



ASX/MEDIA RELEASE

3 March 2009

International strategy delivers EPCM contract in Mongolia for a new CHPP

Sedgman Limited (ASX:SDM) today announced it has won a AUD\$20 million contract from Energy Resources LLC to provide design, procurement and construction management services (EPCM) for a new coal handling and processing plant (CHPP) at its UHG mine in the South Gobi region of Mongolia.

Sedgman Coal's Chief Operating Officer Steve van Barneveld said the EPCM contract with Energy Resources was the first won through the Company's Beijing office which opened in mid-2008.

"This is a significant milestone for us as it not only recognises the energy and diligence of our team in China, but provides tangible evidence that our international expansion strategy continues to deliver great outcomes," he said. "Sedgman will start work on the design immediately."

Sedgman's Managing Director Mark Read said the UHG project was strategically important to Sedgman given the region's future development potential.

"This coal processing plant is the first to be built in Mongolia and will set the standard for future mine developments there," Mr Read said. "The South Gobi region is forecast to grow production rapidly due to its close proximity to China's major steel makers."

The 800 tonne per hour Phase 1 CHPP is due to be completed in 2010. However, production is planned to double at the UHG mine on completion of a new rail link to China in 2011.

Mr Read said the UHG CHPP was just one of the many exciting opportunities in Sedgman's \$4.3 billion project pipeline.

"It further supports our decision to expand offshore into targeted high-growth international markets and build on Sedgman's reputation as the leading provider of coal processing solutions globally," he said.

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.

Sedgman listed on the ASX in June 2006. The company'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 \$80 million.

<ENDS>

For further information contact:

Mark Read
Managing Director, Sedgman Limited
Ph: (07) 3514 1000
www.sedgman.com.au

Alan Wigan
Chief Financial Officer
Ph: (07) 3514 1000

Media

Richard Owen
Principal Consultant
Three Plus
Ph: (07) 3503 5700 or 0412 869 937
Email: richard@threeplus.com.au