

22 July 2024

FY24 free cash flow materially above guidance

Perenti Limited (ASX: PRN) ('Perenti' or 'the Company') is pleased to advise that based on its preliminary unaudited results, the free cash flow for FY24 (being cash flow from operations after interest, tax and all capital expenditure and after our investment in idoba) is expected to be circa AUD\$180 million. While the final number is subject to completion of the full year audit, this is materially above Company guidance of more than \$100 million.

This significant improvement in free cash flow generation can be primarily attributed to the following factors.

- Above forecast debtor collection inclusive of contract rate adjustments, with cash flow conversion above 95%, despite risks of late payments due to 30 June 2024 falling on a Sunday.
- A reduction in capital expenditure for FY24 to circa \$305 million, compared to guidance of approximately \$350 million, due in part to the successful redeployment of assets released from discontinued nickel projects Savannah and Cosmos, and the timing of capital payments.

Excluding the impact of the above, FY24 free cash flow has comfortably exceeded guidance of more than \$100 million. Perenti expects to deliver continued strong free cash flow in FY25. Full disclosure of Perenti's final audited cash flows and FY25 guidance will be included in the release of the FY24 results in late August.

Perenti's Revenue, EBIT(A) and Leverage guidance provided on 18 June 2024 remains unchanged.

Mark Norwell, Managing Director & Chief Executive Officer of Perenti said "This result is further evidence that our business can return meaningful value to our shareholders. In recent years we have built a global business of scale with a proud history of underground expertise, surface mining, production and exploration drilling, and supporting mining services that distinguishes us in our peer group. Our global leading underground and drilling businesses will become increasingly critical to deliver the minerals required to transition to an electrified economy. This has positioned us to deliver additional upside as demand increases for drilling services and continues for underground mining capability. We look forward to continuing to deliver for our clients, our shareholders, and our valuable staff in the years to come."

Peter Bryant, Chief Financial Officer of Perenti said "I am proud to see the investment and effort of Perenti during the past years delivering another year of strong free cash flow. The seeds of this success were sown back in 2018 with the merger of the Barmenco and Ausdrill businesses, and further enhanced through the successful acquisition of DDH1. Since the inception of Perenti, the goal has always been to build a business capable of both sustainable growth and strong free cash flow, which we have delivered, and will continue to deliver, with an ongoing focus on returns to shareholders."

Authorised by:
The Perenti Board of Directors

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