

11 MARCH 2016**COMPULSORY ACQUISITION OF REMAINING SHARES IN
SEDGMAN LIMITED**

CIMIC Group Investments Pty Limited (CGI) has a relevant interest in 90.08% of all shares in Sedgman Limited (Sedgman) as at the date of this announcement.

Accordingly, CGI is exercising its right under section 661A(1) of the Corporations Act to compulsorily acquire the remaining shares in Sedgman.

Attached, in accordance with section 661B(1)(d) of the Corporations Act, is a copy of an ASIC Form 6021: Notice of compulsory acquisition following takeover bid (Compulsory Acquisition Notice), together with the covering letter to Sedgman shareholders.

The Compulsory Acquisition Notice and covering letter were lodged with the Australian Securities and Investments Commission today and will be dispatched to Sedgman shareholders by no later than tomorrow.

ENDS

Issued by CIMIC Group Limited ABN 57 004 482 982 and CIMIC Group Investments Pty Limited ABN 74 126 876 953 www.cimic.com.au

MEDIA CONTACT

Geoff Newman
0410 515 830
gnewman@firstadvisers.com.au

INVESTOR CONTACT

Ben Rebbeck
02 8011 0355
[brebeck@firstadvisers.com.au](mailto:brebbeck@firstadvisers.com.au)

CIMIC Group Limited (ASX: CIM) is one of the world's leading international contractors and the world's largest contract miner. CIMIC (previously Leighton Holdings) has operations that have been in existence since 1934, was listed on the Australian Securities Exchange in 1962 and has its head office in Sydney, Australia. CIMIC provides construction, mining, engineering, concessions, and operation and maintenance services to the infrastructure, resources and property markets. It operates in more than 20 countries throughout the Asia Pacific, the Middle East, Sub-Saharan Africa and South America and, as at 31 December 2015, employed approximately 43,400 people directly and through its proportional ownership of HLG and Ventia.



CIMIC Group Limited
ABN 57 004 482 982

472 Pacific Highway
St Leonards NSW 2065 Australia
PO Box 1002
Crows Nest NSW 1585
T +61 2 9925 6666
F +61 2 9925 6000
cimic.com.au

11 March 2016

Dear Sedgman Shareholder

Compulsory acquisition of Sedgman Shares

CIMIC Group Investments Pty Limited (**CGI**)¹ announced on 13 January 2016 an unconditional cash off-market takeover offer by CGI for all of the Sedgman Shares it does not own (**Offer**).

The terms of the Offer are contained in CGI's Replacement Bidder's Statement² dated 8 February 2016 which replaces the Bidder's Statement dated 13 January 2016³ (**Bidder's Statement**).

The Sedgman Independent Board Committee recommends you accept CGI's Offer for your Sedgman Shares.

CGI has become entitled, under the *Corporations Act 2001* (Cth) (**Corporations Act**), to compulsorily acquire all of the Sedgman Shares it does not already hold, as it has acquired a relevant interest in more than 90% of all Sedgman Shares as at the date of this letter. CGI has decided to exercise that right to compulsory acquisition.

Your choices

This letter is being sent to you because you are currently registered as a holder of Sedgman Shares and you either did not accept the Offer before the date of this letter or your acceptance was not valid.

You now have the following alternatives:

(a) **You can ACCEPT the recommended Offer.**

The Offer consideration of \$1.07 in cash per share has been adjusted for the fully franked dividends of 12.3 cents per share declared by Sedgman on 11 February 2016. Accordingly, by accepting the recommended Offer, you will receive 94.7 cents per share in cash (**Offer Consideration**), with payment being made within seven business days after the Offer is accepted.

The Offer period will now close at **7.00pm AEDT on 18 March 2016**. **CGI will NOT extend the Offer period any further.**

If you accept, the Offer Consideration will be paid seven business days after the Offer is accepted. If your Sedgman Shares are compulsorily acquired, you will have to wait at least one month to receive the Offer Consideration.

(b) **You can sell your Sedgman Shares on-market.**

Please note that, in accordance with ASX Listing Rules Guidance Note 33, CGI expects ASX to suspend Sedgman Shares from trading on ASX five business days after the date of this letter.

(c) **You can do nothing and allow your Sedgman Shares to be compulsorily acquired, in due course, as described below.**

¹ Capitalised terms used in this letter have the same meaning as in the Bidder's Statement unless otherwise defined.

² Further supplemented by the fourth supplementary bidder's statement dated 18 February 2016.

³ As supplemented by the first, second and third bidder's statements.

If you have accepted the Offer recently, please disregard this notice.

Compulsory acquisition procedures

Please find enclosed an ASIC Form 6021: Notice of compulsory acquisition following takeover bid (**Notice**), which CGI is required to give you under the Corporations Act to exercise its right to compulsory acquisition.

The compulsory acquisition process, which is subject to the Corporations Act, is likely to take approximately 4 to 6 weeks but may take longer in some circumstances. The compulsory acquisition will be on the same terms as those that applied to the Offer which means you will receive the Offer Consideration of 94.7 cents per share in cash.

Please note that Sedgman Shareholders who attempted to accept the Offer but failed to do so validly before the end of the Offer period are treated as shareholders whose Sedgman Shares may be compulsorily acquired pursuant to the Notice.

If your Sedgman Shares are compulsorily acquired, the Offer Consideration will be paid to Sedgman as your trustee upon completion of the compulsory acquisition procedure. You will then be entitled to claim the Offer Consideration from Sedgman.

You do not need to sign or return the Notice. In due course, Sedgman will send to Sedgman Shareholders who remain on the register at the end of the compulsory acquisition process a written notice setting out details on how to claim the Offer Consideration.

Further information

Instructions on how to accept the Offer are set out in the Bidder's Statement and in the Acceptance Form that has been sent to you. **Note, your ability to accept the Offer only applies until 7.00pm AEDT on 18 March 2016.**

If you have any questions about this letter, the compulsory acquisition procedure generally, or you have any other questions, please contact the CIMIC Offer Information Line on 1300 362 398 (for calls made within Australia) or +612 8355 1004 (for calls made from outside Australia) between 9.00am and 5.00pm (AEDT) Monday to Friday, or consult your financial or other professional adviser.

Yours sincerely,



Angel Muriel
Director
CIMIC Group Investments Pty Limited

Notice of compulsory acquisition following takeover bid

Notice

To each holder of:

Description of class of securities to which the bid relates

All fully paid ordinary shares

('Bid Class Securities')

in

Name of target company or body

Name ('the Company')

Sedgman Limited

ACN/ARBN/ARSN

088 471 667

Tick applicable box(es)

- and each holder of securities that will or may be converted into, or confer rights to be issued, in the next 6 weeks, securities to which the bid related.
- and each holder of non-transferable securities issued under an employee incentive scheme referred to in paragraph 2.

Name of bidder

1. Under a takeover bid offers were made by

CIMIC Group Investments Pty Limited (ACN 126 876 953)

in respect of the acquisition of Bid Class Securities in the company.

The offers

Tick one box

- closed
- are scheduled to close

Date offers closed or are scheduled to close

on

Date

1 8 / 0 3 / 1 6
[D] [D] [M] [M] [Y] [Y]

Tick applicable box(es).
(see subsection 661A(4) and (4A))

2. You are, as at the date of this notice, the holder of one or more of the following

- securities in respect of which the takeover offer was made, but have not accepted the offer. (If you have accepted the offer but have received this notice you do not need to do anything in response to this notice—the bidder will acquire your securities under the offer.)
- securities to which the bid related issued after the end of the offer period and before the date of this notice
- securities that will or may be converted into, or confer rights to be issued, in the next 6 weeks, securities to which the bid related
- securities issued under an employee incentive scheme to which restrictions on transfer apply under the company's constitution or the terms of issue, being

Description of securities

Description of securities

the following securities in the bid class in which the bidder has a relevant interest

Tick one box

3. The bidder gives you notice under subsection 661B(1) of the Corporations Act 2001 ('the Act') that the bidder has become entitled pursuant to subsection

- 661A(1)
- 661A(3)

of the Act to compulsorily acquire your securities and desires to acquire those securities.

4. Under section 661D of the Act, you have the right, by notice in writing given to the bidder within one month after this notice is lodged with ASIC, to ask the bidder for a written statement of the names and addresses of everyone else the bidder has given this notice to.

Date of lodgement

This notice was lodged with ASIC on

Date

1	1	0	3	1	6
[D	D]	[M	M]	[Y	Y]

5. Under section 661E of the Act, you have the right, within one month after being given this notice (see paragraph 8) or within 14 days after being given a statement requested under section 661D of the Act (as referred to in paragraph 4 of this notice), whichever is later, to apply to the Court for an order that the securities not be compulsorily acquired.

Tick one box

6. The bidder is entitled and bound to acquire the securities on the terms that applied under the takeover bid immediately before

<input checked="" type="checkbox"/>	this notice was given.
<input type="checkbox"/>	the end of the offer period.

7. Unless the Court otherwise orders, on application made by you under section 661E of the Act within one month after being given this notice (see paragraph 8) or within 14 days after being given a statement under section 661D (as referred to in paragraph 4 of this notice), whichever is the later, the bidder must comply with paragraph 6 of this notice.

8. A notice sent by post to you is taken to be given to you 3 days after it is posted.

Signature

Name of person signing

Louise Griffiths

Capacity

Company Secretary

Signature



Date signed

1	1	/	0	3	/	1	6
[D	D]		[M	M]		[Y	Y]