

FENNER PLC ANNOUNCES MAJOR INVESTMENT IN GROWTH MARKET

March 17, 2008

Today Fenner PLC has announced that it plans a major investment in growing its capability and capacity to produce steel reinforced conveyor belt.

Global CEO Mark Abrahams says "this initiative will further cement our position in the minds of our customer as the world leading conveyor belt company. As part of our strategic vision in growing partnerships worldwide, this investment strongly supports this objective".

Fenner PLC through its Australian division Fenner Dunlop Australia is investing \$70 million building a new "greenfield" manufacturing plant for steel cord conveyor belts at Kwinana, south of Perth. This facility will be the first new conveyor belt plant built in Australia in over 60 years. Construction on a 4.6 ha site will begin in April 2008, with production expected to commence in the second quarter 2009.

According to Mark Abrahams "Australia is the ideal country for this development due to its central location to growth markets in China, India and Africa. Australia itself is also an important market and our Australian team headed by David Landgren has proven know how and expertise to ensure they build the best conveyor belts anywhere in the world".

Australian and America's Executive Director, David Landgren says "the growing global and local market for steel cord has been a major driver for this investment. Additionally it is expected that due to the expertise required to make such an important belt for our customers, these kinds of belt must be made using a highly skilled and qualified team, just like those in Australia". Landgren went on to add, "Our customers demand exacting standards, not just for excellent belt, but also excellence in the manufacturing process and value added service. Our safety standard as well as our adherence to quality processes means using expert workers in industrialized countries is the best way to guarantee we meet their growing service and performance expectations".

"Like our customers, we demand efficiency and maximum output from our equipment, this is critical to delivering consistent and reliable quality, the only way I could feel comfortable with delivering product to the needs of our clients is with the best equipment, operated and managed by the best people"

"This investment will include the most modern equipped technical testing facility in the Southern Hemisphere. In making this significant commitment we are responding to our customers demand, and believe it will be a great advantage for our West Australian customers to have the most modern Steel Cord plant in the world and our value added service technicians not only in their time zone, but on their door step," Mr Landgren said.

The new Australian plant will not only have a state of the art press to build the biggest and best quality belt, it will also have the right systems and processes at the front and back end to ensure exacting tensioning methods to deliver flawless belts even quicker than previously considered possible.

The plant will produce steel cord belt and rubber ply belt up to 3200 mm wide and up to 50 mm thickness. The plant will have an initial annual production capacity of 330,000 square meters, equating to about 103 km of 3200 mm belt.

The Fenner Dunlop – Worldwide group has selected world-leading German and Italian technology for the plant. The steel cord line comes from Siempelkamp and has the world's largest press with dimensions spanning 3420 mm and a press length of 18.5m. This will be the third such new press installed in the Fenner Dunlop group operations in 2008.

The new Australian plant will become Fenner Dunlop's fifteenth global conveyor belt manufacturing facility, and its fourth Steel Cord plant, strengthening the company's reputation as a world leader and innovator in conveyor belt technology.

The last word was left to Mark Abrahams "our wholly owned Australian belt manufacturing and conveyor service business, who most people have known as Apex Fenner, is uniquely placed with exceptional relationships across the major global mining companies. These relationships and our local team's reputation for being dedicated to safe, value added solutions for their customer means we can ensure the best belt is made and installed for their long-term growth ambitions. That will ensure we fulfil our strategy to grow partnerships worldwide.

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