

03rd October 2018

ASX announcement

Mastermyne Group Limited Provides Operational Update on North Goonyella Contract

Mastermyne Group Limited (ASX Code: MYE) ("Mastermyne" or "the Company") provided the following update on the recent event that has taken place at its Contract at the North Goonyella site.

On the 30th of September Peabody Australia released the following update:

BRISBANE, Australia, Sept. 30, 2018 /PRNewswire/ -- Peabody (NYSE: BTU) today said it has developed a multi-tiered plan in an effort to extinguish the fire and contain the impacts at its North Goonyella Mine in Queensland. The plan was reviewed by the Queensland Mine Inspectorate and is undergoing implementation at this time.

Safety is Peabody's first priority, and the underground mine and surface areas remain restricted to access through exclusion zones while the work continues.

Elements of the plan include:

- Implementing use of a mobile GAG unit – a specialist piece of equipment that generates high-moisture inert gases to displace oxygen supply at a fire zone;
- Installing temporary seals into mine openings following completion of risk assessments and utilizing remote-control equipment to pump a fire-resistant expandable material called Rocsil;
- Ensuring the area is further isolated by additional drilling and sealing of the old longwall panel;
- Working with air quality monitoring experts on a voluntary program of environmental monitoring at North Goonyella, including regular site visits and boundary inspections to assess and analyze air quality data from key points;
- Ensuring all aspects of the exclusion zone and other safety protocols are in place and observed; and
- Utilizing strict risk assessments for all anticipated plan components.

"Working in consultation with the Inspectorate and third-party experts, we're moving safely and as quickly as possible to address the situation," said President Peabody Australia George J. Schuller Jr. "Peabody appreciates the ongoing work of the team at North Goonyella, the Inspectorate, independent technical experts, Queensland Mines Rescue Service, union representatives and all of the people who are engaged in the response to this issue."

The company noted that the fire is ongoing, and it is too early to assess the extent of impacts. Peabody continues to work closely with landholders and neighbors and others to ensure stakeholders have access to up-to-date information about the continuing situation. The company also intends to provide updates on PeabodyEnergy.com.

Mastermyne CEO, Tony Caruso, said "Peabody Australia are providing the Company with updates as they manage this event. Our workforce has been evacuated from the site and at this time we are standing by awaiting the outcome of the actions put in place by Peabody Australia to extinguish the fire. At this stage it is inappropriate to discuss the impact of the event any further and our immediate thoughts are with the teams working to bring the situation under control".

The Company has not amended its guidance as a result of this event.

Further information:

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Liz Blockley – Company Secretary: (07) 4963 0400

Or visit www.mastermyne.com.au

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 two operating divisions, Mastermyne Mining (underground roadway development, installation of conveyors and longwall relocation), Mastertec Products and Services (access solutions (scaffolding & rigging), protective coatings, pipeline services, structural, mechanical, electrical & line boring, fabrication & machining)

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