



UNDERGROUND DIAMOND



SURFACE DIAMOND



SURFACE RC



UNDERGROUND PRODUCTION

**THE MINERAL DRILLING
INDUSTRY INNOVATORS**



(ABN 20 112 917 905)

**2010 Annual General Meeting
Perth, Western Australia
26th November 2010**

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Information included in this presentation is dated 25 November 2010.

Company Overview

- Perth based, global mineral drilling contractor; listed on ASX in 2006.
- Surface and underground drilling provider with a fleet of 75 drill rigs across 4 divisions.
- Operations in Australia and North America; focusing on hard-rock mines primarily in gold, base metals and bulk commodities.
- Offering a service differentiation; unique, highly efficient rigs with high calibre personnel.
- Developing a global brand and footprint to rival the major drilling companies.



Vision & Strategic Direction

- Swick's vision is to be the world's leading underground diamond drilling service provider.
 - Now the market leader in Australia with best in practice equipment, a highly efficient and production orientated service offering with strong safety performance.
 - Swick is fast becoming a significant industry player in North America.
 - North America is the largest market in the world for underground diamond drilling with Australia second (based on metres drilled); together representing the majority of the world market.
- In keeping with the Company's vision, Swick recently has re-focused its resources and efforts into its core activities, principally in underground diamond drilling in gold and base metals.
- In the past six months, the Company has disposed of 8 non-essential rigs bringing the overall fleet down to 75 rigs.
- Swick will continue to focus its business development efforts in Australia and North America for the short to medium term.

FY10 Highlights

- Rebound in commodity markets has led to increased activity levels within the mining industry, and specifically the drilling sector.
- Swick steadily improved its rig utilisation throughout the course of FY10, ending the year with 70% of its fleet in work (post year end this has continued to improve).
- North American operation has matured into a strong business underpinned by high calibre clients.
- Decision to re-focus on core strengths, expected to reap rewards in FY11 and beyond.



FY10 Achievements

“Building strong businesses in Australia and North America”

- Contract awarded with Heatherdale Resources (Alaska, USA) for provision of underground diamond drilling services (*August 2009*).
- Contract awards/extension at Peak Gold (NSW), Broken Hill (NSW), Lady Annie (QLD), Renison (TAS), and Henty (TAS) totaling over 100,000 metres of diamond drilling and 370,000 metres of RC drilling (*January 2010*).
- \$17.5 million capital raising completed with major institutions (*March 2010*).
- \$50 million, 3 year contract awarded with Newmont Australia for provision of underground diamond drilling services at Jundee and Tanami mines (*March 2010*).
- Trial awarded with Vale Inco (Ontario, Canada) for provision of underground diamond drilling services (*April 2010*).
- 150,000 metre, 3 year contract awarded with Newmont Canada for provision of underground diamond drilling services at Hope Bay (Nunavit, Canada) (*June 2010*).
- Trial awarded with Newmont USA for provision of underground diamond drilling services at its Nevada Operations (*July 2010*).

North American Operations Overview

North American Clientele



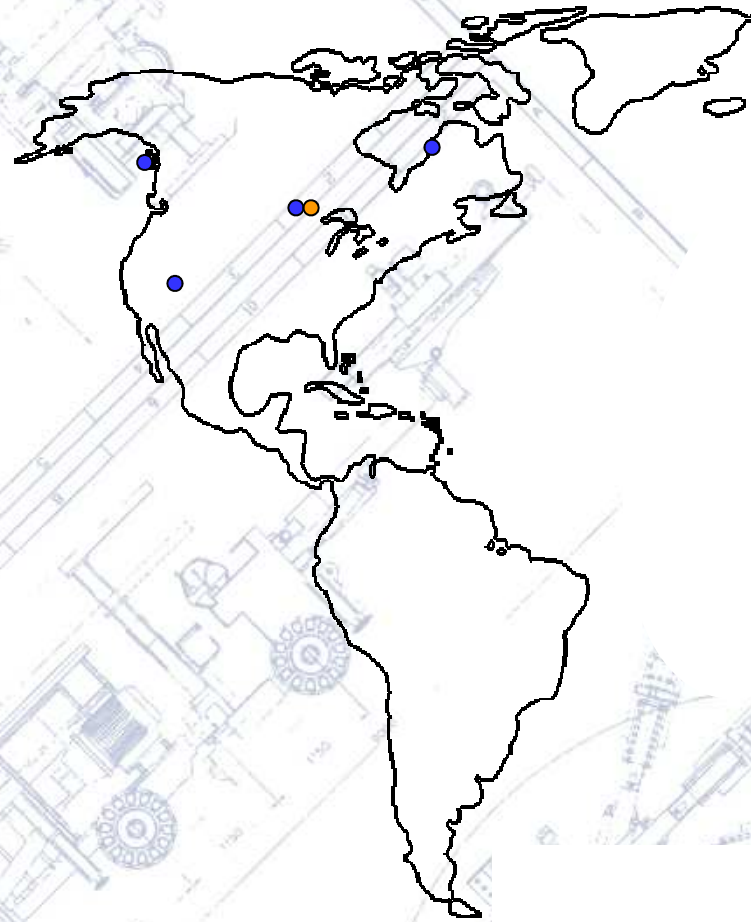
UNDERGROUND DIAMOND

Newmont, Hope Bay (Nunavit)

Newmont, Deep Star (Nevada)

Heatherdale Resources, NiBlack (Alaska)

Vale Inco, Garson (Sudbury)



North American Operations

- Sustainable, profitable entity with an expanding footprint – focused on underground diamond.
- Currently working at:
 - NiBlack (Alaska) contract extended til end of calendar year 2011 – 2 rigs;
 - Newmont (Nevada) on trial, with potential for significant follow-on work – 1 rig.
- Soon to commence at Newmont (Hope Bay) in Nunavit; outstanding opportunity.
- High quality client list formed during first year of operations which includes: Newmont, Heatherdale Resources, Vale Inco, GoldCorp.
- Excellent growth opportunities, growing reputation as a high quality, efficient service provider.



North American Outlook

- Recent strong rebound in North American mineral drilling activity provides optimism .
- Swick offers a significant competitive advantage in modern mines where internal ramps are developed.
- Existing client relationships to provide the stepping stones for future growth.
- Numerous opportunities outside of existing client group being investigated.
- Projecting minimum of 15 rigs in work by June 2012.



Australian Operations Overview

Australian Clientele



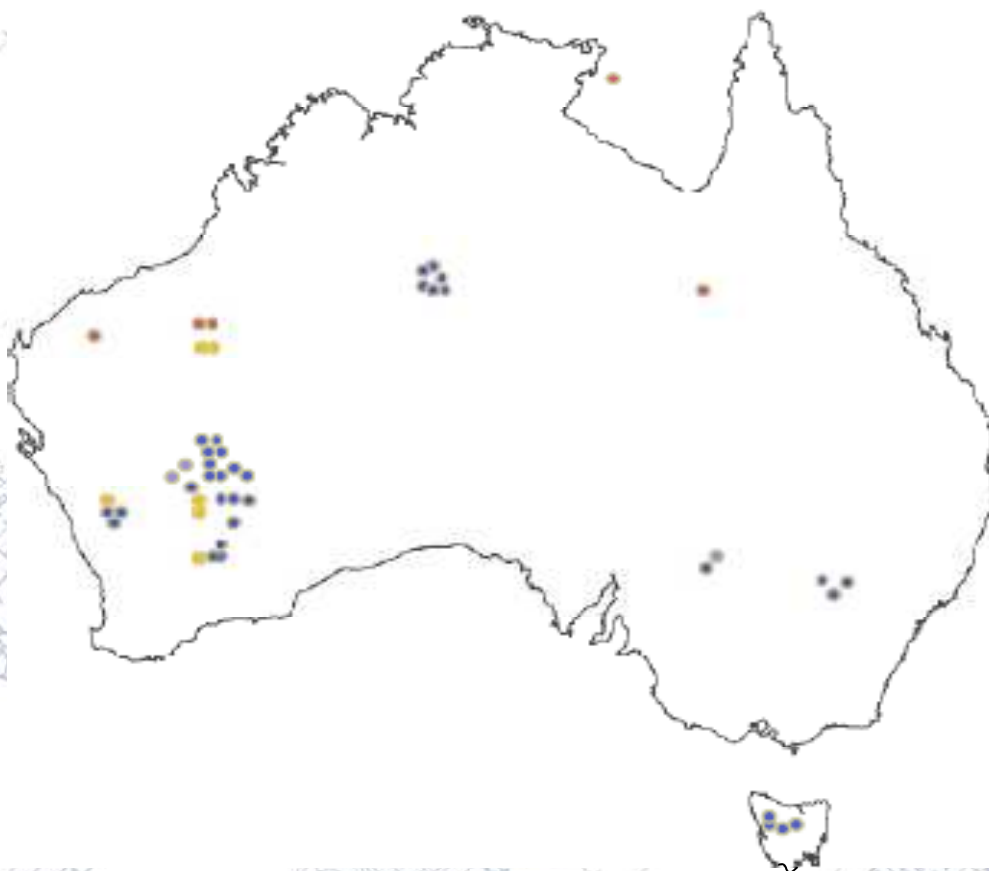
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Newmont
Xstrata
Gold Fields
St Barbara
New Gold
Metals X
Silverlake
Bendigo Mining
Focus Minerals
Ramelius
Perilya
Straits



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Aditya Birla
St Barbara
MMG
Barminto



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Barrick
Metals X
New Gold
Perilya



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BHP Billiton
Rio Tinto
Consolidated Minerals
Lady Annie Exploration

Swick Mining Services at Work



cosmos.mpg

Australian Operations Overview

- Swick's Australian operations are strong and improving.
- Operating in all states and territories of Australia (except ACT).
- Employing approximately 550 personnel, with the majority fly in – fly out.
- Core operating division of Underground Diamond Drilling (UD) is leading the way, generating over 70% of revenue.
- Brownfield focus has been the key to surviving the commodity price impacts, and is now allowing significant rebound in our utilisation rates.
- Increased demand from both new clients and existing clients e.g. Newmont has increased its requirement from 8 UD rigs at start of CY2010 to current level of 13 UD rigs.
- Swick has an excellent reputation and brand recognition in the industry ensuring that Swick has opportunities to tender on all major jobs.
- Numerous opportunities within the Australian market remain for significant expansion.
- Re-focused on core operations; have disposed of a number of non-core assets and/or under-utilised assets including 3x vacuum rigs, 1x L8 blast-hole rig, and 4x surface diamond rigs.

Australian Operations Outlook

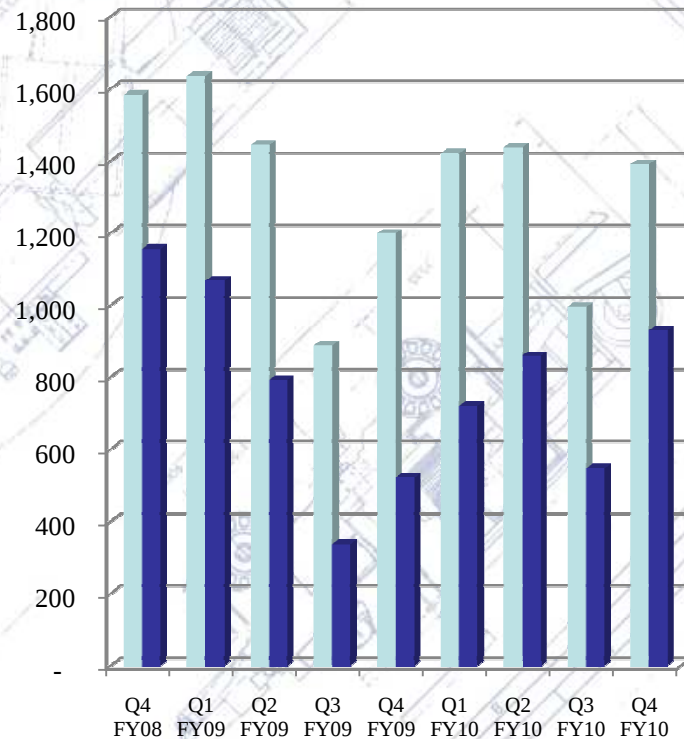
- Sustained market conditions in the mining sector is expected to drive strong demand in second half of FY11.
- Current cycle of high demand allowing necessary margin increases that were eroded during the financial crisis.
- Seasonal impact not expected to be as significant this coming Xmas/New Year with surface fleet working extended seasons and only limited shut downs to the underground operations.
- With Swick near at near full utilisation, focus is on deploying rigs to best performing jobs.



Drilling Industry Trend Analysis

Australian Drilling Activity

Metres Drilled ('000) - Brownfield v Greenfield



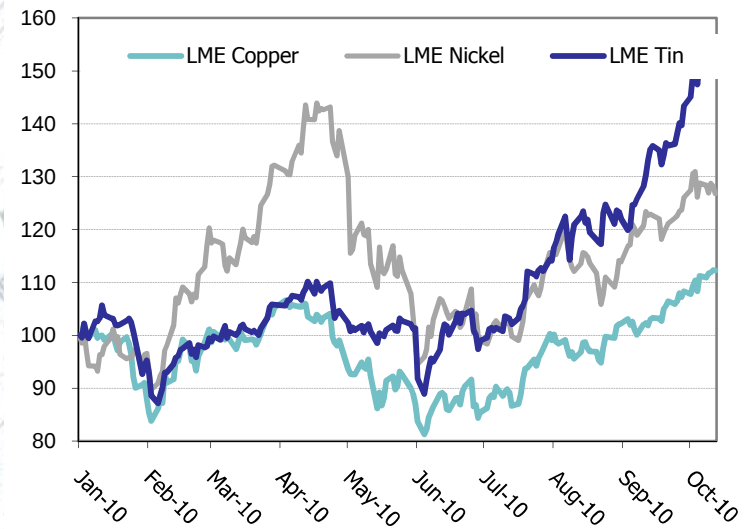
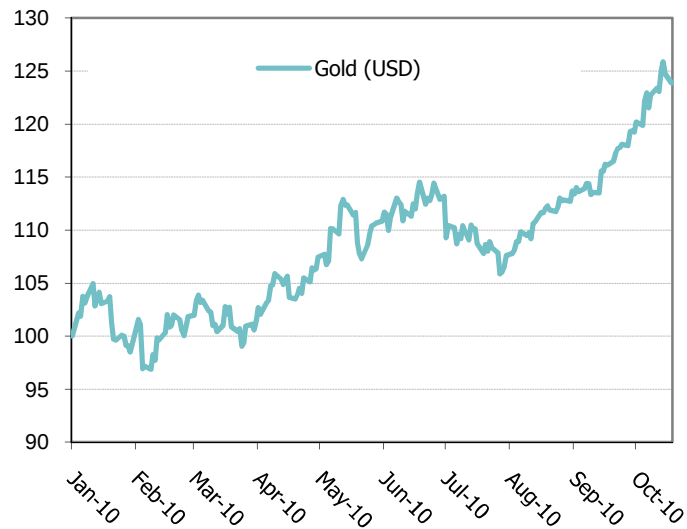
Data source: ABS, Mineral & Petroleum Exploration Australia
Jun Qtr 2010, all service providers

- Activity levels in Australian drilling industry continuing recovery post GFC, still some way to go.
- Recovery underpinned by resurgence in brownfield drilling. Greenfield drilling activity also on the rise.
- Total mineral exploration expenditure was 23.7% higher in the June 2010 quarter against corresponding June 2009 quarter, evidencing rebound.
- According to ABS statistics, Swick performing approximately 20% of total brownfield drilling.

Swick remains focused on brownfield operations to underpin revenue and provide the strongest growth opportunities.

Commodity Price Convergence

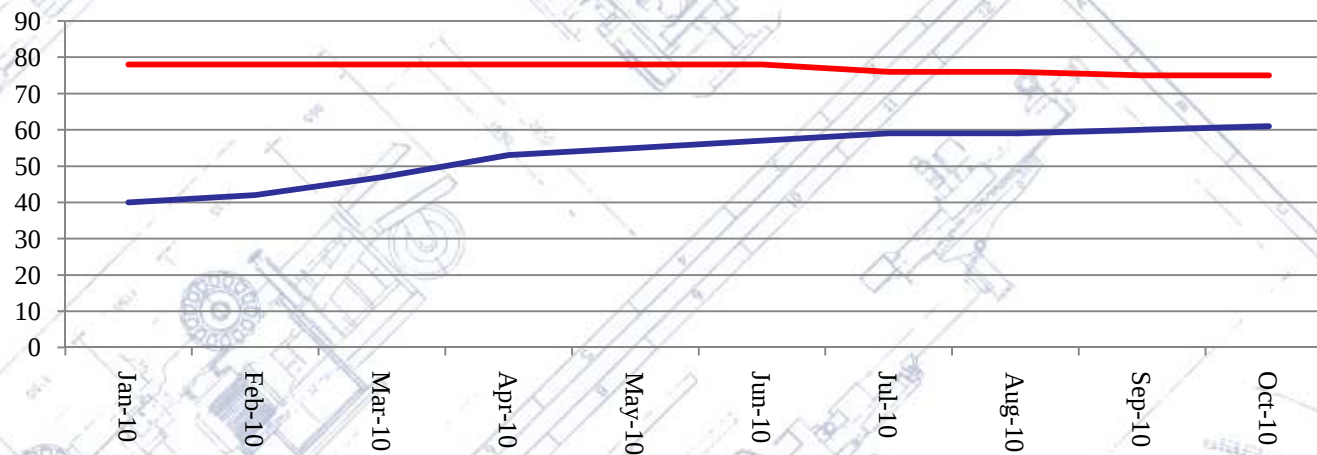
- Gold price (in USD terms) at all time record high level.
- Base metal prices (in USD terms) strengthening; tin at all time record high; copper price rising quickly due to concerns that supply deficits will quickly deplete stockpiles; nickel price improving.
- Converging strength in commodity prices of both precious metals and base metals is unique in history; expected to deliver increasing demand for drilling services.



Company Performance and Financial Position

Global Fleet Utilisation

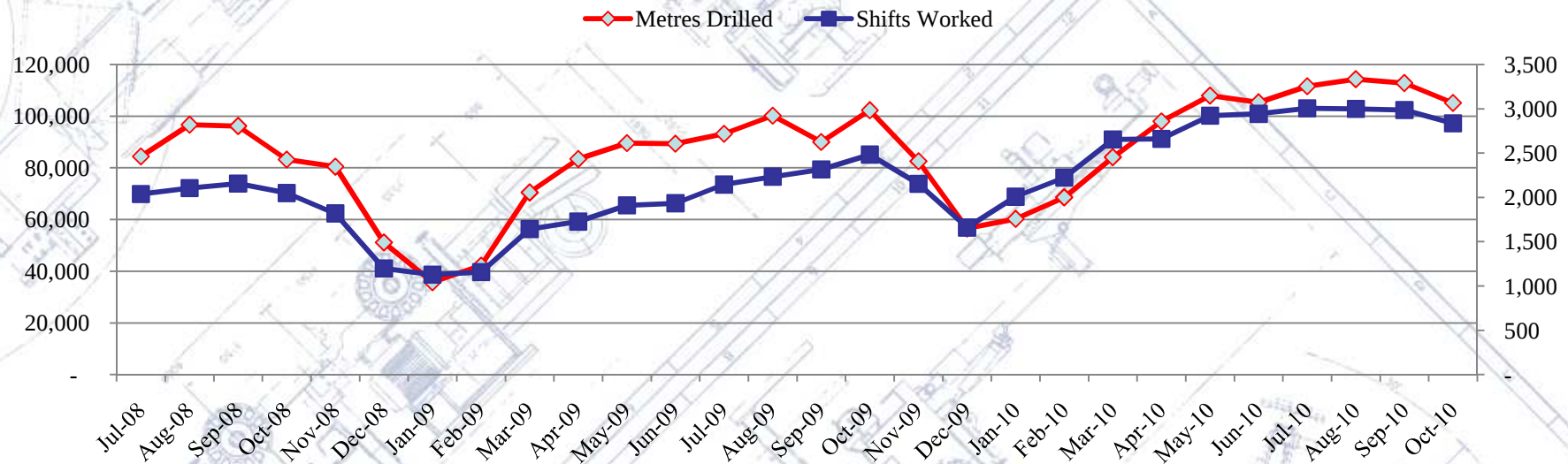
Rigs in Work at Month End



Swick's rig utilisation is continuing to trend up consistent with an overall improvement in activity levels in the drilling industry.

Key Operational Indicators

Metres Drilled and Shifts Worked By Month: Jul 2008 to end October 2010

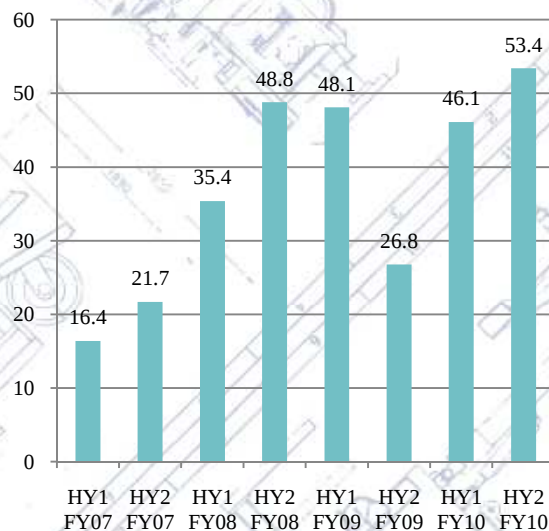


The trend in metres drilled and shifts worked is directly proportional and demonstrates the underlying rebound in activity over the past 18 months.

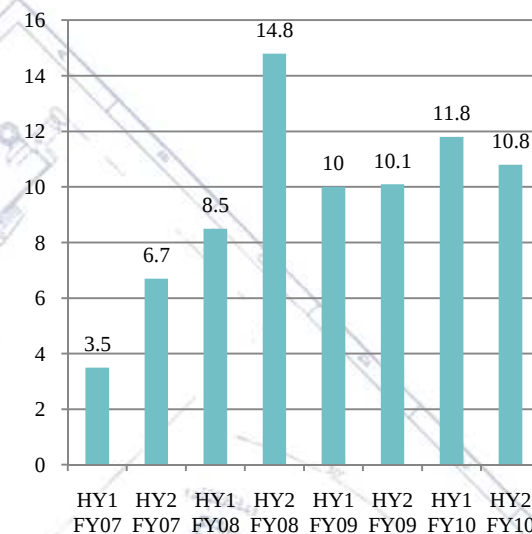
Historical Performance

- Revenue performance historically underpinned by brownfield focus and market position of *Underground Diamond* division.
- Exposure to gold sector supported post GFC recovery.
- Productive drill rigs lessened the impact of margin erosion from competitive pricing.

Revenue (\$m)



EBITDA (\$m)



Operations have stabilised and consolidated post the GFC and are well positioned for the next upswing in activity and improved performance in FY11.

Quarterly Revenue Analysis

Revenue by Quarter

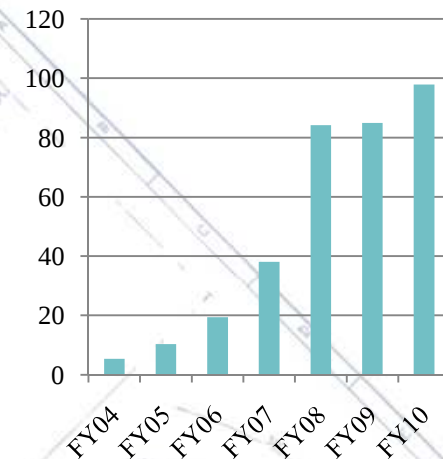


- Revenue demonstrating strong improvement with September 2010 quarter sales up 38% relative to corresponding September 2009 quarter.
- Revenue contribution from North America showing significant improvement.
- Current revenue run-rate (Australia and North America combined) is \$10.7 million. This is expected to improve in second half consistent with increasing rig utilisation.

Company Outlook

- Drilling activity continues to rise, initially underpinned by brownfield drilling and more recently by greenfield recovery.
- Drilling rates have stabilised and on the improve. Margins expected to improve as surplus capacity reduces.
- Australian *Underground Diamond Drilling Division* remains the key revenue driver (73% of FY10 revenue).
- Strong tendering pipeline offers further potential for increased fleet utilisation and revenue.
- Strong Q1 revenue indicates potential for a significant increase in Company revenue in FY11.

Revenue (\$m)



Revenue is expected to grow strongly in FY11 with Australian operations remaining strong and North American operations providing a greater input on the back of increased utilisation and a growing market exposure.

Financial Position

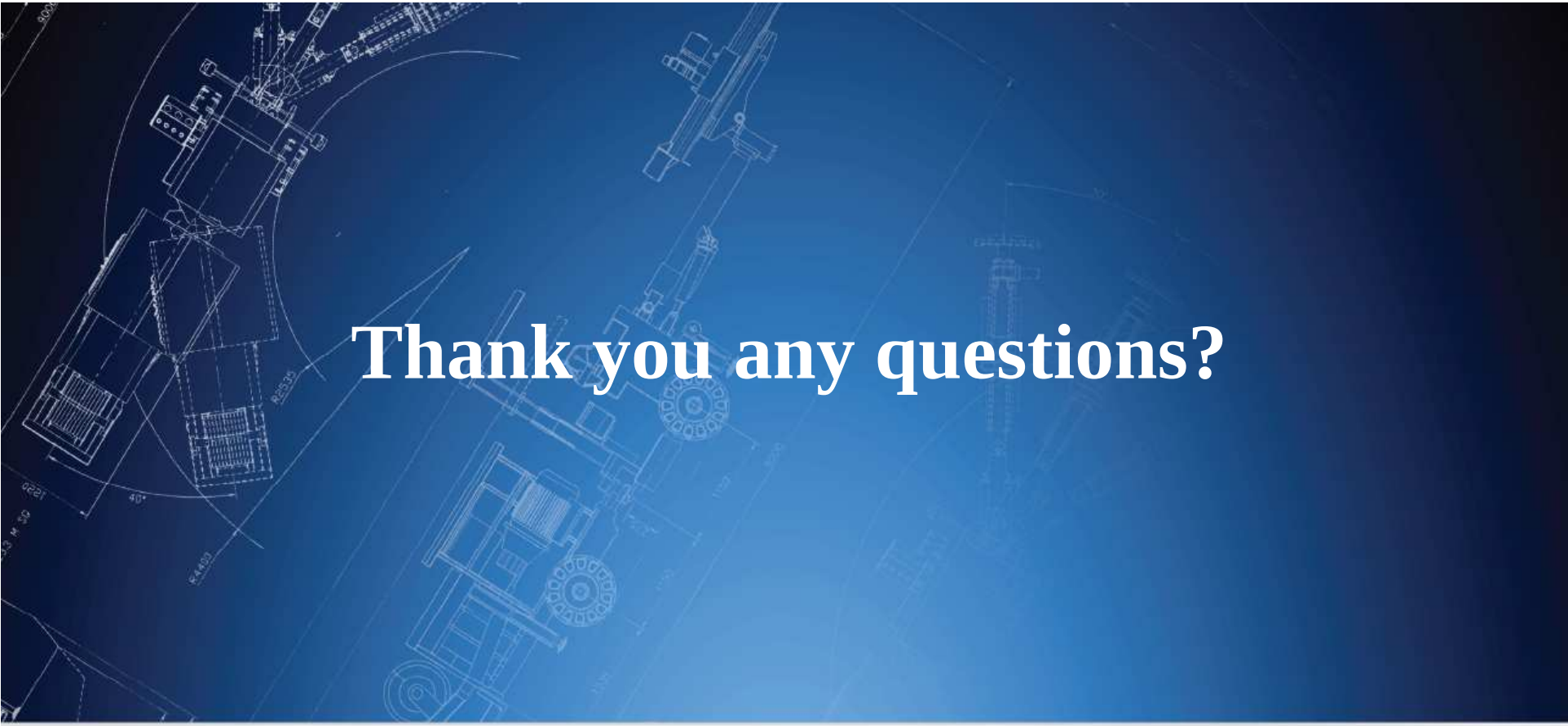
- Cash position strengthened following placement in April 2010.
- Debt being reduced at rate of ~\$1.4m per month
- Hire purchase liabilities to be virtually extinguished by 31 Dec 2012. No other debt.
- Low capex requirements in the short-term, limited number of additional rig builds in *Underground Diamond* division only.

Priority focus: on-going debt reduction to provide working capital flexibility and enable self funding of further growth opportunities in the *Underground Diamond* division.

	30 Jun 10
Cash	\$8.8m
Trade Debtors	\$17.9m
Trade Creditors	\$15.6m
Inventories	\$16.4m
Total Assets	\$153.7m
Debt	\$35.5m
Net Debt	\$26.7m
Net Assets	\$93.1m
Net Debt to Equity	29%
Interest Cover (x)	2.0
Current Ratio (x)	1.4
Quick Ratio (x)	0.5

Summary

- Australian operations strong and improving; scope for improving utilisation and margins.
- Strong presence established in North America; transitioned from opportunity to operational standalone business.
- Significant opportunities in North America stemming from existing client base; word spreading of ‘quality service provision’; main source of growth for medium term.
- Global drill rates improving in line with increasing demand / levels of activity.
- Commodity prices continuing to strengthen; gold and base metal price highs aligning representing unique convergence.
- Focused on maximising return from capital invested; “*making the most of what we have*”.
- Debt being aggressively reduced; debt to be effectively extinguished by December 2012.



Thank you any questions?



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Appendices

Corporate Snapshot

BOARD OF DIRECTORS

Andrew Simpson:	Non-Executive Chairman
Kent Swick:	Managing Director
David Nixon:	Non-Executive Director
Joe Ariti:	Non-Executive Director
Phil Lockyer:	Non-Executive Director
Ian McCubbing:	Non-Executive Director
Ian Hobson:	Company Secretary

CAPITAL STRUCTURE

ASX Code:	SWK
FPO Shares:	236.7 million
Employee Options:	0.3 million
Fully Diluted:	237 million

Completed \$17.5 million placement in April 2010.

SHARE PRICE HISTORY

12 Month High:	\$0.60 (7 Jan 10)
12 Month Low:	\$0.27 (18 November 10)
Previous Close:	\$0.38 (15 May 10)
Average Volume:	460,000 (last 12 months)

Market Cap: \$90 million

SHAREHOLDERS

Total:	~3,600
Top 20:	~73%

Kent Swick:	12.9%
Rosanne Swick:	8.7%
Northcape:	8.4%
UBS:	7.7%
Entrust:	7.6%
Perpetual:	7.1%

Drilling Divisions



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Drilling: Resource definition & exploration.
Rig Type: Swick Mobile Diamond Drill.
Sectors: Gold, base metals.
Sites: Brownfield.
Fast Fact: Leader in productivity, value & safety.
Fleet Size: 56 rigs (47 Australia & 9 North America).



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Drilling: Resource definition & exploration.
Rig Types: Multi-purpose & track mounted.
Sectors: Gold, base metals.
Sites: Brownfield & greenfield.
Fast Fact: Multi-purpose offers diamond core & RC.
Fleet Size: 9 rigs (4 multi-purpose & 5 track).



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Drilling: Production & mine support.
Rig Type: Top head hammer longhole.
Sectors: Gold, base metals.
Sites: Brownfield.
Fast Fact: Offer contracting & management services.
Fleet Size: 6 rigs.



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Drilling: Exploration & resource definition.
Rig Types: Swick Surface RC Drill & track mounted.
Sectors: Iron ore, manganese, gold & base metals.
Sites: Greenfield & brownfield.
Fast Fact: Award winning Swick rig design.
Fleet Size: 7 rigs (6 Swick & 1 track).

Key Business Drivers

Competitive Advantage

- Compete on product differentiation through improved rig design.
- Delivered through in-house R&D and Engineering Departments.
- New innovation remains a key strategic focus.

Fleet Utilisation

- 78% utilisation rate currently across the total fleet (61 in work).
- Underpinned by 43 Underground Diamond rigs in work.

Pricing Competition

- Operational cost base relatively stable; volumes to drive reductions.
- Pricing has stabilised post GFC; entering re-pricing phase.
- Margin improvement expected in FY11 as demand strengthens.

Operational Performance

- Strong focus on maximising efficiency and productivity.
- Supported by management restructure and new appointments.

Market Outlook

- Drilling activity outlook positive; fuelled by rising commodity prices.
- Significant opportunities to increase fleet utilisation during FY11.
- New opportunities in North America & South-East Asia.