



ASX/MEDIA RELEASE

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Rio Tinto Coal Awards Sedgman \$25m Bengalla CHPP Upgrade Contract

Expanding resource sector services company Sedgman Limited (ASX:SDM) has secured a contract from Rio Tinto Coal Australia (RTCA) for in excess of \$25 million to design and construct an upgrade to the Bengalla coal handling and preparation plant (CHPP) in New South Wales.

The Bengalla Coal Mine is located approximately 3km west of the town of Muswellbrook in the Hunter Valley region of New South Wales.

Sedgman Coal's Chief Operating Officer Mr Steve van Barneveld said Sedgman had been involved at Bengalla since winning the original CHPP contract in early 1997 and was awarded the upgrade contract through a direct negotiation process.

"One of Sedgman's major strengths is the close working relationships the Company fosters and develops over time with its clients," 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. And of course we commit to deliver on time and on budget."

The Bengalla CHPP was designed and built by Sedgman and first commissioned in March 1999. Sedgman has since provided ongoing support for RTCA and Bengalla Mining Company, completing numerous upgrade projects on the site.

Under the Bengalla Run Of Mine upgrade contract Sedgman's coal division will undertake detailed design and construction of the plant expansion, which will increase the raw coal handling capacity and relocate the front end of the CHPP. Practical completion will occur during 2009.

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

"At our 2008 AGM, I outlined a number of exciting projects in our near pipeline that we expect to convert into contracts," Mr Read said.

"These projects included Bengalla and are worth in excess of \$400 million. Our strong pipeline and record order book position will result in another strong year of growth for Sedgman and will underpin earnings through 2010 and beyond."

About Sedgman

Sedgman Limited (ASX:SDM) was established in 1979 and is a leading provider of mineral processing 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.

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 700 staff and a market capitalisation of approximately \$140 million.

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