



Emeco Holdings Limited
ABN 89 112 188 815

Retail Entitlement Offer



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1 for 10.29 accelerated non-renounceable pro-rata entitlement offer of Emeco ordinary shares at an offer price of A\$2.07 per New Share.

The Retail Entitlement Offer closes at 5.00pm (Sydney time) on Friday 14 February 2020.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This Offer Booklet requires your immediate attention. It is an important document which is accompanied by a personalised Entitlement and Acceptance Form and both should be read in their entirety. This Offer Booklet is not a prospectus under the *Corporations Act 2001 (Cth)* (**Corporations Act**) and has not been lodged with the Australian Securities & Investments Commission (**ASIC**). Please call your stockbroker, solicitor, accountant, financial adviser or other professional adviser or contact the Emeco Shareholder Information Line on 1800 689 300 (within Australia) or +61 1800 689 300 (outside Australia) from 8.30am to 5.30pm (Sydney time) Monday to Friday.

IMPORTANT NOTICE

Defined terms used in these important notices have the meaning given in this Offer Booklet.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES.

This Offer Booklet relates to the Retail Entitlement Offer which is part of the Entitlement Offer by Emeco of New Shares to raise approximately A\$65 million. The Entitlement Offer is being made in Australia pursuant to section 708AA of the Corporations Act 2001 (Cth) (**Corporations Act**) (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84, which allows entitlement offers to be made to investors without a prospectus).

As this offer is not being made under a prospectus, investment statement or product disclosure statement, it is important for Eligible Shareholders to read carefully and understand this Offer Booklet and the information about Emeco and the Entitlement Offer that is publicly available. In particular, please refer to the materials in this Offer Booklet (including the Investor Presentation and ASX Announcement in Section 5), Emeco's annual reports and other announcements made available by Emeco at www.emecogroup.com (including Emeco's 2019 full year financial results which was released to the ASX on 21 August 2019, the 2019 Annual Report released to the ASX on 15 October 2019 and Emeco's Managing Director's AGM Address and 1H20 Guidance released to the ASX on 14 November 2019) and announcements which may be made by Emeco after publication of this Offer Booklet.

Future performance and forward looking statements

This Offer Booklet contains certain "forward looking statements", including but not limited to projections and guidance on the future performance of Emeco and the outcome and effects of the Entitlement Offer and the Acquisition. Forward looking statements can generally be identified by the use of forward looking words such as "expect", "anticipate", "likely", "intend", "propose", "should", "could", "may", "predict", "plan", "will", "believe", "forecast", "estimate", "target", "outlook", "guidance", "potential", and other similar expressions within the meaning of securities laws of applicable jurisdictions.

The forward looking statements contained in this Offer Booklet are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of Emeco, its Directors and management, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Refer to the "Key Risks" section of the Emeco Investor Presentation included in Section 5 of this Offer Booklet for a summary of certain general and Emeco specific risk factors that may affect Emeco. There can be no assurance that actual outcomes will not differ materially from these forward looking statements. A number of important factors could cause actual results or performance to differ materially from the forward looking statements, including the risk factors included in the Emeco Investor Presentation included in Section 5 of this Offer Booklet. Investors should consider the forward looking statements contained in this Offer Booklet in light of those disclosures. The forward looking statements are based on information available to Emeco as at the date of this Offer Booklet.

Except as required by law or regulation (including the ASX Listing Rules), Emeco accepts no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements.

Past performance

Investors should note that past performance, including the past share price performance of Emeco and the pro forma historical information in the ASX announcements included in Section 5 of this Offer Booklet, is given for illustrative purposes only and cannot be relied upon as an indicator of (and provides no guidance as to) future Emeco performance including future share price

performance. The pro forma historical information is not represented as being indicative of Emeco's views on its future financial condition and/or performance.

Jurisdictions

This Offer Booklet, the ASX announcements and the Entitlement and Acceptance Form, do not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. Neither this Offer Booklet nor the Entitlement and Acceptance Form may be distributed or released in the United States. Neither the entitlements to purchase New Shares pursuant to the offer described in this Offer Booklet nor the New Shares have been, or will be, registered under the US Securities Act of 1933, as amended (**US Securities Act**) or the securities laws of any state or other jurisdiction of the United States. The Entitlements may not be issued to, purchased by, or taken up or exercised by, and the New Shares may not be offered or sold to, persons in the United States or persons who are acting for the account or benefit of a person in the United States. Neither the Entitlements nor the New Shares may be offered, sold or resold in the United States or to persons acting for the account or benefit of a person in the United States except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and the applicable securities laws of any state or other jurisdiction in the United States. The Entitlements and the New Shares in the Entitlement Offer will be sold only in "offshore transactions" (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the U.S. Securities Act.

References to "you" and "your Entitlement"

In this Offer Booklet, references to "you" are references to Eligible Retail Shareholders (as defined in Section 6.1) and references to "your Entitlement" (or "your Entitlement and Acceptance Form") are references to the Entitlement (or Entitlement and Acceptance Form) of Eligible Retail Shareholders.

Times and dates

Times and dates in this Offer Booklet are indicative only and may be subject to change. All times and dates refer to Sydney time. Refer to the "Key Dates" section of this Offer Booklet for more details.

Currency

Unless otherwise stated, all dollar values in this Offer Booklet are in Australian dollars (A\$ or AUD).

Trading in New Shares

Emeco will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares they believe will be issued to them before they receive their holding statements (whether on the basis of confirmation of the allocation provided by Emeco or the Emeco Share Registry or failure to maintain your updated details on the Emeco Share Registry or otherwise) or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

If you are in any doubt as to these matters you should first consult with your stockbroker, solicitor, accountant, financial adviser or other professional adviser.

Refer to Section 6 for details.

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KEY DATES FOR THE RETAIL ENTITLEMENT OFFER

Event	Date
Announcement of the Entitlement Offer	Wednesday 29 January 2020
Record Date for eligibility for the Entitlement Offer	7.00pm (Sydney time) on Friday 31 January 2020
Offer Booklet despatched to Shareholders	Wednesday 5 February 2020
Retail Entitlement Offer opens	Wednesday 5 February 2020
Issue of New Shares under the Institutional Entitlement Offer	Monday 10 February 2020
Last day to extend the Retail Entitlement Offer	Tuesday 11 February 2020
Retail Entitlement Offer closes ¹ (Closing Date)	5.00pm (Sydney time) on Friday 14 February 2020
Results of Retail Entitlement Offer announced	Wednesday 19 February 2020
Issue of New Shares under the Retail Entitlement Offer	Friday 21 February 2020
New Shares issued under the Retail Entitlement Offer commence trading on ASX on a normal settlement basis	Monday 24 February 2020
Dispatch of holding statements in respect of New Shares under the Retail Entitlement Offer	Tuesday 25 February 2020

The timetable above is indicative only and may be subject to change. Emeco reserves the right to amend any or all of these dates and times without notice, subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, Emeco reserves the right to extend the Closing Date of the Retail Entitlement Offer, to accept late applications under the Retail Entitlement Offer (either generally or in particular cases) and to withdraw the Retail Entitlement Offer without prior notice. Any extension of the Retail Entitlement Offer Closing Date will have a consequential effect on the issue date of New Shares.

The commencement of quotation of New Shares is subject to confirmation from ASX.

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been accepted. Eligible Retail Shareholders wishing to participate in the Retail Entitlement Offer are encouraged to submit their Entitlement and Acceptance Form as soon as possible after the Retail Entitlement Offer opens to ensure their application is received by the Emeco Share Registry in time.

Enquiries

If you have any questions, please contact the Emeco Shareholder Information Line on 1800 689 300 (within Australia) or +61 1800 689 300 (outside Australia) from 8.30am to 5.30pm (Sydney time), Monday to Friday. If you have any further questions, you should contact your stockbroker, solicitor, accountant, financial adviser or other professional adviser.

¹ Eligible Retail Shareholders who wish to take up all or a part of their Entitlement must complete and return their personalised Entitlement and Acceptance Form with the requisite accompanying payment (**Application Monies**) OR pay their Application Monies via BPAY by following the instructions set out on the personalised Entitlement and Acceptance Form, so that they are received by the Emeco Share Registry by no later than 5.00pm (Sydney time) on Friday 14 February 2020. Eligible Retail Shareholders should refer to Section 2 for options available to them in respect of their Entitlement.

LETTER FROM EMECO'S CHAIRMAN

5 February 2020

Dear Shareholder,

As a valued shareholder of Emeco, I am pleased to invite you to participate in a fully underwritten 1 for 10.29 accelerated non-renounceable pro-rata entitlement offer of new ordinary shares in Emeco (**New Shares**) at an offer price of A\$2.07 per New Share (**Offer Price**) to raise gross proceeds of A\$65 million (**Entitlement Offer**).

Acquisition of Pit N Portal

As previously announced to the ASX on Wednesday 29 January 2020, Emeco has signed a binding agreement (**Acquisition Agreement**) to acquire 100% of the issued shares in Pit N Portal Mining Services Pty Ltd ACN 116 432 814 and Pit N Portal Equipment Hire Pty Ltd ACN 108 944 038 (**Pit N Portal**) for A\$72 million, pre-adjustments for surplus working capital and other customary purchase price adjustments (the **Acquisition**).

Established in 2002, Pit N Portal specialises in the provision of hard-rock underground mining equipment and services to the Australian underground mining sector. Core operations include equipment rental as well as mining services and maintenance solutions for underground mines across Australia.

Pit N Portal operates the largest underground equipment rental fleet in Australia. It has a high-quality asset base with over 100 pieces of specialised underground mining equipment, over 300 pieces of infrastructure equipment and employs more than 300 people across strategic locations in Perth and Kalgoorlie and customer sites across Australia.

Pit N Portal has FY19 revenue of approximately \$101 million and EBITDA of \$20 million achieving solid growth on FY18, and further growth expected in FY20. Continued growth in Pit N Portal is expected post-completion driven by new project and scope expansion opportunities, with major projects' earnings realised in FY21.

Pit N Portal's key services add to the core of Emeco's existing business including equipment hire and maintenance solutions. Pit N Portal also adds a vast array of additional value-added services to its customers, providing a complete mining services offering.

Pit N Portal is a highly strategic acquisition which will broaden Emeco's customer value proposition and increase resilience through the cycle. Strategic benefits include:

- **Platform for growth in underground mining:** Provides a strong platform for Emeco to grow as a provider of underground mining services with a solid tender pipeline, particularly in Western Australian based gold, nickel and base metals projects. There are also potential operational advantages through Pit N Portal's strategically located workshops in Perth and Kalgoorlie.
- **Commodity diversification into gold:** Significantly diversifies Emeco's commodity exposure with gold more than doubling immediately from 12% to 27%² of Emeco's revenue and becoming the #2 exposure.
- **Leverage core capabilities:** Entry into the fast-growing underground mining services market, which is highly complementary to Emeco's existing surface mining exposures, leveraging Emeco's existing core capabilities of equipment rental, maintenance and rebuild services while also expanding Emeco's range of services.

² Based on Emeco's annualised 1H20 unaudited revenue and Pit N Portal's revenue from its audited FY19 report.

- **Widens value proposition:** Provides Emeco entry into underground mining with longer tenure contracts. Pit N Portal is focused on innovation and technology, with tele-remote and autonomous equipment and delivers a wide range of specialised services.
- **Vendor alignment:** Pit N Portal has a strong alignment with the Emeco culture and Pit N Portal Founder and CEO, Steve Versteegen, will remain with the business to drive growth in the combined group. The vendors have agreed to take \$10 million in Emeco shares (which are escrowed for 12 months) as partial consideration.

The Acquisition, which is conditional on the successful completion of the Entitlement Offer and has termination rights in favour of Emeco, is expected to complete at the end of February 2020. Further details regarding the Acquisition are set out in the Investor Presentation included in Section 5 of this Offer Booklet.

Entitlement Offer

On 29 January 2020, Emeco announced its intention to raise approximately A\$65 million through a fully underwritten, accelerated non-renounceable pro-rata Entitlement Offer at an Offer Price of A\$2.07 per New Share. Under the Entitlement Offer, eligible shareholders are entitled to acquire 1 New Share for every 10.29 existing Emeco ordinary shares held on the record date at 7.00pm (Sydney time) on Friday 31 January 2020 (**Record Date**) (**Entitlement**).

All shares offered under the Entitlement Offer will be issued at a price of A\$2.07 per New Share, which represents a 9.2% discount to the theoretical ex-rights price (**TERP**) of A\$2.28³.

New Shares issued through the Entitlement Offer will rank equally with existing Emeco ordinary shares on issue.

The Entitlement Offer is managed and fully underwritten by Goldman Sachs Australia Pty Ltd (**Goldman Sachs**) (the **Underwriter**).

The institutional component of the Entitlement Offer (**Institutional Entitlement Offer**) raised approximately A\$55 million and was successfully completed on Thursday 30 January 2020. This was strongly supported by eligible institutional shareholders, who took up approximately 90% of their Entitlements.

This Offer Booklet relates to the retail component of the Entitlement Offer (**Retail Entitlement Offer**) and Entitlements allotted under it, and contains important information about the Entitlement Offer and Emeco's business.

Under the Retail Entitlement Offer, eligible retail shareholders have the opportunity to invest at the same price as the institutional investors who participated in the Institutional Entitlement Offer. The number of New Shares for which you are entitled to subscribe under the Retail Entitlement Offer (**Entitlement**) is set out in your personalised Entitlement and Acceptance Form which accompanies this Information Booklet. It is important that you determine whether to take up in whole or part, or do nothing in respect of, your Entitlement (see Section 2).

Entitlements under the Entitlement Offer are non-renounceable and will not be tradeable on the ASX or otherwise transferable. If you do not take up your Entitlement in full, you will not receive any value in respect of that part of the Entitlement that you do not take up.

³ The theoretical ex-rights price (**TERP**) is the theoretical price at which Emeco shares should trade immediately after the ex-date for the Entitlement Offer. The TERP is a theoretical calculation only and the actual price at which Emeco shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not be equal to TERP. TERP is calculated by reference to Emeco's closing price of \$2.30 per share on 24 January 2020, being the last trading day prior to the announcement of the Entitlement Offer.

The Retail Entitlement Offer closes at 5.00pm (Sydney time) on Friday 14 February 2020.

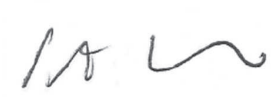
If you would like to exercise your Entitlement to increase your shareholding in Emeco, you will need to complete and return your personalised Entitlement and Acceptance Form together with the requisite accompanying payment (**Application Monies**), or alternatively pay your Application Monies using BPAY® so that they are received by the Emeco Share Registry by 5.00pm (Sydney time) on Friday 14 February 2020.

Please carefully read this Offer Booklet in its entirety and consult your stockbroker, solicitor, accountant, financial adviser or other professional adviser before making your investment decision. In particular, you should read and consider the "Key Risks" section of the Emeco Investor Presentation included in Section 5 of this Offer Booklet which contains a summary of some of the key risks associated with an investment in Emeco.

If you have any questions in respect of the Entitlement Offer, please call the Emeco Shareholder Information Line on 1800 689 300 (within Australia) or +61 1800 689 300 (outside Australia) from 8.30am to 5.30pm (Sydney time) Monday to Friday.

On behalf of the Board and management team of Emeco, I invite you to consider this investment opportunity and thank you for your ongoing support.

Yours faithfully,



Peter Richards
Chairman

EMECO HOLDINGS LIMITED

1. IS THIS OFFER BOOKLET RELEVANT TO YOU?

This Offer Booklet is relevant to you if you are an Eligible Retail Shareholder (as defined below).

In this Offer Booklet, references to "you" are references to Eligible Retail Shareholders and references to "your Entitlement" (or "your Entitlement and Acceptance Form") are references to the Entitlement (or Entitlement and Acceptance Form) of Eligible Retail Shareholders.

Eligible Retail Shareholders are those persons who:

- are registered as a holder of Emeco shares as at the Record Date, being 7.00pm (Sydney time) on Friday 31 January 2020;
- have a registered address on the Emeco share register that is in Australia or New Zealand, or are a Shareholder that Emeco has otherwise determined is eligible to participate;
- are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent such person holds Emeco ordinary shares for the account or benefit of such person in the United States);
- were not invited to participate in the Institutional Entitlement Offer and were not treated as an Ineligible Institutional Shareholder; and
- are eligible under all applicable securities laws to receive an offer under the Entitlement Offer.

Ineligible Institutional Shareholders are those institutional shareholders on the Record Date with a registered address outside of Australia and New Zealand (or any other jurisdiction that Emeco and the Underwriter agree) to whom the Entitlement Offer will not be extended in accordance with ASX Listing Rule 7.7.1(a).

2. SUMMARY OF OPTIONS AVAILABLE TO YOU

If you are an Eligible Retail Shareholder you may take either of the following actions:

1. take up all of your Entitlement;
2. take up part of your Entitlement and let the remainder lapse; or
3. do nothing and let all of your Entitlement lapse.

If you are a shareholder that is not an Eligible Retail Shareholder, you are an **Ineligible Retail Shareholder**. Refer to section 3.9 for more detail on Ineligible Retail Shareholders.

Options available to you	Key considerations
1. Take up all of your Entitlement	If you wish to take up all of your Entitlement, you may elect to purchase all of the New Shares specified in your personalised Entitlement and Acceptance Form at the Offer Price (see Section 3.5 for instructions on how to take up your Entitlement). The New Shares will rank equally in all respects with existing Emeco ordinary shares. The Entitlement Offer closes at 5.00pm (Sydney time) on Friday 14 February 2020. Eligible Shareholders are not able to apply for New Shares in excess of their Entitlement.

2. Take up part of your Entitlement	If you wish to take up only part of your Entitlement, you may elect to purchase a lesser number of New Shares than the number of New Shares specified in your personalised Entitlement and Acceptance Form at the Offer Price (see Section 3.5 for instructions on how to take up your Entitlement). The New Shares will rank equally in all respects with existing Emeco ordinary shares. If you only take up part of your Entitlement, the relevant portion of your Entitlement will lapse and you will receive no benefit. Lapsed Entitlements will be subscribed for by the Underwriter or any sub-underwriters. The Entitlement Offer closes at 5.00pm (Sydney time) on Friday 14 February 2020.
3. Do nothing and let all of your Entitlement lapse	If you do nothing with respect to all of your Entitlement, your Entitlement will lapse and you will receive no benefit. These Entitlements will be subscribed for by the Underwriter or any sub-underwriters. By allowing your Entitlement to lapse, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up your Entitlement. You will not receive any value for your Entitlement and, although you will continue to own the same number of Shares, your percentage shareholding in Emeco will be diluted.

3. HOW TO APPLY

3.1 Overview of the Entitlement Offer

Eligible Retail Shareholders are being offered the opportunity to purchase 1 New Share for every 10.29 existing Emeco ordinary shares held as at the Record Date of 7.00pm (Sydney time) on Friday 31 January 2020, at the Offer Price of A\$2.07 per New Share.

You have a number of decisions to make in respect of your Entitlement. You should read this Offer Booklet carefully before making any decisions in relation to your Entitlement.

The Entitlement Offer is fully underwritten by the Underwriter on the terms and conditions set out in the Underwriting Agreement (see Section 6.12 for more details). Further details about the Entitlement Offer are set out below.

3.2 The Retail Entitlement Offer

Under the Retail Entitlement Offer, Eligible Retail Shareholders are invited to apply for 1 New Share for every 10.29 existing Emeco ordinary shares held as at the Record Date at the Offer Price of A\$2.07 per New Share.

The Retail Entitlement Offer opens at 9.00am (Sydney time) on Wednesday 5 February 2020 and will close at 5.00pm (Sydney time) on Friday 14 February 2020.

3.3 Your Entitlement

Your Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form and has been calculated as 1 New Share for every 10.29 existing Emeco ordinary shares you held as at the Record Date. If the result is not a whole number, your Entitlement will be rounded up to the nearest whole number of New Shares.

If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have a separate Entitlement for each separate holding.

New Shares issued under the Entitlement Offer will be fully paid and rank equally in all respects with existing Emeco ordinary shares.

See Sections 6.1 and 6.11 for information on restrictions on participation.

3.4 Consider the Entitlement Offer carefully in light of your particular investment objectives and circumstances

The Entitlement Offer is being made pursuant to provisions of the Corporations Act which allow entitlement offers to be made without a prospectus. This Offer Booklet does not contain all of the information which may be required in order to make an informed decision regarding an application for New Shares offered under the Entitlement Offer. As a result, it is important for you to carefully read and understand the information on Emeco and the Entitlement Offer made publicly available, prior to deciding whether to take up all or part of your Entitlement or do nothing in respect of your Entitlement. In particular, please refer to this Offer Booklet, the ASX announcements in respect of the Entitlement Offer and the Acquisition that were released by Emeco on Wednesday 29 January 2020, Emeco's 2019 full year financial results that were released to the ASX on 21 August 2019, the 2019 Annual Report released to the ASX on 15 October 2019, Emeco's Managing Director's AGM Address and 1H20 Guidance released to the ASX on 14 November 2019, and other announcements made available at www.emecogroup.com (including announcements which may be made by Emeco after publication of this Offer Booklet).

Please consult with your stockbroker, solicitor, accountant, financial adviser or other professional adviser if you have any queries or are uncertain about any aspect of the Entitlement Offer. You should also refer to the "Key Risks" section of the Emeco Investor Presentation included in Section 5 of this Offer Booklet.

3.5 Options available to you

If you are an Eligible Retail Shareholder, you may take either of the following actions:

1. take up all of your Entitlement;
2. take up part of your Entitlement and let the remainder lapse; or
3. do nothing and let all of your Entitlement lapse.

Eligible Retail Shareholders who do not participate fully in the Entitlement Offer will have their percentage holding in Emeco diluted. Eligible Retail Shareholders who participate in the Entitlement Offer will not see their percentage holding in Emeco diluted if they take up all of their Entitlement.

If you wish to take up all of your Entitlement

If you wish to take up all of your Entitlement, please either:

1. complete and return the personalised Entitlement and Acceptance Form with the requisite Application Monies for all of the New Shares in your Entitlement; or
2. pay your Application Monies for all of the New Shares in your Entitlement via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form,

so that they are received by the Emeco Share Registry by no later than 5.00pm (Sydney time) on Friday 14 February 2020.

If you take up and pay for all your Entitlement before the close of the Retail Entitlement Offer, it is expected that you will be issued New Shares on Friday 21 February 2020. Emeco's decision on the number of New Shares to be issued to you will be final.

Emeco also reserves the right (in its absolute discretion) to reduce the number of New Shares issued to Eligible Retail Shareholders or persons claiming to be Eligible Retail Shareholders, if Emeco believes their claimed Entitlements to be overstated or if they or their nominees fail to provide information to substantiate their claims to Emeco's satisfaction (see Section 6.10).

Eligible Retail Shareholders are not able to apply for New Shares in excess of their Entitlement.

If you wish to take up part of your Entitlement

If you wish to take up only part of your Entitlement, please either:

1. complete and return the personalised Entitlement and Acceptance Form with the requisite Application Monies for the number of New Shares in your Entitlement that you wish to subscribe for; or
2. pay your Application Monies for the relevant number of New Shares via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form,

so that they are received by the Emeco Share Registry by no later than 5.00pm (Sydney time) on Friday 14 February 2020.

If you take up and pay for part of your Entitlement before the close of the Retail Entitlement Offer, it is expected that you will be issued New Shares on Friday 21 February 2020. Emeco's decision on the number of New Shares to be issued to you will be final.

If you do not take up all of your Entitlement, the relevant part of your Entitlement that you do not take up will lapse and you will receive no benefit. Lapsed Entitlements will be subscribed for by the Underwriter or any sub-underwriters.

Emeco also reserves the right (in its absolute discretion) to reduce the number of New Shares issued to Eligible Retail Shareholders or persons claiming to be Eligible Retail Shareholders, if Emeco believes their claimed Entitlements to be overstated or if they or their nominees fail to provide information to substantiate their claims to Emeco's satisfaction (see Section 6.10).

Eligible Retail Shareholders are not able to apply for New Shares in excess of their Entitlement.

If you wish to let all or part of your Entitlement lapse

If you do nothing with respect to your Entitlement, your Entitlement will lapse and you will receive no benefit. Lapsed Entitlements will be subscribed for by the Underwriter or any sub-underwriters.

By allowing your Entitlement to lapse, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up your Entitlement. Although you will continue to own the same number of Shares, your percentage shareholding in Emeco will be diluted.

3.6 Payment

You can pay in the following ways:

1. by BPAY®; or
2. by cheque.

Cash payments will not be accepted. Receipts for payment will not be issued.

Emeco will treat you as applying for as many New Shares as your payment will pay for in full.

Any Application Monies received for more than your final allocation of New Shares will be refunded as soon as practicable after the close of the Retail Entitlement Offer (except for where the amount is less than A\$1.00 in which case it will be donated to a charity chosen by Emeco). No interest will be paid to applicants on any Application Monies received or refunded.

Payment by BPAY®

For payment by BPAY®, please follow the instructions on the personalised Entitlement and Acceptance Form. You can only make payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

If you are paying by BPAY®, please make sure you use the specific Biller Code and your unique Customer Reference Number (**CRN**) on your personalised Entitlement and Acceptance Form. If you have multiple holdings and consequently receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings only use the CRN specific to that holding. If you do not use the correct CRN specific to that holding your application will not be recognised as valid.

Please note that should you choose to pay by BPAY®:

1. you do not need to submit your personalised Entitlement and Acceptance Form but are taken to make the declarations, representations and warranties on that Entitlement and Acceptance Form and in Section 3.8; and
2. if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies.

It is your responsibility to ensure that your BPAY® payment is received by the Emeco Share Registry by no later than 5.00pm (Sydney time) on Friday 14 February 2020. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration in the timing of when you make your payment.

Payment by cheque

For payment by cheque, you should complete your personalised Entitlement and Acceptance Form in accordance with the instructions on the form and return it accompanied by a cheque in Australian currency for the amount of the Application Monies, payable to "Emeco Holdings Limited" and crossed "Not Negotiable".

Your cheque must be:

1. for an amount equal to A\$2.07 multiplied by the number of New Shares that you are applying for; and
2. in Australian currency drawn on an Australian branch of a financial institution.

You should ensure that sufficient funds are held in relevant account(s) to cover the Application Monies as your cheque will be processed on the day of receipt. If the amount of your cheque for Application Monies (or the amount for which the cheque clears in time for allocation) is insufficient to pay in full for the number of New Shares you have applied for in your personalised Entitlement and Acceptance Form, you will be taken to have applied for such lower whole number of New Shares as your cleared Application Monies will pay for (and to have specified that number of New Shares on your personalised Entitlement and Acceptance Form). Alternatively, your application will not be accepted.

3.7 Mail or hand delivery

To participate in the Retail Entitlement Offer, your payment must be received by no later than the close of the Retail Entitlement Offer, being 5.00pm (Sydney time) on Friday 14 February 2020. If you make payment via cheque you should mail or hand deliver your completed personalised Entitlement and Acceptance Form together with Application Monies to:

Mailing Address

Emeco Retail Entitlement Offer
C/- Link Market Services Limited
GPO Box 3560
Sydney South NSW 2001

Hand Delivery Address

Emeco Retail Entitlement Offer
C/- Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138

Personalised Entitlement and Acceptance Forms and Application Monies will not be accepted at Emeco's registered or corporate offices or other offices of the Emeco Share Registry.

3.8 Representations by acceptance

By completing and returning your personalised Entitlement and Acceptance Form or making a payment by BPAY®, you will be deemed to have represented to Emeco that you:

- did not receive an invitation to participate in the Institutional Entitlement Offer either directly or through a nominee, are not an Ineligible Retail Shareholder and are otherwise eligible to participate in the Retail Entitlement Offer;
- acknowledge that you have read and understand this Offer Booklet and your personalised Entitlement and Acceptance Form in their entirety;
- agree to be bound by the terms of the Retail Entitlement Offer, the provisions of this Offer Booklet and Emeco's constitution;
- authorise Emeco to register you as the holder(s) of the New Shares allotted to you;
- declare that all details and statements in the personalised Entitlement and Acceptance Form are complete and accurate;
- declare that you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under the personalised Entitlement and Acceptance Form;
- acknowledge that once Emeco receives your personalised Entitlement and Acceptance Form or any payment of Application Monies via BPAY®, you may not withdraw your application or any funds provided, except as allowed by law;
- agree to apply for and be issued up to the number of New Shares specified in the personalised Entitlement and Acceptance Form, or for which you have submitted payment of any Application Monies via BPAY®, at the Offer Price per New Share;
- authorise Emeco, the Underwriter, the Emeco Share Registry and their respective officers or agents to do anything on your behalf necessary for New Shares to be issued to you, including to act on instructions of the Emeco Share Registry upon using the contact details set out in your personalised Entitlement and Acceptance Form;
- acknowledge and agree that:
 - eligibility of investors for the purposes of the Retail Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Emeco and/or the Underwriter;
 - each of Emeco and the Underwriter, and each of their respective affiliates, disclaim any duty or liability (including for negligence) in respect of any determination of eligibility of investors and the exercise or otherwise of any discretion, to the maximum extent permitted by law;

- declare that you were the registered holder(s) at the Record Date of the existing Emeco ordinary shares indicated on your personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- acknowledge that the information contained in this Offer Booklet and your personalised Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- acknowledge that this Offer Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in Emeco and is given in the context of Emeco's past and ongoing continuous disclosure announcements to ASX;
- acknowledge the statement of risks in the "Key Risks" section of the Emeco Investor Presentation included in Section 5 of this Offer Booklet and that investments in Emeco are subject to risk;
- acknowledge that none of Emeco, the Underwriter, or their respective related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of Emeco, nor do they guarantee the repayment of capital;
- agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and of your holding of shares on the Record Date;
- authorise Emeco to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;
- are an Eligible Retail Shareholder and that the law of any place does not prohibit you from being given this Offer Booklet and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Shares and that you are otherwise eligible to participate in the Retail Entitlement Offer;
- are not in the United States and you are not acting for the account or benefit of a person in the United States (to the extent such person holds Emeco ordinary shares for the account or benefit of such person in the United States);
- understand and acknowledge that neither the Entitlements nor New Shares have been, or will be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction in the United States. Notwithstanding the foregoing, the Entitlements may not be purchased, taken up or exercised by persons in the United States or by persons who are acting for the account or benefit of a person in the United States. Neither the Entitlements nor the New Shares may be offered, sold or resold in the United States except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and the applicable securities laws of any state or other jurisdiction in the United States;
- are subscribing for or purchasing an Entitlement or New Shares in an 'offshore transaction' (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the U.S. Securities Act;
- have not and will not send this Offer Booklet, the Entitlement and Acceptance Form or any other materials relating to the Entitlement Offer to any person in the United States or any other country outside Australia or New Zealand; and
- if acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia or New Zealand, or is otherwise an Eligible Institutional Shareholder, and is not in the United States and is not acting for the account or benefit of a person in the United States, and you have not sent this Offer Booklet, the Entitlement and Acceptance Form or any information relating to the Entitlement Offer to any such person.

3.9 Entitlements of Ineligible Retail Shareholders

In compliance with Listing Rule 7.7.1 and section 708AA (including section 9A) of the Corporations Act, Emeco has determined that it is unreasonable to extend the Retail Entitlement Offer to Ineligible Retail Shareholders because of the small number of such Shareholders, the number and value of Shares that they hold and the cost of complying with the applicable regulations in jurisdictions outside of Australia and New Zealand, but it reserves its right to do so (subject to compliance with relevant laws).

Entitlements of Ineligible Retail Shareholders will be subscribed for by the Underwriter or sub-underwriters.

3.10 Brokerage and stamp duty

No brokerage fee is payable by Eligible Retail Shareholders who accept their Entitlement. No stamp duty is payable for subscribing for New Shares under the Retail Entitlement Offer.

3.11 Enquiries

If you have not received or you have lost your personalised Entitlement and Acceptance Form or if you have any questions, please contact the Emeco Shareholder Information Line on 1800 689 300 (within Australia) or +61 1800 689 300 (outside Australia) between 8.30am and 5.30pm (Sydney time), Monday to Friday. If you have any further questions, you should contact your stockbroker, solicitor, accountant, financial adviser or other professional adviser.

4. AUSTRALIAN TAX CONSIDERATIONS

4.1 Introduction

This is a general summary of the Australian taxation consequences of the Entitlement Offer for Eligible Retail Shareholders that hold their shares on capital account and are Australian tax residents for Australian income tax purposes. The category of shareholders considered in this summary are limited to individuals, complying superannuation entities and certain companies, trusts or partnerships. This summary does not consider the consequences for shareholders who:

- hold existing Emeco ordinary shares, New Shares or Entitlements in a business of share trading, dealing in securities or otherwise hold their existing Emeco ordinary shares, New Shares or Entitlements on revenue account or as trading stock;
- acquired existing Emeco ordinary shares in respect of which the Entitlements are issued under an employee share scheme;
- are subject to the 'Taxation of Financial Arrangements' provisions in Division 230 of the Income Tax Assessment Act 1997 (Cth) in relation to their holding of shares, New Shares or Entitlements; or
- are tax residents of any jurisdiction other than Australia.

The information contained in this summary is of a general nature and is not intended to address the circumstances of any particular individual or entity.

This summary is based upon the legislation and established interpretation of legislation as at the date of this Offer Booklet, but is not intended to be an authoritative or complete statement of the law as relevant to the circumstances of each shareholder.

As the taxation implications of the Entitlement Offer will depend upon a shareholder's particular circumstances, shareholders should seek and rely upon their own professional taxation advice before concluding on the particular taxation treatment that will apply to them.

Shareholders that are subject to tax in a jurisdiction outside Australia may be subject to tax consequences in that jurisdiction in respect of the Entitlement Offer that are not covered by this summary. Such shareholders should seek and rely upon their own professional taxation advice in relation to the taxation implications of the Entitlement Offer in any jurisdictions that are relevant to them.

Neither Emeco nor any of its officers or employees, nor its taxation or other advisers accepts any liability or responsibility in respect of any statement concerning taxation consequences of the Entitlement Offer.

4.2 Income tax consequences of Entitlements

1. Issue of Entitlements

The issue of Entitlements to Australian resident shareholders should not, of itself, give rise to any amount of assessable income or capital gain for shareholders.

2. Exercise of Entitlements

The exercise of Entitlements should not, of itself, result in any amount being included in a shareholder's assessable income and should not give rise to any capital gain under the capital gains tax (CGT) provisions.

Eligible Retail Shareholders that exercise their Entitlements will receive New Shares. New Shares will be taken to have been acquired on the day on which the Entitlements were exercised for CGT purposes.

The CGT cost base of each New Share acquired should generally be the sum of the amount paid to exercise the corresponding Entitlement (i.e. the Offer Price) and certain non-deductible incidental costs incurred in acquiring the New Shares.

3. Lapse of Entitlement

If an Eligible Retail Shareholder does not accept all or part of their Entitlement in accordance with the instructions set out above, then the relevant portion of that Entitlement will lapse. There should be no taxation implications for an Eligible Retail Shareholder from the lapse of the Entitlement.

4.3 Income tax consequences of New Shares

The New Shares should constitute CGT assets for CGT purposes.

Dividends or other distributions paid to Eligible Retail Shareholders in relation to their New Shares should generally be subject to the same income tax treatment as dividends and other distributions in relation to existing Emeco ordinary shares held in the same circumstances.

As outlined above, the CGT cost base of a New Share should generally be equal to the sum of the amount paid to exercise the corresponding Entitlement (i.e. the Offer Price) and certain non-deductible incidental costs incurred in acquiring the New Share. Any future sale of New Shares will constitute a disposal for CGT purposes. When held on capital account, a capital gain will arise if the capital proceeds on disposal exceed the CGT cost base of a New Share. A capital loss will arise if the capital proceeds on disposal are less than the reduced CGT cost base of a New Share.

Shareholders may be able to apply carried forward or current year losses to reduce their capital gain on disposal. The ability to utilise losses is dependent on meeting the relevant tests.

Non-corporate shareholders may be entitled to a concession which discounts the amount of capital gain that is assessed. Broadly, the concession is available where the New Shares have been held for 12 months or more after the date that you exercised your Entitlement. The concession results in a 50% reduction in the assessable amount of a capital gain for an individual shareholder and a one-third reduction of a capital gain for an Australian tax resident complying superannuation entity shareholder (including generally where a flow through trust or partnership distributes to such shareholders), after offsetting any current or carried forward losses.

In relation to trusts or partnerships including limited partnerships, the rules surrounding capital gains and the CGT discount are complex, but the benefit of the CGT discount may flow through to relevant beneficiaries or partners, subject to certain requirements being satisfied. Such shareholders should seek separate independent professional advice.

Australian tax resident shareholders who hold New Shares on revenue account, as trading stock or are subject to the rules in Division 230 concerning the taxation of financial arrangements should seek separate independent professional advice.

4.4 Non-resident CGT withholding

Specific rules can apply to the disposal of certain taxable Australian property under contracts entered into on or after 1 July 2016, whereby, a 12.5% non-final withholding tax may be applied. However, these rules should not apply to Australian tax residents or to the disposal of a New Share on the ASX (in accordance with a specific exemption).

4.5 Provision of Tax File Number (TFN) or Australian Business Number (ABN)

Australian tax legislation imposes withholding tax at the highest marginal rate (currently 45% plus Medicare levy of 2%) on the payment of distributions on certain types of investments, such as the unfranked part of any dividend, where no TFN or ABN (if applicable) has been provided and no exemption applies. Australian tax resident shareholders may be able to claim a tax credit/refund (as applicable) in respect of any tax withheld in their income tax returns.

Shareholders that have not previously provided their TFN or ABN (if applicable) to the Emeco Share Registry may wish to do so prior to the close of the Retail Entitlement Offer to ensure that withholding tax is not deducted from any future distribution payable to them.

A shareholder is not obliged to provide their TFN, or where relevant, ABN to Emeco.

4.6 Other Australian taxes

Goods and services tax (GST) and stamp duty should not generally be payable in relation to the issue or exercise of Entitlements, nor in relation to the acquisition of New Shares.

Eligible Retail Shareholders may however be restricted in their ability to claim input tax credits in relation to costs incurred in relation to their acquisition of the New Shares (such as costs relating to professional advice obtained by shareholders regarding the Entitlement). This will depend on each Eligible Retail Shareholder's particular circumstances and as such this should be reviewed by shareholders, and professional advice should be sought where necessary, prior to making any claim.

5. ASX ANNOUNCEMENT & INVESTOR PRESENTATION

29 January 2020

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

Not for distribution to US newswire services or distribution in the United States

Pit N Portal Acquisition, equity raising and 1H20 update

- Emeco to acquire 100% of Pit N Portal for \$72 million consisting of \$62 million in cash and \$10 million in Emeco shares to the vendors
- Pit N Portal is a hard-rock underground mining equipment and services business
- Acquisition consideration represents 3.6x FY19 pro forma Operating EBITDA of \$20 million
- EPS accretive on an FY19 pro forma basis post transaction
- Equity funded by a fully underwritten pro-rata accelerated non-renounceable entitlement offer to raise approximately \$65 million
- Major shareholder Black Diamond is supportive of the transaction and has indicated commitment to taking up its full entitlement under the Entitlement Offer and to sub-underwrite the first \$2.4m of any retail shortfall¹
- Post transaction, Emeco's FY19 pro forma net debt / Operating EBITDA will reduce from 2.0x to 1.8x²
- Emeco remains on track to achieve its guided leverage of 1.5x in FY20 and target of ~1.0x by FY21
- Positions Emeco strongly for a future refinancing of its debt on improved terms given deleveraging, improved earnings and greater diversification benefits
- Emeco unaudited 1H20 Operating EBITDA of \$119 million, within guidance range
- Continued strong performance with 16% Operating EBITDA growth on 1H19 and further growth expected in 2H20
- Operating EBITDA margins increased to 48% (1H19: 46%)
- Commodity diversification strategy taking effect with increase in iron ore revenue and dilution of thermal coal exposure

Emeco announces that it has entered into a binding agreement to acquire Pit N Portal Mining Services Pty Ltd and Pit N Portal Equipment Hire Pty Ltd (together '**Pit N Portal**') for an enterprise value of \$72.0 million, pre-adjustments for surplus working capital and other customary purchase price adjustments ('**Acquisition**'). The consideration for the acquisition consists of \$62 million in cash and \$10 million in Emeco shares to the vendors (issued at the Entitlement Offer price).

¹ Black Diamond has also entered into an arm's length sub-underwriting commitment with the Underwriters pursuant to which it has agreed to subscribe for the first \$2.4 million of any shortfall under the retail offer. Black Diamond will receive a fee from the Underwriters based on that sub-underwriting commitment consistent with the fee arrangements entered into by the Underwriters with other third party underwriters. The participation of Black Diamond as sub-underwriter is not expected to have any control implications for the Company.

² Leverage based on pro forma FY19 Net Debt / Operating EBITDA

The Acquisition represents an acquisition multiple of 3.6x FY19 Operating EBITDA, and is EPS accretive on an FY19 pro forma basis post transaction³.

Emeco Managing Director and CEO, Mr Ian Testrow, said: "We are very excited to be announcing the acquisition of Pit N Portal. The Pit N Portal team have built a great business focused on creating value for their customers and I believe they will be a great addition to the Emeco Group.

"Pit N Portal allows Emeco to leverage its current core capabilities and expand into a new market. The underground mining sector is undoubtedly growing and this represents an attractive adjacency for Emeco, providing Emeco with a solid platform for growth. Pit N Portal also provides us with significant commodity diversification by immediately more than doubling our gold exposure with strong opportunities for further growth in hard rock projects."

Steve Versteegen, Co-Founder and CEO of Pit N Portal said: "I am really looking forward to us joining the Emeco team given our close alignment in culture, focus on customers and asset management philosophies. I truly believe the combination of the two companies will help accelerate the growth of Pit N Portal and am excited by the opportunity to extend the application of what we do to the broader Emeco business. Taking on Emeco shares as partial consideration for the transaction is a testament to my commitment and faith in the success of the business and Emeco Group."

ABOUT PIT N PORTAL

Established in 2002, Pit N Portal specialises in the provision of hard-rock underground mining equipment and services to the Australian underground mining sector. Core operations include equipment rental as well as mining services and maintenance solutions for underground mines across Australia.

Pit N Portal operates the largest underground equipment rental fleet in Australia. It has a high-quality asset base with over 100 pieces of specialised underground mining equipment, over 500 pieces of infrastructure equipment and employs more than 300 people across strategic locations in Perth and Kalgoorlie and customer sites across Australia.

Pit N Portal has FY19 revenue of approximately \$101 million and EBITDA of \$20 million achieving solid growth on FY18, and further growth expected in FY20. Continued growth in Pit N Portal is expected post-completion driven by new project and scope expansion opportunities, with major projects' earnings realised in FY21.

Pit N Portal's key services add to the core of Emeco's existing business including equipment hire and maintenance solutions. Pit N Portal also adds a vast array of additional value-added services to its customers, providing a complete mining services offering.

ACQUISITION SUPPORTED BY A COMPELLING STRATEGIC RATIONALE

Pit N Portal is a highly strategic acquisition which will broaden Emeco's customer value proposition and increase resilience through the cycle. Strategic benefits include:

- **Platform for growth in underground mining.** Provides a strong platform for Emeco to grow as a provider of underground mining services with a solid tender pipeline, particularly in Western Australian based gold, nickel and base metals projects. There are also potential operational advantages through Pit N Portal's strategically located workshops in Perth and Kalgoorlie.
- **Commodity diversification into gold.** Significantly diversifies Emeco's commodity exposure with gold more than doubling immediately to from 12% to 27%⁴ of Emeco's revenue and becoming the #2 exposure.
- **Leverage core capabilities.** Entry into the fast-growing underground mining services market, which is highly complementary to Emeco's existing surface mining exposures, leveraging Emeco's existing core

³ EPS accretion reflects the impact of the transaction as though it had occurred on 1 July 2019 and excludes the impact of integration, implementation and transaction costs. In accordance with AASB 133, for the purposes of the calculation, Emeco's standalone earnings per share has been adjusted to account for the bonus element of the Entitlement Offer.

⁴ Based on Emeco's annualised 1H20 unaudited revenue and Pit N Portal's revenue from its audited FY19 report.

capabilities of equipment rental, maintenance and rebuild services while also expanding Emeco's range of services.

- **Widens value proposition.** Provides Emeco entry into underground mining with longer tenure contracts. Pit N Portal is focused on innovation and technology, with tele-remote and autonomous equipment and delivers a wide range of specialised services.
- **Vendor alignment.** Pit N Portal has a strong alignment with the Emeco culture and Pit N Portal Founder and CEO., Steve Versteegen, will remain with the business to drive growth in the combined group. The vendors have agreed to take \$10 million in Emeco shares as partial consideration which are escrowed for 12 months.

ACQUISITION FUNDING

The Acquisition is for \$72 million on a cash free, debt free basis (pre-adjustments for surplus working capital and other customary purchase price adjustments) and will be primarily funded through a fully underwritten pro-rata accelerated non-renounceable entitlement offer to raise approximately \$65 million (**Entitlement Offer**).

Under the Entitlement Offer, eligible shareholders are invited to subscribe for one new Emeco share (**New Shares**) for every 10.29 existing Emeco shares held as at 7:00pm (Sydney time) on Friday, 31 January 2020 (**Record Date**).

All shares offered under the Entitlement Offer will be issued at a price of \$2.07 per New Share, which represents an:

- 10.0% discount to the last close price of \$2.30 on Friday, 24 January 2020; and
- 9.2% discount to the TERP⁵ of \$2.28.

Approximately 31.4 million new Emeco shares will be issued under the Entitlement Offer. Each New Share issued under the Entitlement Offer will rank equally with existing Emeco shares on issue. Emeco will, upon issue of the New Shares under the Entitlement Offer, seek quotation of the New Shares on the ASX.

Eligible institutional shareholders will be invited to participate in the accelerated institutional component of the Entitlement Offer (**Institutional Entitlement Offer**), which is being conducted today, Wednesday, 29 January 2020 and tomorrow, Thursday, 30 January 2020. The retail component of the Entitlement Offer (**Retail Entitlement Offer**) will be open to eligible retail shareholders with a registered address in Australia or New Zealand on the Record Date, from Wednesday, 5 February 2020 to Friday, 14 February 2020. An offer booklet in respect of the Retail Entitlement Offer is expected to be mailed to eligible retail shareholders on Wednesday, 5 February 2020.

The Entitlement Offer is non-renounceable and entitlements will not be tradeable or otherwise transferrable.

OFFER TIMETABLE

An indicative timetable of key dates in relation to the Entitlement Offer is set out below. All dates and times are references to Sydney, Australia

Event	Date (Sydney time)
Trading halt and announcement of Acquisition and Entitlement Offer Institutional Entitlement Offer opens	Wednesday, 29 January 2020
Institutional Entitlement Offer closes	12:00pm Thursday, 30 January 2020

⁵ The theoretical ex-rights price ("TERP") is the theoretical price at which Emeco shares should trade at immediately after the ex-date for the Entitlement Offer. The TERP is a theoretical calculation only and the actual price at which Emeco shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not equal the TERP. TERP is calculated by reference to Emeco's last closing price of \$2.30 on 24 January 2020.

Event	Date (Sydney time)
Trading halt lifted and trading resumes on an "ex-entitlement" basis	Friday, 31 January 2020
Record Date for determining Eligible Shareholders under the Entitlement Offer	8:00pm Friday, 31 January 2020
Retail Entitlement Offer opens and Retail Offer Booklet despatched	Wednesday, 5 February 2020
Settlement of New Shares issued under the Institutional Entitlement Offer	Friday, 7 February 2020
Allotment and normal trading of New Shares issued under the Institutional Entitlement Offer	Monday, 10 February 2020
Last day to extend the Retail Entitlement Offer	Tuesday, 11 February
Retail Entitlement Offer closes	5.00pm Friday, 14 February 2020
Settlement of Retail Entitlement Offer	Thursday, 20 February 2020
Allotment of New Shares issued under the Retail Entitlement Offer	Friday, 21 February 2020
Retail Offer Shares commence trading on ASX (normal basis)	Monday, 24 February
Despatch of holding statements and normal trading of New Shares issued under Retail Entitlement Offer	Tuesday, 25 February 2020

Note: The timetable above is indicative only and may be subject to change. Emeco reserves the right to amend any or all of these dates and times without notice, subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, Emeco reserves the right to extend the closing date of the Entitlement Offer, to accept late applications under the Entitlement Offer (either generally or in particular cases) and to withdraw the Entitlement Offer without prior notice. Any extension of the closing date will have a consequential effect on the issue date of New Shares.

1H20 RESULTS UPDATE

Emeco also announces that it has achieved a 1H20 result in line with previous EBITDA guidance provided at its AGM in November, with continued strong performance and significant growth on 1H19:

- Revenue of \$246 million, up 10% on 1H19
- Operating EBITDA of \$119 million, up 16% on 1H19
- Operating EBIT of \$67 million, up 12% on 1H19

Emeco's Operating EBITDA margins have increased to 48% (up from 46% in 1H19) driven by improving rates, utilisation and operational efficiencies.

Net capex for the first half was \$49 million and free cash flow of \$24 million, impacted by working capital movements and investment in inventory. Cash flow is expected to significantly improve in 2H20 as working capital is recovered.

Emeco has achieved further improvement in its leverage with Net debt / Operating EBITDA of 1.77x as at 31 December 2019, and is on track to achieve its FY20 target of 1.5x.

Further details of Emeco's 1H20 result will be provided to the market at its scheduled release date of Tuesday, 18 February 2020.

FURTHER INFORMATION

Further details of the Acquisition and the Entitlement Offer are set out in the Investor Presentation also provided to the ASX today. The Investor Presentation contains important information including key risks and foreign selling restrictions with respect to the Entitlement Offer.

A conference call will be held at 11.00am AEDT, Wednesday 29 January 2020. Dial in details below.

Toll free number:	1800 123 296
Toll and international number:	+61 2 8038 5221
Conference ID:	2891817

If you have any questions in relation to the Entitlement Offer, please contact the Emeco Entitlement Offer Information Line on 1800 689 300 (within Australia) or +61 1800 689 300 (outside of Australia) between 8:30am and 5:00pm (Sydney time) Monday to Friday. For other questions, you should consult your broker, solicitor, accountant, financial adviser, or other professional adviser.

Azure Capital Pty Ltd and Goldman Sachs Australia Pty Ltd (**'Goldman Sachs'**) are acting as financial advisers to Emeco on the Acquisition. Goldman Sachs is acting as lead manager and underwriter of the Entitlement Offer, and Hartleys Limited is acting as co-manager of the Entitlement Offer. Hogan Lovells is acting as legal adviser to Emeco.

– END –

Investor enquiries

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

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Acquisition of Pit N Portal, Equity Raising and 1H20 Operational Update

29 January 2020



NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES

IMPORTANT NOTICES AND DISCLAIMER

This investor presentation ("Presentation") has been prepared by Emeco Holdings Limited (ACN 112 188 815) ("Emeco" or "Company"). This Presentation has been prepared in connection with the fully underwritten accelerated non-renounceable pro-rata entitlement offer ("Offer") of new Emeco ordinary shares ("New Shares"). The Offer is being conducted under section 708AA of the Corporations Act 2001 (Cth) ("Corporations Act") as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/64.

Summary information

This Presentation contains summary information about the current activities of Emeco and its subsidiaries ("Emeco Group") as at the date of this Presentation. The information in this Presentation is of a general nature and does not purport to be complete. This Presentation does not purport to contain all the information that an investor should consider when making an investment decision nor does it contain all the information which would be required in a disclosure document or prospectus prepared in accordance with the requirements of the Corporations Act. It should be read in conjunction with Emeco's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange, which are available at www.asx.com.au. To the maximum extent permitted by law, Emeco, the Underwriter (defined below), and their respective affiliates' and related bodies corporates', officers, employees, partners, agents and advisers make no representation or warranty (express or implied) as to the currency, accuracy, reliability or completeness of the information in this Presentation and disclaim all responsibility and liability for the information (including without limitation, liability for negligence).

Not an offer

This Presentation is for information purposes only and is not a prospectus, disclosure document, product disclosure statement or other offering document under Australian law or any other law (and will not be lodged with the Australian Securities and Investments Commission ("ASIC")). The Presentation is not and should not be considered an offer or an invitation to acquire entitlements or New Shares or any other financial products. The Offer will be made on the basis of the information to be contained in the offer booklet to be prepared for eligible shareholders in Australia and New Zealand ("Offer Booklet"), and made available following its lodgement with ASX. Any eligible shareholder in Australia and New Zealand who wishes to participate in the Entitlement Offer should consider the Offer Booklet before deciding whether to participate in the Offer. Anyone who wishes to apply for New Shares under the Entitlement Offer will need to apply in accordance with the instructions contained in the Offer Booklet and the accompanying entitlement and acceptance form.

This Presentation may not be released or distributed in the United States. This Presentation does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or in any other jurisdiction in which such an offer would be illegal. The New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold, directly or indirectly, in the United States, unless they have been registered under the U.S. Securities Act (which Emeco has no obligation to do or procure), or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable state securities laws.

The distribution of this Presentation in other jurisdictions outside Australia may also be restricted by law and any such restrictions should be observed. Any failure to comply with such restrictions may constitute a violation of applicable securities laws (see "International Offer Restrictions"). By accepting this Presentation, you represent and warrant that you are entitled to receive such presentation in accordance with the above restrictions and agree to be bound by the limitations contained herein.

Not financial product advice

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Financial data

All dollar values are in Australian dollars ("A\$") and references to financial year ("FY") relate to Emeco's year end which is 30 June 2019. Financial data related to the historical pro forma financial position of Emeco is presented as at 30 June 2019. The pro forma financial information provided in this Presentation is for illustrative purposes only and is not represented as being indicative of Emeco's (or anyone else's) views on Emeco's future financial position and/or performance. The pro forma financial information is based on the audited financial information of Emeco for the year ended 30 June 2019.

The pro forma financial information has been prepared by Emeco in accordance with the measurement and recognition requirements, but not the disclosure requirements, of applicable accounting standards and other mandatory requirements in Australia. Refer to the "Basis of preparation of Financial Information" section of this Presentation for further detail.

The pro forma financial information was not prepared with a view toward compliance with the rules or guidelines of the US Securities and Exchange Commission or the American Institute of Certified Public Accountants.

Past Performance

Past performance information given in this Presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

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This Presentation contains certain "forward looking statements". Forward looking statements can generally be identified by the use of forward looking words such as, "expect", "anticipate", "likely", "intend", "should", "could", "may", "predict", "plan", "propose", "will", "believe", "forecast", "estimate", "target", "outlook", "guidance" and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, indications of, or guidance or outlook on, future earnings or financial position or performance of Emeco the outcome and effects of the Offer and the use of proceeds. The forward looking statements contained in this Presentation are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of Emeco, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Refer to the risks section of this Presentation for a summary of certain general and Emeco specific risk factors that may affect Emeco.

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Future performance (continued)

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A number of figures, amounts, percentages, estimates, calculations of value and fractions in this Presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this Presentation.

Investment risk

An investment in Eneco's shares is subject to investment and other known and unknown risks, some of which are beyond the control of Eneco including possible loss of income and principal invested. Eneco does not guarantee any particular rate of return or the performance of Eneco, nor does it guarantee the repayment of capital from Eneco or any particular tax treatment. In considering an investment in Eneco's shares, investors should have regard to (amongst other things) the risks outlined in this Presentation.

Swap Agreements

In connection with the Institutional Entitlement Offer, one or more investors may elect to acquire an economic interest in the New Shares ("Economic Interest"), instead of subscribing for or acquiring the legal or beneficial interest in those shares. The Underwriter (or its affiliates) may, for their own account, write derivative transactions with those investors relating to the New Shares to provide the Economic Interest, or otherwise acquire shares in the issuer in connection with the writing of such derivative transactions in the bookbuild and/or the secondary market. As a result of such transactions, the Underwriter (or their affiliates) may be allocated, subscribe for or acquire New Shares or shares of the issuer in the bookbuild and/or the secondary market, including to hedge those derivative transactions, as well as hold long or short positions in such shares. These transactions may, together with other shares in the issuer acquired by the Underwriter or its affiliates in connection with its ordinary course sales and trading, principal investing and other activities, result in the Underwriter or its affiliates disclosing a substantial holding and earning fees.

Disclaimer

Neither Goldman Sachs Australia Pty Ltd, who is acting as Lead Manager and Underwriter of the Offer (the "Underwriter"), nor Eneco's respective advisors, nor any of their respective affiliates, related bodies corporate, directors, officers, partners, employees and agents, has authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this Presentation and there is no statement in this Presentation which is based on any statement made by either of them or by any of their affiliates, officers or employees. To the maximum extent permitted by law, the Underwriter, Eneco's advisors and each of its respective affiliates, related bodies corporate, directors, officers, partners, employees and agents expressly disclaim all liabilities in respect of, and make no representations regarding, and take no responsibility for, any part of this Presentation other than references to their name and make no representation or warranty as to the currency, accuracy, reliability or completeness of this Presentation, nor do they make any recommendation as to whether any potential investor should participate in the offer of New Shares (as defined in this Presentation) referred to in this Presentation.

The Underwriter and each of its related bodies corporate comprises a full service securities firm engaged in securities trading and brokerage activities as well as providing financing and financial advisory services, corporate advisory, research, asset management services and other commercial products and services to a wide range of companies and individuals (which may include Eneco and its related bodies corporate). Azure Capital Pty Ltd acted as financial adviser to Eneco in relation to the acquisition. In the ordinary course of these activities, The Underwriter and each of its related bodies corporate may at any time provide such services, including financing or lending services, to Eneco or its related bodies corporate, hold long or short positions, and may trade or otherwise effect transactions, for their own account or the accounts of its customers, in debt or equity securities or senior loans of Eneco, any of its related parties or any third party that may be involved in the Offer.

Further, neither the Underwriter, nor Eneco, nor any of their respective affiliates, related bodies corporate, directors, officers, partners, employees and agents accepts any fiduciary obligations to or relationship with any investor or potential investor in connection with the offer of New Shares or otherwise.

Determination of eligibility of investors for the purposes of the Offer is determined by reference to a number of matters, including legal requirements and the discretion of Eneco and the Underwriter. Eneco and the Underwriter disclaim any liability in respect of the exercise or otherwise of that discretion, to the maximum extent permitted by law.

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1. Transaction summary



Transaction summary

Acquisition of Pit N Portal will be funded through a fully underwritten equity raising, delivering an expanded Emeco service offering, growth, diversification, EPS accretion and continued deleveraging

Acquisition overview

Emeco is acquiring 100% of Pit N Portal¹ for \$72 million consisting of \$62 million in cash and \$10 million in Emeco shares to the vendors

Pit N Portal is a hard-rock underground mining equipment and services business

Acquisition consideration represents 3.6x FY19 pro forma Operating EBITDA²

EPS accretive on an FY19 pro forma basis post transaction³

Fully underwritten equity raising

Equity funded by a pro-rata accelerated non-renounceable entitlement offer to raise approximately \$65 million

Major shareholder Black Diamond is supportive of the transaction and has indicated commitment to taking up its full entitlement under the Entitlement Offer and to sub-underwrite the first \$2.4m of any retail shortfall⁴

Entitlement offer is fully underwritten by Goldman Sachs Australia Pty Ltd with Hartleys Limited as Co-Manager

Continued deleveraging

Post transaction, Emeco's FY19 pro forma net debt / Operating EBITDA will reduce from 2.0x to 1.8x⁵

Remain on track to achieve Emeco's guided leverage of 1.5x in FY20 and target of ~1.0x by FY21

Positions Emeco strongly for a future refinancing of its debt on improved terms given deleveraging, improved earnings and greater diversification benefits

Emeco 1H20 results^{6,7}

Unaudited 1H20 Operating EBITDA of \$119 million, within guidance range

Continued strong performance with 16% Operating EBITDA growth on 1H19 and further growth expected in 2H20

Operating EBITDA margins increased to 48% (1H19: 46%)

Commodity diversification strategy taking effect with increase in iron ore revenue and dilution of thermal coal exposure

Notes: 1. Comprises Pit N Portal Mining Services Pty. Ltd and Pit N Portal Equipment Hire (together "Pit N Portal"). 2. Pit N Portal FY19 Operating EBITDA of \$20 million is derived from audited financial reports for the 12 months ended 30 June 2019 and adjusted for certain pro forma adjustments and normalisations identified during Emeco's due diligence (refer Appendix C). 3. EPS accretion reflects the impact of the transaction as though it had occurred on 1 July 2018 and excludes the impact of integration and implementation costs. In accordance with AASB 133, for the purposes of the calculation, Emeco's standalone earnings per share has been adjusted to account for the bonus element of the Entitlement Offer. 4. Black Diamond has also entered into an arm's length sub-underwriting commitment with the Underwriters pursuant to which it has agreed to subscribe for the first \$2.4 million of any shortfall under the retail offer. Black Diamond will receive a fee from the Underwriters based on that sub-underwriting commitment consistent with the fee arrangements entered into by the Underwriters with other third party underwriters. The participation of Black Diamond as sub-underwriter is not expected to have any control implications for the Company. 5. Leverage based on pro forma FY19 Net Debt / Operating EBITDA. 6. Refer to reconciliation of unaudited statutory result at Appendix C. 7. 1H20 unaudited Operating EBITDA has been adjusted to remove the impact of AASB 16 Leases, which became effective on 1 July 2019, to enable comparison to prior periods. Had the impact of AASB 16 not been removed, Operating EBITDA would have been approximately \$3.2 million higher. Operating EBITDA growth would have been 19%, and Operating EBITDA margin increased to 50%.

STRATEGIC RATIONALE

Strategic acquisition provides a platform for growth, broadens Emeco’s commodity diversification and leverages Emeco’s core capabilities to widen its value proposition

Platform for growth	✓ Platform for growth into expanding underground mining sector
Commodity diversification into gold	✓ Immediately more than doubles gold exposure from 12% to 27%¹ ✓ Strong underground activity to further diversify earnings in gold, nickel and base metals projects with a strong pipeline of new projects
Leverages core capabilities	✓ Pit N Portal is Australia’s largest provider of underground hard-rock rental equipment ✓ Strong maintenance and rebuild capability – Pit N Portal provides customers a retail maintenance and rebuild service, adding to the scale and expertise of the Force business
Widens value proposition	✓ Widens Emeco’s value proposition beyond our existing open cut rental and maintenance solutions model ✓ Focused on innovation and technology, Pit N Portal provides tele-remote controlled and auto-guidance equipment ✓ Delivering project specific solutions, including maintenance services, skilled operators, supervision, mine and project management, engineering and geological services, mine planning and design
Vendor alignment	✓ Strong cultural alignment with Emeco ✓ Founder / CEO will remain with Emeco to drive the growth of Pit N Portal and the evolution of the combined group’s business model ✓ Vendors have agreed to take \$10 million in Emeco shares as sale consideration which will be subject to a 12 month escrow period²

Note: 1. Based on Emeco’s annualised 1H20 unaudited revenue and Pit N Portal’s revenue from its audited FY19 report. 2. Subject to ASIC relief. Issued at the Entitlement Offer price.

2. Overview of Pit N Portal and underground mining industry

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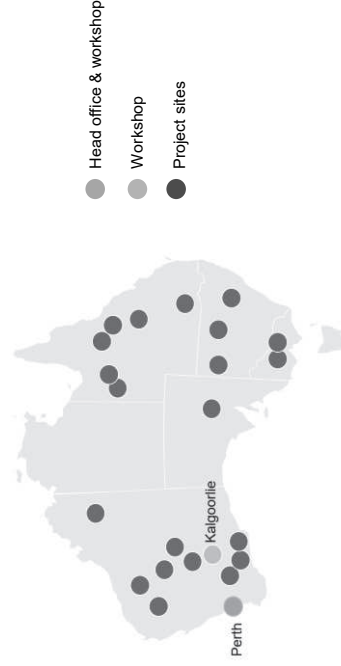


PIT N PORTAL OVERVIEW

Pit N Portal is Australia's largest hard-rock underground mining and equipment solutions provider with operations throughout Australia

Business overview

- Established in 2002, Pit N Portal specialises in the provision of hard-rock underground mining equipment and services to the Australian underground mining sector
- Workforce of more than 300 people
- Strong customer base ranging from top tier to junior miners



Key financials

- FY19 revenue of \$101 million, Operating EBITDA of \$20 million, achieving solid growth on FY18, and further growth expected in FY20
- Continued growth in Pit N Portal is expected post-completion driven by new project and scope expansion opportunities, with major projects' earnings realised in FY21

Source: Pit N Portal management



Key Services

Equipment Hire

- Mobile fleet, fixed infrastructure and HV electrical assets
- Ranges from dry hire to fully maintained mining fleet services including complete site maintenance infrastructure

Equipment Maintenance

- Offers service exchange and machine rebuilds
- Electrical, machining and boiler making capability
- Full services workshops in Perth and Kalgoorlie, together with multiple field service units

Mining Solutions

- Project management capabilities for site infrastructure and mine establishment
- Development solutions and ground support
- Comprehensive range of production services
- Technical support services includes mine design, feasibility studies, financial modelling and geology supported by an inhouse team



Emeco

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PIT N PORTAL – UNDERGROUND FLEET



Pit N Portal has over 100 pieces of specialised equipment adding to Emeco's core rental operations

Specialised equipment expands Emeco's fleet

Underground mining fleet		Number
LHD Loaders		39
Trucks		31
Development Drillers		8
Production Drillers		11
Other		34
Total		123

Complements Emeco's core rental business

- Pit N Portal operates the largest Australian provider of underground hard-rock rental equipment, complementing Emeco's large open pit fleet
- Equipment hire and related services is well-suited to Emeco's core rental business
- Pit N Portal assets include tele-remote control and auto-guidance equipment
- Pit N Portal have over 300 items of infrastructure equipment – including pumps, ventilation fans, compressors, refuge chambers, electrical substations and transformers
- Emeco's centralised planning, condition monitoring and asset management capabilities provide opportunities for synergies as Pit N Portal's fleet is integrated

Source: Pit N Portal management



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PIT N PORTAL – BUILDS EMECO'S SCALE



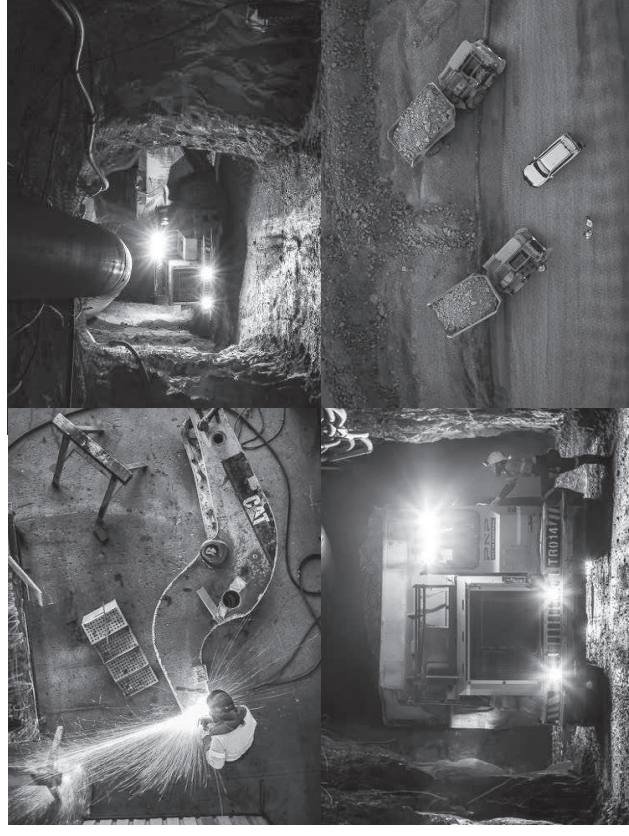
Pit N Portal leverages Emeco's core business, providing growth into underground mining and enhances Emeco's value-added service offering

Pit N Portal adds scale to Emeco's rental and workshops

- Total in-house services enable reduced capital costs
- Comprehensive maintenance and rebuild capability, strongly aligned with Emeco's Force workshops
- Purpose built workshop facility based in Perth, and strategically located workshop in Kalgoorlie servicing the WA Goldfields region
- Opportunities to use Emeco's footprint and rebuild capability to achieve synergies in underground equipment maintenance

Integrate with Force workshops

- Provide a Force underground retail maintenance business from our existing Force east coast workshops
- Expand existing component rebuild business across Australia to incorporate underground equipment
- Increase combined capacity to rebuild second hand equipment to cost effectively meet Pit N Portal growth demand



Images source: Pit N Portal

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PIT N PORTAL – MINING SERVICES

Focused on innovation and technology, the Pit N Portal acquisition sets a path for Emeco's strategic objective of providing value adding services



Images source: Pit N Portal

Project Management

- Mine re-commencement
- Personnel recruitment
- Mobilisation of plant, personnel & equipment to site
- Site infrastructure establishment

Development

- Portal establishment and high-speed decline development
- Level and ore drive development (including mechanised narrow-vein mining)
- Rehabilitation and ground support
- Provision of all supervisory, mining, maintenance and support personnel

Technical services

- Mine designs, planning and scheduling Statutory mine management
- Provides mine geotechnical and geological services, surveyors, engineers and related professionals
- Financial modelling and industry specific software

Production

- Conventional and tele-remote stope bogging
- Modern loaders with full guidance systems
- Production drilling, including long-hole & airleg slot rising
- Electronic initiation systems for optimal timing & blast results
- A diverse range of modern haulage equipment optimised to project specifications



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PIT N PORTAL MANAGEMENT TEAM



Experienced management team have a strong cultural alignment with Emeco and will continue providing significant skills and experience in underground mining

Steve Versteegen
Managing Director



Steve founded Pit N Portal in 2002. Steve has 20+ years industry experience in mining, plant & business management

Barry Roff
Group Manager – Finance



Barry is a senior finance professional with 20 years industry experience. Joined Pit N Portal in 2018

Paul Twine
Operations Manager



Paul applies his expertise gained over 31 years in developing high performance teams and efficient production. Joined Pit N Portal in 2014

Darren Appleton
Asset Manager



Darren's career in underground mining spans 24 years, specialising in plant maintenance and management. Joined Pit N Portal in 2018

Images source: Pit N Portal

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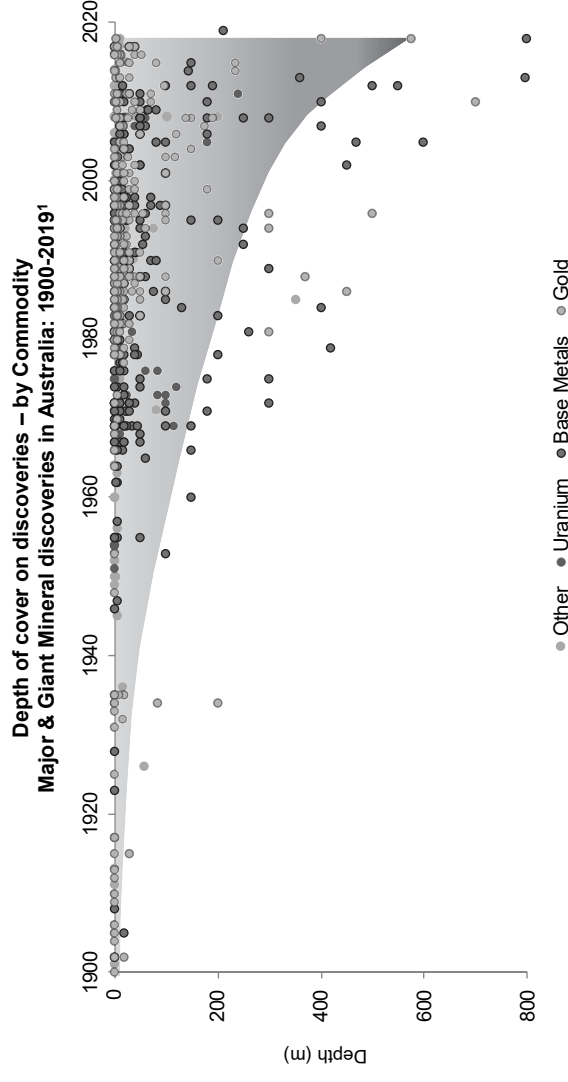
UNDERGROUND MINING INDUSTRY BACKDROP

Underground segment positioned for growth with discoveries increasing in depth

The outlook for underground mining is robust

- Pit N Portal is the largest Australian provider of underground hard-rock rental equipment and well positioned to expand its operations
- More than 50% of Australia's 370 operating mines include underground mining operations
- Advances in underground mining techniques, machinery and technology is making underground deposits easier to discover, and mining more efficient, cost effective and safe
- Underground exposure broadens Emeco's commodity mix and diversifies operations – immediately more than doubles gold exposure from 12% to 27%
- Provides a platform for continued growth with the ability to deploy further capital to capture market opportunity

Major discoveries are increasing in depth



Source: 1. MinEx Consulting © January 2020. Excludes satellite deposits within existing Camps. Also excludes Bulk Mineral discoveries. Shaded envelope refers to depth of cover for 95% of all deposits in given decade. Analysis based on Moderate-, Major- and Giant-sized deposits

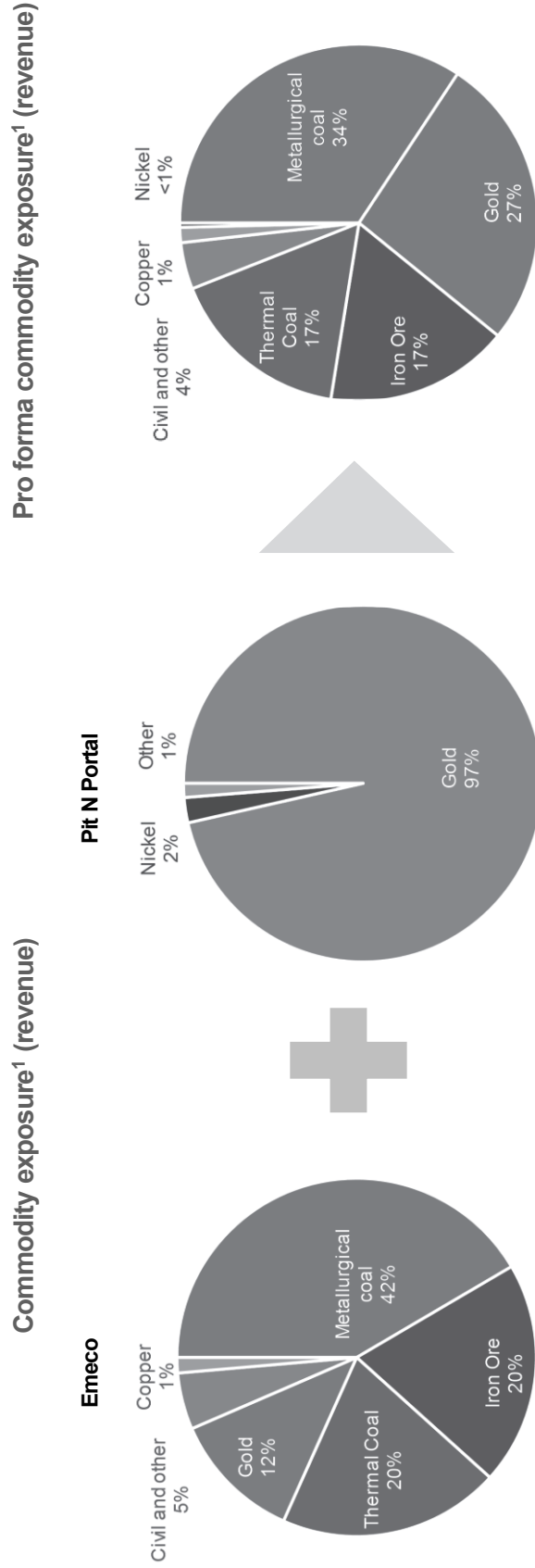
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3. Pro forma financial impact

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IMPROVED OPERATIONAL DIVERSIFICATION AND LEVERAGE

The acquisition of Pit N Portal diversifies Emeco's commodity exposure



Notes: 1. Based on Emeco's annualised 1H20 unaudited revenue and Pit N Portal's revenue from its audited FY19 report. Other category for Pit N Portal includes minimal contribution from Lead-Silver, Copper-Gold, Zinc-Lead-Silver projects

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PRO FORMA STATEMENT OF FINANCIAL POSITION

The acquisition of Pit N Portal further leverages Emeco

\$m	Emeco as at 30 June 2019	Net Entitlement Offer	Pit N Portal Acquisition ³	Pro Forma Combined Group as at 30 June 2019
Cash & cash equivalents	36	63	(63)	36
Plant & Equipment	580	-	57	637
Intangibles	9	-	2	11
Other assets	144	-	28	172
Total assets	769	63	24	856
Interest bearing loans	468	-	-	468
Other liabilities	103	-	15	118
Total liabilities	571	-	15	586
Equity	198	63	9	270
Net debt¹	427	(63)	63	427
FY19 Operating EBITDA ²	214	-	20	234
Net Debt / FY19 Operating EBITDA	2.0x			1.8x

1. Net Debt includes USD Notes (excluding capitalised borrowing costs of \$13.3 million, converted at the effective hedge rate of 0.7293) and lease liabilities less cash and cash equivalents. The new leasing standard AASB 16 Leases, which comes into effect on 1 July 2019 has not been factored into this number. The pro forma adjustments show an inflow of funds of \$63 million (entitlement offer net of \$2 million transaction costs) and an outflow of \$63 million (including \$1 million of transaction costs) for the acquisition of Pit N Portal.

2. Refer to Appendix C for a reconciliation of statutory to operating results.

3. Indicative purchase price accounting has been applied in the Pit N Portal acquisition assuming a consideration price of \$72 million and acquisition costs of \$1 million. The final consideration is subject to purchase price adjustment clauses in the Share Sale Agreement and may differ. As part of the acquisition accounting, Emeco will assess the fair value of the tangible and intangible assets acquired and liabilities assumed. The Company has 12 months from the date of acquisition to finalise the acquisition accounting and may ultimately result in balances different to those included in the pro forma adjustment.



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4. 1H20 update, outlook and strategy

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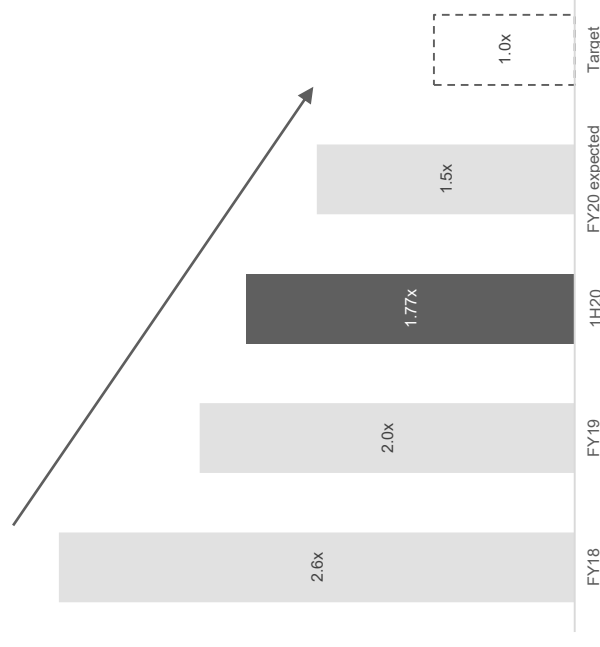
1H20 RESULTS UPDATE

Significant earnings growth in 1H20 with Operating EBITDA in line with management guidance

Continued growth in 1H20, more to come in 2H20

- Continued strong performance with significant growth on 1H19
 - Revenue¹ of \$246 million, up 10% on 1H19
 - Operating EBITDA¹ of \$119 million², up 16% on 1H19
 - Operating EBIT¹ of \$67 million², up 12% on 1H19
- In line with previous Operating EBITDA guidance of \$118m to \$120 million provided at AGM in November with further growth expected in 2H20
- Operating EBITDA margins increased to 48%^{1,2} (up from 46% in 1H19)
 - Driven by improving rates and operational efficiencies
- Net capex¹ of \$49 million and free cash flow¹ of \$23 million. Cash flow expected to significantly improve in 2H20 as working capital is recovered
- Further improvement in leverage to 1.77x¹, down from 2.0x at 30 June 2019, on track to achieve FY20 target of 1.5x

1H20 net debt to Operating EBITDA



Note: 1. Based on unaudited financial information pre the impact of the proposed acquisition and Entitlement Offer. 2. 1H20 unaudited Operating EBITDA and Operating EBIT has been adjusted to remove the impact of AASB 16 Leases, which became effective on 1 July 2019, to enable comparison to prior periods. Had the impact of AASB 16 not been removed, Operating EBITDA and Operating EBIT would have been approximately \$3.2 million and \$0.3 million higher, respectively. In addition, Operating EBITDA margins would have increased to 50%.

1H20 OPERATIONS UPDATE

Commodity diversification strategy taking effect with increase in iron ore revenue and dilution of thermal coal exposure

Operations update

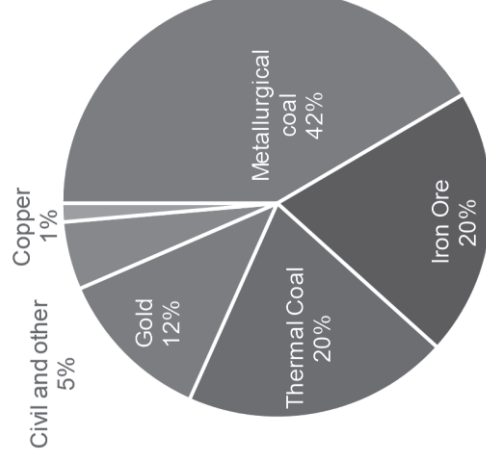
Rental

- Growth in earnings underpinned by increased utilisation, improving conditions and rates, and increased fleet size
- 1H20 gross utilisation 91%: operating utilisation 65%:
- Customers remain disciplined with capital expenditure allocation upholding compelling proposition for service providers, strengthening rental margins
- Fleet redeployment successful as new projects have commenced as planned
- Bidding activity remains robust, especially in gold, metallurgical coal and iron ore projects
- Operations unaffected by fires

Workshops

- Workshops activity up 15% on 2H19, with further increase in internal and retail works
- Internal portion of Workshops activity increased to 56% (2H19: 47%)
- Major contract secured to rebuild WA iron ore producer's fleet

1H20 commodity diversification by revenue



FY20 OUTLOOK AND BEYOND

Mining conditions remain positive, utilisation improvements and margin expansion setting up Emeco for further growth in 2020

Outlook	— Stronger 2H20 expected in Rental with utilisation improvements in new Western Region gold and iron ore projects, and lifting output in metallurgical coal — Expect customers to remain disciplined with capital expenditure allocation • Emeco's rental model allows customers to increase productivity whilst preserving capital • We believe this will become increasing attractive throughout the industry, in particular to our coal customers as stripping ratios increase and capital allocations tighten — Growth assets acquired in FY19 on track to deliver \$25 million in Operating EBITDA in FY20 — Activity in the Force workshops continues to grow with significant uplift in work on both internal equipment and for retail customers — Scope to further increase the Force business as Pit N Portal's maintenance business, expertise, facilities and relationships are incorporated into Emeco — Further growth in Pit N Portal expected post-completion driven by new project and scope expansion opportunities, with major projects' earnings realised in FY21 — Emeco on track to deleverage to 1.5x by June 2020
Operational focus	— Continue to be the lowest cost, highest quality provider of earthmoving equipment services — Improve quality and efficiency through continuous improvement projects and implementing technology based systems and processes — Grow existing rental fleet earnings through further increases in utilisation and rates and providing customers additional maintenance resources for both our fleet and their equipment — Further develop and apply EOS technology, providing our customers a digital tool to increase production from both our rental fleets and their equipment — Grow the Force business through increased retail business on the east coast and integrating the Pit N Portal underground rebuild relationships and capability — Integrating the Pit N Portal business into the Emeco Group
Corporate strategy	— Further diversify earnings through increased service offerings and broadening commodity diversification, either organically or disciplined value accretive and strategic M&A — Invest in growing Pit N Portal — Continue deleveraging strategy targeting 1.0x by FY21, supporting capital management optionality — Refinance window of US notes approaching, providing an opportunity for significant interest savings and strengthened balance sheet



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5. Equity raising overview



EQUITY RAISING OVERVIEW

Transaction financed primarily via an equity raising and scrip to Pit N Portal's vendors, reducing leverage and ensuring Emeco's balance sheet remains strong

Offer size and structure	- Fully underwritten pro-rata accelerated non-renounceable entitlement offer to existing shareholders to raise up to approximately \$65 million ("Entitlement Offer") - Under the Entitlement Offer, eligible shareholders are invited to subscribe for one new Emeco share ("New Shares") for every 10.29 existing Emeco shares held as at 7:00pm (Sydney time) on Friday, 31 January 2020 (Record Date) - Approximately 31.4 million new Emeco shares to be issued - The Entitlement Offer is non-renounceable and entitlements will not be tradeable or otherwise transferable
	- Offer price of \$2.07 per New Share, represents a: — 9.2% discount to TERP¹ of \$2.28; and — 10.0% discount to the last traded price of \$2.30 on 24 January 2020
	The net proceeds raised from the Entitlement Offer will be used by Emeco to fund the cash component of the Acquisition of Pit N Portal
	- Institutional entitlement offer to be conducted from 29 January 2020 to 30 January 2020 - Retail entitlement offer to open on 5 February 2020 and close on 14 February 2020
	New Shares issued under the Entitlement Offer will rank equally with existing shares on issue
Offer management	- Goldman Sachs Australia Pty Ltd is Sole Lead Manager, Underwriter and Bookrunner - Hartleys Limited is acting as Co-Manager
	Major shareholder Black Diamond has indicated commitment to taking up its full entitlement under the Entitlement Offer and to sub-underwrite the first \$2.4m of any retail shortfall²

Notes 1: The theoretical ex-rights price ("TERP") is the theoretical price at which Emeco shares should trade at immediately after the ex-date for the Entitlement Offer. The TERP is a theoretical calculation only and the actual price at which Emeco shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not equal the TERP. TERP is calculated by reference to Emeco's last closing price of \$2.30 on 24 January 2020. 2: Black Diamond has also entered into an arm's length sub-underwriting commitment with the Underwriters pursuant to which it has agreed to subscribe for the first \$2.4 million of any shortfall under the retail offer. Black Diamond will receive a fee from the Underwriters based on that sub-underwriting commitment consistent with the fee arrangements entered into by the Underwriters with other third party underwriters. The participation of Black Diamond as sub-underwriter is not expected to have any control implications for the Company.

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SOURCES AND USES OF FUNDS

Sources	Uses
	\$m
Gross proceeds from Entitlement Offer	Acquisition of Pit N Portal
	72.0
Emeco scrip to be issued to vendors ¹	Transaction costs and other general purposes
	3.0
Total sources of funds	Total uses of funds
75.0	75.0

Note 1: Comprising 4.83 million shares issued at \$2.07 per share. Subject to escrow of 12 months after completion of the acquisition (subject to ASIC relief).

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EQUITY RAISING TIMETABLE

Event	Date (Sydney time)
Trading halt and announcement of Acquisition and Entitlement Offer Institutional Entitlement Offer opens	Wednesday, 29 January
Institutional Entitlement Offer closes	12:00pm Thursday, 30 January
Trading halt lifted and trading resumes on an "ex-entitlement" basis	Friday, 31 January
Record Date for determining Eligible Shareholders under the Entitlement Offer	7:00pm Friday, 31 January
Retail Entitlement Offer opens and Retail Offer Booklet despatched	Wednesday, 5 February
Settlement of New Shares issued under the Institutional Entitlement Offer	Friday, 7 February
Allotment and normal trading of New Shares issued under the Institutional Entitlement Offer	Monday, 10 February
Last day to extend the Retail Entitlement Offer	Tuesday, 11 February
Retail Entitlement Offer closes	Friday, 14 February
Settlement of Retail Entitlement Offer	Thursday, 20 February
Allotment of New Shares issued under the Retail Entitlement Offer	Friday, 21 February
Retail Offer Shares commence trading on ASX (normal basis)	Monday, 24 February
Despatch of holding statements and normal trading of New Shares issued under Retail Entitlement Offer	Tuesday, 25 February

Note: The timetable above is indicative only and may be subject to change. Emeco reserves the right to amend any or all of these dates and times without notice, subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, Emeco reserves the right to extend the closing date of the Entitlement Offer, to accept late applications under the Entitlement Offer (either generally or in particular cases) and to withdraw the Entitlement Offer without prior notice. Any extension of the closing date will have a consequential effect on the issue date of New Shares.

A. Risk factors

NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES

RISK FACTORS

Introduction

	Investors should be aware that there are risks associated with an investment in Emeco. Some of the principal factors which may, either individually or in combination, affect the future operating performance of Emeco are set out below. Some are specific to an investment in Emeco and the New Shares and others are of a more general nature. The summary of risks below is not exhaustive. This Presentation does not take into account the personal circumstances, financial position or investment requirements of any particular person. Additional risks and uncertainties that Emeco is unaware of, or that it currently considers to be immaterial, may also become important factors that adversely affect the future performance of Emeco and the New Shares. The Entitlement Offer is being made pursuant to provisions of the Corporations Act which allow entitlement offers to be made without a prospectus. This presentation does not contain all of the information which may be required in order to make an informed decision regarding an application for New Shares offered under the Entitlement Offer. As a result, it is important for you to carefully read and understand the information on Emeco made publicly available, prior to accepting all or part of your Entitlement. In particular, please refer to this Presentation, Emeco's full year and annual reports (including Emeco's most recent full year FY19 results announcement lodged with the ASX on 21 August 2019, its 2019 Annual Report lodged with the ASX on 15 October 2019) and other announcements lodged with ASX (including announcements which may be made by Emeco after publication of this Presentation). You should have regard to your own investment objectives and financial circumstances and should seek professional guidance from your stockbroker, solicitor, accountant or other professional adviser before deciding whether or not to invest.
Introduction	

RISK FACTORS

Business risks

Access to and supply of used and new equipment	In order to generate revenue and earnings, the Company requires access to new and used earthmoving equipment and parts. If the Company is unable in the future to secure adequate supplies of the required number of machines at appropriate prices or if the quality of the available machines is not acceptable, the Company's operational and financial performance may be adversely affected. The Company's ability to source new replacement equipment is dependent on relationships and contracts with dealers for original equipment manufacturers ("OEMs"), as well as its ability to access the used market through brokers. The Company's relationship with OEM dealers, such as Caterpillar, Komatsu and Hitachi, are influenced by the volumes of machines and parts it purchases and the level of industry demand. The Company has access to a global broker network of which it participates both as a procurer and seller of equipment. This network provides the Company with the ability to access low-hour, used equipment at comparable prices when required. The Company also sources equipment parts from both OEM and non-OEM providers to extend the useful life of its equipment, particularly when increased demand or pricing makes it difficult to source new or used equipment. The Company could be adversely impacted by any incidents affecting the ability of these manufacturers to produce and deliver mining equipment, including casualty events affecting production facilities, work stoppages or strikes, financial difficulties of its suppliers, transport disruptions, or other events or circumstances. It may be difficult to locate alternative manufacturers in the event of any disruptions which could have a material adverse impact on the Company's revenue. Any change in the Company's relationships with these OEMs or brokers may result in a shortage of equipment and parts which would constrict the Company's ability to enter new contracts or fulfil existing contracts and adversely impact future earnings and financial performance.
Loss of key management personnel and ability to attract and retain skilled workers	The Company's ability to remain productive, profitable and competitive and to implement planned growth initiatives depends on the continued employment and performance of senior executives and other key members of management. The Company's performance also depends on its ability to attract and retain skilled workers with the relevant industry and technical experience. If any one of these individuals resigns or becomes unable to continue in his or her present role and is not adequately replaced in a timely manner, business operations and the ability to implement the Company's strategies could be materially disrupted. The loss of a number of key personnel or inability to attract additional personnel may have an adverse impact on the financial and operating performance of the Company. There can be no assurance that the Company will be able to attract and retain skilled and experienced employees and, should it lose any of its key management personnel or fail to attract qualified personnel, its business may be harmed and its operational and financial performance could be adversely affected.

RISK FACTORS

Business risks (continued)

Fleet age and maintenance expenditure risk	Earthmoving equipment age is determined by the hours it has been utilised as opposed to the period of time since manufactured. In periods of high utilisation, equipment ages at a faster rate bringing forward any major components and replacement at end of life. Given the nature of the Company's operations, its fleet will age over time. As its fleet of rental equipment ages, the cost of maintaining such equipment, if not replaced within a certain period of time, may increase. Determining the optimal age of fleet equipment is subjective and requires estimates by management with asset management expertise. The Company has made estimates regarding the relationship between the age of its fleet rental equipment, the maintenance and repair costs, and the market value of used equipment. Future operating and financial performance could be adversely affected because maintenance and repair costs may be higher than estimated, it must be undertaken earlier than anticipated, or if there is a significant operational failure requiring unplanned maintenance expenditure. Future operating and financial performance could be adversely affected because market values of used equipment may fluctuate and are generally lower as a piece of equipment ages. In addition, the cost of the new equipment used in its fleet may increase, and therefore the Company may spend more on replacement equipment. Any such cost increases could materially and adversely impact the operating and financial performance of the Company. These risks may be heightened to the extent that the ageing of its fleet accelerates. The ageing of the Company's fleet could accelerate if it needed to continue to constrain capital expenditure on replacement equipment instead choosing to replace components to extend the useful life because of challenging market conditions and lower than historical rates of utilisation. Financing constraints may inhibit the ability of the Company to undertake all of the maintenance capital expenditure that it might like to implement.
Information systems risks	The Company relies on computer, information, and communications technology and related systems in order to properly operate the administrative and compliance aspects of its business. From time to time, the Company experiences occasional system interruptions and delays. The Company has processes in place to respond to system interruptions and delays. However, in the event it is unable to regularly deploy software and hardware, effectively upgrade its systems and network infrastructure, and take other steps to maintain or improve the efficiency and efficacy of its systems, the operation of such systems could be interrupted or result in the loss or corruption of data. In addition, the Company's computer systems are subject to the risks of unauthorised access, computer hackers, computer viruses, malicious code, organized cyber-attacks and other security problems and system disruptions, including possible unauthorised access to the Company's and its customers' proprietary or classified information. The Company relies on industry-accepted security measures and technology to securely maintain all confidential and proprietary information on its information systems. The Company has devoted, and will continue to devote, significant resources to the security of its computer systems, however they may still be vulnerable to these threats. A user who circumvents security measures could misappropriate confidential or proprietary information or cause interruptions or malfunctions in operations. As a result, the Company may be required to expend significant resources to protect against the threat of these system disruptions and security breaches or to alleviate problems caused by these disruptions and breaches. Any of these events could damage the Company's reputation and have a generally material adverse effect on its operating and financial performance.

RISK FACTORS

Business risks (continued)

Residual value risk	The market value of any given piece of rental equipment could be less than its depreciated value at the time it is sold. The market value of used rental equipment depends on several factors, including: i. the market price and availability for new equipment of a like kind; ii. wear and tear on the equipment relative to its age and the performance of preventive maintenance; iii. the time of year that it is sold; iv. the supply of used equipment on the market; v. the existence and capacities of different sales outlets; vi. the age of the equipment at the time it is sold; vii. the age of major component life in the equipment; viii. the equipment model and its market acceptability; ix. worldwide and domestic demand for used equipment; and x. general economic conditions. The Company includes in revenue from continuing operations the difference between the sale price and the depreciated or impaired value of an item of equipment sold. Changes in assumptions regarding depreciation could change the Company's depreciation expense, as well as the gain or loss realised upon disposal of equipment. Sales of the Company's used rental equipment at prices that fall significantly below projections or in lesser quantities than anticipated will have a negative impact on the future revenue, earnings and cash flows. These risks may be heightened if the Company needs to sell equipment to better align the size of the fleet with utilisation rates because of challenging market conditions and lower than historical rates of utilisation. The Company reported \$23.4 million of proceeds in FY19 from the sale of equipment (\$22.7 million FY18). This was classified as other income.
Consolidation of customers and suppliers	Consolidation in the industries of the Company's customers or suppliers may reduce its bargaining power with those customers or suppliers and lead to the Company transacting on less advantageous financial and commercial terms with those customers or suppliers. It may also lead to the loss of such customers, which would adversely affect the Company's operational and financial performance.

RISK FACTORS

Business risks (continued)

	Mining operations are vulnerable to the risk of interruption as a result of a variety of factors, which may be beyond the control of the Company, including the following: i. prolonged heavy rainfall or cyclone; ii. geological instability, including strong seismic activity, landslides, mudslides; iii. rockfalls, cave-ins, or conditions that threaten to result in such an event; iv. accidents or unsafe conditions; v. issues with mine ventilation; vi. equipment breakdowns; vii. industrial relations issues; and viii. scarcity of materials and equipment. Interruptions to a customer's mining operations would limit the Company's revenue to any agreed fixed monthly charges. In addition, delays to the commencement of projects for which the Company has been contracted to provide rental equipment or maintenance services may occur as a result of the factors listed above or other factors beyond the control of the Company, such as the mining customer underestimating the lead time required to commence operations. Interruptions to existing operations or delays in commencing operations experienced by customers may result in lost revenue and, in some circumstances, result in the Company incurring additional costs, which may have a material adverse effect on the Company's future financial performance.
Mine site interruptions	

RISK FACTORS

Business risks (continued)

Workplace safety	The maintenance of mining equipment involves risks and dangers to the personnel involved, including the risk of personal injury and, in exceptional circumstances, loss of life associated with operating heavy machinery. Mining customers seeking rental solutions demand mining equipment to be in excellent operating condition and to have market leading safety features installed. The Pit N Portal business focusses on the underground mining sector and also provides value add services to its customers. Due to the nature of underground mining and its larger service offering, Pit N Portal tends to have a higher risk of safety issues than does the Company's present operations. It is possible that there may be accidents in the future in the operation of the mining equipment the Company supplies, which could result in a deterioration of its safety record. The Company's ability to supply safe rental equipment and onsite maintenance services to customers and to keep its employees safe is fundamental to the Company's business in a number of respects, including: i. The Company's safety record is a key criterion that mining customers use when evaluating tenders for mining equipment rental and maintenance services, since mining customers must ensure their operations adhere to the highest safety standards; and ii. safety incidents may result in operations at the affected site being suspended while the incident is being investigated. As a consequence, if the Company fails to supply equipment in excellent operating condition, conducts its onsite maintenance services in a safe manner or if accidents occur that are beyond its control, the Company may fail to win new contracts for equipment rental or maintenance services, fail to have existing contracts renewed, have existing contracts terminated or face increased competition if customers compare the Company's safety to its competitors. Any of these consequences could have a material adverse effect on the Company's operating and financial performance. The risk of this occurring to the Company may increase as a result of the Pit N Portal acquisition.
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RISK FACTORS

Business risks (continued)

Environmental risks	Environmental management and compliance is an important part of the business of the Company's customers. The Company works with its customers to ensure that its equipment and maintenance services operate in alignment with their onsite policies, management systems and procedures. The Company's actions or failures to act may result in the mining customers for which it performs services incurring environmental liability, regulatory penalties, or having licenses suspended, cancelled or subjected to additional conditions. Some of the Company's customer contracts contain indemnities under which it is obliged to compensate the customer for certain losses resulting from environmental incidents for which the Company is responsible. As a result, environmental incidents may result in the Company incurring substantial obligations to compensate its customers which could have a material adverse effect on the Company's operational and financial performance.
Market conditions	Demand for the Company's mining equipment rental services depends in significant part upon the level of earth moving activities conducted by its customers, which are mining companies or contract miners, in the movement of overburden and mined resource. Due to the geographic and commodity mix of the Company's customers, revenues are indirectly exposed to the prices of gold, thermal and metallurgical coal, oil sands, iron ore and copper. In FY19, Emeco's revenue was comprised of 42% from coking coal mining customers, 23% from thermal coal mining customers, 14% from gold mining customers, 10 % from iron ore mining customers, 4% from copper mining customers, with the remaining 7% to other customers. Activity levels and results of operations are dependent on the production levels at the mines where equipment is used and the volume of earth moved under the relevant mine plans. Customers' mining activities and the volume of earth moved by them, either temporarily or long term, is influenced by many factors, including the global demand for commodities, current and expected commodity prices, general economic conditions, and the application and impact of the local and international regulatory environment. If these drivers of earthmoving volumes are negatively impacted, this may lead to a decrease in the demand for the Company's equipment and the rental rates that the Company can charge of earthmoving volumes. Notwithstanding the recent increase in commodity prices, the occurrence of, timing and sustainability of a broad based market recovery is uncertain and even in the case where the recent strength in market conditions continues, the corresponding increase in earthmoving volumes and improvement in the Company's performance may be significantly delayed or short term in nature due to other factors such as market competition, difficulty in achieving synergies or the loss of key personnel.

RISK FACTORS

Business risks (continued)

Competition	There are two levels of competition that the Company experiences in the industry. The first is for the supply of equipment and if a customer would prefer to purchase equipment as opposed to rent equipment from a provider. The second level occurs when the customer has decided to pursue a rental solution as the Company operates in a highly competitive industry. There are a number of competitors, including contract miners and other earthmoving equipment rental suppliers, that currently provide services similar to those provided by the Company. These competitors may have significant additional capital, financial and other resources compared to the Company, impacting its ability to compete as successfully in the future as it has in the past. OEMs also compete directly with the Company. The Company generally competes on the basis of, among other things, reliability, price, service offerings and the age, mix and relative attractiveness of its rental equipment fleet. There can be no assurance that customers will agree to renew expiring contracts on terms acceptable to the Company or at all.
Contractual risks	The Company's revenue is dependent on winning new contracts and the Company operates in an increasingly competitive market. It is difficult to predict whether and when new contracts will be awarded due to multiple factors influencing how customers evaluate potential service providers, such as rental rates, fleet quality, maintenance and safety standards, experience, reputation, customer relationships, financial strength, and ability to provide mining equipment rental services in a timely, safe, and cost-efficient manner. Consequently, the Company is subject to the risk of losing new awards to competitors which will adversely impact its business, results of operations and financial position. Operational and financial performance including cash flows may fluctuate from quarter to quarter depending on the timing and size of new contract awards. Additionally, increased competition and softer market conditions have limited the Company's negotiating power with customers on contract terms where even if the Company is successful in obtaining new contracts and awards, the new contracts may increasingly deviate from the standard terms that the Company seeks to obtain. Additionally, a significant portion of the Company's revenues are subject to short term contracts with varying terms and substantially all of customer contracts permit the customer to terminate the contract on short notice and without compensation for lost revenue. The term of the Company's customer contracts typically ranges from two to 36 months. The early termination of a contract by one or more of the Company's customers could have a material adverse effect on its business, results of operations and financial condition. If several of the Company's customers were to terminate their relationship with us or fail to renew an expiring contract, the Company's revenues and profits would be significantly adversely affected. Emeco also enters into contracts with its suppliers for the provision of mining equipment. A number of these contracts may be terminated for convenience by the supplier. There is a risk that suppliers may default on their obligations under contracts entered into with Emeco or terminate those supply arrangements and this may result in non-performance or delays in the provision of equipment to Emeco. Furthermore, certain of the Company's material contracts with both customers and suppliers contain provisions which allow a counterparty to terminate the contract as a result of the implementation of the restructuring and the Acquisition or otherwise for convenience. The Company has sought the support of all counterparties to material contracts that contain provisions of this sort. Negotiations with these counterparties are ongoing however, to date, no counterparties have indicated that they will terminate such contracts as a result of implementation of the restructuring and the Acquisitions.



RISK FACTORS

Business risks (continued)

Indebtedness	The Company's gross debt position as at 30 June 2019 is approximately \$441.7 million of senior secured notes ("Notes") and approximately \$21.9 million of finance leases. The Company also has \$1.7 million in bank guarantee commitments under a \$65 million revolving loan facility. This level of total potential indebtedness has important consequences for the Company and its Shareholders, including the following: i. requiring the Company to dedicate a material portion of its cash flow from operations to meet principal and interest payments thereby reducing the availability of cash flow to fund working capital, capital expenditures, acquisitions and other general corporate purposes; ii. increasing the Company's vulnerability to adverse general economic or industry conditions, commodity prices and exchange rate fluctuations; iii. subjecting the Company to a number of covenants and ongoing obligations which reduce its flexibility in planning for, or reacting to, changes in the Company's businesses or industry; and iv. placing the Company at a competitive disadvantage compared to its competitors that have less debt or are not subject to similar negative covenants. Emeco's Notes need to be fully repaid, renewed or refinanced on or before March 2022. The Company's \$100 million revolving loan facility will need to be fully repaid, renewed or refinanced in FY2021. The ability of the Company to repay or reschedule the Notes and the revolving loan facility will ultimately be contingent on mining and exploration market activity, commodity prices, AU\$/US\$ exchange rate outcomes, achievement of integration plans and forecast synergies, the ability of the Company to source additional funds through debt and equity markets and capital market risks at the time of refinancing. If market conditions deteriorate significantly against current projections a shortfall is likely. Accordingly, in these circumstances there would be significant uncertainty as to the Company's ability to fully repay, refinance or reschedule the outstanding Notes and the revolving loan facility at their respective maturity dates and therefore the Company's ability to continue as a going concern. As such, the Company would need to consider alternative financing arrangements prior to the maturity of those debt facilities, which may include refinancing or restructuring existing facilities, securing new facilities on acceptable terms or securing alternative funding (including potentially through raising additional shareholder equity which may result in existing shareholders being diluted). There is no guarantee that alternative financing arrangements would in these particular circumstances be successful.
Debt servicing and refinancing risk	
Registration of Security Interests	Under Australian law, businesses that rent or lease equipment to customers, such as the Company does, can lose legal title to that equipment in certain circumstances where the customer who has rented that equipment becomes insolvent or goes into administration ("Insolvency Event"), and the owner of the equipment hasn't registered a security interest with respect to that equipment prior to that Insolvency Event. Additionally, registrations of security interests can be ineffective if the details provided in the registration do not satisfy legal requirements. While the Company has systems in place that are designed to ensure that effective registrations are made in a timely way, and these systems will be applied to PIN Portal, there is a risk that the Company may lose title to equipment that it would otherwise have title to, and the Company may be adversely affected as a result.



RISK FACTORS

Business risks (continued)

Insurance risks	Although insurance is maintained for ownership and rental of equipment within ranges of coverage consistent with industry practice, no assurance can be given that such insurance will be available in the future on commercially reasonable terms or that any cover will be adequate and available to cover any or all claims. Insurance of all of the risks associated with equipment rental or maintenance services is not always available and, where available, the costs can be prohibitive. Furthermore the Company's insurance does not cover its fleet while it is rented at a customer's site and, in such circumstances, the Company is reliant on the customer's insurance policies or credit quality to compensate it in the event of a loss. If the Company incurs uninsured losses or liabilities, its operating and financial performance may be adversely affected.
Regulatory risks	Changes in legislative and administrative regimes, taxation laws, interest rates, other legal and government policies, including in relation to environment laws and climate change in Australia and internationally may have an adverse effect on the assets, operations and ultimately the financial performance of the Company and the market price of Shares.
Claims, liability and litigation	The Company may have disputes with counterparties in respect of major contracts, or may be exposed to customer or environmental, occupational health and safety or other claims. The Company may incur costs in defending or making payments to settle any such claims, which may not be adequately covered by insurance or at all. Such payments may have an adverse impact on the Company's profitability or financial position.
Foreign exchange risks	The majority of the Company's debt is denominated in U.S. dollars. Although steps may be undertaken to manage currency risk (for example via hedging strategies), adverse movements in the Australian dollar against the US dollar may have an adverse impact on the Company and result in an increase in the Company's debt in Australian dollar terms. For example, a weakening of the Australian dollar as compared to the U.S. dollar would have the effect of increasing the Australian dollar value of the U.S. dollar denominated debt. Combined with other factors, this could lead to a deterioration in the Company's operating and financial performance. The Company is also exposed to foreign currency risk on equipment purchases, which are primarily denominated in U.S. dollars. The Company does not hedge its translated foreign currency exchange rate exposure in relation to operations. The Company's investments in its subsidiaries and their earnings are also not hedged as these currency positions are considered long term in nature. Fluctuations in foreign currency exchange rates may also make period to period comparisons of results of operations difficult.

RISK FACTORS

Risks related to the Acquisition of Pit N Portal

Completion risk	Emeco may terminate the Acquisition agreement in certain circumstances including where there is a material adverse change in Pit N Portal or where counterparties to certain material contracts do not provide consent to a change in control of Pit N Portal. If these termination rights are exercised, completion of the Acquisition may not occur. The pending conditionality of the Acquisition over an extended period could adversely affect the business and operations of Pit N Portal, including as a result of the potential impact on relationships with clients, suppliers and other counterparties, and provide an opportunity for competitors. Further, if the Acquisition is not completed as a result of a failure in satisfaction of the conditions precedent or exercise of termination rights, Emeco will need to consider alternative uses for the proceeds from the Entitlement Offer, including applying them towards debt reduction, working capital, review of alternative investment opportunities, and/or ways to return the proceeds from the Entitlement Offer to shareholders. Any failure to consummate the Acquisition could materially and adversely affect Emeco and the price of its shares.
Reliance on information provided	The FY19 financial information relating to Pit N Portal in this presentation is unaudited and based on the unaudited management accounts of Pit N Portal. Accordingly, investors should not rely on this information. Further, the pro forma financial information in this presentation in respect of both Pit N Portal and Emeco is subject to a number of assumptions and has not been subject to audit and may not be indicative of actual results. A material unidentified misstatement of the recent financial performance of Pit N Portal could potentially have a material adverse impact on the Company into the future. Emeco undertook a due diligence process in respect of Pit N Portal, which relied in part on the review of legal and other information provided by Pit N Portal. While Emeco considers the due diligence process undertaken to be appropriate, Emeco has not been able to verify the accuracy, reliability or completeness of all the information which was provided to it against independent data. Similarly, Emeco has presented (and made assumptions in doing so) the financial information relating to Pit N Portal on a stand-alone basis and also on a combined basis (with Emeco post-completion). If any of the data or information provided to and relied upon by Emeco in its due diligence process and its preparation of this presentation proves to be incomplete, incorrect, inaccurate or misleading, there is a risk that the actual financial position and performance of Emeco may be materially different to the financial position and performance expected by Emeco and reflected in this Presentation. Shareholders should also note that there is no assurance that the due diligence conducted in respect of Pit N Portal was conclusive and that all material issues and risks in respect of the Acquisition have been identified and avoided or managed appropriately. Therefore, there is a risk that unforeseen issues and risks may arise, which may also have a material impact on Emeco (for example, Emeco may later discover liabilities or defects which were not identified through due diligence or for which there is no protection for Emeco). This could adversely affect the operations, financial performance or position of Emeco. Further, the information reviewed by Emeco includes forward looking information. While Emeco has been able to review some of the foundations for the forward looking information relating to Pit N Portal, forward looking information is inherently unreliable and based on assumptions that may not be achieved or satisfied in the future.

RISK FACTORS

Risks related to the Acquisition of Pit N Portal (continued)

Integration risk	The Acquisition involves the integration of Pit N Portal which has previously operated independently to Emeco. As a result, there is a risk that the integration of Pit N Portal may be more complex than anticipated, encounter unexpected challenges or issues and take longer than expected, divert management attention or not deliver the expected benefits and this may affect Emeco's operating and financial performance. Further, the integration of Pit N Portal's accounting functions may lead to revisions, which may impact on the Emeco Group's reported financial results
Loss of Pit N Portal personnel	While Emeco is committed to providing a continued attractive employment environment, conditions and prospects to assist in the retention of Pit N Portal's key management personnel throughout the Acquisition process, there can be no assurance that there will be no loss of key staff leading up to and following the Acquisition.
Historical liability	If the Acquisition completes, Emeco may become directly or indirectly liable for any liabilities that Pit N Portal has incurred in the past as a result of prior acts or omissions, including liabilities which were not identified during Emeco's due diligence or which are greater than expected, and for which the various forms of protections negotiated by Emeco in its agreement to acquire Pit N Portal (in the form of representations and warranties and indemnities) turn out to be inadequate in the circumstances. Such liability may adversely affect the financial performance or position of Emeco post-Acquisition.
Future earnings and acquisition accounting risk	Emeco has undertaken financial and business analysis of Pit N Portal in order to determine its attractiveness to Emeco and whether to pursue the Acquisition. To the extent that the actual results achieved by Pit N Portal are weaker than that anticipated, or any difficulties arise in integrating the operations of Pit N Portal with those of Emeco, there is a risk that the profitability and future earnings of the operations of Emeco may differ (including in a materially adverse way) from the pro forma performance as reflected in this presentation. Following completion of the Acquisition, Emeco will undertake a formal fair value assessment of all of the assets, liabilities and contingent liabilities of Emeco. The pro forma adjustments to reflect the estimated financial effect of the accounting for the business combination in this presentation are illustrative only. Australian Accounting Standards require the determination of fair value of identifiable assets and liabilities acquired. The inclusion of Pit N Portal reflects provisional amounts for the assets and liabilities acquired based on historic costs other than goodwill. Post completion of the Acquisition, a purchase price allocation exercise will be undertaken which may identify amortisable intangibles and impact future depreciation and amortisation charges. Additionally, the allocation exercise may give rise to material differences in values allocated to the balance sheet.

RISK FACTORS

Risks related to the Acquisition of Pit N Portal (continued)

Acquisition accounting	In accordance with AASB 3 <i>Business Combination</i>, Pit N Portal's identifiable assets, liabilities and contingent liabilities, including intangible assets, must be identified and valued as at the Acquisition date. The purchase price is then allocated across the fair value of these assets, liabilities and contingent liabilities with any residual recognised as goodwill. The valuation of intangible assets is a complex and time-consuming process that may require specialist skills and detailed information about the business, which will become available to Emeco following completion of the Acquisition. In addition, each of the identified intangibles acquired may have a limited life and must be amortised over that life in contrast to goodwill, which is subject to annual impairment review. Indefinite life intangibles are not amortised and are reviewed for impairment annually. A detailed identification and valuation process will therefore be undertaken after the Acquisition completes. The examples provided below are not intended to be an exhaustive list of items acquired in a business combination that meet the definition of an intangible asset. However they provide an indication of the types of intangibles that may be acquired as part of the Acquisition including client contracts. Under AASB 3, the Company has up to 12 months from the date of Acquisition during which retrospective adjustments can be made to the provisional Acquisition accounting. The Company has not completed an exercise to consider the fair value of the tangible and identifiable intangible assets and the liabilities acquired along with any related deferred tax amounts. No value has been attributed to potential carry forward tax losses or deferred tax liabilities related to intangible assets for the purposes of the pro forma historical statement of financial position. Accordingly, adjustments will impact the recorded amounts of assets and liabilities of the Company and will have an impact on depreciation and amortisation charges in future financial periods and therefore impact earnings before interest and tax ("EBIT") and net profit after tax ("NPAT").
Contract termination / Reduction in contract scope	Pit N Portal's revenues are subject to underlying contracts with varying terms. There is a risk that Pit N Portal's contracts may be cancelled or may not be renewed if customers decide to reduce their levels of spending, potentially reducing their revenue. Some of these contracts can be terminated at the customer's convenience. Contract operations are vulnerable to the risk of interruption as a result of a variety of factors, which may be beyond Emeco's control, including the following: • variations to reduce scope of works; • prolonged heavy rainfall or cyclone; • geological instability, including strong seismic activity, landslides, mudslides, rock falls, cave-ins, or conditions that threaten to result in such an event; • accidents or unsafe conditions; • equipment breakdowns; • industrial relations issues; and • scarcity of materials and equipment. If Pit N Portal does not perform its obligations under a contract in accordance with the terms of the contract, Pit N Portal is at risk that the contract will be terminated. Any such performance issue may result in contract guarantees being relied upon by its clients and could also adversely affect Pit N Portal's reputation in the marketplace which could adversely impact its ability to secure new contracts. In addition, Pit N Portal's contracts may be subject to termination for convenience by clients without cause. In the event of a contract termination, Emeco may not be able to redeploy the assets and resources used on that project to other projects on the same terms or at all and may experience downtime between demobilisation and redeployment. Any of these factors could materially adversely affect Emeco's margins and results of operations.

RISK FACTORS

Risks associated with the Entitlement Offer and Share ownership

Risks associated with an investment in Shares	There are general risks associated with investments in equity capital such as Emeco's shares. The trading price of Emeco shares may fluctuate with movements in equity capital markets in Australia and internationally. This may result in the market price for the New Shares being less or more than the price under the Entitlement Offer. Generally applicable factors that may affect the market price of shares include: • general movements in Australian and international stock markets; • investor sentiment; • Australian and international economic conditions and outlook; • changes in interest rate and the rate of inflation; • changes in government legislation and policies, in particular taxation laws; • announcement of new technologies; • geo-political instability, including international hostilities and acts of terrorism; • demand for and supply of Emeco securities; • announcements and results of competitors; • analyst reports; and • future issues of Emeco securities. No assurances can be given that the New Shares will trade at or above the Entitlement Offer price. None of Emeco, its directors or any other person guarantees the market performance of the New Shares. The operational and financial performance and position of Emeco and Emeco's share price may be adversely affected by a worsening of general economic conditions in Australia, as well as international market conditions and related factors. It is also possible that new risks might emerge as a result of Australian or global markets experiencing extreme stress or existing risk, and may manifest themselves in ways that are not currently foreseeable. The equity markets have in the past and may in the future be subject to significant volatility.
Sell-down by Emeco's substantial shareholders	There is a risk that Emeco's substantial shareholders (including directors) may seek to sell down their shareholdings in Emeco. A significant sale of shares, or a perception that a sell-down may occur, could adversely affect the price of Emeco's shares.
Economic risk and external market factors	Various factors including political movements, stock market trends, changing customer preferences, interest rates, inflation levels, commodity prices, foreign exchange rates, industrial disruption, environmental impacts, international competition, taxation changes and legislative or regulatory changes, may have an adverse impact on the Company's operating costs, profit margins and Share price. These factors are beyond the control of the Company and it cannot, to any degree of certainty, predict how they will impact on the Company. Prolonged deterioration in general economic conditions could potentially have an adverse impact on the Company and its operations and may adversely impact the trading price of Emeco's shares.

RISK FACTORS

Risks associated with the Entitlement Offer and Share ownership (continued)

Change in accounting or financial reporting standards	Changes in accounting or financial reporting standards may adversely impact the reported financial performance of the Emeco Group.
War and terrorist attacks	War or terrorist attacks anywhere in the world could result in a decline in economic conditions worldwide or in a particular region. There could also be a resultant material adverse effect on the business, financial condition and financial performance of the Company and may adversely impact the trading price of Emeco's shares.
Negative publicity	The Emeco Group will be subject to the risk that negative publicity, whether true or not, may affect stakeholder perceptions of the Emeco Group's past actions and future prospects. Being listed on the ASX means that the Emeco Group will be subject to risks relating to market expectations for its business and financial and operating performance. If the Emeco Group does not manage these expectations in an effective manner, it could give rise to loss of investor confidence in its business and management and may adversely impact the trading price of Emeco shares.
Changes in taxation laws	Variation in the taxation laws affecting the Emeco Group's operations could materially affect financial performance and may adversely impact the trading price of Emeco's shares. The interpretation of these laws could also change, leading to a change in the taxation treatment of investments or activities.
Credit rating risk	Credit ratings are subject to revision, suspension or withdrawal at any time by the assigning rating agency. Rating agencies may also revise or replace entirely the methodology applied to derive credit ratings. No assurances can be given that a credit rating will remain for any period of time or that a credit rating will not be lowered or withdrawn entirely by the rating agency if in its judgement circumstances in the future so warrant, or if a different methodology is applied to derive that credit rating. Any downgrade to Emeco's credit rating could impact Emeco's ability to obtain financing, increase its future financing costs, impact its ability to access capital markets and/or have an adverse effect on the market price of Emeco's shares.

RISK FACTORS

Risks associated with the Entitlement Offer and Share ownership (continued)

The Underwriting Agreement relating to the Entitlement Offer sets out various events, the occurrence of which will entitle the Underwriter to terminate the Underwriting Agreement. Accordingly, there is a risk that the Underwriter may terminate its obligations under the Underwriting Agreement if any such events occur. These events include where:

- any of the offer documents (including this Investor Presentation and all ASX announcements made in connection with the Equity Raising) omit certain material required by the Corporations Act, contain a statement which is misleading or deceptive, the cleansing notice lodged by Emeco in respect of the Entitlement Offer is “defective” within the meaning of the Corporations Act or a supplementary cleansing notice is lodged by Emeco in respect of the Entitlement Offer that discloses new information or a material change;
- any material member of the Emeco Group becomes insolvent;
- Emeco ceases to be admitted to the official list of ASX or its ordinary shares are suspended from trading or quotation;
- Emeco withdraws the Entitlement Offer;
- the Acquisition agreement is terminated or rescinded, breached in a material respect or a condition precedent to any party’s obligations under the Acquisition agreement becomes incapable of being satisfied;
- Emeco does not provide a certificate to the Underwriter in accordance with the Underwriting Agreement;
- Emeco is prevented from completing the Offer in accordance with law;
- ASIC takes certain regulatory action in respect of the Company, the Offer or the offer documents; and
- a director of Emeco is charged with an indictable offence or disqualified from managing a corporation.

The ability of the Underwriter to terminate the Underwriting Agreement in respect of some events (including a change in the assets, liabilities, financial position or performance, profits, losses or prospects of the Emeco Group, breach of the Underwriting Agreement by Emeco, market disruption, hostilities or regulatory action) will depend (amongst other things) on whether the event has or is likely to have a material adverse effect on the success or settlement of the Entitlement Offer, the price at which New Shares may trade on the ASX or could reasonably be expected to give rise to a contravention by, or liability for, an Underwriter under applicable law.

If the Underwriting Agreement is terminated for any reason, then Emeco may not receive the full amount of the proceeds expected under the Entitlement Offer, its financial position may change and it may need to take other steps to raise debt or equity capital in order to fund and complete the Acquisition.

Risks associated with not taking up your rights under the Entitlement Offer

If you do not take up all of your entitlements to acquire New Shares under the Entitlement Offer, your percentage shareholding in Emeco will be diluted by not participating to the full extent in the Entitlement Offer. As the Entitlement Offer is non-renounceable, you will not receive any value for entitlements you do not take up.



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B. International offer restrictions

NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES



INTERNATIONAL OFFER RESTRICTIONS

This document does not constitute an offer of new ordinary shares ("New Shares") of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

Canada (*British Columbia, Ontario and Quebec provinces*)

This document constitutes an offering of New Shares only in the Provinces of British Columbia, Ontario and Quebec (the "Provinces") and to those persons to whom they may be lawfully distributed in the Provinces, and only by persons permitted to sell such New Shares. This document is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons that are "accredited investors" within the meaning of NI 45-106 – *Prospectus Exemptions*, of the Canadian Securities Administrators.

No securities commission or similar authority in the Provinces has reviewed or in any way passed upon this document, the merits of the New Shares or the offering of New Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws which may require resales to be made in accordance with exemptions from dealer registration and prospectus requirements. These resale restrictions may in some circumstances apply to resales of the New Shares outside Canada and, as a result, Canadian purchasers should seek legal advice prior to any resale of the New Shares.

The Company as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.

Any financial information contained in this document has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

Statutory rights of action for damages and rescission

Securities legislation in certain of the Provinces may provide purchasers with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, when an offering memorandum that is delivered to purchasers contains a misrepresentation. These rights and remedies must be exercised within prescribed time limits and are subject to the defenses contained in applicable securities legislation. Prospective purchasers should refer to the applicable provisions of the securities legislation of their respective Province for the particulars of these rights or consult with a legal adviser.

The following is a summary of the statutory rights of rescission or to damages, or both, available to purchasers in Ontario. In Ontario, every purchaser of the New Shares purchased pursuant to this document (other than (a) a "Canadian financial institution" or a "Schedule III bank" (each as defined in NI 45-106), (b) the Business Development Bank of Canada or (c) a subsidiary of any person referred to in (a) or (b) above, if the person owns all the voting securities of the subsidiary, except the voting securities required by

law to be owned by the directors of that subsidiary) shall have a statutory right of action for damages and/or rescission against the Company if this document or any amendment thereto contains a misrepresentation. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against the Company. This right of action for rescission or damages is in addition to and without derogation from any other right the purchaser may have at law. In particular, Section 130.1 of the Securities Act (Ontario) provides that, if this document contains a misrepresentation, a purchaser who purchases the New Shares during the period of distribution shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and has a right of action for damages or, alternatively, may elect to exercise a right of rescission against the Company, provided that (a) the Company will not be liable if it proves that the purchaser purchased the New Shares with knowledge of the misrepresentation; (b) in an action for damages, the Company is not liable for all or any portion of the damages that the Company proves does not represent the depreciation in value of the New Shares as a result of the misrepresentation relied upon; and (c) in no case shall the amount recoverable exceed the price at which the New Shares were offered.

Section 138 of the *Securities Act* (Ontario) provides that no action shall be commenced to enforce these rights more than (a) in the case of any action for rescission, 180 days after the date of the transaction that gave rise to the cause of action or (b) in the case of any action, other than an action for rescission, the earlier of (i) 180 days after the purchaser first had knowledge of the fact giving rise to the cause of action or (ii) three years after the date of the transaction that gave rise to the cause of action. These rights are in addition to and not in derogation from any other right the purchaser may have.

Certain Canadian income tax considerations. Prospective purchasers of the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the New Shares as any discussion of taxation related matters in this document is not a comprehensive description and there are a number of substantive Canadian tax compliance requirements for investors in the Provinces.

Language of documents in Canada. Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

European Union

This document has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this document may not be made available, nor may the New Shares be offered for sale, in the European Union except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "Prospectus Regulation").

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of New Shares in the European Union is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

INTERNATIONAL OFFER RESTRICTIONS

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except, if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the FMC Act and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

Other than in the entitlement offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Norway

This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.

The New Shares may not be offered or sold, directly or indirectly, in Norway except to "professional clients" (as defined in Norwegian Securities Regulation of 29 June 2007 no. 876 and including non-professional clients having met the criteria for being deemed to be professional and for which an investment firm has waived the protection as non-professional in accordance with the procedures in this regulation).

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Switzerland

The New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange or any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering material relating to the New Shares (i) constitutes a prospectus or a similar notice as such terms are understood under art. 652a, art. 752 or art. 1156 of the Swiss Code of Obligations or a listing prospectus within the meaning of art. 27 *et seq.* of the SIX Listing Rules or (ii) has been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

Neither this document nor any other offering material relating to the New Shares may be publicly distributed or otherwise made publicly available in Switzerland. The New Shares will only be offered to regulated financial intermediaries such as banks, securities dealers, insurance institutions and fund management companies as well as institutional investors with professional treasury operations. This document is personal to the recipient and not for general circulation in Switzerland.



INTERNATIONAL OFFER RESTRICTIONS

United Arab Emirates

Neither this document nor the New Shares have been approved or passed on in any way by the Emirates Securities and Commodities Authority ("ESCA") or any other governmental authority in the United Arab Emirates. The Company has not received authorisation from the ESCA or any other governmental authority to market or sell the New Shares within the United Arab Emirates. This document does not constitute, and may not be used for the purpose of, an offer of securities in the United Arab Emirates. No services relating to the New Shares, including the receipt of applications, may be rendered within the United Arab Emirates.

No offer or invitation to subscribe for New Shares is valid, or permitted from any person, in the Abu Dhabi Global Market or the Dubai International Financial Centre.

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of the FSMA) in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

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C. Basis of preparation

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PRO FORMA FINANCIALS – BASIS OF PREPARATION

Basis of preparation

The basis of preparation in compiling the combined group's pro forma statement of financial position and pro forma earnings and leverage information post Entitlement Offer and Acquisition and the combined group's statement of financial position post Entitlement Offer and Acquisition disclosed on slide 17 of this presentation is set out below:

- The pro forma historical financial information has been prepared in accordance with the recognition and measurement principles described in Australian Accounting Standards (including Australian Accounting Interpretations). The accounting policies used in preparation of the pro forma historical financial information are materially consistent with those set out in the Emeco annual financial report for the year ended 30 June 2019.
- The pro forma historical financial information is presented in an abbreviated form and does not contain all the disclosures required by Australian Accounting Standards in an annual financial report prepared in accordance with the Corporations Act.
- The pro forma historical financial information has been derived from Emeco's audited Financial Report for the year ended 30 June 2019 and based on the audited financial reports of Pit N Portal Equipment Hire Pty Ltd, Pit N Portal Mining Services Pty Ltd, Pit N Portal Corporate Services Pty Ltd and Pit N Portal Plant Services Pty Ltd for the year ended 30 June 2019 for Pit N Portal (Note: Pit N Portal Corporate Services Pty Ltd and Pit N Portal Plant Services Pty Ltd do not form part of the Acquisition as Pit N Portal will be restructured post 30 June 2019 and before completion of the Acquisition).
- Emeco's complete Financial Report for the year ended 30 June 2019 is available from Emeco's website www.emecogroup.com, or ASX's website www.asx.com.au.
- The pro forma historical financial information illustrates the financial performance of the combined group as if the Acquisition and Entitlement Offer was effective from 1 July 2018 for the purposes of the statement of profit and loss and the earnings and from 30 June 2019 for the purposes of the statement of financial position and leverage information.
- The pro forma historical information has applied provisional acquisition accounting. Emeco has 12 months from the date of acquisition to finalise the acquisition accounting which includes the final determination of purchase consideration, identification and fair value assessment of all tangible and intangible assets acquired and liabilities assumed with any resulting goodwill or bargain discount recognised in the financial statements. As a result, the final acquisition accounting entries may differ from those recognised in the pro forma disclosed in this document.



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RECONCILIATIONS OF OPERATING EBITDA

Emeco (\$Am)	FY19 EBITDA ¹	1H20 unaudited EBITDA
Statutory result	195	113
Long term incentive expense	15	8
Redundancy and restructuring expense	4	1
Acquisition costs	(0)	1
Impact of AASB 16 Leases ³	-	(3)
Operating result	214	119

Pit N Portal (\$Am)	FY19 EBITDA
Statutory result	20
Bad debt write-off ²	3
Bad debt recovery ²	(3)
Pro forma result	20

1. Extracted from the 30 June 2019 audited financial report of Emeco.

2. Adjustment for reversal of the impact of a bad debt, shares received in lieu of cash, and proceeds from deed of company arrangement (DOCA) proceeds received.

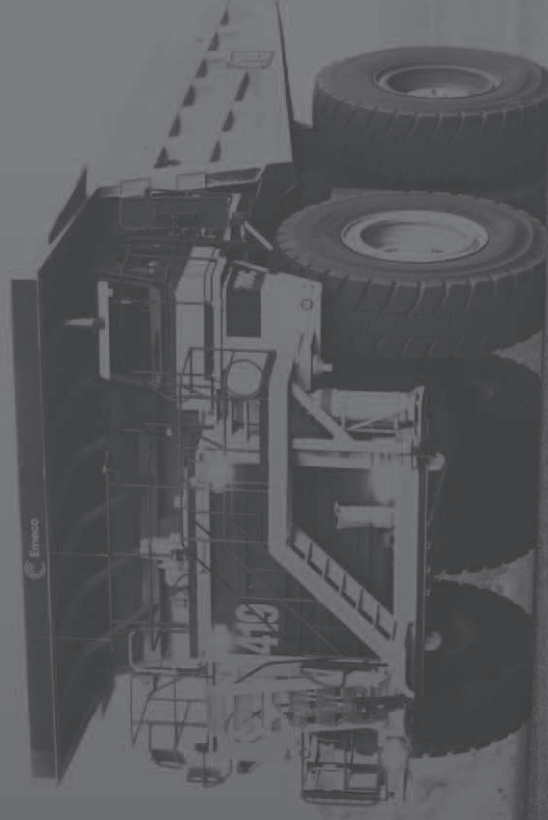
3. The impact of AASB 16 Leases has been removed for comparative purposes only.

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6. IMPORTANT INFORMATION

This Offer Booklet (including the ASX announcements in Section 5) and enclosed personalised Entitlement and Acceptance Form (**Information**) have been prepared by Emeco.

This Information is dated Wednesday 5 February 2020 (other than the Emeco Investor Presentation and the Entitlement Offer Announcement, published on the ASX website on Wednesday 29 January 2019) and is also available at www.emecogroup.com. This Information remains subject to change without notice and Emeco is not responsible for updating this Information.

There may be additional announcements made by Emeco after the date of this Offer Booklet and throughout the period that the Entitlement Offer is open that may be relevant to your consideration of whether to take up, or do nothing in respect of, all or part of your Entitlement. Therefore, it is prudent that you check whether any further announcements have been made by Emeco (by visiting the ASX website at www.asx.com.au, or Emeco's website at www.emecogroup.com) before submitting your application to take up all or part of your Entitlement or deciding to do nothing in respect of your Entitlement.

No party other than Emeco has authorised or caused the issue of this Information, or takes any responsibility for, or makes, any statements, representations or undertakings in this Information.

This Information is important and requires your immediate attention

You should read this Information carefully and in its entirety before deciding how to deal with your Entitlement. In particular, you should consider the risk factors outlined in the "Key Risks" section of the Emeco Investor Presentation included in Section 5 of this Offer Booklet, any of which could affect the operating and financial performance of Emeco or the value of an investment in Emeco.

You should consult your stockbroker, solicitor, accountant, financial adviser or other professional adviser to evaluate whether or not to participate in the Entitlement Offer.

6.1 Eligible Retail Shareholders

This Information contains an offer of New Shares to Eligible Retail Shareholders in Australia and has been prepared in accordance with section 708AA of the Corporations Act as notionally modified by ASIC.

Eligible Retail Shareholders are those persons who:

- are registered as a holder of Shares as at the Record Date, being 7.00pm (Sydney time) on Friday 31 January 2020;
- have a registered address on the Emeco share register in Australia or New Zealand, or are a Shareholder that Emeco has otherwise decided is entitled to participate;
- are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent such person holds Emeco ordinary shares for the account or benefit of such person in the United States);
- were not invited to participate in the Institutional Entitlement Offer and were not treated as an Ineligible Institutional Shareholder; and
- are eligible under all applicable securities laws to receive an offer under the Entitlement Offer.

Shareholders who are not Eligible Retail Shareholders are Ineligible Retail Shareholders. Emeco reserves the right to determine whether a shareholder is an Eligible Retail Shareholder or an Ineligible Retail Shareholder.

By returning a completed personalised Entitlement and Acceptance Form or making a payment by BPAY®, you will be taken to have represented and warranted that you satisfy each of the criteria listed above to be an Eligible Retail Shareholder. Nominees, trustees or custodians are therefore advised to seek independent professional advice as to how to proceed.

6.2 Ranking of New Shares

New Shares issued under the Entitlement Offer will be fully paid and rank equally in all respects with existing Emeco ordinary shares. The rights and liabilities attaching to the New Shares are set out in Emeco's constitution, a copy of which is available at www.emecogroup.com.

6.3 Risks

The Emeco Investor Presentation details important factors and risks that could affect the financial and operating performance of Emeco. You should refer to the "Key Risks" section of the Investor Presentation released to ASX on Wednesday 29 January 2019 which is included in Section 5 of this Offer Booklet. You should consider these factors in light of your personal circumstances, including financial and taxation issues, before making a decision in relation to your Entitlement.

6.4 Reconciliation, Top-Up Shares and the rights of Emeco and the Underwriter

The Entitlement Offer is a complex process and in some instances investors may believe that they will own more Emeco shares than they ultimately did as at the Record Date or are otherwise entitled to more New Shares than initially offered to them. In addition, the number of New Shares that are offered may need to increase to take account of the rounding referred to in Section 6.6. These matters may result in a need for reconciliation. If reconciliation is required, it is possible that Emeco may need to issue additional New Shares (**Top-Up Shares**) to ensure that the relevant investors receive their appropriate allocation of New Shares. The price at which these Top-Up Shares would be issued is not known.

Emeco also reserves the right to reduce the size of an Entitlement or number of New Shares allocated to Eligible Shareholders, or persons claiming to be Eligible Shareholders or other applicable investors, if Emeco believes in its complete discretion that their claims are overstated or if they or their nominees fail to provide information requested to substantiate their claims. In that case, Emeco may, in its discretion, choose not to issue any, or to issue a lesser number of, New Shares to the relevant shareholder or require the relevant shareholder to transfer excess New Shares to the Underwriter at the Offer Price per New Share. If necessary, the relevant shareholder may need to transfer existing Emeco ordinary shares held by them or to purchase additional Shares on-market to meet this obligation. The relevant shareholder will bear any and all losses caused by subscribing for New Shares in excess of their Entitlement and any actions they are required to take in this regard.

By applying under the Entitlement Offer, those doing so irrevocably acknowledge and agree to do the above as required by Emeco in its absolute discretion. Those applying acknowledge that there is no time limit on the ability of Emeco or the Underwriter to require any of the actions set out above.

6.5 No cooling off rights

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been accepted.

6.6 Rounding off Entitlements

Where fractions arise in the calculation of an Entitlement, they will be rounded up to the nearest whole number of New Shares.

6.7 Quotation and trading of New Shares

Emeco has applied for quotation of the New Shares on ASX in accordance with the ASX Listing Rule requirements. If ASX does not grant quotation of the New Shares, Emeco will repay all Application Monies (without interest). It is expected that trading on the ASX of New Shares to be issued under the Retail Entitlement Offer will commence at 10.00am (Sydney time) on Monday 24 February 2020 on a normal settlement basis. Application Monies will be held by Emeco on trust for applicants until the New Shares are allotted. No interest will be paid on Application Monies.

It is the responsibility of applicants to determine the number of New Shares allotted and issued to them prior to trading in the New Shares. Emeco will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares they believe will be issued to them before they receive their holding statements, (whether on the basis of confirmation of the allocation provided by Emeco or failure to maintain their updated details on the Emeco Share Registry or otherwise), or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

If you are in any doubt as to these matters, you should first consult with your stockbroker, solicitor, accountant, financial adviser or other professional adviser.

6.8 Notice to nominees and custodian

If Emeco believes you may hold Shares as a nominee or custodian you will have received, or will shortly receive, a letter in respect of the Retail Entitlement Offer. Nominees and custodians should consider carefully the contents of that letter.

Persons acting as nominees for other persons must not take up Entitlements on behalf of, or send any documents related to the Entitlement Offer to, any person in the United States or any person that is acting for the account or benefit of a person in the United States. Persons in the United States and persons acting for the account or benefit of persons in the United States will not be able to take up or exercise Entitlements and will receive no value for any such Entitlements held.

Emeco is not required to determine whether or not any registered holder or investor is acting as a nominee or custodian or the identity or residence of any beneficial owners of Shares or Entitlements. Where any person is acting as a nominee or custodian for a foreign person, that person, in dealing with its beneficiary, will need to assess whether indirect participation in the Entitlement Offer by the beneficiary complies with applicable foreign laws. Emeco is not able to advise on foreign laws.

6.9 Not investment advice

This Offer Booklet is not a prospectus, product disclosure statement or other form of disclosure document under the Corporations Act and has not been lodged with ASIC. It is also not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. Emeco is not licensed to provide financial product advice in respect of the New Shares. This Information does not purport to contain all the information that you may require to evaluate a possible application for New Shares, nor does it purport to contain all the information which would be required in a prospectus prepared in accordance with the requirements of the Corporations Act. It should be read in conjunction with Emeco's other periodic statements and continuous disclosure announcements lodged with ASX, copies of which are available at www.emecogroup.com.

Before deciding whether to apply for New Shares, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. If, after reading the Information, you have any questions about the Entitlement Offer, you should contact your stockbroker, solicitor, accountant, financial adviser or other professional adviser or call the Emeco Shareholder Information Line on 1800 689 300 (within Australia) or +61 1800 689 300 (outside Australia) between 8.30am and 5.30pm (Sydney time), Monday to Friday.

Nominees and custodians may not distribute any part of this Offer Booklet in the United States or in any other country outside Australia except:

- Australian nominees may send this Offer Booklet and related offer documents to beneficial shareholders who are professional or institutional shareholders in other countries (other than the United States) listed in, and to the extent permitted under, the "International Offer Restrictions" set out in Appendix B of the Emeco Investor Presentation included in Section 5 of this Offer Booklet; and
- to beneficial shareholders in other countries (other than the United States) where Emeco may determine it is lawful and practical to make the Entitlement Offer.

6.10 Information availability

If you are in Australia you can obtain a copy of this Offer Booklet during the Entitlement Offer by calling the Emeco Shareholder Information Line on 1800 689 300 (within Australia) or +61 1800 689 300 (outside Australia) between 8.30am and 5.30pm (Sydney time), Monday to Friday.

A replacement Entitlement and Acceptance Form can also be requested by calling the Emeco Shareholder Information Line.

If you access the electronic version of this Offer Booklet, you should ensure that you download and read the entire Offer Booklet. The electronic version of this Offer Booklet on the Emeco website will not include an Entitlement and Acceptance Form.

6.11 Foreign jurisdictions

This Information has been prepared to comply with the requirements of the securities laws of Australia. To the extent that you hold Shares or Entitlements on behalf of another person resident outside Australia, it is your responsibility to ensure that any participation (including for your own account or when you hold Shares or Entitlements beneficially for another person) complies with all applicable foreign laws and that each beneficial owner on whose behalf you are submitting the personalised Entitlement and Acceptance Form is not in the United States and not acting for the account or benefit of a person in the United States.

This Offer Booklet does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Entitlement Offer, the Entitlements or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia.

The distribution of this Information (including an electronic copy) outside Australia may be restricted by law. If you come into possession of this Information, you should observe such restrictions and should seek your own advice on such restrictions. See the foreign selling restrictions set out in "Appendix B: International Offer Restrictions" of the Emeco Investor Presentation included in Section 5 of this Offer Booklet for more information.

Any non-compliance with these restrictions may contravene applicable securities laws.

New Zealand

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of Emeco with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand).

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

6.12 Underwriting of the Entitlement Offer

Emeco has entered into an underwriting agreement (**Underwriting Agreement**) with the Underwriter who has agreed, subject to the satisfaction of certain conditions precedent, to fully underwrite the Entitlement Offer. As is customary with these types of arrangements:

1. the obligation to underwrite is subject to the satisfaction of certain conditions precedent, including the delivery of certain due diligence materials and execution of the Acquisition Agreement;
2. Emeco has agreed, subject to certain carve-outs, to indemnify the Underwriter and its affiliates and their respective directors, officers, and employees against all costs, claims, damages, liabilities or other losses or expenses of any kind it may suffer or incur in connection with the Entitlement Offer; and
3. Emeco and the Underwriter have given certain representations, warranties and undertakings in connection with (among other things) the Entitlement Offer.

The Underwriter may (in certain circumstances, having regard to the materiality of the relevant event), terminate the Underwriting Agreement and be released from its obligations under it on the occurrence of certain events, including (but not limited to) where:

- a statement contained in any offer document (including this Retail Offer Booklet and all ASX announcements made in connection with the Entitlement Offer) does not comply with the Corporations Act (including if a material statement in any of the Offer Documents is or becomes misleading or deceptive or is likely to mislead or deceive, including by omission), or a matter required to be included is omitted from an offer document;
- the cleansing notice lodged by Emeco in respect of the Entitlement Offer is “defective” within the meaning of the Corporations Act or Emeco is required to give a corrective statement except by reason of a failure to comply with section 708AA(12) (as notionally inserted by ASIC Instrument 2016/84);

- Emeco is or will be prevented from conducting or completing the Entitlement Offer in accordance with the ASX Listing Rules, ASIC, ASX or any applicable laws;
- ASIC takes certain actions in connection with the Entitlement Offer or an offer document;
- Emeco is removed from the official list of ASX, its shares are suspended from quotation, or approval for quotation of New Shares is not given by the ASX;
- the Acquisition Agreement is terminated, rescinded or repudiated, becomes void or voidable, illegal, invalid, unenforceable or materially limited in its effect, is materially breached or is materially amended (in each case without the prior written consent of the Underwriter);
- any adverse change occurs, or there is a development involving a prospective adverse change, in the assets, liabilities, financial position or performance, profits, losses or prospects of the Emeco Group taken as a whole;
- hostilities commence or a major escalation in existing hostilities occurs or a significant terrorist act is perpetrated, in each case involving any of Australia, the United Kingdom, any member of the European Union, the United States of America or the Peoples Republic of China
- there is an adverse change or disruption to the political or economic conditions or financial markets of Australia, the United Kingdom or the United States of America or any change or development involving a prospective adverse change in national or international political, financial or economic conditions in any of those countries; or
- Emeco breaches the terms of the Underwriting Agreement.

The ability of the Underwriter to terminate the Underwriting Agreement in respect of some events (including breach of the Underwriting Agreement by Emeco, market disruption, hostilities or adverse change) will depend on whether the Underwriter has reasonable grounds to believe that the event:

- has or could be reasonably expected to have a material adverse effect on the success, settlement or marketing of the Entitlement Offer or on the ability of the Underwriter to market or promote or settle the Entitlement Offer; or
- will, or is likely to, give rise to a liability of the Underwriter under, or a contravention by the Underwriter or its affiliates of, or the Underwriter or its affiliates being involved in a contravention of, any applicable law.

The Underwriter will be paid, in relation to the Entitlement Offer:

- an underwriting fee of 2.4% of the gross proceeds of the Entitlement Offer (excluding the gross proceeds received from Black Diamond Capital Management LLC under the Institutional Entitlement Offer); and
- a management fee of 0.6% of the gross proceeds of the Entitlement Offer.

The Underwriter will also be reimbursed for certain expenses.

Neither the Underwriter nor any of its related bodies corporate and affiliates, nor any of its directors, officers, partners, employees, representatives or agents have authorised or caused the issue of this Information and they do not take any responsibility for this Information or any action taken by you on the basis of such information. To the maximum extent permitted by law, the Underwriter and its related bodies corporate and affiliates and its directors, officers, partners, employees, representatives or agents exclude and disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Entitlement Offer and this Information being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise. Neither the Underwriter nor any of its related bodies corporate and affiliates, nor any of its directors, officers, partners, employees, representatives or agents make any recommendations as to whether you or your related parties should participate in the Entitlement Offer, nor do they make any representations or warranties to you concerning the Entitlement Offer or any such information, and you represent, warrant and agree that you have not relied on any statements made by the Underwriter or any of its related bodies corporate and affiliates or any of its directors, officers, partners, employees, representatives or agents in relation to the New Shares or the Entitlement Offer generally.

6.13 Sub-Underwriting Arrangements – Black Diamond Capital Management LLC

The Underwriter and Black Diamond Capital Management LLC (**Black Diamond**) have entered into a sub-underwriting agreement pursuant to which Black Diamond has agreed to subscribe up to 1,160,766 New Shares offered pursuant to the Retail Entitlement Offer (**Sub-Underwritten Securities**). The Underwriter will pay Black Diamond the following sub-underwriting fee (inclusive of any applicable GST), which is the same fee payable to any other sub-underwriters:

- a commitment fee of 0.5% on the number of Sub-Underwritten Securities for which Black Diamond has accepted an offer to sub-underwrite multiplied by the Offer price; and
- a fee of 0.5% on the number of New Shares for which Black Diamond is required to apply for multiplied by the Offer Price.

The participation of Black Diamond as sub-underwriter is not expected to have any control implications for Emeco.

6.14 Governing law

This Information, the Entitlement Offer and the contracts formed on acceptance of the Entitlement and Acceptance Forms are governed by the laws applicable in Western Australia. Each applicant for New Shares submits to the non-exclusive jurisdiction of the courts of Western Australia.

6.15 Disclaimer or representations

No person is authorised to give any information, or to make any representation, in connection with the Entitlement Offer that is not contained in this Information.

Any information or representation that is not in this Information may not be relied on as having been authorised by Emeco, or its related bodies corporate, in connection with the Entitlement Offer. Except as required by law, and only to the extent so required, none of Emeco, nor any other person, warrants or guarantees the future performance of Emeco or any return on any investment made pursuant to this Information or its content.

6.16 Withdrawal of the Entitlement Offer

Emeco reserves the right to withdraw all or part of the Entitlement Offer and this Information at any time, subject to applicable laws, in which case Emeco will refund Application Monies in relation to New Shares not already issued in accordance with the Corporations Act and without payment of interest. In circumstances where allotment under the Institutional Entitlement Offer has occurred, Emeco may only be able to withdraw the Entitlement Offer with respect to New Shares to be issued under the Retail Entitlement Offer.

To the fullest extent permitted by law, you agree that any Application Monies paid by you to Emeco will not entitle you to receive any interest and that any interest earned in respect of Application Monies will belong to Emeco.

6.17 Privacy

As a shareholder, Emeco and the Emeco Share Registry have already collected certain personal information from you. If you apply for New Shares, Emeco and the Emeco Share Registry may update that personal information or collect additional personal information about you. Such information may be used to assess your acceptance of the New Shares, service your needs as a shareholder, provide facilities and services that you request and carry out appropriate administration.

To do that, Emeco and the Emeco Share Registry may disclose your personal information for purposes related to your shareholdings to their agents, contractors or third party service providers to whom they outsource services, in order to assess your application for New Shares and for ongoing administration of the register, or to printers and mailing houses for the purposes of preparation of the distribution of shareholder information and for handling of mail, or as otherwise permitted under the Privacy Act 1988 (Cth).

If you do not provide us with your personal information we may not be able to process your application. In most cases you can gain access to your personal information held by (or on behalf of) Emeco or the Emeco Share Registry. We aim to ensure that the personal information we retain about you is accurate, complete and up to date. To assist us with this, please contact us if any of the details you have provided change. If you have concerns about the completeness or accuracy of the information we have about you, we will take steps to correct it. You can request access to your personal information by telephoning or writing to Emeco through the Emeco Share Registry as follows:

Link Market Services Limited
Level 12
680 George Street
Sydney NSW 2000
Ph: +61 1800 502 355 (free call within Australia)

CORPORATE DIRECTORY

Emeco Shareholder Information Line

Within Australia: 1800 689 300

Outside Australia +61 1800 689 300

Open between 8.30am to 5.30pm (Sydney time) Monday to Friday during the Retail Entitlement Offer period.

Issuer

Emeco Holdings Limited

ABN 89 112 188 815

Level 3

71 Walters Drive

Osborne Park WA 6017

www.emecogroup.com

Share Registry

Link Market Services Limited

ABN 54 083 214 537

Level 12, 680 George Street

Sydney NSW 2000

www.linkmarketservices.com.au

Australian Legal Counsel

Hogan Lovells

20 Martin Place

Sydney NSW 2000

Lead Manager and Underwriter

Goldman Sachs Australia Pty Ltd

Governor Phillip Tower

1 Farrer Place

Sydney NSW 2000

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Head office

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E corporate@emecogroup.com

Level 3, 71 Walters Drive, Osborne Park WA 6017, Australia
PO Box 1341, Osborne Park DC WA 6916, Australia

emecogroup.com





Emeco Holdings Limited
ABN 89 112 188 815

All Registry communications to:
Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia
Telephone: 1800 689 300
From outside Australia: +61 1800 689 300
ASX Code: EHL
Website: www.linkmarketservices.com.au

SRN/HIN/Application Number:

Entitlement Number:

Number of Eligible Shares held as
at the Record Date, 7:00pm (Sydney time)
on 31 January 2020:

Entitlement to New Shares
(on 1 New Share for 10.29 existing shares basis):

Amount payable on full acceptance
at A\$2.07 per New Share:

Offer Closes
5:00 pm (Sydney time): 14 February 2020

ENTITLEMENT AND ACCEPTANCE FORM

As an Eligible Retail Shareholder you are entitled to acquire 1 New Share for every 10.29 existing Emeco shares that you hold on the Record Date, at an offer price of A\$2.07 per New Share (your "Entitlement"). This is an important document and requires your immediate attention. If you do not understand it or you are in doubt as how to deal with it, you should contact your accountant, stockbroker, solicitor or other professional adviser. Unless otherwise defined, capitalized terms in this form have the meaning set out in the Offer Booklet.

IMPORTANT: The Offer is being made under the Offer Booklet dated 5 February 2020. The Offer Booklet contains information about investing in the New Shares. Before applying for New Shares, you should carefully read the Offer Booklet. This Entitlement and Acceptance Form should be read in conjunction with the Offer Booklet.

If you do not have a paper copy of the Offer Booklet, you can obtain a paper copy at no charge, by calling the Emeco Shareholder Information Line on 1800 689 300 (within Australia) or +61 1800 689 300 (from outside Australia).

PAYMENT OPTIONS

If you wish to take up all or part of your entitlement, you have two payment options detailed below.

OPTION 1: PAYING BY BPAY®

If paying by BPAY®, refer to the instructions overleaf. **You do NOT need to return the Acceptance Slip below if you elect to make payment by BPAY®.** Payment must be received via BPAY® before 5:00 pm (Sydney time) on 14 February 2020. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry in time. By paying by BPAY® you will be deemed to have completed an Acceptance Slip for the number of Shares subject of your payment.

OPTION 2: PAYING BY CHEQUE, BANK DRAFT OR MONEY ORDER

If paying by cheque, bank draft or money order, complete and return the Acceptance Slip below with your Application Monies. No signature is required on the Acceptance Slip. The Acceptance Slip with your Application Monies must be received by the Registry before 5:00 pm (Sydney time) on 14 February 2020.



Biller Code: 310052
Ref:

Telephone & Internet Banking – BPAY®

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. More info: www.bpay.com.au

® Registered to BPAY Pty Ltd ABN 69 079 137 518

See overleaf for details and further instructions on how to complete and lodge this Entitlement and Acceptance Form.

THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDING RECORDED ABOVE.



Emeco Holdings Limited
ABN 89 112 188 815

Acceptance slip - Please detach and enclose with payment

SRN/HIN/Application Number:

Entitlement Number:



A Number of New Shares accepted (being not more than your Entitlement shown above)

B Payment amount
(Multiply the number in section A by A\$2.07)

A\$

C PLEASE INSERT CHEQUE, BANK DRAFT OR MONEY ORDER DETAILS – Cheques, bank drafts or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to "EMECO HOLDINGS LIMITED" and crossed "Not Negotiable".

Drawer

Cheque Number

BSB Number

Account Number

Amount of Cheque

A\$

D CONTACT DETAILS – Telephone number

Telephone number – after hours

Contact name

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EMECO HOLDINGS LIMITED

The Entitlement Offer to which this Entitlement and Acceptance Form relates is not being made to investors located or resident outside of Australia and New Zealand. In particular the Entitlement Offer is not being made to any person in the U.S. or to a U.S. person. The Offer Booklet and Entitlement and Acceptance Form do not constitute an offer or invitation to acquire New Shares in any place in which, or to any person to whom, it would be unlawful to make such an offer or invitation.

ACCEPTANCE OF ENTITLEMENT OFFER

By either returning the Entitlement and Acceptance Form with payment to the Registry, or making payment received by BPAY®:

- you represent and warrant that you are an Eligible Retail Shareholder, that you have read and understood the Offer Booklet and that you acknowledge the matters, and make the warranties and representations contained in section 3.8 of the Offer Booklet; and
- you provide authorisation to be registered as the holder of New Shares acquired by you and agree to be bound by the Constitution of Emeco Holdings Limited.

HOW TO APPLY FOR NEW SHARES

1. IF PAYING BY BPAY® (AVAILABLE TO SHAREHOLDERS WITH AN AUSTRALIAN BANK ACCOUNT ONLY)

If you elect to make payment using BPAY® you must contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. For more information on paying by BPAY®: www.bpay.com.au

Work out the total amount payable by you. To calculate the total amount, multiply the number of New Shares you wish to apply for by A\$2.07.

Refer overleaf for the Biller Code and Reference Number. The Reference Number is used to identify your holding. If you have multiple holdings you will have multiple Reference Numbers. You must use the Reference Number shown on each personalised Entitlement and Acceptance Form when paying for any New Shares that you wish to apply for in respect of that holding.

2. IF PAYING BY CHEQUE, BANK DRAFT OR MONEY ORDER

Complete all relevant sections of the Entitlement and Acceptance Form USING BLOCK LETTERS. These instructions are cross referenced to each section of the Entitlement and Acceptance Form.

A. Acceptance of New Shares

Enter into section A the number of New Shares you wish to apply for. The number of New Shares must be equal to or less than your Entitlement, which is set out overleaf.

B. Payment Amount

Enter into section B the total amount payable by you. To calculate the total amount multiply the number in Section A by A\$2.07.

C. Cheque, bank draft or money order details

Enter your cheque, bank draft or money order details in section C. Cheques, bank drafts or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to "EMECO HOLDINGS LIMITED" and crossed "Not Negotiable". Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. If you provide a cheque or money order for the incorrect amount, Emeco Holdings Limited may treat you as applying for as many New Shares as your cheque, bank draft or money order will pay for.

D. Contact details

Enter your contact telephone number where we may contact you regarding your acceptance of New Shares, if necessary.

3. HOW TO LODGE YOUR ENTITLEMENT AND ACCEPTANCE FORM

A reply paid envelope is enclosed for your use. No postage stamp is required if it is posted in Australia. Alternatively, if you have lost the reply paid envelope, or you have obtained the Offer Booklet electronically, your completed Acceptance Slip with the payment for New Shares may be mailed to the postal address, or delivered by hand to the delivery address, set out below. **If paying by BPAY® you do not need to complete or return the Acceptance Slip.** You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry by the close of the offer.

Mailing Address

Emeco Retail Entitlement Offer
C/- Link Market Services Limited
GPO Box 3560
Sydney NSW 2001

Hand Delivery

Emeco Retail Entitlement Offer
C/- Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138 **(Please do not use this address for mailing purposes)**

Make sure you send your Acceptance Slip and Application Monies allowing enough time for mail delivery, so Link Market Services Limited receives them no later than 5:00 pm (Sydney time) on 14 February 2020. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. Emeco Holdings Limited reserves the right not to process any Acceptance Slips and cheques received after the Closing Date.

If you require further information on how to complete this Entitlement and Acceptance Form, please contact the Emeco Shareholder Information Line on 1800 689 300 (within Australia) or +61 1800 689 300 (from outside Australia) between 8:30am and 5:30pm (Sydney time) Monday to Friday.