

Allmine Group Limited

Investor Presentation

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Table of Contents

3	Disclaimer
4	Background to Allmine Group
5	Update on Activities Post the ASX Admission
6	Group Strategy – Mine Life Cycle
7	Group Strategy – Mine Life Cycle Services Matrix
8	Acquisition of Arccon – Transaction Summary
9	Acquisition of Arccon – About Arccon
10	Acquisition of Arccon – The Arccon Business Model
12	Acquisition of Arccon – Arccon Projects
15	Group Organisation Chart
16	Key Management
17	Arccon Management
18	Income Summary
19	Balance Sheet Summary
20	Capital Structure
21	Acquisition of Arccon – Strategic Rationale



Disclaimer

Presentation of general background

This document contains general background information about the activities of Allmine Group Limited (“Allmine”) currently as at the date of this presentation. It is information in summary form only and does not contain all the information necessary to fully evaluate any transaction or investment. It should be read in conjunction with Allmine’s other periodic and continuous disclosure announcements to the ASX available at www.asx.com.au.

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Background to Allmine Group

- Allmine Group Limited (“Allmine Group” or “Allmine”) was initially established as a mobile plant maintenance services company with a “one stop shop” service proposition that provided the owners of plant with a 100% plant maintenance solution.
- Allmine has a strategic footprint of service centres and associated mobile service units across Western Australia and the Northern Territory, with particular focus on mineral resource companies.
- Allmine has a blue chip client base including BHP Billiton, Rio Tinto, ERA, Newmont and HWE.
- Allmine was officially admitted to the Australian Stock Exchange (“ASX”) late February 2011. Stock code ASX:AZG.
- Allmine has now commenced execution of its broader business plan of extending its service proposition to the mining service industry whilst remaining focused on mineral resource companies.



Update on Activities Post the ASX Admission

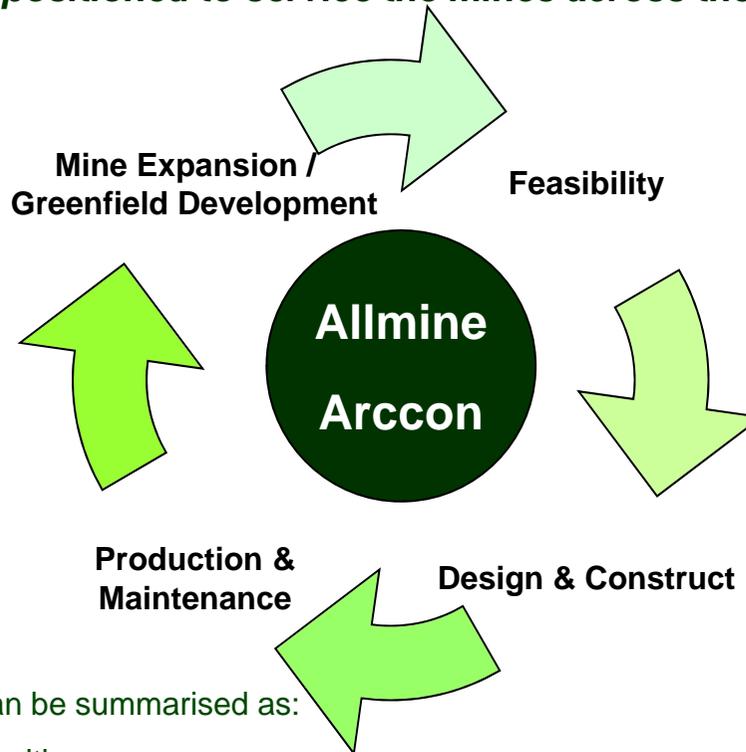
- In accordance with the Allmine Group Prospectus the Group has:
 - i) Settled the Karratha based mobile plant maintenance business Godfrey's Fitting Service ("Godfrey's") and has subsequently integrated this business into the existing Allmine Group operations in Karratha; and
 - ii) Repaid debt of \$7m.
- Allmine Group entered into a binding terms sheet for the acquisition and select assets of the Port Headland based fixed plant maintenance business Carey Gardner Engineering ("Carey Gardner") on 4 March 2011.
- Allmine Group has the Extraordinary General Meeting ("EGM") notice with the ASX to seek shareholder approval for the acquisition of the Perth based design, engineering, and construction group Arcon (WA) Pty Limited ("Arcon"). The EGM is currently scheduled for 30 June 2011.



Group Strategy – Mine Life Cycle

Mine Life Cycle

Allmine is positioned to service the mines across their life cycle.



The Allmine Group Strategy can be summarised as:

- Life of mine service proposition
- “Asset light” and “low gearing” operating model
- Leverage off the Allmine strategic partners to deliver a unique market service proposition



Group Strategy – Mine Life Cycle Services Matrix

The Allmine Group Strategy is to provide services across the entire mine life.

Engineering & Construction Arccon EPC		Maintenance Allmine Fixed & Mobile Plant	
Greenfield Developments	Services Required	Brownfield Developments	Services Required
Feasibility Phase	<ul style="list-style-type: none"> Resource identification / delineation Front end design & engineering Feasibility studies 	Production & Maintenance Phase	<ul style="list-style-type: none"> Mining (contract or in-house) Fixed plant maintenance Mobile plant maintenance Capital products (consumables etc.) Transport (capital products and mine off-take) Ongoing resource delineation (ongoing drilling). Mine expansion services
Design & Construction Phase	<ul style="list-style-type: none"> Design & engineering Bankable feasibility analysis Finance (debt & equity) Construction of mine concentrators and infrastructure 		



Acquisition of Arcon – Transaction Summary

- Allmine has entered into a contract, subject to shareholder approval, to acquire the total issued capital of Arcon based in Perth, Western Australia.
- Arcon is an engineering and construction company that provides design, procurement and construction services to the mineral resources industry.
- The key management of Arcon are to be retained under a 3 year Management Services Agreement and participation in a Performance Rights Plan.
- The Arcon Managing Director, Mr Robert Wilde is to join the Board of Allmine as an Executive Director.
- Acquisition price of A\$22.8m in a scrip only transaction payable in two tranches. Tranche A payment upon financial close of A\$15m in Allmine ordinary shares at a strike price of A\$0.20 per share (representing 75,000,000 shares). Tranche B is a Performance and Loyalty Payment (“PLP”) of A\$7.8m subject to an earn-out of an NPAT of A\$5.5m for FY2012. The strike price for the PLP shares is the 5 day VWAP of the Allmine shares calculated as at 30 June 2012 and requires the vendors to hold 75% of their shares until June 30 2012.
- The Arcon vendors are in voluntary escrow until 31 December 2011 and thereafter by virtue of the PLP
- Allmine is to replace third party security provided by Arcon shareholders to secure their bond and overdraft facilities of A\$11.5m by 30 September 2011
- The acquisition is also conditional upon approval of a Performance Rights Plan that incentivises and locks in the top 24 Arcon managers for a 3 year timeframe
- ***The maximum acquisition price of A\$22.8m represents 6.0x FY2011 projected NPAT and 1.9x FY2012 projected NPAT.***



Acquisition of Arcon – About Arcon

- The founders and principals of Arcon, Mr Robert Wilde and Mr John McCowan share in excess of 80 years' experience in the mineral resources industry, having established Minproc Engineers in 1978, a highly successful mineral processing, design and construction company (now Amec-Minproc) responsible for over 130 successful mineral processing plants constructed over 20 years.
- The owners of Arcon include; Robert Wilde (45%), John McCowan (10%) and the Ellerston GEMS Fund (45%).
- The Arcon mining division has completed designs for process plants with a value in excess of A\$1.3 billion since 2007 and has recently signed Alliance Agreements directly, and indirectly through an associated entity, with two of the largest Chinese domiciled engineering and procurement and construction companies in the world.
- Currently, Arcon and one of its Chinese engineering partners are working with three Australian listed resource companies to bring on stream a vanadium, copper and nickel mines worth approximately US\$2.5 billion to develop.
- Arcon, together with its 50% owned subsidiary Construction Industries Australia ("CIA"), has successfully established a civil, concrete and structural, mechanical & piping ("SMP") contracting group, which is currently engaged in major civil, concrete and SMP contracts on the Sino Iron project for CP Mining in the Pilbara Region of Western Australia and is about to be awarded further SMP contracts.
- Arcon has provided SMP construction services to the Mineral Resources Group for the installation of a major crushing and screening facility at the Fortescue Metals Group Christmas Creek site.



Acquisition of Arcon – The Arcon Business Model

Arcon is an EPC contractor which operates a unique business model in that it generates its business via three channels to market:

- (i) General tendered works through CIA for civil, concrete and SMP disciplines;
- (ii) Under its Alliance Agreements with MCC Mining (Western Australia) Pty Ltd (“MCC”) and China Non-Ferrous Metal Industry’s Foreign Engineering and Construction Co. Ltd (“NFC”); and
- (iii) Turnkey mineral process plant on an EPCM or EPC basis – 100% Arcon

Who are MCC and NFC?

MCC Mining (Western Australia) Pty Ltd is a subsidiary of China Metallurgical Group Corporation (“MCC”) and the owner of 20% of the Cape Preston Sino Iron magnetite project in Western Australia. MCC is the largest mine EPC contractor in the world and one of the largest equipment manufacturers in China. It’s subsidiary, China Metallurgical Corporation Limited is listed on the Shanghai and Hong Kong stock exchanges with a market capitalisation of US\$9.2bn.

NFC – China Non-Ferrous Metal Industry’s Foreign Engineering Construction Co. Ltd is one of China’s leading construction and engineering groups and is listed on the Shenzhen stock exchange with a market capitalisation of US\$3.2bn.

MCC & NFC have:

- Substantial capable, low cost engineering and construction labour resources to deploy to global projects;
- Significant balance sheets; and
- The backing of major Chinese banks to fully fund viable key commodities projects.



Acquisition of Arcon – The Arcon Business Model

The Arcon Alliance Agreements focus on Tier 2 (or below) mining companies in the mineral resources sector. The Alliances provide Arcon with a strong competitive position in that:

- (i) The Alliance Agreements are reciprocal relationships whereby the Alliance partners introduce projects to Arcon and vice versa; and
- (ii) For complying projects, Arcon in conjunction with its Alliance partner can package:
 - (a) EPC lump sum, turn key contracts supported by performance bonds for projects up to US\$2bn;
 - (b) Deliver low cost Chinese engineering, raw materials, plant & equipment and labour to projects;
 - (c) Project finance to approximately 70% – 100% of the development cost; and
 - (d) Off take arrangements.

The ability of Arcon, together with its Alliance partners, to deliver a capital solution in conjunction with its EPC capability and access to low cost key construction inputs to projects is a significant comparative advantage to its peers. There are no Western world engineering companies offering the same service.

As evident from the following Arcon project pipeline, the Alliance Agreements provide Arcon with significant access to construction opportunities in the minerals sector.



Acquisition of Arcon – Arcon Projects

Arcon / NFC Contracts

Contract	Description	Status	Contract Value
Reed Resources	<p>A Memorandum of Understanding has been signed between Chinese conglomerate NFC, Perth-based Reed Resources and Arcon for the financing, construction and development of Reed Resources' Barrambie Vanadium Project in Western Australia.</p> <p>The project is recognised as one of the world's highest grade vanadium deposits with projected production of around 12,000 tonnes of Vanadium Pentoxide (V_2O_5) per annum.</p> <p>This agreement formalises previous discussions regarding the provision of an Engineering, Procurement and Construction ("EPC") style contract and project financing.</p>	<p>Under MOU</p> <p>Start Q1 2012</p>	US\$450m
Marengo Mining	<p>A Memorandum of Understanding has been signed between NFC, Marengo Mining Limited and Arcon for the financing, construction and development of the Yandera Copper-Molybdenum-Gold Project in Madang Province, Papua New Guinea.</p> <p>The project will produce 300,000tpa of copper concentrate, 6500 tonnes of molybdenum concentrate and 40,000oz of gold per annum for 20 years.</p>	<p>Under MOU</p> <p>Start Q3 2012</p>	US\$1.4b
Poseidon Nickel	<p>A Memorandum of Understanding has been signed between NFC, Poseidon Nickel and Arcon for the financing, construction and development of a 300,000tpa nickel sulphide concentrator for its Mt Windarra nickel project. Arcon will act as the local design and installation engineer.</p>	<p>Under MOU</p> <p>Start Q1 2012</p>	US\$35m



Acquisition of Arcon – Arcon Projects

Arcon / MCC Contracts – Sino Iron Project

Contract	Description	Status	Contract Value
Concentrate Thickener (lump sum)	Concentrate thickeners Foundation for 2 – 45m diameter thickeners	Completed	A\$3.2m
Conveyor Crossings (lump sum)	Conveyor bridge stackers	Completed	A\$3.2m
Concentrate Tailings (lump sum)	Concentrate thickeners 2 – 90m diameter thickeners Design and construct	In progress	A\$32.6m
Miscellaneous concrete works	Pump stations, concentrator foundations, pipe supports, dust suppression supports etc.	In progress	A\$29.8m
Structural/ Mechanical Piping install (SMP) (cost-reimbursable)	Installation of MCC-supplied equipment and structural steel and pipework	Award due May 2011	A\$30m
Future Works: Concrete works Other SMP works	Other concentrator concrete works, sewerage treatment plant Installation of equipment at the stockyards and port Schedule of Rates	To be awarded Q3-4 2011	A\$30.0m A\$45.0m



Acquisition of Arcon – Arcon Projects

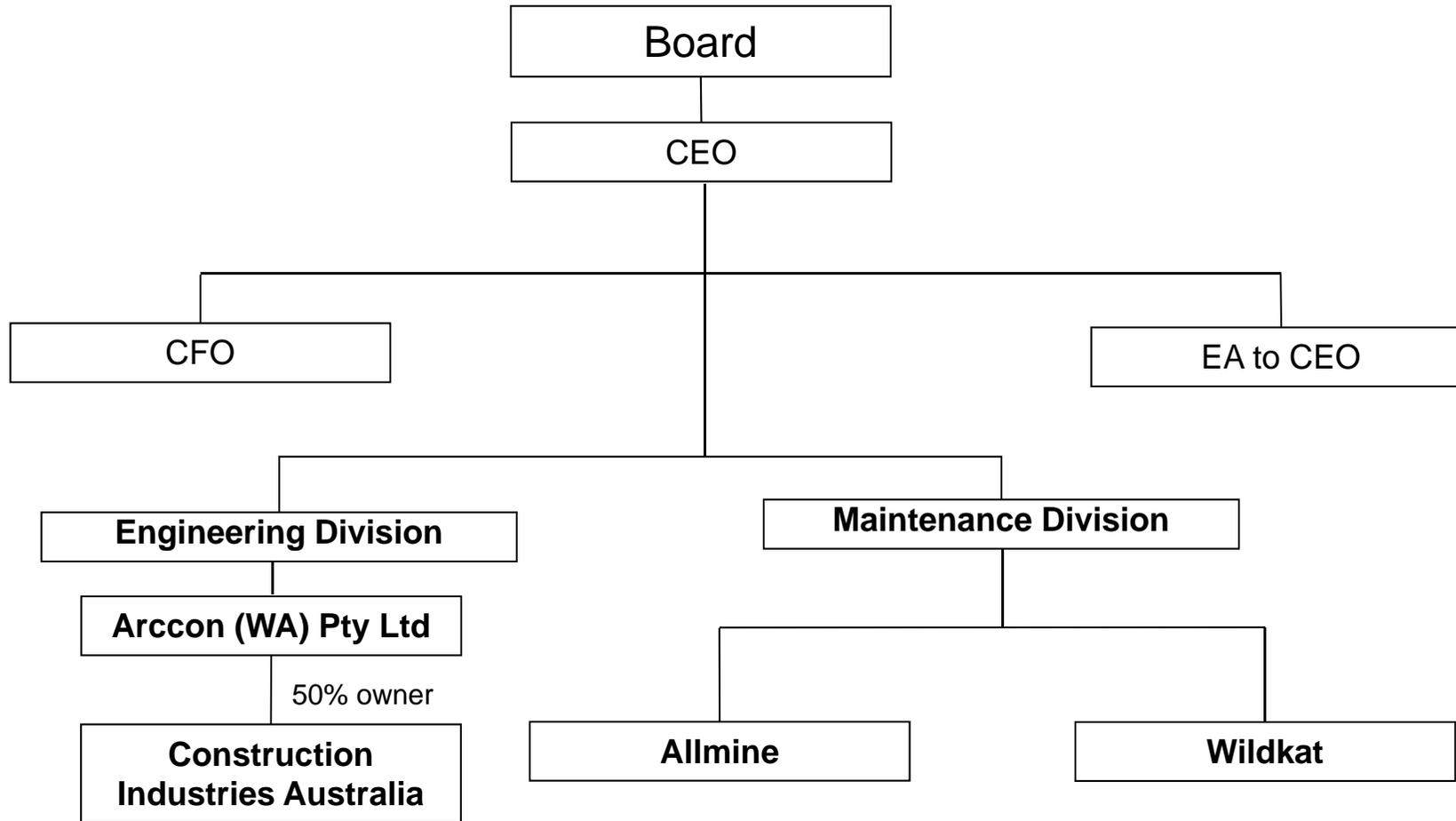
Arcon – Other Contracts

Contract	Description	Status	Contract Value
Golden Hills Gold Project Mongolia	Design, procurement and some construction management assistance Reimbursable contract	Awarded	A\$45m
Medusa Gold Project Philippines	Design, procurement and construction management (EPCM) Reimbursable contract	Awarded	A\$50m
Kipoi Copper Project DRC – Africa	Bankable Feasibility Study for a 50,000tpa copper cathode project following on from a successful pre-feasibility study.	Preliminary studies completed	A\$400m

Total project pipeline A\$2,667m across approximately a four year time horizon.



Group Organisation Chart



Arccon will operate as a standalone wholly owned subsidiary of Allmine.



Key Management

Key Management Team

Scott Walkem – Chief Executive Officer / Director

Scott was the founding shareholder and the Managing Director of Allmine. Prior to founding Allmine, Scott practised as an investment banker for 15 years in various corporate advisory and structured finance roles across utilities and infrastructure, mining and resources and private equity sectors. Scott was previously a Director of the Bank of Scotland International in its Mergers and Acquisitions team. He holds an economics degree from the University of Tasmania.

Robert Wilde – Arcon Managing Director and Director of Special Projects / Director Allmine (Proposed)

Robert has spent over 40 years in the construction and mining industry commencing as a site engineer at Paraburdoo on a new iron ore mine in 1971 to Managing Director for over 15 years of the Minproc Group, a successful mining process design and construction group. Over the past eight years Robert, as Managing Director, has built up Arcon into a thriving mining services and design-construct group. He has been involved in a number of major resource developments including Hamersley Iron, Paraburdoo, Tom Price and Dampier expansions in the 1970s, Tiwest mineral sands to pigment project and over 130 gold projects around the world with a combined value of over \$2.5bn.

Graeme Key – Chief Financial Officer

Graeme has extensive experience in the commercial field including a number of senior finance and general management roles. He has a business degree with an accounting major from Monash University. Graeme has many years of experience in finance, accounting, manufacturing, general marketing, logistics and operations across a range of companies.

Leigh Wright – Group General Manager Maintenance Division

Leigh joined Allmine in 2007. He has over 20 years in the Australian mining industry and has in-depth experience in the manufacture, maintenance and repair of fixed and mobile mining plant. Leigh is a qualified mechanical fitter, line borer and boilermaker.

John McCowan – Arcon Technical Director

John has over 45 years' experience in the design and delivery of major mineral processing plants and infrastructure projects around the world. He has acted as the Technical Director of Minproc Engineers for over 20 years completing 130 major gold projects over this period. John has been Technical Director of Arcon since 2007 and has been responsible for the design of a number of gold projects, a \$500m vanadium project and studies for copper, molybdenum and iron projects.

Michael Franklin – Chief Financial Officer & Company Secretary

Michael has an economics degree from the University of Adelaide and has worked as a business consultant for almost 20 years. He was a consultant to Arcon from February 2007 and in September 2007 joined the company full time as Chief Financial Officer and Company Secretary. In March 2011, Michael was also appointed the Financial Director and Company Secretary of Arcon's associate company, CIA.



Arccon Management

As a result of the significant pipeline of projects that has been built by Arccon over the past 6 months, the Arccon management team has been strengthened with the following key management:

New Arccon Management

Bernard Landro – Manager Estimating

Previously the Chief Estimator for Monadelphous

Paul Kreppold – General Manager, Mining Services

Previously the Chief Engineer for the FAST Joint Venture

Paul McCallum – General Manager, Structural Mechanical Piping

Previously the Contracts Coordinator for ATIVO



Income Summary

Allmine Group – Pro Forma Income Statement. The Merged Allmine and Arccon Entities

- Revenues underpinned by existing contracts and historical earnings.
- Finance costs are associated with the Group asset finance and working capital facilities.
- Gross profit, EBITDA and NPAT margins are consistent with those achieved historically.

	2012 Forecast
Revenue	150,081,700
Cost of Sales	107,790,036
Gross Profit	42,291,664
Other Income	<187,808>
Operating Expenses	15,995,274
EBITDA	26,108,582
Depreciation and Amortisation Expense	1,300,080
EBIT	24,808,502
Financial Costs	929,755
Profit Before Income Tax	23,878,747
Income Tax	7,334,743
Net Profit After Income Tax	16,544,004



Balance Sheet Summary

Allmine Group – Pro Forma Balance Sheet. The Merged Allmine and Arccon Entities

- Significant balance sheet items consist of general working capital, operating plant & equipment (generally asset financed) and goodwill.
- The goodwill component reflects the goodwill of acquisitions at cost. Goodwill is a significant component of mining service company acquisitions given the “asset light” nature of those businesses. Note: Allmine has never paid greater than 3.0x forecast EBIT.
- Debt includes the Arccon earn-out payment of \$7.8m and asset finance facilities. There is no senior debt in the Group capital structure.
- Other liabilities include subcontractor retentions and general provisioning.

Pro forma 2010	2012 Forecast
Cash	17,136,992
Receivables	26,714,255
Inventory	8,728,826
Fixed Assets	5,640,374
Intangibles	36,662,576
Other	1,155,643
TOTAL ASSETS	96,038,666
Debt	14,681,409
Payables	14,887,240
Other	7,214,172
TOTAL LIABILITIES	36,782,821
NET ASSETS	59,255,845



Capital Structure

Allmine Group – Post Acquisition Capital Structure

Capital Structure	Existing shares on issue	135,174,956
	Options @ \$0.20	42,070,900
	Options @ \$0.25	2,500,000
	Options @ \$0.30	2,500,000
	Convertible Note Conversion	22,037,500
	Fully Diluted – (potential)	204,283,356
Capital Structure Post Acquisitions	Carey Gardner Issue	1,625,000
	Arccon – Tranche A Issue	75,000,000
	Arccon – Tranche B Issue (5 day VWAP as at 30/06/2012)	TBD
	Fully Diluted – (potential)	280,908,356



Acquisition of Arcon – Strategic Rationale

Acquisition of Arcon is consistent with Allmine's strategy of building a substantial "life of mine" mining service business with particular focus on mineral resource mines.

The acquisition delivers to Allmine a number of benefits including:

- **Operating Model:** Completes the Allmine Group operating model;
- **Arcon Business:** A high quality business with a unique operating model;
- **Management:** Exceptional management team;
- **Pipeline of Future Earnings:** Arcon has a significant pipeline of existing contracts and potential contracts. The Alliance Agreements with MCC & NFC are expected to consistently deliver new major contracts to Allmine;
- **High Growth Potential & Scaleable:** The Arcon business is scaleable and has high growth potential;
- **Synergies:** High potential for internal sales across the existing Allmine maintenance divisions. In particular, new Arcon projects provide opportunities to expand the maintenance division significantly;
- **Asset Light:** The group is asset light with little or no gearing; and
- **Earnings Per Share ("EPS") Accretive:** Delivers the Allmine Group with scale in terms of earnings and is immediately EPS accretive.