

28 May 2020

ASX: EHL ('EMECO' OR 'THE COMPANY')

FY20 guidance and contract award

Emeco is pleased to advise it expects Operating EBITDA for FY20 to be in the range of \$244 million to \$247 million (pre-AASB 16 Leases).

Emeco continues to generate strong positive cash flows. Expected net debt / Operating EBITDA as at 30 June 2020 remains at ~1.5x.

COVID-19 has impacted our 2H20 earnings through some additional costs and the fall in coal price resulting in a reduction in utilisation in the Eastern Region. The Western Region and the Force Workshops continue to perform well. The recently acquired Pit N Portal business has performed in line with expectations and is seeing a strong tender pipeline.

Notably, Pit N Portal today executed a five-year contract with Mincor Resources NL (ASX:MCR) at its Kambalda Nickel Operations in Western Australia, which is subject to Mincor issuing to Pit N Portal a Notice to Proceed by 31 March 2021.

Ian Testrow, Emeco's CEO and Managing Director, said: "We were very impressed with Mincor's extensive tender process and their thorough due diligence. We look forward to working with the Mincor team to develop the operation and support the local Kalgoorlie-Boulder community. This is a great opportunity for the Pit N Portal business. Partnering with Mincor on such a high-quality project further reinforces our confidence in the business, our expanded service offering and our ability to execute our strategic objective to diversify our commodity exposure."

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Investor enquiries

Sam Byford
Investor Relations Manager
+61 8 9420 0222

Level 3, 71 Walters Drive, Osborne Park WA 6017, Australia
PO Box 1341, Osborne Park DC WA 6916, Australia
Emeco Holdings Limited ACN 112 188 815
emecogroup.com

T +61 (0) 8 9420 0222
F +61 (0) 8 9420 0205
E corporate@emecogroup.com

This announcement was authorised to be provided to the ASX by Penny Young, Company Secretary of Emeco Holdings Limited