

## **DPSA acquires MEM Rockhampton**

The DPSA Group has acquired Mining Equipment Maintenance (MEM Rockhampton) after a substantial agreement was successfully concluded this week (June 16, 2008).

MEM is a Rockhampton-based engineering company which provides mechanical and fabrication services to leading mining and earth moving companies in the Central Queensland region. Since it was established 12 years ago by Paul Waardyk and Lawrie Bryant, MEM has experienced considerable growth and is well positioned in the expanding Bowen Basin market for further development.

DPSA Group CEO Neill Clur said that the acquisition of MEM was an important part of the growth strategy of the company.

“As part of the DPSA Group, MEM will now be able to take even greater advantage of the booming Central Queensland mining industry and increase its growth and development.

“We will also form mutually beneficial relationships between MEM and other companies in the DPSA Group, which are well established in Queensland, New South Wales and Western Australia,” he said.

MEM founding director Paul Waardyk said MEM was a highly respected and successful business in the Rockhampton region.

“In many ways, the company has grown into a larger enterprise than we intended to run. With their infrastructure and support systems, DPSA Group will be able to take MEM to the next level of growth,” Mr Waardyk said.

MEM has fully equipped workshop facilities and service vehicles in Rockhampton and provides machinery repairs and maintenance for leading customers including BMA, Anglo Coal, Leighton Contractors, Wesfarmers and Cement Australia.

Brisbane-based DPSA has a \$32 million funding agreement with the National Australia Bank and Investec Bank (Australia) Limited to finance the company’s growth plans.

Mr Clur said Investec and NAB were outstanding investment partners.

“We have an exciting growth strategy for 2008 with a planned listing on the Australian Stock Exchange late this year or in early 2009. We have every confidence that we will achieve our goals,” he said.

Investec’s Mr Tim Wilson said DPSA presented the perfect opportunity for Investec’s style of funding.

“We have every confidence we are backing a proven entrepreneur in DPSA CEO Neill Clur with funding that is designed to accelerate DPSA’s growth plans at a pace beyond what would otherwise be possible with straight bank debt,” he said.

NAB's Mr Eric Mak said: "The MEM acquisition is another milestone for the DPSA Group that NAB is proud to have been involved in. This is an exciting phase in DPSA's growth plans.

"The funding model that we have developed together with Investec assists the Group's organic growth and enables them to make strategic acquisitions. We look forward to continuing our partnership with the Group towards a successful listing and beyond."

The DPSA Group is made up of a number of quality mining and engineering companies which include DPSA Contracting, DPSA Engineering, DPSA Mining Products, Power Electric Switchboards and DPSA Drilling Equipment. The Group, which was established 10 years ago, now employs more than 200 people across Australia. It was awarded 20th place in the 2007 Business Review Weekly's Fast 100 listing. Of the companies which entered, DPSA was the fastest growing mining services company in the country in 2006-7 and the fifth fastest-growing company based in Queensland.