

# Notice of annual general meeting

Sedgman Limited ACN 088 471 667

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Notice is given that the annual general meeting of Sedgman Limited (the **Company**) will be held at:

<b>Location</b>	Chifley at Lennox, 66 Queen Street, Brisbane
<b>Date</b>	25 November 2009
<b>Time</b>	10.00 am

## Ordinary business

### Financial statements and reports

To receive and consider the Company's financial reports and the reports of the Directors and the Auditor for the financial year ended 30 June 2009.

### Remuneration Report

To consider and, if in favour, to pass the following resolution under section 250R(2) *Corporations Act 2001* (Cth) (**Corporations Act**):

- 1 'That the section of the report of the Directors for the financial year ended 30 June 2009 dealing with the remuneration of the Directors and senior executives be adopted.'

This resolution will be decided as if it were an ordinary resolution. However, under section 250R(3) of the Corporations Act the vote on this resolution is advisory only and does not bind the Directors or the Company.

### Resignation of Mr Peter Hay

Mr Peter Hay has tendered his resignation as Non-Executive Director of the Company, effective from 5pm on 25 November 2009.

### Election of Directors

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

- 2 'That Mr Roger Short who retires by rotation under rule 16.1 of the Company's Constitution, and being eligible, be re-elected as a Director of the Company.'
- 3 'That Mr Rob McDonald who retires by rotation under rule 16.1 of the Company's Constitution, and being eligible, be re-elected as a Director of the Company.'

Information about the candidates appears in the accompanying Explanatory Memorandum.

## Special business

### Approval of Long Term Incentive Plan

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

- 4 'That, for the purposes of Listing Rule 7.1 and Listing Rule 7.2 Exception 9(b) and for all other purposes, the Long Term Incentive Plan (**LTIP**), the terms and conditions of which are summarised in the Explanatory Memorandum accompanying this Notice of Meeting, and the issue of up to 11,582,352 performance rights under the LTIP, and the issue of fully paid ordinary shares on the exercise of performance rights, be approved.'

## Approval of issue of performance rights to Mr Mark Read under the Long Term Incentive Plan

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

- 5 'That, for the purposes of Listing Rule 10.14 and for all other purposes, the Company be authorised to issue to Mr Mark Read a maximum of 3,694,525 performance rights pursuant to the LTIP, and fully paid ordinary shares on the exercise of performance rights, on the terms and conditions summarised in the Explanatory Memorandum accompanying this Notice of Meeting.'

## Ratification of prior issue of shares

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

- 6 'That for the purposes of Listing Rule 7.1 and 7.4 and for all other purposes, the issue of 20,000,000 fully paid ordinary shares in the capital of the Company to the investors, for the purposes and on the terms described in the Explanatory Memorandum accompanying this Notice of Meeting, be ratified.'

Dated 23 October 2009

By order of the board



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Adrian Relf  
Company Secretary

## Notes

### Entitlement to vote

Sedgman has determined that for the purpose of voting at the meeting or adjourned meeting, shares will be taken to be held by those persons recorded in the Sedgman register of shareholders as at 7.00 pm (Sydney Time) on 23 November 2009.

### Appointment of Proxy

If you are a shareholder and you are unable to attend and vote at the meeting, and wish to appoint a proxy, please complete and return the enclosed proxy form. A proxy need not be a shareholder of Sedgman.

The proxy form must be completed and together with the power of attorney (if any) under which the proxy form is signed, lodged at Sedgman's share registry at:

Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia  
Fax  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

no later than 10:00am (Brisbane time) on 23 November 2009.

A shareholder entitled to attend and cast more than 2 votes at the meeting is entitled to appoint no more than 2 proxies to attend and vote. Where more than one proxy is appointed, each proxy should be appointed to represent a specified proportion of the shareholder's voting rights. Failure to apportion voting rights will result in each proxy being entitled to vote half of the shareholder's votes.

A corporation may elect to appoint a representative, rather than appoint a proxy, in accordance with section 250D of the Corporations Act in which case the Company will require written proof of the representative's appointment which must be lodged with or presented to the Company before the meeting.

Where a proxy and a shareholder both attend the meeting, the shareholder is not entitled to vote, either on a show of hands or on the taking of a poll, unless written notice revoking the proxy's authority is received by the Chairman or at the place for deposit of proxies before the proxy exercises the right to vote or speak.

If you have any queries on how to cast your votes then call the Company Secretary on 07 3514 1000 during business hours.

### **Voting exclusion statement**

In accordance with Listing Rule 14.11, the Company will disregard any votes cast on:

- resolution 4 by any director and any of their associates (other than any director who is ineligible to participate in any employee incentive scheme in relation to the Company);
- resolution 5 by any director and any of their associates (other than any director who is ineligible to participate in any employee incentive scheme in relation to the Company); and
- resolution 6 by any person who participated in the issue, and any of their associates,

unless it is cast:

- by a person as proxy for a member who is entitled to vote, in accordance with the directions on the proxy form; or
- by the Chairman as proxy for a member who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides and the member who is entitled to vote has indicated on the proxy form that the Chairman may vote as a proxy in relation to each resolution to which the voting exclusion relates.

## **Explanatory memorandum**

Sedgman Limited ACN 088 471 667

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This Explanatory Memorandum forms part of Sedgman's Notice of Meeting.

### **Ordinary business**

#### **Financial statements and reports**

- 1 The Corporations Act and the Company's constitution (**Constitution**) require that the report of the Directors, the Auditor's Report and the financial reports be presented at the annual general meeting.
- 2 Apart from the matters involving remuneration which are required to be voted upon, neither the Corporations Act nor the Constitution requires a vote of shareholders at the annual general meeting on such reports. However, shareholders will be given a reasonable opportunity to raise questions with respect to these reports at the meeting.
- 3 Shareholders may also submit written questions to the Company's auditor (KPMG), if the question is relevant to the content of the Auditor's Report, or the conduct of its audit of the Annual Report for the year ended 30 June 2009. Please send any written questions for KPMG to the Company Secretary by either email (cosec@sedgman.com.au), fax 07 3514 1999 or post PO Box 1801, Milton BC, QLD, 4064 by no later than 5.00 pm (Brisbane time) on 23 November 2009.

## Remuneration Report

- 1 Section 250R (2) of the Corporations Act requires that the section of the report of the Directors for a financial year dealing with the remuneration of the Directors and senior executives (**Remuneration Report**) be put to shareholders for adoption by way of non binding resolution.
- 2 The Remuneration Report is contained in the Annual Report. It is also available on the Company's internet site ([www.sedgman.com.au](http://www.sedgman.com.au)). The Remuneration Report:
  - (a) explains the board's policies in relation to the nature and level of remuneration paid to Directors, and senior executives;
  - (b) discusses the link between the board's policies and the Company's performance;
  - (c) sets out the remuneration details for each Director and for each member of the Company's senior executive management team; and
  - (d) makes clear that the basis for remunerating non-executive Directors is distinct from the basis for remunerating executives, including executive Directors.
- 3 A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting.
- 4 The Directors recommend you vote in favour of resolution 1.

## Resignation of Mr Peter Hay

- 1 Pursuant to Rule 15.1(a)(iv) of the Company's Constitution, Mr Peter Hay has given written notice that he is resigning as a Director of the Company effective 5pm (Brisbane time) on 25 November 2009.
- 2 Under Rule 15.1(b) of the Company's Constitution, a Director who vacates office under Rule 15.1(a) is not to be taken into account in determining the number of Directors who are to retire by rotation under Rule 16.3.

## Election of Mr Roger Short

- 1 Under clause 16.1 of the Company's Constitution, one third of the current Directors (excluding the Managing Director, any Director appointed under clause 13.2 and any Director who has vacated his office under clause 15.1) must retire by rotation at each annual general meeting.
- 2 In accordance with this rule, Mr Roger Short retires at the end of the meeting and being eligible, presents himself for re-election as a non-executive Director.
- 3 Roger Short is a construction lawyer and company director. He has over 35 years experience in construction, mining and infrastructure work. He was most recently a consultant to McCullough Robertson Lawyers and was previously a partner in a large national law firm. He has been a director of listed companies for more than 20 years.
- 4 The Directors recommend you vote in favour of resolution 2.

## Election of Mr Robert McDonald

- 1 Under clause 16.1 of the Company's Constitution, one third of the current Directors (excluding the Managing Director, any Director appointed under clause 13.2 and any Director who has vacated his office under clause 15.1) must retire by rotation at each annual general meeting.
- 2 In accordance with this rule, Mr Robert McDonald retires at the end of the meeting and being eligible, presents himself for re-election.
- 3 Robert McDonald is the principal of The Minera Group, a specialist mining advisory group headquartered in Australia but active in most mining regions of the world. Minera assists a select number of mining companies and mining investment and finance institutions in developing and executing business plans in the sector. Mr McDonald has more than 30 years' experience in the mining sector, firstly in various roles with the Rio Tinto group and prior to launching Minera, in investment banking as Managing Director of N M Rothschild & Sons.
- 4 The Directors recommend you vote in favour of resolution 3.

# Special business

## Resolution 4 - Approval of Long Term Incentive Plan

1 Pursuant to resolution 4 shareholder approval is sought for the introduction of the Long Term Incentive Plan (**LTIP**), the terms and conditions of which are summarized below and the issue of 11,582,352 performance rights (**Performance Rights**) under the LTIP. There have been no previous issues of securities under the LTIP.

### Summary of the LTIP

2 Under the LTIP, the Company may issue eligible participants with Performance Rights, which entitle the holder to subscribe for or be transferred one fully paid ordinary share in the capital of the Company for no consideration (i.e., at a zero exercise price), subject to the satisfaction of performance conditions specified by the Board. There is no amount payable by a participant in the LTIP for the grant of Performance Rights.

3 Those eligible to participate in the LTIP include executive directors, executives and employees of the Company and its subsidiaries. Non-executive directors of the Company are in-eligible to participate in the LTIP. Currently it is proposed to extend invitations to participate in the LTIP to Sedgman’s executives who are at the senior manager level and above, including the Managing Director. The executives invited to participate, and eligibility to participate, in the LTIP may be amended at the discretion of the Board.

4 The Company proposes to make offers of up to a maximum of 11,582,352 Performance Rights under the LTIP, which if all performance conditions are satisfied, will entitle participants to be issued a total of 11,582,352 fully paid ordinary shares in the capital of the Company. This represents 5.65% of the Company’s current issued capital. No shares will be issued under the LTIP if the minimum performance conditions are not satisfied. Further details of the proposed grant of Performance Rights under the LTIP, and the applicable performance conditions, are summarized below.

### Purpose of the LTIP

5 The purpose of the LTIP is to align the interests of participants in the LTIP with the interests of the Company’s shareholders by rewarding participants for creating shareholder value. Those executives to whom it is proposed to make offers under the LTIP are those executives whose responsibilities the Board considers provide them with the opportunity to significantly influence long-term shareholder value. The LTIP is intended to:

- reward high performance and to encourage a high performance culture across the Company;
- provide the Company with the means to compete for talented staff by offering remuneration that includes an equity-based component, like many of its competitors; and
- assist with the attraction and retention of key personnel.

### Details of proposed issue of Performance Rights

6 An invitation to participate in the LTIP, the particular conditions on which Performance Rights will be granted and the number of Performance Rights to be granted to a participant, is at the discretion of the Board. Consistent with the objectives outlined above, the Company proposes to make an initial grant of Performance Rights (**Current Grant**) to participants as follows:

Tranche	Three year performance period	Vesting date
1	1 July 2009 to 30 June 2012	1 July 2012
2	1 July 2010 to 30 June 2013	1 July 2013
3	1 July 2011 to 30 June 2014	1 July 2014

7 For the purposes of the Current Grant, the number of Performance Rights in a particular tranche that actually vest and become exercisable by a participant will depend on whether, and the extent to which, the performance conditions applicable to that tranche, and other applicable terms and conditions of the LTIP, are satisfied. These are described below.

8 The performance measure to be applied to Performance Rights issued pursuant to the Current Grant is relative Total Shareholder Return (**TSR**). TSR is the return to shareholders provided by share price appreciation plus dividends (which are assumed to be reinvested) over the performance period, expressed as a percentage of the share price at the beginning of the performance period, as determined from time to time by the Board.

9 At the end of each performance period the Board will rank Sedgman’s TSR against a peer group that currently comprises 19 other companies considered by the Board to be peers or competitors of the Company. The purpose of the peer group is to provide an external benchmark to enable a comparison of the Company’s performance relative to its peers and competitors. The percentage of Performance Rights in the relevant tranche that will vest and become exercisable will depend on Sedgman’s TSR performance relative to the companies in the peer group (as determined by the Board), as set out in the table below:

<b>Sedgman TSR Ranking (at end of applicable performance period)</b>	<b>Percentage of Performance Rights in relevant tranche that vest</b>
1-5	100%
6	90%
7	80%
8	70%
9	60%
10	50%
11-20	0%

10 If three or more companies in the peer group are delisted, merge or cease to be suitable for comparative purposes a ranking of 1 – 4 will, subject to the Board’s discretion, represent the top quartile with the other ranks adjusting accordingly. Should one or two companies cease to be a suitable comparison no change is required. The peer group may be varied from time to time by the Board in its absolute discretion.

**Rights attaching to Performance Rights**

11 A Performance Right does not confer an interest in shares in the Company or the usual rights attached to shares such as dividend and voting rights. Performance Rights do not confer a right to participate in new issues of capital. If the Company makes a bonus issue, participants whose Performance Rights have not been exercised will be entitled to an adjustment to the number of Shares that will be issued to them upon exercise of any of those Performance Rights. In the event of a reorganisation of the issued capital of the Company the number of Shares to which a participant is entitled on the exercise of a Performance Right will be reconstructed as required by the Listing Rules.

12 Performance Rights will vest and may be exercised if:

- all applicable performance conditions relating to the Performance Rights have been satisfied (which, in the case of the Current Grant, are described above);
- an event occurs such as a takeover bid for or winding up of the Company; or
- the Performance Rights otherwise vest in accordance with the terms of the LTIP (see below regarding cessation of employment).

13 If a participant dies, is disabled, retires or is made redundant, or in other circumstances approved by the Board, and at that time the participant continues to satisfy any other conditions imposed by the Board, the Board may allow some or all of the Performance Rights granted to the participant to vest or to continue to be held under the LTIP. If no

determination is made by the Board within three months after the participant ceases to be an employee, the Performance Rights will lapse.

- 14 If a participant ceases to be an employee for any other reason, for example, because their employment is terminated for poor performance or misconduct, then all Performance Rights held by the participant will lapse immediately.
- 15 Performance Rights will also lapse immediately if the relevant performance conditions attaching to them are not satisfied, if there is an unauthorised transfer of the Performance Rights or if a participant acts fraudulently or dishonestly or is in breach of his or her obligations to the Company or any related body corporate.
- 16 Performance Rights may not be transferred except with the consent of the Board.
- 17 Shares issued on exercise of Performance Rights will rank equally with all existing Shares then on issue. Participants will be free to deal with shares acquired on exercise of Performance Rights immediately after they are acquired. Participants will have 12 months from the date that Performance Rights vest and are eligible to be exercised to exercise those Performance Rights. Any Performance Rights not exercised within this 12 month period will be deemed to have been exercised on the last day of the 12 month period.
- 18 Performance Rights will not be quoted. The Company will apply to ASX for quotation of Shares issued on exercise of Performance Rights.
- 19 The LTIP will be administered by the Board, who has power to suspend, terminate or amend the plan. The full terms of the LTIP are available from [www.sedgman.com.au](http://www.sedgman.com.au).

#### **Why is shareholder approval being sought?**

- 20 Listing Rule 7.1 imposes a limit on the number of equity securities (e.g., shares, options to subscribe for shares or performance rights) that the Company can issue without shareholder approval. In general terms, the Company may not, without shareholder approval, issue equity securities representing more than 15% of its share capital in a 12 month period.
- 21 Pursuant to exception 9(b) of Listing Rule 7.2, an issue of securities under an employee incentive scheme that is approved by shareholders will not be taken into account when calculating the maximum number of securities that the Company is permitted to issue within its 15% limit. Resolution 4 is proposed so that the Company can take advantage of this exception in relation to Performance Rights (and shares issued on exercise of Performance Rights) that are granted under the LTIP.

#### **Other information and Directors' recommendation**

- 22 Shareholder approval will be required before any Performance Rights can be issued to any Director or related party of the Company under the LTIP, although, as noted above, non-executive Directors of the Company are not eligible to participate in the LTIP. Shareholder approval is being sought under resolution 5 to the issue of Performance Rights to the Managing Director. There have been no previous issues of securities under the LTIP.
- 23 The Directors, other than Mr Mark Read, recommend you vote in favor of resolution 4. As Mr Read has a personal interest in resolution 4, he makes no recommendation in relation to it.

### **Resolution 5 - Approval of issue of Performance Rights to Mr Mark Read under the Long Term Incentive Plan**

- 1 Pursuant to resolution 5 shareholder approval is sought for the purposes of Listing Rule 10.14 and for all other purposes, for the grant of 3,694,525 Performance Rights, for no consideration, to Mr Mark Read, the Company's Managing Director and Chief Executive Officer, pursuant to LTIP on the terms set out below.

### **Why are the Performance Rights being issued?**

- 2 Under his employment agreement with the Company, the remuneration of Mr Read consists of fixed remuneration, a short-term incentive payable in cash and a long-term equity-based incentive. Subject to shareholder approval being obtained, the Company proposes to issue 3,694,525 Performance Rights to Mr Read pursuant to the LTIP, which if all performance conditions are satisfied, will entitle him to be issued a total of 3,694,525 fully paid ordinary shares in the capital of the Company. The Performance Rights granted to Mr Read will represent the long-term incentive component of his remuneration.
- 3 In determining the number of Performance Rights to issue to Mr Read, the Board has considered the nature of Mr Read's position, current market factors, the function and purpose of the long-term component of the Company's remuneration strategy, the other components of Mr Read's remuneration, the approach of the Company's peers and competitors and other relevant advice and information provided by external remuneration consultants.

### **Details of Performance Rights**

- 4 If resolution 5 is approved, the Performance Rights issued to Mr Read will be issued on the terms of the LTIP, the terms and conditions of which are summarized in the discussion relating to resolution 4 above. Under the LTIP, each Performance Right will be issued for no consideration and with a nil exercise price and, if exercised, will entitle Mr Read to acquire one fully paid ordinary share in the capital of the Company (subject to adjustment under the terms of the LTIP).
- 5 The Performance Rights granted to Mr Read will be eligible to vest (subject to satisfaction of applicable performance and other conditions) in three tranches as follows:

<b>Tranche</b>	<b>Three year performance period</b>	<b>Vesting date</b>
1	1 July 2009 to 30 June 2012	1 July 2012
2	1 July 2010 to 30 June 2013	1 July 2013
3	1 July 2011 to 30 June 2014	1 July 2014

- 6 The performance conditions applying to the grant of Performance Rights to Mr Read are the same TSR hurdles as those described above in relation to resolution 4. This means that Mr Read will not be entitled to exercise any Performance Rights in a particular tranche if the Company's TSR is not at or above the 50<sup>th</sup> percentile of the Company's peer group at the end of the performance period for that tranche. Above this level, the number of Performance Rights in a particular tranche that are exercisable will depend on the Company's TSR ranking, with all Performance Rights exercisable if the Company's TSR is in the top quartile of its peer group.

### **Why is shareholder approval required?**

- 7 Listing Rule 10.14 provides that an entity must not permit any directors, or any associate of a director, to acquire securities under an employee incentive scheme, without the prior approval of its ordinary shareholders. As Mr Read is an executive Director, the proposed issue of Performance Rights to him under the LTIP therefore requires the prior approval of the Company's shareholders under Listing Rule 10.14.

### **Additional information and Directors' recommendation**

- 8 Non-executive Directors of the Company are ineligible to participate in the LTIP. The Board proposes to extend offers to participate in the LTIP only to executives (including the Managing Director) of the Company at a senior manager level and above. No Performance Rights have yet been issued to any person under the LTIP. Subject to resolution 5 being passed, the Company will issue the Performance Rights the subject of the resolution to Mr Read within three years of the date of the annual general meeting.
- 9 In accordance with the requirements of Listing Rule 10.15A, details of any Performance Rights issued under the LTIP will be published in each annual report of the Company relating to a period in which Performance Rights have been issued together with confirmation that the issue of the Performance Rights issued to Mr Read (or any other applicable person) was obtained under Listing Rule 10.14. Any additional Directors who become entitled to participate in the LTIP

after resolution 5 is approved and who were not named in this notice of meeting will not participate in the LTIP until shareholder approval is obtained under Listing Rule 10.14.

- 10 The Directors (other than Mr Read) recommend you vote in favour of resolution 5. As Mr Read has a personal interest in resolution 5, he makes no recommendation in relation to it.

### **Resolution 6 - Ratification of prior issue of shares**

- 1 Listing Rule 7.1 provides that a listed entity must not issue securities that total more than 15% of its fully paid ordinary shares in a 12 month period without the approval of shareholders. Under Listing Rule 7.4, issues of securities made without shareholder approval that did not breach the 15% limit are regarded as having been made with shareholder approval where shareholder approval is obtained after the issue.
- 2 On 26 August 2009 the Company issued 20,000,000 fully paid ordinary shares to institutional, sophisticated and professional investors at a price of \$1.30 per share and raised \$26 million in capital before issue expenses (**Placement Shares**). The issue of the Placement Shares was within the Company's 15% limit under Listing Rule 7.1. The Placement Shares ranked equally with existing ordinary shares from their date of allotment. The capital raised was used to fund targeted value-adding metals operations contracts and to improve the Company's financial flexibility. Under Listing Rule 7.4 the Company seeks shareholder ratification of the issue of the Placement Shares.
- 3 The Directors recommend you vote in favour of resolution 6.

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**SEDGMAN**  
Sedgman Limited  
ABN 86 088 471 667

## Lodge your vote:



**Online:**  
[www.investorvote.com.au](http://www.investorvote.com.au)



**By Mail:**  
Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

**For all enquiries call:**  
(within Australia) 1300 552 270  
(outside Australia) +61 3 9415 4000

## Proxy Form



Vote online or view the annual report, 24 hours a day, 7 days a week:

**[www.investorvote.com.au](http://www.investorvote.com.au)**



**Cast your proxy vote**



**Access the annual report**



**Review and update your securityholding**

**Your secure access information is:**

**Control Number:** % ( %\$-

**SRN/HIN:**



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

**For your vote to be effective it must be received by 10:00am (Brisbane time) on 23 November 2009**

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### Signing Instructions for Postal Forms

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the information tab, "Downloadable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,  
or turn over to complete the form** →

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Sedgman Limited hereby appoint

the Chairman of the meeting OR

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Sedgman Limited to be held at Chifley at Lennons, 66 Queen Street, Brisbane on Wednesday, 25 November 2009, and at any adjournment of that meeting.

## STEP 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

Ordinary business		For	Against	Abstain
1	Adopt Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Mr Roger Short be re-elected as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Mr Rob McDonald be re-elected as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special business				
4	Approval of Long Term Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Issue of performance rights to Mr Mark Read under the Long Term Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Ratification of prior issue of shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

## SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name \_\_\_\_\_

Contact Daytime Telephone \_\_\_\_\_

Date \_\_\_\_/\_\_\_\_/\_\_\_\_