

SWICK MINING SERVICES

ABN: 20 112 917 905

64 Great Eastern Highway
South Guildford WA 6055PO Box 74 | Guildford WA 6935
T: +61 8 9277 8800
F: +61 8 9277 8844W: www.swickmining.com23rd July 2019

ASX ANNOUNCEMENT

Swick extends order book to \$353 million

Western Australia – Swick Mining Services Limited ('Swick', ASX: SWK), a leading provider of high-quality underground and surface mineral drilling and mineral analysis services, is pleased to provide an update on contract renewals and new work awarded.

Swick has been awarded a three-year contract extension at the Nevada Gold Mines JV, selected as the preferred tenderer by Silver Lake Resources to provide underground core drilling services at its Mount Monger operation, and an increase in scope at Northern Star Resources' Jundee mine that will see it become Swick's largest ever project.

The awards secure work for 18 rigs (8 existing and 10 additional rigs) and increases Swick's contracted work in hand to \$353 million.

Swick Managing Director Kent Swick said the work not only built on Swick's successful strategy of deploying rigs at high quality projects, but established Swick as a leader in the underground drilling market in the USA.

"We are delighted to be deepening our relationships with existing clients and, in the case of the new work with Silver Lake, returning to a project where we have extensive experience," Mr Swick said.

"It is particularly pleasing that our international strategy is yielding significant results, with a third of our total deployed underground diamond drilling rigs now operating outside of Australia. By the end of September, we will have at least 22 rigs operating in our international operations including the USA, Portugal and Spain – all at major mines with tier one clients.

"This work builds on a successful strategy of moving rigs onto reset rates or better performing projects, while lowering our operating costs, providing us with a strong platform to drive earnings growth in FY2020."

Nevada Gold Mines JV

Swick has been awarded a three-year contract extension from Barrick Gold of North America ('Barrick'), as operator of the Nevada Gold Mines JV between Barrick (61.5%) and Newmont Goldcorp (38.5%), comprising their Nevada gold operations.

Swick's USA division has been servicing Barrick since 2013 and currently operates eight rigs between Turquoise Ridge and Cortez Hill gold mines as well as the Goldrush project. As part of the contract extension, Swick will be deploying two additional rigs to these operations. Swick undertakes underground diamond core drilling and underground RC drilling at the

projects. The contract extension secures work for 10 rigs at fixed pricing for two years, with a rise and fall applicable for the third year.

In total, the Nevada Gold Mines JV produced in excess of 4 million ounces of gold in 2018, more than double the next largest gold mining complex.

The contract extension, combined with the contract recently awarded to Swick at the Pogo gold mine in Alaska, will see Swick take a leading position in the USA underground drilling market.

Mr Swick said: "Our US operations are now locked in for high volume, high value work for the next three years with 10 rigs at the Nevada Gold Mines JV and another eight recently announced at Northern Star's Pogo gold mine in Alaska.

"We are excited about the prospects of further expanding our services at the Nevada Gold Mines JV over time and are currently reviewing exciting new equipment designs to achieve greater productivity in the challenging drilling environment.

"Meanwhile, at Pogo, the first four underground rigs commenced drilling in June and we are planning for the next two to commence in mid-August, with all eight rigs drilling expected to be in operation by the end of September."

Silver Lake Resources

Swick has been selected as the preferred tenderer, subject to contract execution, by Silver Lake Resources to provide underground diamond coring services at its Mount Monger operation. The contract is expected to be for a period of two years with a provision for a 12 month extension.

The contract will commence in August, with three rigs undertaking drilling across the Mount Monger site, namely the Daisy Milano, Cock-eyed Bob and Maxwell's underground mines.

Swick worked at the Daisy Milano project for a decade from 2007 before it was awarded to another contractor in 2016.

Mr Swick said: "It is very satisfying winning work back at this project and we are pleased to now be servicing Silver Lake across their Mount Monger operations."

Northern Star Resources

Northern Star Resources has increased the scope of work for Swick at the Jundee mine from 9 to 14 full time underground diamond coring rigs. Swick will steadily increase its fleet and manning from July to October to meet this increased scope. Northern Star is Swick's largest client and will operate this expanded service under the current contract agreement.

Mr. Swick said: "Once we reach 14 full time rigs at Jundee, it will represent a record number of rigs that Swick has had at any one mine, and the largest Australian underground diamond drilling program I am aware of since we have been in the underground contracting business for over 20 years."

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About Swick Mining Services:

Swick Mining Services Ltd (ASX: SWK) is one of Australia's largest mineral drilling contractors, providing high quality underground and surface drilling services to a diverse group of mining houses and across a spread of commodities. The Company has a strong reputation for innovation in rig design and drilling practices that delivers improvements in productivity, safety, versatility and value. Swick has a global presence with Operational revenue from Australia, United States and Europe.

For further information:

Kent Swick
Managing Director
Ph: +61 8 9277 8800

Jitu Bhudia
Chief Financial Officer
+61 8 9277 8800

Media enquiries:

Adrian Watson
FTI Consulting
Ph: +61 8 9321 8533

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