

SWICK MINING SERVICES

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W: www.swickmining.com**7 April 2020****ASX ANNOUNCEMENT****Swick confirms dividend payment, launches share buy-back program**

Western Australia – Swick Mining Services Limited ('Swick' or 'the Company', ASX: SWK), a leading provider of high-quality underground and surface mineral drilling and mineral analysis services, is pleased to confirm the 1H20 interim dividend and announce an on-market share buy-back program.

The Board has elected to maintain the interim dividend and also undertake the buy-back program in order to provide a further return to shareholders in a prudent manner in light of the current environment and as part of the Company's capital management strategy. Swick expects to maintain its strong financial position and anticipates that it will be well placed for when conditions stabilise, whilst ensuring returns for shareholders are maintained during a challenging period.

Under the buy-back program, Swick intends to purchase an aggregate amount of up to \$1 million worth of shares. This is in addition to the fully franked interim dividend of 0.3 cents per share, which will be paid on 17 April 2020 as originally planned, worth approximately \$0.91 million.

Swick confirms that, since its previous update to the market on 24 March 2020, there has been no further impact on rig utilisation from COVID-19. Swick continues to have no confirmed cases of the virus within its workforce and has taken additional measures as a result of the evolving situation to further protect the Company's people and limit the impact to stakeholders. For example, Swick has now moved to even time rosters and is accommodating employees in local towns close to sites to minimise the impact of interstate and intrastate travel restrictions.

Swick Managing Director Kent Swick said: "We continue to take all appropriate measures to protect our workforce and limit the impact to our stakeholders from COVID-19. At times like this, Swick's strategic focus on underground core drilling at quality mines comes to the fore in an environment that has the potential to disrupt the broader mineral drilling market.

"Due to COVID-19 implications we have a net reduction of around 6% of the rigs previously in work, and whilst it is very hard to predict the further impact that may arise, we feel confident in the measures both Swick and our clients have taken to minimise those risks. Swick has an excellent suite of high-quality clients and is well placed to withstand this current crisis.

"The decision to undertake a share buy-back program in addition to maintaining our interim dividend was carefully considered by the Board. The Board considers that an on-market buy-back is an appropriate capital management tool given the Company's strong financial position.

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“The objectives of the buy-back program are to increase both earnings per share and return on equity to provide further value to its shareholders in what are depressed equity market conditions for the mining services sector.”

On-market share buy-back program

Swick intends to establish an on-market buy-back program of up to \$1,000,000 worth of shares.

The buy-back program will be conducted within the “10/12 limit” as defined in the *Corporations Act 2001* (Cth) and accordingly does not require shareholder approval.

Based on the Company’s closing share price of \$0.105 on 3 April 2020, the maximum aggregate buy-back amount would be 9,523,809 shares, equating to approximately 4.11% of the lowest number of shares on issue in the Company during the previous 12 months. The maximum number of shares the Company is permitted to acquire in an on-market buyback is 23,145,082 shares, which is 10% of the lowest number of shares on issue during the previous 12 months.

In accordance with the ASX Listing Rules, the prices paid for shares purchased under the buy-back program will be no more than 5% above the volume weighted average price of Swick shares calculated over the last five trading days on which sales in shares are recorded before the day on which the purchase under the buy-back program is made.

The number and timing of shares purchased will be dependent on Swick’s share price and market conditions. All shares purchased pursuant to the buy-back program will be cancelled.

The buy-back program will be open for 12 months from 27 April 2020. Swick reserves its rights to vary, suspend or terminate the buyback program at any time. Petra Capital Limited has been appointed as broker for the buy-back.

An Appendix 3C in relation to the buy-back program is attached to this announcement.

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This ASX announcement was authorised for release by the Board of Swick Mining.

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, United States and Europe.

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Disclosure Statement:

These materials include forward looking statements. Forward looking statements inherently involve subjective judgement and analysis and are subject to significant uncertainties, risks and contingencies, many of which are outside of the control of, and may be unknown to, the Company. Actual results and developments may vary materially from those expressed in these materials. The types of uncertainties which are relevant to the Company may include, but are not limited to, commodity prices, political uncertainty, changes to the regulatory framework which applies to the business of the Company and general economic conditions. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, the Company does not in providing this information undertake any obligation to publicly update or revise any of the forward-looking statements or any change in events, conditions or circumstances on which any such statement is based.

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 | 304,885,704 |
| 6 | Whether shareholder/unitholder approval is required for buy-back | No |
| 7 | Reason for buy-back | Ongoing capital management to increase both earnings per share and return on equity for shareholders |

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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

23,145,082

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 27 April 2020 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.

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
Cross reference: Appendix 7A, clause 9. | 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: 7 April 2020

Print name: FRANK CAMPAGNA

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