

## APPENDIX 4D HALF YEAR REPORT FOR THE PERIOD ENDING 31 DECEMBER 2014

**MASTERMYNE GROUP LIMITED**  
**ABN 96 142 490 579**

**Reporting period: Half year ended 31 December 2014**  
**Previous Corresponding period: Half year ended 31 December 2013**

### RESULTS FOR ANNOUNCEMENT TO THE MARKET

	<b>31 Dec 2014</b> <b>\$'000</b>	<b>31 Dec 2013</b> <b>\$'000</b>	<b>Change</b> <b>\$'000</b>	<b>Change</b> <b>%</b>
Revenue from Ordinary Activities	77,739	77,270	469	0.6%
Net Profit after tax from ordinary activities	(5,750)	772	(6,522)	-844.8%

### DIVIDENDS

<b>DIVIDEND</b>	<b>Record Date</b>	<b>Payment Date</b>	<b>Amount per Security</b>	<b>Franked Amount per Security</b>
Interim Dividend for 6 months ending 31 December 2014	13/03/2015	02/04/2015	1.0 cps	1.0 cps
Final Dividend for period ending 30 June 2014	26/09/2014	16/10/2014	1.4 cps	1.4 cps
Interim Dividend for 6 months ending 31 December 2013	14/03/2014	03/04/2014	1.0 cps	1.0 cps

The Company's dividend reinvestment plan is still not activated, therefore not operating for the 2015 interim dividend.

## FINANCIAL RESULTS

Mastermyne Group Limited and its controlled subsidiaries recorded a loss after tax of \$5.750 million for the half year ended 31 December 2014. This result is down on the previous corresponding period (net profit after tax for the half year ended 31 December 2013 of \$0.772 million) resulting from a non cash goodwill impairment of \$4.538 million (nil for the half year ended 31 December 2013) and transaction costs associated with the acquisition of Diversified Mining Services Limited (DMS) of \$1.163 million (nil for the half year ended 31 December 2013). The impact of these items reduced net profit after tax by \$5.352 million.

Revenue has increased 0.6% on the previous corresponding period to \$77.739 million (\$77.270 million for the half year ended 31 December 2013). Profit margins have decreased on previous corresponding period as a result of lower equipment utilisation, and contraction in margins due to the current market climate.

The overall cash position increased during the half year ended 31 December 2014 with strong cash inflows generated from operating activities. The DMS acquisition (outflow of \$10.581 million), together with minor cash outflows associated with acquisition of equipment (\$0.455 million), resulted in net cash outflows for investing activities of \$10.916 million. Cash inflows from financing activities (\$7.627 million) were higher than the previous corresponding period as a result of new debt raised to fund the acquisition of DMS (\$11.500 million). Total cash generated for the period was \$6.165 million, resulting in total cash on hand at 31 December 2014 of \$14.975 million.

- net cash inflows from operating activities for the half year ended 31 December 2014 of \$9.454 million
- net cash outflows from investing activities for the half year ended 31 December 2014 of \$10.916 million
- net cash inflows from financing activities for the half year ended 31 December 2014 of \$7.627 million

The net assets of the Group decreased by \$2.673 million to \$57.989 million, the decrease resulting from dividends paid during the half year ended 31 December 2014 of \$1.057 million, the loss for the half year ended 31 December 2014 of \$5.750 million, and the issue of shares associated with the acquisition of DMS of \$4.126 million.

### **NET TANGIBLE ASSET BACKING**

	<b>2014</b>	<b>2013</b>
Net tangible assets per ordinary share (cents per share)	0.40	0.52

### **CONTROL GAINED OVER ENTITIES HAVING A MATERIAL EFFECT**

During the period the group acquired 100% of the shares in Diversified Mining Services Ltd on 23 December 2014. Further details of the gain in control can be found in the notes to the 31 December 2014 Half Year Report.

### **LOSS OF CONTROL OF ENTITIES HAVING A MATERIAL EFFECT**

There were no entities or group of entities over which control was lost during the period.

### **DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES**

There were no entities or group of entities that were associates or joint venture entities during the period.