



SEDGMAN

ASX/MEDIA RELEASE

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Sedgman signs \$13m Benga CHPP supply contract in Mozambique

Leading resource sector services company Sedgman Limited (ASX Code: SDM) has today signed a \$13 million long-lead item supply contract for the Benga coal handling and preparation plant (CHPP) in Mozambique.

The Benga project is being developed by Riversdale Mining Ltd (ASX Code: RIV) and its partner Tata Steel Limited in Mozambique's Moatize basin through their jointly owned entity, Riversdale Mozambique Limitada (RML).

This early procurement contract relates to the US\$270 million first stage of the project and will be delivered by Sedgman Australia and Sedgman South Africa under a tripartite contract with RML.

Stage 1 entails processing 5.3 million ROM tonnes per year to produce approximately 1.7Mtpa of high quality hard coking coal and 0.3Mtpa of export thermal coal. The CHPP is being designed for an initial throughput of 800 tonnes per hour (tph) with provision for staged expansion to 3,000 tph.

Sedgman's Managing Director Mark Read said the Company is delighted with the opportunity to increase its presence in southern Africa and develop a deep, long-term relationship with Riversdale.

"We have been working closely with Riversdale since our appointment in September 2008 to undertake the design and implementation work for the CHPP and have now moved to the next stage of procurement," Mr Read said.

"The remaining design, supply and construction contracts for Benga are now being negotiated and are expected to be signed in the new year."

Sedgman South Africa has been established to deliver projects on the African continent providing the region with a preferred engineering and project delivery service.

The Benga contract follows the recently announced \$75 million design and supply contract for Xstrata's ATCOM project near Johannesburg.

About Sedgman

Sedgman Limited (ASX:SDM) was established in 1979 and is a leading provider of mineral processing and associated infrastructure 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 is comprised of two core divisions – Coal and Metals – both of which have Engineering Services and Operations business units. Head Office is in Brisbane with international offices in Beijing, Santiago and Johannesburg to service the targeted growth regions of China/Mongolia, South America and southern Africa. The company has more than 650 staff and a market capitalisation of approximately \$315 million.

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