Media Release

MACMAHON

23 June 2011

Macmahon Construction management changes

Macmahon Holdings Limited (ASX: MAH) advises that the review of its Construction business, announced in October 2010, has been completed and the resulting recommendations have been implemented to improve the profitability of its operations.

Macmahon Chief Executive Officer Nick Bowen said that following six months of work, the strategy and organisational design for the Construction business had been completed.

The current national structure of the business unit is to be spilt into two regional businesses - East and West. In addition, the MVM Rail business will be fully integrated into Macmahon delivering savings and efficiencies.

Macmahon's current Queensland State Manager, Mark Hamilton, has been appointed to the new role of Executive General Manager – Construction East. Aidan Mullan, who will join Macmahon on July 1, has been appointed Executive General Manager – Construction West. Both these positions will report directly to the CEO.

Mr Mullan joins Macmahon from Laing O'Rourke Australia where he was Regional Manager Infrastrucuture West, which followed senior construction management roles at BGC Contracting, Leighton Contractors and at Charles Brand Ltd.

"The outcomes of this work are clearer lines of accountability, lower overhead costs and improved strategic alignment across our operations," Mr Bowen said.

"The East and West structure will position senior management closer to our clients and projects, which was a key outcome of our strategy work.

"The outlook for the construction sector is strong with tendering activity at a high level. Across the resources sector expansion plans are driving a large pipeline of construction work. Since July 2010 our Construction business has won around $700 million of new work and more contract wins are expected in the coming months.

"The restructure of our Construction business is aimed at positioning us to better respond to these opportunities and a much improved performance is now ensured for 2012," Mr Bowen said.

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About Macmahon

Macmahon is a leading Australian contract mining and construction company with major projects throughout Australia, in New Zealand, Asia and Africa.

An ASX/S&P 200 company, Macmahon has played a major role in the delivery of many of Australia's largest multi-disciplinary mining and construction projects throughout its 47 year history.

Employing more than 3500 people, Macmahon offers the full range of underground and surface mining services and comprehensive construction capabilities spanning transport, marine, water and resource infrastructure services.

With a commitment to providing end to end services, Macmahon's reputation for outstanding teamwork, integrity and commitment to the environment is underpinned by the company's core value - safety.

Visit www.macmahon.com.au for more information.