



**SEDGMAN**

ASX/MEDIA RELEASE

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**Sedgman issues Force Majeure Event notice at Bocamina Project**

Leading resource sector services company Sedgman Limited (ASX Code: SDM) today confirmed that it has advised its client Tecnimont Chile of the occurrence of a force majeure event in respect of the Bocamina project.

The notification of force majeure is in direct response to the earthquake that struck Chile 115km north-east of the city of Concepcion and 325km south-west of the capital Santiago on Sunday.

Sedgman's Managing Director Mark Read said that the company had moved to issue notice of a force majeure event to protect its position until such time as the project site could be accessed and inspected.

"Tecnimont Chile has also invoked the force majeure provisions of its contract with Endesa and advised us that work will not be recommencing at the Bocamina site until they have determined that it is safe to do so," Mr Read said.

"Until we can get access to the site we are unable to determine what, if any, damage has occurred."

Sedgman will update the market as soon as further information becomes available.

Sedgman was awarded a AUD\$50 million (USD\$36m) contract in April 2009 to design and construct a new coal handling plant (CHP) as part of a major expansion of the Bocamina power station in Chile.

The Bocamina plant, operated by major Latin American energy group Endesa, is located in the coastal city of Coronel approximately 400km south of Santiago and about 40km from Concepcion.

**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 services the global coal and metalliferous markets by offering innovative Engineering and Operations capabilities. Head office is in Brisbane with international offices established in Beijing, Santiago and Johannesburg targeting the growth regions of China/Mongolia, South America and southern Africa. The company has around 700 personnel and a market capitalisation of approximately \$300 million.

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