

Press Release

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SANRAL AWARDS R21 CONTRACT TO POWER GROUP

The transport and road sector has been prioritised by the South African government as a vital contributor to South Africa's competitiveness in global markets. It is seen as a crucial engine for economic growth and social development. With the above in mind, South Africa is investing significantly in developing infrastructure in order to meet the demands of the booming economy and growing population. The country is also preparing to host the 2010 FIFA Soccer World Cup and the government is investing considerably in building and upgrading 10 world-class stadiums, including energy, transport and telecommunications infrastructure. Increased tourism in the country as a result of the 2010 event has also prompted the government to fast track plans to improve transport infrastructure and services.

As part of the infrastructure development upgrade, one of the planned initiatives, the R21 road reconstruction project, has been awarded to Power Construction, a division of Power Group and a specialist South African construction company founded in 1983. The project comprises of upgrading the National route R21, Section 1 & 2 stretching from the Benoni interchange (15.3 km) to the Olifantsfontein interchange (27.80km) valued at R610 387 407.99 by the South African National Road Agency (SANRAL) as part of the Gauteng Freeway Improvement Projects launched by SANRAL. The initiative incorporates the widening of the road together with the upgrading of interchanges and installing safety measures. The project forms part of the multibillion-rand 561-km Gauteng Freeway Improvement project (GFIP), which aims to upgrade and expand the province's highway network in order to allow sustainable growth in Gauteng and is expected to take 20 months to complete.

"Power Construction has already successfully completed a number of major roads contracts across South Africa and is therefore well equipped with the required skills and manpower to ensure the successful implementation of this project. The R21 Contract is our first major contract for SANRAL in Gauteng and is the next step for us in establishing ourselves as a major player in the national market" says Mr Poens Venter, Director of Power Construction (PTY) LTD

About Power Group

Power Group was founded in 1983 as a civil engineering contractor by the executive chairman, Graham Power. The company has established itself as a specialist in construction projects throughout Southern Africa and specialises in earthworks; bulk services; road and highway construction; pipelines; concrete works; township infrastructure; blacktop paving; golf course infrastructure and turn-key property development.

In 2008 Power Group celebrated its 25th year anniversary. The company is rated as South Africa's largest civil engineering company in the field of township development by the South African Federation of Civil Engineering Contractors (SAFCEC). The steady growth of the Group has resulted in the expansion of its operations into a number of different specialist companies. While focusing on their own core strengths, the companies nevertheless shares the power vision, mission and values and operates in accordance with the Power Ways that are governed by a set of benchmarks, ethics, performance and quality of each company within the Group. The Group's relationship with all its stakeholders is based on the principles of ethics, integrity, respect, trust and mutual understanding. The group has four branches situated in Cape Town, Knysna, Port Elizabeth and Gauteng.

Note to Editors:

For more information about the Power Group R21 Contract please contact Siyenza Management- Liz Hart – 083 227 5156 or liz@siyenza.za.com

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