

1 September 2011

Macmahon wins \$170 million Pilbara ISA contract

Macmahon Holdings Ltd (ASX: MAH) announced today that it has been awarded the Main Roads Western Australia (MRWA) Integrated Services Arrangement (ISA) for the Pilbara region, valued at approximately \$170 million (excluding GST) over five years.

As part of the contract Macmahon will deliver operational asset management services for MRWA in the Pilbara region, including network operations, maintenance management and delivery and capital works.

Macmahon Chief Executive Officer Nick Bowen said the contract would see the Construction Business establish a long term presence in the Pilbara and further contribute to the development of the region.

"With 2276km of road network and 104 bridges in the region, Macmahon will work closely with Main Roads to play an essential role in supporting local industry by maintaining the Pilbara's key transport corridors," Mr Bowen said.

"The ISA contract adds to Macmahon's existing activities in the Pilbara and furthers the Company's strong commitment to this important and rapidly growing region.

"Macmahon has maintained a positive and productive relationship with Main Roads in the past and this contract will continue this association into the future.

"Having delivered and maintained an extensive array of major infrastructure across Western Australia, in addition to the current contract for the construction of the Great Eastern and Roe Highway Interchange, we are very pleased to continue to contribute to the high standard of Western Australia's transport network," Mr Bowen said

Work on the Pilbara ISA will commence in September 2011, with an opportunity to extend the agreement based on performance over the initial five years.

(Transport Minister's media statement attached)

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Media Release



About Macmahon

Macmahon is a leading Australian contract mining and construction company with major projects throughout Australia, in New Zealand, Asia, Mongolia 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 48 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.



Government of **Western Australia**
Department of **the Premier and Cabinet**

Minister for Transport

1/9/11

Media Statement

New \$187million Integrated Services Arrangement for Pilbara.

The State Government has awarded a new Integrated Service Arrangement (ISA), valued at \$187million, for the maintenance of the State's road network in the Pilbara.

Transport Minister Troy Buswell said Macmahon Contractors Pty Ltd was awarded the Pilbara contract for an initial period of five years.

"This is the seventh and final of these relationship-based arrangements to be awarded as the current long term road maintenance contracts reach expiry," Mr Buswell said.

"These new arrangements between private service providers and Main Roads WA are more than just road maintenance contracts - they provide operational asset management, maintenance delivery, some minor capital works (projects less than \$3million in value), and project and contract management services.

"The ISA selection process aims to ultimately identify the best value for money from private sector partners and considers which integrated service providers were most likely to form an effective collaborative relationship with Main Roads WA.

"Macmahon will have the potential of extending its contract period based on the company's performance over the next five years."

Services under the ISA arrangements will begin this month.

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