

**ASX ANNOUNCEMENT****5 November 2014**

ASX Market Announcements Office  
ASX Limited  
20 Bridge Street  
SYDNEY NSW 2000

**By electronic lodgement****Q1 trading on track and appointments made to senior management**

- **Unaudited management accounts for the first quarter indicate revenue of \$190 million with trading EBITDA for the quarter consistent with an annualised run rate of \$90-95 million per annum as previously announced**
- **Previously announced restructuring complete and the Group continues to work with its major customer Atlas Iron to achieve cost savings consistent with their plans**
- **New permanent Group Chief Financial Officer and Group General Manager, Health Safety & Corporate Services have been appointed**

Australian specialised transport and logistics provider, McAleese Limited (ASX: MCS) (**McAleese Group** or the **Company**) advises that unaudited management accounts for the first quarter indicate revenue of \$190 million for the quarter with trading EBITDA consistent with an annualised run rate of \$90-95 million per annum.

Across the Group, all businesses have been stabilised and operations are performing well, with previously announced restructuring activities in the Oil & Gas and Heavy Haulage & Lifting divisions complete.

The Bulk Haulage division has successfully commenced Phase 1 haulage for Atlas Iron's Mt Webber mine and is meeting all contractual KPIs. Management continues to work collaboratively with Atlas Iron to achieve cost savings consistent with their plans and to enhance the long-term sustainability of the relevant operations.

As broadly reported, general freight activity across Australia has been subdued amid the slowdown in the manufacturing and resource sectors, and reduced business and consumer confidence. This has also been reflected in the Specialised Transport division with softer first quarter volumes being experienced.

As previously announced to the market, net debt has been reduced to \$180 million as at 30 September 2014 following higher than expected proceeds from the Group's asset sale program.

Divestment of non-core assets and sale of surplus equipment is now expected to generate in excess of \$100 million in the first half of FY15.

The Company will provide an update and outlook statement at its AGM to be held on Thursday, 20 November 2014.

## **Management team further strengthened**

McAleese Group is pleased to announce the appointment of Mr John Russell to the role of permanent Group Chief Financial Officer. Mr Russell has over 15 years' experience across strategy consulting, private equity investing and senior operating roles. Mr Russell was previously a Partner of private equity firm Ironbridge Capital and most recently the Deputy Chief Executive Officer of fleet lessor and manager, FleetPartners. Mr Russell also holds a Bachelor of Commerce, Bachelor of Engineering and an MBA from Harvard Business School, and has today commenced his role with McAleese Group. Following a transition period, interim Group Chief Financial Officer, Mr Warren Saxelby, will join the Board effective from 1 March 2015.

In October, Mr Andy Kimpton was appointed Group General Manager, Health, Safety & Corporate Services. Mr Kimpton joined McAleese Group from DTZ, a UGL company, where he held the position of Executive General Manager, Facilities Management Operations and Risk. Mr Kimpton's management experience extends across a wide range of industries throughout Australia and New Zealand, as well as key global projects, and he has held senior HSE, risk and operational management roles in Environmental Services, Transport, Waste Management, Hospitality and Tourism, Infrastructure, Utilities, Local Government, Mining and Mineral Processing.

Commenting on the new appointments, McAleese Group Managing Director and CEO, Mr Mark Rowsthorn, stated, "On behalf of the Board and Management, I would like to welcome both John Russell and Andy Kimpton whom I know will be strong additions to our senior management team and play a critical role in further strengthening the financial and safety performance of the Group.

"I would also like to thank Warren Saxelby for the extensive contribution he has made during his time as interim Group CFO and look forward to working with him again following his appointment to the Board in the new year."

**Ends**

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