



SEDGMAN
ASX/MEDIA RELEASE

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Bocamina Project and Force Majeure Status Update

Key Points

- **Site inspected, deemed safe, work resumed**
- **Preliminary damage report issued to client**
- **Impact of force majeure remains under review in anticipation of ongoing delays**

Leading resource sector services company Sedgman Limited (ASX Code: SDM) advised today that work has resumed at the Bocamina Coal Handling Plant (CHP) project in Chile following the recent severe earthquake.

The Bocamina CHP project remains subject to the force majeure notice issued to Sedgman's client Tecnimont Chile on March 1, 2010 and announced to the market the same day.

Managing Director Mark Read said Sedgman personnel had formally recommenced works and started undertaking repairs after the site had been inspected and assessed as safe.

"Although work has recommenced, the potential impacts as a result of the earthquake are still being assessed in anticipation of further ongoing delays due to widespread damage to essential transport infrastructure and disruption to supporting supply chains. A preliminary damage report has also been issued to Tecnimont," Mr Read said.

The earthquake struck 115km north-east of the city of Concepcion and 325km south-west of the capital Santiago on February 27, 2010.

Sedgman was awarded the AUD\$50 million contract in April 2009 to design and construct a new coal handling plant (CHP) as part of a major expansion of the Bocamina power station.

The Bocamina plant, operated by major Latin American energy group Endesa, is located in the coastal city of Coronel approximately 400km south of Santiago and about 40km from Concepcion.

About Sedgman

Sedgman Limited (ASX: SDM) was established in 1979 and is a leading provider of mineral processing and associated infrastructure solutions to the global resources industry. Specialising in the design, construction and operation of coal handling and preparation plants (CHPPs), Sedgman is recognised internationally for its coal processing and materials handling technologies.

Sedgman listed on the ASX in June 2006. The Company services the global coal and metalliferous markets by offering innovative Engineering and Operations capabilities. Head office is in Brisbane with international offices established in Beijing, Santiago and Johannesburg targeting the growth regions of China/Mongolia, South America and southern Africa. The company has around 700 personnel and a market capitalisation of approximately \$300 million.

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