

Industrea Limited Annual General Meeting

11 November 2011



AGM 2011

Managing Director & CEO Presentation



Robin Levison

Managing Director & CEO



Agenda

FY11 Highlights

Operational Overview

Innovation and Branding

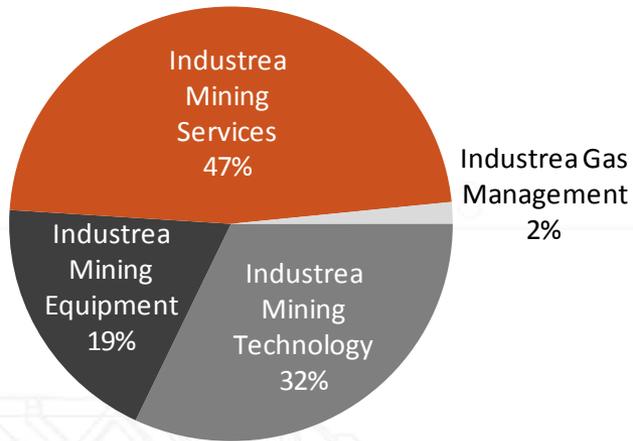
Strategy and Outlook

FY11 Highlights

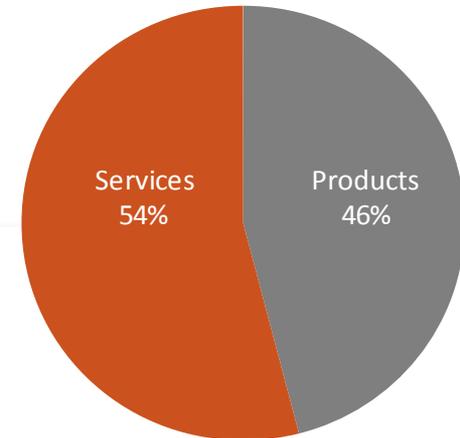
- Fifth straight year of revenue and profit growth
- Revenue up 14.0% and EBITDA up 10.2% driven by strong performance in Industrea Mining Technology (IMT) and Industrea Mining Services (IMS) businesses
- Strong 2nd half performance and improved 2nd half margins as per guidance
- Adjusted NPAT* of \$51.5 million up 15.5% on FY10
- Acquisition of underground in-seam gas drainage business forms foundation for Industrea Gas Management (IGM) business
- Final dividend of 3.0 cents declared, making a full year fully franked dividend of 4.0 cents, up 2.6% on FY10 – Dividend paid on 7 November 2011
- 6 new products developed and released to market since FY10

FY11 Revenue diversification

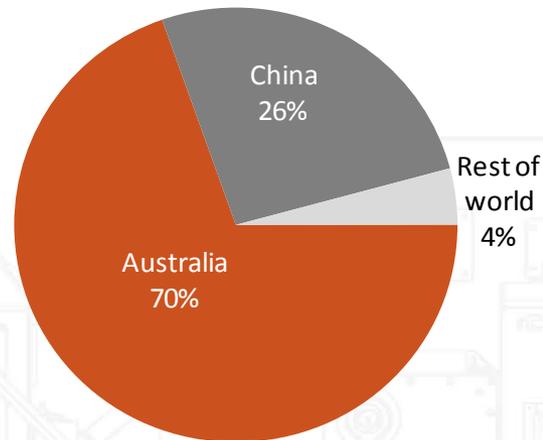
Revenue contribution



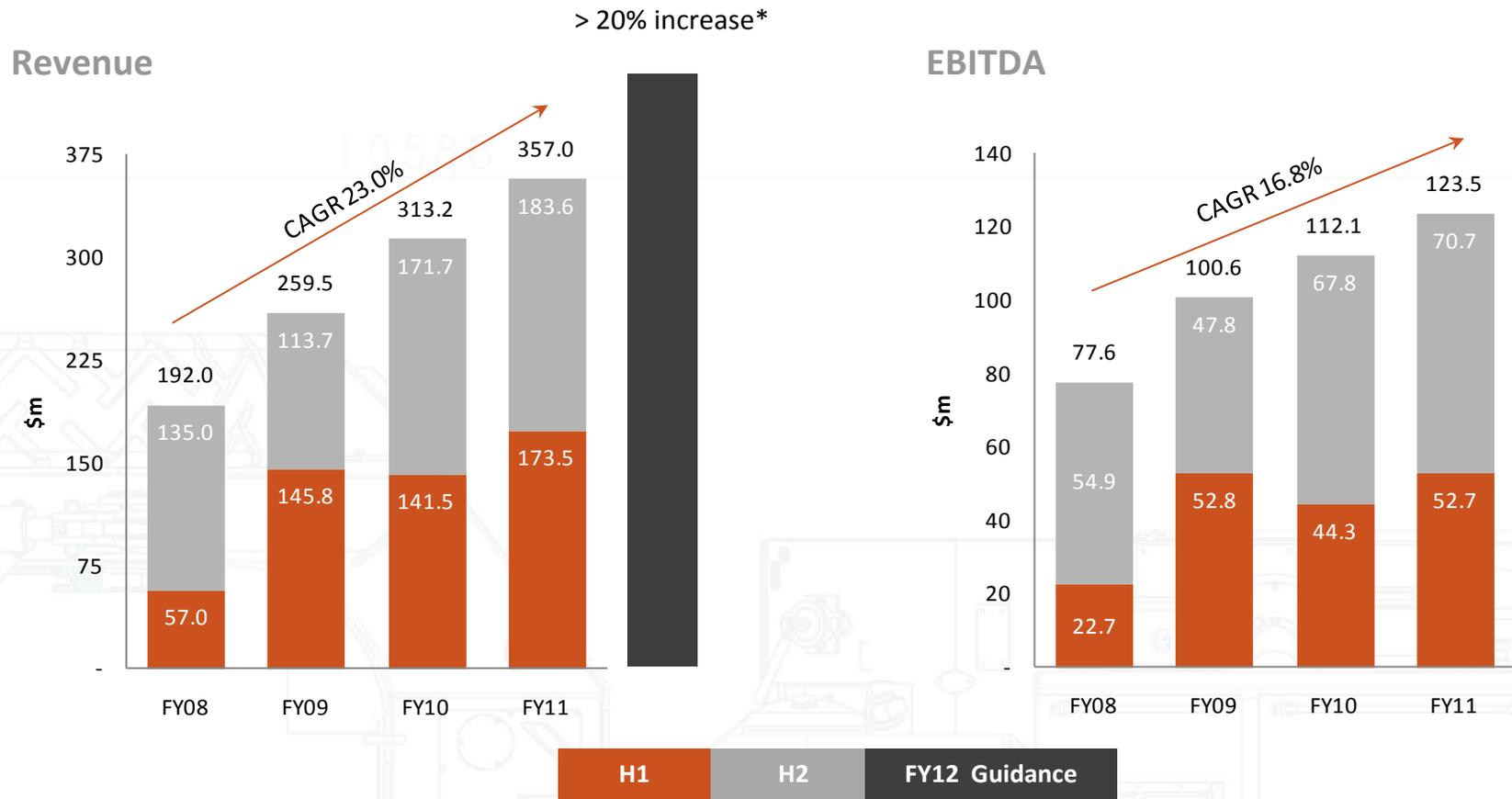
Business type



Geography



Financial performance



* Expect at least 20% revenue increase as disclosed in FY11 results announcement

Operational highlights – Expanding Horizons

- Core products homogenous across key markets
 - Australia, China, South America, South Africa and Russia
- Growing client base with high retention rate
- Continued client focus globally on increased safety and productivity
- Improved second half performance by Industrea Mining Equipment (IME) division driven by both Australian and Chinese demand
- Circa 50% of group revenue derived from stable services contracts across group
- Increasing contribution of annuity spares income from installed base – IME and IMT
- Mining services business performing strongly despite Baralaba flood impact
- Improved balance sheet with capacity to fund future growth
- Launch of the new IGM division with annualised revenue of \$19.9 million
- Acquisition of new premises in Rutherford for establishment of a service centre of excellence

Operational Units, Customers and Geography



Operational units
Customers
Geographical Coverage

Operational units



- Underground methane gas drainage directional drill guidance systems
- Open cut mining Collision Avoidance Systems
- Vehicle and heavy equipment tracking software solutions
- GPS in vehicle monitoring systems



- Design and manufacture of specialist underground mining vehicles (flame and explosion proof)
- Heavy underground mining equipment especially for longwall relocation
- Provision of maintenance, spares, service and support contract to customers
- Materials handling equipment and accessories
- General engineering and fabrication services



- Specialised underground in-seam drilling services:
 - Exploration drilling
 - Dewatering and drainage drilling
 - Gas drainage short and long hole drilling



- Integrated contract mining services including
 - Mine planning and management
 - Open cut mining and earth moving services
 - Earthmoving equipment and experienced operating staff
 - Drill and blast contracting services
 - Civil services associated work with mining activities



- Chinese manufacturer and distributor
- Provision of maintenance, spare parts, service and support

Current customers



Centennial Coal



Peabody

RioTinto



VALE



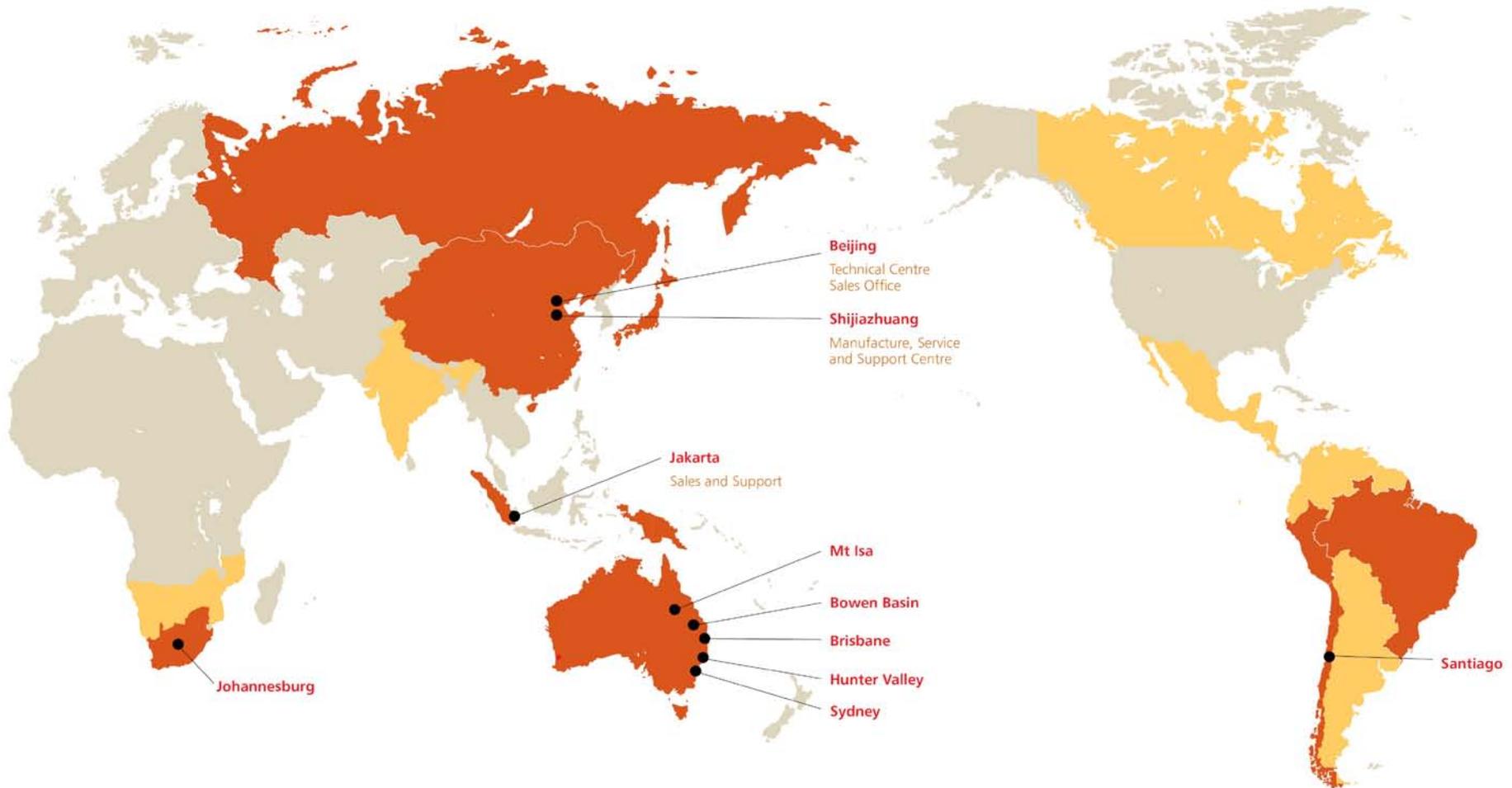
Datong Coal Group



晋城煤业集团
JINCHENG ANTHRAHITE MINING GROUP



Geographic coverage



Innovation and branding



Innovation lifecycle in Industrea
New products and R&D
Exhibitions

Innovation lifecycle in Industrea

- Strategic approach driven from the top
- Idea generation and funnels to management across all parts of business
- Concept development – market gaps, ability to make and deliver
- Customer feedback loops
- Development decision and driving the R&D project once initiated
- Test and validation processes
- Product launch and post launch review
- Learning from review of new product launch applied to next project
- Our track record in product development illustrates our commitment

New Product Critical Success Factors

- Differentiated superior products
- Rigour at the start of each project with continuous decision trees
- Listening to the needs of customers
- Sharp, stable and early product definition with a clear niche
- Planning and resourcing the market launch early in the process
- Cross functional project teams incorporating all parts of the business
- International application and strong entry points to international markets

New Products introduced and ongoing R&D

- IME 80T longwall roof support carrier
- IME 130T longwall shearer carrier
- IME 70T Mine Dozer
- IME drill rig with integrated IMT DGS
- Minecruiser Mk7 with tier 3 engine package
- Additional IME vehicle under development
- Chinese manufactured IUV (Industrea Utility Vehicle)
- CAS/CAM projects
- DGS projects



AIMEX 2011

 industrea

 industrea

Industrea designs, manufactures and markets the widest range of products and services to improve safety and productivity in the global mining environment.

 industrea

Drill Hammer System



China Coal Show 2011



China Coal Show 2011



MET TIER 3
矿用无人驾驶车



40/50/70/100/130T LWC
长型矿用自卸车



130T LSC
长型矿用自卸车



450
矿用自卸车系统



TIGGART

China Coal Show 2011



China Coal Show 2011



China Coal Show 2011



The image shows a close-up of a white mining machine with a control panel. The panel features a logo consisting of a stylized hexagonal shape with internal lines, followed by the text "industrea" in a bold, lowercase sans-serif font, and "mining equipment" in a smaller, lowercase sans-serif font below it. The machine has various control knobs, switches, and a gauge. A red and white striped safety marker is visible on a vertical post. The machine is mounted on a track system with a blue rubber track and a metal guide rail.

industrea
mining equipment

Strategy and Outlook



Strategy
Underlying market conditions
Domestic Outlook
International Outlook

Strategy

- Continue to focus on core markets in Australia and China
- Continue to focus on expansion markets of Russia, South America, South Africa and USA
- Consider further strategic and earnings enhancing acquisitions to add to IMT, IME and IGM divisions



- CAS-CAM/RF® – further diversify customers, expand Australian footprint and new markets
- DGS – continue to support emerging Russian interest and new Industrea drill rig through sales in Industrea existing and new markets
- New products to strengthen revenue base



- Capitalise on new underground equipment offerings
- Build on Chinese manufacturing capability
- Expect strong FY12 sales both domestically and in China and Russia



- Diversify underground service offering targeting current customer base
- Capitalise on Australian, Chinese and Russian underground gas drainage opportunities
- Transition to providing complete suite of gas drainage and associated services



- Support current customer expansions
- Capital expenditure for further growth opportunities
- Bid on new contracts that support IMS business model and return on investment criteria

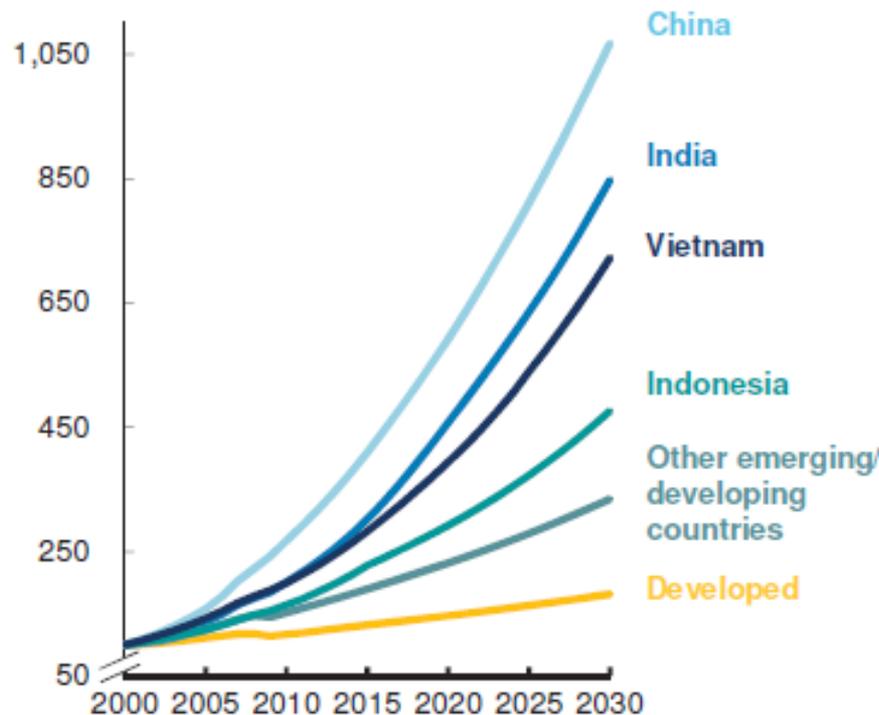
Domestic Underground Coal Market is expanding

- Approved underground coal projects in Australia up to 2015

Project	Owner	State	Expected start-up	Capacity MT pa	Capex (\$Am)
Kestrel	Rio Tinto	QLD	Underway	1.7	1,200
Moolarben	Felix Resources	NSW	Underway	3.0	405
Eagle Downs	Aquila/Vale	QLD	Mid 2011	4.6	977
Ulan West	Xstrata	NSW	Mid 2011	7.0	1,100
Ellensfield	Nebo Central Coal/Vale	QLD	Late 2011	5.5	640
Grosvenor	Anglo Coal	QLD	Late 2011	7.0	1,100
Narrabri Coal	Narrabri Coal	NSW	Early 2012	6.0	300
No. 1 Colliery	Gujarat NRE Minerals	NSW	Late 2012	3.0	250
Belvedere	Aquila/Vale	Q:D	Late 2013	11.5	2,800
Ensham Central	Ensham Resources	QLD	Late 2013	12.0	1,200
Wambo	Peabody	NSW	Early 2014	9.0	200
Goonyella Riverside	BMA	QLD	Late 2014	9.5	1,500
Moranbah South	Moranbah South	QLD	Late 2014	2.5	1,200
Doyles Creek	Nucoal	NSW	Early 2015	5.0	350
Kevin's Corner	GVK	QLD	Post 2014/15	30.0	3,000
Mt Arthur North	BHP	NSW	Post 2014/15	4.0	320
Wallarrah 2	Kores	NSW	n/a	11.0	n/a
Total				132.3	16,542

Emerging market demand for energy closely linked to GSP growth

REAL PPP GDP
Index 100 = 2000

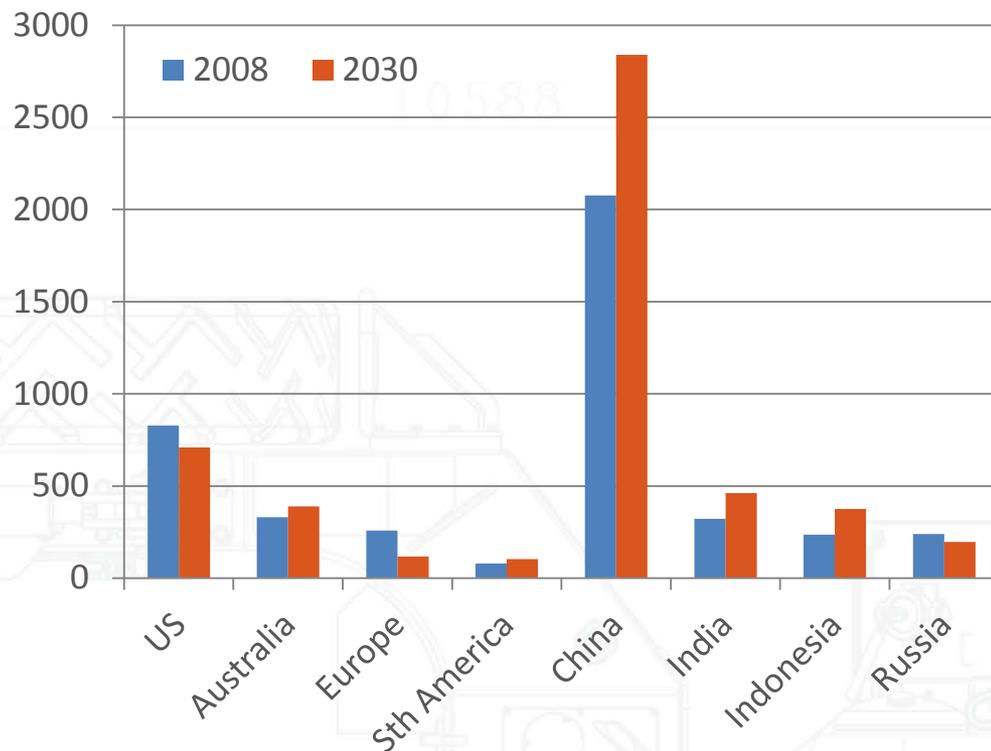


Source: ANZ Insight, Issue 1 August 2011

- Demand for resources is greatest as countries move from US\$2,000 to US\$10,000 per capita
- China is at this point and India, Vietnam and Indonesia are fast approaching
- China expected to have 40Mkw power deficit in Q4 2011. Several Chinese provinces have increased sale price of industrial power due to growing shortages

Developing countries in Asia are main source of growth

World Coal Production to 2030 (Mtce)



Source: International Energy Agency, World Energy Outlook 2010
(Verein der Kohlenimporteure – 2010/11 Annual Report)

- Key growth markets for coal production are:
 - China
 - India
 - Indonesia
 - Australia
- Underlying consumption growth derived from new coal fired power plants

Domestic Outlook

Industrea expected to deliver organic revenue growth in excess of 20% in FY12

- Market for all divisions expected to grow over next 36 months
- Strong order book leading to improved manufacturing economies of scale and associated margins
- Continued strong demand for longwall relocation equipment
- IMS - benefit from renegotiated contract rates and contract extensions as resources boom continues and resumption of Cockatoo Coal Baralaba revenues
- Full year contribution from underground gas drainage acquisition

International Outlook

China

- Strong growth in the mining products market which is forecast to exceed 20% over coming years and reach 150 billion RMB by 2015
- Strong increase in orders from June and July expected to continue
- Product expansion with Industrea “drill rig” manufacture - total gas drainage package will incorporate IMT’s unique and market leading DGS
- Manufacturing underway with flame proof and explosion proof personnel vehicle launch in October
- Increased recurring revenue from larger in country service and support infrastructure

Russia

- Build on early sales of IMT directional drill guidance products
- IGM to establish services model outside Australia

Other

- South Africa and South America opportunities for CASCAM with global customers including Anglo American, Rio Tinto and BHP Billiton

Disclaimer

- This presentation for Industrea Limited is designed to provide a high level overview of aspects of Industrea Limited. The material set out in the presentation is current as at 11 November 2011. It is information in a summary form and does not purport to be complete.
- In this presentation references to Industrea means Industrea Limited and its wholly owned subsidiaries.
- The presentation may contain forward looking statements about assumptions, prior year corresponding period, estimates and outcomes, which are based on internal business data and external sources. Given the nature of the industry, business risks, and other factors, the assumptions, estimates and outcomes are uncertain. They may be affected by internal and external factors and involve known and unknown risks, many of which are beyond the control of Industrea Limited, that may cause actual results and business performance to differ materially from those expressed or implied in such statements. No assurance or guarantee is, or should be taken to be, given in relation to the future business performance or results of Industrea Limited or the likelihood that the assumptions, estimates or outcomes will be achieved.
- While management has taken every effort to ensure the accuracy of the material in the presentation, the presentation is provided for information purposes only. Industrea Limited, its officers and management exclude and disclaim any liability in respect of anything done in reliance on the presentation.
- It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with or without professional advice, when deciding if an investment is appropriate.
- Please note that all references to \$ or dollars herein are references to Australian dollars, unless otherwise indicated.