

23 November 2012

Macmahon welcomes preferred contractor status for NSW road project

Macmahon Holdings Ltd (ASX:MAH) confirms that a joint venture between Macmahon and Thiess (Macmahon share 40%) has been nominated as preferred contractor by the NSW Government to construct a 25.8km four lane divided carriageway between the Frederickton Interchange and Eungai as part of the Pacific Highway Upgrade.

The value of the contract, to be confirmed upon finalisation, will be significantly less than the amount announced by the NSW and Federal governments today, which refers to the whole project value.

Further details of the project are provided in the attached Government media release.

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About Macmahon

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

An ASX listed company, Macmahon has played a major role in the delivery of many of Australia's largest multi-disciplinary mining and construction projects throughout its 49 year history.

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.



Anthony Albanese

Federal Infrastructure and Transport Minister



Duncan Gay

NSW Roads and Ports Minister

Joint Media Statement

PREFERRED BUILDERS SELECTED FOR FREDERICKTON TO EUNGAI

Thiess and McMahon Contractors have been selected to design and deliver the upgrade of the Pacific Highway between Frederickton and Eungai, with construction on this section expected to begin in the middle of next year.

Federal Infrastructure and Transport Minister Anthony Albanese said the project is part of the ongoing upgrade and full duplication of the Highway, the most expensive and complex road project ever undertaken in Australia.

“More than two decades since the horrific Clybucca bus crash and after three years of planning and community consultations, I’m extremely pleased work on fixing this notorious 26.5 kilometre section will finally be underway by this time next year,” said Mr Albanese.

“Once completed in 2016, this new, fully duplicated section will link up with the Kempsey Bypass which is currently under-construction and on track to be completed before Easter – more than 12 months early.”

The \$762 million project will be funded on a 50-50 basis by both the Federal and NSW governments, with the new section to be built to the west of the Highway’s existing alignment – see attached map.

NSW Roads and Ports Minister Duncan Gay said the Frederickton to Eungai upgrade will save lives and further reduce journey times.

“The project will also build a major new interchange at Stuarts Point Road, install additional rest areas on both sides of the Highway south of Barraganyatti near Cooks Lane, and ensure local farmers can move equipment and livestock into and out of their properties,” said Mr Gay.

“Lastly, it will prevent the Highway from being cut by all but a once in a century flooding event.”

As at 30 June 2012, 346 kilometres – or almost 52 per cent – of the Pacific Highway had been upgraded to ‘motorway standard’. Compared to the mid-90s, the duplication that’s already been completed has reduced the time it takes to drive from Sydney to Brisbane by up to 90 minutes. Annual fatalities have been cut in half.

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