



AUSDRILL LIMITED.

A.B.N. 95 009 211 474

DRILLING, BLASTING AND EXPLORATION CONTRACTORS

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African Mining Services (Ghana) Pty Ltd

Ausdrill Limited's 100% owned African Mining Services (Ghana) Pty Ltd (AMSG) has been provided with a Letter of Intent for Drilling Services at Newmont's Ahafo Gold Project in Ghana.

The initial contract term is for three years from January 2006 and is expected to generate revenues of approximately US\$25 Million over this period. New capital of approximately US\$6 Million is required for the project, and will be funded primarily through debt facilities.

A formal Award of the project is subject to a number of conditions being met including the execution of a formal Contract Document, and it is expected that these conditions will be met prior to the end of this financial year.

This is a further positive step for the business of AMSG since Ausdrill acquired the 50% interest in AMSG from Henry Walker Eltin Group Limited (Administrators Appointed) in March 2005, and follows on from the successful award of Redback Mining's Chirano Gold Project late last year which has since commenced operations.

This Project extends Ausdrill's long term involvement with Newmont, having worked at Kalgoorlie Consolidated Gold Mines Super Pit operations since 1988 where Newmont is a joint venture partner.

Further information:

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