



Allmine Group Limited and its Controlled Entities
ABN 68 128 806 271

ASX Preliminary Final Report
30 June 2011

Lodged with the ASX under
Listing Rule 4.3A



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Commentary

The Directors of Allmine Group Limited (ASX: AZG) (the Company) are pleased to announce the Company's 2010/2011 Preliminary Financial Report.

Financial and Operation Highlights

- The Company was listed on the Australian Securities Exchange ("ASX") 28 February 2011 raising \$10 million, the proceeds of which were applied to retire debt and acquire the Karratha based mobile plant maintenance business Godfrey's Fitting Service ("Godfrey's").
- Revenue up 21% to \$29.2 million.
- Pro-forma net profit after tax up 81% to \$2.7 million.
- Debt of \$10.3 million was retired during the financial year.
- The Company acquired the mining services design, engineering and construction company Arccon (WA) Pty Limited ("Arccon") on 30 June 2011.
- As at the date of this report the Arccon order book stands at approximately \$70 million and a potential pipeline of projects of approximately \$2.5 billion.

Notes:

- (1) The financial results include pre-IPO interest bearing costs for debt that was retired prior to 30 June 2011 of \$0.728 million. This interest expenses was not forecast in the Prospectus due to the delay in the Company's official admission to the ASX.
- (2) The financial results include 3 months of earnings from the Godfrey's acquisition not 12 months as outlined in the Prospectus. This was due to the delay in the Company's official admission to the ASX. The earnings impact for the delayed settlement for Fiscal 2011 was \$4.5m in revenue and \$0.52m in net profit after tax.
- (3) Arccon revenue for Fiscal 2011 was \$80 million with a corresponding net profit after tax of \$3 million.

Financial & Operational Review

During the year, several major initiatives were undertaken:

1. The Company was officially admitted to the ASX.
2. Debt of \$10.3 million was retired.
3. The Company acquired Godfrey's for \$1.85 million.
4. The Company entered into a binding term sheet to acquire the Port Hedland fixed plant maintenance business Carey Gardner Engineering Pty Limited (now known as Maxx Engineering) for \$2.25 million (a part payment is subject to earn-out). Maxx Engineering extends the Allmine Group Maintenance Division service offering into fixed plant maintenance and also enables the Company to establish mobile plant maintenance services into Port Hedland. The acquisition of Maxx Engineering has subsequently been formally contracted and is scheduled for financial close during September 2011.

Commentary (continued)

5. The Allmine Group Maintenance Division closed its Perth metro operation in order to focus on the Goldfields, Pilbara and Northern Territory mining regions. The plant and equipment from the Perth facility has been deployed across other Company operations

Restructure costs of approximately \$0.5 million for the closure of this facility were expensed during Fiscal 2011.

6. The Company acquired the mining design, engineering and construction firm Arcccon in an all scrip transaction for \$22.8m (\$7.8 million deferred and is subject to earn-out). The acquisition of Arcccon completed the Company "Life of Mine" operating strategy. Arcccon has provided the Company with immediate scale, work-in-progress and a significant pipeline of potential transactions.

Outlook

Macroeconomic:

The market consensus forecast for long term commodity prices are for price increases across the spectrum of mineral commodities. This commodity price outlook when dove-tailed with the current Australian engineering and construction sector committed investment of \$211 billion and investment under consideration of \$426 billion (Source: Deloitte Access Economics and Arup Monitor, March 2011) implies solid growth prospects for the mining and mining services industries for the medium to longer term. This macro view is consistent with what the Company is currently experiencing.

At the business level:

Allmine Maintenance Division

The Allmine maintenance division remains in a "demand pull" situation whereby the demand for services exceeds supply. Further, the current shortage of mining mobile plant is also a positive for this division as the industry's fleet of mining equipment will be run harder and for longer life-cycles, thereby increasing maintenance requirements. Constraining factors for growth will be access to suitably qualified and experienced technicians and accommodation in the remote regions.

Allmine Design, Engineering & Construction Division – Arcccon

At this point in time Arcccon has an unprecedented level of work-in-progress and pipeline of projects. The Alliance Agreements between Arcccon and MCC Mining (Western Australia) Pty Ltd ("MCC") and China Non-Ferrous Metal Industry's Foreign Engineers and Construction Co Ltd ("NFC") has provided Arcccon with the ability to deploy significant Chinese engineering resources and capabilities in conjunction with a capital solution (project finance) to its customers.

Arcccon, apart from the MCC and NFC Alliance Agreements, is also generating high levels of work in its own right. Arcccon's current level of work-in-progress and pipeline transactions underpins earnings in the short to medium term.

Appendix 4E Preliminary Report

Name of entity

ALLMINE GROUP LIMITED

ABN or equivalent company reference:

68 128 806 271

1. Reporting period

Preliminary report for the financial year ended	30 June 2011
Previous corresponding period is the financial year ended	30 June 2010

2. Results for announcement to the market

			\$'000
Revenues from ordinary activities (<i>item 2.1</i>)	up	20.73%	To 29,214
Profit from ordinary activities after tax attributable to members (<i>item 2.2</i>)	up	80.82%	To 2,762
Dividends (<i>item 2.4</i>)	Amount per security	Franked amount per security	
Interim dividend	Nil	Nil	
Final dividend	Nil	Nil	
Record date for determining entitlements to the dividend (<i>item 2.5</i>)	Not Applicable		
Brief explanation of any of the figures reported above necessary to enable the figures to be understood (<i>item 2.6</i>): Refer attached Preliminary Financial Report for the year ended 30 June 2011.			

3. **Income Statement** (*item 3*)

Refer attached Preliminary Financial Report for the Year ended 30 June 2011

4. **Balance Sheet** (*item 4*)

Refer attached Preliminary Financial Report for the Year ended 30 June 2011

5. **Statement of Cash Flows** (*item 5*)

Refer attached Preliminary Financial Report for the Year ended 30 June 2011

6. **Dividends** (*item 6*)

	Date of payment	Total amount of dividend
Interim dividend – year ended 30 June 2011	Not Applicable	Not Applicable
Final dividend – year ended 30 June 2011	Not Applicable	Not Applicable

Amount per security

	Amount per security	Franked amount per security at % tax	Amount per security of foreign sourced dividend
Total dividend: Current year	0¢	0¢	0¢
Previous year	0¢	0¢	0¢

Total dividend on all securities

	Current period \$A'000	Previous corresponding Period - \$A'000
Ordinary securities (<i>each class separately</i>)	N/A	N/A
Preference securities (<i>each class separately</i>)	N/A	N/A
Other equity instruments (<i>each class separately</i>)	N/A	N/A
Total	N/A	N/A

7. **Details of dividend or distribution reinvestment plans in operation are described below** (*item 7*):

There is no dividend reinvestment plan in place	
The last date(s) for receipt of election notices for participation in the dividend or distribution reinvestment plan	N/A

8. Statement of retained earnings (*item 8*)

	Consolidated	
	2011	2010
	\$'000	\$'000
Balance at the beginning of year	(1,356)	(2,883)
Net profit attributable to members of the parent entity	2,762	1,527
Total available for appropriation	1,406	(1,356)
Dividends paid		
Balance at end of year	1,406	(1,356)

9. Net tangible assets per security (*item 9*)

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	\$0.1651	\$0.1196

10. Details of entities over which control has been gained or lost during the period: (*item 10*)

Control gained over entities

Name of entities (<i>item 10.1</i>)	Arccon (WA) Pty Ltd
Date(s) of gain of control (<i>item 10.2</i>)	30 June 2011
Profit (loss) from ordinary activities after tax of the controlled entities for the whole of the previous corresponding period (<i>item 4.3</i>)	\$3,016,916

Loss of control of entities

Name of entities (<i>item 10.1</i>)	None
Date(s) of loss of control (<i>item 10.2</i>)	
Contribution to consolidated profit (loss) from ordinary activities after tax by the controlled entities to the date(s) in the current period when control was lost (<i>item 10.3</i>).	
Profit (loss) from ordinary activities after tax of the controlled entities for the whole of the previous corresponding period (<i>item 4.3</i>)	

11. Details of associates and joint venture entities (*item 11*)

Name of associate or joint venture entity (*item 11.1*)

%Securities held (*item 11.2*)

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Aggregate share of profits (losses) of associates and joint venture entities (*item 11.3*)

Group's share of associates' and joint venture entities':

Profit (loss) from ordinary activities before tax

Income tax on ordinary activities

Net profit (loss) from ordinary activities after tax

Adjustments

Share of net profit (loss) of associates and joint venture entities

2011 \$	2010 \$
Nil	Nil
Nil	Nil
Nil	Nil

12. Significant information relating to the entity's financial performance and financial position.

Refer attached Preliminary Financial Report for the year ended 30 June 2011.

13. The financial information provided in the Appendix 4E is based on the preliminary financial report (attached), which has been prepared in accordance with Australian accounting standards (*item 13*).

14. Commentary on the results for the period.

Refer attached preliminary Financial Report for the year ended 30 June 2011.

15. Information on Audit.

The full year report is based on accounts which are in the process of being audited.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2011

	2011 \$'000	2010 \$'000
Continuing Operations		
Revenue	29,214	24,197
Changes in inventories of finished goods and work in progress	(86)	(745)
Raw materials and consumables used	10,682	6,626
Royalty expenses		
Employee benefits expense		
Occupancy expenses	881	1,110
Event expenses		
Advertising expenses	58	121
Freight expenses		
Travel expenses		
Depreciation and amortisation expenses	813	749
Professional fees		
Finance costs	1,418	1,511
Write down of related party loan		
Other expenses	12,686	13,317
Restructuring costs relating to Event Business		
Profit/ (Loss) before tax	2,762	1,508
Income tax benefit		19
Profit / (Loss) for the year from Continuing Operations	2,762	1,527
PROFIT/(LOSS) FOR THE YEAR	2,762	1,527
Other comprehensive income		
Exchange differences on translating foreign operations		
Other comprehensive income for the year, net of tax		
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	2,762	1,527
Earnings per share		
Basic (cents per share)	0.0113	0.0180

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2011

	2011 \$'000	2010 \$'000
Assets		
Current assets		
Cash and bank balances	3,886	524
Trade and other receivables	28,779	5,819
Inventories	11,224	9,027
Other assets		
Total current assets	43,889	15,370
Non-current assets		
Deferred tax assets	130	49
Other financial assets	652	647
Property plant and equipment	5,333	4,658
Goodwill	24,682	7,915
Other intangible assets	7,336	940
Total non-current assets	38,133	14,209
Total assets	82,022	29,579
Current liabilities		
Trade payables	9,480	2,277
Other payables and accruals	13,731	2,174
Bank overdraft	6,924	692
Secured loans	1,936	6,657
Deferred Settlement Payments	3,382	997
Finance lease liabilities	1,725	1,966
Provisions	3,009	486
Total current liabilities	40,187	15,249
Non-current liabilities		
Bank term loan	514	750
Convertible Notes	-	2,187
Finance lease liabilities	783	1,147
Provisions	63	63
Total non-current liabilities	1,360	4,147
Total liabilities	41,547	19,396
Net assets	40,475	10,183

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2011 (Continued)

	2011 \$'000	2010 \$'000
Equity		
Issued capital	40,015	11,545
Reserves	460	(1,362)
Accumulated losses		
Equity attributable to owners of the Company		
Non-controlling interests		
Total equity	40,475	10,183

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2011

	Share Capital	Share Option Reserve	Foreign Currency Translation Reserve	Business Combination Valuation Reserve	Asset Revaluation Reserve	Retained Earnings	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2009	7,648	0	(645)	282	0	(2,883)	4,402
Profit for the year						1,527	1,527
Other comprehensive income/ (loss) for the year							
Total comprehensive loss for the year	7,648	0	(645)	282	0	(1,356)	5,929
Asset Revaluation Reserve Movement					344		344
Foreign Currency Translation Reserves Diffs			13				13
Issue of shares	3,897						3,897
Balance at 30 June 2010	11,545	0	(632)	282	344	(1,356)	10,183
Balance at 1 July 2010	11,545	0	(632)	282	344	(1,356)	10,183
Profit for the year						2,762	2,762
Other comprehensive income/ (loss) for the year							
Total comprehensive income for the year	11,545	0	(632)	282	344	1,406	12,945
Share based payments	15,775						15,775
Asset Revaluation Reserve Movement					(17)		(17)
Share Option Reserve Movement		(675)					(675)
Foreign Currency Translation Reserves Diffs			(248)				(248)
Correct Opening Balance	(40)						(40)
Issue of shares	13,866						13,866
Share transaction costs	(1,131)						(1,131)
Balance at 30 June 2011	40,015	(675)	(880)	282	327	1,406	40,475

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2011

	2011 \$'000	2010 \$'000
Cash flows from operating activities		
Receipts from customers	25,086	26,617
Payments to suppliers and employees	(23,283)	(26,038)
Interest received	72	4
Finance costs		
Other income	(1,239)	(1,323)
Net cash provided by / (used in) operating activities	636	(740)
Cash flows from investing activities		
Purchase of property, plant and equipment	(275)	(1,607)
Proceeds from sale of plant and equipment	38	
Payments for intangible assets	(4,944)	
Purchase of businesses	(15,752)	
Net cash used in investing activities	(20,933)	(1,607)
Cash flows from financing activities		
Proceeds from issue of shares	28,469	3,692
Payment for share issue costs	(427)	
Repayment of bank term loan	(10,367)	(1,200)
(Repayment of)/Proceeds from secured loans		
Proceeds from shareholder loans		
Payments for finance lease liabilities		
Net cash provided by financing activities	17,675	2,492
Net increase in cash and cash equivalents	(2622)	145
Cash and cash equivalents at the beginning of financial year	(168)	(324)
Effect of exchange rate changes on the balance of cash held in foreign currencies	(248)	11
Cash and cash equivalents at end of financial year	(3,038)	(168)