SEDGMAN Limited

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25 November 2009

The Manager
Company Announcements
ASX Limited

Dear Sir/Madam

SEDGMAN LIMITED – 2009 ANNUAL GENERAL MEETING

Enclosed please find copies of the speeches to be given by Sedgman Limited's Chairman and Managing Director at this morning's annual general meeting.

Yours faithfully
SEDGMAN LIMITED

Adrian Relf
Company Secretary

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25 NOVEMBER 2009

ANNUAL GENERAL MEETING – CHAIRMAN RUSSELL KEMPNICH'S ADDRESS

Ladies and Gentlemen, welcome to Sedgman Limited's 4th Annual General Meeting.

When I addressed you at this time last year our world was dominated by fear and uncertainty – emotions which impacted business and market confidence worldwide.

In 2008 our key message to all Stakeholders was to have confidence in Sedgman and its preparedness to manage through the challenges presented and that your company might even benefit from a market shake-out.

While not completely immune from pain, Sedgman has survived the downturn as we said it would and emerged a stronger and more efficient company.

We now stand ready to capitalise on the opportunities that an improving global economy will provide – particularly as Australia enters what some of our most influential economic thinkers have described as "an unprecedented platinum age of prosperity".

Much of this optimism is based on the continued growth of China, India and the other emerging Asian economies.

I will return to this theme later.

FY 2009 HIGHLIGHTS

The Company achieved a 3.8 percent increase in adjusted net profit after tax for FY2009 of $29.8 million – exceeding our revised guidance.

Management's innovation, flexibility, and continued focus on client relationships enabled Sedgman to successfully expand internationally, win significant business and deliver a solid operating result.

We won projects in every growth area targeted under our international expansion strategy – southern Africa, South America and China/Mongolia – and we have continued to grow our opportunities in all of these areas.

Margins increased and earnings per share adjusted was up 2.5 percent to 16.5 cents, reflecting management's focus on improving efficiencies.

Sedgman remains committed to its metals sector growth strategy.

This is despite the short-term reduction of project work in this sector during the downturn which necessitated a $20 million goodwill write down on Intermet's purchase and saw bottom line profit fall to $7.1 million.

Your Directors declared a final fully-franked dividend of 3 cents per share, supported by more than adequate operating cash flows, taking the full year payout to 6.0 cents per share fully franked, compared to 8.0 cents previously.

CAPITAL RAISING

In conjunction with the announcement of our FY2009 results your Company conducted a successful capital raising from both institutional and retail investors.

The Directors foresaw difficulties in raising debt through conventional avenues and accordingly took prudent and decisive action to ensure Sedgman had access to the capital required to fund near term opportunities.

The Board decided that a maximum of approximately $30 million should be raised via an institutional Placement and Share Purchase Plan (SPP) in order to fund these opportunities.

I am acutely aware of the disappointment retail investors may have experienced when the SPP was scaled back and would like to provide some further background and explanation on the rationale behind the allocation of the capital raising to clear up any misconceptions.

The Board took external advice on the expected retail take-up under the SPP. However, the SPP was unexpectedly embraced by more than half of our retail shareholders, resulting in applications for around $15 million of capital.

Under these circumstances we had no choice but to scale back the applications. If we had not scaled these back and relied solely on the SPP, we would have raised only 50 percent of the required capital.

Lastly, it is important to note that the founding shareholders and Thiess Pty Ltd did not participate in the Placement, preferring to stand aside and be diluted in the interest of broadening the shareholder base to increase liquidity and thereby benefiting all shareholders.

Consequently, retail shareholder levels remained constant at approximately 27.5 percent both before and after the capital raising.

So please be assured that your Board will continue to act in the best interests of all shareholders in a balanced and considered way.

SUSTAINABILITY

Overall, the FY2009 result demonstrated Sedgman's strength and resilience, and underscored your Company's capacity to capitalise on increasing opportunities both in Australia and internationally as economic conditions improve and our target markets return to growth.

While we have seen some slippage in timing our $4.8 billion targeted project pipeline remains robust as we continue replenishing our order book.

In fact, I believe Sedgman's future has never looked brighter.

Let me return to my opening reference to Australia's "platinum age of prosperity" and put that in context with the longer term outlook for both thermal and metallurgical coal over the next 10-to-20 years.

According to the US Government's Energy Information Administration, world coal consumption is forecast to increase by an average 1.7 percent each year from 2006 to 2030 when it will still account for 28 percent of total world energy consumption.

The International Energy Agency is also forecasting global thermal coal consumption to increase 60 percent by 2030 while China and India is expected to account for most of that growth in consumption.

It is important to recognise that some 1.6 billion people, nearly a quarter of the world's population, currently have no access to electricity.

So despite an increasing greenhouse emission policy-driven shift toward renewable and non-carbon energy alternatives, coal's share of the total demand pie is set to continue to increase, driving major investment in new thermal coal projects around the world over the next 20 years.

The International Energy Agency recently published a report on how the energy sector can deliver on climate change. This report focuses on the ambitious target of limiting atmospheric carbon dioxide or CO_2 to 450 parts per million by 2030.

Against this background the report forecasts that conventional coal-fired generation will increase by approximately 210 GW by 2020. While OECD countries reduce their dependence on coal-fired generation India and China will expand generation by as much as 340 GW – the equivalent of 340 new 1000 Megawatt power stations.

The application of Sedgman's leading-edge processing technologies can play a key role in servicing these growing markets while satisfying increased demand for improved efficiencies in the use of coal.

Your Company welcomes and supports initiatives being taken to move the world toward a lower carbon economy. We are committed to doing our part both within our business and through our approach to projects.

In this regard, Sedgman's technology leadership is focused on the development of more efficient processing plants which are being designed to produce cleaner products for our clients.

The outlook for metallurgical coal used in the production of steel is similarly robust.

As the world economy recovers, steel consumption will also return to growth and the majority of that growth will be in non-OECD Asia, i.e. China and India.

Around 70 percent of total global steel production is dependant on coking coal and both India and China are already net importers. Clearly this is a very positive situation for our business going forward.

In relation to China, Sedgman has a three-pronged exposure to growth in its coking coal requirements. Firstly, Australia will continue to be a strategic supplier and your Company will continue to play a major role in supporting Australian mining projects that service this important market.

Secondly, the emerging Mongolian coal mining sector where Sedgman has already established itself, will be focused on supplying China.

Thirdly, within the Chinese market itself we are targeting the drive by the Chinese mines to modernise and improve recoveries by upgrading existing processing plants and building new facilities.

Growth in the Asian steel industry also has a positive impact on Australia's other major resource sector, iron ore, and your Company is actively looking for opportunities to expand into that sector through Sedgman Metals.

So the global demand outlook for the sectors in which Sedgman operates appears very robust, positioning our business for strong long-term growth on the back of this so-called "platinum age of prosperity".

STRATEGIES FOR GROWTH

Our research has confirmed Australia as the source of Sedgman's strongest growth opportunities. However, Sedgman remains committed to international development in Southern Africa, China and Latin America.

We believe the Brazilian, Russian, Indian and Chinese or (BRIC) economies will continue to drive demand for our staple commodities and that is why Sedgman can be found working on projects which service these markets.

Importantly, we remain conservatively geared and as discussed earlier the Company's balance sheet has been strengthened by our recent capital raising program.

In line with our growth strategy, Sedgman continues to explore opportunities within the metals sector, including bulk commodities such as iron ore, as well as securing international projects within the coal sector.

We are also evaluating potential strategic acquisitions which make good commercial and strategic sense and can deliver accretive shareholder value.

As always, your Board actively supports management in the review and execution of Sedgman's strategic plan and objectives.

BOARD CHANGES

From a corporate governance perspective the Board and its Committees have operated well during the year.

However, without measured change an organisation cannot move forward effectively and grow, hence boardroom discussion has been ongoing about renewal and succession planning.

As recently advised, Peter Hay will resign from the Board after this Annual General Meeting. Peter's departure and the resulting vacancy has provided the Board with an opportunity to advance its renewal strategy.

Peter has been a Director since September 1998, including 10 years as Managing Director, and played a pivotal role in Sedgman's transformation from a private firm to a publicly listed company.

His role on the Board as a non-executive Director has been positive and constructive and particularly aided the smooth transition to new leadership under his successor Mark Read.

On behalf of the Board and all shareholders I would like to thank Peter for his valuable contribution and wish him every success in the future.

We have initiated a search for a suitable replacement with particular emphasis on the successful candidate's capacity to enhance the Board's existing skill sets.

Sedgman remains a "people" business and I want to take this opportunity to also thank each and every one of our employees for their contribution toward the Company's success.

CONCLUSION

Given the depth and breadth of growth opportunities before us, our company-wide commitment to a focused business strategy and the strength and skills of our leadership and people, I am confident of Sedgman's continued success and return to strong growth as we look toward providing exceptional shareholder value through 2010 and beyond.

Our Managing Director and Chief Executive Mark Read will now tell you more about the Company's performance during the year in review and outlook for the current financial year.

Russell Kempnich
Chairman

SEDGMAN

25 NOVEMBER 2009

ANNUAL GENERAL MEETING – MANAGING DIRECTOR MARK READ'S ADDRESS

Thank you Russell and good morning ladies and gentlemen.

Well it's nice to stand here before you today and tell you that we are delivering on what we said we would do.

We urged shareholders last year to believe in Sedgman's ability to profitably deliver quality projects for our clients, despite the economic headwinds blowing our way.

Sedgman did so and continued to secure new contracts both in Australia and abroad based on its strong client focus, reputation in the marketplace and commitment to project delivery.

I believe we will look back on this period as one of Sedgman's finest when our strategic platform for achieving sustainable growth really delivered when it counted most.

Your company has never been in a better position as global business conditions improve to take full advantage of a $4.8 billion global pipeline of project work being targeted over the next three years.

FY2009 RESULTS

Given the difficult business environment created by the global financial crisis, the operating result was very pleasing.

Sedgman generated consistent underlying earnings during FY2009 building on our existing business in Australia while growing market share abroad on the strength of our reputation and commitment to clients.

Significantly, our combined order book and one-year pipeline increased by more than $300 million to $1.4 billion in the six months to 30 June 2009.

FY2009 was also a year of significant internal change designed to improve efficiencies. These changes included greater attention to client relationship management, a heightened focus on day-to-day management and improved engineering efficiency.

This allowed Sedgman to continue generating strong cash flows, demonstrating just how well we managed our business through the tough times.

While combined revenue fell 8.4 percent to $355.2 million the impact was offset by an increase in operating margins from 11.2 percent to 11.8 percent. This margin improvement resulted in a 3.8 percent increase in FY2009 adjusted net profit after tax to $29.8 million.

Although, bottom line earnings fell 70 percent to $7.1 million after the $20 million goodwill write-down associated with the Intermet business, earnings per share adjusted was up 2.5 per cent to 16.5 cents, exceeding the Company's revised guidance.

This allowed the Directors to declare a final fully-franked dividend of 3 cents per share, taking the full year payout to 6 cents per share compared to 8 cents per share in the prior year.

COAL DIVISION

The Coal Division's strong performance was highlighted by contract wins in southern Africa, South America and China/Mongolia, as well as Australia.

These included the $50 million Bocamina contract in Chile, the $20 million UHG contract in Mongolia, and $80 million extension to operations contracts with Macarthur Coal in Australia for the Coppabella and Moorvale Coal Handling and Preparation Plants (CHPP's).

Other highlights included the completion and successful commissioning of the $100 million Lake Vermont plant in Queensland's Bowen Basin with joint venture partner Thiess Pty Ltd, while the $80 million Daunia design and procurement project progressed on time and on budget.

This positive momentum in our Coal Division has continued into the new financial year with the recent announcement of the $75 million design and supply contract with Xstrata Coal South Africa for the ATCOM CHPP upgrade project near Johannesburg. This is Sedgman's first major contract win in South Africa and provides an ideal opportunity for us to showcase our technology leadership in this new market.

Riversdale Mining also recently announced the go-ahead for the $270 million first stage of its Benga project in Mozambique's Moatize Basin.

Sedgman has been involved with this project since the feasibility study phase and expects to secure significant engineering, procurement and construction contracts for the CHPP with the possibility of a major operations role.

Sedgman's business model is all about developing deep relationships with our clients - from the preliminary feasibility stage though to detailed engineering design and construction and then extending this relationship by securing long-term operations and maintenance contracts.

This aspect of our business sets us apart from our competitors as it ensures we remain committed to providing quality services to our clients over a long period of time. For instance we have been doing business with Macarthur Coal for more than a decade now and our aim is to remain their preferred CHPP service provider.

METALS DIVISION

Sedgman remains strategically focused on the development of a leading international metals business which replicates the Company's successful coal model.

The integration of Pac-Rim and Intermet continued during the year, along with steps to improve the merged business and establish the Sedgman Metals brand in the market place.

Client functions were recently held in Townsville and Perth to mark the official rebranding of these businesses to be collectively known as Sedgman Metals.

During the year the Metals Operations business unit performed well and secured an extension to its operating contract for the crushing circuit at Xstrata Plc's McArthur River base metals mine in the Northern Territory, which will generate revenue of $14.4 million during the two-year term.

Importantly, this contract enabled the Company to deepen an existing relationship with Xstrata, one of the world's leading diversified mining houses.

The performance of the Metals Engineering Services business unit, however, was unavoidably impacted by the global downturn which weakened commodity prices and in turn delayed new mining projects.

The prospects for this business, however, have improved considerably with the strengthening of the management team. This will ensure the Company's combined technical expertise is leveraged across both Coal and Metals.

New opportunities for the Metals Division are emerging as the resources sector rebounds.

For instance Gunson Resources recently chose Sedgman as preferred engineering contractor for its Coburn mineral sands project, providing an opportunity for us to establish technology leadership within a new segment of the market.

Gunson has also appointed Sedgman to prepare a Bankable Feasibility Study for a new copper mining project at Mount Gunson in South Australia.

We are also pursuing other opportunities in the bulk commodities. One of the reasons we raised capital in August was to ensure we had sufficient financial flexibility to pursue potential operations projects requiring up to $40 million of capital.

Although we were not successful with our first two tenders, Sedgman has identified a growing list of other opportunities that are expected to be tendered over the next 12 months.

PEOPLE AND SAFETY

Sedgman's most important resource, our people, continues to be a key focus. We respect and value the skills they bring to Sedgman and are committed to providing a safe and engaging work environment.

I would like to take this opportunity to thank all the great Sedgman staff for their fantastic efforts over the last year. This most certainly wasn't a year for the faint-hearted!

Attraction and retention of staff remains paramount for the future success of our business.

Sedgman has continued to improve its safety record by 25 percent year-on-year and remains focused on high-risk areas to drive and sustain further improvements. We believe our commitment to safety will become a differentiator in the market place with clients wanting to contract with industry leaders in safety.

Our aim every day is to ensure that we keep our people safe. We support this goal by ensuring that our actions match our words.

It's particularly pleasing to see those actions rewarded as they were during the year with two safety awards.

Employees from the Sedgman CHPP at Rio Tinto's Blair Athol coal mine won a HSE Innovation Award for their efforts in making the site safe.

BHP Billiton also recognised Pac-Rim's efforts to improve safety at the Cannington mine with a Zero Harm Safety Award.

We won't be resting on our laurels though and will continue to strive to improve our safety culture and support it with the systems and processes that our people need to do their jobs safely.

RESEARCH AND DEVELOPMENT

Sedgman's other market edge is a commitment to technology leadership and innovation by investing in Research and Development (R&D) and continuous improvement through applied learning.

At the core of the R&D effort is the Sedgman business model which interlinks our design, construction and operational functions to create a virtuous circle of improvement for clients to cut costs, boost plant yields and availabilities, and reduce waste.

To that end the Coal Division recently won an Engineering Excellence award for its SCORS Version Two software now being installed at our CHPP operations in Queensland.

SCORS is a real time production information system that provides the right information to the right people at the right time.

One of the attractive features of this technology is that it gives management the ability to monitor and analyse operations remotely from head office.

We see this product as a differentiator in the market place and a prime example of Sedgman know-how.

Technology leadership in coal processing continues to position the Company at the forefront of innovation, providing clients with higher yields and availability across a wide range of coal resources.

OUTLOOK AND GUIDANCE

Russell presented an inspiring perspective on the solid longer term potential for Sedgman.

Sedgman is ideally placed in both the coal and metalliferous sectors to take full advantage of growth opportunities in Australia and abroad as global economic conditions improve.

Our success in penetrating targeted offshore markets and winning valuable contracts with both new and long-established clients in the emerging coal basins of southern Africa, South America and China/Mongolia has delivered Sedgman more options than ever before to drive growth.

The outlook for coal in 2010 remains positive in Australia and abroad, underpinned by continued strong economic growth in China and India.

We continue to build on the recovery of our Metals Division during 2010 and see growth opportunities in the beneficiation of bulk materials utilising the Sedgman Coal business model.

We entered FY2010 with an order book worth $530 million and a three-year pipeline of project opportunities containing $4.8 billion of potential revenue to Sedgman.

Of that pipeline of work, Sedgman expects to convert several opportunities within the next 12 months, having already been involved in the early planning stages in over 75 percent of the projects.

At the time of our FY2009 results announcement Sedgman advised that FY2010 earnings per share, excluding amortisation of intangible assets, was expected to be approximately 15 cents per share post the capital raising.

This was predicated on two high probability coal projects being secured to replenish the Engineering Services order book.

As previously mentioned, the good news is that a design and supply contract for the first of these projects, Xstrata's ATCOM CHPP Upgrade, has been secured and work has commenced.

Design work on Riversdale Mining's Benga project has also commenced under purchase order and we are confident that contracts for the design and supply of the 800 tonne per hour CHPP will be signed shortly.

Although both these projects are running behind our original schedule, we are confident that we can regain most of this delay. This means that full year earnings will be significantly weighted to the second half of the financial year.

Accordingly, we are holding our profit guidance although it now represents the upper end of expectations.

But let me finish where I started …Sedgman's future has never been brighter.

We have a focused international strategy in place, excellent client relationships and a fantastic team of people.

We are looking forward to the future!

Thank you

Mark Read
Managing Director and Chief Executive Officer