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## **Coote Industrial Limited (CXG) Announcement**

### **Gemco Rail awarded \$40 million in Rail Wagon Contracts**

Coote Industrial Limited (CXG:ASX) is pleased to announce that its rail rollingstock business, Gemco Rail, has today entered into a supply contract with IMX Resources Limited (IXR:ASX) for the design, manufacture and supply of 194 container wagons to IMX Resources wholly owned subsidiary Termite Resources NL, for deployment at its Cairn Hill magnetite – copper – gold project located in South Australia. These container wagons will be leased to Termite Resources for a minimum period of five years.

Under the supply contract, Gemco Rail will progressively deliver the wagons over a six month period commencing in late 2010. This contract, facilitated with the support of the Elphinstone Group, will deliver a significant volume of fabrication work for Gemco Rail facilities in Western Australia in this forthcoming financial year.

Gemco Rail has also entered into a related five year maintenance contract with rail haulage operator Specialised Bulk Rail Pty Ltd (SBR) for maintenance of the wagons. In addition to the regular annuity stream, this contract provides significant impetus for Gemco Rail to further progress its growth plans within South Australia and the mining sector in general.

The combined agreements represent an estimated contract value in excess of \$40 million over the initial five year period, with both having provision for consecutive two plus two year extensions.

#### **About IMX Resources**

IMX is an Australian-based diversified resources developer and explorer with operations spanning Australia, Africa and India. Its business strategy is to become a mid-tier miner through the development of a portfolio of assets based on multiple commodities, including steel making materials and copper, coupled with geographical diversity.

#### **About SBR**

SBR is a bulk rail haulage company established by the owner of SCT Logistics as a rail service provider dedicated to providing services to the mining industry



## **About Gemco Rail**

Gemco Rail specialises in the design, manufacture and supply of freight rail rollingstock including locomotives, wagons and bogies, and is a leading maintainer of rollingstock for the Australian rail industry. Gemco employs 180+ personnel, generates annual revenues of circa \$100 million, and maintains operating rollingstock maintenance facilities in Western Australia, South Australia, New South Wales, Victoria and Queensland.

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