

SWICK MINING SERVICES

Swick Mining Services Ltd
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14 December 2016

SWICK ANNOUNCES CONTINUATION OF ON-MARKET SHARE BUY-BACK

The Board of Swick Mining Services Ltd (ASX: SWK) is pleased to announce the continuation of the Company's on-market share buy-back. Under the buy-back, Swick proposes to buy-back up to 10% of its issued ordinary shares (approximately 21.1 million shares) during the next 12 months.

The previous 12 month buy-back was completed on 13 December 2016. A total of 7,241,255 shares were bought back and cancelled for a total consideration of \$1,078,951, being an average price of 14.9 cents per share. Ordinary shares on issue have reduced over the period to 211,203,887.

The share buy-back is being undertaken as part of the Company's capital management strategy, particularly given the lower market trading price of Swick shares in comparison to the net tangible asset backing of the Company's shares. The Board believes that the current market share price does not reflect the fair value of the Company and the share buy-back therefore constitutes a sound use of available capital.

Swick's Managing Director, Kent Swick, said: "Given Swick's strong balance sheet, sound operational performance and conservative approach to capital expenditure, the Board believes that the continuation of the share buy-back is a sensible opportunity to provide significant future value to Swick shareholders."

In accordance with the ASX Listing Rules, the prices paid for shares purchased under the buy-back will be no more than 5% above the volume weighted average price of Swick shares over the five prior trading days on which sales in shares are recorded. The total number of shares to be purchased by Swick under the buy-back will depend on market conditions and volumes, but will not exceed 10% of Swick's current issued capital. The buy-back will be open for 12 months from 21 December 2016.

Petra Capital Limited has been appointed as broker for the buy-back. An Appendix 3C in relation to the on-market buy-back is attached to this announcement.

About Swick Mining Services

Swick Mining Services Ltd (ASX: SWK) is one of Australia's largest mineral drilling contractors, providing high quality underground and surface drilling services to a diverse group of mining houses and across a spread of commodities. The Company has a strong reputation for innovation in rig design and drilling practices that delivers improvements in productivity, safety, versatility and value. Swick has a global presence with Operational revenue from Australia, Canada, United States and Europe.

For further information please contact the following on +61 8 9277 8800:

Kent Swick
Managing Director

Jitu Bhudia
Chief Financial Officer

Appendix 3C

Announcement of buy-back (except minimum holding buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001, 11/01/10

Name of entity

ABN/ARSN

Swick Mining Services Ltd

20 112 917 905

We (the entity) give ASX the following information.

Information about buy-back

- | | | |
|---|--|---------------------------------------|
| 1 | Type of buy-back | On-market buy-back within 10/12 limit |
| 2 | ⁺ Class of shares/units which is the subject of the buy-back (eg, ordinary/preference) | Ordinary shares |
| 3 | Voting rights (eg, one for one) | One for one |
| 4 | Fully paid/partly paid (and if partly paid, details of how much has been paid and how much is outstanding) | Fully paid |
| 5 | Number of shares/units in the ⁺ class on issue | 211,203,887 |
| 6 | Whether shareholder/unitholder approval is required for buy-back | No |
| 7 | Reason for buy-back | Ongoing capital management |

⁺ See chapter 19 for defined terms.

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Appendix 3C Announcement of buy-back

- 8 Any other information material to a shareholder's/unitholder's decision whether to accept the offer (eg, details of any proposed takeover bid)

Nil

On-market buy-back

- 9 Name of broker who will act on the company's behalf

Petra Capital Limited

- 10 Deleted 30/9/2001.

- 11 If the company/trust intends to buy back a maximum number of shares - that number

21,120,388

Note: This requires a figure to be included, not a percentage.

- 12 If the company/trust intends to buy back shares/units within a period of time - that period of time; if the company/trust intends that the buy-back be of unlimited duration - that intention

Commencing on 21 December 2016 for a 12 month period.

- 13 If the company/trust intends to buy back shares/units if conditions are met - those conditions

The Company will purchase shares at such times and in such circumstances as is considered beneficial to the efficient capital management of the Company.

Employee share scheme buy-back

- 14 Number of shares proposed to be bought back

Not applicable

- 15 Price to be offered for shares

Not applicable

⁺ See chapter 19 for defined terms.

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Selective buy-back

- | | | |
|----|--|----------------|
| 16 | Name of person or description of class of person whose shares are proposed to be bought back | Not applicable |
| 17 | Number of shares proposed to be bought back | Not applicable |
| 18 | Price to be offered for shares | Not applicable |

Equal access scheme

- | | | |
|----|---|----------------|
| 19 | Percentage of shares proposed to be bought back | Not applicable |
| 20 | Total number of shares proposed to be bought back if all offers are accepted | Not applicable |
| 21 | Price to be offered for shares | Not applicable |
| 22 | ⁺ Record date for participation in offer
<small>Cross reference: Appendix 7A, clause 9.</small> | Not applicable |

Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.

or, for trusts only:

1. The trust is in compliance with all requirements of the Corporations Act as modified by Class Order 07/422, and of the trust's constitution, relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here: *Frank Campagna*
(Director/Company Secretary)

Date: 14 December 2016

Print name: FRANK CAMPAGNA

⁺ See chapter 19 for defined terms.

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