



ONE TEAM  
**SEAMLESS DELIVERY**

# Aerison Group Ltd Corporate Presentation

12 JULY 2021



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# Agenda



1 Introduction to Aerison

Page 4

2 Business Overview

Page 12

3 Financial Information

Page 19

4 Strategy and Growth

Page 25

Appendix A-

Additional information and case studies

Page 29

# Introduction to Aerison

A multi-discipline Engineering and Construction company that has a unique Environmental Specialist arm and rich trading history that spans more than 32 years.



# About Aerison

Aerison Group Ltd (ASX:AE1) Aerison is a multi-discipline **engineering design and construction** company self-performing multi-disciplined EPC, engineering and design, construction and maintenance services to various industries and clients across Australia.

32+  
Years



## Specialist environmental

Custom designed and built solutions that reduce the environmental impact of industry:

- ▶ Dust control
- ▶ Emissions control
- ▶ Water treatment
- ▶ Noise abatement
- ▶ Studies, audits, compliance testing



## Engineering and construction

Specialising in Structural, Mechanical, Piping, Electrical and Instrumentation (SMPE&I):

- ▶ Engineering and design consultancy
- ▶ Project construction services
- ▶ Sustaining capital, maintenance and shutdown services
- ▶ Electrical and control infrastructure
- ▶ Power generation services

## Natural Resources

- ▶ Minerals and Mining
- ▶ Oil and Gas

## Non-Process Infrastructure

- ▶ Materials bulk storage & handling
- ▶ Road and rail tunnels associated infrastructure
- ▶ Rail non-rolling stock component fabrication and assembly
- ▶ Fuel facilities

## Utilities

- ▶ Water
- ▶ Power & renewables
- ▶ Gas

# Corporate Snapshot

## Capital Structure

ASX Code	AE1
Shares on issue	305,937,488
Offer price per share <sup>1</sup>	20c
Indicative market capitalisation (based on offer price per share)	\$61.2M
Options <sup>2</sup>	6,000,000
Share rights	17,500,000

## Board and Senior Management

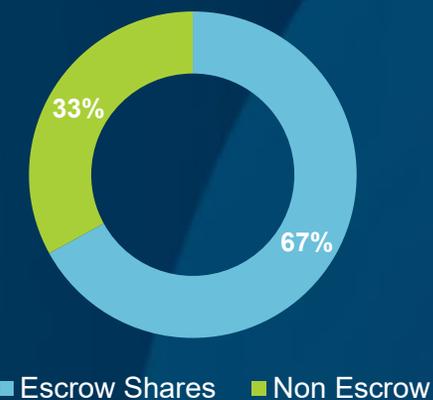
Giuseppe Leone	Managing Director and CEO
Daniel Hibbs	Executive Director and COO
Bronwyn Barnes	Non-Executive Chairman
Peter Iancov	Non-Executive Director
Michael Fennell	Non-Executive Director

## Share Register

Giuseppe Leone (and related entities)	77,893,999	25.5%
Daniel Hibbs (and related entities)	77,893,999	25.5%
Qiudong Qiao	45,339,230	14.8%
Others	40,561,011	13.3%
<b>Total Top 20</b>	<b>241,688,239</b>	<b>79.1%</b>

## Escrow Arrangements

201,127,228 shares subject to voluntary escrow for a period of 12 months from the date of listing, including 155,787,998 of shares held by the founding Directors.



### Notes

- At the IPO offer price of A\$0.20 per Share. The price at which the Shares trade on ASX may be above or below this amount.
- Options issued to Peloton Capital Pty Ltd, with a term of 3 years to expiry and strike price of A\$0.375
- Zero priced options to related parties of Giuseppe Leone and Daniel Hibbs. Issued in January 2020, automatically converting to shares a date 15 months from the date of admission to the ASX.

# Leadership and Board

## Giuseppe Leone

CEO and Managing Director, Founding Shareholder

Mr Leone has a CFO and investment banking background with 25 years of executive experience with multinational LSE Listed, ASX Listed and private companies in the technology, resources, oil and gas, chemicals and power sectors, across Australia, SE Asia and the Pacific Rim.

Responsible for executing the strategic direction of the company, since acquiring Aerison in November 2016 the company has grown 5 times to just over \$100.5M in revenues, entered new markets and secured \$43.0M in debt funding lines as well as raising \$19.5M in equity/debt instruments.

## Daniel Hibbs

COO and Executive Director, Founding Shareholder

Mr Hibbs has more than 25 years of contracting operational experience in the Australian natural resources sector, with specific oil and gas and minerals expertise, having worked for Leighton Contractors, John Holland and McFee Engineering. He also has significant exposure to projects in the Pilbara mining region of Western Australia.

Since acquiring Aerison in November 2016, Responsible for business turnaround improvements, building a strong tendering pipeline with strategic development, operational delivery, building strong teams, sound processes and delivering sustainable growth both safely and profitably.

## Michael Fennell

Non-Executive Director

Mr Fennell has been in the finance & stockbroking industry since 2008 and holds a Bachelor of Commerce in Accounting & Finance from the University of Notre Dame Australia. Specialising as a Private Client Investment Adviser, Mr Fennell works primarily with high net worth individuals and Institutional clients.

Mr Fennell previously held a position at a Merchant bank providing capital raising, M&A and financial advisory services to a number of ASX listed firms, as well as positions as non-executive director of Mount Magnet South NL and General Manager of an ASX listed company.

## Bronwyn Barnes

Non-Executive Chairman

Ms Barnes has an extensive career in the resources sector, having worked with companies ranging from Western Mining Corporation, FMG and BHP to emerging juniors in directorship, executive leadership, and operational roles in Australia and internationally.

Currently Ms Barnes is Non-Executive Chair of Indiana Resources, (ASX: IDA), Non-Executive Director of Synergy (Electricity Generation and Retail Corporation), a Non-Executive Director of Scorpion Minerals Pty Ltd (ASX: SCN) and an Independent Director of Perth Racing. Ms Barnes is also a member of the Executive Council of the Association of Mining and Exploration Companies (AMEC).

## Peter Iancov

Non-Executive Director

Mr Iancov is a professional engineer with extensive executive experience in leading major businesses and projects operating in the project management, construction, maintenance and operation of gas and electricity infrastructure assets and major facilities. Prior to becoming managing director of Zinfra in March 2019, Mr Iancov was Group Chief Executive of a major Western Australian contractor; and general manager of WestNet Energy, Alinta Asset Management West (an asset management and sustainment business).

He also has extensive board experience in defence, utilities, ports, oil & gas contracting and Indigenous corporations. Mr Iancov has a Master of Engineering (Electrical and Mechanical) and a Post Graduate in Robotics and Automation. He is a Fellow Member of Engineers of Australia.



Peter Iancov, Giuseppe Leone, Bronwyn Barnes, Daniel Hibbs, Michael Fennell

# Investment Highlights

## Mining Services Company with 32+ years history

Aerison is a multi-disciplined engineering and construction company that self-performs design, engineering, fabrication, construction, installation and commissioning services for projects.

Delivering projects and services across Australia for over 32 years.

Multiple growth fronts:

- Environmental Services
- Infrastructure (Rail) construction and manufacturing
- Expansion into Queensland, Victoria and New South Wales

## Portfolio of master services agreements

Recently awarded MSA's establish a consistent pipeline securing future revenue across asset maintenance works and sustaining capital opportunities.

MSA's in place cover a combination of engineering design, construction project delivery and maintenance activities.

Across a total of 16 iron ore sites, 5 public and private ports, 1700km rail network, 3 gold mines, road tunnel infrastructure works, multiple grain handling and export facilities in WA, and mineral sands facilities across Australia.

## Environmental Specialists

Aerison provides custom designed and built solutions that reduce the environmental impact of industry including - dust control, emissions control, water treatment, noise abatement, studies, audits and compliance testing.

The **Environmental Services** niche provides multiple entry points to engage with new clients and broaden service offering with existing clients across the ever-growing demands of environmental compliance and best-practice.

## Rail Infrastructure diversification

Successful diversification into rail and road infrastructure with the recent award of a 5- year works contract for the Perth Metronet Project.

First in Western Australia accredited to EN 15085-2 unlocking significant pipeline of manufacturing opportunities in railway rolling stock infrastructure (both mining and non mining related).

## Long term, Tier 1 Customers

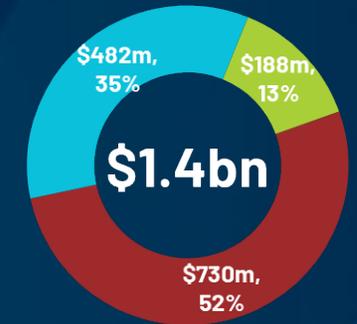
Servicing asset owners and managers across the following industries:

- minerals and mining,
- oil and gas, hydrogen
- infrastructure (government and non-government) and
- utilities

10+ year clients include Rio Tinto, BHP, Iluka, FMG, Newmont, Alcoa, KCGM, QGC, Southern Ports Authority, CBH Group, Water Corp, Synergy

Other clients include Roy Hill, Citic Pacific, Origin Energy, CSBP, APA, Schneider, ABB, Zinfra, Laing O'Rourke, Glencore, Alstom, Eaton, Pilbara Ports, Western Power

## Strong Orderbook and Pipeline



● FYF 21 ● FYF 22 ● FYF 23+

## Track record of growth and profitability (YE 31 December)

74% ( as 31 March) of FYF 21 secured. With a 31 December year end, high confidence in achieving FYF 21 (upside potential).



## Experienced Board and Strong Management Team

Strong management team with a proven track record delivering projects and services of scale.

Successful transformation of the business model has enabled growth from historic turnovers of \$30.0M PA to in excess of \$100.0M PA.

Investment in personnel development and corporate strategy to maintain competitive advantage.

Strategic Board appointments providing access to new markets including mid-cap miners, Defence and Infrastructure

# Operating History-Key Dates

## 1988 – 2016

- 1988** • founded in 1988 and originally known as HVAC Process Engineering Pty Ltd
- 1993** • Incorporated and change of name to HPS Environmental Pty Ltd  
first Particle Control Unit built for CBH Esperance
- 2005** • Acquired by TSX listed Enerflex Ltd establishing a footprint in downstream Oil and gas.  
QFRS – Live Fire Testing Facility Project  
First substantial oil and gas project in Queensland
- 2011** • Strategic supply agreement signed with BHP
- 2016** • **Aerison Holdings Pty Ltd Acquired by Daniel Hibbs & Giuseppe Leone (November 2016) founders of Aerison Group Ltd**  
Annual revenues ~\$30.0M, 180 employees  
Small presence across a number of sites, limited service offering across multiple clients.

## 2017

- **Secured:** 4 year MSA agreement across 3 sites
- **Delivered:** First GEM Technology Sludge Water Treatment System in Australia
- **Secured:** 3 Year SMPE&I Agreement
- **Achieved:** Electrical Contractors License

## 2018

- **Secured:** First Australian Lithium (LHPP) Off-Gas Scrubbers Contract
- **Secured:** Nickel Hydrogen Gas Scrubber System Project

## 2019

- **Secured:** First major construction project circa~\$90.0M
- **Secured:** 3 Year Shutdown Agreement
- **Secured:** First Switchrooms contract
- **Established:** Engineering consultancy business

## 2020

- **Secured:** major switch room contract
- **Secured:** 5 Year Sustaining Capital MSA
- **Secured:** Western Turner Syncline Project- Phase 1
- **Secured:** 3 Year E&I Agreement Renewal
- **Secured:** Major Switchrooms package- Iron Bridge
- **Secured:** Western Turner Syncline Project- Phase 2

## 2021

### Achievements to Date

- **Secured:** 3 year Dust Maintenance Master Services Agreement
- **Secured:** Conveyor maintenance across 4 operating mine sites (new sites for Aerison)
- **Secured:** Ultra fines brown fields construction project
- **Renewal:** panel agreement.
- **Secured:** 3 x multi-year engineering consultancy panel service agreements: Agriculture, Mineral Sands and Port Facilities.
- **Secured:** 8 year Metronet Railcar Component Manufacturing Contract
- **Achieved:** 1<sup>st</sup> Western Australian company to achieve EN15085 certification
- **Achieved:** ECI on Water Treatment Plant Project
- **Achieved:** ECI/Preferred status on Sewage Treatment Facility Project
- **Achieved:** Preferred status on an energy storage construction project
- **Achieved:** ECI status red sand washing plant.
- **Achieved:** Preferred contractor status for 2 power Generation Facilities

Revenue  
**\$130M**  
(FYF 2021)



**+319%**

Revenue  
**\$31M**  
(2016)

# Successful project and service delivery

## Construction Projects



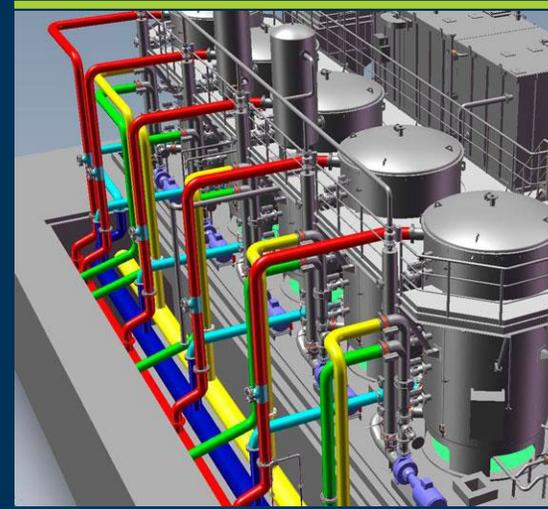
- Nickel Sulphate expansion project
- Rio Tinto WTS2 Brownfield upgrade project
- BHP Newman Upgrade project
- Synergy fire services upgrade
- FMG Pilot Plant
- Rio Tinto Zero waterline project

## Environmental Services and Projects



- Paraburdoo dust collection & disposal system
- Yandi dust collection & disposal system
- Tom Price dust collection & disposal system
- Koodaideri dust collection & disposal system
- Tianqi Lithium Gas Of take Scrubbers
- KGCM dust collection & disposal system
- Newmont dust collection & disposal system
- BHP CD2 wet scrubber
- BHP Leach scrubbers
- BHP Nickel West NiSO4 Dust Extraction
- Hope downs HD1 project dust project
- Dargues Gold dust collection system
- Dust Auditing & Maintenance
- Iluka Cataby dust collection project
- CSBP Regenerative Thermal Oxidiser (RTO)
- Shell Regenerative Thermal Oxidiser (RTO)
- Alcoa Regenerative Thermal Oxidiser (RTO)

## Engineering and Design Consultancy



- Accionia waste to energy project
- BHP Minerals Australia piping design
- SAMI Storage and export Facility design
- Rio Tinto Nitrogen Tyre facility design
- Galaxy Lithium plant upgrades
- Covalent Lithium engineering services
- Salt Lake Potash engineering
- MACA Dust suppression electrical design
- ThyssenKrupp South flank engineering
- CBH Lake Grace Out loading engineering study
- BHP Ports General design & engineering
- Roy Hill (WHIMS) Commissioning

## Maintenance and Shutdown Services



- Newmont Coarse Ore Bin Wall replacement
- Rio Tinto Conveyor maintenance Paraburdoo, Yandi, Tom Price, West Angela's
- FMG Conveyor Maintenance Chichester region
- Citic Pacific Mining E&I maintenance
- BHP Whaleback shutdowns
- SEA Gas Yallamurray pipeline
- DBNG Pipeline
- Worsley Alumina RTO maintenance
- CPM Process water line upgrade
- Perth to Kalgoorlie water pipe refurbishment

# Successful project and service delivery

## Sustaining Capital and Minor Projects



- Pilbara Seawater Intake Refurbishment Project
- Roy Hill Ultrafine Iron Recovery Project (WHIMS)
- 4M Gravity take up tower project
- FMG Christmas creek platform modification
- GMA Garnet remedial works
- FMG Eliwana ROM Bins
- Rio Tinto EII Structural Integrity works
- FMG Chiller Project
- Rio Tinto Yandi Chiller upgrade project
- Water Corporation Minnivale refurbishment
- Tom Price Fuel facility

## Electrical and Control Infrastructure



- PLNSP Site E&I Works
- FMG Iron Bridge Switchrooms (7)
- FQML Switchrooms Shoemaker Project
- APA Lakeway Project Switchrooms
- Alcoa 22kV Pinjarra Switchrooms
- Horizon Power Switchrooms
- Santos communication rooms
- MSP CGP3 HV Switchrooms
- PLNSP 415V HV substation & 11kV LV Sub station
- Tronox Sub 500 Switchrooms
- Tom Price Zone Substation project

## Power Generation Services



- Woodside LM 6000 Generators
- GLNG NCS Compressors
- QGC Argyle Compressors stations
- Jemena Banana & Rolleston Compressors
- QGC Lauren Field Compressor stations
- Christmas Island Power Generation Project
- Chevron Wheatstone Essential generators
- Rio Tinto CLP Generators
- Penske Crown towers standby generators
- WA Government ES generator replacement
- Gorgon ventilation silencers
- APA ventilation silencers
- Water Corp Chidlow generator

## Fabrication and Module Assembly



- PLNSP Project Fabrication & Assembly
- FMG Eliwana ROM Bins
- Synergy Pinjarra baffles & screens
- WTS2 Chutes and covers
- LOR Structural fabrication
- Metronet railcar manufacturing
  - Cab structures
  - Battery Boxes
  - Pantographs
  - Fuel tanks
- FMG, Rio, BHP, Alcoa ducting fabrication
- Newmont Coarse Ore Bin walls

# Business Overview

Unique engineering and construction Mining Services company operating in multiple Australian Resources, Energy, & Infrastructure sectors.

Supported by a growing industry, multiple growth drivers and diversification into a buoyant market that is anticipated to continue for at least the next 5 years.



# Orderbook and Pipeline

FYF Revenue 2021



● Secured and Expected MSA  
● Unsecured

Order Book



● FYF 21 ● FYF 22 ● FYF 23+

Tendered



● FYF 21 ● FYF 22 ● FYF 23+

Total Pipeline



● FYF 21 ● FYF 22 ● FYF 23+

- ▶ FY 21F Revenue **74% Secured** as at 31 March 2021
- ▶ Orderbook of **\$300M** of which **\$97M** is expected to be undertaken in FY21
- ▶ Forward order book underpinned by programmed work under Master Services agreement (MSA) over the next 5 years
- ▶ **MSA's** across **Iron Ore**, Gold, **Marine**, Mineral Sands, **Government**
- ▶ **Government Rail** Metronet cab structures- 5 years manufacturing and maintenance opportunities
- ▶ To date, **ECl contracts and preferred vendor status** achieved on multiple projects



**74%**  
2021 FC Revenue  
**Secured**  
as at 30 March 2021

# The Aerison Platform



## CLIENTS

Asset Owners and Managers



## CLIENT REQUIREMENTS

- Environmental, safety or social compliance
- Asset integrity
- New project studies and feasibility works
- Engineering and design services
- Structural, mechanical, piping, electrical and instrumentation (SMPE&I) construction services
- SMPE&I Maintenance and shutdown services



## TYPE OF REQUIREMENTS

Project (Major and Minor)

Expand, Sustain or Improve

Maintenance and Shutdown



## HOW WE ENGAGE

- Complete Tendering
- Establishing long term contractual relationships (MSA's)
- Site audits, compliance testing
- inspections, and scoping studies
- Early Project lifecycle involvement
- Early contractor involvement



## HOW WE DELIVER

- Multi-discipline engineering consultancy services
- Design and construction of environmental solutions for air, noise, and water pollution
- Capital works project delivery
- Maintenance and facility shutdown services
- Fabrication, modular assembly

# Long Term Clients

- ▶ 32 Years building Relationships with Tier 1's
- ▶ Repeat Business
- ▶ Multi Year Master Service Agreements
- ▶ Growing Customer Base
- ▶ Multiple Industry Segments
- ▶ Large footprint



**Mining & Minerals**



**Oil & Gas**



**Manufacturing**



**Rail**



**Infrastructure**



**Utilities**

BHP	Minara	Schneider
Rio Tinto	Barrick Gold	ABB
Iluka	Origin Energy	FL Smidth
FMG	Santos	Salt Lake Potash
Newmont	CSBP	Cockburn Cement
Alcoa	APA	Zinfra
Bradken	EPSA	Laing O'Rourke
KCGM	Jemena	First Quantum
QGC	Covalent Lithium	Glencore
Southern Ports	Pilbara Minerals	Thyssen Krupp
Water Corp	South32	Alstom
Synergy	Tianqi Lithium	Eaton
EDL	Galaxy Lithium	Wabtec
CBH	Tronnox	Pilbara Ports
Talison Lithium	APA	Acciona
Roy Hill	Santos	Western Power
Citic Pacific	GE	Transurban

# Master Service Agreements

RioTinto

Transurban

ALSTOM

NEWMONT



ILUKA



ALCOA



CITIC PACIFIC  
MINING



## Growth 2021 and beyond to be driven by:

- ▶ 5 Year Sustaining Capital MSA
- ▶ 3 Year Air Particle Control (APC)/Dust Contract
- ▶ 3 Year Engineering Services MSA (Port)
- ▶ 3 Year Engineering Services MSA (Mineral Sands)
- ▶ 8 Year Railcar Component Manufacturing Contract
- ▶ 3 Year Electrical and SMP labour supply

25+  
Mine Operations



75+ Km  
Road & Tunnel



6+  
Port Terminals



240+  
Rail Cars



2,000+ Km  
Rail



+++  
Studies



# People and culture



**972,715**  
Hours Worked (FY20)  
↑ 374,730 from LY



**5.14**  
TRIFR  
↑ 3.47 from LY



**12.34**  
AIFR  
↓ 4.38 from LY

- ▶ A values-based culture driven through employee engagement and investment in the latest systems has resulted in client recognition for leadership, performance and innovation in Health and Safety
- ▶ Continued investment in frontline leadership training programs enables on time, on budget and safe delivery of our services
- ▶ Aerison INSPIRE awards and values recognition program fundamental to the way we do business
- ▶ Results driven performance evaluation system where we hold people to account and drive excellence in the way we deliver

## OUR VALUES INSPIRE



**INTEGRITY**  
We are reliable, honest and accountable.



**NURTURE**  
Our people are the absolute core of our operation.



**SAFETY**  
Safety is at the forefront of everything we do.



**PERFORMANCE**  
We always strive to do things better.



**INNOVATION**  
We do not accept ordinary.



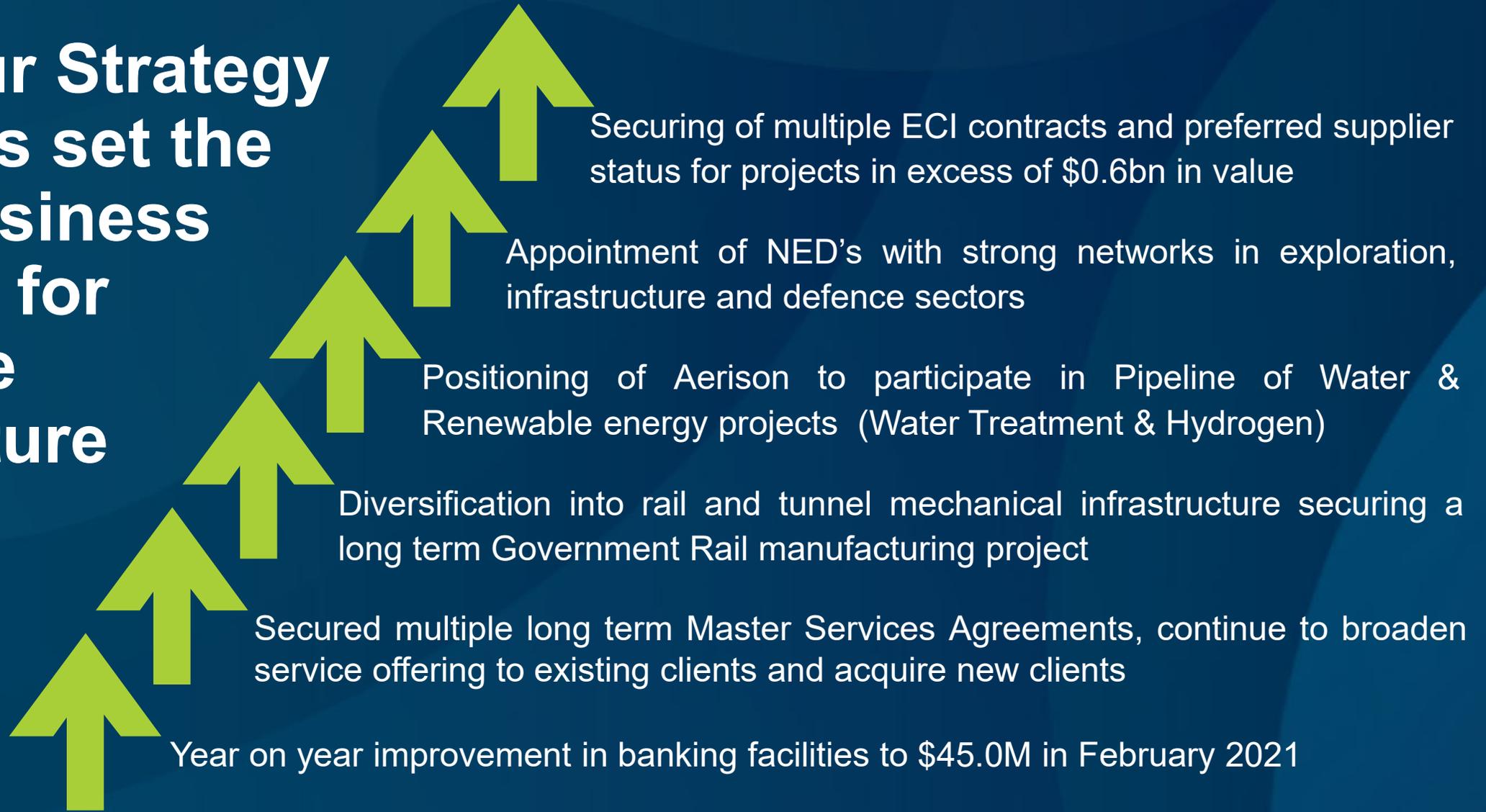
**RELATIONSHIPS**  
We always work with our people, clients and suppliers in a collaborative and transparent manner.



**EXCELLENCE**  
We are continually raising the bar.



# Our Strategy has set the business up for the future



# Financial Information

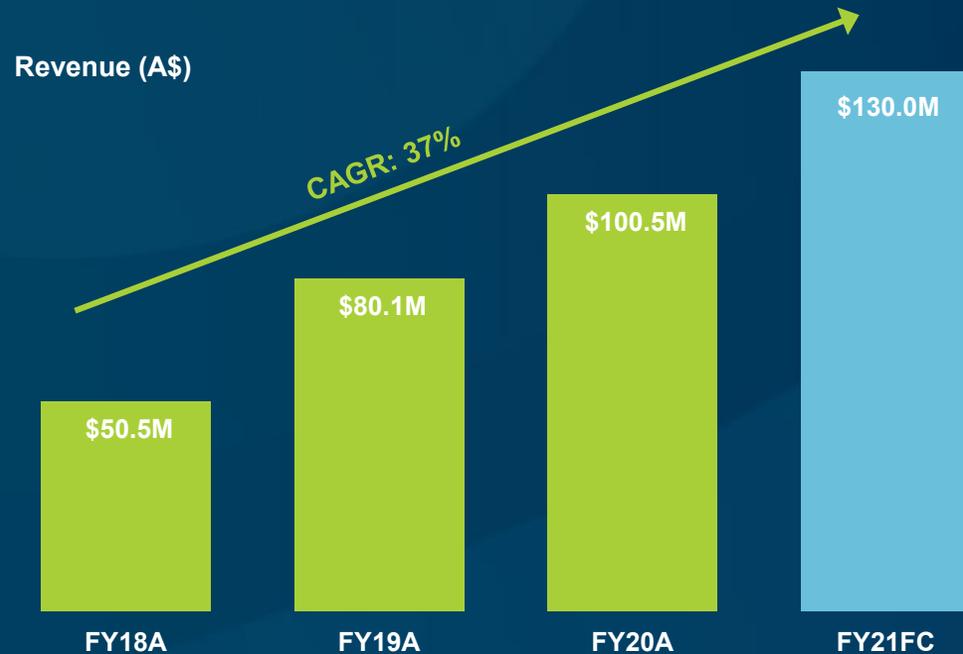
Proven historical revenue growth with robust systems and financial modelling to facilitate reinvestment in capital growth.



# Financial Highlights

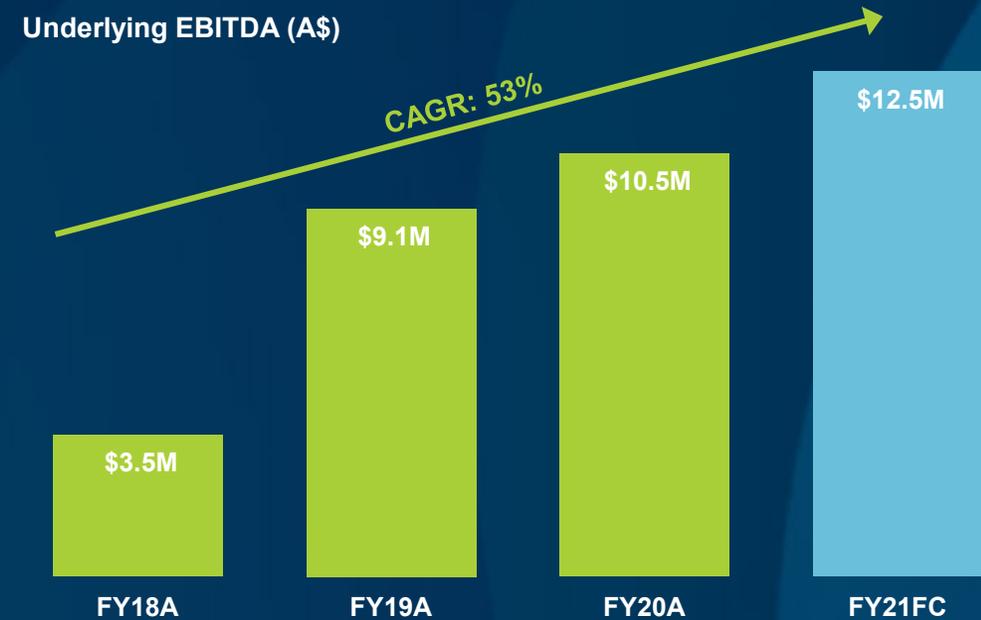
## Year on year growth

- ▶ Double digit year on year growth. The main growth driver for 2020 was an increase in projects delivered across the Mining & Minerals Industry Sector
- ▶ Significant project pipeline consisting of projects and works under master service agreements where there is a reasonable likelihood of Aerison being awarded a contract
- ▶ Revenue of \$156.0M anticipated for FY21



## Strong earnings growth

- ▶ The majority of Aerison's earnings have to date been derived from the delivery of Western Australian Mining & Mineral projects
- ▶ Expected that earnings will become increasingly diversified both geographically and by industry with the exposure to any one particular contract (at any given time) will be reduced

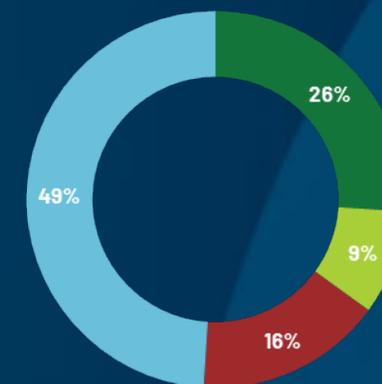
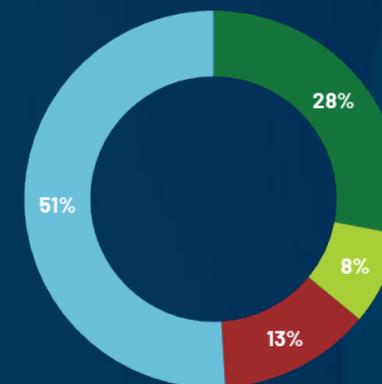


# Attractive Earnings Trajectory

Year end 31 December A\$'M	FY18	FY19	FY/20	FY21 Forecast*
Revenue	50.5	80.1	100.5	130.0
Total Costs	46.9	71.0	90.0	117.5
<b>EBITDA</b>	<b>3.6</b>	<b>9.1</b>	<b>10.5</b>	<b>12.5</b>
<i>EBITDA margin</i>	<i>7.1%</i>	<i>11.4%</i>	<i>10.4%</i>	<i>9.6%</i>
Depreciation & Amortisation	0.7	1.8	2.1	2.4
<b>EBIT</b>	<b>2.9</b>	<b>7.3</b>	<b>8.4</b>	<b>10.1</b>
<i>EBIT margin</i>	<i>5.7%</i>	<i>9.1%</i>	<i>8.4%</i>	<i>7.8%</i>
Financing Costs	0.9	1.4	1.7	1.0
<b>Profit Before Tax</b>	<b>2.0</b>	<b>5.9</b>	<b>6.7</b>	<b>9.1</b>
Income Tax Expense	0.7	1.8	1.6	2.7
<b>Profit After Tax</b>	<b>1.3</b>	<b>4.1</b>	<b>5.1</b>	<b>6.4</b>

\* FY21 Forecast excludes one-off IPO costs

- ▶ Double Digit YoY growth
- ▶ Reducing finance costs post capital raise and more efficient debt finance structure
- ▶ Steady EBITDA Margins, normalising around 9% -9.6% with increasing market share
- ▶ Growing revenues from term contracts



● Engineering Consultancy  
● Engineering Consultancy

● Environmental  
● Sustaining Capital, Maintenance & Shutdown

# Cash flow

A\$'M				Pro Forma Forecast <sup>1</sup>
	FY18	FY19	FY20	FY21F
EBITDA	3.6	9.1	10.5	12.5
Movement in net working capital	(4.3)	(6.4)	(7.3)	(3.1)
Other operating cash flows <sup>2</sup>	(0.5)	(1.3)	(1.7)	(1.6)
<b>Operating cash flow</b>	<b>(1.2)</b>	<b>1.4</b>	<b>1.5</b>	<b>7.8</b>
<b>Capex</b>	<b>(0.5)</b>	<b>(0.5)</b>	<b>(0.4)</b>	<b>(1.7)</b>
<b>Net cash flow before financing<sup>3</sup></b>	<b>(1.7)</b>	<b>0.9</b>	<b>1.1</b>	<b>6.1</b>
<b>Operating Cash Flow Conversion<sup>4</sup></b>	<b>-33%</b>	<b>15%</b>	<b>14%</b>	<b>62%</b>

<sup>1</sup> Excludes one-off IPO costs

<sup>2</sup> Includes interest, finance costs and taxes paid

<sup>3</sup> The Historical and Pro Forma cash flow have been presented as net cash flow before financing as the capital and debt structure of Aerison will be

subject to the level of subscription achieved under the Offer.

<sup>4</sup> Operating cash flow as a proportion of EBITDA

- ▶ The majority of earnings have to date been derived from the delivery of Western Australian Mining & Mineral projects
- ▶ Expected that earnings will become increasingly diversified both geographically and by industry with the exposure to any one particular contract (at any given time) will be reduced
- ▶ Funds raised from the issue of new shares under the Offer, after costs, \$5.8M Maximum Subscription, will be applied to working capital to fund growth opportunities
- ▶ Operating cashflow conversion is reflective of Aerison's significant revenue growth year-on-year
- ▶ Finance costs will reduce post Offer with a more efficient debt finance structure
- ▶ Capex spend in FY21F relates to investment in vehicles, equipment and fit-out of the new fabrication facility to support growth from FY21 and beyond

# Statement of Financial Position

- ▶ Aerison has sufficient invested capital, cash reserves and debt facilities to execute the current orderbook
- ▶ Net proceeds from the Offer will be applied to working capital to fund future growth opportunities
- ▶ Pro Forma Net Assets increase through the Offer by \$9.7M assuming Maximum Subscription to \$27.7M (increase of \$8.8M assuming Minimum Subscription to \$26.8M)
- ▶ \$3.75M of convertible notes on issue will convert to new shares prior to completion of the Offer. The balance of the convertible notes on issue, \$0.15M, will be redeemed for cash on conclusion of the IPO

A\$'M	Historical as at 31 December 2020	Minimum Subscription Pro Forma as at 31 December 2020	Maximum Subscription Pro Forma as at 31 December 2020
<b>Current Assets</b>			
Cash and cash equivalents	7.7	12.7	13.6
Trade, other receivables and other current assets	38.7	38.7	38.7
<b>Total Current Assets</b>	<b>46.4</b>	<b>51.4</b>	<b>52.3</b>
<b>Non-Current Assets</b>			
Property, plant & equipment	2.4	2.4	2.4
Right of use and other current assets	4.0	4.0	4.0
<b>Total Non-Current Assets</b>	<b>6.4</b>	<b>6.4</b>	<b>6.4</b>
<b>Total Assets</b>	<b>52.8</b>	<b>57.8</b>	<b>58.7</b>
<b>Current Liabilities</b>			
Trade and other payables	14.4	14.4	14.4
Borrowings	13.7	9.9	9.9
Lease liabilities and provisions	4.4	4.4	4.4
<b>Total Current Liabilities</b>	<b>32.5</b>	<b>28.7</b>	<b>28.7</b>
<b>Non-Current Liabilities</b>			
Lease liabilities and provisions	2.3	2.3	2.3
<b>Total Non-Current Liabilities</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>
<b>Total Liabilities</b>	<b>34.8</b>	<b>31.0</b>	<b>31.0</b>
<b>Net Assets</b>	<b>18.0</b>	<b>26.8</b>	<b>27.7</b>
<b>Equity</b>			
Issued capital	3.3	12.6	13.5
Options reserve	0.1	0.6	0.6
Accumulated profits	14.6	13.6	13.6
<b>Total Equity</b>	<b>18.0</b>	<b>26.8</b>	<b>27.7</b>

# Bank Facilities



- ▶ In February 2021 the company increased its banking facilities from \$31.8M to \$45.0M
- ▶ Largely to improve capacity to issue bank guarantees and finance the acquisition of plant and equipment
- ▶ The Commonwealth Bank has supported growth over the last 6 years

Bank Facilities \$A'M	As At 31 December 2020			As at 31 March 2021		
	Limit	Drawn	Available	Limit	Drawn	Available
Bank Overdraft (CBA)	4.0	-	4.0	5.0	-	5.0
Trade finance facility (CBA)	15.0	9.7	5.3	15.0	10.0	5.0
Equipment finance (various)	0.1	0.1	-	5.0	0.1	4.9
<b>Total Debt</b>	<b>19.1</b>	<b>9.8</b>	<b>9.3</b>	<b>25.0</b>	<b>10.1</b>	<b>14.9</b>
Bank Guarantees (CBA))	8.0	3.7	4.3	16.0	3.6	12.4
Insurance Bonds (EFIC)	4.7	4.0	0.7	4.0	4.0	-
<b>Total Bank Guarantees and Bonds</b>	<b>12.7</b>	<b>7.7</b>	<b>5.0</b>	<b>20.0</b>	<b>7.6</b>	<b>12.4</b>
<b>Total Banking Facilities</b>	<b>31.8</b>	<b>17.5</b>	<b>14.3</b>	<b>45.0</b>	<b>17.7</b>	<b>27.3</b>

# Strategy and Growth

Our strategy is to create superior, sustainable value for shareholders by meeting our customers needs, maximising cash, selectively tendering and pursuing growth.



Australian Government



GOVERNMENT OF  
WESTERN AUSTRALIA

The METRONET logo, consisting of three vertical bars in blue, green, and red, followed by the word "METRONET" in a bold, sans-serif font.



# Growth Strategy



## NEW PROCESS TECHNOLOGIES

Leverage off existing process technologies and expand custom built and designed service offering, predominantly provided to the mining and minerals sector, to other markets such as utilities and infrastructure.



## RAIL INFRASTRUCTURE

Being only 1 of 6 Companies in Australia qualified to EN15085 Aerison can leverage off the recently awarded Metronet Contract and increase manufacturing revenues in rail and associated railcars.



## DIVERSIFICATION

Aerison's service offering is transferable to non-mining applications. Continue to pursue opportunities in road tunnel infrastructure, defence, materials handling as well as ports and load out facilities.



## GEOGRAPHICAL EXPANSION

In 2021 Aerison will look to re-establish its operations on the Australian east coast with the aim of penetrating the large east coast infrastructure and natural resources sector in order to provide diversification of geographical risk and expand the project pipeline.



## SCALE AND DIVERSITY

Aerison remains committed to growing with its current client base and seeking new project opportunities by increasing the scale of projects it undertakes and utilising additional project funding mechanisms such as bonding and bank facilities, to deliver these projects.



## ACQUISITION/S

Aerison will focus on identifying and pursuing acquisition opportunities over the medium to longer term which will contribute to the expansion of the Company's existing operations in non-mining infrastructure market sector.



## EXISTING CUSTOMER SERVICE OFFERING

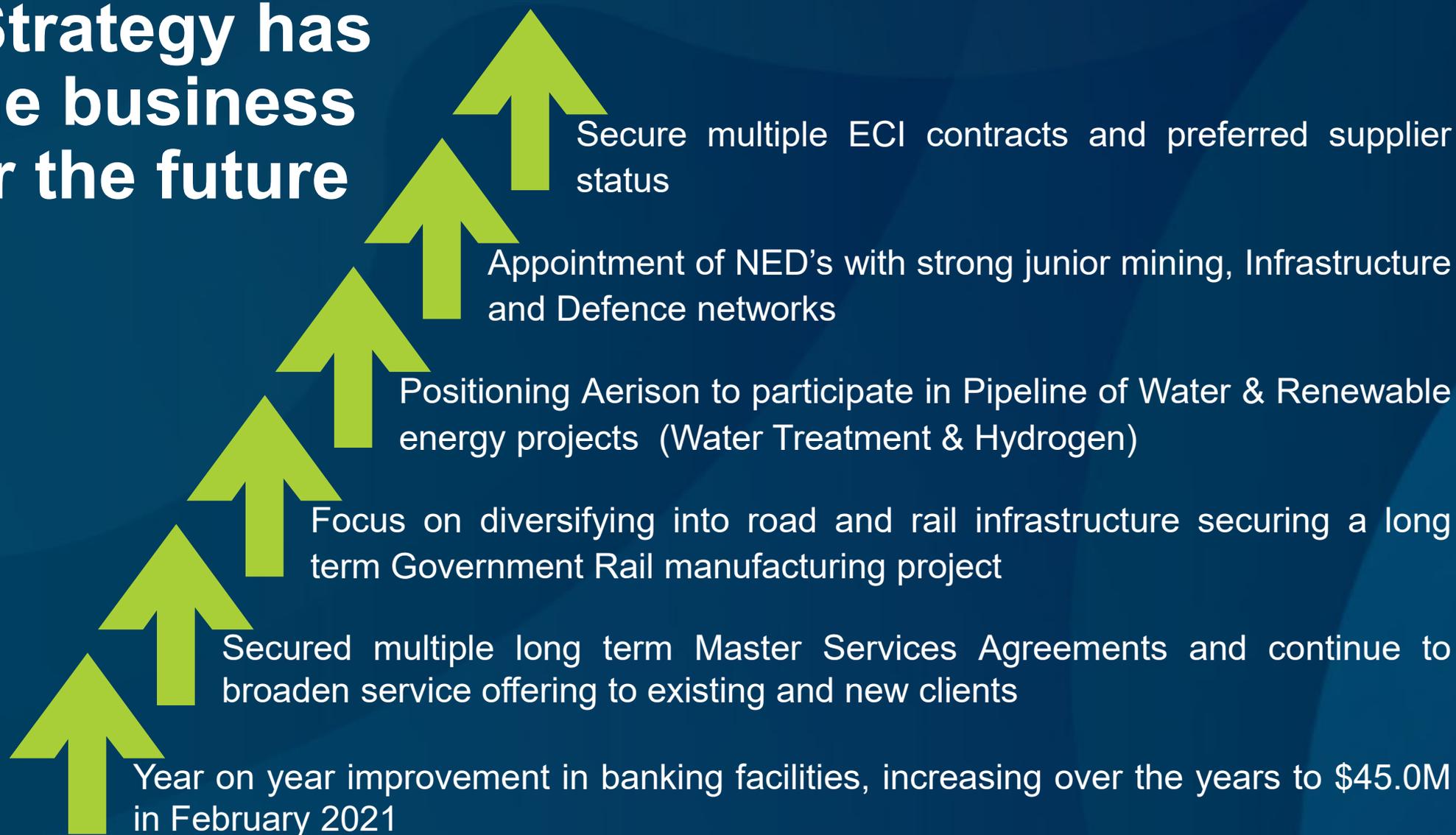
Focus on expanding the scope and scale of services provided to existing clients. Increase annuity type maintenance, protection and refurbishment service delivery under MSAs and longer-term contracts



## BUILD THE TEAM

Invest in top industry talent nationally across engineering, execution and delivery

# Our Strategy has set the business up for the future



## Key Contacts

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CFO and Joint Company Secretary

**Katherine Garvey**  
Joint Company Secretary

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# THANK YOU

**Giuseppe Leone**  
Managing Director and CEO

**Daniel Hibbs**  
Executive Director and COO

# Appendix

Additional Information and Case  
Studies



# Over 30 Years delivering projects and services across Australia



**420**  
Trades &  
Supervision

**125**  
Engineering &  
support staff



## Environmental

Specialised services in the form of customised designed and built solutions that reduce the impact of industry on the environment in the following areas:

- Dust control
- Emissions control
- Water treatment
- Noise abatement
- Studies, audits, compliance testing
- Engineering and design
- Construction, inspection and maintenance



## Engineering and design consultancy

Process and non-process infrastructure for mine site operations, chemical process plants, thermal and new energy power generation, port facilities, bulk storage and materials handling:

- Feasibility studies and front-end engineering design
- Multi-discipline design and engineering
- Project management
- Scoping studies
- Detailed engineering, design and shop detailing
- Asset integrity and inspections



## Power generation services

Supply and installation of standby, black-start and emergency Power Generation systems as containerised units or as engine hall designs:

- Diesel fired engine systems
- Gas fired engine systems



## Project Construction Services

Project delivery of capital projects- EPC, D&C or construct only covering:

- Project & Construction Management
- Fabrication and manufacturing
- Modularisation and Assembly
- Site Construction
  - Structural, Mechanical, Piping
  - Electrical & Instrumentation
  - Start-Up and commissioning



## Sustaining capital, maintenance and shutdown Campaigns

Planned or unplanned, routine or preventative maintenance services may include any (or all) of the following:

- Work Pack development
- Procurement and procurement management
- Fabrication and module assembly
- Project management
- Execution of structural, mechanical, piping, electrical works
- Planned/Unplanned Shutdown campaigns



## Electrical and control infrastructure

Engineering, design, fabrication, fit-out and construction of:

- Low, Medium and High Voltage Switch Rooms- Containerised and Modular
- Control Rooms
- Ring Main Units (Kiosk and Indoor systems)
- Transformer Kiosks

# Engineering for Improvement

**CLIENT:** BHP, FMG, RIO TINTO, ILUKA, ACCONIA, MRL, PHPA

**LOCATION:** Western Australia

**SERVICES:** Civil, structural, mechanical and piping, Electrical and instrumentation design

Process design

Asset integrity inspections and reporting

Safety in design and constructability facilitation

3D scanning

Client project support



# PLNSP Project

**CLIENT:** BHP – Minerals Australia

**PROJECT:** PLNSP Project

**LOCATION:** Kwinana, WA

**PROJECT COMPLETION:** APRIL 2021

**PEAK MANNING:** 215

## PROJECT BRIEF:

The Powder Leach Nickel Sulphate Plant (PLNSP) Project, located South of Perth, Western Australia, within the Kwinana industrial area at BHP Nickel West's refinery, involves the design and construction of a processing plant used to convert nickel metal powder into a nickel sulphate hexahydrate crystal product used in lithium-ion batteries.



# WTS2 Project

**CLIENT:** Rio Tinto (GI division)

**PROJECT:** WTS2

**LOCATION:** Pilbara, WA

**PROJECT COMPLETION:** March 2022

**PEAK MANNING:** ~300

## PROJECT BRIEF:

The Western Turner Syncline Stage 2 (WTS2) is an expansion of the Western Turner Syncline Stage 1 (WTS1) mine located in the central Pilbara region of Western Australia.

The project is being developed by Hamersley Iron, a part of the Rio Tinto group of companies. Rio Tinto has put forth a capital investment of approximately \$749m for the development of the project.



# Railcar Program

**CLIENT:** Alstom Transport Australia

**PROJECT:** Railcar Components

**LOCATION:** Hazelmere, WA

**PROJECT COMPLETION:** 2027

## PROJECT BRIEF:

The WA Railcar Program will deliver 246 new railcars needed for METRONET projects.

World-class railcar manufacturer Alstom Transport Australia will build the C-series railcars at a new assembly facility to be built in Bellevue with the first of the new trains to be delivered in 2022 in time to service the Yanchep Rail Extension and Thornlie Cockburn Link.



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**METRONET**



# Dust Mitigation Projects

**CLIENT:** Rio Tinto

**PROJECT:** Paraburdoo  
Tom Price  
Yandi,  
Koodaideri

**LOCATION:** Pilbara, WA

**PROJECT COMPLETION:** MARCH 2021

## PROJECT BRIEF:

Aerison were awarded several dust mitigation projects across Rio Tinto operating assets within the Pilbara region. All projects were a design & construct contract. With inhouse engineering, fabrication & site installation and commissioning.



# Sino Iron

**CLIENT:** Citic Pacific Mining  
**PROJECT:** CW2244448  
**LOCATION:** Pilbara, WA  
**PROJECT COMPLETION:** March 2023  
**PEAK MANNING:** ~30 Mechanical & Electrical Maintenance

## PROJECT BRIEF:

Sino Iron operates out of Cape Preston, 100 kilometres south west of Karratha in Western Australia's resource-rich Pilbara region. It's the largest magnetite mining and processing operation in Australia, where a high grade, premium iron ore concentrate is produced for export.



# Modular Switchrooms

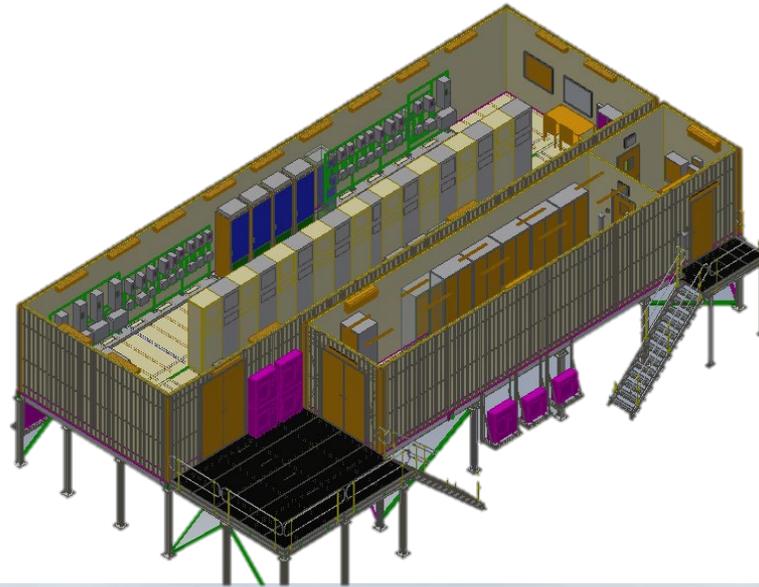
**CLIENT:** Industrial and Mine Asset Owners

**SOLUTIONS:** LV, MV, HV Switchrooms, Kiosks, Motor Control Centers, Substations, Variable Speed Drives

**LOCATION:** Locally manufactured for domestic and global clients

**SERVICES:** Design, Manufacture, Commission, Installation

**ELECTRICAL CONTRACTOR:** EC013260



# Fabrication & Assembly

## LOCATION:

Forrest field workshop and assembly yards

## SPECIALTIES:

Pipework, tanks, exotic metals, skid fabrication, chutes, bins & platework, hoppers, ducting, structural framework

## WELD SERVICES:

Flux core (FCAW), solid wire (GMAW), tig (GTAW), sub arc (SAW), stick (MMAW)

## MODULAR ASSEMBLY:

15,000m<sup>2</sup> laydown and workshop facilities

