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AFRICAN MINING SERVICES APPOINTED AS PREFERRED CONTRACTOR BY TORO GOLD

The West African gold industry continues to provide strong growth opportunities for Ausdrill Limited (**ASX: ASL**), with the Company's wholly owned subsidiary, African Mining Services (**AMS**), appointed as preferred contractor by Toro Gold.

The principal terms and conditions of the appointment are subject to full detailed documentation.

AMS expects to enter into a contract with Petowal Mining Company SA, a wholly owned subsidiary of Toro Gold Limited, to provide a full suite of open pit mining services at the Mako project located in Senegal, West Africa.

The contract is expected to generate approximately AUD\$300 million in revenue over a term of 75 months, with mining expected to commence in January 2017.

AMS anticipates it will employ approximately 350 personnel, more than 90% of whom will be local, to complete the works at this project.

While some of the equipment required to perform the drilling, blasting, load and haul, and crusher feed services will be sourced from within the Group, the project will require capital expenditure of approximately AUD\$25 million for the acquisition of new equipment.

Ausdrill's Managing Director, Ron Sayers, said: "We are delighted at being appointed preferred contractor at this new project, which will expand on our West African operations where AMS has been operating for over 25 years. Our deep expertise in the gold sector means our team is perfectly positioned to deliver a successful operation for Toro."

About Ausdrill

Ausdrill (ASX: ASL) is a diversified mining services company. Since its formation in Kalgoorlie in 1987, Ausdrill has grown significantly and now has operations across Australia, Africa and the United Kingdom. Ausdrill is a leader in providing services in contract mining, grade control, drill & blast, exploration, mineral analysis, procurement & logistics. The Ausdrill Group employs over 3,800 staff worldwide.

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