



SEDGMAN

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Sedgman delivers New Acland plant expansion on time, budget

Amid stretched industry capacity due to surging demand, engineering group Sedgman Limited announced today the opening on time and within budget of the new \$35 million coal handling and preparation plant at New Acland coal mine near Toowoomba.

Sedgman's managing director, Peter Hay, said the new plant would allow leading coal producer New Hope Coal Australia to expand production capacity to over 3.6 million tonnes per annum of product coal, making it the largest coal processing facility in the Surat Basin.

"Sedgman was awarded the design, construct and commissioning work for the new plant in February 2006 and we completed it on 19th February 2007 as scheduled," he said.

"The new plant is currently in full operation and complements an existing 700 tonnes per hour CHPP which was designed and constructed by Sedgman in 2002."

Mr Hay said Sedgman used its experience in coal processing plant design and construction management together with excellent supplier relationships to overcome potential bottlenecks.

"Having developed an excellent relationship with the client during the building of the first plant and based on its reliability and performance, we were able to plan around any constraints and New Hope had the confidence in us to deliver the results for them again," he said.

The new CHPP comprises a 500 tonnes/hour ROM (run of mine) receipt and sizing station and 350 tonnes/hour coal processing facility with dedicated tailings and product handling systems and a shared coarse reject handling system.

"Sedgman's safety management system also ensured a total of 115,000 hours were completed Lost Time Injury free during the construction period which began in April 2006, with manning levels peaking at 120 with maximum use of local resources," Mr Hay said.

"Acceptance Testing and preliminary performance results indicate the plant is currently operating well within its design criteria. The flow-on effects in terms of exports and tax revenue are set to generate considerable economic benefits."

Australia's booming coal industry continues to underpin strong growth for Sedgman, with the company together with its joint venture partner, Thiess Pty Ltd, having been awarded two of the largest CHPP contracts ever awarded in the Australian coal industry at Dawson and Lake Lindsay.

Mr Hay said Sedgman Limited is also moving rapidly to exploit opportunities for expansion in the global coal industry, in addition to those in the metalliferous sector identified by recent acquisition Pac-Rim.

About Sedgman

Sedgman Limited (ASX:SDM) was established in 1979 and through the Sedgman brand has become a leading provider of multi-disciplinary engineering, project delivery and operations services to the Australian coal 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. After listing on the ASX in June 2006, Sedgman Limited expanded into the metalliferous sector in December 2006 with the acquisition of ore crushing and screening services provider Pac-Rim.

About New Hope Coal Australia

New Hope Coal Australia, a part of New Hope Corporation Limited (ASX:NHC), produces thermal coal from its New Acland and New Oakleigh mines in south-east Queensland. New Hope's mines produce around 4 million tonnes per annum of thermal coal for domestic and export markets.

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