

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

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ASX ANNOUNCEMENT

SWICK SECURES CANADIAN DRILLING CONTRACT WITH NEWMONT

Swick Mining Services Ltd (ASX:SWK) is pleased to announce that it has secured a two rig, three year underground diamond drilling contract with global gold major Newmont at the Hope Bay Gold Mine in Canada.

The Hope Bay Gold Mine is located in the arctic region of Canada in the territory of Nunavut. Swick will commence a three year underground diamond drilling contract at the mine in February 2011, utilising two Swick Mobile Diamond Drill rigs from the existing North American fleet. The drilling program consists of an estimated 150,000 metres to 200,000 metres over the three year contract life.

In March 2010, Swick announced that it had been awarded a three year, \$50 million contract renewal with Newmont for the provision of underground diamond drilling services at the Jundee and Tanami Gold Mines in Australia. The new contract at Hope Bay further demonstrates the market leading position of the Swick Mobile Diamond Drill rig and the growing strength of the Company's relationship with Newmont on a global basis.

Managing Director Kent Swick said: "We are very pleased to have secured new drilling contracts in recent months with one of the world's leading mining companies in both Australia and Canada, the two pre-eminent mining markets in the world. It is a major achievement for a company of our size and highlights our growing ability to successfully compete with the multi-national drilling companies on a global stage."

Update on North American Operations

Vale Drilling Trial

In April 2010, Swick secured a two rig, six month underground diamond drilling trial with leading Canadian nickel producer Vale at the Garson Nickel Mine located in the Sudbury Nickel District in Canada. Swick commenced drilling at Garson with two rigs in late April and has delivered strong performance to date, providing confidence in a successful outcome from the drilling trial.

Niblack Drilling Contract

Swick currently has two underground diamond rigs drilling at the Niblack Project in Alaska, owned by Niblack Mineral Development Inc. (formerly CBR Gold Corp) and joint venture partner Heatherdale Resources. The initial contract has been extended by a further 8,000 metres, however the drilling program is likely to increase beyond this scope as favourable results continue to be generated. The Company therefore expects to have these two rigs utilised beyond December 2010.

Completion of LaRonde Drilling Contract

Swick will complete its underground diamond drilling contract at the LaRonde Gold Mine in Quebec, Canada, in June 2010. Swick was not able to achieve its financial objectives at the site and, having been unable to secure improved commercial terms with the client, has provided notice to the client to terminate the drilling contract early and demobilise from site. Whilst disappointing, Management believes that the decision is in the best interests of the Company and its financial performance in North America.

Fleet Utilisation

Following completion of the LaRonde demobilisation, Swick North America will have four of its nine rig fleet in work, with another two allocated under the new contract with Newmont. A number of additional opportunities are being pursued in both Canada and the United States with the aim of moving the fleet to a position of full utilisation during the second half of CY10.

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:

Kent Swick
Managing Director

Michael Fry
Finance Director

Jason Giltay
Company Secretary