

HALF YEAR RESULTS

27 FEBRUARY 2017

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The Guidance should not be regarded as a representation or warranty with respect to its accuracy or the accuracy of the best estimate assumptions or that Macmahon will achieve, or is likely to achieve, the particular results. You are encouraged to read Macmahon's Target's Statement dated 27 February 2017 and, in particular, the material best estimate assumptions and sensitivities in section 6.4(f) of the Target's Statement (which responds to CIMIC's unsolicited off-market takeover offer to acquire the shares in Macmahon which it does not own). You should also read the risk factors set out in section 8.2 of the Target's Statement.

The Guidance also takes no account of the adviser and other third party costs incurred to date and to be incurred by Macmahon in responding to CIMIC's offer, on the basis that they are non-recurring and therefore not reflective of the underlying performance of Macmahon. The expected reported statutory results for Macmahon in FY2017 will include costs associated with responding to CIMIC's offer and are estimated to be approximately \$2.5 million to \$3.0 million.

This presentation does not take into account the individual investment objectives, financial or tax situation or particular needs of any person. It does not contain financial advice. You should consider seeking independent legal, financial and taxation advice in relation to the contents of this presentation.

Non- IFRS Financial Information

This presentation uses non-IFRS financial information including EBITDA and EBIT which are used to measure both group and operational performance. Non – IFRS measures have not been subject to audit or review.

References to "Macmahon", "the Company", "the Group" or "the Macmahon Group" may be references to Macmahon Holdings Limited or its subsidiaries.

1H FY2017 Highlights

- Revenue: \$168.3 million¹
- EBITDA: \$10.4 million²
- EBIT: (\$4.5) million²
- Net loss after tax: (\$5.0) million
- Cash generated from operating activities: \$12.5 million³
- Net cash: \$49.8 million
- Order book: \$1,295 million⁴
- Tender pipeline: \$6.4 billion⁴

Key Observations

- Mining services industry showing strong signs of improvement
- Tropicana (our largest contract) continues to perform profitably
- Results impacted by losses at Telfer, with anticipated improvement in operating and financial performance
- Order book is underpinned by Tropicana, with possible life of mine extension pending Long Island Study approval
- FY2018 growth is predicated on strong tender pipeline

Note: Financial metrics shown relate to continuing operations. All references in this presentation to \$ are Australian dollars (unless otherwise stated).

1. Revenue excludes Martabe joint venture and other income.

2. Non-IFRS financial information (EBITDA – earnings before interest, tax, depreciation and amortisation, EBIT – earnings before interest and tax).

3. Cash generated from operating activities is before net interest paid and income taxes paid.

4. As at 31 December 2016.

FULL SERVICE MINING CONTRACTOR	<ul style="list-style-type: none"> ▪ Diversified mining contractor offering open-pit and underground mining services ▪ Strong existing relationships with major mining companies
STRONG TENDER PIPELINE	<ul style="list-style-type: none"> ▪ 18 tender opportunities representing \$6.4 billion in aggregate contract value ▪ 44% of tender pipeline is at exclusive, preferred or shortlisted stage
LEVERAGED TO RESOURCES RECOVERY	<ul style="list-style-type: none"> ▪ Global mining expansion capex is forecast to grow by ~14% pa over 2016-19¹ ▪ Increased mining services sector activity driven by commodity price recovery and improved outlook
STRONG BALANCE SHEET	<ul style="list-style-type: none"> ▪ Strong net cash of \$49.8 million, provides flexibility to pursue growth options ▪ Net Tangible Assets (“NTA”) per share of \$0.16 per share
FOCUSED STRATEGY	<ul style="list-style-type: none"> ▪ Historical focus on cost reductions, productivity and non-core assets sales ▪ Current focus on growing tender pipeline, new opportunities and Telfer turnaround
ATTRACTIVE FINANCIAL OUTLOOK	<ul style="list-style-type: none"> ▪ FY2018 EBIT guidance of \$30 – 35 million² ▪ Improvement in financial performance driven by Telfer turnaround, Tropicana expansion and assumed new contract wins

1. Wood Mackenzie, “Global mining capex spend: winners and losers” dated August 2016.

2. For the bases, assumptions and sensitivities relevant to the Guidance see section 6.4 of Macmahon’s Target’s Statement (released to the ASX on 27 February 2017) and for certain relevant risk factors see section 8.2 of that Target’s Statement.

CIMIC'S OFFER

- On 24 January 2017, CIMIC made an unsolicited off-market takeover offer to acquire the shares in Macmahon which it does not own for \$0.145 cash per share ("Offer")
 - Offer is final and therefore cannot be increased, in the absence of a competing proposal
 - Offer is unconditional, apart from limited 'prescribed occurrences'
 - CIMIC's ownership interest is 22.99%¹
 - Majority of trading in Macmahon shares since 24 January 2017 has been above CIMIC's Offer price²
 - CIMIC's offer is to remain open until 9 March 2017, unless extended further

BOARD RECOMMENDATION

- The Directors unanimously recommend that shareholders **REJECT** CIMIC's Offer and **TAKE NO ACTION**³:
 - ✗ The Offer is inadequate and the independent expert has concluded that it is neither fair nor reasonable
 - ✗ Timing of the Offer is opportunistic and doesn't reflect the improved outlook for the mining services sector
 - ✗ Macmahon has significantly improved prospects from its existing contracts and a strong tender pipeline
 - ✗ CIMIC is not offering enough for the benefits it may receive
 - ✗ Accepting the Offer may deprive you of the ability to consider an alternative proposal, should one emerge

INDEPENDENT EXPERT

- The Independent Expert (Lonergan Edwards & Associates Limited) has concluded that⁴:
 - CIMIC's Offer is **NEITHER FAIR, NOR REASONABLE**
 - Assessed the value of Macmahon on a 100% controlling basis of between \$0.177 – \$0.203 per share

NEXT STEPS

- Macmahon shareholders should read the Target's Statement (released on ASX today) and seek independent financial advice ahead of making any investment decision
- Shareholder information line: 1300 449 257 (within Australia) or +61 2 8022 7948 (outside Australia)

1. Based upon CIMIC's Second Supplementary Bidder's Statement.

2. IRESS, based upon market trading post CIMIC offer on 24 January 2017 and until 24 February 2017.

3. Refer to the Target's Statement released on the ASX on 27 February 2017 for full reasons for the Directors' recommendation.

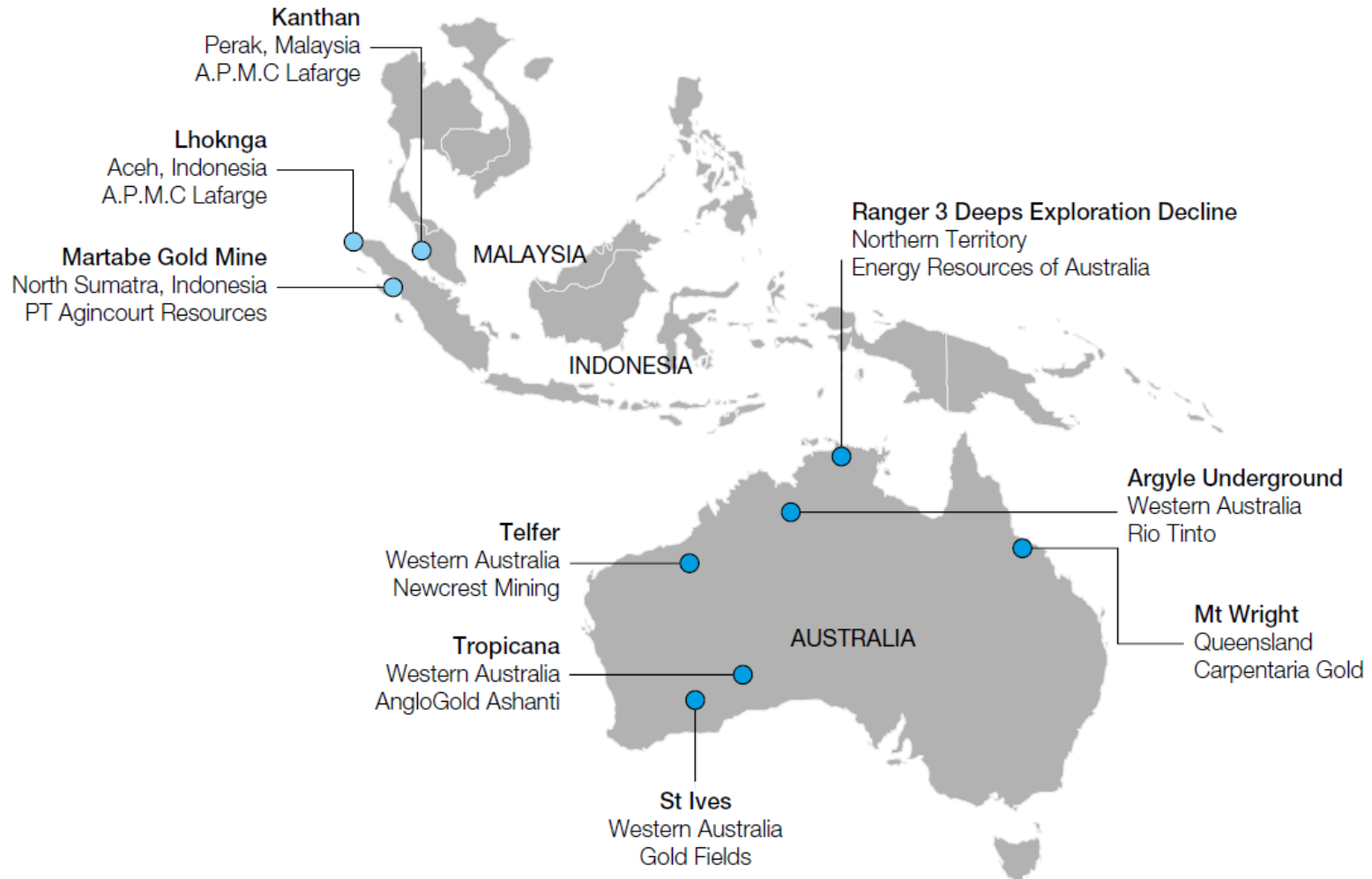
4. See Annexure B of the Target's Statement for the Independent Expert's Report.

1. OPERATIONAL UPDATE



Map of Operations

Macmahon's operations are spread across multiple significant projects in Australia and Southeast Asia, with a growing focus on Indonesia



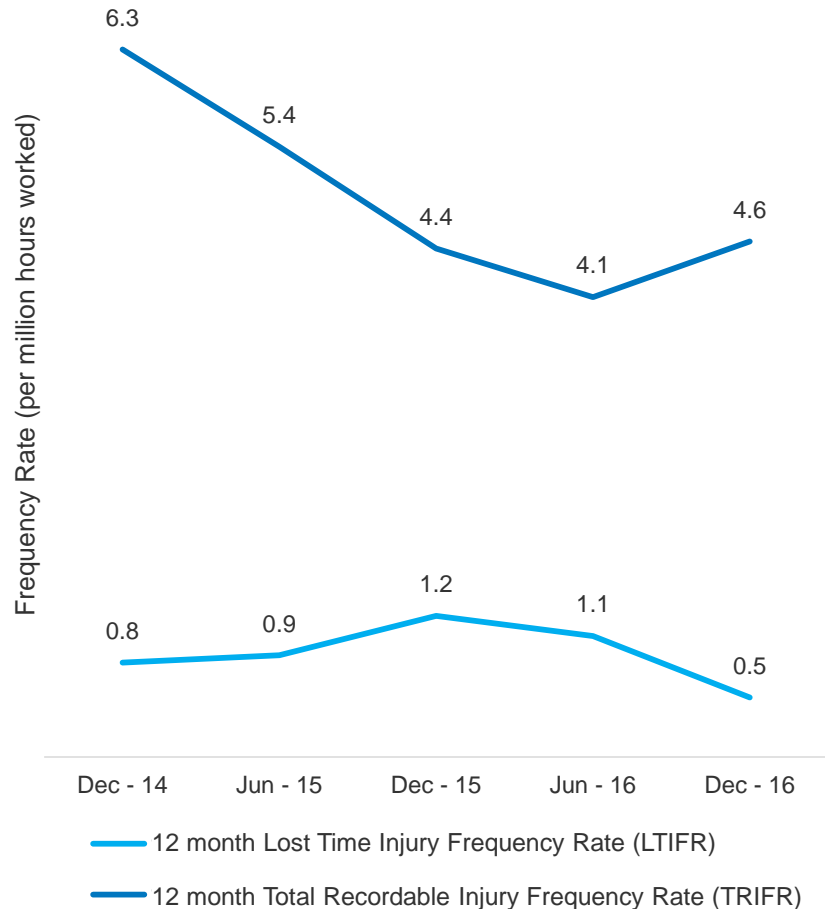
SAFETY EXCELLENCE	<ul style="list-style-type: none">▪ Our first priority is to strive for safety excellence▪ Achieved an LTIFR of 0.5 in 1H FY2017, a 55% reduction compared to 30 June 2016¹
INDUSTRY OUTLOOK	<ul style="list-style-type: none">▪ Improved outlook for global mining expansion capex and activity in the mining services sector▪ Outlook driven by recent recovery in commodity prices
NEW OPPORTUNITIES	<ul style="list-style-type: none">▪ Tender pipeline has increased to \$6.4 billion and includes 18 separate opportunities▪ 44% of tender pipeline is at exclusive, preferred or shortlisted status²▪ Announced a MOU to become the preferred mining contractor for PT AMNT at Batu Hijau copper/gold mine on Sumbawa Island, Indonesia
TROPICANA	<ul style="list-style-type: none">▪ Macmahon's revenue from the Tropicana project is expected to increase by ~25% in CY2017³▪ Macmahon's order book is underpinned by Tropicana, with possible life of mine extension pending Long Island Study approval
TELFER	<ul style="list-style-type: none">▪ Expected to generate monthly profits during the latter part of CY2017
NIGERIA	<ul style="list-style-type: none">▪ Cessation of mining contract at Calabar and no ongoing costs in the region

1. 12-month lost time injuries per million man hours worked.

2. Percentage refers to value of total pipeline

3. Based on a comparison of actual revenue for the year ended 31 December 2016 and currently anticipated revenue based on internal projections for the year ending 31 December 2017, as announced by Macmahon to the ASX on 25 January 2017.

1H FY2017 Performance¹



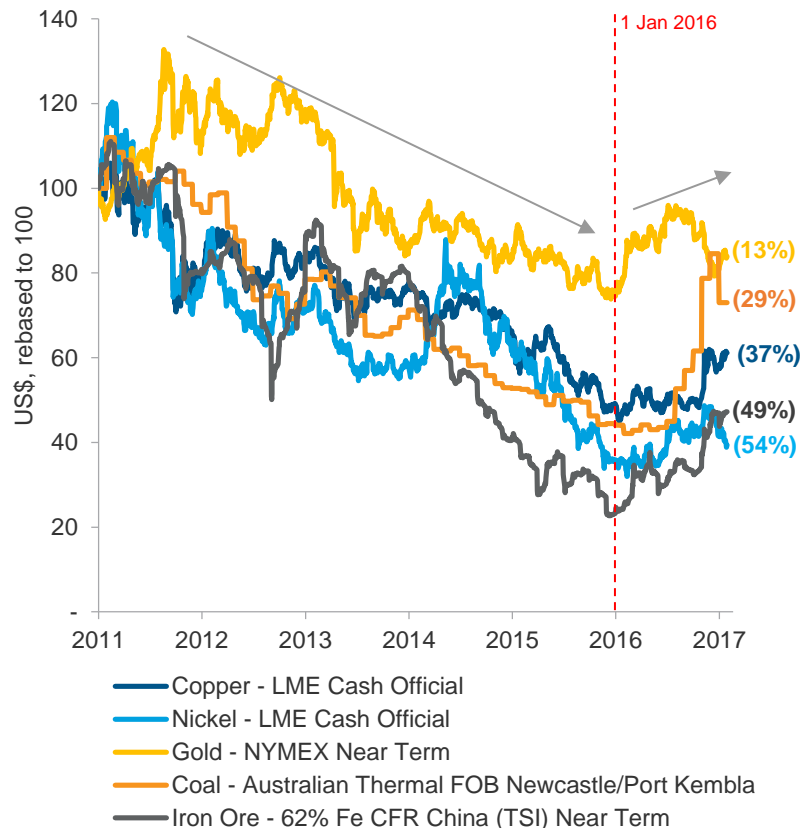
1. 12-month lost time injuries per million man hours worked.

Key Observations

- LTIFR decreased to 0.5; a 55% reduction compared to 30 June 2016 (1.1)
- Most projects remained LTI free
- Key safety initiatives during the period:
 - **Leadership & Safety training:** coaching sessions for individuals in supervisory positions
 - **Change in Employee Assistance Provider:** utilising online and mobile connectivity to provide better coverage for workers
 - **Streamlined Systems:** simplified access to key policies, procedures and HSEQ documentation
 - Deployment of Macmahon Safety Solution program across all areas of the business, including international operations

Historical Commodity Prices¹

Commodity prices have rebounded strongly in 2016, after a number of challenging years

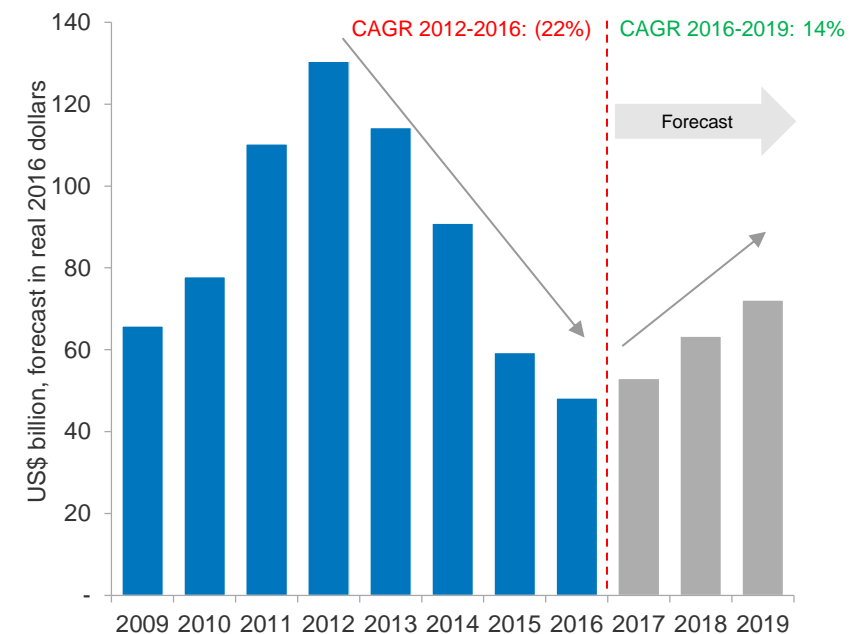


1. Factset, market data as at 20 February 2017. Chart shows US\$ prices which have been rebased to 100 on 1 January 2011.

2. Wood Mackenzie, "Global mining capex spend: winners and losers" dated August 2016.

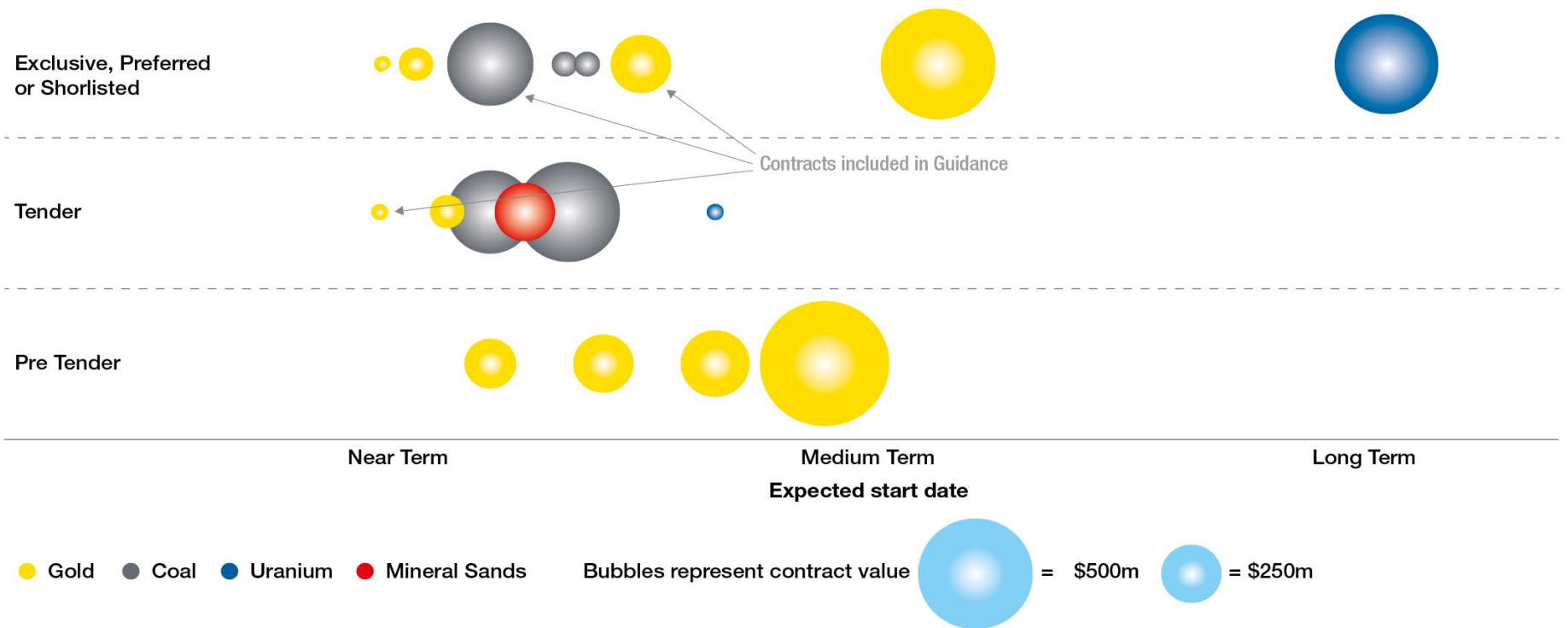
Global Expansion Mining Capex²

Resources sector is expected to grow strongly over 2016-19 benefitting mining contractors



Tender Pipeline

Macmahon has a tender pipeline of 18 opportunities which represent approximately \$6.4 billion in aggregate contract value, 44% of these opportunities are at exclusive, preferred or shortlisted status¹

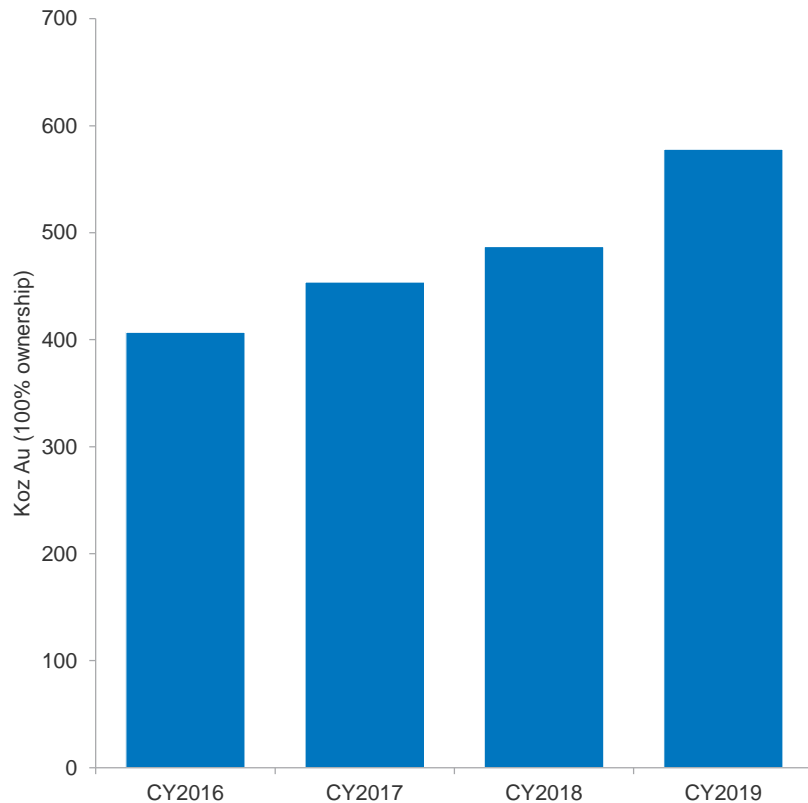


1. Percentage refers to value of total pipeline

Note: 18 tender pipeline opportunities displayed with the Batu Hijau opportunity excluded from the chart as the value of this opportunity is yet to be determined (refer to Macmahon's ASX announcement dated 13 February 2017 "Macmahon signs MOU to become preferred contractor for Batu Hijau mine" for more information). This includes opportunities at Tropicana, where Macmahon is the life of mine contractor. Tender pipeline represents the aggregate value of the contracts which Macmahon is currently pursuing with clients. There is no guarantee that these opportunities will be converted into revenue.

Tropicana Directional Production¹

Independence Group Presentation (15-Dec-16)



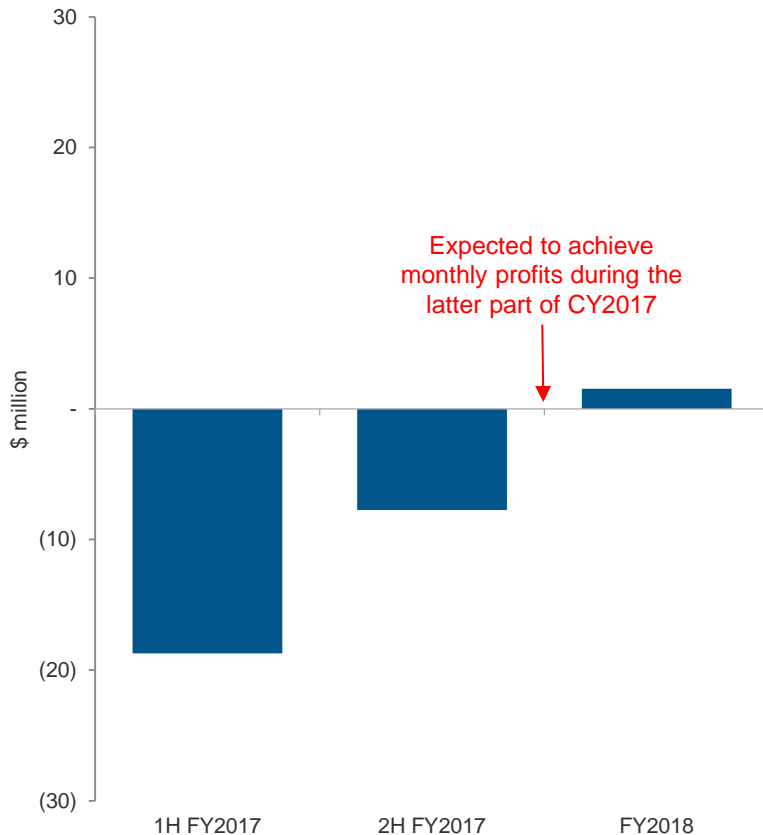
1. Source: Independence Group ASX announcement “Tropicana – Value Enhancement Update” dated 15 December 2016. Chart shows directional production for Tropicana per Independence Group’s public disclosure. This is indicative only and subject to change with the finalisation of the Long Island Study during 2017 (which may or may not be approved).

2. Based on a comparison of actual revenue for the year ended 31 December 2016 and currently anticipated revenue based on internal projections for the year ending 31 December 2017, as announced by Macmahon to the ASX on 25 January 2017.

Operational Update

- Tropicana is our largest alliance contract and has been profitable since inception
- Life of mine contract for AngloGold Ashanti and Independence Group’s open-pit gold mine in Western Australia
- Operational excellence - first quartile cost position
- Macmahon’s revenue from the Tropicana project is expected to increase by ~25% in CY2017²
- Results of the Long Island study are due by end of June 2017 along with further studies on other deposits, which, if approved, could potentially extend the life of mine at Tropicana through to 2027-2030
- Tropicana Reserves recently increased by +58% to 3.8Moz gold

Telfer EBIT Guidance



Note: Macmahon has provided earnings guidance on the basis of a number of assumptions and forecasts, which may subsequently prove to be incorrect. Earnings guidance is not a guarantee of future performance and involves known and unknown risks, Macmahon's actual results may differ materially from its earnings guidance and the assumptions on which that earnings guidance is based. Accordingly, you should not place undue reliance on Macmahon's earnings guidance. Refer to Section 6.4 and Section 8.2 of Macmahon's Target Statement for further information.

Operational Update

- Telfer is our second largest contract, an open-pit and bulk earthworks mining contract for Newcrest's Telfer gold-copper mine in Western Australia
- Telfer has been incurring significant losses since commencement, driven by:
 - Greater than expected costs in start-up activities
 - Difficult operating conditions in initial mining areas
 - Additional maintenance rectification costs for client supplied equipment, which also impacted mining productivity
- Macmahon expects to achieve monthly profits at Telfer during the latter part of CY2017 driven by:
 - Majority of primary loading equipment rebuilds have been completed
 - Mining within the most difficult areas is either complete or nearing completion
 - Mining has commenced in new and more efficient areas: shorter trucking hauls, higher excavator productivity rates and easier geological and hydrological conditions
 - Macmahon is entitled to increase its rates from February 2017 due to a contractual rise and fall mechanism



2. FINANCIAL RESULTS

Income Statement

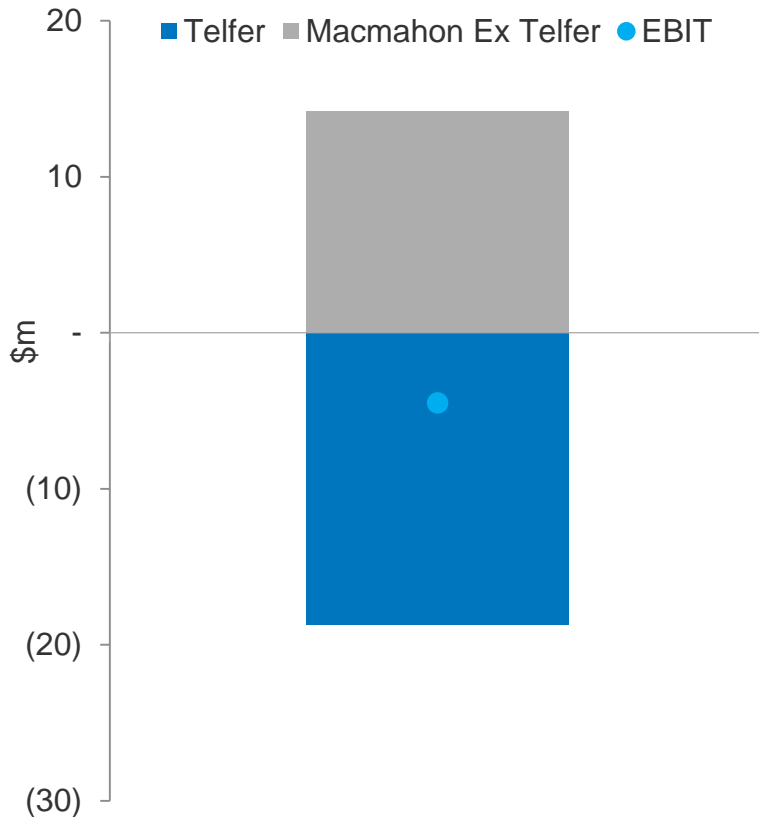
\$m, for the six months ended 31 December	Dec-16	Dec-15
Revenue¹	168.3	156.7
EBITDA ²	10.4	29.4
EBIT²	(4.5)	16.6
Finance costs	(0.1)	(1.3)
Tax expense	(0.4)	(1.0)
Significant item	-	(2.1)
Net (loss) / profit after tax from continuing operations	(5.0)	12.3
Net loss from discontinued operations (net of tax)	(18.3)	(8.9)
Net (loss) / profit for the period	(23.3)	3.3

Note: Financial metrics shown relate to continuing operations. Rounding differences may exist.

1. Revenue excludes Martabe joint venture and other income.

2. Non-IFRS financial information (EBITDA – earnings before interest, tax, depreciation and amortisation, EBIT – earnings before interest and tax).

1H FY2017 EBIT



Key Observations

- 1H FY2017 EBIT of (\$4.5) million impacted by \$18.7 million loss at Telfer
- Macmahon anticipates improvements in financial and operational performance at Telfer
- Tropicana, Macmahon's largest contract, continued to perform profitably in 1H FY2017
- See page 12 for further information on management initiatives

Cash Flow Statement

\$m, for the six months ended 31 December	Dec-16	Dec-15
Cash generated from operating activities	12.5	11.7
Net interest paid	(0.1)	(1.0)
Income taxes paid	(0.7)	(2.4)
Net cash from operating activities	11.8	8.4
Proceeds from sale of assets	9.9	8.6
Investment in joint venture	1.9	(3.6)
Capital expenditure (excluding new finance lease)	(16.5)	(10.2)
Net cash used in investing activities	(4.7)	(5.2)
Net cash used in financing activities	(1.9)	(171.1)
Net increase / (decrease) in cash	5.2	(167.9)
Effect of exchange rate changes	(2.2)	(0.3)
Opening cash balance	56.7	236.9
Cash on hand	59.6	68.7

- Maintained positive cash flow from operating activities despite challenges at Telfer
- Capital expenditure represents stay-in-business expenditure on existing contracts (excluding new finance lease)
- Proceeds from sale of assets relates to surplus equipment

Note: Rounding differences may exist. Includes discontinued operations.

Balance Sheet

\$m, As at period ended	31-Dec-16	30-Jun-16
Current assets	158.4	175.5
Non-current assets	130.1	124.6
Total assets	288.6	300.1
Current liabilities	92.1	92.3
Non-current liabilities	8.3	0.4
Total liabilities	100.4	92.7
Net assets	188.2	207.4
Total equity	188.2	207.4
Gearing		
Net cash	49.8	56.5
Gearing (Net Debt / Net Debt + Equity)	(20.9%)	(21.4%)

- Macmahon well positioned to pursue growth opportunities – strong net cash balance
- \$51.1 million of unrecognised Australian deferred tax assets¹
- Significant asset backing – \$0.16 NTA per share¹

Note: Rounding differences may exist.

1. As at 31 December 2016.



3. STRATEGY & OUTLOOK

Strategy

- Developing deeper client relationships and expand international presence
- Focus on execution of existing projects, whilst reinvigorating the underground business
- Diversify the business and seek 'capital light' growth opportunities

FY2016 *Reset*

- New management team (Mick Finnegan CEO, José Martins CFO)
- Risk based selective approach to tendering, with focus on early client engagement
- Legacy issues largely addressed (i.e. cessation of operations in Nigeria)

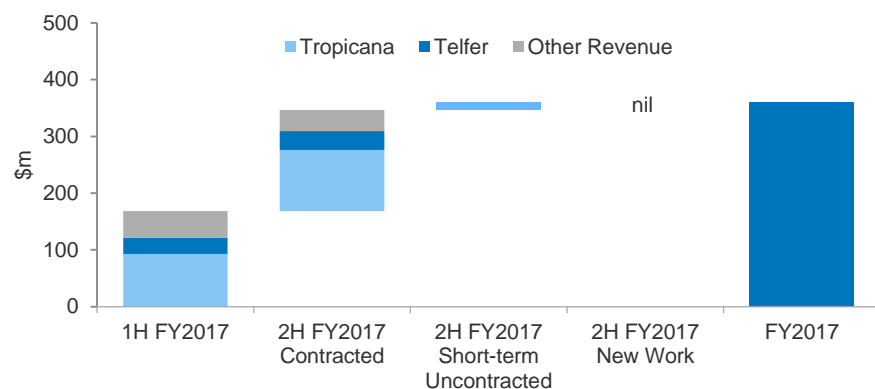
FY2017 *Turnaround*

- Anticipated improvements in financial and operational performance at Telfer
- Management focus on cost reduction, productivity and project delivery
- Order book is underpinned by Tropicana – extension pending Long Island Study approval

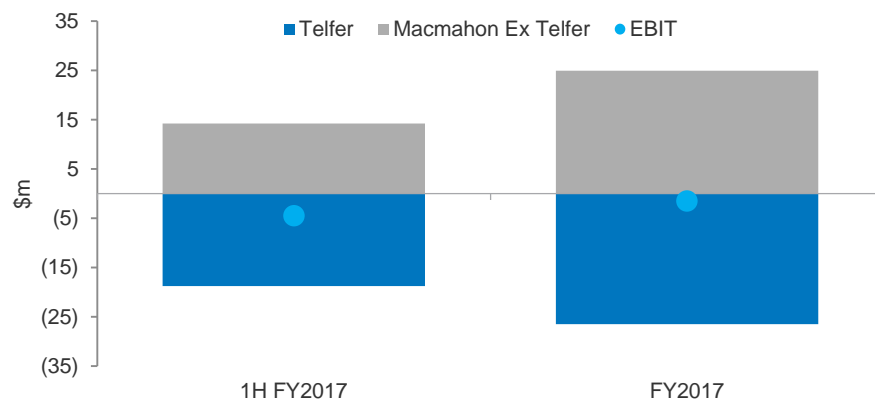
FY2018 *Delivery*

- Enhance tender pipeline through relationship building with key clients
- Expectation of new contract wins from portfolio of 18 different opportunities
- Telfer expected to achieve monthly profits during the latter part of CY2017

Revenue – Key Movements



EBIT – Key Movements

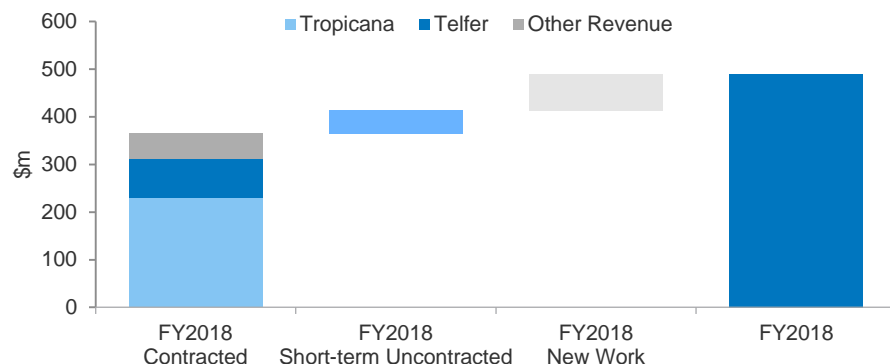


Key Assumptions

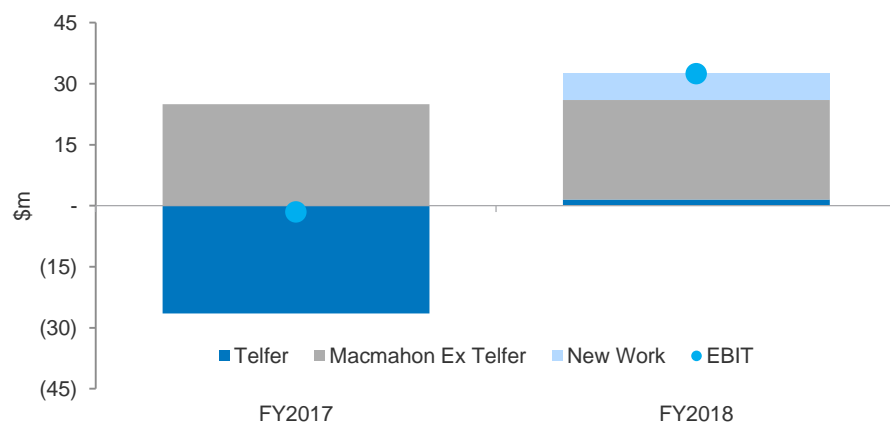
- FY2017 revenue guidance: \$350 – 370 million
 - In line with prior guidance provided in Aug-16
 - >90% of 2H FY2017 revenue is already contracted
 - Revenue growth in 2H FY2017 is primarily driven by increased mining volumes at Tropicana
 - Short-term uncontracted revenue primarily relates to underground mining services, external maintenance and engineering services
 - 2H FY2017 activity levels assumed to be broadly in line with historical levels
- FY2017 EBIT guidance: (\$3) - 0 million
 - Macmahon (ex Telfer) anticipated to remain profitable in FY2017
 - 1H FY2017 Telfer EBIT loss of \$18.7 million is anticipated to reduce to \$7.8 million in 2H FY2017
 - See page 12 for turnaround strategy

Note: Macmahon has provided earnings guidance on the basis of a number of assumptions and forecasts, which may subsequently prove to be incorrect. Earnings guidance is not a guarantee of future performance and involves known and unknown risks, Macmahon's actual results may differ materially from its earnings guidance and the assumptions on which that earnings guidance is based. Accordingly, you should not place undue reliance on Macmahon's earnings guidance. Refer to section 6.4 and section 8.2 of Macmahon's Target Statement for further information. Revenue and EBIT guidance relates to continuing operations only and charts show mid-point of earnings guidance range.

Revenue – Key Movements



EBIT – Key Movements



Note: Macmahon has provided earnings guidance on the basis of a number of assumptions and forecasts, which may subsequently prove to be incorrect. Earnings guidance is not a guarantee of future performance and involves known and unknown risks, Macmahon's actual results may differ materially from its earnings guidance and the assumptions on which that earnings guidance is based. Accordingly, you should not place undue reliance on Macmahon's earnings guidance. Refer to section 6.4 and section 8.2 of Macmahon's Target Statement for further information. Revenue and EBIT guidance relates to continuing operations only and charts show mid-point of earnings guidance range.

Key Assumptions

- FY2018 revenue guidance: \$470 – 510 million
 - Growth from existing contracts driven by increased mining volumes at Telfer and Tropicana, as well as increased productivity at Telfer
 - Assumes 3 new contracts are awarded from a tender pipeline of 18 separate opportunities
 - 50% of revenue from those three contracts is included in the forecast given Macmahon is one of two remaining bidders for each contract
 - Assumes continuation of ad-hoc revenue in line with recent historical experience
- FY2018 EBIT guidance: \$30 – 35 million
 - Performance of Macmahon (ex Telfer) anticipated to be broadly in line with FY2017
 - Telfer anticipated to provide a modest profit in FY2018, generating monthly profits during the latter part of CY2017
 - FY2018 EBIT guidance of approximately \$25 million, if no new long-term contracts are awarded



APPENDIX

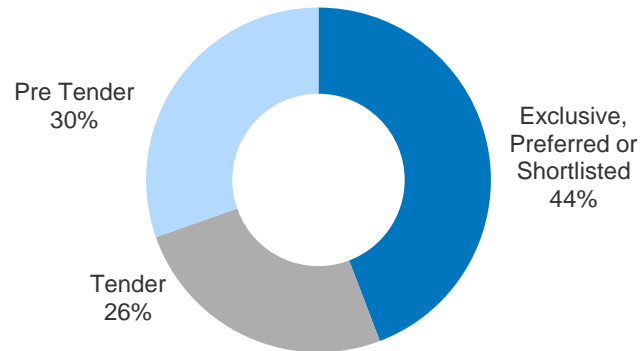
\$m, financial year ending 30 June	FY2017	FY2018
Revenue	350.0 – 370.0	470.0 – 510.0
EBITDA	30.0 – 35.0	67.0 – 75.0
EBIT	(3.0) – 0.0	30.0 – 35.0
% EBIT margin	(0.9%) – 0.0%	6.4% - 6.9%
Capital expenditure		
Existing contracts		
Stay in business	37.2	27.7
Expansion	10.3	-
New Contracts	-	60.5 ¹
Total capital expenditure	47.5	88.2

Note: Macmahon has provided earnings guidance on the basis of a number of assumptions and forecasts, which may subsequently prove to be incorrect. Earnings guidance is not a guarantee of future performance and involves known and unknown risks, Macmahon's actual results may differ materially from its earnings guidance and the assumptions on which that earnings guidance is based. Accordingly, you should not place undue reliance on Macmahon's earnings guidance. Refer to section 6.4 and section 8.2 of Macmahon's Target Statement for further information. Revenue and EBIT guidance relates to continuing operations only and charts show mid-point of earnings guidance range.

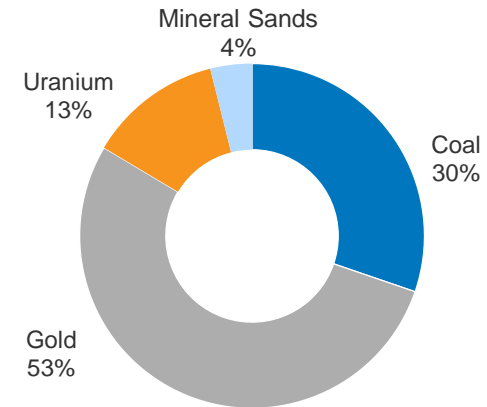
1. FY2018 earnings guidance includes 100% of anticipated capital expenditure from new contracts, but 50% of anticipated revenue and EBIT from new contracts.

Tender Pipeline: \$6.4 billion

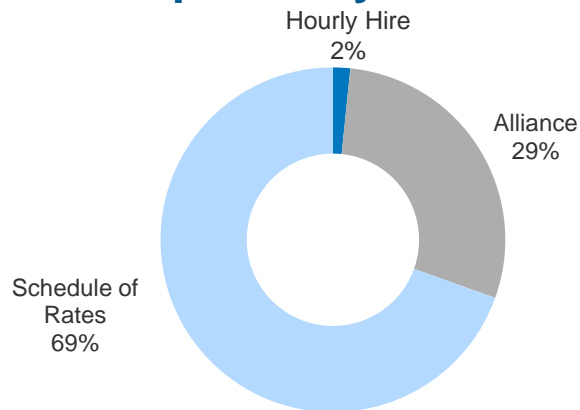
Tender Pipeline by Status



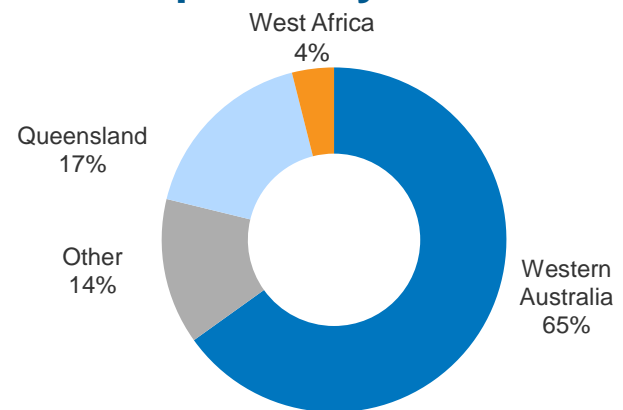
Tender Pipeline by Commodity



Tender Pipeline by Contract Type



Tender Pipeline by Location



Note: tender pipeline shown by aggregate contract value as at 31 December 2016.