

Babylon Pump & Power Limited



**2019 AGM Presentation
November 2019**

ASX: BPP



Important Notice and Disclaimer

This presentation has been prepared by Babylon Pump & Power Limited (**BPP**) for information purposes only.

This presentation is not a product disclosure statement or prospectus for the purposes of the Australian *Corporations Act 2001* (Cth), nor does it constitute financial product or investment advice or a recommendation, offer or invitation by any person or to any person to sell, purchase or otherwise invest in securities in BPP in any jurisdiction. Neither this presentation nor anything in it shall form the basis of any contract or commitment.

This presentation contains general information only and does not take into account the investment objectives, financial situation and particular needs of individual investors. Investors should make their own independent assessment of the information in this presentation and obtain their own independent advice from a qualified financial adviser, lawyer, accountant, tax or such other adviser as considered appropriate having regard to their objectives, financial situation and needs before taking any action.

The information in this presentation includes historic information about the performance of BPP and securities in BPP. That information is historic only, and is not an indication or representation about the future performance of BPP or securities in BPP. You should not place undue reliance on any such information.

No representation or warranty, express or implied, is given as to the accuracy, completeness, reliability or adequacy of any statements, estimates, opinions or other information, or the reasonableness of any assumption or other statement, contained in this presentation. Nor is any representation or warranty, express or implied, given as to the accuracy, completeness, likelihood of achievement or reasonableness of any forecasts, forward-looking statements or potential returns contained in this presentation. Forward-looking statements include, but are not limited to, information which reflects management's expectations regarding BPP's future growth, results of operations (including, without limitation, capital expenditures), performance (both operational and financial) and business prospects and opportunities. Often, forward-looking statements include words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate" or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forecasts, forward-looking statements or potential returns only reflect subjective views held by BPP, and are based on certain assumptions made by BPP, as at the date specified in the relevant information and are by their nature subject to significant uncertainties and contingencies, many of which are outside the control of BPP. Although management believes that the assumptions made and the expectations represented by such information are reasonable, there can be no assurance that forward-looking statements will prove to be accurate. Actual events and results may vary from the events or results expressed or implied in such statements. Given these uncertainties, you should not place undue reliance on any such statements.

Subject to any continuing obligations under applicable law or any stock exchange listing rules, in providing the information in this presentation, BPP does not undertake any obligation to publicly update or revise any forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

To the maximum extent permitted by law, BPP and its related bodies corporate, directors, officers, employees, advisers and agents disclaim all liability and responsibility (including without limitation any liability arising in negligence, statute or otherwise) for any direct or indirect loss or damage which may arise or be suffered by any person through use or reliance on anything contained in, or omitted from, this presentation. An investment in BPP securities is subject to investment and other known and unknown risks, some of which are beyond the control of BPP. BPP does not guarantee any particular rate of return or the performance of BPP securities.

The distribution of this presentation including in jurisdictions outside Australia, may be restricted by law. Any person who receives this presentation must seek advice on and observe any such restrictions.

A Rapidly Growing Specialist Mining Services Provider

- Babylon Pump & Power Limited (“Babylon”) (ASX:BPP) was established in February 2017 and listed on the ASX in January 2018
- Babylon is led by an experienced team, with a proven track record and high-level of employee share ownership
- Babylon is operating a bespoke business model focusing on two complementary areas in high demand in the resources sector:
 - Rental of specialty diesel driven pumping and power generation equipment
 - Maintenance and rebuild services for large diesel driven equipment
- Babylon continues to receive strong and growing demand from major mining and oil & gas service companies
- For FY19 Babylon reported revenue of c\$11.5M up 607% over the previous year and EBITDA of c\$0.1M up 112% over the previous year
- In Q1 FY20 Babylon completed the acquisition of Primepower Queensland
- As part of the Company’s growth strategy, Babylon continues to evaluate opportunities for acquisition while focusing on responsible organic growth in both areas of operation

Corporate Snapshot

FY19 Financial Performance – Summary Financials	FY19 (\$)	FY18 (\$)
Revenue	11,509,158	1,628,357
Reported EBITDA	109,814	(921,312)
Total Assets	11,404,283	5,377,323

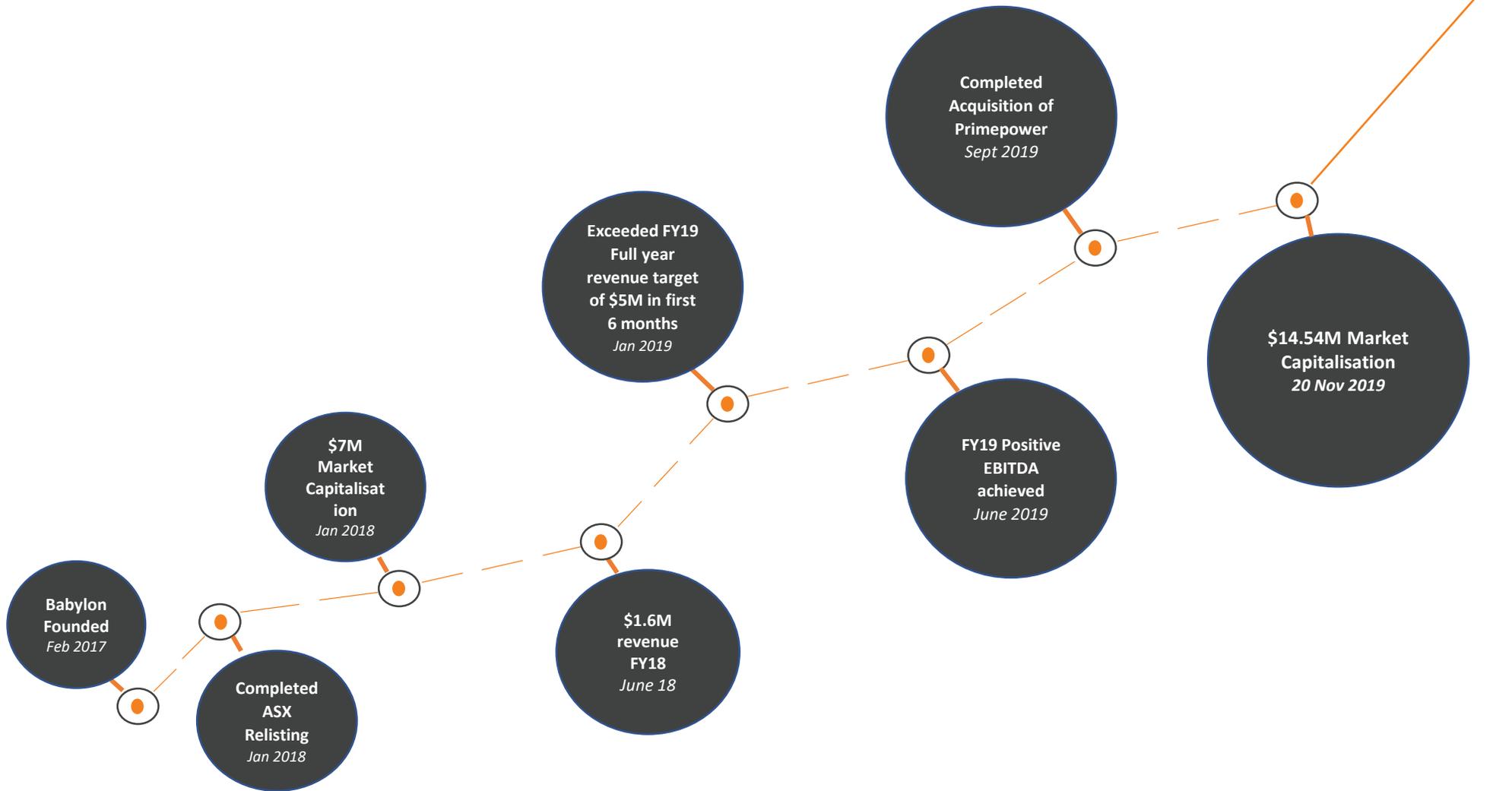
FY19 Summary Financials
Growing revenue and tier 1 clients
Increased borrowing base
Growing portfolio of long-term assets generating revenue

ASX Code: BPP	
Ordinary Shares	807,820,269
Performance Shares	26m
Market cap (@ 1.8 cents)	\$14.5m
Average Monthly Volume (shares)	13.3m
Trading Range since Listing (cents)	1.5 – 2.5
Top 20 Holdings	58%

Directors & Senior Management	
Michael Shelby	Executive Chairman
Patrick Maingard	Executive Director
Michael Kenyon	Non Exec. Director and Company Secretary
Mark Lagemann	Operations Manager

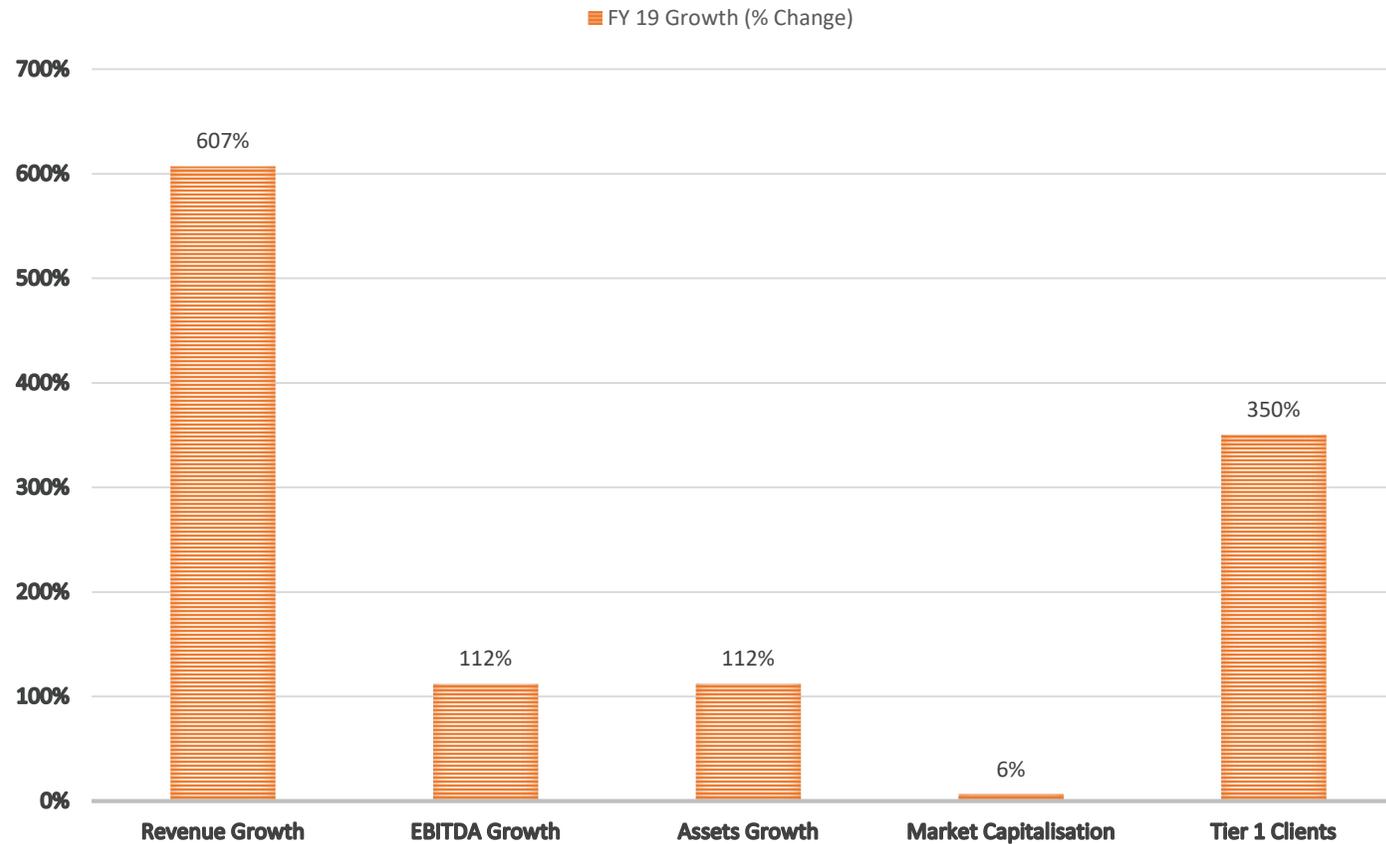
Substantial Shareholders
G & N Lord Superannuation Pty Ltd / Geoff Lord
FGI Holdings Pty Ltd
Chesapeake Capital Ltd

BPP Journey - Significant Milestones



BPP Positive Growth Trajectory

FY19 KEY GROWTH MEASURES



Operations Update

Primepower Queensland

- Primepower acquisition complete with smooth integration of team
- Increasing tradesmen headcount to support high demand for services
- Began works to increase capacity in Mackay facility
- Client response has been positive as seen by increased opportunities and work secured

Babylon Operations

- Leased neighboring facility in WA to expand workshop capacity to meet growing services demand
- Repeat rebuild orders from our Tier 1 client base is evidence of the quality of our work
- Currently negotiating engine rebuild programs with top tier clients
- Secured first rental opportunity direct with Rio Tinto
- Growing rental business with existing Tier 1 mining clients – more rental equipment mobilizing before end of year
- Successfully executed multiple oil & gas rental projects in the current quarter

BPP Platform for Growth

- **Geographic coverage** – base of operations in WA and QLD cover major resource markets
- **Blue-chip client base** – currently have “foot in the door” working direct for major resource producers and top tier service companies
- **Broad commodity exposure** – currently operating in iron, gold, nickel, coal and oil & gas markets
- **Technical rebuild expertise** – decades of technical experience with both Caterpillar and Cummins platforms with ability to offer services on both coasts
- **Divisional growth** – proven success adding specialty rental to maintenance services clients and service to rental clients
- **Purchasing power and contract synergies** – growing scale to warrant bulk ordering to achieve efficiencies and increase margins
- **Low corporate overhead** – significantly increased market cap without any increase in corporate overhead (3-person board + 1 full time employee)
- **Supportive shareholder base** – shareholders have supported through conversion of loans and share purchase plans in recent months

Thank You Q&A

