



**SEDGMAN**

ASX/MEDIA RELEASE

20 July 2011

**Sedgman notified of \$24m Stage 3 contract at Mongolia's UHG coal mine**

**Key Points**

- Sedgman receives notice to proceed with USD\$24 million EPCM contract for Stage 3 of Energy Resource's UHG coal mine in Mongolia
- Contract follows UHG Stage 1 and Stage 2 EPCM contracts and Stage 1 Operations Management contract
- Sedgman further advances growth in one of the world's most significant emerging coal regions

Leading resource sector services company Sedgman Limited (ASX:SDM) today announced it had received a formal Notice to Proceed with an USD\$24 million Engineering, Procurement and Construction Management (EPCM) contract at Energy Resources LLC's Ukhuaa Khudag (UHG) mine in Mongolia.

Sedgman Managing Director Nick Jukes said the contract was another significant milestone for Sedgman as it continues to advance its position as a leading provider of engineering services in the world's major emerging coal production regions.

He said the contract also strengthens Sedgman's relationship with Energy Resources at UHG where Sedgman commenced work on the Stage 1 coal handling and processing plant (CHPP) in 2009.

"We are very pleased to announce that Energy Resources has provided us with a formal Notice to Proceed with this significant contract. We look forward to our upcoming work on Stage 3 of UHG's coal handling and preparation plant," Mr Jukes said.

"The South Gobi region of Mongolia continues to emerge as one of the world's most exciting coal production regions. It has been a significant achievement for Sedgman to have delivered the region's first coal plant for UHG, to be involved in its ongoing management and initial expansion and to now continue with this expansion.

"This UHG Stage 3 contract is recognition of our ability to deliver on significant projects and to develop strong client relationships which result in repeat business."

Work is expected to complete by October 2012.

The Stage 3 contract, which increases CHPP capacity to 15 Mtpa, takes the value of Sedgman's work at UHG to approximately AUD\$75 million. Sedgman in March 2009 announced the initial Stage 1 AUD\$20million EPCM contract at UHG. In January 2011 Sedgman announced further Stage 1 Operational Management and Stage 2 EPCM contracts with a total value of USD\$31million.

**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

For personal use only

(CHPPs), Sedgman is recognised internationally for its mineral processing and materials handling technologies.

Sedgman listed on the ASX in June 2006. The company has more than 1000 personnel and services the global coal and metalliferous markets by offering innovative Engineering and Operations capabilities. Sedgman won both the Premier of Queensland's Export Award and the Australian Export Award for the Large Services category in 2010.

Head Office is in Brisbane with international offices established in Beijing, Ulaanbaatar, Santiago, Johannesburg and Maputo targeting the growth regions of China/Mongolia, South America and southern Africa.

**For further information contact:**

Nick Jukes  
Managing Director  
Ph: (07) 3514 1000  
[www.sedgman.com](http://www.sedgman.com)

Ian Poole  
Chief Financial Officer  
(07) 3514 1000

**Media Enquiries to:**

Rhyll Cronin  
Principal Consultant, Three Plus  
Ph + 61 7 3503 5700  
Mob + 412 846 202