

Media Release

3rd November, 2008

Union Hill Mine on Care and Maintenance

Alliance Resources has announced plans to suspend the underground bulk sample program at their Union Hill operations in Maldon. The suspension will be for an initial but extendable term of 3 months. AVKO Mining has been involved in the project since February 2007 when it bought out Deckoss Mining Contractors. Since February 2007 AVKO has introduced more modern mining equipment to the operation and grown the workforce to 23.

The AVKO miners at Union Hill have worked hard through sometimes difficult conditions with high water inflows and poor ground conditions in areas of the mine with an exceptionally good safety record.

AVKO Mining is a contracting company based in Kalgoorlie with operations in QLD, NSW, Victoria and Western Australia. AVKO carries out underground mining as well as civil construction tunnelling and shaft sinking across Australia. AVKO's general manager, Steve Durkin who resides in Bendigo wishes to thank all of the people who have helped in our operations at Union Hill. Most importantly those employees who have worked at the mine but also the communities, suppliers and service companies who have supported us from Maldon, Castlemaine, Bendigo and Ballarat over the past two years.

Paul Hurley, AVKO's Managing Director commented "should the mine start up again we will jump at the chance to be involved again, it is not only a beautiful little town to visit but it has a great community and they are very supportive of the mining industry in Maldon". Hurley also noted, "Unfortunately this closure will put a lot of good miners out of work. We will do our best to place some of our Maldon employees at other operations across Australia, it is my hope that we will be able to assist the balance to find work at other Victorian operations. To all those involved in our operations at Union Hill, your commitment to this project and excellent safety record is something to be very proud of".

AVKO operations include whole of mine services, joint venture arrangements and owner operations. AVKO offer a wide range of services, and to this end consider ourselves as business partners who can add value and innovative solutions to any project we are involved in. We are proud to have been associated with Alliance Resources at their Maldon operations and wish them all the best with their Four Mile Uranium Project in South Australia.

Further information relating to AVKO can be found on the Company's website at www.avkomining.com

Queries should be directed to:
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