

ASX ANNOUNCEMENT

FOR IMMEDIATE RELEASE TO THE MARKET PPK Group Limited – ASX Code: PPK

Friday 19 December 2014

Distribution Agreement with China Coal Technology & Engineering Group Corp

PPK Group Limited (PPK) is pleased to announce that it has signed an Australia and New Zealand exclusive Agency and Distribution Agreement with the China Coal Technology & Engineering Group Corp (CCTEG).

CCTEG is the largest manufacturer of underground high gas coal mining equipment in China. CCTEG manufactures the complete range of equipment needed to set up a greenfield underground coal mine including longwalls, continuous miners, road headers, diesel equipment, ventilation, strata control and conveyor products, as well as coal washing and treatment equipment. CCTEG also manufacture a large range of mining consumables.

As well as supplying the massive Chinese domestic underground coal mining market, CCTEG currently exports their products to Europe and North America.

Under this agreement, PPK will sell, distribute and support CCTEG's underground coal mining equipment and consumables throughout Australia and New Zealand.

PPK Executive Chairman Robin Levison said:

"CCTEG is a substantial enterprise with a proud history of providing quality products to the coal mining industry. We are delighted to be working with them.

"CCTEG's extensive product range is virtually a 'one-stop-shop' of equipment needed for underground coal mining operations. PPK will market and support CCTEG's equipment throughout Australia and New Zealand and distribute CCTEG's huge range of consumables via our recently acquired Firefly subsidiary.

"This agreement has the potential to be a real game changer for PPK. Under the agreement, PPK is able to offer a vast array of quality underground coal mining products and consumables. Indeed, we are already involved in a "whole of mine" supply project here in Australia.

"We also see future opportunities to work with CCTEG in the other direction – ie to tap into CCTEG's extensive distribution network for the sale of our market leading Coaltram® LHD and Rambor/Firefly roofbolters into China."

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