

3 October 2024

## 2024 AGM Chair and MD Addresses

In accordance with ASX Listing Rule 3.13.3, Perenti Limited (ASX:PRN) (“Perenti” or “the Company”) attaches a copy of the Chair and Managing Director addresses to be delivered to shareholders at the Annual General Meeting of the Company being held today.

Authorised by:  
**Justine Passaportis**  
Company Secretary

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**Investor enquiries:**

Jono van Hazel  
Head of Investor Relations – Perenti  
jono.vanhazel@perentigroup.com  
+61 411 564 969

**Media enquiries:**

Paul Ryan  
Senior Director – Sodali & Co  
paul.ryan@sodali.com  
+61 409 296 511

## 2024 AGM Chair Address

### Diane Smith-Gander

The Perenti of today is stronger, better performing, more resilient, and has a brighter future than at any time in your company's thirty-seven year history. Our performance is delivered by the 10,500 employees who make up Perenti, working often in remote and challenging locations across Australia, Africa, North America, and more recently in Europe. Thank you to them for the work they do every day. Perenti's commitment must be to work tirelessly to ensure that every one of our people goes home from work safe and well, every day. This is how we achieve our objective of *no adverse life changing events*.

Sadly, we did not meet that standard again this year. In February, one of our colleagues, Siswantoro, lost his life while undertaking a routine maintenance task at the Mana Mine in West Africa. There have been an unacceptable number of fatalities in our business because, of course, any fatality is a tragedy.

Our Managing Director & CEO Mark Norwell will talk in more detail describing how we will improve workplace safety. I will note now that your company has introduced several improvement initiatives through the delivery of Divisional Safety Transformation plans. We are also driving bottom-up initiatives such as our 'check mate' program that engages operator and maintenance teams to review high-risk tasks relevant to their area and then confirms the presence of the controls that will prevent any life changing events.

Safety remains the absolute priority of the Board, the Group Executive Committee and everyone in the business.

Your company is led by a Board and Group Executive Committee, with a clear strategy aimed at safely delivering on our purpose of creating *enduring value and certainty* for our clients, our people, the communities in which our businesses operate, and ultimately for our shareholders.

This strategy can only be achieved if we are selective and disciplined about the growth opportunities for Perenti. We are, therefore, committed to be disciplined in the way we manage shareholders' capital.

In financial and operational terms, 2024 was exceptional with Perenti delivering record underlying earnings from record revenue. This allowed your Board to reinstate dividends with a 2c interim dividend and a 4c dividend at the full year.

During the year, Perenti acquired DDH1 and successfully integrated the specialist drilling contractor into our business including integrating the Ausdrill brand. The creation of a new Drilling Services Division positions Perenti as one of the world's leading drilling businesses and provides an excellent opportunity for future growth, even if the cycle is presently at a low-ebb.

Two years ago, important financial goals were set in relation to increased free cashflow generation and reduced leverage. These goals have been exceeded, simultaneous with year-on-year growth in EBIT(A).

This positions Perenti to generate further value for shareholders with a stronger balance sheet, allowing our share buyback program to continue in parallel with dividend reinstatement. Just over three per cent of the shares on issue were acquired via buy back in the last financial year, an EPS positive initiative.

Perenti is now delivering consistent, year-on-year operational and financial performance. This is an example of how the business *creates enduring value and certainty*.

I am pleased to be able to present the strong financial results Perenti achieved this year to you. I am equally excited about the opportunities ahead, pointing to the delivery of another year of financial growth.

In the last six years the group has seen extraordinary growth - doubling our workforce, more than doubling our earnings, significantly expanding our capabilities, and diversifying into jurisdictions which can provide further growth opportunities.

Operating across many commodities and the mining value chain positions Perenti uniquely to influence the sustainability outcomes of the mining industry which is so vital to decarbonisation and addressing global warming.

We are using our influence to work with like-minded clients and partners, bringing technical and practical understanding of the potential for electrification to reduce the carbon footprint of mining.

This year, our collaboration with our client IGO and global technology leader ABB resulted in the release of a landmark white paper showing that converting an existing mine to a Battery Electric Vehicle operation was feasible with available equipment, offering lower environmental impact and health benefits for underground workers.

Like many mining services businesses, Perenti has a predominantly male workforce. There are clear targets for increasing the representation of women in the Perenti workforce. Perenti is changing the way employees are recruited, trained and retained. Every Perenti employee in Australia and globally should have an equitable opportunity to reach their full potential.

With this in mind Perenti's training, coaching and leadership programs support building a safe, diverse and inclusive workplace. Employees are surveyed regularly to understand their progression and to identify areas for improvement.

You will hear later in the meeting more detail regarding important remuneration changes. I do, however, want to make a few comments now. At last year's AGM, the Board received clear feedback from shareholders that executive remuneration outcomes were out of step with safety performance. Your Board deeply considered that feedback and today shareholders will consider changes to our remuneration policy. These changes are aimed at more directly driving performance across all aspects of our Company, most particularly safety. Perenti's remuneration structure must, at the same time, continue to provide the incentives that attract and retain the best people, who are the cornerstone of our success and also key to a safe workplace environment.

I thank my fellow directors for their professionalism and support, particularly since March when I assumed the role of Chair after joining the Board in October 2023 following the DDH1 acquisition. My fellow DDH1 director Andrea Sutton also joined the Board at that time. She brings with her invaluable mining industry experience, particularly in operations and workplace health and safety.

There was a notable departure from the Board this year. The Board thanks Rob Cole for his considerable service to the Board. Rob chaired the Board for three of his six years' service as a director and was instrumental in Perenti's growth to becoming the global mining services business it is today.

In 2024, we made some important changes to our governance structure and Board committees. Non-executive Director Tim Longstaff became the Chair of the People and Remuneration Committee, while

Andrea Sutton became the Chair of the Safety and Sustainability Committee. I thank them for taking on these important roles.

The Board is well progressed with further renewal and is seeking to appoint a director with deep industry experience particularly in our offshore jurisdictions with growth potential.

The Board and I also thank Mark and the Group Executive Committee for their commitment to Perenti. This team continues to lead the business in delivering strong performance in a way that is always consistent with Perenti's principles.

Perenti has never been in a better position to grow sustainably and perform consistently. With a clear strategy we have a diverse business that is resilient, a growth pipeline with significant opportunities, and a workforce that delivers value to our clients.

Thank you everyone for your attendance today. I will now hand over to Mark, before returning to conduct the business of the meeting.

## 2024 AGM Managing Director Address

Thank you, Diane.

Good morning everyone, and welcome to our 2024 annual general meeting.

I too would like to acknowledge the traditional owners of the land on which we meet, the Whadjuk people, and pay my respects to their Elders past, present and emerging.

In 2024, our 10,500 people delivered another year of strong financial results.

Our record underlying EBITA of \$314 million was generated from our highest ever revenue of \$3.3 billion, and importantly this result was underpinned by significant cash generation.

By meeting our strategic objectives of efficiently managing our capital, integrating DDH1 and continuing strong operational performance, we generated free cashflow of \$184 million and reduced our leverage to 0.7x.

As Diane outlined, our focus on delivering free cash flow has allowed us to reinstate dividends for the first time since 2021, and at the same time continue our share buyback. Our consistent free cash flow generation also allows sufficient funding to support future growth and continued strengthening of our balance sheet.

Whilst our financial results are pleasing, it is our people who are front and centre of everything we do and in February, we were devastated when one of our colleagues, Siswantoro, was fatally injured while undertaking a maintenance activity at the Mana Mine in Burkina Faso. The loss of Siswantoro has obviously had a devastating impact on his family and friends, and has also been felt deeply by his work colleagues.

Everyone at Perenti feels the loss, and the responsibility, when a fatality occurs in our workplace. As leaders, our job is to support our people through these difficult times, but more importantly, we must ensure we leave no stone unturned to achieve our safety goal of *nil adverse life changing events*.

Through the Safety Transformation Taskforce we established in 2023, we have implemented a multi-layered approach to continuously assess, challenge and ultimately, improve our safety performance. This includes a focus on leadership, systems, assurance activities, working with our clients, and continuing to build a culture of safety and respect.

We appointed world-leading safety experts to the Taskforce, to provide us with fresh ideas and different perspectives. We have followed best practice in further increasing our focus on critical risks and controls, with work continuing across all operating divisions of our organisation. The work of the Taskforce has transitioned to our operating divisions for implementation, as it is imperative we deliver on the ground improvements to better support our people.

Our Contract Mining, Drilling Services and Mining Services divisions have established working groups and developed safety transformation plans. The work of each division is under the leadership and accountability of the divisional president, with a focus on delivering improvements at the front line to ensure the safety of our people.

Continuing the important focus on our people, I am incredibly proud of everyone at Perenti and the way they go about their business, to deliver on our purpose – *to create enduring value and certainty* – and by living our principles. Through our purpose and principles, we have an incredibly strong culture, which is reflected in our focus to deliver for our people, the communities in which we operate and our clients, which ultimately delivers value for our shareholders.

This year our workforce grew to almost 11,000, as we seamlessly integrated DDH1 into our new Drilling Services division.

At Perenti, we have a proud history of training and developing our employees. That approach has the dual benefits of building our capability by assisting our people to reach their full potential, and to create a loyal and committed workforce. Our focus on training and development not only supports strong business performance, but has also assisted in recent years to navigate a difficult labour market.

Strong leaders build a strong culture, which is why this year we maintained our investment in our Leading at Perenti program for our executive leaders. In addition to Leading at Perenti, we introduced a new program, Managing at Perenti, for our mid to senior level managers. Our focus on leadership development is imperative as we continue to develop our leadership pipeline, and drive alignment around our strategic goals and imperatives.

We are a global business that employs people from all over the world. We proudly maintain greater than 90% local employment across our operations globally. To support this level of local employment, we need a culture that embraces diversity and supports inclusion. The mining industry is a male-dominated industry, but we also understand that greater diversity and ensuring everyone feels safe, respected and valued at work is a critical part of our future success. These are the objectives we are working towards as we continue to build our leadership capability and culture through the training and development of our team.

Perenti has always been a leader in attracting new entrants to the industry and equipping them with the skills and tools they need to thrive in our business. This year more than 900 people participated in our apprenticeship and trainee programs and we remain one of the largest private sector employers of apprentices and graduate mining engineers in Western Australia.

This focus on developing our employees also extends to our international operations. During the year I had the privilege to meet the President of Botswana, and in our discussions the President was appreciative of the training and development we have provided to the local workforce through our dedicated training facility we built in 2019. Recognition by the President of Botswana demonstrates the meaningful and valued impact we have had on the African communities in which we operate since first entering Africa in 1991.

Our people are integral to our performance and are focused on delivering for our clients. Strong client relationships are fundamental to our success, and this was demonstrated by our Contract Mining division securing more than \$2 billion of contract renewals and new work during the year. The Contract Mining division is underpinned by our world class underground mining capability and continues to perform strongly, with a healthy pipeline and more than \$4.5 billion in work in hand at the start of FY25.

As orebody grades decrease and as orebodies get deeper, the outlook for underground mining is very positive, and with our underground mining scale and world leading performance we are extremely well placed to capitalise on the growth in underground mining. When we consider tendering for new contracts to add to our portfolio, we preferentially filter for quality long-term projects at the lower end of the cost curve, and with clients that we have strong values alignment. Our focus is not to be the lowest cost, but to generate the most value for our clients and it is this discipline that produces the reliable margins within Contract Mining. Our scale of \$2 billion per annum and 95% success rate of extending underground mining projects means we aren't dependant on any single project, with our earnings more comparable to a long-term annuity style business.

Our Drilling Services division was created from the combination of DDH1, and their four brands, and our Ausdrill business. We now have a top three global drilling business, along with enhanced capability that is well positioned to capitalise once drilling activity returns to normal.

Our Mining Services division had a record year. Over the years this division has been transformed as we have divested non-core assets and focused on operational improvements in our remaining businesses.

Through idoba and initiatives within each division we continue to focus on innovation and technology to capture value through optimising our operations, delivering cost savings, reducing emissions, and identifying better and safer ways of working, both in our business, and in the operations of our clients. With the ever-increasing adoption of technology, it is prudent, in fact a necessity, to invest a modest amount in technology to maintain relevance and our competitive advantage that has served us so well over our almost 40-year history.

With our focus on technology and innovation I would like to thank our clients for their commitment to collaboration as we find ways to deliver better outcomes for them and the mining industry. We focus on delivering solutions for our clients that deliver value. It is their confidence in us, through the opportunities they provide, that underpins the business.

Diane highlighted this when mentioning the electrification study we conducted with ABB on behalf of our client IGO, and the associated White Paper, which was released earlier this year. This truly is an example of Perenti and our businesses, namely idoba and Barminco at their best, where we *Walk in the shoes* of our customers to understand their challenges and collaborate with our clients and business partners to find solutions. It showcases the strength of the relationships we have with our clients,

reinforces our industry leading capabilities across the mining value chain and demonstrates our belief that collaboration is critical to reduce carbon emissions.

Beyond our focus on technology and delivering strong operational performance, we also further strengthened our financial position by successfully issuing a US\$350 million senior notes offering. The issuance was more than six times oversubscribed, with participation from leading global institutions, reinforcing the consistency of our margins and operational performance.

The placement of this bond demonstrates the significant improvement to our balance sheet since we last placed a bond in 2020. During this period, which was significantly impacted by COVID-19 in the first two years, two credit agencies have upgraded Perenti by one notch to be at almost investment grade, and the bond spread on the new bond issuance reduced from 6.2% to 2.8% in under four years. And yesterday, we announced a further credit upgrade by Moody's taking us to one level below investment grade. Our balance sheet and our financial performance has never been stronger, and this outcome is because of our people and our leadership across the organisation.

As we continue to position for the future our Group Executive Committee has also undergone important changes this year with further changes to be concluded within the next three months.

We were very pleased that Gabrielle Iwanow joined our business as the President of Contract Mining earlier this year. Gabe is a leading mining executive with extensive experience at senior operational and executive levels in Australia and internationally.

Peter Bryant, our Chief Financial Officer, who has been within the business for twelve years, officially handed over the position in early September and will be leaving the business in November. With Peter resigning, I was very pleased to appoint our Vice President of Finance for Contract Mining, Michael Ellis, as our CFO. Mike has been with the wider business for almost 11 years with significant experience in our Contract Mining division and across the business more broadly. The CFO transition has been seamless, with Pete continuing to support Mike until he leaves later this year.

Sy Van Dyk, who joined us from DDH1 and drove the establishment of our Drilling Services division, will leave at the end of this year. Sy will ensure a smooth transition to the leadership of Ben Davis, who has most recently led the improved performance of our Mining Services division and several corporate functions.

Raj Ratneser, who leads our electrification initiatives, as well as serving as Chief Legal and Risk Officer and joint Company Secretary, has assumed responsibility for Mining Services, replacing Ben.

And finally, Paul Muller, the former head of Contract Mining, has been appointed into the new role of Chief Corporate Services Officer. This appointment consolidates several of our corporate functions and ensures we retain Paul's extensive mining experience and deep contracting knowledge to support the strength of the Group Executive.

These leadership changes ensure we have the right people in the right roles so we can make the most of our many opportunities in a dynamic environment and build on the positive performance of the group over the last year. I would like to thank Pete and Sy for their contributions and support and wish them all the best for the future.

While we have had success in 2024, our eyes are firmly on the future as we continue to focus on generating increased returns for our shareholders. Through our world class underground capability, top three global drilling division and a balance sheet that has never been stronger, we are extremely well placed for the future. Through Barminco, African Underground Mining Services and Swick we now generate almost 70% of our revenue from underground mining, which positions us extremely well for organic growth in a very attractive, and growing market.

The attractiveness of the underground mining segment is underpinned by three key themes. Firstly, underground mining is technical in nature requiring deep domain expertise, which provides a significant barrier to entry. Secondly, our scale as a global leader ensures that expertise is continually refined by operating across a diverse range of commodities, regions and clients. And thirdly, the underground mining market is set to grow as the percentage of new and expanded mines that come online in the future is expected to have a bias to underground mines. This trifecta of themes ensures we are extremely well placed to continue our growth in underground mining and therefore delivering quality returns for our shareholders.

With our focus on further margin improvement and disciplined capital management, along with a strong balance sheet, a highly capable team, and momentum from our consistent performance, we are aiming to once again deliver results that meet or exceed our guidance for 2025. This performance will be underpinned by our focus on consistent generation of free cash flow allowing us to continue to deliver positive returns for our shareholders.

I would like to acknowledge and thank Diane Smith-Gander following her appointment to the Chair of Perenti's Board during the year. The energy, professionalism and extensive experience that Diane brings to the role, is a great addition for our Company and is extremely complementary to my experience.

I would also like to thank Rob Cole and Mark Hine for their contribution to Perenti and their support to me personally during their time on the Board before stepping down during the year.

I also thank the rest of the Board, the Group Executive Committee, and all our 10,500 people for their support and contribution during the year.

And finally, thank you to all shareholders and to those attending today. Your ongoing support is very much appreciated as we continue to extract value from our strong foundations and very positive outlook.

Thank you and I will now hand back to Diane.