## 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

28 June 2011 ASX ANNOUNCEMENT

## **SWICK - Purchases EDMS Underground Drilling Division**

Swick Mining Services Ltd (ASX:SWK) (Swick) is pleased to announce it has entered into an agreement to purchase the underground diamond drilling division of Every Day Mining Services (ASX: EDS) (EDMS).

It is expected that completion will occur on the 30<sup>th</sup> June 2011. The purchase includes seven drill rigs, vehicles and consumables as well as the transfer of experienced local Cobar based crews from EDMS to Swick.

The transaction cements additional work in the Cobar region for Swick with Glencore's CSA Copper Mine and CBH Resources' Endeavor Mine. A total of three rigs will be in place with these clients.

The drill rigs purchased include five skid mounted underground rigs and two mobile rigs. The skid rigs will be relocated to Swick's North American Operations where there is a requirement for additional skid rigs to service the market.

Swick's Managing Director, Kent Swick states "the purchase of EDMS's underground diamond drilling division is a strategic decision that expands our NSW Operations from the current three mines to five contiguous operations ranging from Broken Hill to Tritton. The transaction will be completed with minimal disruption to EDMS's clients and employees and is an excellent outcome for both Companies."

"Swick is well established in Cobar with a regional office and workshop in the town and we will be able to service the new clients very well. We have been contracted in the region since 2004 and we are committed to supporting the local underground operations. "

"We now also have a strong and sustainable business in North America that will benefit by having additional skid based rigs that are easily transportable in shaft access mines. The mobile rigs are great where there is an underground ramp off the shaft, however many mines in Canada in particular, have areas that are only accessible via a vertical shaft and hoist system and the skid rigs purchased will complement our fleet of Swick mobile rigs in North America"

"With that, I am pleased to announce that Swick has secured a new contract in Canada with the major mining house Vale at the Totten Mine in the city of Sudbury, Ontario where our North American business is headquartered. This is an important breakthrough contract in the Sudbury basin with the largest mining house in the region and secures a further 190,000 feet of drilling over a 30 month contract tenure. It is expected that one or two of the skid based rigs acquired in the EDMS transaction will assist in this program."



Yours faithfully

**KENT SWICK** 

MANAGING DIRECTOR

## **About Swick Mining Services:**

1111

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 Bryan Wesley

Managing Director Chief Financial Officer

## **About EDMS:**

EDMS is a diversified mining services business headquartered in Brisbane, Qld.

The group comprises four subsidiaries (EDMS Metals Pty Ltd, EDMS Energy Pty Ltd, EDMS Assets & Logistics Pty Ltd and EDMS Human Capital Pty Ltd) servicing the metalliferous, coal and gas sectors in NSW and Qld. EDMS has operational hubs in Cobar, Gunnedah, Rutherford & Newcastle in NSW and Yatala and Brisbane in Qld.