

SWICK MINING SERVICES

Swick Mining Services Ltd
(ABN 20 112 917 905)
64 Great Eastern Highway
South Guildford WA 6055

PO Box 74
Guildford WA 6935
P: +61 8 9277 8800
F: +61 8 9277 8844

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ASX ANNOUNCEMENT

CONDITIONS PRECEDENT MET REGARDING SALE OF SURFACE DIAMOND DIVISION FOR \$17 MILLION CASH

Swick Mining Services Ltd (ASX:SWK) is pleased to announce that the conditions precedent relating to the sale of its surface diamond division have now been met.

On 7 January 2011, Swick Mining Services announced the sale of its surface diamond division conditional upon contract assignment, transfer of staff and standard completion matters.

Those conditions are now satisfied and the parties are progressing to settlement and handover.

As previously advised, the sale comprises four (4) KWL1600 multi-purpose rigs, five (5) LF90D surface diamond rigs, associated compressor trucks, support trucks, light vehicles, miscellaneous small plant and selected inventory. The proceeds will be used in part to pay down debt with the remainder (in excess of \$9 million) boosting cash reserves and providing working capital support for the upcoming growth anticipated in the Company's Australian and North American operations.

Managing Director Kent Swick said "The sale is a very good outcome for Swick and the acquirer. I would like to take this opportunity to thank our clients who have supported the transfer and to also thank our staff who have worked tirelessly to bring about this outcome."

Yours faithfully



KENT SWICK
MANAGING DIRECTOR

About Swick Mining Services:

Swick Mining Services (ASX:SWK) is one of Australia's largest mineral drilling contractors, providing high quality, high value underground and surface drilling services to a diverse group of mining houses in gold, iron ore, nickel, copper, lead, zinc and manganese. The Company has a strong reputation for innovation in rig design and drilling practices that delivers improvements in productivity, safety, versatility and value. Swick recently committed to expanding its operations outside of Australia and building a global brand through an expansion into targeted international markets, with an initial focus on North America.

For further information re this announcement, please contact the following on (08) 9277 8800:

Kent Swick
Managing Director

Michael Fry
General Manager – Corporate

Bryan Wesley
Chief Financial Officer

