



BABYLON

PUMP & POWER LTD



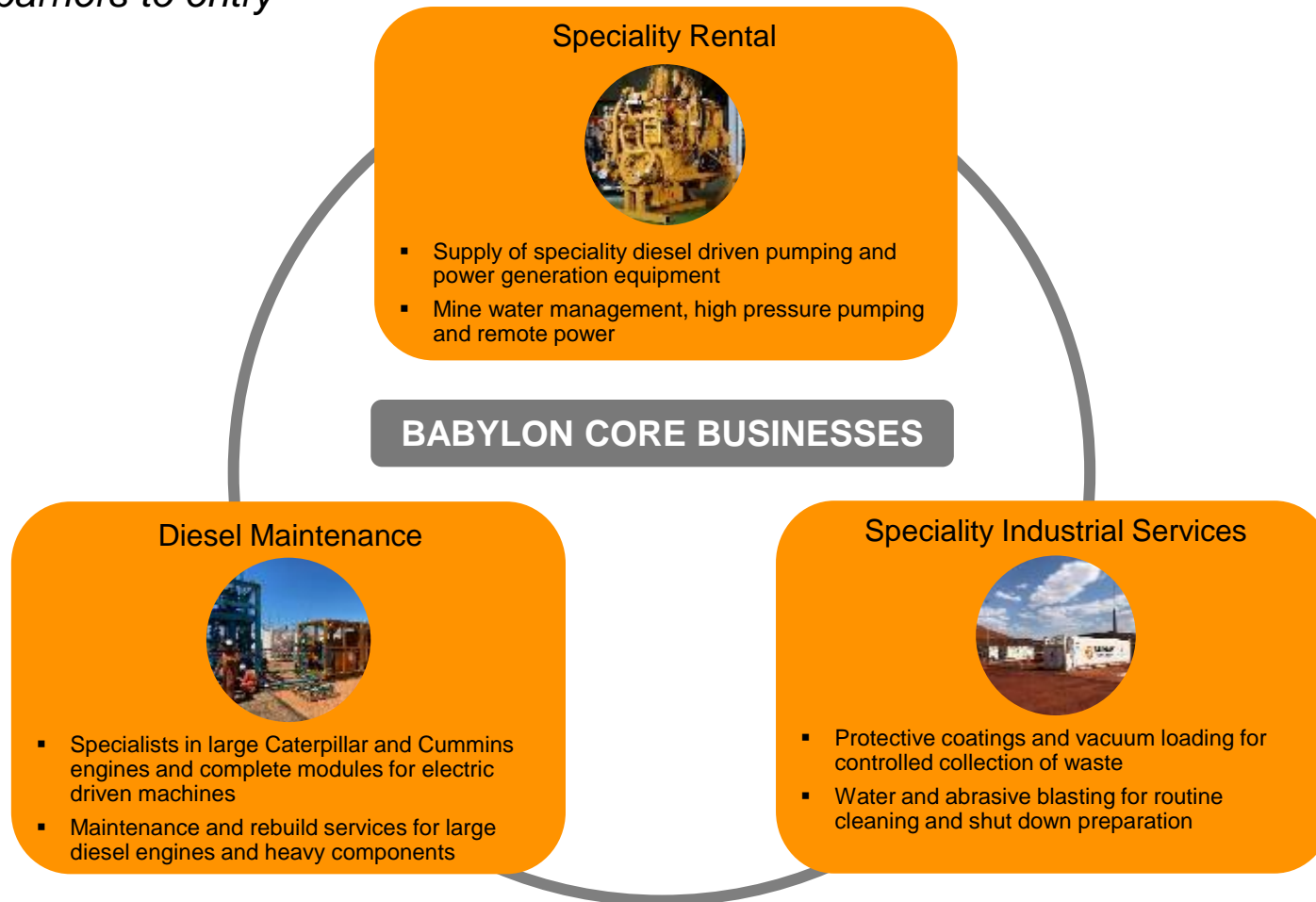
INVESTOR PRESENTATION FY21 YEAR END RESULTS & GROWTH OUTLOOK

SEPTEMBER 2021

ASX: BPP

A RAPIDLY GROWING SPECIALIST MINING SERVICES PROVIDER

Delivering multiple specialised complementary offerings to the resource & industrial sectors, all with high barriers to entry



FY2021 FINANCIAL HIGHLIGHTS

Babylon has and aims to continue to achieve strong growth, servicing major mineral producers and top tier resource service providers throughout Australia's mining states of Western Australia and Queensland

Record Revenue
\$21.3M - up 24%
(FY20 \$17.2M)

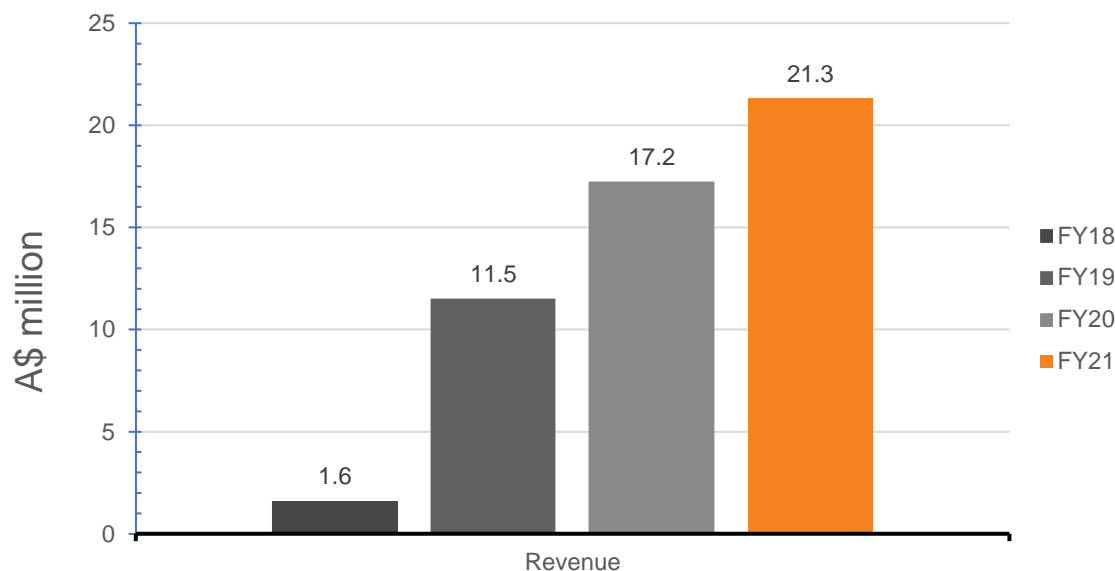
Cash & Undrawn
debt facilities
\$6.1M

Return to
Positive
Operational Cash
Flow in Q4 FY21

**Significant future growth opportunities
across all business segments in FY22 and beyond**

RECORD FY21 REVENUE DELIVERED

Achieved strong FY21 growth servicing major mineral producers as well as top tier resource service providers throughout Western Australia and Queensland



| | FY19 (\$) | FY20 (\$) | FY21 (\$) |
|------------------------------|------------|------------|-------------|
| Operational Revenue | 11,509,158 | 17,199,633 | 21,331,973 |
| Adjusted EBITDA ¹ | 109,814 | 1,059,070 | (1,278,016) |

Note 1: FY21 adjusted EBITDA includes non-cash impairment of goodwill of \$1,049,233, as well as non-recurring cash expenses.

- ▶ Revenue up 24% to \$21.3m (FY20 \$17.2m)
- ▶ Return to positive net operating cash in Q4 FY21
- ▶ Cash and undrawn debt facilities of \$6.1m
- ▶ Increased total finance facilities from National Australia Bank Limited to \$13.5M (\$5.1M undrawn)
- ▶ Negative adjusted EBITDA in FY21 largely reflects commitments to expand revenue pipeline in FY22 through service exchange engine programs
- ▶ Commitments have resulted in year over year increase of c\$3M of service exchange engine stock and WIP driving a strong start to FY22 with record Q1 revenue

FY21 HIGHLIGHTS TO DRIVE FY22 GROWTH

Completed acquisition of assets from Tilbrook Ryder Investments Pty Ltd

- Rental assets mobilising through Primepower Queensland and increased asset utilization to improve FY22 profitability

Completed acquisition of Pilbara Trucks Pty Ltd trading as Ausblast

- FY22 Contract wins for Ausblast will boost Industrial Services segment utilising existing assets
- Significant quoting to new and existing clients to further drive the segment in FY22 and beyond

Significant investment in core engines for diesel maintenance service exchange programs

- Positions Babylon for larger, more profitable contracts with recurring works
- Immediate benefit in FY22 from recent contract wins and forecasted future benefit with recurring works
- Multiple service contracts with top tier operators for recurring works are in final negotiations

FY22 GROWTH PROSPECTS



1) SPECIALITY RENTAL

Growth Outlook – more assets, increasing utilisation

- Continued investment in FY21 of high horsepower pumps providing return in FY22 with greater asset utilisation
- Assets placed in PPQ in FY22 have expanded rental footprint with projects mobilising Q1 FY22
- Ongoing rental contracts on Barrow Island, BHP, FMG and Koolan Island providing steady return while contract engagement is providing for more site opportunities



- Received a second extension of Power Generation Contract with BHP Iron Ore in FY21 and site presence has provided the company to quote more works for FY22
- Dewatering assets acquired during the year deployed to Koolan Island for long term contract
- Air assets deployed long term to support drilling contractor
- Pump rental fleet expanding as component assets are assembled and readied for market H1FY22

2) DIESEL EQUIPMENT MAINTENANCE

Growth Outlook – transition to more profitable SX model

- Record levels of enquiry with significant quotes for rebuild programs FY22-FY23 outstanding
- Service exchange engines completed in FY21 contributing to revenue in Q1FY22 as multiple service exchange engines have already secured customer commitments
- Initiatives to secure long term recurring maintenance programs have resulted in project wins with Alcoa, Yancoal and Griffin to complement existing work with iron ore miners such as FMG and Citic Pacific



- Organisational improvements at Primepower QLD will centralise operational planning and back-office functions for immediate savings and increased efficiency
- Investment in field service vehicles and personnel in Q1FY22 will increase revenue and serve as frontline business development with increased site presence in WA & QLD

3) SPECIALITY INDUSTRIAL SERVICES

Growth Outlook – increase utilisation, diversify base

- Increasing asset utilisation and high levels of client enquiry are delivering results in H1FY22 and positioning the segment for continued growth through FY22 and beyond
- Projects have expanded from traditional iron ore base to other minerals including lithium and oil & gas works for FY22
- Multiple significant tenders and proposals are outstanding for works with the expectation this business unit will become a significant contributor to group profit in FY22
- Dedicated Business Development Manager in place for FY22 to drive growth and diversification of client base



- FY22 shutdown works with partners scheduled on new sites including Roy Hill and multiple Rio Tinto and BHP sites
- Asset valuation at completion resulted in \$1.8m gain offsetting goodwill in FY21
- Long lead times and high capex requirement for new assets present a high barrier to entry for others



GROWING TIER 1 CLIENT BASE

Babylon services the iron ore, gold, nickel, and oil & gas sectors with significant opportunities in infrastructure, alternative energy and other commodities in Western Australia and in Queensland through its subsidiary Primepower QLD



BHP



FMG Fortescue



Rio Tinto



ALCOA



MINERAL RESOURCES



PILBARA MINERALS LIMITED



SOUTH32



Force by Emeco



Vestas



MACMAHON

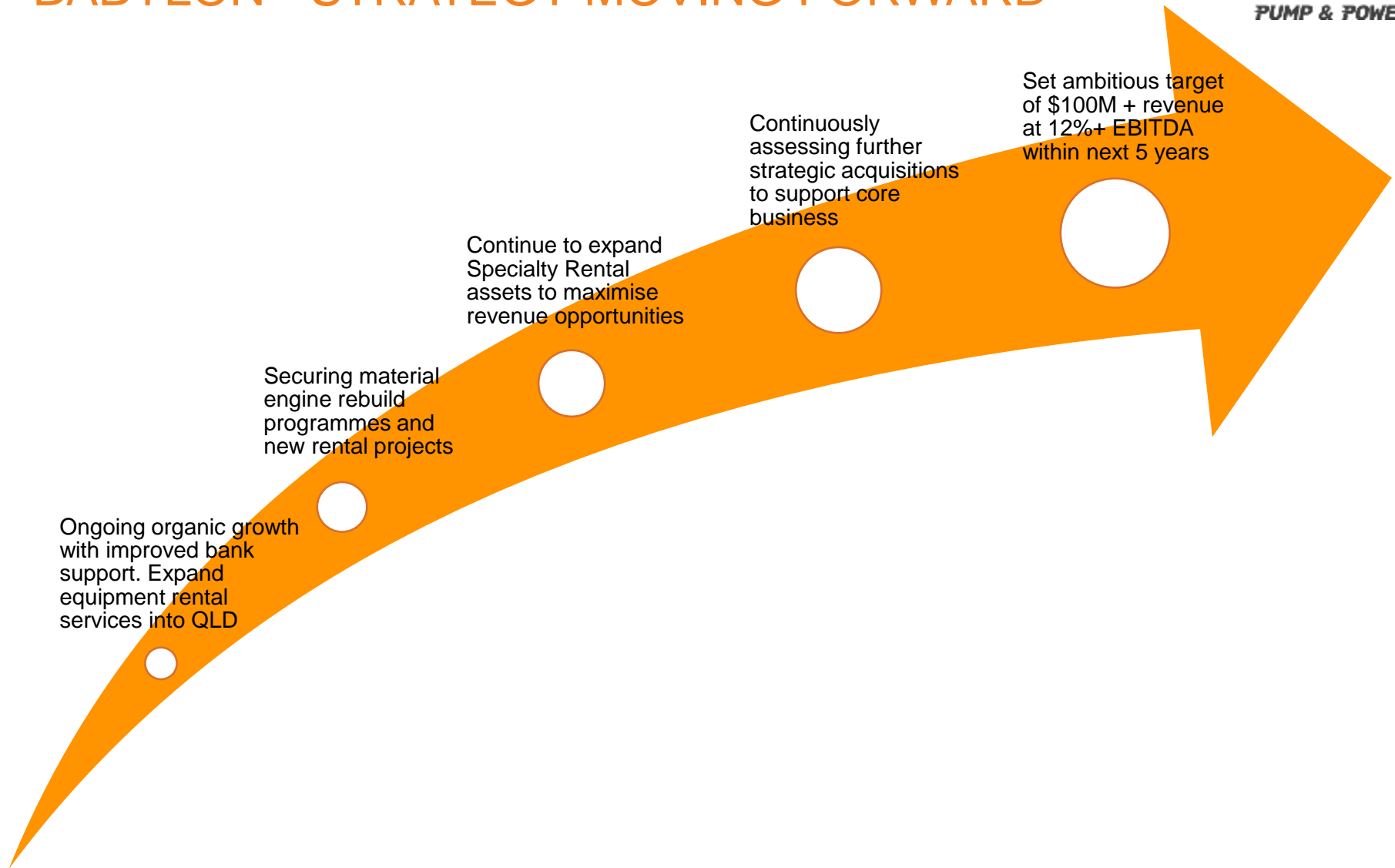


NEWCREST MINING LIMITED



ANGLO AMERICAN

BABYLON - STRATEGY MOVING FORWARD



POSITIVE OUTLOOK

Key growth drivers have not changed

- Market demand for asset maintenance and need for specialty solutions in resource sectors

Demand for specialty services & rental equipment increasing in FY22

- Existing specialty fleet will be utilised with new rental and specialty services project work in FY22 at gold, lithium and iron ore producers

COVID restrictions are increasing the lead time for new gear

- This provides a further incentive to rebuild existing equipment and rent specialty service equipment

Barrier to New Entrants

- Equipment lead times coupled with high CAPEX requirement provide barrier for new entrants in specialty services

Locally based workforce

- No cross-country or international FIFO workers, which has minimised workforce disruption from COVID travel restrictions

Continuing support of primary bank lender

- Increase in finance facilities completed in FY21 to support growth in FY22 and beyond

CORPORATE SNAPSHOT

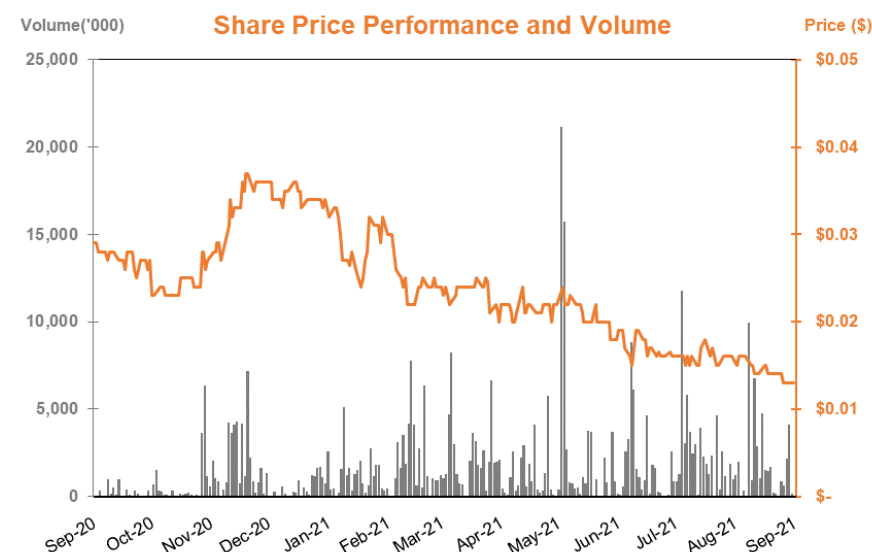
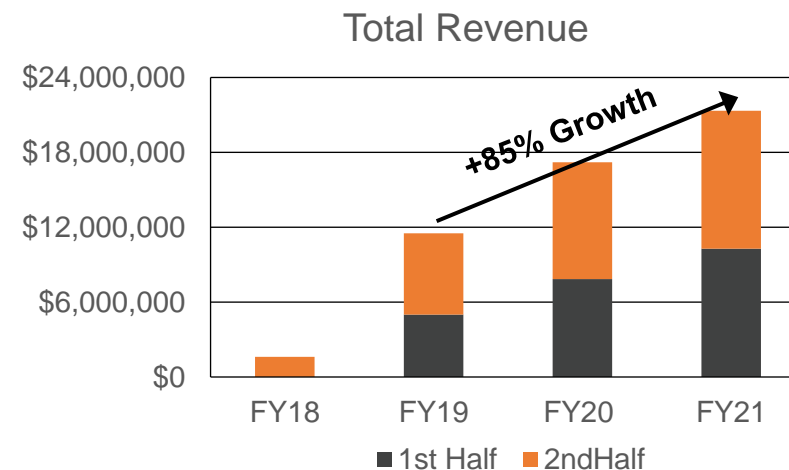
| ASX Code: BPP | |
|---------------------------------|-------|
| Ordinary Shares | 1151m |
| Performance Rights | 116m |
| Market cap (@ 1.3 cents) | \$15m |
| Average Monthly Volume (shares) | 46m |
| Top 20 Holdings | 49% |

Directors & Senior Management

| | |
|------------------|--|
| Michael Shelby | Executive Chairman |
| Patrick Maingard | Executive Director |
| Michael Kenyon | Non Exec. Director and Company Secretary |
| Craig Batterham | National General Manager |
| Alan Ings | Chief Financial Officer |

Substantial & Major Shareholders

| | |
|---|-------|
| G & N Lord Superannuation Pty Ltd & other entities controlled by Geoff Lord | 16.6% |
|---|-------|



INVESTMENT HIGHLIGHTS

- ▶ EXPERIENCED OPERATIONAL AND MANAGEMENT TEAM
- ▶ RECORD REVENUE AND RECORD ENQUIRY LEVELS TO DRIVE CONTINUED GROWTH
- ▶ POSITIONED FOR FUTURE GROWTH AND PROFITABILITY AFTER FY21 INVESTMENT IN THE BUSINESS
- ▶ ROBUST CASH POSITION TO FUND FURTHER EXPANSION
- ▶ INCREASING UPTAKE FROM SOME OF THE WORLD'S LARGEST MINING CLIENTS
- ▶ HIGH BARRIER TO ENTRY LIMITS COMPETITORS



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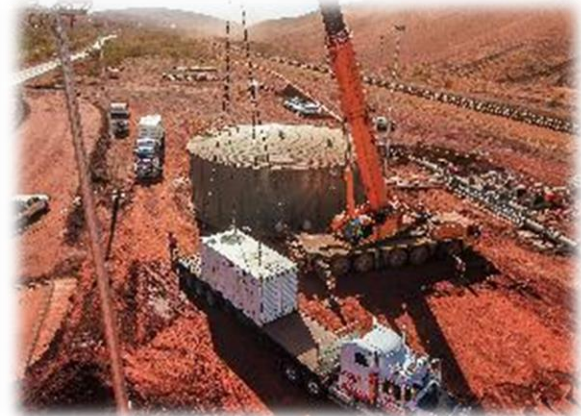
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