



MEDIA RELEASE

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SWICK DOUBLES REVENUE FOR RECORD HALF YEAR RESULT

First half highlights:

- First half FY08 revenue of \$34.8 million – up from \$16.4 million (112%) from first half FY07
- Upgraded full year revenue forecast to at least \$84 million
- Nine new rigs commissioned
- Completed a \$28 million capital raising to fund rig build programs

Mineral drilling company Swick Mining Services (ASX:SWK) has announced a record first half profit and an upgrade to its full year earnings forecast, as it continues its market expansion.

The Swick Board of Directors announced the Company had delivered a net profit after tax (NPAT) of \$3.3 million, based on revenue of \$34.8 million for the six months to December 31 2007.

The Board also upgraded its full year revenue guidance from \$80 million, to at least \$84 million.

The half year result is a 200% increase in NPAT from the prior corresponding period, built on a 112% increase in revenue.

Swick Managing Director Kent Swick said the results reflect the continued growth of the Company as it expanded its drilling fleet, and leveraged off of the ongoing strength in the minerals and resources sector.

“Specifically, the significant increase in first half revenue was driven by the continued roll-out of new underground diamond drill rigs,” Mr Swick said.

“During the half we added seven new underground rigs and two new surface diamond rigs. We also have financing and the engineering capability in place to significantly expand the Swick fleet in the next eighteen months,” he said.

The Company currently has a fleet of 38 rigs and has plans to grow this to more than 90 rigs by the end of FY2009.

Mr Swick said with a growing profile, positive client feedback, and confidence in its unique drill rigs particularly in its core business of underground diamond drilling, the outlook for Swick is extremely positive.

“Producers continue to attempt to increase their production to capitalise on strong commodity prices, which despite the recent pullback remain significantly above long-term averages,” he said.

“The majority of the Company’s revenue is derived from production drilling at existing mining operations, as opposed to pure exploration drilling at greenfields projects.

“We are well positioned for growth as our clients continue to capitalise on the strong commodity markets,” he said.

Mr Swick said Swick was focussed on growing its underground diamond division, which was its primary revenue contributor. However, the Company was also setting new benchmarks for other divisions - such as surface RC and underground longhole - as well as considering a number of opportunities to expand activities internationally.

During the first half, Swick cemented a number of new or upgraded contracts for its underground diamond drilling division, including with Consolidated Minerals, Oxiana, Jubilee Mines, Barrick and Silver Lake Resources.

The Company also established new or upgraded contracts for the RC drilling division with Consolidated Minerals and Territory Resources, and the surface diamond drilling division with Newmont Gold Corporation, Silver Lake Resources and Hill End Gold.

In December 2007, Swick announced it had been awarded a number of new drilling contracts, which it expected would generate revenue of \$55 million per annum.

More recently, Swick appointed two new board members, Phil Lockyer and Joe Ariti, both of whom are experienced mining people. Their addition has strengthened the Board and their input will be invaluable as Swick weighs up its various Australian and international opportunities.

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About Swick Mining Service

Swick Mining Services (ASX:SWK) is a specialist mineral drilling services company that provides surface and underground drilling services to the Australian resources and mining industry. The Swick Group has been in operation for 46 years and is recognised as one of the most efficient and cost effective operations in the Australian mining industry.

Swick operates five drilling divisions:

- Underground Diamond
- Surface Diamond
- Surface Reverse Circulation
- Surface Air-Vac
- Underground Longhole

The Company’s clients target a diverse spread of minerals, including copper, nickel, gold, manganese, iron ore and bauxite, and include some of the leading players in the mining industry, including BHP Billiton, Barrick, Newmont, Oxiana, Glencore, Straits, Sally Malay and Consolidated Minerals.

www.swickmining.com.au