



SEDGMAN

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BMA awards Sedgman Daunia CHPP contract

Expanding resource sector services company Sedgman Limited (ASX:SDM) has secured a contract from BHP Billiton Mitsubishi Alliance (BMA) for in excess of \$80 million to design and supply a coal handling and preparation plant (CHPP) for its proposed Daunia mine in Queensland's Bowen Basin

The Daunia site is approximately 25km south-east of Moranbah, and is adjacent to the Red Mountain CHPP which Sedgman currently operates for joint venture owners BHP Mitsui Coal and Peabody.

Sedgman Coal's Chief Operating Officer Mr Steve van Barneveld said Sedgman had worked with BMA on developing the concept design and was awarded the contract through a direct negotiation process.

"This is another excellent example of the close working relationships Sedgman has fostered and developed over time," Mr van Barneveld said.

"Our commitment to client relationships is focused on understanding a resource and providing an appropriate and innovative solution to support our customers' needs and objectives."

Daunia Mine is the first of a suite of mine projects currently planned for Queensland's Bowen and Surat basins with potential to lift the State's coal export capacity by some 75 million tonnes a year.

Under the Daunia contract Sedgman's coal division will undertake detailed design and procurement of the CHPP, with all key components scheduled for delivery during calendar 2009. Sedgman is also working with BMA to develop a construction estimate for the Daunia CHPP.

Sedgman's Managing Director Mr Mark Read said the Daunia contract maintained the Company's growth momentum as it continues to service a record number of feasibility studies within the Coal division.

"We are expecting another strong year ahead as we expand into markets with large potential for long-term growth, including Africa, China and South America, on top of the booming Australian coal and metals sectors," he said.

About Sedgman

Sedgman Limited (ASX:SDM) was established in 1979 and has become a leading provider of integrated engineering, project delivery and operations services 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.

After listing on the ASX in June 2006, Sedgman expanded into the metalliferous sector in December 2006 with the acquisition of ore crushing and screening services provider Pac-Rim. In July 2007, Sedgman further expanded into this sector with the acquisition of minerals process engineering and project management company Internet Engineering Pty Ltd.

Sedgman's structure comprises two core divisions of Sedgman Coal and Sedgman Metals, encompassing the business units of Engineering Services and Operations. Based in Brisbane, the company has approximately 600 staff and a market capitalisation of approximately \$450 million.

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