



Macmahon Holdings Limited  
Christmas Creek 2 – Analyst Site Visit  
14 May 2013



# Welcome to Site



# Project Overview

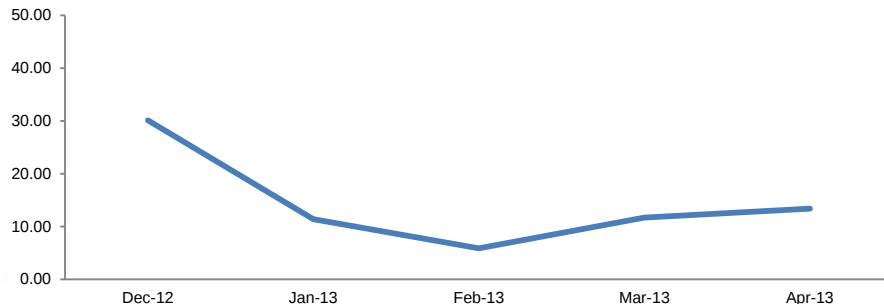
- \$1.8 billion, 5 year Christmas Creek Mine expansion awarded in January 2013. Limited Notice to proceed and ramp-up commenced 1 November 2012
- Macmahon's largest ever Mining contract
- Scope of works includes:
  - Drill and blast
  - Overburden removal
  - Ore harvesting
  - ROM rehandle and crusher feed
  - Maintenance of equipment and associated services



# Rapid Ramp-up

- Successful recruitment campaign generating 21,875 applications to date from 9,451 unique applicants
- Fast-track recruitment and mobilisation of over 800 mining and construction employees
- Workforce comprised of experienced mine workers with the majority from WA and then QLD
- Focussed Indigenous employment campaign delivering 54 ATSI<sup>(1)</sup> employees as of 1 May 2013
- Milestone of 500,000 man hours without a Lost Time Injury reached on 20 March 2013 – the project remains LTI free

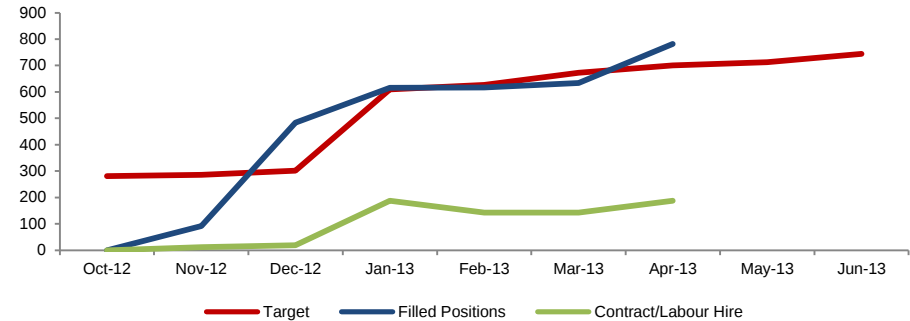
**Total Recordable Injury Frequency Rate (TRIFR)**



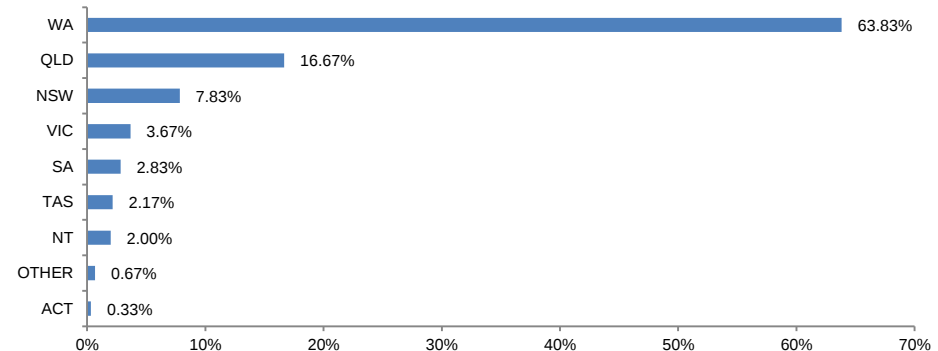
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(1) Aboriginal & Torres Strait Islander

**Ramp-up Recruitment**



**Origin of Workforce – April 2013**



# Plant mobilisation

- Mobilised and put to work 104 dump trucks, 21 D10 dozers, 6 large excavators, 13 wheel loaders, 12 blast hole production drills and associated ancillary equipment
- Fleet includes the Komatsu 930E ultra-class trucks – some of the biggest in the country
- Majority of equipment client owned
- Macmahon project capital expenditure ~\$40 million

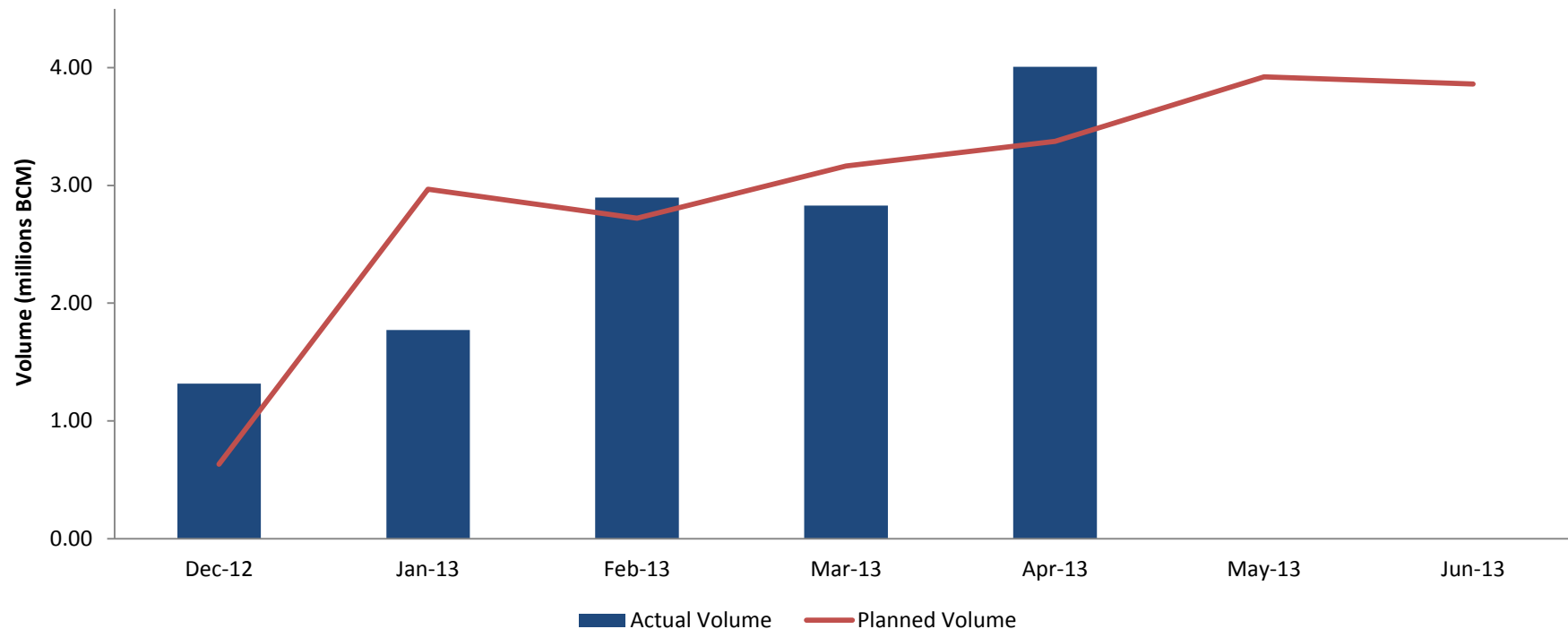


# Infrastructure Delivery

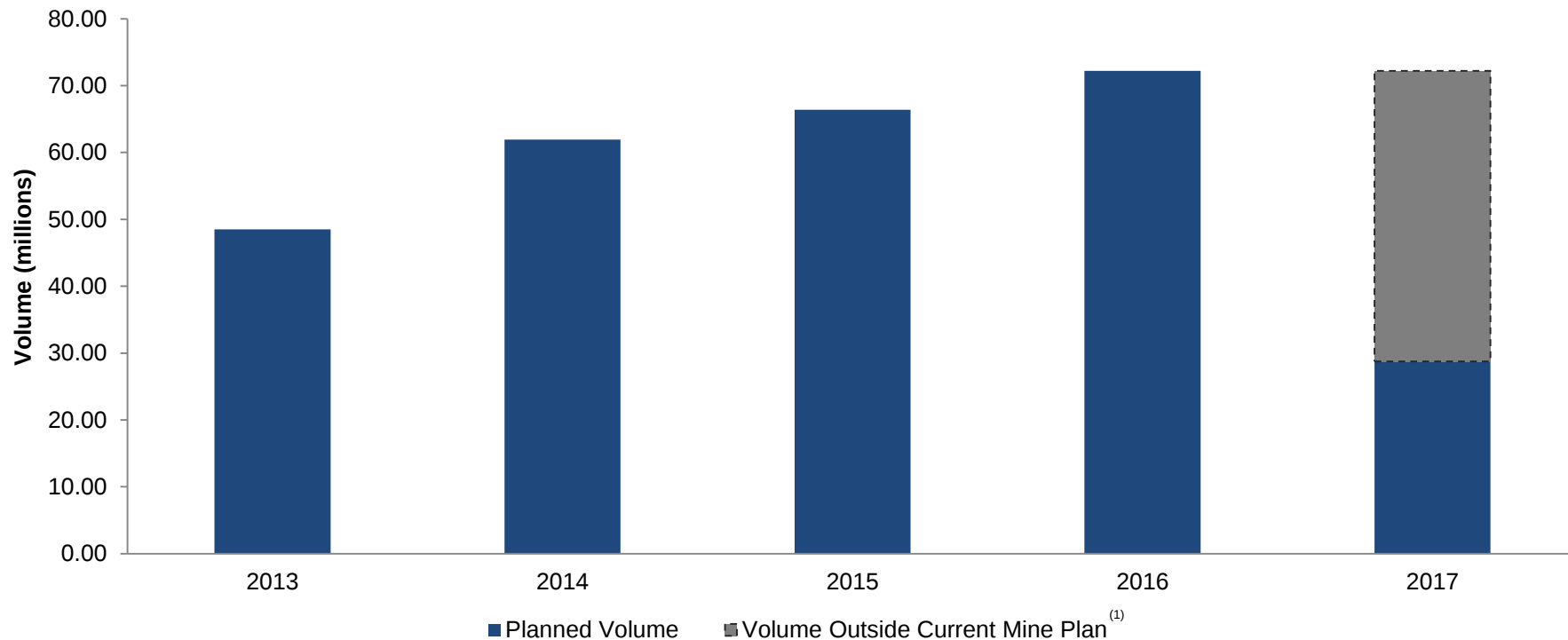
- 1 x 4 bay workshop, including:
  - Lubricant tank farm, temporary offices, crib rooms and ablutions
  - 1 x dome store
- 2 x satellite facilities, each including:
  - Single bay workshop, refuelling station, office, crib rooms and ablutions
- 1 x minor facility, including:
  - office, crib rooms and ablutions
- Total value approximately \$15 million



# Production



# Production Forecast



<sup>(1)</sup> Current Mine Plan to May 2017

# Project Update



- First ore harvested on 3 December 2012 – only 18 days after first employees landed on site
- Blast hole drilling commenced on 8 December 2012
- Total productive material movement of approximately 10.2 million BCM at end of April 2013
- Establishment and construction of maintenance facilities and satellite infrastructure complete
- Over 1 million tonnes of productive movement in 24 hour period achieved across the combined Christmas Creek mine
- Hub optimisation strategy being considered by Fortescue

# Risk Management

- Tyres
  - First year supplied by client
  - Increased allocation in latter years
  - Secured alternate sources
- Explosives
  - Supplied by client
- Fuel
  - Supplied by client
- Water
  - Ground water managed by client
- Initial recruitment
  - Full employment
  - Steady state manning six weeks ahead of schedule



# Summary and Questions

## 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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