

PRESS RELEASE

KERMAN AWARDED TWO NEW PILBARA PROJECTS

Perth based unlisted public company Kerman Contracting Limited (Kerman) has been awarded two contracts for BHP Billiton Iron Ore's Rapid Growth Project 5 (RGP5) Expansion Works in the north west of Western Australia.

The combined value of these two projects is \$58.0 million with work commencing immediately and for completion by August 2010.

The first contract awarded to Kerman is the design and fabrication of 40 conveyor modules for BHP Billiton Iron Ore's port expansion at Finucane Island. These modules will allow high level conveyors to carry ore to the new berths in a fully enclosed environment to mitigate dust and noise issues.

Kerman's design was selected based on its previous iron ore conveyor experience at ports in Whyalla, SA and Esperance and Geraldton in WA.

The second RGP5 contract awarded to Kerman is for the construction of the Ore Handling Plant 3 Non-Process Infrastructure industrial facilities at the Yandi mine site. This work includes the construction of Heavy Vehicle Workshop, Fixed Plant Workshop, Warehouse, Vehicle Refuelling and Washdown facilities and site services.

Over the past 5 years, Kerman has completed a number of non-process infrastructure projects for BHP Billiton Iron Ore's Area C mine site and for Rio Tinto Expansion Projects at West Angelas and Hope Downs mine sites.

Kerman has also recently commenced a \$7.8 million contract to design and construct a new block manufacturing plant for Midland Brick Company (MBC) at its Upper Swan works. This contract was awarded following Kerman's successful completion of the new Kiln 11 building for MBC.

The combined value of these three projects brings to a total of \$66 million awarded to Kerman since September.