Sedgman awarded $36.7m contract for Baralaba Mine Expansion

Leading resource sector services company Sedgman Limited (ASX:SDM) today announced it had been awarded a $36.7 million contract for a significant expansion of Cockatoo Coal Limited's (ASX:COK) Baralaba Coal Mine, located approximately 5 kilometres from the township of Baralaba in the lower Bowen Basin.

The upgrade will increase the Baralaba mine's capacity to stack, reclaim and rail product from 1 Mt/a to upwards of 3.5 Mt/a. Sedgman's scope of work comprises the detail design, supply, fabrication, construction and commissioning of the train load out (TLO) and stockyard facility at Moura.

The project is being executed in two separable portions, a design and procurement component of $19.4M and a construction component of $17.3M.

Sedgman Chief Executive Officer and Managing Director Peter Watson said the contract award is testament to Sedgman's focus on finding solutions that deliver value for clients.

"We have 35 years' experience designing, constructing and operating coal handling and preparation plants and TLO facilities. This combination of technical knowledge and practical experience enables us to provide superior solutions for our clients.

"The contract award followed a competitive tender process where we were able to demonstrate how our innovative approach to design and low cost procurement options would realise both technical and commercial value for Cockatoo Coal.

"Cockatoo Coal is an important and emerging player in the Australian coal market and we look forward to strengthening our relationship with them as they enter the next phase of development."

Sedgman are currently finalising design and procurement under the first separable portion. Final approval of the construction component is expected in November 2014 with the upgraded facilities scheduled for completion in August 2015.

About Sedgman

Sedgman Limited (ASX: SDM) provides solutions to the global resources industry. Our services range from concept, pre-feasibility and design through to construction, commissioning, operations, maintenance and asset management.

Established in 1979, Sedgman listed on the ASX in June 2006 and has approximately 700 employees. Headquartered in Brisbane, Australia with offices in Perth, Townsville, Newcastle and Mackay, Sedgman has international offices in Beijing, Shanghai, Ulaanbaatar, Santiago, Vancouver and Johannesburg. Sedgman delivers projects and operations across Australia, Africa, Asia and the Americas.

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