



SEDGMAN

ASX/MEDIA RELEASE

1 September 2010

Sedgman gets go ahead for Boseto project, Order Book now approx \$800 million

Key Points

- Sedgman receives Notice to Proceed from Discovery Metals Limited (DML) for Boseto Copper Project in Botswana
- Contract value expected to exceed USD\$90 million
- Project go ahead evidence of improving conditions in the metalliferous sector
- Record Order Book at 30 June 2010 boosted further, now around \$800 million.

Leading resource sector services company Sedgman Limited (ASX Code: SDM) has received the Notice to Proceed from Discovery Metals Limited (ASX Code: DML) for the Boseto Copper Project in Botswana.

Sedgman announced the award of the Engineering Procurement and Construction (EPC) contract on 24 May 2010. The initial scope of works under the contract included the Front End Engineering Design (FEED) and related metallurgical testing for the copper flotation plant. Subject to the outcome of the FEED and the client's approval, the scope of works was then to be expanded to include the detailed design, procurement and construction of the plant and associated infrastructure including the borefield development.

The Notice to Proceed now confirms Sedgman's expanded scope of works which is expected to take the contract price to more than USD\$90 million.

DML have issued the Notice to Proceed so Sedgman can commence detailed engineering and long lead time procurement activities concurrently with DML's finalisation of project and finance approvals.

Sedgman's Managing Director Mark Read said the receipt of the Notice was further evidence of improving conditions in the metalliferous sector.

"The issue of the Notice to Proceed at this stage of the Boseto Project's development timetable is clear evidence of the confidence that DML have in Sedgman to deliver a technologically superior solution on time and on budget," Mr Read said.

"While our Metals Engineering business unit has experienced increasing study activity over recent months, the movement of a significant project such as Boseto into the execution phase supports our positive growth outlook for FY2011 and beyond."

"The Boseto project takes our Order Book to a new record level of approximately \$800 million as of 30 June 2010." In its annual results announcement made on August 19, Sedgman reported an Order Book of \$706 million which had excluded the value of the Boseto contract."

Sedgman is recognised internationally for its mineral processing and materials handling technologies and is currently focused on a \$6.3 billion global pipeline of targeted project opportunities in coal and metals.

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 minerals processing and materials handling technologies.

Sedgman listed on the ASX in June 2006. The Company has more than 750 personnel and 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.

For further information contact:

Mark Read
Managing Director
Ph: (07) 3514 1000
www.sedgman.com

Alan Wigan
Chief Financial Officer
(07) 3514 1000

Media

Rhyll Cronin
Principal Consultant
Three Plus
Ph: 07 3503 5700 or 0412 846 202
Email: rhyll@threeplus.com.au