

22nd October 2010

ASX announcement

Mastermyne secures new contract and opens training centre

Key points:

- Mastermyne's Underground Division secures 3 year contract with Xstrata Coal
- Mastermyne opens new underground training facility in Mackay

Mastermyne Group Limited (ASX Code:MYE) today issued a market update to confirm that it has secured a new contract with Xstrata Coal's Oaky Creek operations to install underground conveyors for the next 3 years.

In addition to the new works Mastermyne has also opened its Underground Training Facility in Mackay in response to the growing demand for skilled labour to support the ongoing growth of the business. The training centre is a strategic initiative to develop a source of semi skilled labour to work on Mastermyne projects. The centre is the only one of its kind in Australia and offers trainees the opportunity to familiarise themselves with the underground environment before commencing on site.

Managing Director Tony Caruso said "the training that the trainees receive will ensure that they are familiar with the safety tools utilised in our operations and that they will receive the basic introductory skills needed to reduce personal injury risk and reduce the safety risk to Mastermyne and their customers. The centre also ensures that the trainees are more productive sooner. He also said that this again demonstrates the difference between Mastermyne and its competitors as an organisation that delivers solutions to complex issues.

The result of the new project and the opening of the training centre ensures that Mastermyne is well placed to deliver on its prospectus forecast numbers and also provides strong visibility into FY 12 and beyond.

Mastermyne's Managing Director Mr Tony Caruso said that Mastermyne continues to experience strong demand for its services and has maintained a strong pipeline of opportunities to win work at existing mines already in production.

About Mastermyne

Mastermyne Group Limited (ASX:MYE) was established in 1996 and is a leading provider of specialised services to the Australian coal mining industry. Mastermyne listed on the ASX on 7 May 2010.

It has three operating divisions, Mastermyne Underground (underground roadway development, installation of conveyors and longwall relocation), Mastermyne Engineering (design and engineering of specialised mining equipment and consumables) and Mastermyne Services (surface electrical, mechanical and maintenance services).

Based in Mackay Queensland, Mastermyne has operations in Queensland's Bowen Basin and the Illawarra and Hunter Valley regions in New South Wales.

For further information contact:

Tony Caruso
Phone (07) 4963 0400