

20 September 2011

Macmahon welcomes NT Government preferred bidder status for Marine Supply Base

Macmahon Holdings Ltd (ASX: MAH) is pleased to advise that the Northern Territory Government today announced the ShoreASCO Consortium as the preferred bidder for the Darwin Marine Supply Base Project.

Macmahon is the construction partner in this consortium but will have no equity or operating involvement.

Further details of the project are provided in the Government's press release (attached).

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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, 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.



Paul Henderson
CHIEF MINISTER



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North Australian Gas Support Hub

The ShoreASCO Consortium has been named the preferred bidder to build, own and operate Darwin's Northern Australian Gas Support base, marking which will help establish Darwin as a major oil and gas hub.

Exclusive commercial negotiations will now be undertaken with the ShoreASCO Consortium with a view to finalising contracts by the end of 2011

Chief Minister Paul Henderson said the consortium – which includes ASCO Holdings, Macmahon Contractors and Capella Capital – combines local, national and international expertise.

"ASCO Holdings is an international oil and gas logistics company with over 40 years' experience, with some 20 bases around the world providing services in the United States, United Kingdom, Norway, Trinidad, Canada and Azerbaijan," Mr Henderson said.

In November 2010, ASCO Holdings purchased ShoreBase from the Shorelands Group. ShoreBase is a local provider of offshore and onshore logistic support to the oil and gas sector. ShoreBase is now ShoreASCO and has formed a strategic alliance with Shorelands Group bringing a blend of international experience and local knowledge.

"This experience, combined with the local knowledge of other consortium members, such as Macmahon, who have worked on several large Territory projects, including a number of port related projects and the Tiger Brennan Drive Extension, will ensure Darwin has a world-class marine supply base."

The base, which will be built next to East Arm Wharf, is expected to be completed by the end of 2013 and will service oil and gas supply ships, known as rig tenders.

The ships supply offshore oil and gas rigs with everything from food and water to fuel and drilling equipment.

The project will employ in the order of 125 people at the peak of construction, create 54 ongoing jobs and support over 173 jobs in the broader economy.

Chief Minister Paul Henderson said it was important for the Territory to be able to learn from other service centres around the world that have experienced rapid growth due to developments in the offshore oil and gas industry.

“I visited Aberdeen in Scotland earlier this year to learn about the city’s journey from a small fishing town to one of the biggest oil and gas supply hubs in the world,” Mr Henderson said.

“About 900 oil and gas service and supply companies currently operate in Aberdeen and the industry employs over 46 000 workers.”

“The Territory is on the cusp of something big, just as Aberdeen was in the 1970s, so it’s important that we look to other countries and learn from their experiences.”

A representative from the Aberdeen City Council will visit the Territory later this year to share their experiences with industry and government.

An industry delegation is also expected to visit the Territory next year in conjunction with its visit to the Australian Oil and Gas Exhibition and Conference, which will be held in Perth in February 2012.

The marine supply base will address targets in the Territory Government’s Territory 2030 Strategy, including to:

- establish Darwin as a key centre for oil and gas operations, maintenance and workforce
- expand the manufacturing industry with a particular focus on gas-based industry.

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