

RPMGLOBAL

FY2020 HALF YEAR REVIEW



RPMGLOBAL

INTELLIGENT MINING

GLOBAL CLIENT BASE

COAL & ENERGY IRON ORE
COPPER, GOLD & METALS
OIL, POTASH, DIAMONDS



GLOBAL COMMODITY LEADERS

50 YEARS | **125** COUNTRIES
22 OFFICES
GLOBALLY



OUR VALUES

DRIVE OUR VISION
TO TRANSFORM THE
MINING INDUSTRY
FOUNDATIONS



TO INCREASE
ECONOMIC AND
EFFICIENCY YIELDS

OPERATING
ENVIRONMENT AND
PERSONNEL SKILLSET



WE VALUE OUR HISTORY, OUR EXPERIENCE,
OUR PEOPLE AND OUR INNOVATION

DIGITAL CONNECTED MINE



DELIVER VISIBILITY,
TRANSPARENCY AND
CONTROL ACROSS THE
MINING VALUE CHAIN

MAXIMISE
PROFITABILITY &
PERFORMANCE



ENTERPRISE PLATFORM

INDUSTRY STANDARD, STRATEGIC PARTNERSHIPS
INTEGRATED APPLICATIONS

COAL

RPM software is used on all 6 coal producing continents.



IRON ORE

60% of the world's export iron ore is scheduled using RPMGlobal software



GOLD

The top 10 gold miners in the world use our software across their global operations



OIL SANDS

All of Canada's oil sands mines uses RPMGlobal scheduling software



ZINC

Some of the world's largest zinc producers use RPMGlobal planning and financial software.



GLENCORE

DIAMONDS

The world's largest diamond miners utilise software from RPMGlobal across their operations.

DE BEERS
A DIAMOND IS FOREVER

RioTinto



URANIUM

The world's largest uranium mines use RPMGlobal specialised software and expert consultants.

AREVA

BHP

RioTinto



COPPER

4 out of the world's top 5 copper producers rely on RPMGlobal software and consultancy services.



Teck



GLENCORE



Diversified Client Base

Global Resource Leaders



Global Commodity Leaders



Global Mining Contractors



Original Equipment Manufacturers



Financial Institutions



ADVISORY

INVESTOR SERVICES

550+ INVESTOR SERVICES
PROJECTS PAST 5YRS

\$60 BILLION EQUITY
MARKET TRANSACTIONS
40+ IE LENDERS
**ENGINEER
ENGAGEMENT**



WORKING WITH THE
TOP 10
LEADING GLOBAL COMMERCIAL
AND INVESTMENT BANKS

WORKING FOR ALL MAJOR
MINING PRIVATE EQUITY FIRMS

SUPPORT FOR \$15
BILLION SUCCESSFUL
MINING M&A DEALS
(ESPECIALLY NORTH ASIA TO THE WORLD)

**>300 TECHNICAL
REVIEWS***

PARTNERING WITH ALL KEY SOVEREIGN WEALTH FUNDS



30+ EXPERT
WITNESS
CASES

*PAST FIVE YEARS GLOBALLY

OPERATIONAL SERVICES

150+ 
OPERATIONAL
SERVICES PROJECTS*
\$35M
CAPEX SAVINGS IN FLEET
FOR A SINGLE ASSET

30% INCREASE IN
RESERVES FROM
ADDITION OF BLENDING IN
LATERITIC DEPOSIT

**10% DECREASE
IN CONGESTION**



>120
MINE PLANNING
STUDIES*

**LEADER IN COAL BED
METHANE ASSESSMENT**

*PAST FIVE YEARS GLOBALLY

PROJECT SERVICES

620+ **OVER 65**
MINING **PFS/FS**
SERVICES PROJECTS

**OVER 40 UNDERGROUND
METAL STUDIES**

OVER 100
NI 43-101/JORC
RESOURCE STATEMENTS*



**EQUAL CAPABILITY FOR
COAL AND METALS PROJECTS**



OVER 50
CONCEPTUAL
AND SCOPING STUDIES

OVER 150 EXPLORATION,
GEOLOGICAL ADVICE
AND REVIEWS

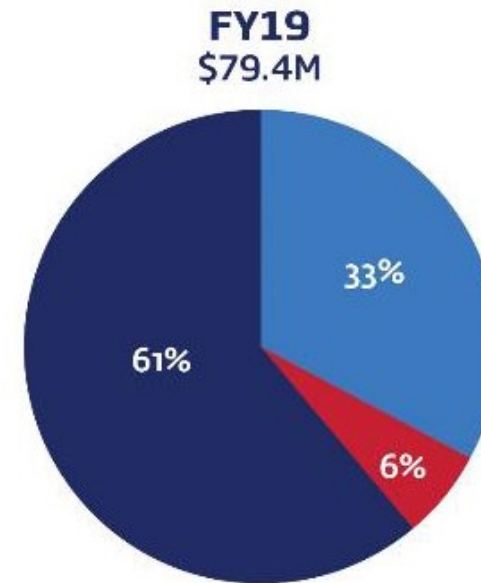
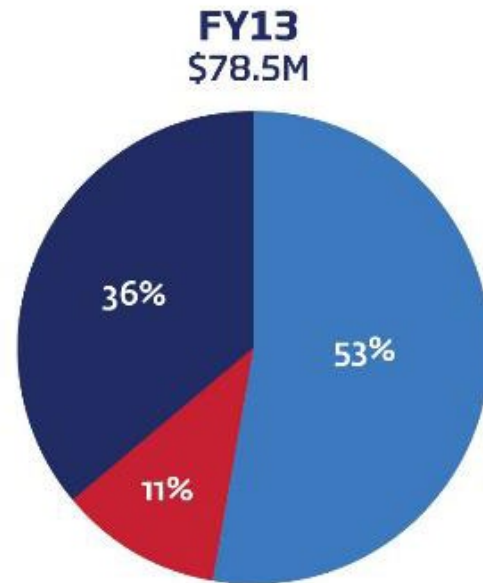
INTRODUCTION OF MODERN
PLANNING AND TECHNOLOGY
PRACTICES IN 5
DEVELOPING COUNTRIES

**OVER 80 NI 43-101/JORC
RESERVE STATEMENTS***

*PAST FIVE YEARS GLOBALLY

Historical Comparative Revenue by Division

(FY2013 v FY2019 Comparative)



Software

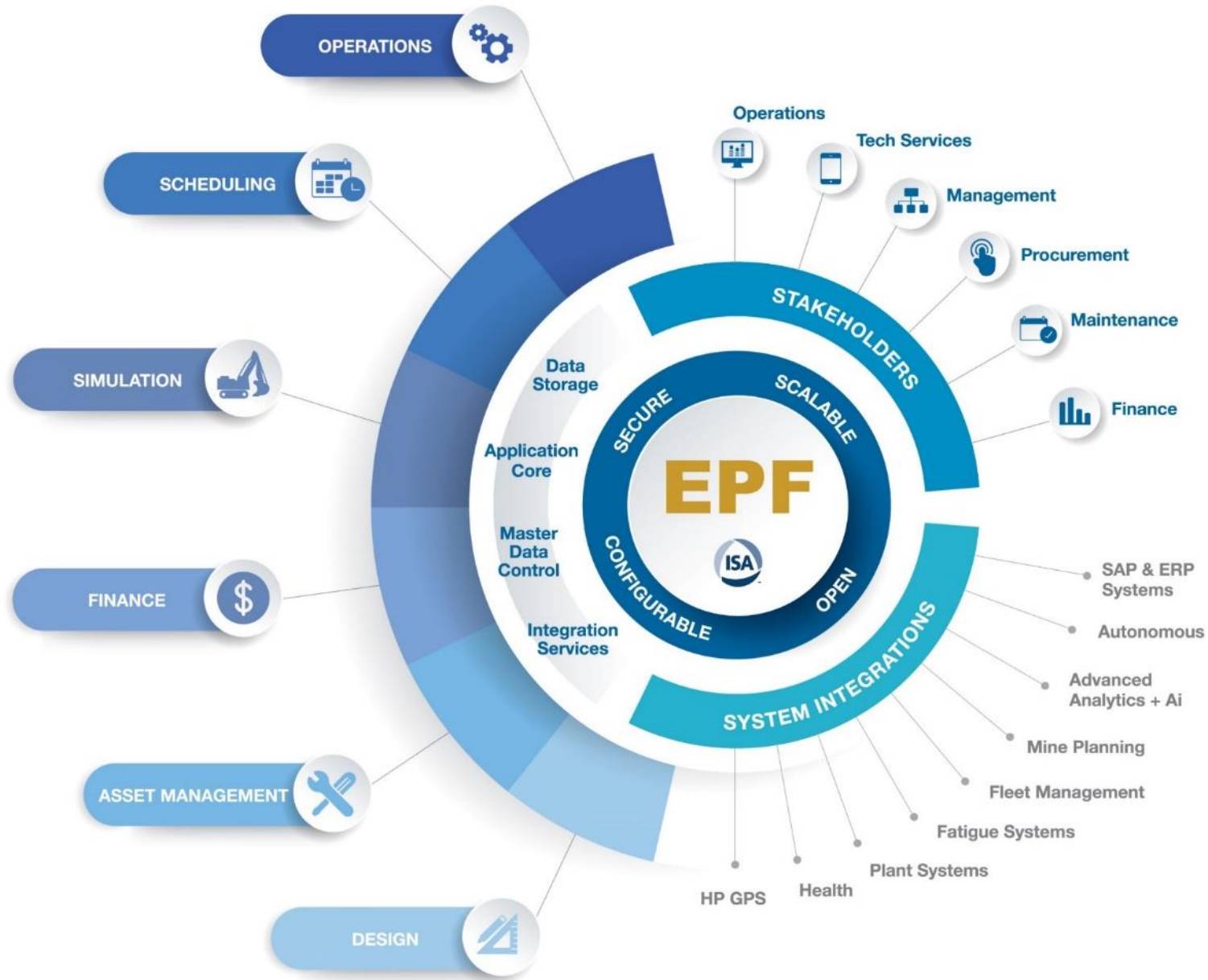


Advisory

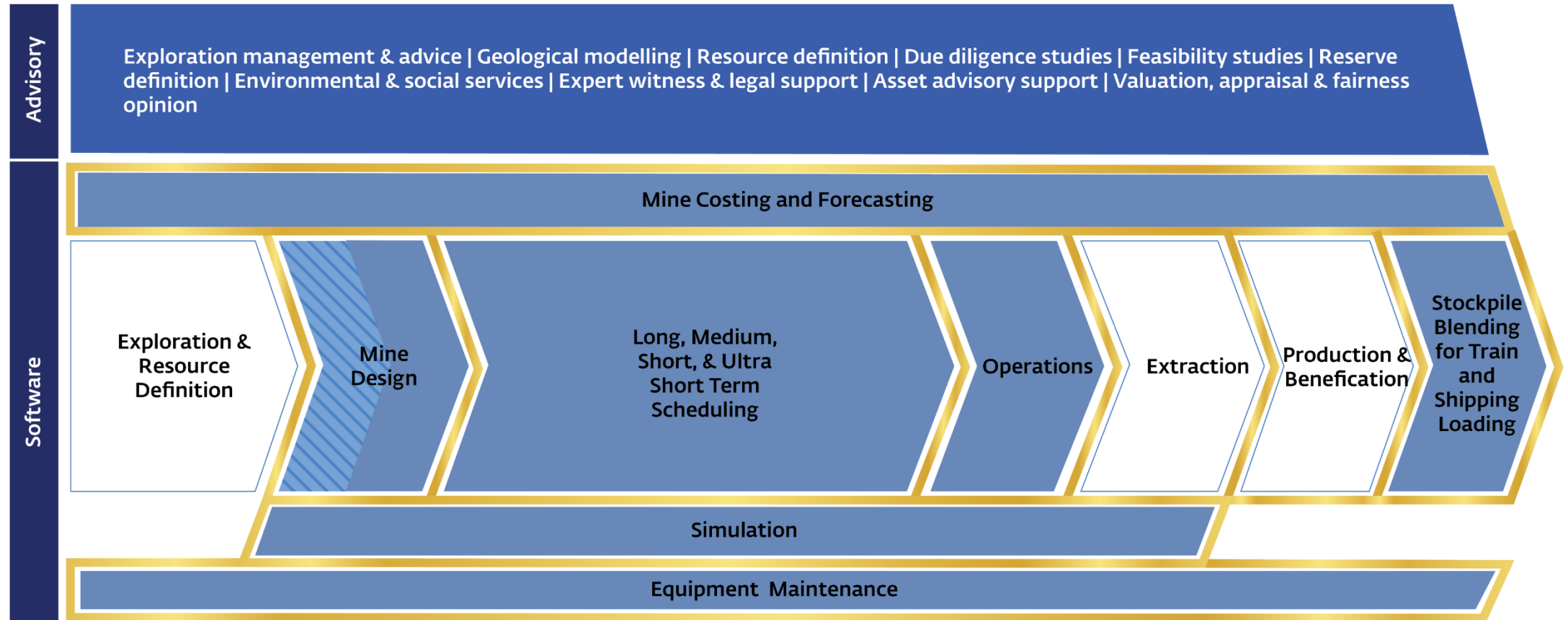


GeoGas

Our Intelligent Mining Platform



**INTELLIGENT
MINING**
RPMGLOBAL



Legend

- RPM Software Capabilities
- Intergration points between RPM software as well as key partners solutions
- In development

FINANCIAL SUMMARY

A\$'m	1H20	2H19	\$ Var	% Var	1H19	\$ Var	% Var
Subscriptions	3.9	1.6	2.3	144%	0.8	3.1	388%
Annual Software Support	10.9	10.9	-	-	10.9	-	-
Perpetual Licences	2.6	7.0	(4.4)	(63)%	5.0	(2.4)	(48)%
Laboratory Testing	2.3	2.2	0.1	5%	2.0	0.3	15%
Advisory and Consulting Services	21.4	21.4	-	-	17.7	3.7	21%
Revenue	41.1	43.1	(2.0)	(5)%	36.4	4.7	13%
Direct Costs	(4.6)	(3.9)	(0.7)	18%	(3.0)	(1.6)	53%
Net Operating Revenue	36.5	39.2	(2.7)	(7)%	33.4	3.1	9%
Field Expenses	(21.7)	(21.8)	0.1	-	(20.7)	(1.0)	5%
Development Expenses	(5.8)	(6.4)	0.6	(9)%	(6.4)	0.6	(9)%
Corporate Expenses	(4.4)	(4.5)	0.1	(2)%	(4.2)	(0.2)	5%
Rent Expenses *	(0.3)	(1.8)	1.5	(83)%	(1.7)	1.4	(82)%
Operating EBITDA	4.3	4.7	(0.4)	(9)%	0.4	3.9	975%
Depreciation & Amortisation *	(3.2)	(2.0)	(1.2)	60%	(2.0)	(1.2)	60%
Foreign Exchange Gains/(Losses)	(0.2)	0.1	(0.3)	-	0.5	(0.7)	-
Net Finance and Fair Value Costs *	(0.1)	0.1	(0.2)	-	(0.1)	-	-
Operating Profit/(Loss) Before Tax	0.8	2.9	(2.1)	(72)%	(1.2)	2.0	-
Net Profit/(Loss) After Tax	0.5	(4.2)	4.7	-	(1.7)	2.2	-

* The operating expenses, depreciation and finance income in 1H20 in this report are presented under the new standard AASB 16.

FINANCIAL SUMMARY NARRATIVE

- Gross revenue increased by 13% and net revenue increased by 9% on the prior corresponding half year.
- The Advisory and consulting division's net revenue grew 21% over 1H19, with the division's financial contribution increasing by \$1.5m to \$2.1m (1H19: \$0.6m) and its contribution as a percentage of net revenue growing 216% to 19% (1H19: 6%).
- The Software division's net revenue grew by 4% on the prior corresponding half with perpetual license sales dropping 48%, subscription revenue growing 388% and both support revenue and consulting revenue remaining steady.
- The Company's Annual Recurring Revenue (ARR) from software subscriptions at the date of this report is \$10.7m p.a. up from \$4.3m at 30 June 2019.
- The Company' Total Contracted Value (TCV) from new software subscriptions sold year-to-date is \$21.5m of which only \$1.8m was recognised in the first half year financials.
- The Company has sold \$4.1m year-to-date of new perpetual license sales of which only \$3.5m will be recognised in FY2020.
- Research and Development costs dropped 9% from the previous half year to \$5.8m.
- Operating costs (excluding rent) increased by only 2% to \$31.9m (1H19: \$31.3m).
- Operating EBITDA increased by \$3.9m to \$4.3m (1H19: \$0.4m).
- As at 31 December 2019, the Company had \$24.6m in cash (and no debt) after having paid out \$1.9m in acquisition earn-outs (iSolutions: \$1.7m, MinVu: \$0.2m) during 1H20. The remaining value of acquisition earn-outs is \$0.8M. As at the date of this report the Company has \$32.9m in cash (and no debt).
- Cash outflow from operations for the first six months (which is always a lower cashflow half due to the majority of annual software support payments (approximately \$20m) being received in the second half) was \$0.7m.

BALANCE SHEET

A\$m	Dec-19	Jun-19	\$ Var	% Var
Cash	24.6	28.2	(3.6)	(13)%
Receivables and WIP	19.9	23.9	(4.0)	(17)%
Property, Plant and Equipment	2.1	1.7	0.4	24%
Right-of-Use Assets	4.3	-	4.3	-
Intangibles	32.8	34.2	(1.4)	(4)%
Deferred Tax	2.7	2.7	-	-
Prepayments, Deposits, etc	3.9	2.8	1.1	39%
Total Assets	90.3	93.5	(3.2)	(3)%
Trade Payables	(5.5)	(7.9)	2.4	(30)%
Provisions - Employees	(5.4)	(5.2)	(0.2)	4%
Provisions - Other	(0.3)	(0.6)	0.3	(50)%
Contingent Consideration	(0.8)	(2.4)	1.6	(67)%
Unearned Income	(12.1)	(17.1)	5.0	(29)%
Right-of-Use Lease Liabilities	(4.7)	-	(4.7)	-
Tax payable, lease incentives	(0.2)	(0.6)	0.4	(67)%
Total Liabilities	(29.0)	(33.8)	4.8	(14)%
Share Capital	88.8	87.9	0.9	1%
Reserves and Accumulated Losses	(27.5)	(28.2)	0.7	(2)%
Total Equity	61.3	59.7	1.6	3%

CASHFLOW

<i>\$'m</i>	1H20	2H19	1H19
Net Cash Opening	28.2	19.9	23.3
Cash from Operations	(0.7)	10.1	-
Rent	(1.4)	(1.4)	(1.4)
Payments for:			
Property Plant & Equipment	(0.6)	(0.4)	(0.3)
Software Acquisitions	(2.0)	(0.5)	(2.3)
	(2.6)	(0.9)	(2.6)
Proceeds from:			
Exercise of Options	0.9	0.1	0.1
Net Increase/(Decrease) in Cash	(3.8)	7.9	(3.9)
FX Restatement	0.2	0.4	0.5
Net Cash Closing	24.6	28.2	19.9

MANAGEMENT COMMENTS

We continue to see a smooth transition from perpetual software license sales to multi-year subscription revenue. Pleasingly in 1H20 the Company's underlying EBITDA (\$4.3m) was greater than the value of one-off perpetual license sales (\$2.6m) meaning the Company is not dependent on perpetual licenses to be EBITDA positive.

The move to subscription revenue continues to gain momentum with the Company's calendar year 2020 pipeline of subscription deals particularly strong especially for the new products which have been released to the market in recent years.

We are very pleased with the momentum of :

- RPM's Short Interval Control product (XECUTE) which has been purchased by six customers in FY2020 to-date and has a very impressive pipeline; and
- RPM's Enterprise Simulation product (SIMULATE) which is quickly becoming the de-facto standard for the Global Original Equipment Manufacturers (OEMs) after previous years' sales to Volvo (2015), Komatsu (2017), Hitachi (2018) and more recently Caterpillar (early 2020).

The Company has added eleven (11) new software customers this year and expects that number to increase.

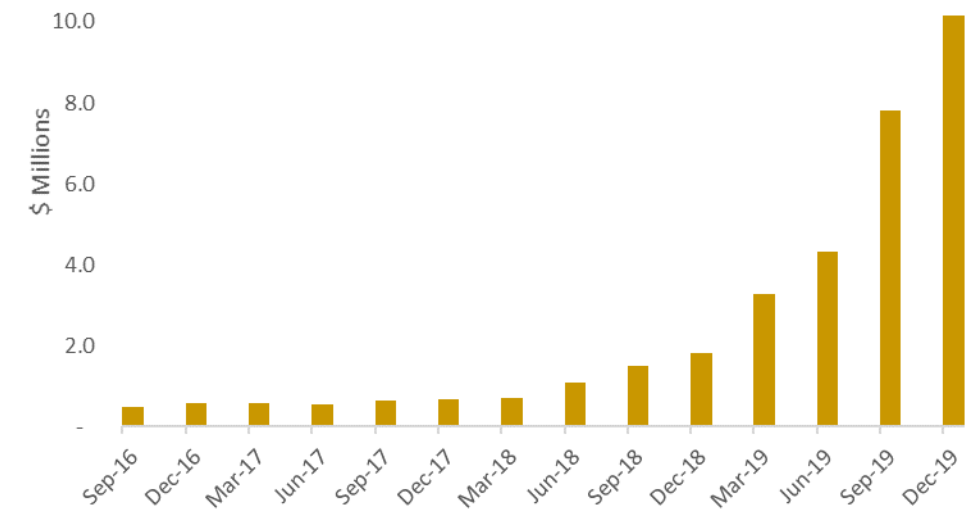
Significant progress has been made on the development of our new Design products with the release of "Underground Metals" in 1H20 and the soon to be released "Open Pit" and "Underground Coal" versions.

The Company is extremely pleased with the market response to these innovative, state-of-the-art and ground-breaking products. In management's view, there is little doubt that these parametric design-based products will change the way mine engineers visualise and evaluate multiple mining scenarios so as to identify the most economic and profitable mine plan available to them.

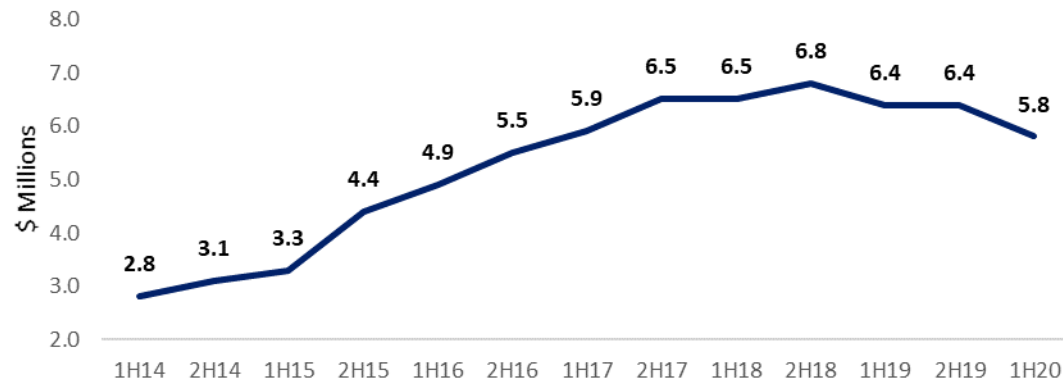
SOFTWARE DIVISION

A\$m	1H20	2H19	\$ Var	% Var	1H19	\$ Var	% Var
Consulting	6.4	6.2	0.2	3%	6.4	-	-
Subscriptions	3.9	1.6	2.3	144%	0.8	3.1	388%
Perpetual Licences	2.6	7.0	(4.4)	(63)%	5.0	(2.4)	(48)%
Support	10.9	10.9	-	-	10.9	-	-
Software Revenue	23.8	25.7	(1.9)	(7)%	23.1	0.7	3%
Direct Expenses	(0.9)	(0.6)	(0.3)	50%	(1.1)	0.2	(18)%
Net Revenue	22.9	25.1	(2.2)	(9)%	22.0	0.9	4%
Operating Expenses	(12.0)	(12.3)	0.3	(2)%	(11.5)	(0.5)	4%
Gross Contribution	10.9	12.8	(1.9)	(15)%	10.5	0.4	4%
Software Development	(5.8)	(6.4)	0.6	(9)%	(6.4)	0.6	(9)%
Contribution	5.1	6.4	(1.3)	(20)%	4.1	1.0	24%

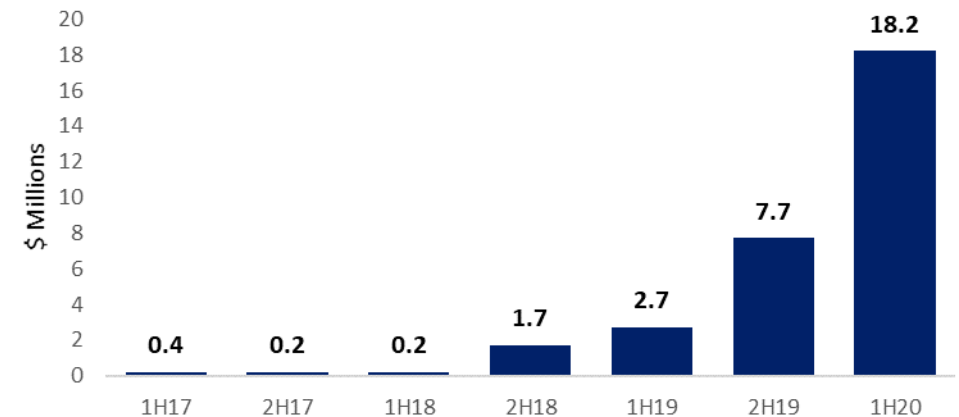
Subscription Annual Recurring Revenue



Research & Development Expense



Subscription Sales (Total Contract Value)

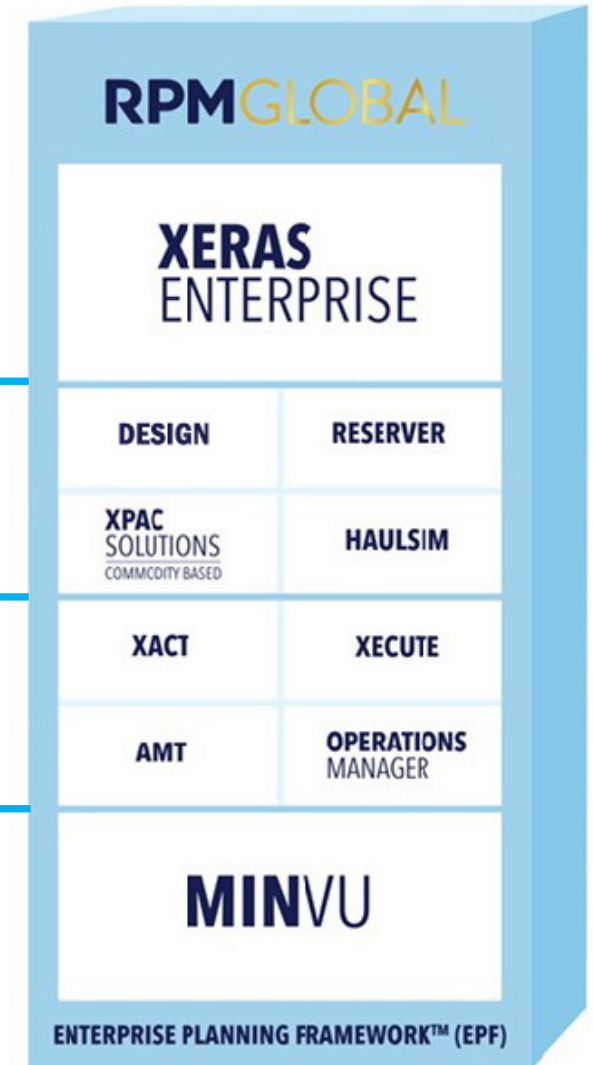


SOFTWARE STRATEGY

*Deliver a complete Commercial-off-the-Shelf
Enterprise Planning Framework built on
open industry standards.*

*Release simplified, standardised, **integrated**
and optimised solutions for different
commodities and mining methods which
cover the full mining value chain.*

*Provide software solutions that deliver a step
change in mining productivity through
investments in innovation.*



RPMGLOBAL

21 NEW
PRODUCTS



7 
ACQUISITIONS

> 100 NEW INTEGRATION
ADAPTORS

300 % INCREASE
IN DEVELOPMENT
RESOURCES



\$130M+
INVESTMENT
IN TECHNOLOGY

1 ENTERPRISE
PLATFORM

NEW PRODUCT ADOPTION - FY2020

HAULSIM



DETOUR GOLD



nexa

XECUTE



Teck



XERAS



HUDBAY

AMT



SIMULATE



OPMS | XPAC SOLUTIONS



SDCS | XPAC SOLUTIONS



UGCS | XPAC SOLUTIONS

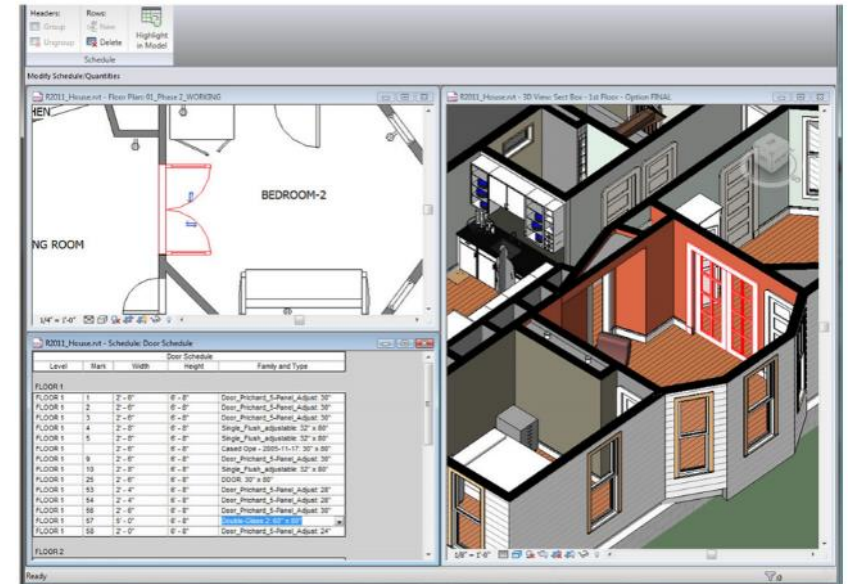




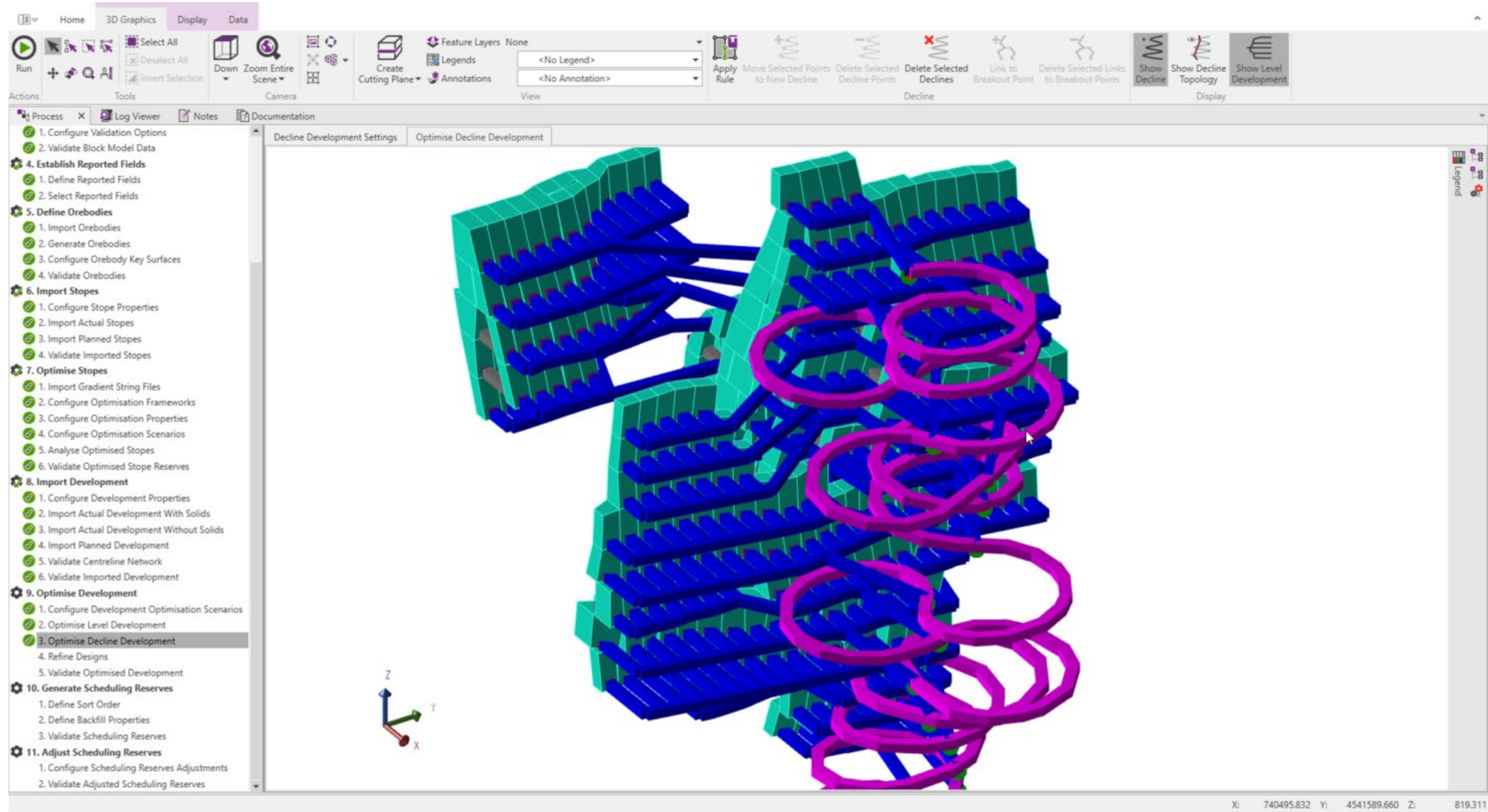
Parametric modelling / design

Parametric modelling and design allows users to change key parameters in a complex system and understand the impact of those changes

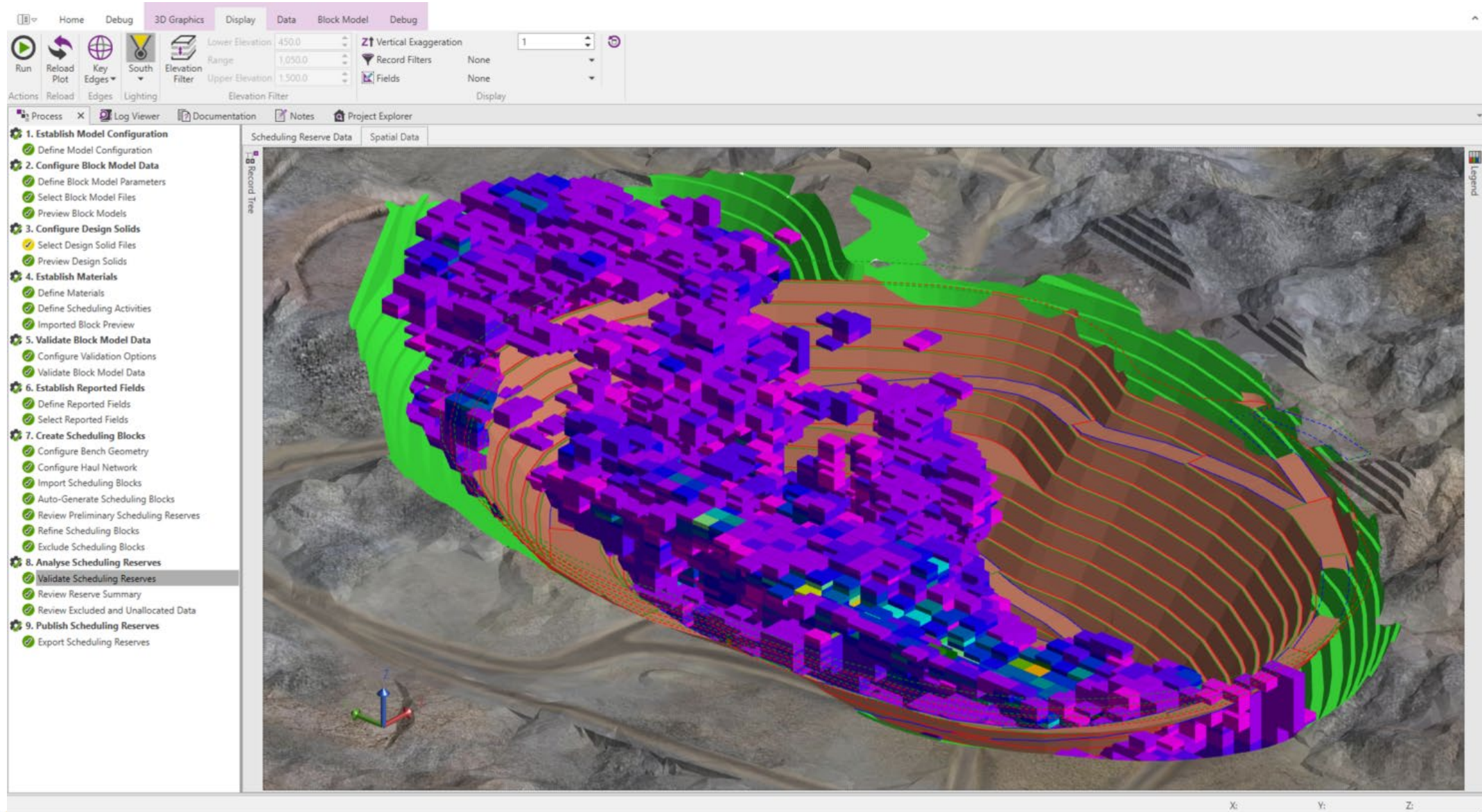
Parametric modelling and design is not new in other industries (for example construction) however until now it has not been harnessed within mining



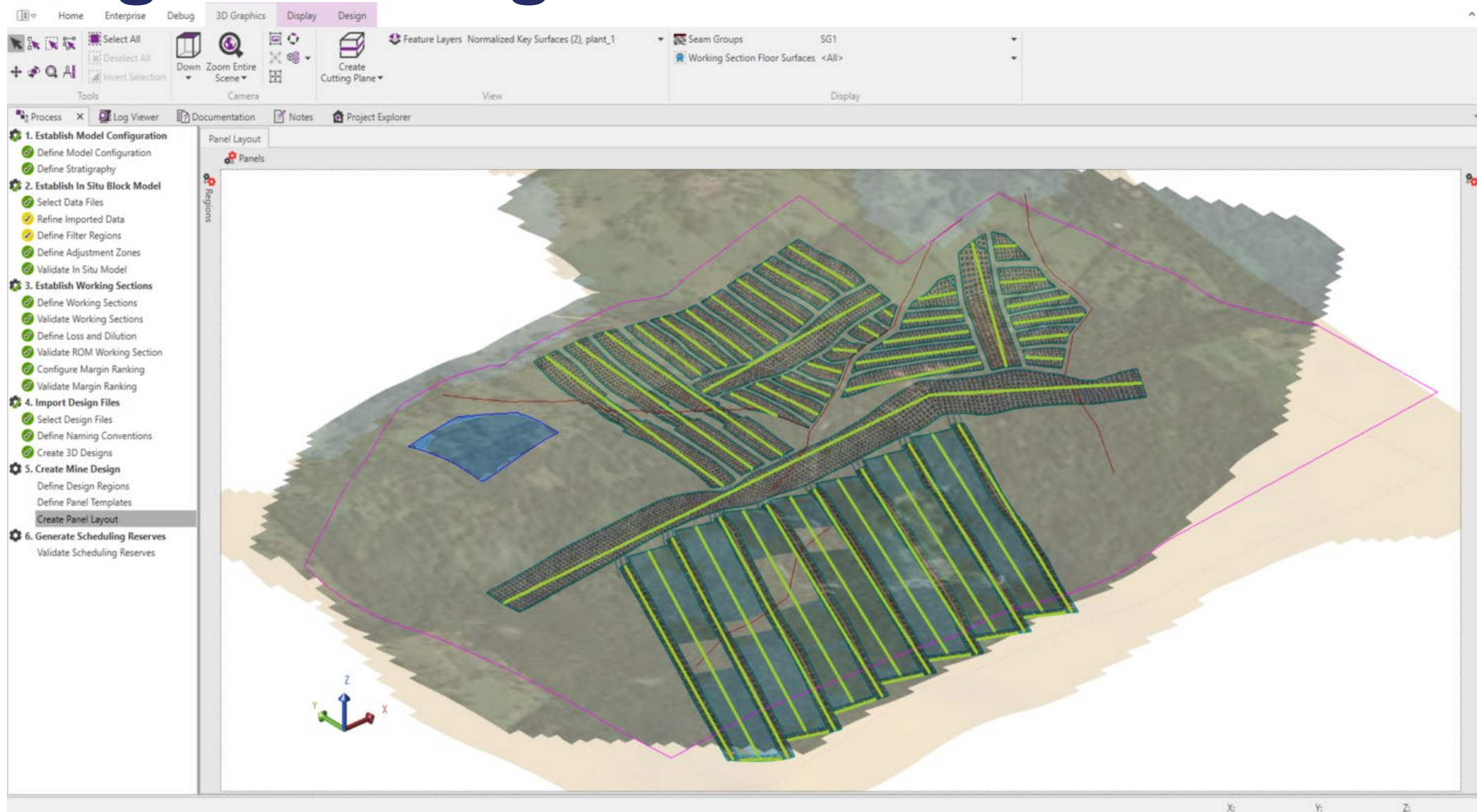
Design – Underground Metals



Design – Open Pit Metals



Design – Underground Coal



OUTLOOK

The move to software subscription licensing is likely to accelerate as we offer this pricing alternative to our current customers.

The slow but steady acceptance by mining companies of technical enterprise software products plays to our competitive strengths and endorses the investments we have made over the last six years.

We remain confident that our mobile equipment simulation products (HAULSIM / SIMULATE) will become the de-facto standard for the industry in calendar year 2020 and believe our ultra-short term scheduling product (XECUTE) has the same potential over the next few years.

The decision to extend our offerings into the area of “Design” (which we announced in March 2019) is proving to be a positive one. Given the feedback we have received from mining companies we now believe these software offerings will over time replace the common outdated approaches of the past.

Six months ago we said “It feels like we are one year through a two-to-three year subscription transition” it now feels like “we only have another four months to go”.



The material in this presentation is a summary of the results of RPMGlobal Holdings Limited (RPM) for the six months ended 31 December 2019 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, 24 February 2020. Further details are provided in RPM's Appendix 4D - Half Yearly Results - 31 December 2019 released to the market on 24 February 2020 and RPM's Appendix 4E and Annual Report for the full year ended 30 June 2019 released on 23 August 2019.

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