

May 13th 2009

Dear Shareholder

VicRoads is working towards conducting a tender in 2009 for the Nagambie bypass highway, with construction planned to commence in 2010. The north-south alignment for the bypass, is around three km west of MIN 5412, will require 2,000,000 cubic metres of fill material.

The recent Victorian State Budget (May 2009) allocated \$44.5 million to build the Bypass and the Federal government made the following release in its recent Budget document confirming that the Bypass will definitely go ahead.

Nagambie is well placed as the lowest cost, lowest impact (in terms of required energy inputs) provider to supply the majority of the rock required from the stockpiles on MIN 5412 and as outlined in our recent quarterly report submitted an expression of interest to Vicroads to supply this.

MEDIA RELEASE

The Hon Anthony Albanese MP

**Minister for Infrastructure, Transport,
Regional Development and Local Government**



12 May 2009

BUDGET-INFRA 04/2009

VICTORIA TO BENEFIT FROM NATION BUILDING BUDGET

In this Budget the Rudd Labor Government is investing over \$760.0 million in Victoria's road and rail infrastructure - an investment that will support local jobs and local businesses during the current global recession.

All up, the 2009-10 Budget delivers an increase in Federal funding of \$265.0 million, or 53 per cent, over the 2008-09 Budget for Victorian road and rail projects, \$120.0 million of which will be provided immediately (in 2008-09) to keep key projects moving forward.

As well as putting in place the modern, well-planned transport infrastructure vital to Victoria's and the nation's long term prosperity, our record investment program will support jobs and provide an immediate stimulus to local economies.

During 2009-10, work will start on a range of major road and rail projects including:

- Nagambie Bypass - scheduled for completion in 2012.

