

27 AUGUST 2012

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## AUSDRILL TO ACQUIRE BEST TRACTOR PARTS GROUP

Ausdrill Limited (ASX:ASL) is pleased to announce that it has today executed an agreement to buy the various entities making up the Best Tractor Parts Group (**BTP**).

Further to the Company's previous announcements (30 May 2012 and 11 July 2012), Ausdrill, through its subsidiary Ausdrill Mining Services Pty Ltd, has agreed to pay consideration of \$165 million for BTP on a debt free/cash free basis and based on there being expected levels of working capital and rental fleet equipment within the group as at 30 June 2012.

The acquisition of BTP complements Ausdrill's existing equipment hire offering.

Ausdrill Managing Director Ron Sayers said: "We regard this as a very strategically important acquisition as it provides a logical fit with Ausdrill Mining Services and other Ausdrill divisions."

"In addition to introducing new revenue streams to Ausdrill's existing activities in Australia, it will enable us to grow our hire fleet from 117 to 194 vehicles, enhance our maintenance capabilities and capture additional opportunities to build relationships with blue chip customers."

Ausdrill has paid a 10% deposit and will pay the balance of the purchase price at completion, which is expected to occur on or about 31 October 2012. Subject to completion occurring, all profit generated by BTP from 1 July 2012 will remain within BTP (and the Ausdrill group will therefore become entitled to the benefit of such profit from completion).

For the financial year ended 30 June 2012, BTP generated revenues (unaudited) of \$176 million and EBITDA (unaudited) of \$50 million.

Further details regarding BTP's historical financial performance and the implications of the transaction for Ausdrill are set out in the Investor Presentation released by Ausdrill to ASX today.

**BRINGING MORE  
TO MINING**

Ausdrill will be releasing its final results for the year ended 30 June 2012 on Wednesday 29 August 2012. A conference call will be scheduled to respond to investor and analyst enquiries.

### **Best Tractor Parts**

BTP was established more than 25 years ago and its business includes the supply of new and reconditioned/refurbished earthmoving parts; rental of heavy earthmoving equipment and specialised mining support vehicles; and sales of earthmoving equipment. These businesses are also supported by a hydraulics and engineering capability and a global procurement network.

### **Completion of transaction**

Completion of the transaction is subject to the satisfaction of a number of conditions precedent, including:

- Ausdrill having secured, by 31 October 2012, sufficient debt funding to pay the purchase price; and
- the BTP sellers having secured releases from their existing financiers of all debt and encumbrances currently in place relating to BTP.

If completion does not occur because Ausdrill has been unable to satisfy the funding condition referred to above, or for other reasons caused by Ausdrill, then Ausdrill will forfeit the deposit it has paid.

Brian and Greg Murphy, two of the current owners of BTP, have agreed to provide consultancy services to the business for 12 months after completion and the sellers have agreed to certain restraints to protect the goodwill of the BTP business.

### **About Ausdrill**

*Ausdrill (ASX: ASL) is a diversified mining services company. Since its formation in Kalgoorlie in 1987, Ausdrill has grown significantly and now has operations across Australia, Africa and the United Kingdom. Ausdrill is a leader in providing services in contract mining, grade control, drill & blast, exploration, mineral analysis, procurement & logistics and manufacturing. The Ausdrill Group employs over 6,000 staff worldwide.*

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