

Watpac wins mining projects in WA & Qld

Following the release of the Company's strong full-year results, Watpac announces it has won two new mining projects.

Watpac Limited (ASX: WTP) has recently won two mining projects totalling over \$38 million, encompassing mineral sands and gold mining in Western Australia (WA) and Queensland.

The award of the contracts comes after Watpac released strong end-of-year results to the ASX late last week.

At Tutunup in WA, Watpac's Civil & Mining division will undertake earthworks and mining works for Iluka Resources, worth more than \$32 million over four years.

The team will utilise an extensive fleet of excavators, dump trucks, and wheel loaders on the mineral sands project, with the first mill production due in June 2011.

The project, which will operate on a 24-hour-a-day, seven-day-a-week basis, will commence in late September.

In Queensland, the division has won a \$6.5 million gold mining contract by NQM (North Queensland Metals) Gold 2 Pty Ltd for works at the Pajingo Joint Venture—Janet A Pit mine.

Located outside of Charters Towers in the north of the state, the eight-month project will involve the removal of 600,000 bank cubic metres of material, with Watpac undertaking load and haul, and drill and blast operations.

Preliminary works at the project site are expected to begin in mid-September, with labour drawn from the Charters Towers area.

Greg Kempton, Watpac Managing Director, said the award of these two projects was particularly gratifying given the company's solid full-year results. "These two contracts indicate the market has confidence in Watpac's ability to undertake mining projects of the highest quality throughout Australia," Mr Kempton said.

"This confidence was reflected in our full-year results, where our mining projects contributed positively to our after-tax profit of \$26.8 million.

"We now have over \$1.4 billion worth of work in hand, and of this a significant portion is due to mining contracts Australia-wide.

"We are very pleased to be working with such clients as Iluka and NQM, and we are looking forward to beginning work on these projects shortly."

Other Watpac mining projects currently underway include the Douglas and Echo Mines project for Iluka Resources in Victoria; the BC Iron Ore Joint Venture civil and mining projects near Nullagine in WA; the Jellinbah Box Cut project in central Queensland; and gold mining operations for A1 Minerals near Laverton in WA. Note to editors: Watpac is an ASX-listed company specialising in construction, civil engineering and mining, specialty services (including refurbishments), and property development. We have offices in Brisbane, Townsville, Sydney, Melbourne, Adelaide, and Perth. More information can be found at www.watpac.com.au. The full end-of-year results can be viewed online at www.watpac.com.au (under 'Invest with us'), or at www.asx.com.au (enter code 'WTP').

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