



For Immediate Release

Thursday, 7 July 2011

BRADKEN ANNOUNCES THE ACQUISITION OF NORCAST WEAR SOLUTIONS AND AUSTRALIAN & OVERSEAS ALLOYS

Bradken Limited ("Bradken") today announced two acquisitions for a total consideration of A\$222 million. These acquisitions are expected to deliver A\$28 million of additional EBITDA in 2011/12, including synergies, and will be funded from current cash and debt facilities. Both businesses largely produce and sell differentiated wear parts for mining, and support Bradken's key strategy of growing the company's core consumable businesses.

Commenting on the acquisitions, Managing Director Brian Hodges said, "The acquisitions are in line with Bradken's strategy of globalizing its consumable products businesses and building a substantial presence in the world's major mining regions. Norcast provides world class manufacturing operations in Canada and a leading position in the global supply of Mill Liners. AOA increases our presence in the Australian wear plate market and provides strong manufacturing technology."

Combined, the two acquisitions are forecast to be approximately 6% EPS accretive in 2011/12, increasing to nearly 10% accretive in future years.

Bradken expects FY11 underlying EBITDA growth to be towards the middle of the 15% - 20% guidance as previously provided. In addition, Bradken expects EBITDA growth in FY12 (including acquisitions) in the range of 25% - 30% and NPAT growth in the range of 35% - 40%.

Norcast Wear Solutions, Inc ("Norcast")

Bradken has entered into a binding agreement with entities associated with Castle Harlan, Inc. to acquire Norcast for a total acquisition cost of A\$202 million (including costs). The acquisition is expected to be finalised by Tuesday, 12 July 2011.

Norcast, whose head office is in Toronto, Canada, and its main production facility based in Mont Joli, Canada, is a manufacturer of cast steel Mill Liners for the global mining market. In combination with Bradken's Mineral Processing Business, Bradken will now become the largest global supplier of these mining consumables with sales into all major mining regions including Australasia, North & South America and Africa. The acquisition significantly increases Bradken's market share in North & South America and Africa for these products.

Considerable synergies have been identified based on Bradken's strong product development focus and Norcast's cost leadership. The acquisition of this business significantly strengthens Bradken's worldwide sales and distribution network which can be leveraged across other consumable wear parts. Synergies will commence in FY12 and will continue to increase over the next four years.



Norcast's Canadian operations and the North and South American markets will be managed by Bradken's US Resources Business, a part of the Engineered Products Division, and is expected to add approximately A\$75 million of sales and A\$30 million of gross margin in 2011/12.

The acquisition includes Swanmet, a Malaysian foundry group acquired by Norcast in March 2010. Swanmet currently manufactures and sells wear parts into mining and energy markets including Australia. Swanmet offers significant low cost capacity for the manufacture of mining consumables including Crusher Liners and Ground Engaging Tools (GET). Swanmet operations and the Asian and African markets will be managed by Bradken's Australian Mineral Processing Business, a part of the Mining Products Division, and is expected to add approximately A\$35 million of sales and A\$13 million of gross margin in 2011/12.

Australian and Overseas Alloys Pty Limited ("AOA")

Bradken has acquired Australian and Overseas Alloys Pty Limited based in Wollongong, New South Wales for a total purchase price of A\$20 million. AOA produces a range of wear plate products for the mining industry. The AOA business has particularly strong manufacturing technology, producing high quality, low cost wear plate products. This acquisition complements Bradken's current Fixed Plant wear products business, providing a strong presence on the east coast of Australia. The acquisition will provide significant synergies in manufacturing, providing extra capacity and technology which can be leveraged across the existing Bradken plants. This business will be managed by Bradken's Fixed Plant Business, a part of the Mining Products Division and is expected to add approximately A\$9 million of sales and A\$6 million of gross margin in 2011/12.

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