



Emeco Holdings Limited

Market release
28 June 2007

Emeco Group Acquires JK Mining Assets

Emeco International Pty Ltd, a wholly owned subsidiary of Emeco Holdings Ltd, has acquired the assets of JK Mining for \$13 million. The assets are similar to the type of equipment Emeco uses through out its global operations.

Prior to the sale, JK Mining operated as a contract miner in Queensland, with 19 employees and 30 heavy earthmoving and support vehicles. Their existing load and haul mining contracts will be completed prior to settlement.

Upon acquisition, Emeco will restructure the business into a fully maintained dry hire business model and integrate it into its existing Queensland operations.

Separate to the acquisition, Emeco has negotiated a new hire agreement to supply a large fleet of earthmoving equipment to Kagara Zinc for use at its Balcooma mine commencing on 28 June 2007 for the life of the mine. Emeco will supplement its existing equipment with the additional equipment, staff and facilities acquired from JK Mining. The new arrangements are expected to generate annual revenues of about \$15 million.

Emeco chief executive Laurie Freedman said, “The acquisition of JK Mining assets and the finalization of negotiations with Kagara Zinc are important strategic developments for Emeco and provide further evidence of the growing acceptance of the fully maintained dry equipment rental model by mining companies.”

“The agreement with Kagara Zinc further advances our strategy of diversifying our resources sector exposure by pursuing opportunities to hire our machines and provide our services to base metal producers”, he said.

For further information please contact:

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