

2022 AGM PRESENTATION

MLG Oz Limited (ASX:MLG) (**MLG** or the **Company**) is pleased to provide the Managing Director's presentation for the Company's 2022 Annual General Meeting being held today, Wednesday 2 November 2022.

MLG Oz Limited (ASX:MLG), ("MLG") is a founder led business which provides a range of services to mine sites, integrated around the needs of client's ore processing facilities. MLG is an Australian company based in Kalgoorlie, Western Australia, which provides integrated services across gold, iron ore, and other base metal clients throughout Western Australia and in the Northern Territory.

MLG's integrated business model offers clients a range of services under a single contractual framework. The breadth of services encompasses crushing and screening capabilities including build, own and operate models, contract crushing and screening services, crusher feed, and material management. The Company's integrated mine site service offering spans a range of capabilities including; on road and off road bulk haulage capacity, civil construction, road maintenance, rehabilitation work, vehicle maintenance, machine and labour hire, and end-to-end bulk commodity export logistics solutions. A dedicated facility at the Esperance Port supports export logistics services.

In addition to the provision of integrated service offerings above, MLG's 100%-owned quarries are strategically located near existing mining operations which facilitates the efficient supply of bulk construction materials (sand and aggregate) to our clients.

Authorised for release by Murray Leahy, Managing Director.

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ANNUAL GENERAL MEETING

MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER



02 NOVEMBER 2022



ABOUT MLG

Long term sustainable partner of choice

FOUNDER LED BUSINESS

[>50% ownership]

ASX LISTED:

[ASX:MLG]

INTEGRATED SERVICE OFFERING

[26 sites throughout Western Australia
and Northern Territory]

HIGH QUALITY CLIENT BASE

[circa 85% Gold, 10% Iron Ore, 5% Other Metals]

STRATEGICALLY LOCATED QUARRIES

[100% Owned]

LARGE SCALE FLEET

[>150 Trucks, >500 Trailers/Dollies,
>100 Loaders, 5 Crushing and Screening plants]

OUR WAY OF DOING BUSINESS



SAFETY AND ENVIRONMENT

This is our number one priority, it underlines every activity we undertake.



INTEGRITY & TRUST

Being honest, fair and ethical in the way we work.



PERFORMANCE

Optimising assets and people to ensure competitive efficiency.



CUSTOMER SERVICE

We employ the right people and deliver exceptional service.



CONTINUOUS IMPROVEMENT

We deliver first class performance with value and always look to be better.



TEAMWORK

We view our customers as partners and focus on building long-term relationships.

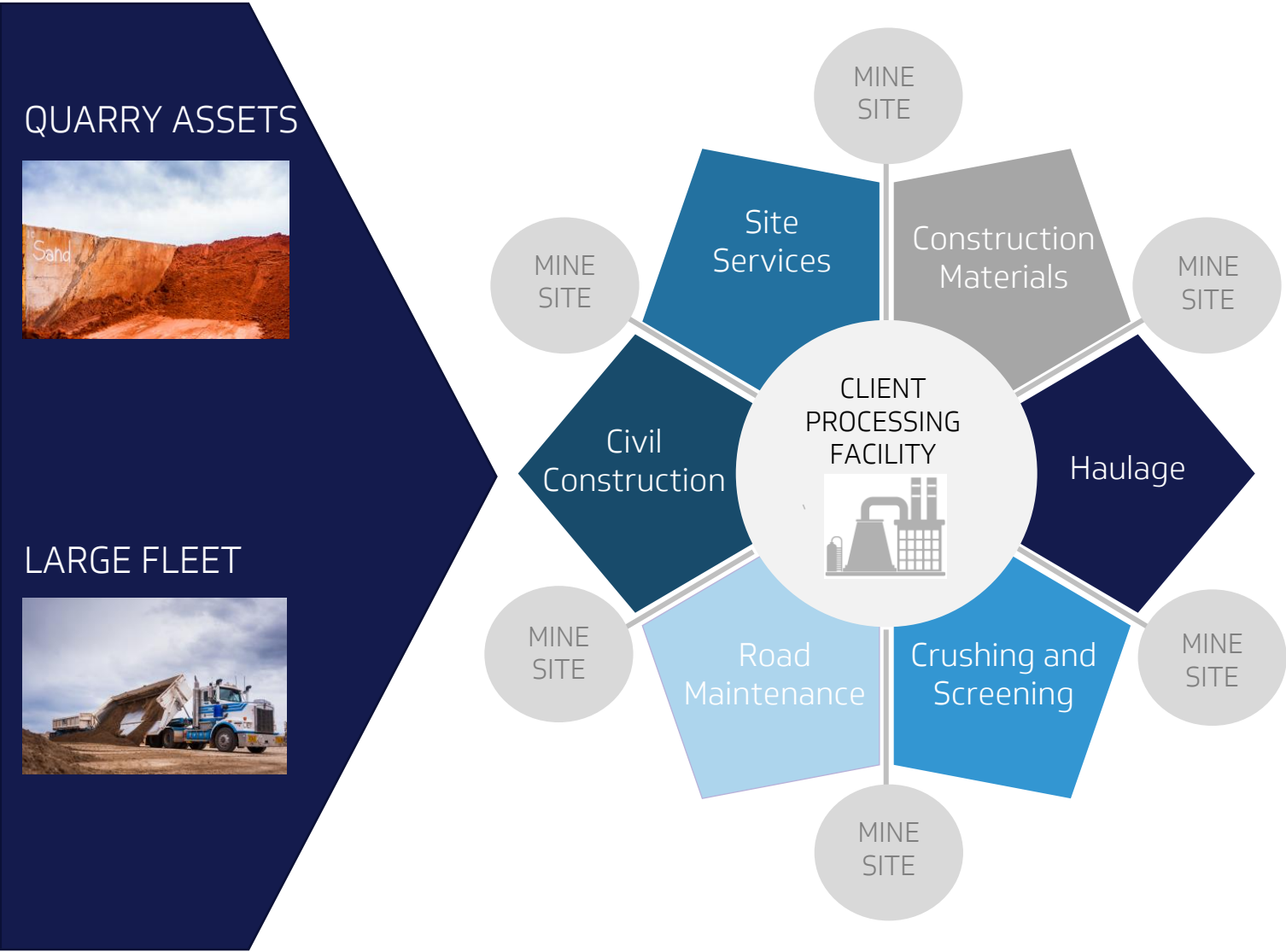


LEADERSHIP, PASSION AND COURAGE

We are passionate about leading change. We deliver and perform with enthusiasm, energy and conviction.

INTEGRATED SERVICES MODEL

Contract tenor typically 2-3 years with commercial terms and conditions and specific scope of work



BENEFIT OF INTEGRATED MODEL

- Single service provider
- Single contractual management touch point
- Reduced duplication (single workshop, shared equipment)
- Processing facilities typically long life
- Haulage can be adjusted to changing mine plans
- Builds long term client relationship

+

Contractual capital protection clauses negotiated when projects require large capital outlay

OUR OPERATIONS AND REACH



CURRENT ACTIVITY

● Bulk Haulage & Site Services	17
● Crushing & Screening	6
● Offices	2
● Quarries	1
● Screening	3

20

YEARS OF OPERATION

656

EMPLOYEES

26

SITES IN NT AND WA

PILBARA

- 1 Roy Hill
- 25 Christmas Creek

NORTHERN TERRITORY

- 2 Granites

MURCHISON

- 3 Mount Magnet

GOLDFIELDS

- 4 Agnew
- 5 Bald Hill
- 6 Cane Grass
- 7 Davyhurst
- 8 Eight Mile
- 9 Gruyere
- 10 Granny Smith
- 11 Jonah Bore
- 12 Jundee
- 13 Kalgoorlie Bulk
- 14 Kalgoorlie HQ
- 15 Kanowna Belle
- 16 Kundana
- 17 Leonora
- 18 Paddington
- 19 St Ives
- 20 Tarmoola

WHEATBELT

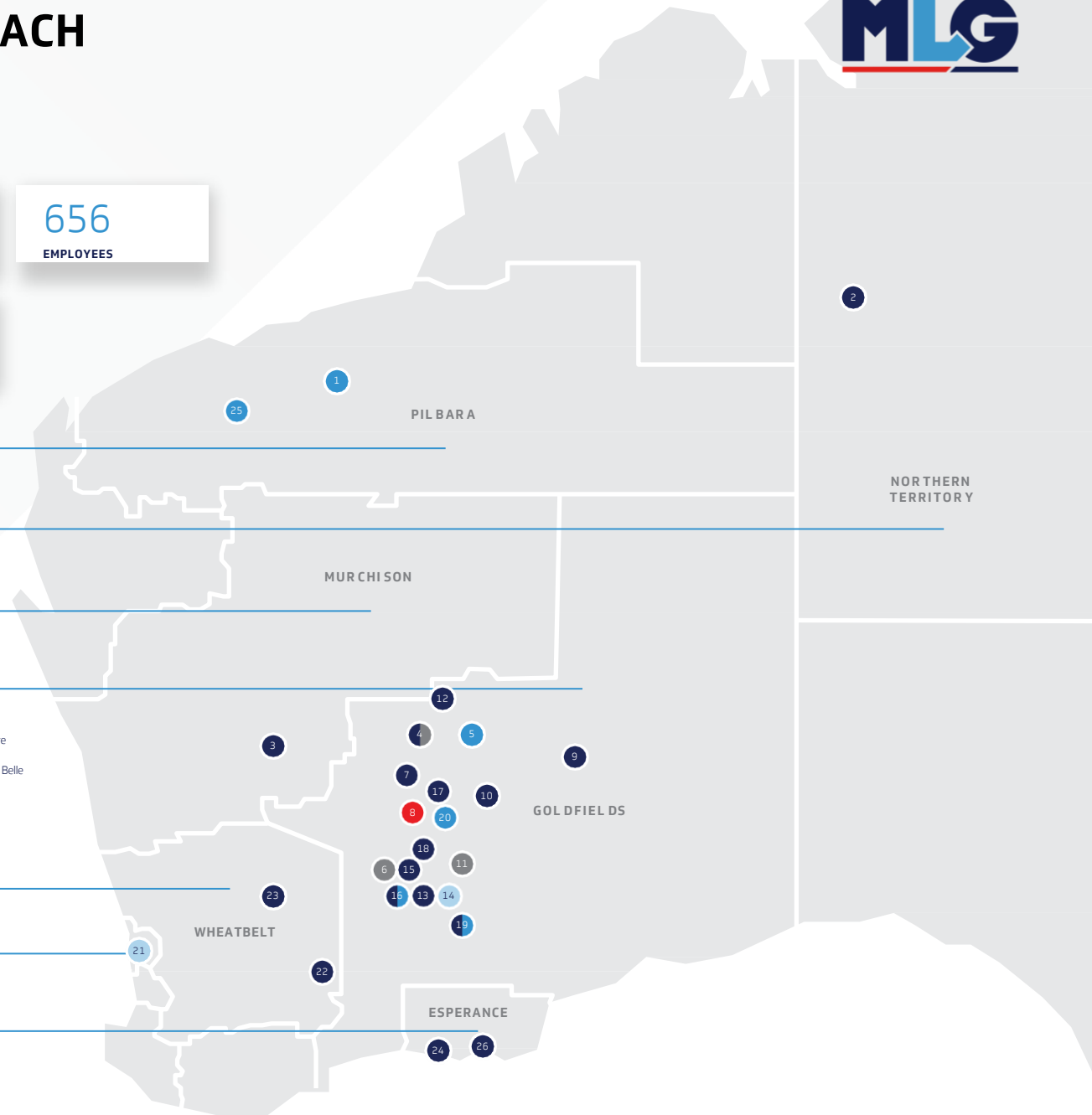
- 22 Cosmic Boy
- 23 Edna May

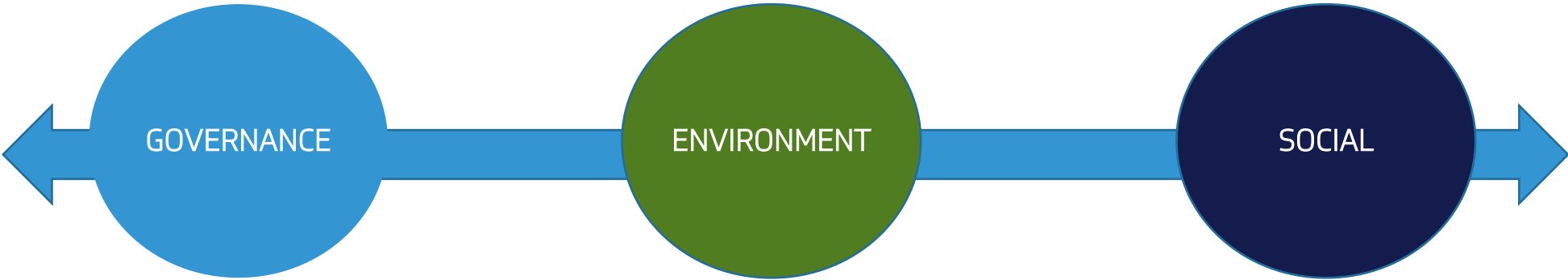
PERTH

- 21 Perth Corporate

ESPERANCE

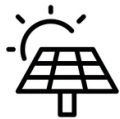
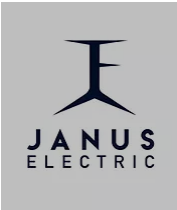
- 24 Esperance
- 26 Ravensthorpe





- Industry recognised board
- High employee ownership
- People centric culture
- Health and safety primary value
- High investment in leading edge safety systems
- Long term relationships built on integrity and ethics

- Electrification
- Environmental Management Systems
- Water Usage
- Waste management
- Energy Efficiency



- Community Support
- Indigenous engagement
- Health and Wellbeing
- Pay and Performance
- Diversity
- Employee retention

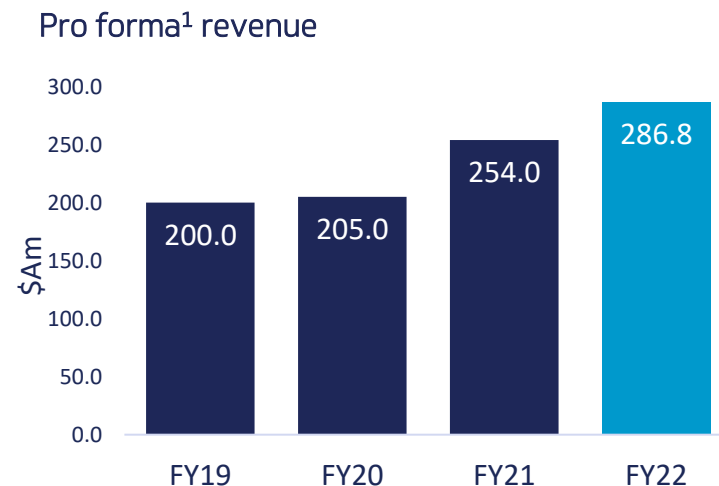


STRONG REVENUE GROWTH WITH LABOUR CONSTRAINING PROFIT



Unprecedented demand constrained by labour market and margin pressures

- **Strong revenue growth**
 - Greater scope of works across existing clients
 - Growth from project wins
 - Higher billing rates
- **Constrained labour market restricting profitability**
 - Limited availability of road train drivers
 - Absenteeism from Covid 19
 - High turnover across industry
- **Stronger second half**
 - Higher billing rates across clients
 - Ramp up of new projects
 - May performance constrained by unseasonal weather event
 - June experienced lower crushing volumes (client related)
- **Margins below our historic norm**
 - Higher costs (Labour, parts, fuel)
 - Rise and fall lag effect from rapid cost changes



EBITDA
\$30.0m
(\$42.7m FY21)



Capex
\$55.8m
(\$41.1m FY21)



Full Year Dividend

Nil

(1.71c FY21)

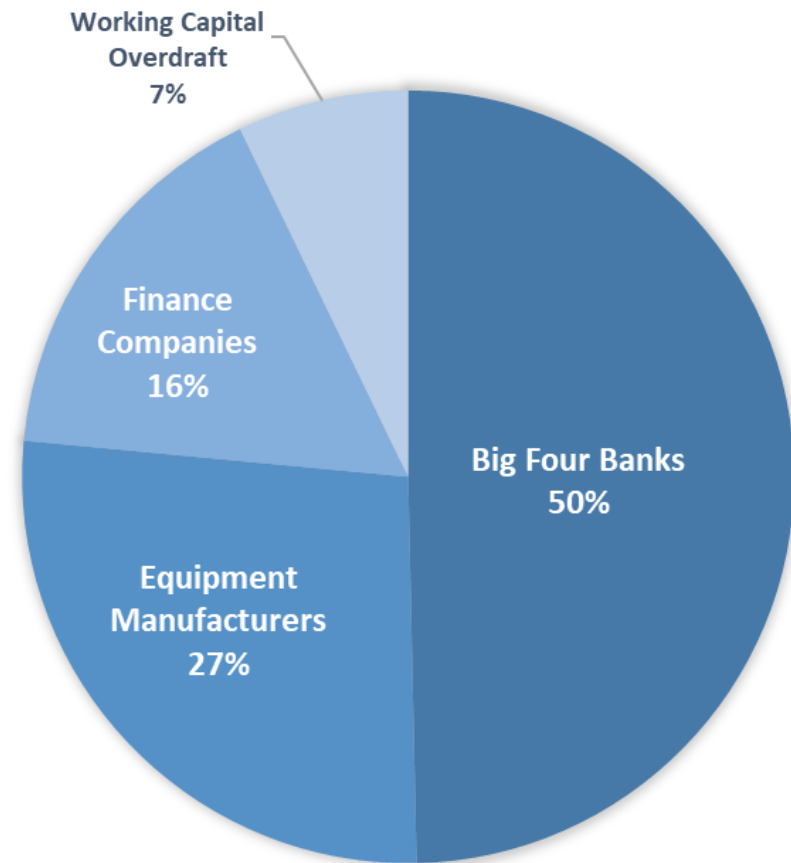
¹ Adjusted for effect of new accounting standards (AASB9, AASB15 and AASB16), public company costs, and interest costs to reflect impact of proceeds from the offer, and offsets fuel tax credit revenue and other income against Costs of sales

STRUCTURE OF DEBT

Majority of MLG debt is equipment finance - each contract typically repaid over 3-5 years

FINANCIAL DEBT

- 93% of Financial debt at end of September 2022 is hire purchase equipment finance
- \$10m working capital overdraft facility
- Prior to 30 June 2022 all equipment finance was 3-4 year terms
- Average interest rate of our debt up to 30 June 2022 was <4.0%
- Post 30 June interest rates much higher
- Where long dated rates closely aligned we will utilise 4-5 year term facilities



OPERATIONAL PERFORMANCE

Strong underlying demand for MLG services constrained by labour market conditions



OUR PEOPLE

- Greater investment in recruitment
- Retention difficult in industry as demand intensifies
- Strengthened management team
 - New COO – Mark Hatfield
 - Re-aligned executive leadership (Operations, Safety, Commercial, Financial)
- Established regional management structure
- High focus on values



OUR CLIENTS

- Very high demand for services
- Significant growth opportunities with existing clients
- Have selectively reduced some client exposure
- Priority on sustainability of projects and profitability
- Greater frequency of rise and fall reviews
- Margins have been variable due to cost pressures and rise and fall lag
- Fuel price volatility continues to be challenging

OPERATIONAL PERFORMANCE

Productivity below historic performance with capacity for higher margins



OUR EQUIPMENT

- High capex spend in FY2022 (\$55.8m)
 - strategic orders to mitigate supply chain delay
 - new projects commenced in FY2022 (Paddington, Davyhurst, Evolution, Red5)
 - Higher sustainable capex required for larger fleet
- Current fleet has available capacity
 - Labour market (lack of drivers and operators)
 - Fleet pending new project growth in FY2023

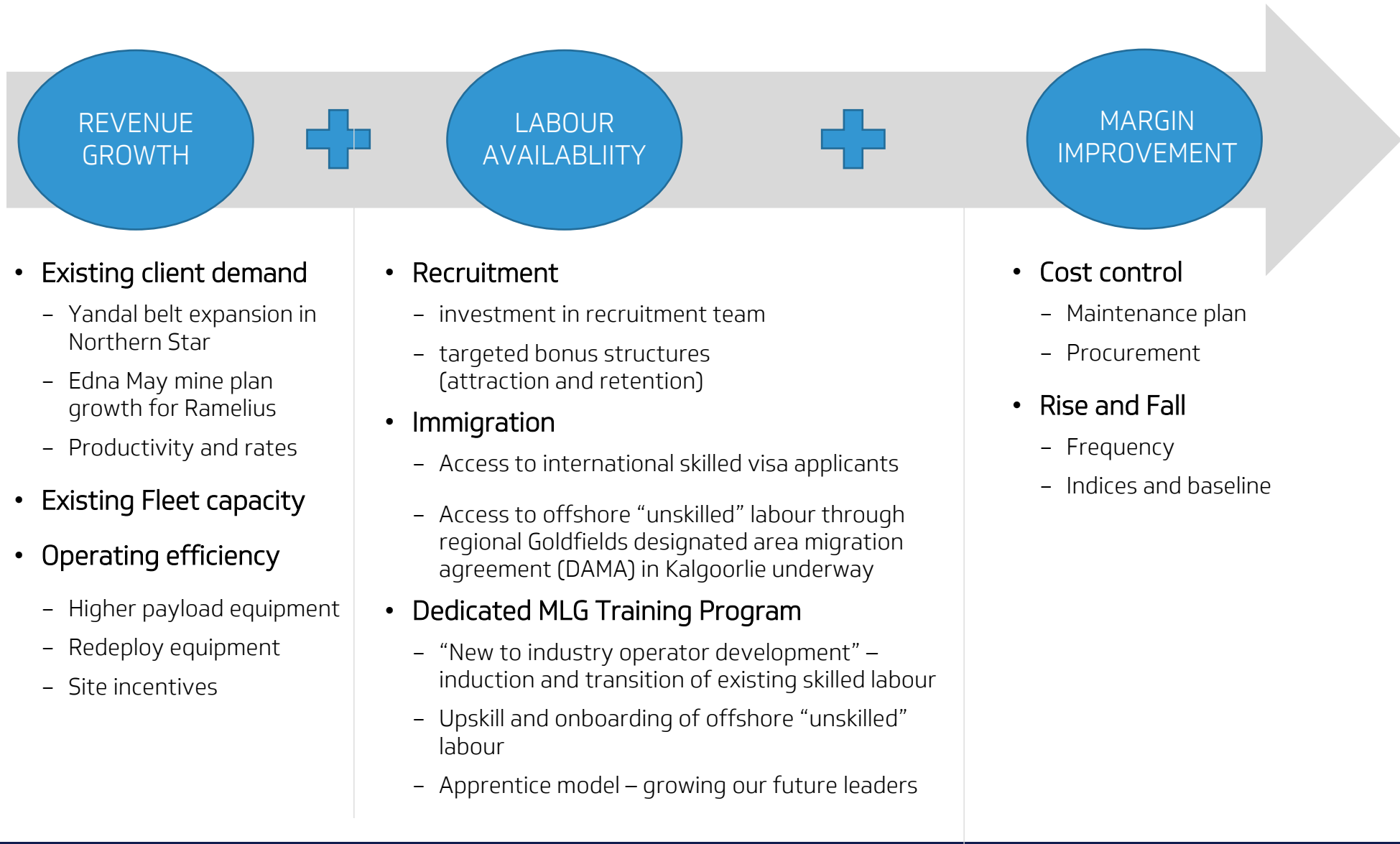


OUR MARGINS

- Productivity of labour force below historic performance levels (turnover, absenteeism, high demand across industry)
- Underperforming sites a key focus – Rates and operational efficiency
- Clients supporting targeted site bonuses to attract and retain skills
- Costs have risen rapidly – offset by rise and fall but some lag
- Have selectively reduced some client exposure where margins unachievable
- Large profit opportunity as margins improve

WHAT IS DRIVING OUR FY2023 OUTLOOK?

Growth outlook is a focus on margin and client delivery rather than revenue alone



HIGH VOLUME CRUSHING PLANT OPPORTUNITY

Potential to redeploy or sell or combination of both

- Client parties interested in
 - build own and operate
 - outright purchase
 - Purchase asset plus MLG manage operations
- Dedicated high capacity plant business development manager appointed
- Current proposals being assessed by third parties
- Sale of one or both plants being considered
 - Reduce gearing level
 - Re-focus on shorter term priorities
 - Avoids ongoing care and maintenance costs



Expectations for strong growth in FY2023

- Cost escalation stabilising
- MLG being headquartered in Kalgoorlie provides unique advantage to leverage DAMA in Goldfields region – international labour identified
- Higher rates have been agreed with clients
- Targeting improved margin through productivity and cost control
- Anticipate earnings growth in FY2023 with \$250m of work fully contracted
- Margins expected to be in line with or higher than FY2022

Key risks

- Further price escalation
- Weather events
- Worsening of labour market
- Loss of any material contract

THANK YOU

MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER



02 NOVEMBER 2022



Disclaimer

Forward looking statements

This release contains certain forward looking statements and forecasts, including in relation to possible or assumed future performance, costs, dividends, rates, prices, revenue, potential growth of MLG Oz Limited, industry growth or other trend projections.

Such statements are not a guarantee of future performance and involve unknown risks and uncertainties, as well as other factors which are beyond the control of MLG Oz Limited. Actual results and developments may differ materially from those expressed or implied by these forward looking statements, depending on a variety of factors.

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