
NEWS

• RELEASE •

Wednesday, 22 October 2008

PENRICE WINS SUPPLY CONTRACT FOR NORTHERN EXPRESSWAY PROJECT

A contract to supply pavement material for South Australia's \$564 million Northern Expressway project has been won by Adelaide-based Penrice Soda Holdings Limited.

Penrice has been selected by major civil contractor, Fulton Hogan Pty Ltd, to supply a significant proportion of the estimated 600,000 tonnes of pavement material required for the new highway over a construction period of about two years.

The Northern Expressway project is South Australia's largest road project in about 50 years.

The material – to be sourced from Penrice's quarry and mine operations at Angaston in the Barossa Valley - will be used for road-base along the northern section of the 23-kilometre long expressway.

Employment in the area will be boosted with up to seven new jobs being created at the mine as a direct result of the new contract.

And in further good news for the Barossa Valley community, the supply deal will help improve the visual amenity of the mine more quickly by reducing some of the visible stockpiles.

"We are delighted to have secured this contract for one of the State's most important infrastructure projects in recent times, while at the same time achieving continuing strong demand for this arm of the Penrice group business," Penrice Managing Director and Chief Executive Officer, Mr Guy Roberts, said today.

"It is also significant for Penrice and its Angaston operations that the new contract follows the strong demand for our material already achieved through supply to the Sturt Highway upgrade that is due to be completed later this year," he said.

"Further, this new contract sees Penrice achieving further diversification away from its traditional markets with this infrastructure supply contract.

"And it follows our other breakthrough contracts in the past year with soda ash, particularly stamping our presence as a supplier to the Australian and international mining industries.

"The Northern Expressway project contract gives us a sense of pride in being part of creating new facilities for South Australians and visitors to our state."

The \$564 million Northern Expressway project is a joint Federal-State government initiative which includes a new 23 kilometre road with a pedestrian and cycle pathway linking the Gawler Bypass, at Gawler, with Port Wakefield Road.

As part of the project, Port Wakefield Road is also being upgraded between its intersection with the Northern Expressway and the Salisbury Highway to accommodate the increased traffic that will be generated by the new expressway.

issued through

FIELD PUBLIC RELATIONS PTY LTD ABN 74 008 222 311

231 South Road, MILE END SA 5031

Ph: 08 8234 9555 Fax: 08 8234 9566

admin@fieldpr.com.au

Earlier this year, Mr Roberts announced Penrice had submitted a proposal to the Department of Primary Industries and Resources SA (PIRSA), which includes the use of land to be acquired west of the Angaston mine.

This extra land would be used to store overburden that needs to be removed from the mine to access the high-quality limestone it produces for Penrice's Osborne manufacturing plant, the Adelaide Brighton Cement plant at Angaston, and the Adelaide glass bottle making operations of OI.

Currently, the eastern side of the Angaston mine used to store the overburden is nearing full capacity, with rehabilitation now underway to blend it in to the local landscape.

Under Penrice's proposal, the height of the existing overburden site could be reduced when this material is used in industrial landfill projects in metropolitan Adelaide.

"We see this new contract, as well as our expansion proposal, as further proof of our long-term commitment to the future of the mine, the people it employs, and the local economy," Mr Roberts said.

About Penrice

Penrice is the only manufacturer of soda ash in Australia and a significant producer and distributor of sodium bicarbonate in international markets, exporting to 27 countries.

Its Chemicals business, based at Osborne South Australia, supplies two key chemical ranges - Soda ash is sold in the Australian market as a vital ingredient in products ranging from glass containers (especially wine and beer bottles), flat glass for building and construction, washing powder and the mining industry. Sodium bicarbonate is a specialty chemical used in a variety of applications as diverse as food, pharmaceuticals, medical, personal care products and stock feed. The Company focuses on a premium range of high-quality products which suit the most demanding applications.

Its Quarry & Mineral business is based from the Penrice mine at Angaston South Australia. While the mine supplies a vital ingredient into the chemical process at Osborne, it is also a significant supplier of aggregates and other materials to a variety of end-uses, such as civil & construction, roads, landfill, glass, mineral processing, agriculture, stockfeed and landscaping.

Penrice is an ASX listed public company, which has operated successfully since the 1930's. Penrice directly employs around 300 people, and is a major South Australian employer and a vital link in the Australian glass industry and other prominent downstream industries, such as the building industry and the wine industry.

MEDIA CONTACTS:

Guy Roberts
Managing Director &
Chief Executive Officer
Penrice Soda Holdings
(08) 8402 7242

Sean Whittington
Field Public Relations
(08) 8234 9555
(0412) 591 520

issued through

FIELD PUBLIC RELATIONS PTY LTD ABN 74 008 222 311

231 South Road, MILE END SA 5031

Ph: 08 8234 9555 Fax: 08 8234 9566

admin@fieldpr.com.au