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**MEDIA RELEASE**

## **QUEENSLAND SALES SET UP GLOBAL PUSH FOR AUSSIE-MADE MINING VEHICLES**

Mining services group Diversified Mining Services Limited (DMS) has completed the sale of the first two Atlas Copco Coaltram CT10 utility vehicles in Queensland, taking total sales for the Australian-made vehicles to more than \$17 million in its first 12 months.

The first two vehicles into Queensland were acquired by the BHP Billiton Mitsubishi Alliance (BMA) for use at their Crinum underground mine, 50km north-east of Emerald, following official approval for use by the Queensland Department of Mines and Energy last month.

Coaltram vehicles have been in operation in New South Wales mines for the last 12 months. Queensland approval offers significant opportunities for continued market penetration into the Australian and New Zealand underground coal industry.

Manufactured in Beresfield near Newcastle by DMS Underground (previously known as the Anderson Group of Companies) recent sales of the Coaltram CT10 product have been undertaken to Donaldson Coal, BHP Illawarra Coal and Centennial.

These sales have seen market volumes increase to 18 in total population with another seven confirmed orders.

DMS Underground Coaltram General Manager Craig Anderson said Coaltram operators, maintenance personnel and mine management had been impressed with the vehicle at each of the operations where it has been utilised.

“Customer feedback has seen further product development and improvements adding to the already existing competitive advantage of the Atlas Copco Coaltram,” he said.

The sales success follows more than five years and \$25 million of research and development. The Coaltram is available commercially in 10-tonne and 13-tonne models and represent the latest in diesel-powered load haul dump/utility vehicle design.

Mr Anderson said other articulated LHD vehicles used in Australian underground coal mines had had minimal changes or improvements in the past 10-15 years.

“With the Monex electronic management system the Coaltram offers significant potential for vehicle tracking and uploading of operational critical data to be integrated automatically into the existing mine site management systems through its inherent design,” he said.

DMS Underground has a hire fleet of Coaltrams both for the Australian and New Zealand coal industry and is continuing to offer the product in its various capacities to trial prior to purchase which is proving



very successful. Due to the current industry demand there is a series of backlog and orders for the hire vehicles which will be eased as the fleet expands into 2011.

The company has genuine sales opportunities from at least fourteen underground coal mines forecast for the next 18 to 24 months covering all major coal owners in NSW, Queensland and New Zealand.

DMS Underground manufactures the Coaltram product globally and markets and supports the Coaltram in Australia and New Zealand, while Atlas Copco distributes and supports the vehicles globally to countries such as China, India, Russia, USA and South Africa.

The current platform of entry into the Australian and New Zealand markets provides the foundation to gain further sales volumes through the Atlas Copco network into the overseas coal market.

DMS Managing Director Terry Young said the success of the Coaltram project sales was built on a commitment to listening to customer needs and implementing innovative design and manufacturing processes.

“The partnership between DMS and Atlas Copco is an enormous asset to this business that has taken many years of painstaking work to develop,” Mr Young said.

“With approvals now received throughout Australia and international approvals for the Atlas Copco Coaltrams expected soon, we are confident that this business will continue to grow strongly.”

DMS was formed in 2007 to establish a new alternative for large-scale mining operations in the Australian coal industry where the services sector remains highly fragmented and dominated by small to medium-sized companies which lack the resources to seize the opportunities available.

Under share purchase agreements, DMS, an unlisted public company, acquired six separate businesses through a combination of debt and equity. The acquired businesses were Anderson Group of Companies, Ausgroup Industries, Ausscaffold, East Coast Engineering, AllSteel Fabrications and MachineTek Engineering.

Most of the acquired businesses are focused on servicing the coal industry with a particular focus on Queensland’s Bowen Basin with some operations in the New South Wales Hunter Valley. DMS businesses already hold preferred supplier status with most major mining companies.

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Media Enquiries to:	Darren Anderson	Terry Young
	COO	Managing Director
	DMS Underground	DMS
	(07) 4952 6111	(07) 3719 6888
	0417 791 903	0438 843 235