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REDPATH LAUNCHES DEDICATED COAL DIVISION WITH MAJOR PROJECT ANNOUNCEMENT

Redpath, one of the world's leading mining contractors, has today announced the launch of its dedicated Australian coal mining division as it aims to position itself as one of the country's leading mining contractors.

The announcement coincides with Redpath Australia's first dedicated coal mining contract, a major coal drivage operation based in central Queensland. This project was won on the back of Redpath's innovative work on the Kestrel Mine Extension (KME) project which is located near Emerald in Queensland.

According to Rob Nichols, Chief Executive Officer of Redpath Australia, Redpath aims to use its extensive metalliferous, raiseboring and civil mining experience to apply new concepts and innovations to its coal service offering, with the aim of making serious inroads into the sector.

"Developing a dedicated coal mining operation has been a long term goal for Redpath as we look to establish ourselves as a full turnkey service mining contractor," said Mr. Nichols. "We have already trialled some exciting innovations at the KME project to great success, and we look forward to driving new thoughts and ideas into the coal sector."

An example of Redpath's innovative approach to coal mining includes the unique sliding floor technology it developed for the KME project. By using hydraulic rams to move the floor in a caterpillar like sequence to allow it to act as a base for the bridge conveyor and ventilation duct installation and extension systems, the system reduces the potential risks for accidents and ensured that Redpath's contribution to the KME project was without incident.

"We developed the sliding floor specifically for the KME project and it is just one example of the innovative new direction we are looking to take the company," said Mr. Nichols. "We took an innovative approach to the KME project, which was the key to us securing our first contract in coal, which we expect to be part of even further growth for Redpath over the coming months."

The new contract requires 12.5 kilometres of coal drivage mining to be completed over two years, equating to 180 metres per week with 77 personnel operating the site.

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According to Gavin Ramage, the newly appointed General Manager for Coal at Redpath Australia, while ambitious, the new project's targets are achievable as he looks to raise the bar for Australian contract mining performance and safety.

"We are more than confident that we can deliver as promised within two years thanks to our strong internal structure and safety management systems," said Mr. Ramage.

"This is the first of a number of new projects that we are looking to secure and despite only just launching, our coal division is already looking to drive some serious growth for the company in 2012 and beyond," he added.

Redpath is working on a number of potential coal projects which will be announced in the coming months.

Redpath provides contract mining and engineering services to the underground metalliferous, coal and civil sectors. For more information on Redpath, please visit www.redpathmining.com.

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Having performed work in more than 30 countries since 1962, The Redpath Group provides comprehensive services and experienced mine development with an international team of highly skilled professionals committed to safety and quality. The company is renowned for meeting all challenges and delivering practical innovative solutions. Offices are located in: CANADA – North Bay, Red Lake, Rouyn-Noranda, Sudbury and Timmins; UNITED STATES - Reno; CHILE - Santiago; INDONESIA – Jakarta and Tembagapura; MONGOLIA – Ulaanbaatar; SOUTH AFRICA – Johannesburg; AUSTRALIA – Brisbane and Perth.

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