



SEDGMAN

ASX/MEDIA RELEASE

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Sedgman wins Whitehaven's Narrabri Coal CHPP contract worth more than \$50m

Key Points

- Narrabri Coal CHPP contract valued in excess of \$50m
- EPC contract awarded following competitive tender process
- Strategic opportunity to sustain Sedgman's industry profile within key NSW market
- Further confirmation of Sedgman's positive growth outlook for FY2011 and beyond

Leading resource sector services company Sedgman Limited (ASX Code: SDM) confirmed it has signed a contract exceeding \$50 million to Engineer, Procure and Construct (EPC) a new Coal Handling and Preparation Plant (CHPP) at the Narrabri North coal mine in New South Wales.

The mine, located 28km south of the NSW town of Narrabri, is owned by Narrabri Coal Operations Pty Ltd (NCO) – a joint venture company in which listed Australian coal miner Whitehaven Coal Limited (ASX Code: WHC) has a 70 per cent operating interest.

The new CHPP is part of NCO's Stage Two longwall mining development plan to lift production to 6 million tonnes a year to produce Thermal and PCI coals.

Sedgman's Managing Director Mark Read said the contract win was particularly significant given the competitive tender process involved and reinforced Sedgman's track record in competitively delivering coal projects within the key New South Wales market.

"The award of the contract was due in part to Sedgman's approach to safety and the environment, design innovation and project execution record," Mr Read said.

"We are now looking forward to delivering this CHPP project on time and on budget and developing a long term client relationship with Whitehaven Coal and its joint venture partners in the Narrabri North mine."

The new CHPP facility will include reclamation capacity of 1,000 tonnes per hour of coal from the existing raw coal stockpile, a rotary breaker, a dry screening process, dense media bath and a PCI coal processing circuit.

Mr Read said winning the new Narrabri North CHPP contract further supported Sedgman's positive earnings outlook for FY2011 and beyond as global business conditions improved.

"We expect to continue to grow our order book and capitalise on the increasing number of project opportunities both in Australia and abroad," he said.

Sedgman is recognised internationally for its coal processing and materials handling technologies and is currently focused on a \$5.5 billion global pipeline of targeted project opportunities in coal and metals.

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 \$340 million.

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