

SWICK MINING SERVICES

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ASX ANNOUNCEMENT

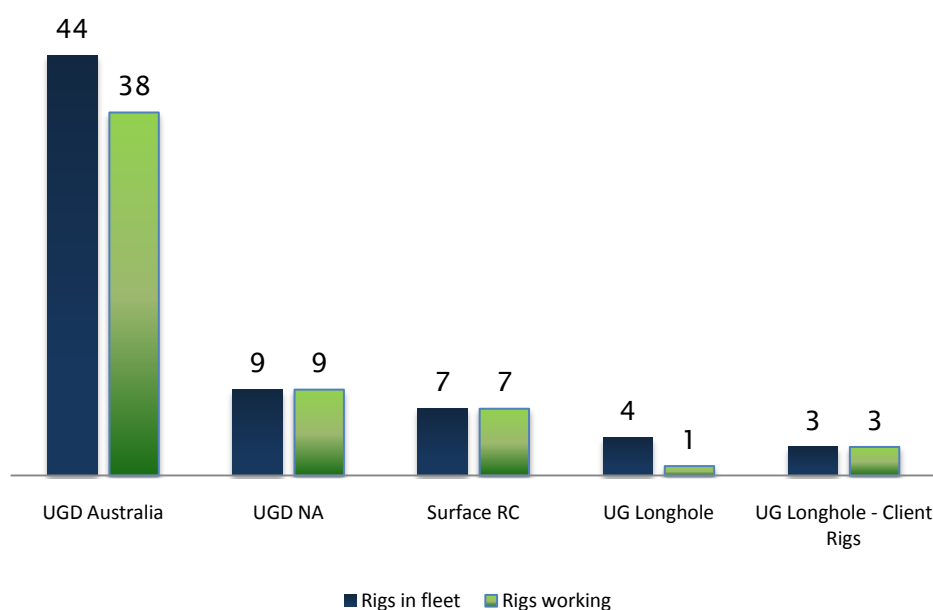
SWICK - Market Update on Demand

Swick Mining Services Ltd (ASX:SWK) is pleased to provide updated guidance for its overall fleet utilisation for the first quarter of FY12 as follows:

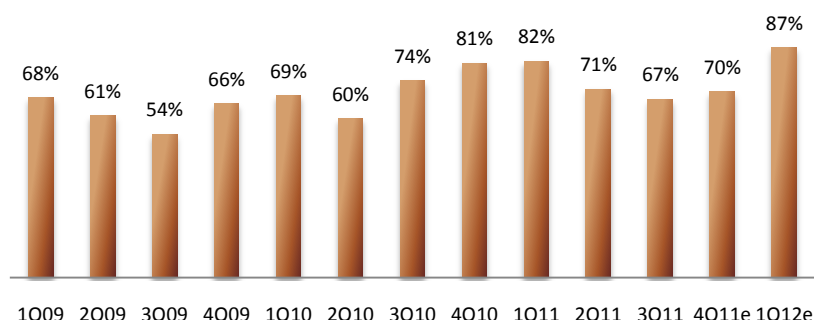
- Recent contract wins and requests for additional rigs at existing contracts indicate that total rigs in work for 1Q12 will be at a record number of 58 (up from recently announced 52) which will provide fleet utilisation above 85%.
- In response to the current demand and the expectation of further increases in demand, the Board of Swick has approved the rebuilding of three existing rigs and the new construction of further three rigs, which will increase the total global Underground Diamond fleet to 59. These rigs have already had major components purchased and should be completed within the 1st half of FY12 at a total cost in the vicinity of \$2.2m. The cost of these rigs will be funded through operating Cashflow.
- The recent orders underpin Swick's previous revenue guidance for FY 12 of \$130m.

The effect of the recent orders on the forecast rigs in work and fleet utilisation are shown below:

Forecast Rigs in Work - 1QFY12



Fleet Utilisation



Swick's Managing Director, Kent Swick states "it is very pleasing to see the concerted efforts made by our Operational and Business Development teams to improve our utilisation and security of income are paying off. Improved market conditions have led to more appropriate charge out rates and combined with improved utilisation, this will be of great benefit to the Company. Swick's philosophy is to maintain continual innovation in drilling that will benefit our employees, customers and shareholders. There are some very exciting Research and Development projects that we are currently working on that will provide excellent safety and productivity advantages to our operations and will keep Swick at the forefront of the industry"

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:

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