

Stock Exchange Announcement

2 August 2008

BRANDRILL ANNOUNCES \$11.25 MILLION PLACEMENT

Brandrill Limited is pleased to announce that it has agreed to place 45,000,000 shares at a price of \$0.25 each to raise \$11.25 million.

The placement is to be made to Resource Capital Fund IV L.P. under Brandrill's 15% placement capacity and is underwritten and managed by Euroz Securities Limited. The funds have been raised to augment Brandrill's future working capital requirements in support of the rapid expansion of the core drill and blast business.

Resource Capital Funds ("RCF") manages private equity funds with mandates to make strategic investments in mining and mining service companies and projects across a diversified range of commodities and geographic regions. RCF has its principal office in Denver, Colorado. Following the placement, RCF will hold 10.6% of the expanded capital of the Company, and a representative of RCF will be offered a position on the Brandrill Board.

Managing Director, Ken Perry, commented "We are very pleased to have RCF as a new substantial strategic investor in Brandrill. The funds will assist us to meet the significant growth opportunities that have occurred and are continuing. There has been a marked increase in activity levels over the last three months best shown by the 20% rise in staff numbers over that period. This higher operational activity level will enable us to comfortably exceed the previous guidance of 15% revenue increase in the 2008-09 year."

The Company is in the process of finalising its financial accounts to 30 June 2008 and the result, which is subject to final audit, is expected to exceed the earlier net earnings guidance of \$10 million. The strength of the mining services sector continues to provide Brandrill with opportunities to achieve substantial growth in both revenue and profitability. The Company expects to announce its final results for 2007-08 on 22 August at which time an updated outlook for 2008-09 will be provided.

For further information: Mr Ken Perry, Managing Director