

**FINANCIAL REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2021****Half Year Highlights**

- Solid H1FY22 financial performance and balance sheet position, with cash and cash equivalents of \$7.48 million
- Revenue from ordinary activities of \$7.5 million up 19% on prior corresponding period
- EBITDA<sup>1</sup> of \$1.42 million up 17% on prior corresponding period
- Entered Technology MoU with MACA Ltd to support Collar Keeper® System development
- Successful trial completed on track rigs for the Collar Keeper® System
- Additional lease equipment acquired and deployed to various projects
- Appointed General Managers for the Mining & People Services divisions
- Completed relocation of MagLok to new South Australian premises
- Successful listing on the ASX
- Guidance on full year FY22 revenue maintained at \$14.5-\$15.3 million, up from \$12.7 million in FY21<sup>2</sup>

Mining services provider Aquirian Limited (**ASX: AQN**) ('**Aquirian**' or the '**Company**') is pleased to report on its financial results and highlights for the half year ending 31 December 2021.

The Company generated \$7,497,299 of revenue from ordinary activities during the half year, an increase of 19% on the prior corresponding period. EBITDA<sup>1</sup> were up 17% on the prior corresponding period to \$1,420,860. The Company's balance sheet remains strong with net assets of \$10,836,040 and positive cashflow generated from operating activities during the half year of \$395,423.

The half year financial performance was underpinned by solid results from the Company's Mining Services division, with robust Collar Keeper® sales internationally and strong demand for the Company's underground mining equipment.

During the half year the Company successfully completed an Initial Public Offering on the Australian Securities Exchange ('ASX') with net proceeds after costs of \$7,611,328.

Commenting on the results, Aquirian Managing Director, David Kelly said: "We are really pleased with the half year financials and group performance. We made significant progress

<sup>1</sup> EBITDA refers to earnings before interest, taxation, depreciation, and amortisation costs

<sup>2</sup> Subject to the impacts of the COVID-19 outbreak in Western Australia



on our development and commercialisation pathway for the Collar Keeper® System with final testing completed and the initial phase of the product ready for commercialisation. The broader business performed strongly showing resilience in a challenging market, particularly on the labour front. The future for the Company remains strong, locally and globally, evidenced by the solid start to 2022 with positive growth seen to date, as well as the imminent relaxing of borders in Western Australia, in particular, which impacted on our ability to manage operations nationwide during the first half.”

## Operations

The Mining Services division delivered an exceptional half yearly performance with strong ongoing international Collar Keeper® sales combined with strong demand for the Company’s underground mining equipment, with all available equipment leased. The Company continued to add additional fleet capacity and expand its customer base. During the period the Company entered a binding Technology MoU with MACA Limited to support the development of the Collar Keeper® System.

As previously announced ([See announcement dated 20 December 2021](#)), the Company completed the final in-field trials of its revolutionary Collar Keeper® System during the end of the half year. TBS Mining Solutions has entered discussions with several clients for the Collar Keeper® System targeting implementation onto 12-15 track rig units by June 2022, generating revenue of approximately \$125,000 – \$200,000 per month on an ongoing basis.

MagLok relocated to larger manufacturing facilities in South Australia during the period. The relocation and expansion will enable MagLok to improve safety and efficiency across operations, lower costs and broaden its suite of client offerings. MagLok continues to have solid demand for its products and several new products are in development for release to the market later in 2022.

The Company appointed Steven Thomson as General Manager Mining Services and Naomi Carson as General Manager People Services during the half. Aquirian is pleased to have secured two capable and experienced professionals to lead the respective divisions.

The impacts of COVID-19 and the ongoing Western Australian border closures continued to impact the People Services division during the half and TBS Workforce in particular. The Company has continued to focus on delivering exceptional service to clients and working with the market to navigate through the challenges of a very tight labour market.

Modular Training continued to expand its offering through the half with growth in onsite-based training courses and resourcing on customer sites.

## Outlook

The recent announcement of the Western Australian border opening is expected to have a positive impact on the business in the latter half of the 2022 calendar year as access to human resources improves. However, as the current WA COVID-19 outbreak continues to grow, it is

expected to impact the broader business in the short term, limiting the Company's ability to travel to and access customer sites.

While the Company anticipates there will be some easing in Q3 revenue as a result of the COVID-19 uncertainty in particular in Western Australia, Aquirian expects this to rebound in Q4 and maintains full year FY22 revenue guidance between \$14.5-15.3<sup>2</sup> million, up from \$12.7 million in FY21.

-ENDS-

This announcement has been approved for release by the Board of the Company

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#### **About Aquirian**

Aquirian is an emerging specialist mining services company providing people, equipment and innovative products that support mining clients across their operations.

The Company has a strong national and international presence with reputable, in-house capabilities and, through its extensive, in-depth relationships built up over many years of working in mining services locally and globally, it has attracted and maintained a long-term, tier-one client base. It provides specialised People Services (training, labour, recruitment) under the **Modular Training** and **TBS Workforce** brands, and Mining Services (equipment leasing, drill and blast products) under the **TBS Mining Solutions** and **MagLok** brands to the mining and resources, and civil and defence sectors in Australia and internationally.

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<sup>2</sup> Subject to the impacts of the COVID-19 outbreak in Western Australia