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BARMINCO SECURES FOUR YEAR CONTRACT EXTENSION AT THE NOVA PROJECT

Leading global hard-rock underground mining services provider Barmenco Holdings Limited (**Barmenco or the Company**) is pleased to announce it has been awarded a four-year contract extension at Independence Group NL (IGO) Nova nickel-copper-cobalt Operation

Under the \$240 million contract, which includes an option for a two-year extension, Barmenco will provide underground mining services including development and production mining.

In addition, Barmenco and IGO have agreed to establish a Technology Development Committee, which will collaborate to identify and implement innovative methods and technologies that will advance safety and productivity in underground mining.

Barmenco Chief Executive Officer, Paul Muller, said Nova was an important project for the Company, with Barmenco delivering 29 kilometres of development and extracting 2.4 million tonnes of ore since development started in 2015.

“We are proud to say that Barmenco has been at Nova from the outset and it is very pleasing that we can continue our close association with the IGO through this long-term extension at Nova,” Mr Muller said.

“Barmenco has supported the Nova project’s transition from development, starting with excavation of the box-cut on Australia Day 2015, to production, delivering a successful first year of commercial production in the 2018 financial year.”

“We now look forward to working closely with IGO under a formal arrangement to drive further productivity and safety improvements at Nova. This includes establishment of a technology committee which will initially target projects such as the early stage development of electric vehicles, enhanced mine control systems, machine vision and proximity detection.”

Peter Bradford, IGO’s Managing Director and CEO said: “Barmenco has been an important partner in the development of Nova. With the majority of the capital development completed at Nova there is a focus on incremental operational and productivity improvements associated with stope mining activities. The four-year term, with the option to extend by two years, allows us to work together to unlock this value. Both Barmenco and IGO are committed to mapping and implementing these productivity improvements through new technologies. The establishment of the technology committee is an important step towards this objective.”

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About Barmenco

Barmenco's business was established in 1989 and operates gold and base metal mines for customers in Australia, India and Africa. Barmenco offers a full suite of underground mining services from mine development to production and underground diamond drilling. Barmenco's joint venture with Ausdrill, African Underground Mining Services (AUMS), operate mines in west Africa and Tanzania. Together Barmenco and AUMS are one of the world's largest hard-rock underground mining services, focused on creating value for mine owners.

In August 2018, Barmenco announced that it had entered into an agreement to be acquired by ASX-listed diversified mining services company Ausdrill Limited (ASX: ASL), which will create Australia's second largest mining services company. The two businesses are a great fit, providing complementary services to mine owners and having a strong cultural alignment after working together for more than a decade with AUMS. The proposed acquisition is subject to a number of conditions precedent, including Ausdrill shareholder approval at its 2018 Annual General Meeting, which is scheduled for 25 October 2018.

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