

ASX Announcement 05 October 2011

ASX: DSB

Board of Directors

Gordon Galt - Chairman

Stephen Bizzaca – Managing Director – CEO

Glyn Dawkins – Non Executive Director

Geoffrey Garside – Non Executive Director

Company Secretary

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Company Announcement

<u>Delta SBD awarded drivage development</u> contract at Whitehaven Coal's Narrabri Mine

Delta SBD Limited (ASX code: DSB) is pleased to announce it has been awarded a drivage development contract at Whitehaven Coal's Narrabri Mine.

The scope of work for the new Narrabri Mine contract includes provision of supplementary labour hire (including management and supervision), two loaders and two personnel transporters for control and operation of the Narrabri twin miner development panel.

Delta SBD will commence mobilisation for the new contract in October 2011 employing around 60 new employees to deliver the project.

The contract means Delta SBD will increase its number of development units for FY2012 from four to six. Currently the company operates three development units for BHP Billiton at Appin and one for Boral Limited at Berrima.

Mr Stephen Bizzaca, Delta SBD's Chief Executive Officer, commented:

"This drivage development contract is a significant achievement for Delta SBD because it is the first of its kind that we have been awarded outside the Illawarra region in NSW.

"The new contract enhances Delta SBD's relationship with our client Whitehaven Coal and follows our recent award of the Narrabri longwall project surface build and subsequent underground build.

"In addition, this development project further demonstrates our strong capability in this type of work and diversification across a number of key underground activities," he said. Delta SBD has previously announced it has acquired a 12CM 30 Joy continuous miner due for delivery in July 2012 which will provide additional development opportunities for the group.

Photo: Extract from Whitehaven Coal Limited Investor Presentation September 2011.



Yours Faithfully



Tony McFadden
Chief Financial Officer and Company Secretary

About Delta SBD Limited

Delta SBD is one of the largest contract companies servicing the Australian underground coal mining industry. The Group is geographically diversified, with offices in Campbelltown NSW, Rutherford NSW and Mackay QLD.

The Group's objective is to provide value-add services to our clients by forging profitable long term partnerships. We provide each project/mine with competent work teams, fit for purpose equipment and excellent site management backed by a supportive corporate management group. We use safe and efficient work methods that enable on time completion of all works and services to the clients' requirements.

With improving demand and prices, the coal industry forecast looks positive. Structural changes in global coal markets and the cyclical rebound in global growth are driving increasing demand for thermal and metallurgical coal. For Australia this bodes well for increasing production and expansion projects. This should provide a continuing set of business opportunities for Delta SBD.