



ASX Release
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MAJOR CUSTOMER IN INDONESIA PLACES MINE ON CARE AND MAINTENANCE

Emeco Holdings Limited (ASX: EHL) notes today's announcement by Straits Resources Limited (ASX: SRQ) that it has placed the Mt Muro mine, which is operated by its wholly owned subsidiary PT Indo Muro Kencana (PTIMK), on care and maintenance. PTIMK is the primary customer of Emeco Indonesia.

PTIMK represents approximately 28% of Emeco Indonesia's fleet and 4% of Emeco Group's global fleet. It had been anticipated that PTIMK would represent a significant source of revenue for Emeco Indonesia in FY14. In light of this development the Indonesian business is now expected to be loss making in the current financial year in the absence of any major new contract wins. Emeco Indonesia's utilisation was 30% immediately prior to this announcement.

Emeco Indonesia has funds owing of US\$9.8 million from PTIMK which is largely covered by credit insurance of US\$8.3 million. Fleet demobilisation costs are expected to be approximately US\$1.2 million which are the obligation of PTIMK. PTIMK has further ongoing contractual obligations to Emeco Indonesia and has not yet communicated its intended approach to these obligations. Emeco Indonesia is awaiting further information from PTIMK before taking further action.

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About Emeco (ASX: EHL)

Established in 1972, Emeco is the world's largest, independent mining equipment rental business. Emeco is a publicly listed ASX 200 company with a global rental fleet of approximately 1000 machines, servicing major resource projects across Australia, Canada, Chile and Indonesia. Emeco is not aligned with a single original equipment manufacturer (OEM), instead it operates a global fleet of OEM machines to deliver the most suitable equipment rental solutions for its customers.

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