



PENRICE SODA HOLDINGS LIMITED

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PENRICE AND ADELAIDE BRIGHTON SIGN NEW MULTI-MILLION DOLLAR CONTRACT

Penrice Soda Holdings Limited (ASX: "PSH") announced today a multi-million dollar limestone supply contract with one of its largest customers, the Adelaide Brighton Limited (ASX: "ABC") Group.

The contract - with Adelaide Brighton Cement, a division of Adelaide Brighton Limited - extends for five years until end 2014 the existing successful Penrice-Adelaide Brighton supply partnership.

Penrice supplies limestone, which it mines at its Angaston based limestone mine, to Adelaide Brighton's nearby cement and lime operations, also located at Angaston in the Barossa Valley, north of Adelaide.

Limestone is used in cement and lime manufacture by Adelaide Brighton, which is the number one cement producer in South Australia and Western Australia and the number one lime producer in Australia.

"We are delighted that Penrice's long, successful association with Adelaide Brighton has been extended with this long term contract," Penrice's Managing Director & Chief Executive Officer, Mr Guy Roberts, said today.

"It is a partnership that has seen the volume of our limestone supplies to Adelaide Brighton grow in tandem with the success of Adelaide Brighton's Angaston operations," Mr Roberts said.

"That track record of successful limestone supply has now translated into Penrice being awarded this long term contract. It's a win-win for both parties," he said.

Penrice Earnings Boost

Mr Roberts said the contract represents a significant proportion of Penrice's Quarry & Mineral business sales with Adelaide Brighton being the largest external customer.

"The new contract is expected to generate increased earnings for Penrice and is also expected to exceed the Company's minimum return on net assets benchmark rate of 15%," he said.

"The contract will assist in recovering recent cost increases –such as recent investment in modern equipment and considerable environmental improvements designed to reduce the environmental impacts of the Angaston mine. It supports further reinvestment in our business."



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 28 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.

The Group's Quarry & Mineral business is based at 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 cement & lime, 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.

The Company directly employs over 300 people and is a major South Australian employer and a vital link in the Australian glass industry and other prominent downstream industries in Australia, such as the building industry and the wine industry.

For further information regarding Penrice Soda Holdings' Australian operations go to our website at www.penrice.com.au or contact:

Guy Roberts, Managing Director & CEO

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