



ACN 118 300 217

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**Company Announcements Office
Australian Stock Exchange**

14 April, 2011

Middlemount Coal Project – Mining Services Contract

NRW is pleased to announce that it has been awarded a five year contract to undertake mining services for the Middlemount Coal Project in Queensland, commencing 1 July, 2011.

NRW had previously been appointed to undertake preliminary services as per the company's 11 January, 2011 announcement, and has now reached agreement with Middlemount Coal Pty Ltd to undertake overburden removal and coal mining for a five year period. This contract will cover the commencement of ongoing mining operations in the second half of 2011 and ramp-up to more than 5Mtpa of ROM coal once additional environmental approvals have been obtained.

In commenting on the award of the contract, NRW CEO Jules Pemberton said "the mining services contract with Middlemount represents a major milestone for the company in its diversification strategy in terms of location, client and commodity. The contract, with a total value of up to \$780 million, provides NRW with a substantial entry into the east coast market and in particular the highly attractive metallurgical coal sector".

Capital expenditure for the project is expected to be in the range of \$120-145 million over a period of 12–18 months. The contract will be undertaken using plant and equipment that NRW purchased from Comiskey Earthmoving Pty Ltd as per the company's 11 March, 2011 announcement, as well as new equipment as production ramps up.

The Middlemount Project now means that NRW will have significant operations in Western Australia, the Northern Territory and now Queensland, as well as in West Africa.

The Middlemount Coal Project is a joint development between Macarthur Coal Limited and Gloucester Coal Limited. The Project is located 6km from the township of Middlemount and approximately 270km north-west of Rockhampton.

Trading Update and Full Year Guidance

NRW advises that the company is on track to achieve the FY11 revenue target of at least \$700 million, which represents a 15% increase on the previous corresponding period.

High rainfall during the March quarter in the Pilbara region, the Northern Territory and in Queensland has adversely impacted productivity on a number of sites. In addition, there has been a secondary impact due to delays in civil contract awards, resulting in underutilisation of operational capacity.

NRW expects FY11 NPAT to be at the lower end of the broker forecast range of \$40-45 million.

With the award of the Middlemount mining contract NRW's order book stands at a record \$1.45 billion, and the current active tender pipeline stands at \$7.67 billion across all divisions, placing the company in a strong position moving into FY 12.

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