

particularly in the fields of safety and training

David Stevens raised the matter of the Annual General Meeting due in November/December. This instigated some discussion about which Directors were required to stand down, and David undertook to look into this and advise.

It was agreed that the Broadwater Pagoda, the venue for the two past AGM's was a suitable venue and it should be arranged to hold the AGM there, followed by a social function, as in the past.

A further meeting of the symposium sub-committee was held on August 16 and following investigation of alternate venues and further discussion, it was agreed that the Geographe Bayview Resort was the most suitable venue.

Mark your calendar ! October 4th and 5th, 2007 are the dates proposed for our third symposium and we plan to make this bigger and better than the last two.

We are aiming to have 14 papers over two days, with a Quiz night on the night of the 4th and a formal dinner on the 5th.

We plan to have a disc jockey and dancing at the formal dinner on the 5th, but this will very much depend on the response from partners to make it worth while. Start persuading those partners to come, and bring their dancing shoes !!

FROM INDUSTRY

BOART LONGYEAR ACQUIRES NORTH WEST DRILLING

On 1 August 2006 Boart Longyear Pty Ltd acquired North West Drilling, in Western Australia, from Graham Kluck Holdings.

Boart Longyear welcomes the North West Drilling team to the Boart Longyear Group and is in the early stages of integrating both businesses, to re-establish Boart Longyear as one of the leaders in surface and underground core drilling in Western Australia.

North West Drilling employs approximately 85 dedicated people, and currently has 8 surface rigs, which are focussed on servicing customers in the North West of Australia.

Over the past 20 years, North West Drilling under the strong leadership of Graham Kluck, has become a leading diamond core drilling contractor in the Pilbara region of Western Australia, a region of rich iron ore deposits, through global customers such as BHP Billiton and Rio Tinto.

The North West Drilling team has a proud culture, which is evident in their work and is reflected in their impeccable standard of equipment and performance.

Through integration, Boart Longyear will be supporting the surface drilling operations with extra resources of capital equipment, people and training, to grow and expand the business

Paul Mander, Business Manager, North West Australia, in addition to his current role, is responsible for the integrated business. Paul will be relocating back to Perth from Brisbane in the near future, to increase his commitment to business development in Western Australia.

Boart Longyear will draw on Graham Kluck's extensive knowledge, and Graham will be assisting in business development and the transfer of technology throughout all of Boart Longyear's operations in Asia Pacific.



Kevin Davis, Peter Kanck, Paul Brown and Graham Kluck inspecting new equipment in Adelaide.



A North West Drilling rig in the Pilbara

BOART LONGYEAR TO ACQUIRE DRILLCORP LIMITED FROM AVATAR INDUSTRIES

Adelaide, Australia and Salt Lake City, Utah – 21st August 2006

Boart Longyear today announced that it has entered into a definitive agreement to acquire Drillcorp Ltd ("Drillcorp") a highly successful provider of mineral drilling services in Western Australia, from the Avatar Group (ASX code AVR). The transaction is subject to regulatory and shareholder approval, and should these be satisfied, is expected to close in October 2006.

Headquartered in Perth, WA, and employing 250 people, Drillcorp operates

22 multi-purpose diamond core drill rigs and 5 reverse circulation rigs, each of which provides surface drilling services throughout the region. The business has been built on a platform of providing its customers with efficient, reliable and high quality service, and delivering solutions to some of the industry's most technically challenging drilling projects. The existing senior management of Drillcorp is expected to remain with the business.

Drillcorp will complement Boart Longyear's successful Western Australian business, which traditionally has concentrated on providing underground drilling services. Boart Longyear recently acquired North West Drilling, a privately owned drilling business also operating from Perth, that has a fleet of 8 surface drilling rigs. The combination of Drillcorp with Boart Longyear's operations will enable Boart Longyear to offer its customers in the region a complete suite of drilling services.

"We see this as an exciting growth opportunity in one of the world's largest markets for drilling services" said Paul Brunner CEO of Boart Longyear. "Combining Drillcorp's skills and experience with our own proven capabilities, will enable us to offer a wide range of services to all mining companies, from the largest to the smallest, with world standard competencies in underground and surface drilling. The proposed acquisition of Drillcorp represents another important step in achieving our goal of offering our customers the highest quality service, while operating at the highest safety and reliability levels."

Under Australian Stock Exchange rules, the sale is subject to the approval of Avatar shareholders. The directors of the Avatar Group, who own or control approximately 60% of issued shares, are unanimously recommending shareholders to vote in favour of these resolutions, subject to no unforeseen circumstances. The directors have similarly stated their intention to vote in favour of the resolution.

ABOUT BOART LONGYEAR

Boart Longyear is a global organisation headquartered in Salt Lake City, Utah, with offices and operations in Asia Pacific, North and South America, Europe and Africa. Boart Longyear is the leading provider of essential drilling services and drilling products for the global mining industry, and also has a substantial presence in drilling for other purposes, including water exploration, environmental and oil sands exploration drilling.

Boart Longyear with 2005 sales of over \$ 1 billion, and 7,000 employees worldwide, has global capabilities, conducting contract drilling services in more than 25 countries, and providing mining products to customers in over 100 countries.

Boart Longyear's Australian head office is in Adelaide and the business operates from regional centres throughout Australia.

Boart Longyear is currently owned by global private equity firms Advent International and Bain Capital.

ABOUT ADVENT INTERNATIONAL

Advent International (www.adventinternational.com) is one of the world's leading private equity firms, with \$ 10 billion in cumulative capital raised and offices in 14 countries across North America, Western and Central Europe, Latin America and Asia Pacific.

Since its founding in 1984, Advent has invested in over 500 companies and has helped businesses raise \$ 10 billion, through public equity and debt offerings. These include 130 IPOs on major stock exchanges worldwide.

ABOUT BAIN CAPITAL

Bain Capital (www.baincapital.com) is a global private investment firm that manages several pools of capital, including private equity, high yield assets, mezzanine capital, venture capital and public equity, with more than \$ 38 billion in assets under management. Since its inception in 1984, Bain Capital has made private equity investments and add-on acquisitions in over 230 companies around the world, including such industrial companies as Brenntag AG, SigmaKalon, NOVACAP and Innophos. Headquartered in Boston, Bain Capital has offices in New York, London, Munich, Tokyo, Hong Kong and Shanghai.

GEORGE SCOTT

George Scott is an "old fella" known as "Mr Longyear" to many who were around in the 60's, 70's and 80's.

George had "served his time" as a driller and supervisor with WMC, but in 1965 was persuaded to join Longyear (before it became Boart Longyear) as a sales engineer.

He was initially based in Sydney, but after the start of the nickel boom, moved back to WA to open and run the Longyear supply office in Perth, and it was in this capacity that he became widely known to the drilling fraternity.

John Gardiner was George's "offsider" in the early days and others who became well known in the Longyear organisation with George in Perth were Brian Gledhill and Gilbert Calais, also known as Colonel Sanders, because of his resemblance to the Kentucky Fried Chicken character of that name.

During his time with Longyear, George did much overseas travelling, to places as diverse as China, Burma and Thailand.

George is now almost 83, and the Board of the MDAA decided to recognise his significant contribution to the development of mineral drilling in Australia, by presenting George with a Plaque of Recognition.

A small function was arranged at Colby Drilling on Thursday August 10, which was attended by some of the drilling fraternity from the old days. These included Peter Schwann, Peter Henderson, John Gardiner, Bob Fahey, Ray Cotterell, Graeme Wallis, David Stevens and James Colby. Terry Sanfead deputised for his father Ron, another "old timer", who could not attend as he was in Broome.

James Colby presented the plaque to George on behalf of the MDAA and there was much reminiscing and a few good laughs about characters and events from George's time with Longyear.



James Colby presenting the plaque to George



James explaining the MDAA to George, with John Gardiner in the background.

George promptly put his hand in his pocket and joined the MDAA, so he is our latest member.

Australasian Mining Services Pty Ltd (AMS) is pleased to announce that Scott Johnstone has accepted the position of Manager, Western Regions.

Scott brings with him many years of experience in exploration product sales and technical support.

Scott will remain in Kalgoorlie, where AMS has opened a new branch in Boulder.

Contact numbers: Ph: 08 9093 3966
Fax: 08 9093 3988 Mb: 0448 876 697

Keith Littlely reports that KWL Drillrig Engineering has invested in an independent Research and Development Engineering Business which Keith envisages will support not only KWL Drillrig Engineering but also the exploration drilling industry in general.

This separate business is self-contained and will initially employ three personnel, headed by Keith Littlely. The aim is to provide a centre for innovation and continuous improvement, and it is a first for our industry.

Keith expects it to have a well-defined position in a short space of time – but only time will tell!

The new KWL rod handler is almost ready, and should be released on the market soon, after a long period of development.

Imdex Limited (Imdex) are pleased to announce the appointment of Derek Loughlin as General Manager of their "Drilling Products and Services" division.

Derek joins Imdex after completing 17 years of service with Boart Longyear in senior positions throughout the world.

The "Drilling Products & Services" division comprise of Ace Products, Ace Rentals, Chardec Consultants Limited, Reflex Instruments and Surtron Technologies.

Recent job advertisements in the "West Australian" have included

Blast Hole Driller and Drill Helpers for Wallis Drilling.

Drillers and Helpers for Drillcorp Western Deephole.

Surface Diamond Drillers for Westralian Diamond Drillers.

Diamond Drillers and offsidars for MOSSLAKE Drilling Services.

Drillers offsidars for Challenge Drilling

Exploration RC Drillers and offsider's for Ausdrill Norrthwest.

HERE AND THERE

From friends in South Africa



Sign outside the walled town of Chacabuco. Sign reads –

Ex Oficina Salitrera
CHACABUCO
Construida en 1922 – 1924
Cant Trabajadores : 1,700
Poblacion : 7,000 Habs
Produccion Annual :
180,000 T/M De Salitre
900 Quintales De Yodo
Sistema Producc : Shanks
1940, Cierra Sus Funciones
Como Oficina Salitrera
1971, Declarado Monum
Historico



Opera House in Chacabuco, where Dame Nellie Melba reportedly performed.

TRAVELOGUE

Mining Saltpetre was, for many years prior to WW 2, big business in Chile, and such were the profits that walled company towns were built to accommodate workers and their families.

These towns provided all facilities and amenities, including stores, hospitals and recreation facilities.

One such town was Chacabuco, just north of Baquedano, on the way from Antofagasta to Calama, which housed 1,700 workers and their families, for a total population of some 7,000 people.

Recreation facilities included an opera house, and Dame Nellie Melba is reputed to have performed there.

Chacabuco reportedly became a detention centre for political prisoners in the time of the dictator Pinochet.

It is now a ghost town, but maintained as an historical monument.



Interior of Opera House



Bath in the dressing room of the Opera House. Dame Nellie reportedly bathed here.

In his book "A Diamond Driller Reminisces" Albin Wicklund (uncle of Percy Wicklund) has this to say about this part of the world, where he drilled in 1925 – "The summer heat in the nitrate fields was 130 degrees. There were no trees and not even a blade of grass within a hundred miles. All one could see was sand and more sand that drifted like snow in all directions. On this desert I drilled two 1,000 foot holes looking for water, but never found a drop."