

ASX/MEDIA RELEASE

10 August 2011

EXPIRATION OF DSA CONTRACT WITH FORTESCUE

Perth: In the interests of keeping the market fully informed, Resource Equipment Ltd (ASX: RQL) advises of the expiration of a contract held by its wholly owned subsidiary, Dewatering Services Australia Pty Ltd ("DSA"). DSA has been advised by Fortescue Metals Group Ltd (Fortescue) that its contract for dewatering pipeline installation at the Cloudbreak mine site will not be renewed.

DSA has been informed that the future provision of dewatering pipeline installation services is likely to be combined with other related services and managed by an upper tier contractor. DSA is in discussions about re-tendering as part of this revised format, however, it is not possible to predict whether any success will result.

DSA is in the process of demobilising from site and all personnel and equipment will be redeployed to other sites and contracts where there is ongoing work.

DSA was acquired by REL on 25 February 2011. Had DSA been a wholly owned subsidiary for the entire 2010/2011 year, revenues from the expired contract with Fortescue would have constituted approximately 8% of group revenues on a pro-forma basis.

The Company takes this opportunity to advise that its full year preliminary final results are scheduled for release to the market on 25 August 2011.

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