



Mitchell
SERVICES

15 October 2025

MITCHELL SERVICES LIMITED
(ASX: MSV)

2025 ANNUAL GENERAL MEETING CHAIRMAN'S ADDRESS

Dear Fellow Shareholders

On behalf of the Board of Mitchell Services Limited (MSV), I am pleased to present the annual Chairman's address.

A Year of Transition and Resilience

FY25 was a year defined by resilience, adaptation, and strategic repositioning. The Company faced a range of external challenges including prolonged adverse weather, temporary mine shutdowns, and a subdued coal market - yet responded decisively.

We secured new contracts in other commodities, invested in innovation, and laid a stronger foundation for long-term growth. The headline numbers reflect a tough operating environment, but beneath them lies the story of a robust business that adapted quickly and effectively to changing market conditions.

Safety Performance

Safety remains MSV's highest priority.

Despite the year's operational complexity and the extensive mobilisation and demobilisation activity across multiple sites, maintaining a stable safety performance in FY25 was an outstanding achievement. This reflects the success of our Critical Risk Management Program, which verifies the effectiveness of key controls designed to prevent serious injuries and fatalities.

We will continue to invest in systems, leadership, and training to drive continuous improvement. The Board is proud of the safety culture embedded across the organisation.

Navigating a Changing Market

FY25 also underscored the structural shifts taking place within Australia's resources industry.

The coal sector has entered a prolonged period of softness, driven by a combination of factors — including adverse weather, temporary mine shutdowns, and, most significantly, the impact of Queensland's coal royalty regime on investment confidence.

While coal remains an important part of our operations, the sector's fundamentals have weakened. In response, MSV has pivoted toward the minerals sector (particularly gold) and decarbonisation-related opportunities.

These transitions take time and capital, but they are critical to ensuring that the business remains aligned with the strongest growth markets in resources.

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By contrast, the gold market has surged, with record prices transforming investment activity both in Australia and globally. Approximately half of group revenue now comes from gold, demonstrating the Company's ability to shift focus and capture opportunity in new markets.

Financial Performance and Early FY26 Momentum

As CEO Andrew Elf will outline in more detail, FY25 saw reduced utilisation and higher costs associated with new project mobilisations.

Revenue of \$197 million and EBITDA of \$26 million represented temporary step-downs from FY24 levels (\$237 million and \$40 million respectively), with post-tax profit of \$0.5 million versus \$9.2 million in FY24.

Encouragingly, FY26 has started very strongly:

- Q1 EBITDA: \$11.8 million
- Q1 Earnings Before Tax: \$6.1 million
- Net debt reduced by 93%, from 30 June to just \$0.9 million at 30 September

These results confirm that FY25 was indeed a transitional year, and that the business has emerged stronger, leaner, and better positioned for sustainable growth.

Strategic Growth and Diversification

FY25 also marked the emergence of Loop Decarbonisation Solutions Pty Ltd (Loop).

Loop provides end-to-end decarbonisation solutions, particularly for clients impacted by reforms to Australia's Safeguard Mechanism legislation.

This represents a deliberate strategic expansion into the fast-growing decarbonisation and sustainability sector — a market aligned with long-term regulatory and global investment trends.

Momentum in this space has accelerated faster than expected, highlighted by the recently announced Sumitomo Corporation transaction, under which Sumitomo will acquire up to 25% of Loop based on a \$24 million valuation.

Sumitomo's partnership validates our strategy and provides a world-class platform for Loop's next phase of growth.

Looking Ahead

With approximately 50% of group revenue now generated from gold, MSV enters FY26 with renewed strength and diversification.

While the coal market remains challenging, our long-term contracts with leading low-cost producers provide stability and optionality should conditions improve.

The combination of a strong balance sheet, a robust contract portfolio, and a clear roadmap for growth positions MSV well to capitalise on opportunities both within and beyond its traditional drilling markets.

FY25 tested the Company's adaptability and reaffirmed the strength of its people, systems, and relationships. The lessons learned and groundwork laid have built a more diversified, resilient, and forward-looking business — one ready to thrive as market conditions evolve.

On behalf of the Board, I extend my sincere thanks to our employees for their commitment, to our clients for their continued trust, and to our shareholders for their support.

We remain committed to delivering sustainable value and long-term growth for all stakeholders.

On behalf of the Board, thank you.

Nathan Mitchell