advisory business will remain under pricing pressure during the 2016 financial year we also believe that it has grown market share over the last 12 months.

Whilst we see little change in the demand for desktop products, we are enthusiastic about the way our Commodity Based Solutions and enterprise products are being accepted by the market. We believe that our relationship with SAP and the progress we are making to get our products to the enterprise level is positioning us as the only credible enterprise technical mining vendor to the major mining houses of the world. We appreciate that it will take time to win the hearts and minds of the corporate offices across the industry but we are now seeing real progress in this area.

The cost structure changes and the productivity improvements we made during the 2015 financial year have positioned us well for a successful year ahead.

Thank you once again for the opportunity to share with you the progress we are making and our plans for the future.