



ASX/MEDIA RELEASE

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### **McArthur River lifts force majeure on crushing contract**

Sedgman Limited (ASX:SDM) today confirmed that Xstrata Plc's McArthur River Mining Pty Ltd has lifted the "force majeure" declaration that has affected Sedgman Metal's crushing contract since 26 January 2009.

The lifting of force majeure follows the Federal Environment Minister's announcement last Friday that he had formally approved the expansion of the McArthur River mine located near Borroloola in the Northern Territory.

The declaration of force majeure announced by Sedgman on 22 January 2009, resulted from the cessation of mining activities following invalidation of the original mine approval by the Federal Court in December 2008.

Sedgman Metal's subsidiary Pac-Rim will immediately re-mobilise to McArthur River to commence crushing operations on Thursday 26 February 2009.

The crushing contract was announced by Sedgman on 10 July 2008 and runs for a period of 2 years from April 2008 with expected revenues of approximately \$7 million per annum.

Sedgman's Managing Director Mark Read said he was delighted the approval issues affecting McArthur River had been resolved.

"While today's announcement is great news for Sedgman, our key focus is to assist McArthur River in re-starting operations as soon as possible" he said.

#### **About Sedgman**

**Sedgman Limited** (ASX:SDM) was established in 1979 and 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 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 \$75 million.

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