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ASX ANNOUNCEMENT

### **\$55 MILLION REVENUE FROM NEW DRILLING CONTRACTS**

**Swick Mining Services Ltd (ASX Code: SWK) is pleased to announce that it has been awarded new drilling contracts with a number of leading mining houses including Consolidated Minerals, Oxiana, Jubilee, Territory Resources, Barrick and Newmont. The new work is expected to generate revenue of approximately \$55 million per annum, underpinning the Company's revenue forecasts for FY08 and FY09.**

The new contract awards highlight the strong growth opportunities available to the Company's key underground diamond, surface RC and surface diamond drilling divisions and support the major new rig build program scheduled over the next 24 months. Up to 21 rigs will be locked into the new contracts (18.75 rigs on a full year equivalent basis), including initial contracts for 13 new rigs (eight underground diamond, three RC and two surface diamond).

A summary of the rig rollout under the new contracts is set out below:

<b>Client</b>	<b>U/Ground Diamond</b>	<b>Surface Diamond</b>	<b>Surface RC</b>	<b>Total</b>	<b>Existing Fleet</b>	<b>New Fleet</b>
Consolidated Minerals	3	-	3	<b>6</b>	4	2
Oxiana	4	-	-	<b>4</b>	-	4
Jubilee	2	-	-	<b>2</b>	1	1
Territory Resources	-	-	2	<b>2</b>	1	1
Barrick	2	-	-	<b>2</b>	-	2
Newmont	-	1	-	<b>1</b>	1	-
Silver Lake Resources	1	1	-	<b>2</b>	1	1
Hill End Gold	-	2	-	<b>2</b>	-	2
<b>Total</b>	<b>12</b>	<b>4</b>	<b>5</b>	<b>21</b>	<b>8</b>	<b>13</b>

The Company is finalising formal agreements following the award of the contracts. Details of the individual contract awards are set out below.

### **Consolidated Minerals Contract Award**

Swick Mining Services has secured an upgraded drilling contract with Consolidated Minerals Ltd. The Company will provide up to three underground diamond drill rigs to the Beta Hunt Nickel Mine in Western Australia for a period of 24 months. The contract award continues the Company's highly valued relationship with Consolidated Minerals and the Beta Hunt Nickel Mine, which contracted the very first Swick built underground diamond drill rig in June 2004.

In addition, the Company will provide three RC drill rigs to the Woodie Woodie Manganese Mine in Western Australia for a period of 24 months. The Company currently has one rig drilling at site, with the second and third rigs expected to commence drilling in March and May 2008 respectively. The additional rigs are the production version of the award winning Swick purpose built RC drill rig, which was originally designed to suit the needs of Consolidated Minerals at Woodie Woodie. The Swick RC rig design has proven to be very reliable, productive and safe since first being commissioned in August 2006.

### **Oxiana Contract Award**

Swick Mining Services has secured a new drilling contract with Oxiana Ltd. The Company will provide up to four underground diamond drill rigs to the Golden Grove Base & Precious Metals Mine in Western Australia for an initial period of 24 months for up to 110,000m of drilling per annum. The Company currently has one rig drilling at site, with three additional rigs to be rolled out progressively from 1 January 2008.

Prior to being awarded the contract, the Company undertook a one month trial of underground diamond drilling with one rig at Golden Grove, with the rig performing at an excellent standard and delivering superior productivity to the incumbent driller.

### **Jubilee Contract Award**

Swick Mining Services has secured a new drilling contract with Jubilee Mines NL. The Company will provide two underground diamond drill rigs to the Cosmos Nickel Mine's Prospero Decline in Western Australia for an initial period of 24 months. The Company currently has one rig drilling at site, with the second scheduled to commence drilling in mid January 2008. Additional rigs are expected to be required by Jubilee as drill sites become available in the Prospero and Cosmos declines.

Prior to being awarded the contract, the Company undertook a three month drilling trial for Jubilee with one rig. A review of the trial prepared by Jubilee highlighted the superior versatility, mobility and safety of the Company's rig. Most importantly, the review highlighted the Swick rig's superior productivity, with the rig averaging in excess of 2,600m of drilling per month, approximately three times the average productivity of the incumbent driller. The review also confirmed the significant reduction in client resources and mine infrastructure required to support the Company at site.

### **Territory Resources Contract Award**

Swick Mining Services has secured an upgraded drilling contract with Territory Resources Ltd. The Company will provide two RC drill rigs to the Frances Creek Iron Ore Mine in the Northern Territory for a period of 24 months. The Company currently has one rig drilling at site, with the second Swick purpose built rig expected to commence drilling in March 2008.

### **Barrick Increase in Scope of Contract**

Swick Mining Services recently renewed its underground diamond drilling contract with Barrick Gold Corporation for the Lawlers and Darlot Gold Mines in Western Australia. In effect, each site currently has one full time underground diamond rig. The recent development of a new decline "Fairyland" near the Lawlers Mine has raised the rig requirements for Lawlers/Darlot to a total of four rigs. The additional two rigs will be progressively introduced in the first quarter of CY2008.

**Newmont Contract Award**

Swick Mining Services has secured a new drilling contract with Newmont Mining Corporation. The Company will provide one surface diamond drill rig to the Jundee Gold Mine in Western Australia for an initial period of three months. The Company currently provides underground diamond drilling at the Jundee Gold Mine.

**Silver Lake Resources Contract Award**

Swick Mining Services has secured a new drilling contract with Silver Lake Resources Ltd. The Company will provide one underground diamond drill rig and one surface diamond drill rig to the Daisy Milano Gold Mine in Western Australia for an initial period of 24 months. The Company currently has one underground diamond rig drilling at site, with the surface diamond rig expected to commence drilling in February 2008.

**Hill End Gold Contract Award**

Swick Mining Services has secured a new drilling contract with Hill End Gold Ltd. The Company will provide two surface diamond drill rigs to the Hill End Gold Mine in New South Wales for an initial period of three months for 4,000m of drilling. The rigs are expected to commence drilling in January 2008.

Should you have any questions in relation to this announcement, please contact the below signed on (08) 9277 8800.

Yours faithfully

A handwritten signature in black ink, appearing to read 'K Swick', written in a cursive style.

**KENT SWICK**  
MANAGING DIRECTOR