30 October 2014

ASX RELEASE

Mitchell Services Limited (ASX :MSV)
Presentation – Mining 2014 Resources Convention

Please find attached presentation being made today by Mitchell Services CEO Andrew Elf at the Mining 2014 Resources Convention.

Bob Witty
Company Secretary

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MINING 2014 RESOURCES CONVENTION

Corporate Presentation – Cyclical Market Presents Opportunity

30 October 2014

Mitchell
SERVICES

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HISTORY

MITCHELL SERVICES HISTORY

1969
Mitchell Drilling commenced operations

2000
Mitchell Drilling was at the forefront of the CSG industry in QLD

2008
Mitchell Drilling was sold for circa A$150m – approx. 30 Rigs

2008 – 2013
5 years non-compete period. Further development of overseas business

2013
Non-compete expired in August 2013. Re-entered Australian market.

November 2013
Drill Torque acquires Mitchell Services Pty Ltd and renamed Mitchell Services (MSV)

DRILL TORQUE HISTORY

1992
Drill Torque Queensland founded with a single rig

2007
Well Drilled established with four rigs

2011
Drill Torque Queensland & Well Drilled merge to form Drill Torque with 31 rigs

2011
Drill Torque IPO

2013
Mitchell Group & Mitchell Services senior management acquire 19.9% in Drill Torque

MITCHELL SERVICES MARKET PROFILE

ASX Stock Symbol:	MSV
Shares Issued:	867,000,222
Performance Options:	98,700,000
Share Price (at 27/10/14):	A$0.033
Market Capitalisation:	A$28.61m
Average Daily Volume:	332,393
12 Month Volume:	83,430,772

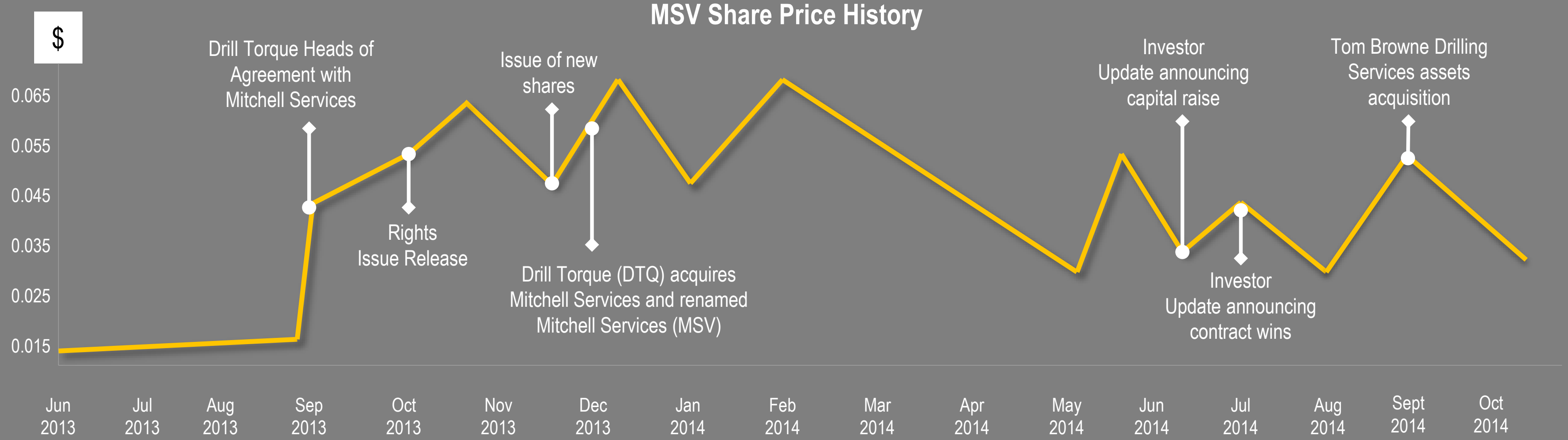
Senior Management Team

- Executive Chairman – Nathan Mitchell
- CEO - Andrew Elf
- CFO & Company Secretary – Bob Witty
- Chief Commercial Manager – Gary Salter
- General Manager Drilling – Aaron Short

Major Shareholders

1	Mitchell Group	20%
2	Acorn Capital	10%
3	Washington H Soul Pattinson	9%
4	CVC	8%
5	Miller Family	5%

MSV Share Price History



BOARD AND MANAGEMENT

NATHAN MITCHELL – Executive Chairman
During his tenure as CEO for Mitchell Drilling Contractors the company doubled in size with Mr. Mitchell directing an international expansion into China, Indonesia, USA and various countries across Southern Africa.

ANDREW ELF (B.Com, CPA, MBA, GAICD) – Chief Executive Officer
Mr. Elf has over 15 years finance, commercial and operation experience. He has held senior roles with Boart Longyear and spearheaded the growth of Mitchell's African business to an annual turnover in excess of $30 million.

DR RALPH CRAVEN (BE PhD FIEAust FIPENZ FAICD CPEng) – Non Executive Director
Previous positions include CEO to the predecessor to Ergon Energy and CEO of Transpower New Zealand Ltd. Dr. Craven has held senior executive positions with Shell Coal Pty Ltd and NRG Asia Pacific Limited.

ROBERT WITTY (Associate Dip Bus (Acct), FIPA) - Chief Financial Officer & Company Secretary
Mr. Witty joined Notch Holdings Pty Ltd (now a subsidiary of Mitchell Services) in 2009 after 38 years' experience in retail and business banking and 2 years' experience as a senior manager with Pricewaterhouse Coopers.

PETER MILLER - Non Executive Director
Mr. Miller founded Drill Torque in 1992 with one drill rig, which grew to 29 prior to the acquisition of Well Drilled. Mr. Miller has been involved in all aspects of the drilling industry for the past 28 years and has extensive knowledge of the drilling conditions, equipment requirements and pricing structure to maximize productivity.

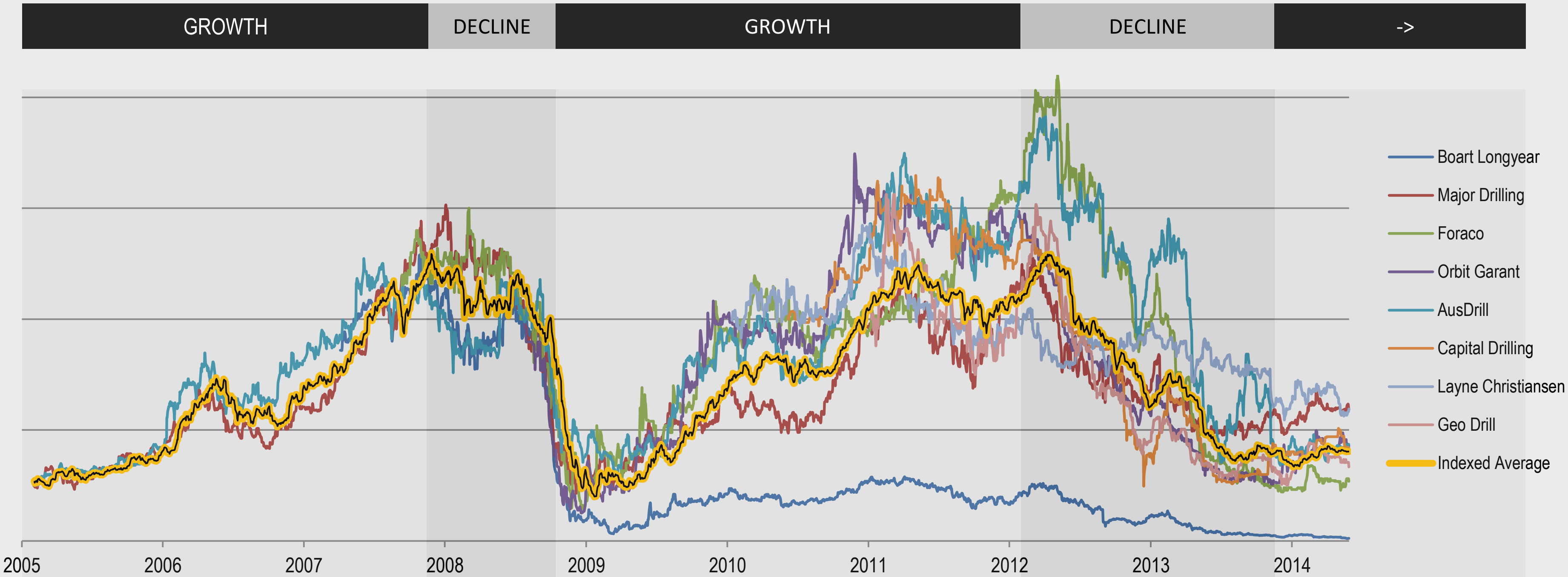
GARY SALTER (B.Sc (Geology) Hons) - Chief Commercial Officer
Mr. Salter has a wealth of senior management experience having worked with BHP Billiton (BHPB) for over 32 years in mine geology and exploration. Mr. Salter has been instrumental in leading the business development function and strengthening relationships with blue chip clients.

ROBERT DOUGLAS (BCom, LLB) – Non Executive Director
Mr. Douglas has over 15 years experience in finance and investment banking and is currently Executive Director of Morgans Financial. He has vast experience in all aspects of corporate advisory and equity capital raising for listed public companies and companies seeking to list.

AARON SHORT – General Manager Drilling
Mr. Short has over 20 year's experience in the drilling industry and has directly managed drilling operations across all commodity types and utilising multiple drilling techniques.

CYCLICAL INDUSTRY PRESENTS OPPORTUNITY

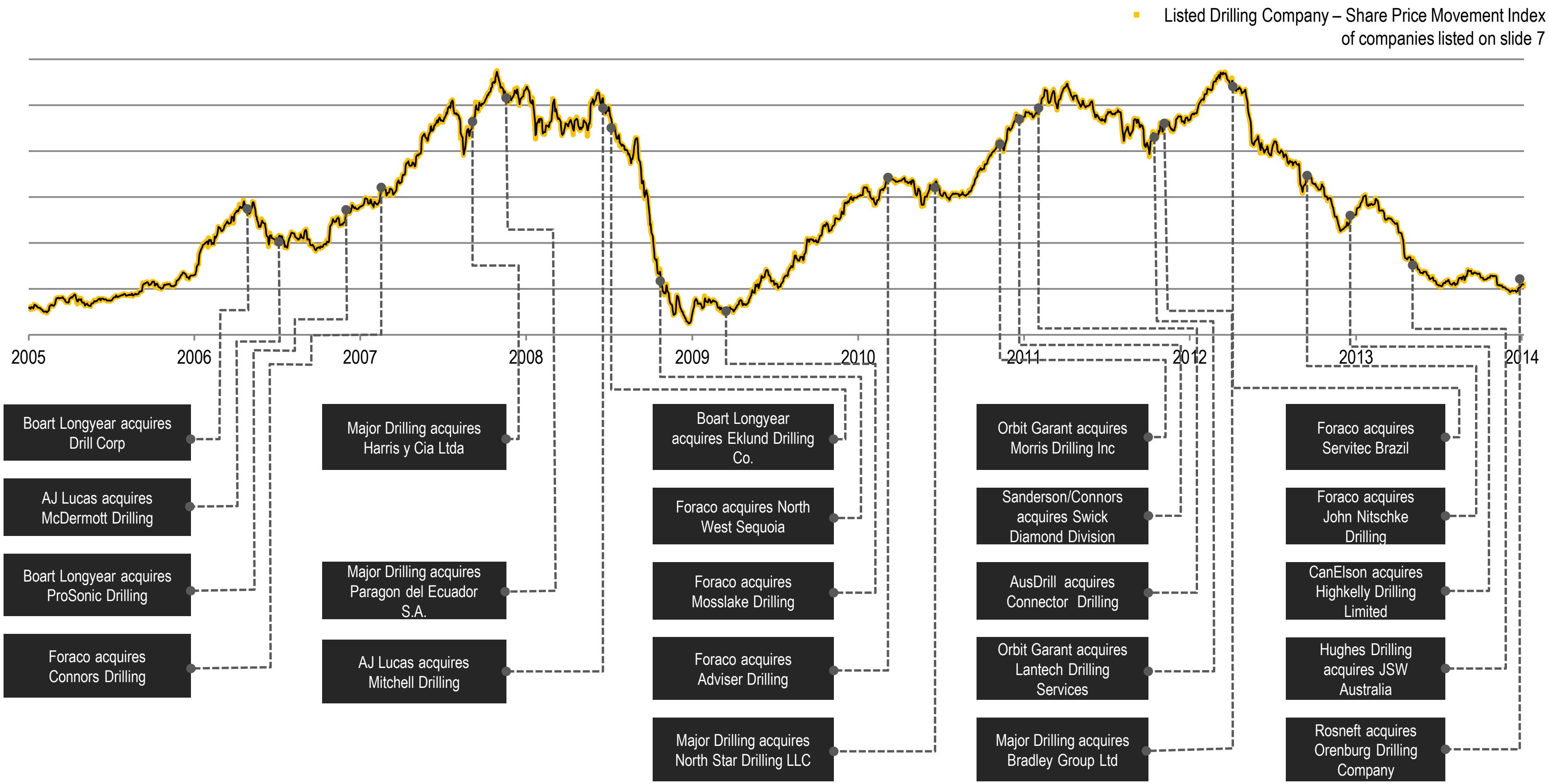
Listed Drilling Company – Share Price Movements (Average is a non weighted average of daily close prices)



- **Where are we in the cycle?**
  - Production drilling must continue
  - Near mine exploration still continues
  - Evidence of base level commitment spending
- **Why is now the time to invest?**
  - Funds starting to be raised for new exploration
  - ASX Small Resources turning with several successful raisings
  - Industry peers experiencing financial distress and rig counts in the market place are beginning to reduce

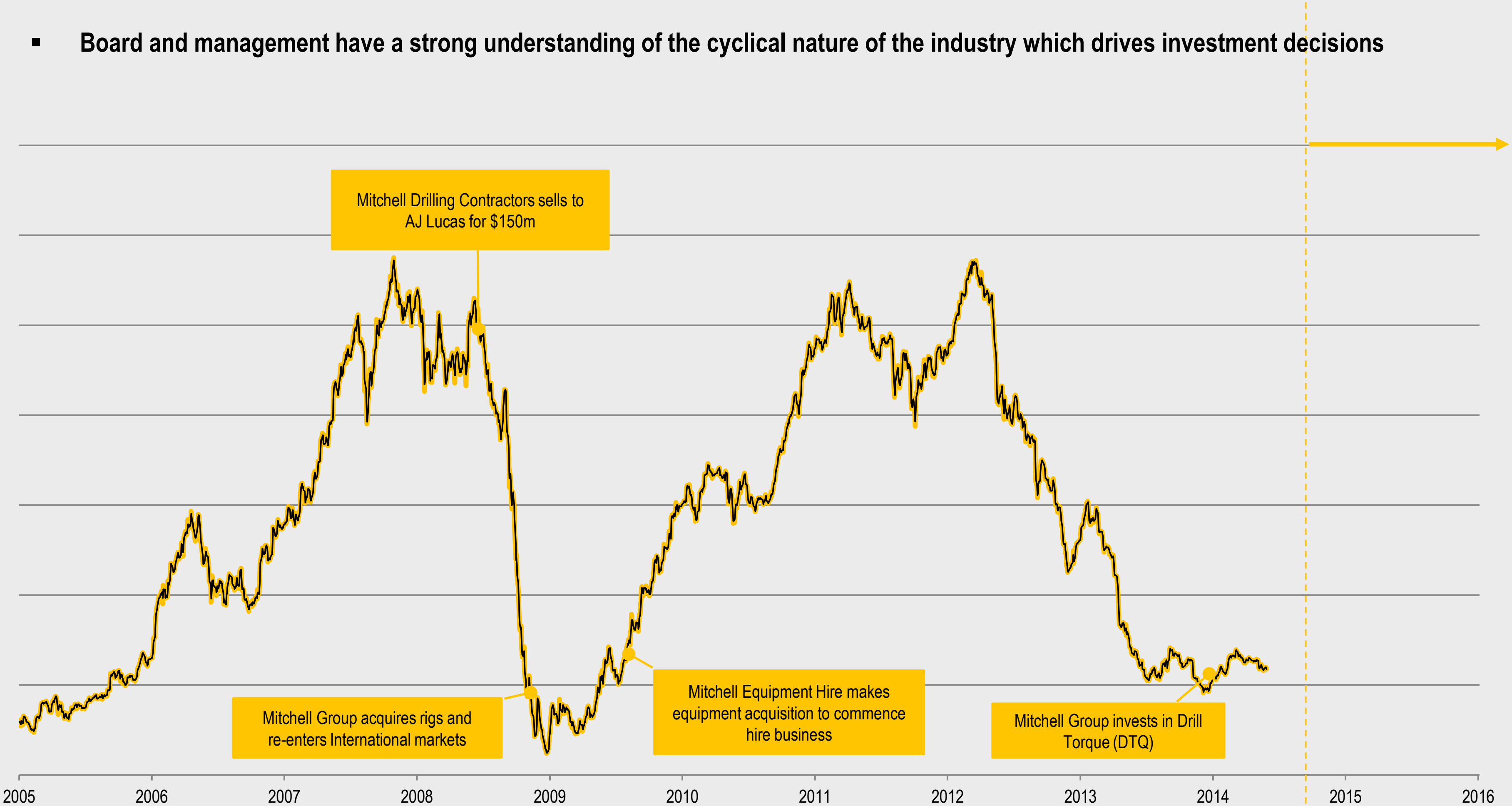
INDUSTRY ACQUISITIONS & DIVESTMENTS

- The drilling industry is highly cyclical and industry majors have tended to make acquisitions at all stages throughout the cycle, often paying high multiples on cyclical earnings.
- This results in acquisitions at high values which does not always provide long term value to shareholders.



CYCLICAL MARKET PRESENTS OPPORTUNITY

- **Board and management have a strong understanding of the cyclical nature of the industry which drives investment decisions**



- Indexed Listed Drilling Company average – Share Price Movements (Average is a non weighted average of daily close prices) for the companies listed on slide 7

MITCHELL SERVICES VISION

To be Australia's leading provider of drilling services to the global exploration, mining and energy industries

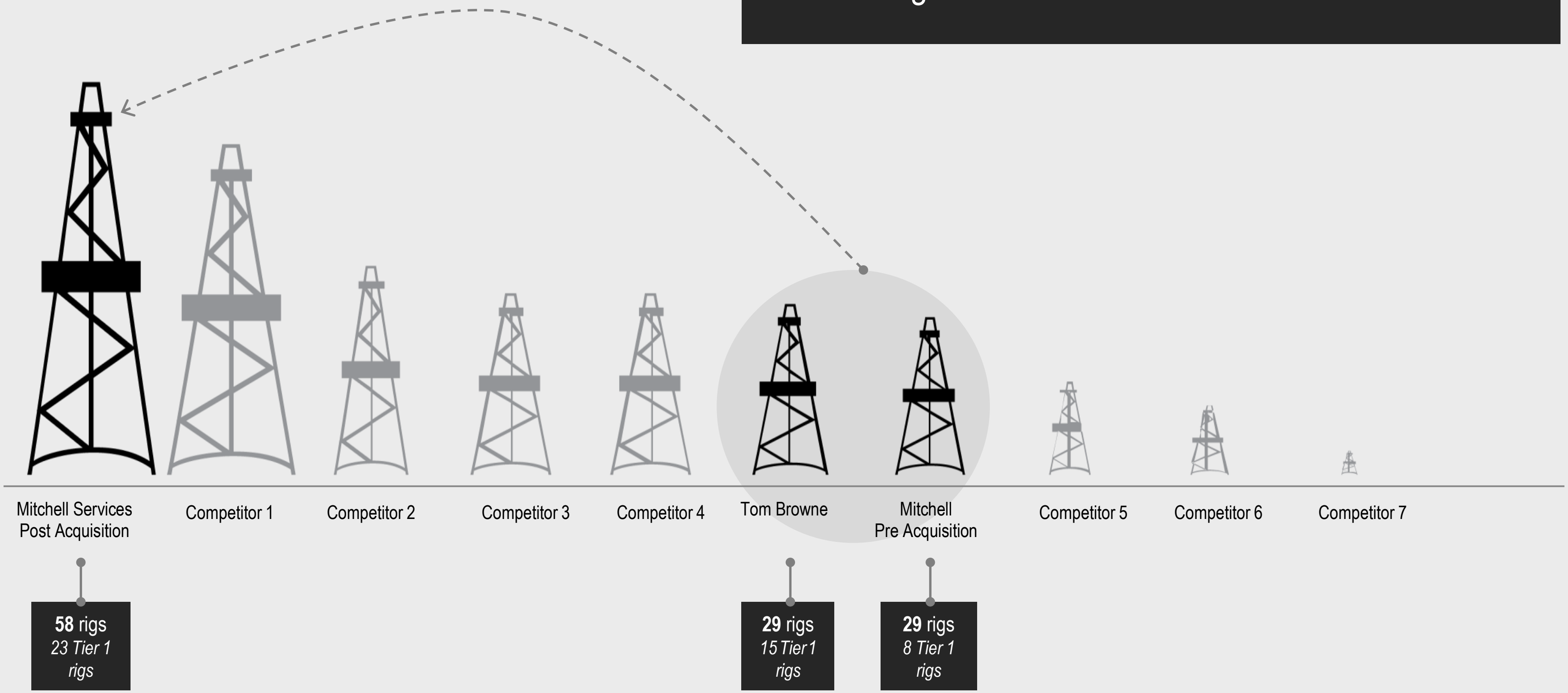
Find a better way

ACHIEVEMENTS FOLLOWING ACQUISITION

- **Won in approximately $30m** worth of contracts by revenue since acquisition of Mitchell Services including three *Tier 1* clients
- **Rig utilisation increased** more than three fold from four to fifteen rigs
- Review and implementation of **Industrial Relations strategy** to increase flexibility across the business
- Moved **operational base** to new Emerald premises and **corporate office** to Brisbane premises
- Rented **Townsville premises** to major global defence contractor creating a valuable standalone property investment that can potentially be divested in the medium term
- Access to equipment with **attractive buy out option** through rental agreement
- Settled underwritten **capital raising of $20.2m**
- Acquired TBDS assets for $9.5m **doubling fleet size to 58 rigs** including acquisition of a drilling contract with a "Tier 1" mining company through until December 2015.
- Auction of **surplus equipment**

MATERIAL INCREASE IN CAPABILITY POST ACQUISITION

Significant Fleet in Eastern Australia



*Eastern Australia fleet sizes of selected competitors are based on Mitchell Services management internal estimates

FY14 HIGHLIGHTS

Audited financials as at reporting date 30 June 2014	
Revenue	**$15.01m**
EBITDA	($2.90m)
NPAT	($4.60m)
Operating Cash flow	($2.20m)

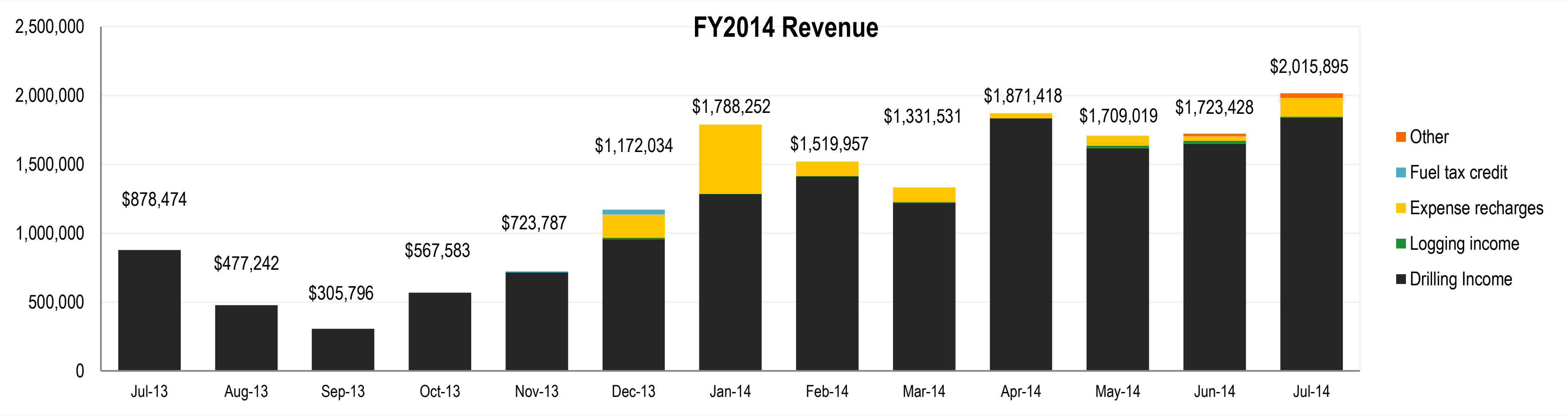
FY15 Outlook

Baseline revenue forecast of circa **$24m** revenue at break even operating cash flow basis

Significant upside potential in forecast revenue

Strong cash generation as rig utilisation increases

- Increase in rig utilisation from 4 to 15 rigs in September
- Management has proven it can outperform versus standard industry utilisation rates



THE FUTURE

Top priorities in the year ahead

- Continue to improve the standards in the health and safety of our people
- Meet and exceed the high standard of service that our clients expect from Mitchell Services
- Integrate the Tom Browne Drilling Services assets and inventory
- Increase rig utilisation with a view to increasing shareholder value in the medium to long term

SUMMARY

- **Major one off expenses** incurred to rebuild and position the business to work for Tier 1 clients
- **Competitive landscape is improving** rapidly and **barriers to entry for new competitors have increased**
- Best pricing for assets that Board and Management have seen. **TBDS assets were acquired at $9.5m versus a replacement value of $52.6m**
- Mitchell Services has **a significant fleet in Eastern Australia** to deliver on its vision of being **Australia's leading provider of drilling services** to the global exploration, mining and energy industries
- **Compelling bottom of the market investment opportunity with significant upside** if general market conditions improve