



MACMAHON

Annual General Meeting 2010

Chairman Ken Scott-Mackenzie



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Board of directors



Ken Scott-Mackenzie



Barry Cusack



Nick Bowen



Barry Ford



John Massey



Vyrl Vella



Dr David Smith



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2010 overview



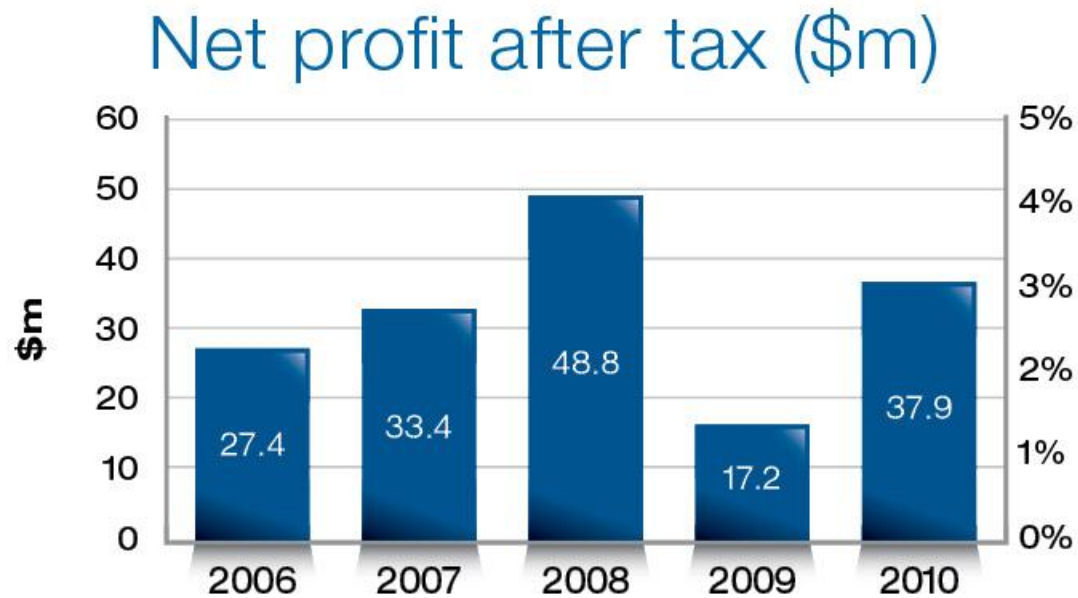
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Safety in focus



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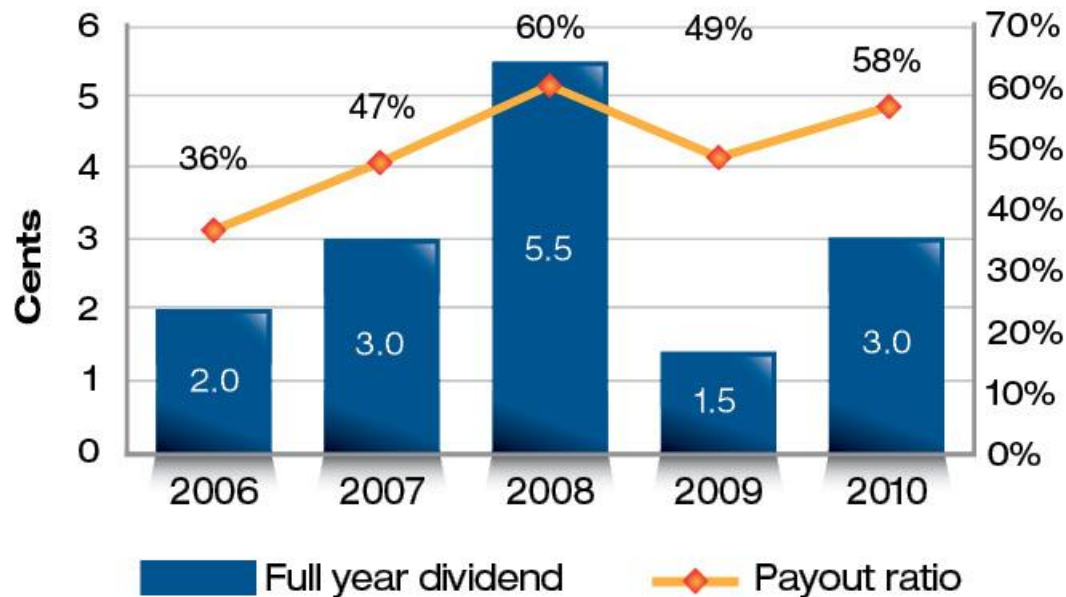
Net profit



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Dividends and payout ratio

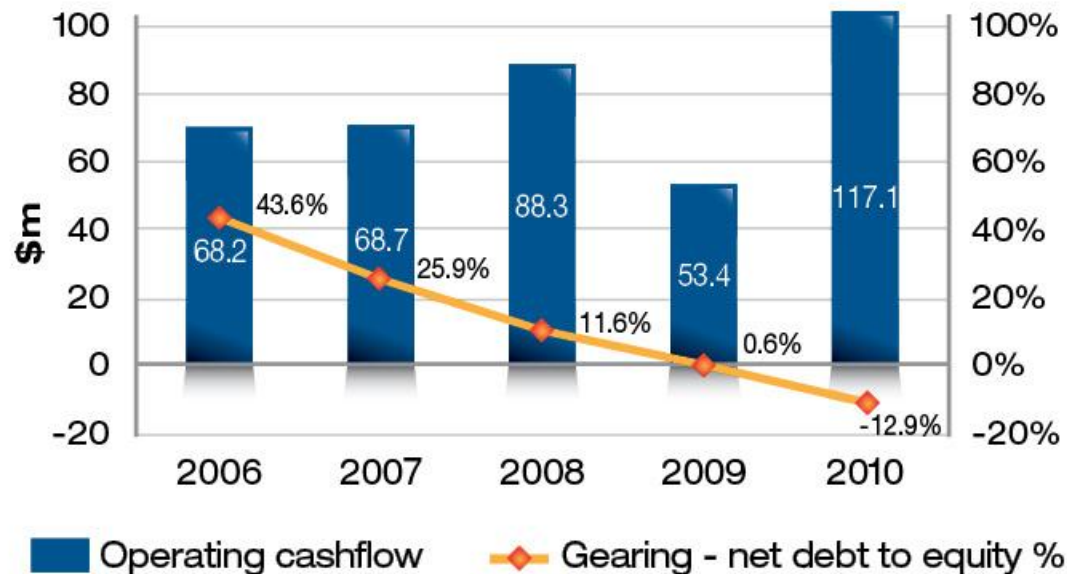
Dividend per share and payout ratio



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Strong financial base to fund growth opportunities

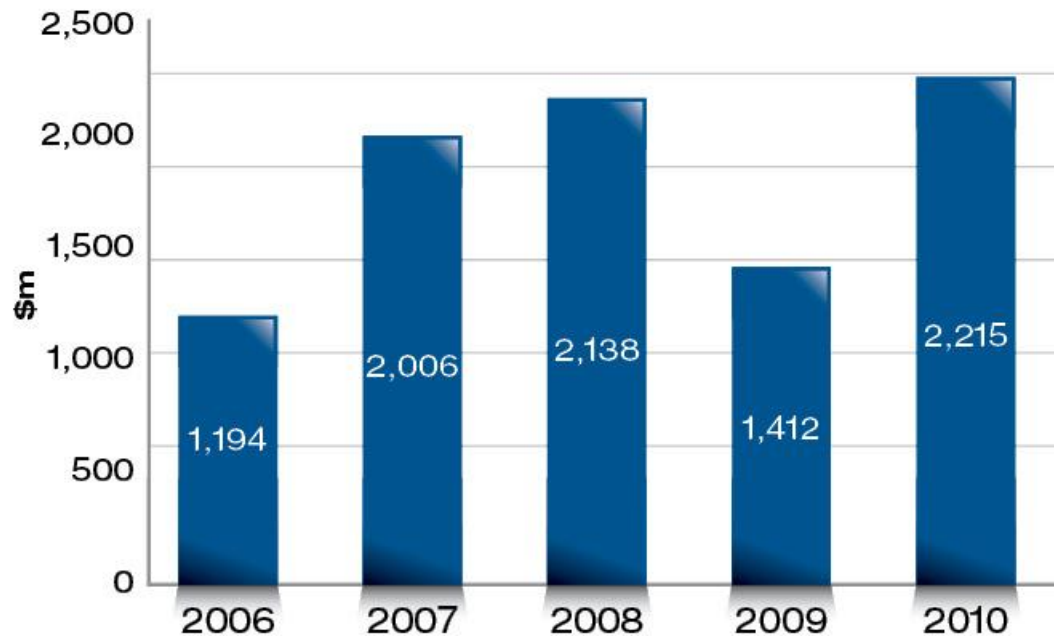
Operating cash flow and gearing



Net cash surplus over debt of \$43.8 million at 30 June 2010

Order book

Order book (\$m)



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\$2.1 billion of work awarded in FY10



- Contract extensions - \$1.2 billion
- New Australian contracts - \$0.6 billion
- New overseas contracts - \$0.3 billion



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Update to the market



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Share price



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Corporate governance



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Macmahon values

SAFETY

Look after yourself, your team and others around you.

TEAMWORK

Work smart, work hard, work together.

PROSPERITY

Create value for shareholders, employees, clients and partners.

INTEGRITY

Do what you say you are going to do.

ENVIRONMENT

Reduce, recycle, rejuvenate.



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Strategy



Our people



Chief Executive Officer Nick Bowen



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Achievements of 2010



- Strong recovery from GFC
- Rebuilt the order book
- Improved cashflow, profit, balance sheet
- Outstanding safety performance

Strategy



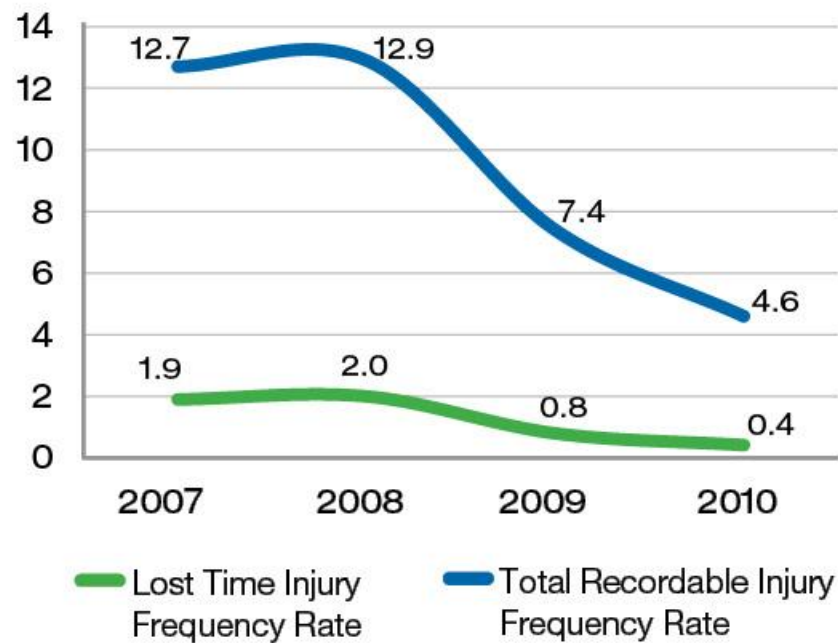
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Our people



Safety performance

Group safety performance



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Training for the future



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Indigenous commitment



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Current projects



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Underground mining



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Core capability snapshot

Engineering



Electrical



Shaft sinking



Raiseboring



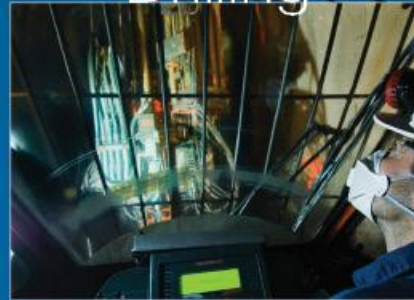
Shaft lining



Cable bolting



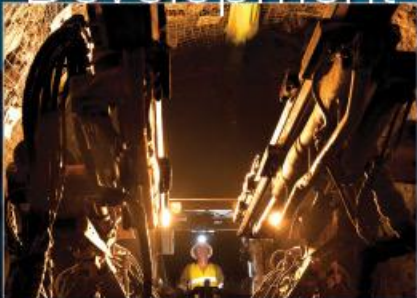
Drilling



Shotcreting



Development



Production



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Argyle - utilising our core capabilities



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Surface mining



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Core capability snapshot

Mine management



Drill and blast



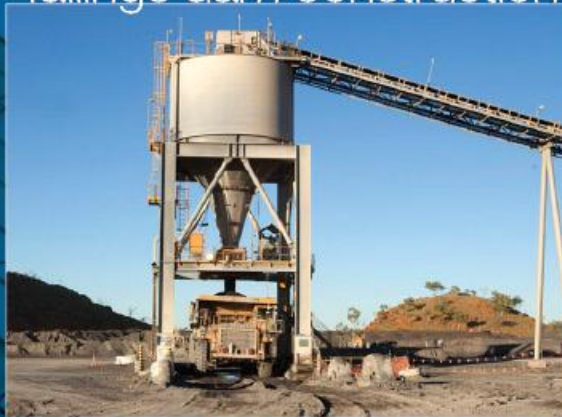
Bulk and selective mining



Crushing and screening



Tailings dam construction



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Orebody 18 - utilising our capabilities



Cameby Downs



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Plant and maintenance advantage



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International

Kanthan - Malaysia



Hong Kong



Lhoknga - Indonesia



Ewekoro - Nigeria



Rawang - Malaysia



Waihi - New Zealand



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Hong Kong - showing our diversity



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Ewekoro - an opportunity



Construction



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Core capability snapshot

Roads



Rail



Bridges



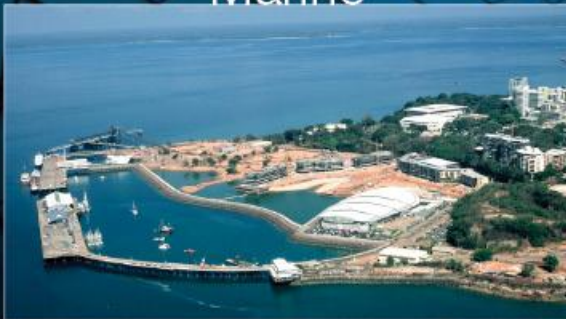
Resource infrastructure



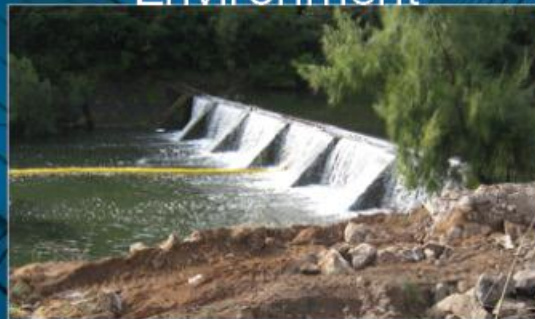
Dams



Marine



Environment



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Tiger Brennan Drive - utilising capabilities



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Adelaide Superway



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Our current customers



RioTinto



Peabody



Government of South Australia
Department for Transport,
Energy and Infrastructure



Market outlook



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Growth opportunities



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2011 - First quarter



Overview

- Mixed business results
- Mining performing strongly
- Construction underperforming - review of the business

Construction review

Initial findings

- Strategy to grow has been constrained by fewer opportunities and high competition
 - Taken our focus away from our traditionally strong performing markets
- Some large contract structures are creating complexity and increasing risk profiles
- Opportunity to improve performance through more stringent project selection and improved training



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Construction review

Actions

- Realigned and targeted strategy in each state to focus on core strengths
- Restructure parts of the organisation to improve efficiency
- Strengthen business development capability
- Focus on the contract styles and structures that best fit the business
- Increase and improve our commercial skills and management processes related to complex contract structures

Milestones

- Revised strategy in 3 to 4 months
- Improvement plans will be implemented over the next 6 to 9 months



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\$500m in contracts since 1 July 2010

Key contracts

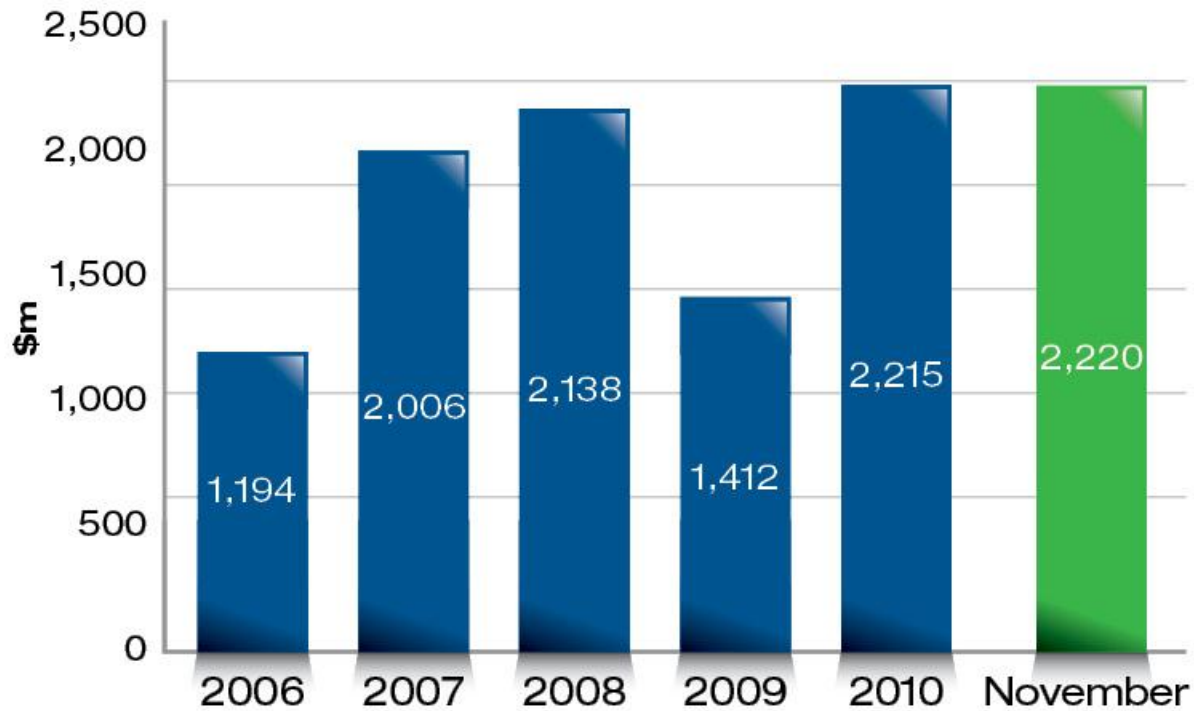
- South Road Superway project, South Australia, \$230 million
- Roe Highway interchange project, Western Australia, \$74 million
- Karara rail contract, Western Australia, \$84 million
- RAAF Base Darwin, Northern Territory, \$25 million
- Combined underground contracts, \$50 million



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Current order book

Order book (\$m)



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Macmahon outlook



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Resolution 1

ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That for the purposes of section 250R(2) of the Corporations Act, the Remuneration Report (which forms part of the Directors' report for the year ended 30 June 2010) be adopted.”

Note: Section 250R(3) of the Corporations Act provides that the vote on this Resolution is advisory only and does not bind the Directors.



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Resolution 1 *continued*

ADOPTION OF REMUNERATION REPORT

For: 227,262,976

Against: 149,628,082

Abstain: 1,133,544

At the Proxies Discretion: 6,886,295

Total Proxy Votes = 52.45% of shares on issue

** Please note that the numbers detailed above may include proxies that have been suspended due to the attendance of the shareholder at this meeting.*



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Resolution 2

RE-ELECTION OF DAVID MARSHALL SMITH AS A DIRECTOR

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“To re-elect Dr David Marshall Smith, who was appointed by the Board in April 2010 and automatically retires from the office of Director in accordance with rule 3.3(a) of the Company’s Constitution, and being eligible, offers himself for re-election.”



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Resolution 2 *continued*

RE-ELECTION OF DAVID MARSHALL SMITH AS A DIRECTOR

For: 374,692,299

Against: 2,724,698

Abstain: 480,731

At the Proxies Discretion: 7,013,169

Total Proxy Votes = 52.47% of shares on issue

** Please note that the numbers detailed above may include proxies that have been suspended due to the attendance of the shareholder at this meeting.*



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Resolution 3

RE-ELECTION OF JOHN CLARENCE MASSEY AS A DIRECTOR

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“To re-elect Mr John Massey, who retires from the office of Director by rotation in accordance with rule 3.6(c) of the Company’s Constitution, and being eligible, offers himself for re-election.”



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Resolution 3 *continued*

RE-ELECTION OF JOHN CLARENCE MASSEY AS A DIRECTOR

For: 373,914,798

Against: 3,399,925

Abstain: 603,516

At the Proxies Discretion: 6,958,936

Total Proxy Votes = 52.45% of shares on issue

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Resolution 4

AMENDMENT OF CONSTITUTION

To consider, and if thought fit, to pass the following resolution as a special resolution :

“That, with effect from the close of the Meeting and in accordance with section 136 of the Corporations Act, the Company modifies its Constitution by :

- a) deleting the words "Australian Stock Exchange Limited" from the definition of "ASX" in rule 1.2 and replacing them with the words "ASX Limited (ABN 98 008 624 691)";
- b) deleting the number "7.12" from the definition of "Market Transfer" in rule 1.2 and replacing it with the number "7.11";
- c) deleting the words "SCH regulated" from the definition of "Market Transfer" in rule 1.2;



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Resolution 4 *continued*

- d) deleting in its entirety the definition of "SCH business rules" in rule 1.2;
- e) inserting directly after the definition of "ASX" in rule 1.2 the following new definition:

""ASX Settlement Rules" means the operating rules of ASX Settlement Pty Limited (ABN 49 008 504 532) and, to the extent that they are applicable, the operating rules of each of ASX and ASX Clear Pty Limited (ABN 48 001 314 503).";
- f) replacing all references to "SCH business rules" where used throughout the Constitution with "ASX Settlement Rules";
- g) deleting the words "Before declaring any dividends to members," at the start of rule 27.1;
- h) deleting the heading to rule 27.2 and replacing it with the words "When a debt arises";
- i) deleting the words "The Company must not pay a dividend except out of profits of the Company." at the start of rule 27.2; and
- j) deleting the words "A resolution of the Board as to the amount of the Company's profits and the amount of them available for dividend is conclusive." at the end of rule 27.2."



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Resolution 4 *continued*

AMENDMENT OF CONSTITUTION

For: 375,110,562

Against: 1,948,393

Abstain: 864,523

At the Proxies Discretion: 6,987,419

Total Proxy Votes = 52.47% of shares on issue

** Please note that the numbers detailed above may include proxies that have been suspended due to the attendance of the shareholder at this meeting.*



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Resolution 5

ADOPTION OF PROPORTIONAL TAKEOVER PROVISIONS

To consider, and if thought fit, to pass the following resolution as a special resolution:

“That, with effect from the close of the Meeting and in accordance with sections 136 and 648D of the Corporations Act, the Constitution of the Company be altered by:

- a) deleting in its entirety the definition of "Approving Resolution" in rule 1.2;
- b) deleting in its entirety the definition of "Proportional Takeover Scheme" in rule 1.2; and
- c) inserting both the proposed rule 29.8 and Schedule 2 in the Constitution, in the form set out in Schedule 1 to this Notice of Meeting, for a period of three years commencing on 26 November 2010.”



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Resolution 5 *continued*

ADOPTION OF PROPORTIONAL TAKEOVER PROVISIONS

For: 375,026,153

Against: 2,239,583

Abstain: 586,105

At the Proxies Discretion: 7,059,056

Total Proxy Votes = 52.46% of shares on issue

** Please note that the numbers detailed above may include proxies that have been suspended due to the attendance of the shareholder at this meeting.*



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Annual General Meeting 2010