



Swick Mining Services Ltd

AGM Presentation
November 2012

www.swickmining.com

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Information included in this presentation is dated November 12, 2012.

Corporate Snapshot

■ Corporate structure

- ASX: SWK- Listed on ASX since 2006
- Shares outstanding: 235.6m
- Current price (9/11/12): \$0.32 (+2% YOY)
- Market cap: \$75.4m

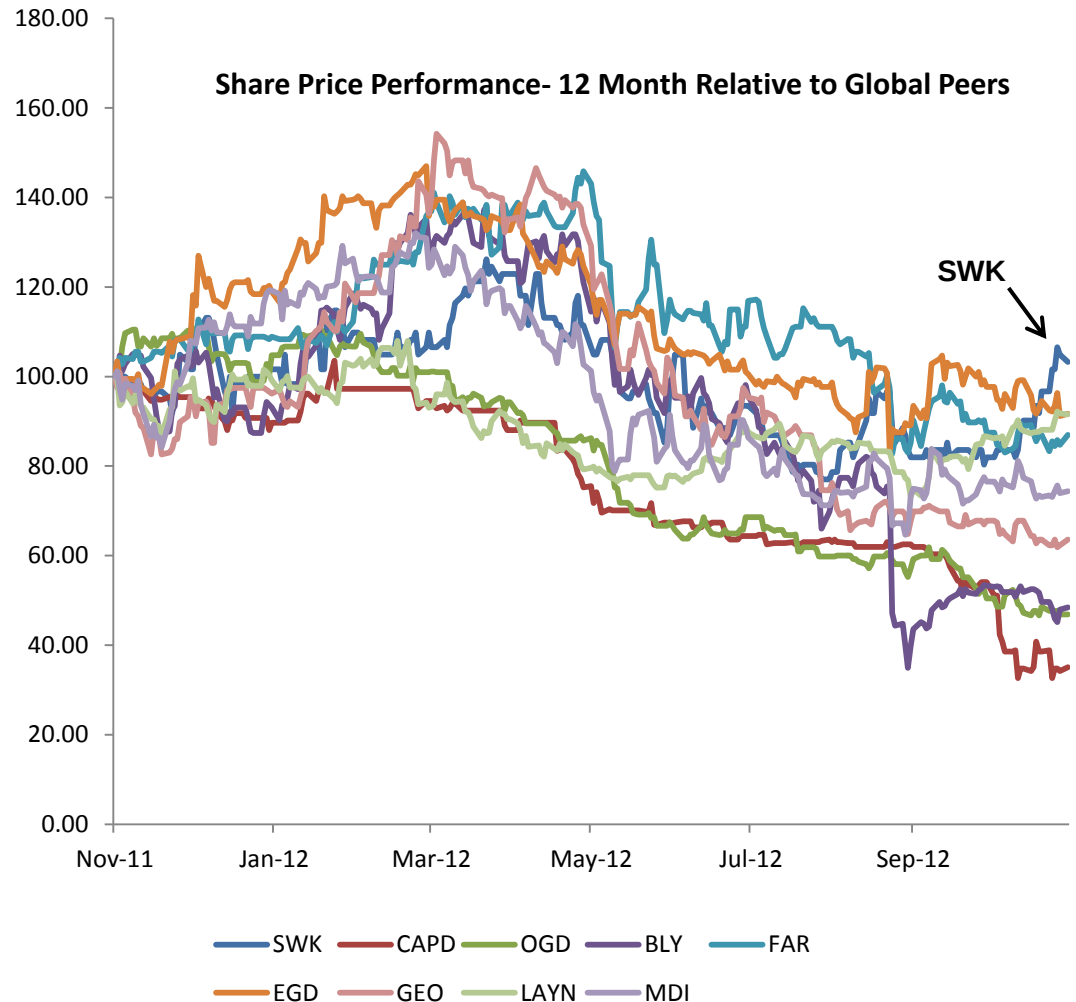
■ Board and Executive Management

- Andrew Simpson - Non-Exec Chairman
- Kent Swick - Managing Director
- Phil Lockyer - Non-Exec Director
- David Nixon - Non-Exec Director
- Ian McCubbing – Non-Exec Director
- Vahid Haydari – Chief Executive Officer

■ Substantial shareholders*

- Kent Swick (14.1%)
- Perennial Investments (12.5%)
- Northcape Capital (9.1%)
- Rosanne Swick (8.5%)
- Highclere International (5.4%)

*As at 28th September 2012



Company Overview

- Top ten global provider operating in Australia, US , Canada and entering EU
- Hard rock , brownfield focused
- Three core divisions – specialised focus, niche player
- Track record of innovation leading to competitive advantage
- Fleet of 76 rigs (including 3 client owned) projected to be a total of 83 by FY14
- Clients include Newmont, Gold Fields, Barrick, BHPB, Rio Tinto, Glencore, Vale +
- Operating at 24 mines for 18 Mining Companies



Product Overview



Drilling: Underground Delineation
 Rig Type: Swick Mobile Drill
 Sectors: Gold, Base Metals
 Sites: Operating Mines
 Advantage: Reliability, Productivity, Safety, Total Value
 Range: + 1000m
 Fast Fact: World's leading drill rig
 Fleet Size: 62 Rigs (51 Australia & 11 North America).



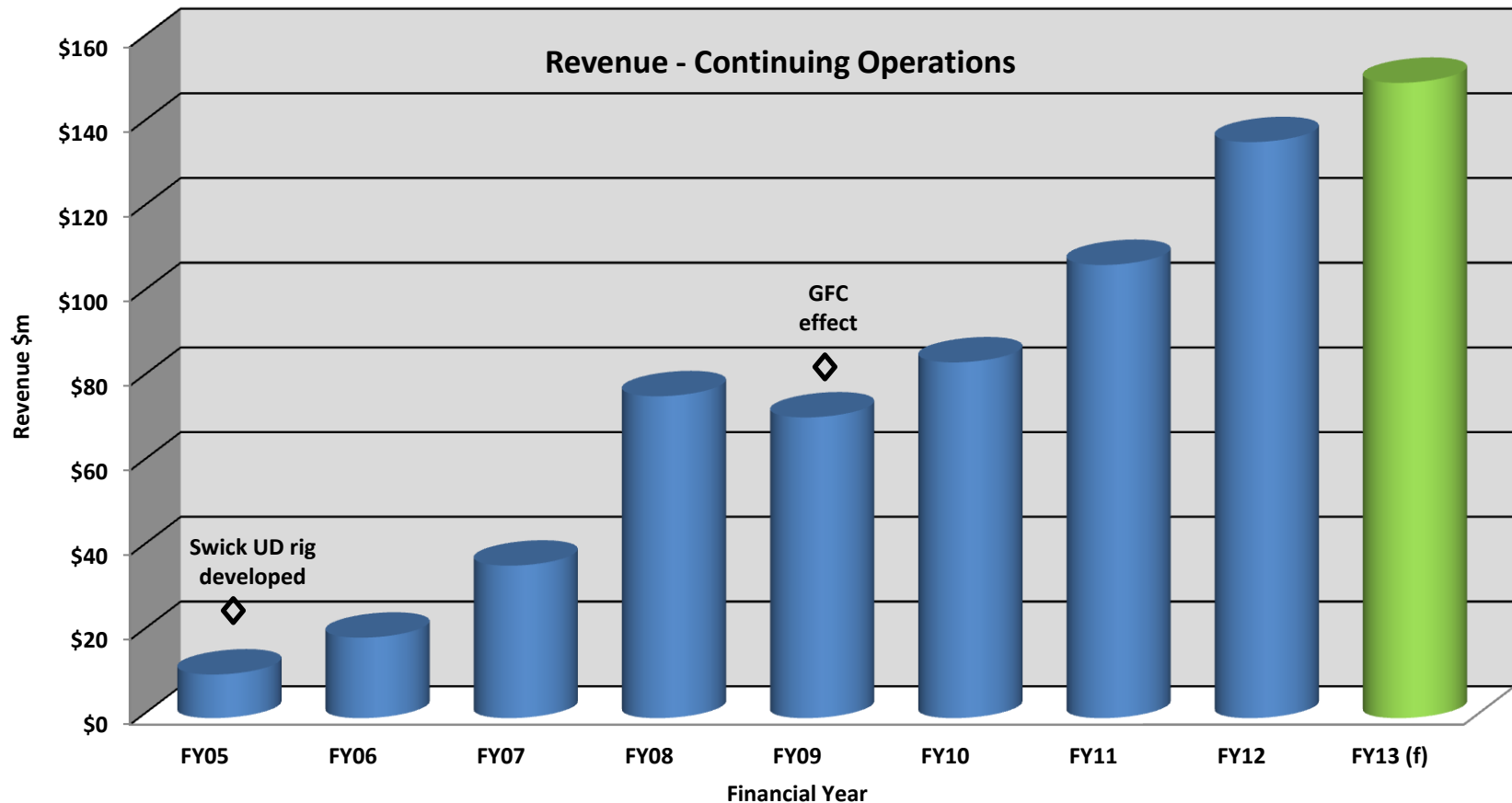
Drilling: Reserve Definition & Expl.
 Rig Types: Swick RC Drills
 Sectors: Base Metals, Bulks, Gold
 Sites: Brownfield & Greenfield
 Range: + 400m
 Fast Fact: Award Winning Rig Design
 Fleet Size: 7 Rigs (6 Swick & 1 track)



Drilling: Production (Blast)
 Rig Type: Sandvik Solo's
 Sectors: Gold, Base Metals
 Sites: Brownfield
 Range: +50m
 Fast Fact: Offer Contracting & Management Services
 Fleet Size: 4 Rigs + (3 client rigs under mgmt)

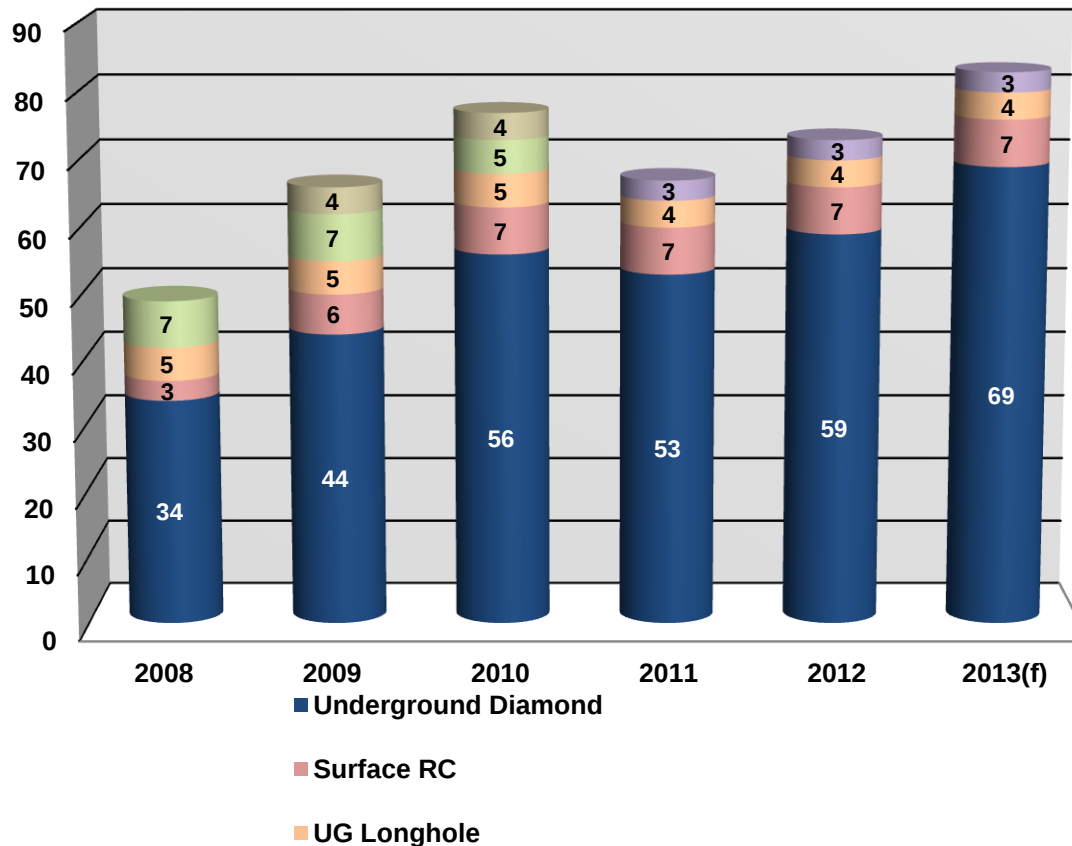
Competitive Advantage = Organic Growth

Compound Annual Growth Rate of 44.6% since developing Swick Mobile Underground Drill



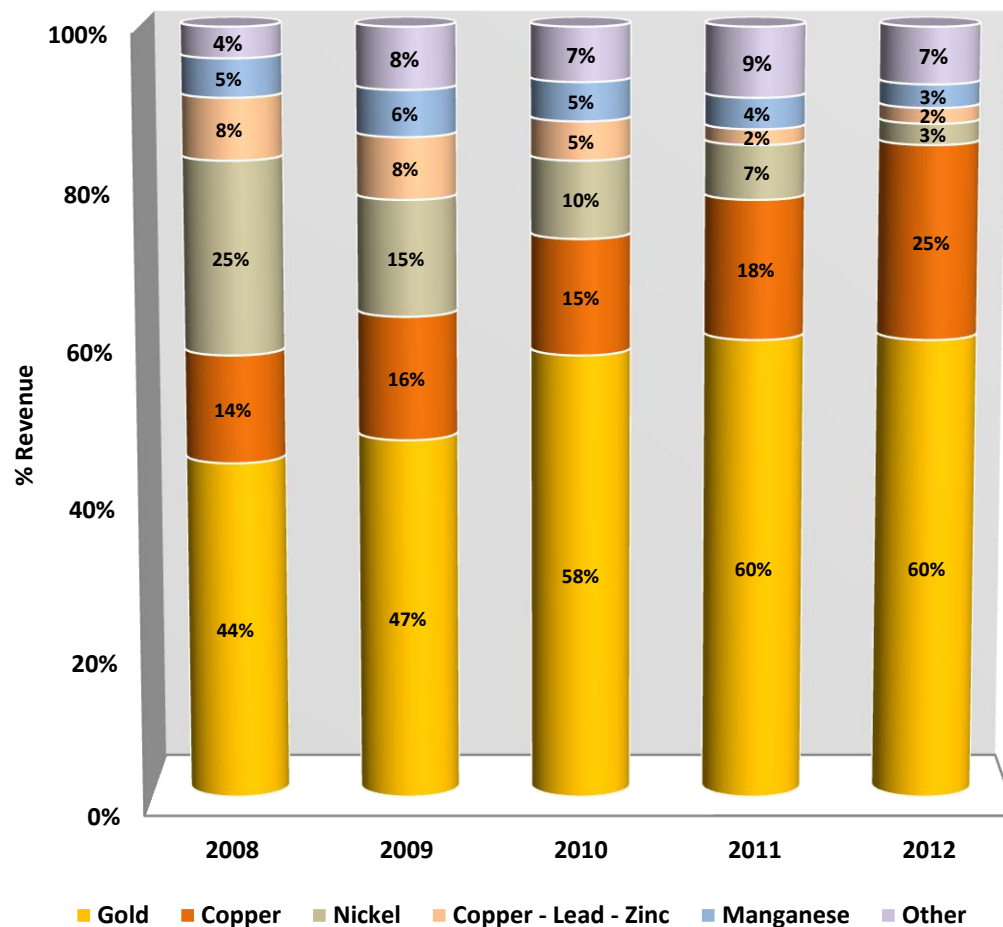
Re-focused for Sustained Success

Rigs by Division



- Targeting recurring revenue
- Focus on competitive advantage
- Disposed of MP and SD in FY11
- Investing in innovation
- Approved 83 rigs by Q4, FY13
- Swick In-house UD builds
- Commercialisation of R&D FY13

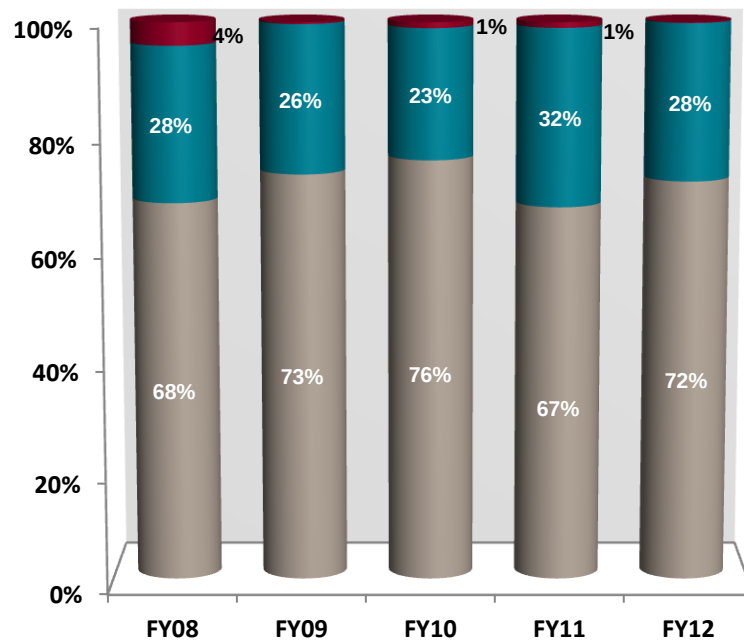
Narrowed the Commodity Exposure



- Revenue normalizing to underground commodities
- Cu/Au tend to be more resilient against Commodity volatility
- Nickel – is not a significant exposure

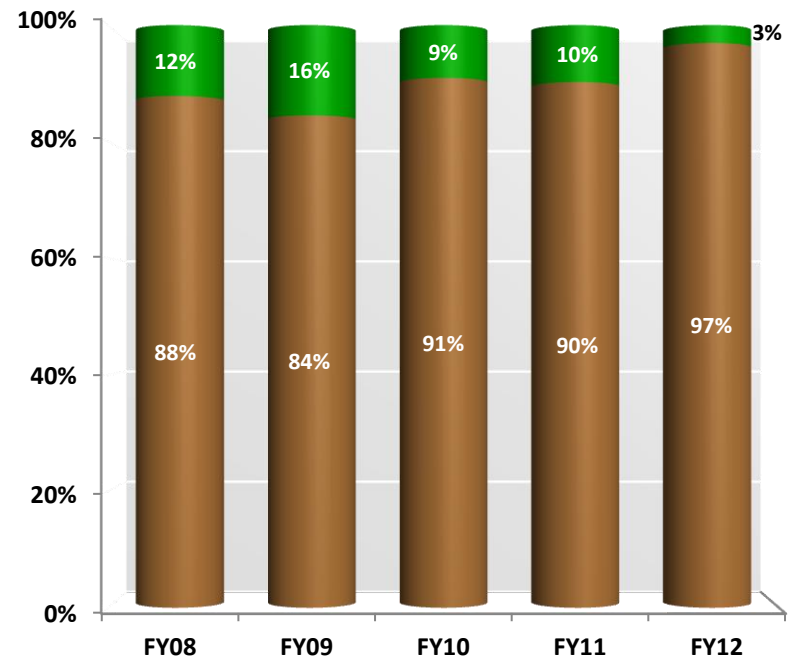
Strong Clients – Brownfield Revenues

Client Type



■ Mining Contractors
■ Total Minors
■ Majors

Revenue Type



■ Brownfields ■ Greenfields

Safety Management Review

Pre-Game Prep



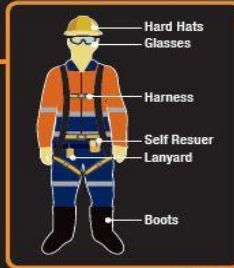
Check Work Area for Trip Hazards



Level and Secure Jump-Up Stands



Position Rods Racks to Minimise Bending and Twisting



Hard Hats
Glasses
Harness
Self Resuer
Lanyard
Boots



Communication/
Vision with Driller is Clear



Complete Stretches to Loosen Muscles



Lighting is Adequate in Work Area

NEED 2 KNOW Tips & Tricks

- Clean rods with a wire brush and grease the threads
- Stagger the rods on the trestle for ease of handling
- Point the end of the rods on the rod trestle before pulling rods
- When picking up a rod from the rod rack stand side on to the mast, rest the box end of the rod onto the rear roller to steady the rod and reduce some of the weight
- Utilise your leg muscles to help lift rods

Code Violations

FREE KICKS



Using Shafts in Conjunction with Rotation Unit



Approaching Rod String when it is Rotating



Not Using Legs when Lifting Rods



Putting Fingers in the Pin or Box End of the Rod



Dropping or Throwing Rods



Twisting wrists when Spinning Rods on or off

GAME 2: Offsider Handling Drill Rods

- Count rods to ensure hole depth is correct.
- Inspect rods for wear and damage-report to driller if necessary.
- Clean threads and grease with rod grease.



- Ensure carriage "V" slides are adequately greased
- Undo rod by spinning rod with flat palms
- Grip rod with both hands, lift up using arm and leg muscles.
- Place pin end of rod on the ground or jump up stand and remove box and from rear mast roller.
- Place rod on the rod trestles
- Complete process until all rods have been pulled out.

- Check work area for trip hazards
- Level and secure Jump up stands
- Position rods racks to minimise bending and twisting
- Correct PPE on
- Communication/vision with Driller is clear
- Complete stretches to loosen muscles
- Lighting is adequate in work area
- Spray paint rods to ensure correct amount of rods is put on.

- Ensure carriage "V" slides are adequately greased
- Pick up rod from rod trestles and move into position for art.
- Lift rod and place box end on the rear mast roller to support weight. (Pin end if on an up-hole)
- Manoeuvre pin end of rod into box end of rod that is already in the drill.
- Do up rod by spinning rod with flat palms.
- Complete process until all rods have been tied in.

Simpler & Effective Safety Management System to drive Performance not just Compliance

KPI Scoreboard

HOME **10:00** MINE SERVICES

INCIDENTS **000**

USING DAMAGED RODS **000**

WRONG END OF ROD PRESENTED TO ROTATION UNIT **000**

CORRECT AMOUNT OF RODS ADDING TO THE ROD STRING **000**

TOTAL **000**

Game Hazards



Contact with Moving Equipment



Poor Manual Handling Technique



Being in the Line of Fire (Drill Rods)



Metal Shards/ Burrs on Drill Rods



Unstable Footing/ Jump-Up Stand



SWICK Induction

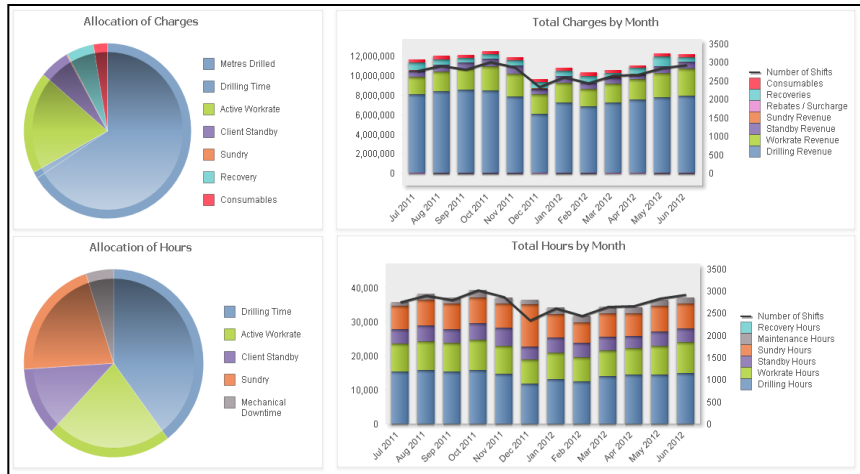


Underground Induction

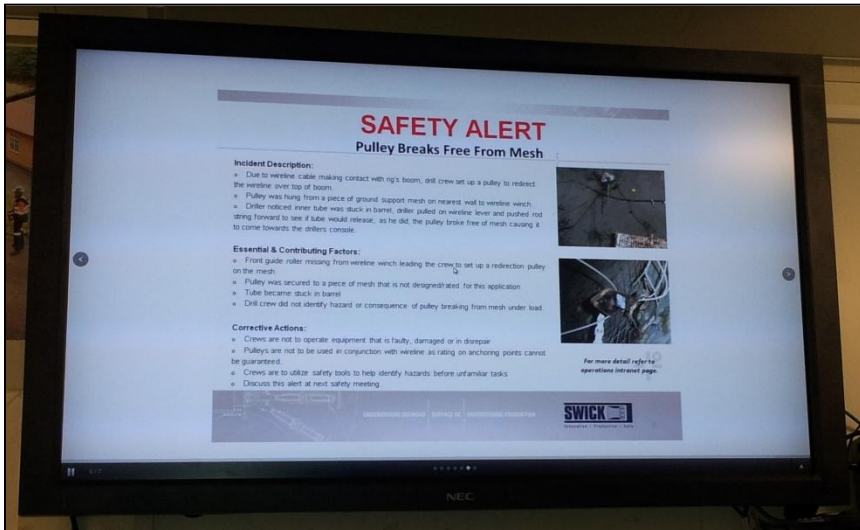


Written Assessment

Operational Management Improvements



- Continued integration of QlikView reporting system through the organisation
- Detailed data sets assisting accurate tendering and contract management processes
- Electronic Notice Boards installed on sites allowing site based personnel real time updates, safety bulletins and performance data.
- Development nearing completion for Swick developed electronic plods (NetPlod)



Business Initiatives FY12

- Better Management – Recruited Management Depth and Skills ✓ - complete
- Better Training – Increased internal and external training for our people ✓ - ongoing
- Better Operating Systems – Continually improving data presentation and analysis ✓ - ongoing
- Improved Safety Performance – Simpler more effective systems ✓ - ongoing
- Expansion into new regions strategically and by client demand ✓ - on going
- Design and development of in-house manufactured Swick underground rig ✓ - complete
- Strategic Vision – Double the Metres per manhour ✓ - embraced through the Organisation
- Business Plans developed to meet strategy ✓ - developed and managed
- Investment in R & D to meet strategy ✓ - Projects developed, Funds allocated – well advanced

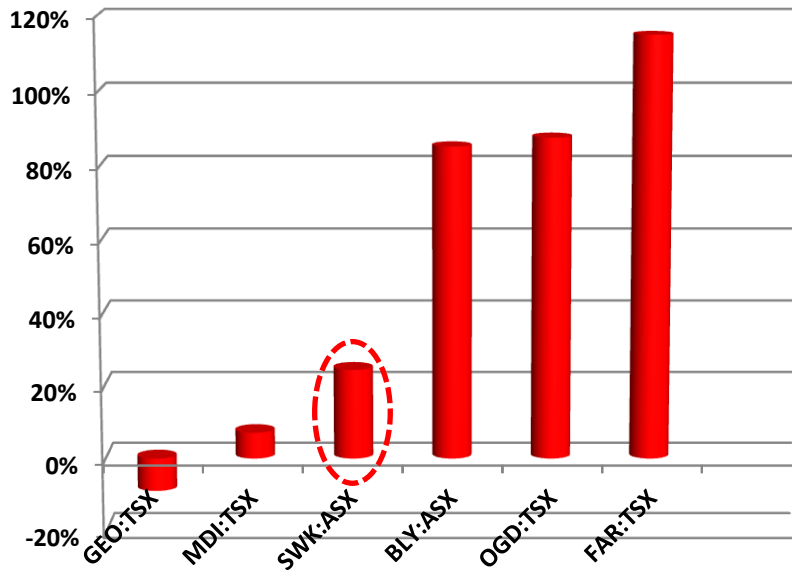
Yielding Results

Operational Performance ¹	FY12	FY11	% Change
Metres Drilled	1,433,044.00	1,162,715.00	23%
Rigs in Fleet (Year end)	73	67	9%
Rigs in Use (Year End)	58	53	9%
Revenue per Metre	\$ 95.18	\$ 92.28	3%
Employees (Year end)	586	513	14%
Financial Performance ¹	FY12	FY11	% Change
Revenue	\$136.4m	\$107.3m	27%
EBITDA	\$28.6m	\$22.6m	27%
EBIT	\$14.2m	\$6.6m	115%
Net Profit After Tax	\$9.7m	\$4.3m	126%
Earnings Per Share - cents	4.14	1.43	190%
EBITDA %	21.0%	21.1%	0%
EBIT %	10.4%	6.2%	68%
NPAT %	7.1%	4.0%	78%
Financial Position	FY12	FY11	% Change
Net Assets	\$105.7m	\$96.9m	10%
Cash	\$15.8m	\$12.5m	26%
Debt	\$23.2m	\$19.7m	18%
Net Debt	\$7.4m	\$7.1m	4%
Operating Cashflow	\$28.5m	\$21.3m	33%
Free Cashflow	\$5.5m	\$11.0m	-50%
1. Continuing Operations			

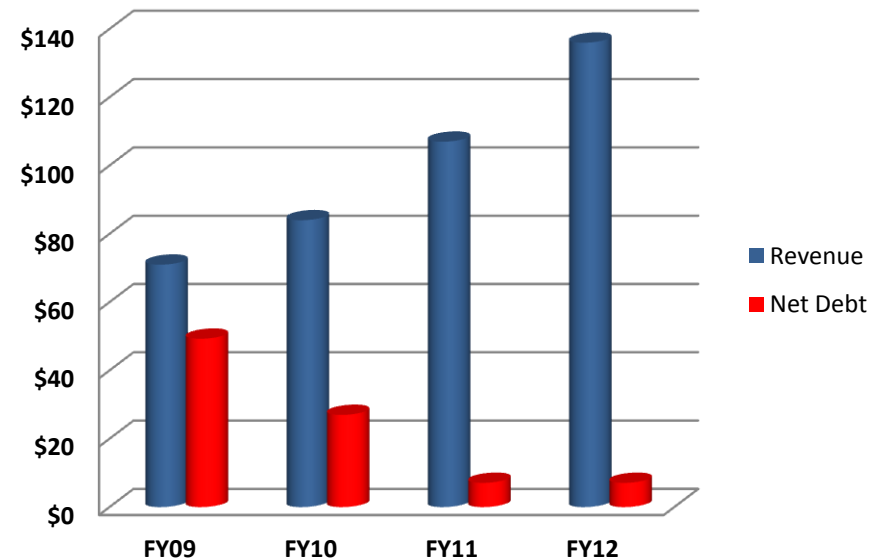
- Solid year of Organic Revenue Growth
- Re-established target profitability in APAC region
- Strong cashflow allowing total maiden dividend payments of 1 cent per share for FY12
- FY13 Revenue guidance \$145m to \$155m
- FY13 EBITDA guidance \$30.5m - \$34.5m.
- Q1FY13 revenue (unaudited) \$38.1m

Poised for Future Growth

Net Debt/EBITDA 30 Jun 2012



SWK Revenue vs. Net Debt

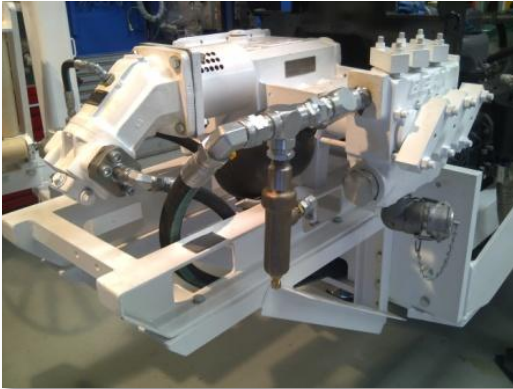


ASX Research - Macquarie Equities Research, TSX Research - Beacon Securities

- Strong Tendering Pipeline for Global Underground Diamond Drilling
- Able to quickly construct and deploy rigs (parts in stock)
- In-house Swick rigs constructed At 20% lower capex cost than historic

Research and Development

Productivity



HIGH SPEED CORE RETRIEVAL

Productivity  10%

To be complete by Dec 2012

Efficiency



SWICK RIG WITH AUTOMATION

Capex  25%

Manning  35%

Productivity  10%

Field Testing December 2012

Market Share

Rod Handler
Photo Blacked Out

CONFIDENTIAL

UNDERGROUND ROD HANDLING

Safety  50%

Retention  50%

Field Testing December 2012

- Projects to meet the Strategic Vision: 'Double the metres drilled per man-hour' over the next five years

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