Lafarge Increases Aggregate Production Capacity by 70% with Completion of R51 Million Peak Quarry Upgrade

Cape Town – 22nd April, 2008 - Lafarge Aggregates and Concrete has completed its R51 million Cape Peak Quarry upgrade, increasing its capacity by 70%.

Speaking today at the inauguration of the new installation, Anton Combrink, Lafarge Aggregate & Concrete Regional Manager, said that the Western Cape construction market has been continuously growing.

"We expect the growth trend to continue for at least 5 more years, therefore we needed to prepare for providing our customers with the products that meet their requirements, both in terms of quality and quantity," said Combrink. "Having in 2006 completed an upgrade of our other quarry situated at Tygerberg to the north of Cape Town, we are now well prepared to service our clients to their satisfaction."

Prior to the upgrade the main processing plant at Peak Quarry had a capacity of 450 ton per hour, which has now increased to 750 ton per hour. Combrink said that of equal importance to the increase in output is the optimisation of the quarry's product split to ensure that the increasing demand for premium quality manufactured sand in the Western Cape is met.

He said that product quality will increase across the board as the change to new generation crushing and screening technology ensures improved shape of products and better grading. The upgrade has also been an opportunity to install a state of the art plant automation system, overhaul the electrical installation and reduce dust emissions for the benefit of the neighbouring community.

Peak quarry provides the full spectrum of crushed aggregates from layer materials for road-base to single sized crushed stone, and speciality products such as gabion stone and rail ballast.

"We are convinced that this is a good investment at the right time," Combrink added. "The fact that the power consumption per ton produced will decrease by over 20% is an added benefit the importance of which we did not appreciate when planning the project well ahead of the power supply issues we face today."

The upgrade was done in record time of three months starting on 24 November with production recommencing on 21 February 2008.

The upgrade necessitated the shut-down of the whole plant at Peak so it was crucial that the bulk of the work be completed during the annual builders shut-down between 15 December 2007 and 15 January 2008.

"I would like to congratulate the contractors working on the project and the Lafarge staff for finishing the project without any lost time accident and fully on time despite the enormous pressure on the schedule," Combrink said. "We needed to ensure adequate stock levels by running extended shifts during the period leading up to the shut down and deployed a mobile crushing plant at Peak in order to assist in this task. This enabled us to provide our customers with their product requirements during the nine week period not covered by the annual shut down."

The Aggregates & Concrete Business Unit operates 66 fixed and mobile readymix concrete plants and 24 aggregate (crushed and graded rock) quarries strategically located throughout the South Africa to service all sectors of the construction industry.

Its primary business involves supplying quality products and technical support to contractors involved in any type of residential and non-residential construction, as well as infrastructure such as roads, rail, harbours and other infrastructure.

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About Lafarge

Lafarge is the world leader in building materials, with top-ranking positions in all of its businesses: Cement, Aggregates & Concrete and Gypsum. With 90,000 employees in 76 countries, Lafarge posted sales of Euros 17.6 billion and net income of Euros 1.9 billion in 2007. Lafarge is the only company in the construction materials sector to be listed in the 2008 '100 Global Most Sustainable Corporations in the World'. Lafarge has been committed to sustainable development for many years, pursuing a strategy that combines industrial know-how with performance, value creation, respect for employees and local cultures, environmental protection and the conservation of natural resources and energy. To make advances in building materials, Lafarge places the customer at the heart of its concerns. It offers the construction industry and the general public innovative solutions bringing greater safety, comfort and quality to their everyday surroundings.

Additional information is available on the web site at www.lafarge.com < http://www.lafarge.com/> .

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