



 MACMAHON

INVESTOR UPDATE

JUNE 2017

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- **Investment Highlights**
- **Current Operations**
- **Expected New Work**
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Macmahon is a leading Australian based mining services provider with both open-pit and underground mining expertise

Business Overview

- Macmahon is a pure play ASX-listed company which offers both open-pit and underground mining contracting services
- Primarily Australian business with a growing presence and focus in South-East Asia
- Employs 1,500 FTEs who completed 5.5 million man-hours in FY16
- Owns and operates a large fleet of mobile equipment including >100 excavators and loaders, >150 dump-trucks, >50 drill rigs and world-class maintenance facilities
- Recently signed binding documentation for potentially transformational transaction with PT AMNT, subject to conditions

Key Services

Open Pit Mining	Mine planning & management, drill and blast, bulk & selective mining, crushing & screening, equipment operation & maintenance
Underground Mining	Total mine management, underground development, underground production, portal establishment, raisedrilling, cablebolting, shotcreting, remote shaft lining, shaft sinking
Plant Maintenance & Engineering	Commissioning, shutdown & maintenance management, water management, tailings dam services, plant modification, fittings & fabrication

Capitalisation Summary³

	Unit	Ex. AMNT	Pro-forma Inc. AMNT
Share price ¹	A\$/share	0.155	n/a
Fully paid ordinary shares	m	1,201	2,155
Market Cap.	A\$m	186.1	n/a
Net Cash ²	A\$m	49.8	49.8
Enterprise Value	A\$m	136.3	n/a
Net Tangible Assets per Share ²	A\$/share	0.157	0.175

Directors and Senior Management

Jim Walker	Non-executive Chairman
Vyiril Vella	Non-executive Director
Eva Skira	Non-executive Director
Giles Everist	Non-executive Director
Michael Finnegan	Chief Executive Officer
José Martins	Chief Financial Officer
Greg Gettingby	General Counsel/Company Secretary

Substantial Shareholders¹

CIMIC Group	23.7%
Forager Funds	9.7%
Schroders Investment Management	5.1%

Source: Company filings.

1. As at 9 June 2017

2. Based on 31 December 2016 balance sheet and pro-forma 31 December 2016 balance sheet set out on page 28 of Macmahon's Notice of Meeting dated 9 June 2017.

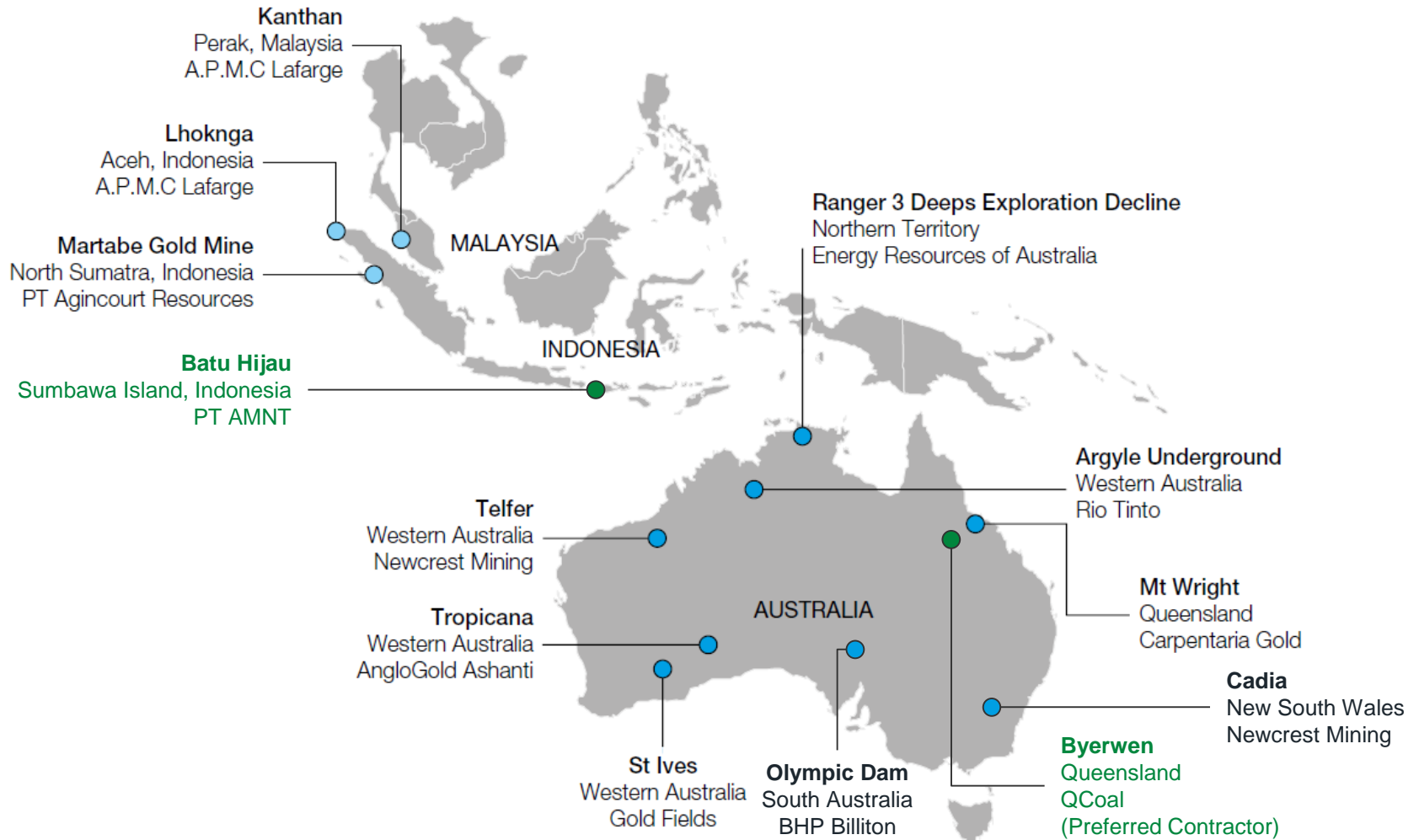
3. See further information in Macmahon's Notice of Meeting dated 9 June 2017.

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">▪ Multiple tender opportunities representing \$6.4 billion in potential aggregate contract value (excluding Batu Hijau)▪ 43% of tender pipeline is at exclusive, preferred or shortlisted stage
LEVERAGED TO RESOURCES RECOVERY	<ul style="list-style-type: none">▪ Increased mining services sector activity expected to improve following¹:<ul style="list-style-type: none">▪ Reinvestment by mining companies in existing operations▪ Increased levels of bank financing available▪ Increase in tendering opportunities
STRONG BALANCE SHEET	<ul style="list-style-type: none">▪ Strong net cash of \$49.8 million², provides flexibility to pursue growth options▪ Net Tangible Assets (“NTA”) per share of \$0.157² per share
FOCUSED STRATEGY	<ul style="list-style-type: none">▪ Recent focus on cost reductions, productivity and growing order book▪ Focus now shifting to executing on assumed near-term contract wins
ATTRACTIVE FINANCIAL OUTLOOK	<ul style="list-style-type: none">▪ Improvement in financial performance driven by Telfer turnaround, Tropicana expansion and assumed new contract wins▪ Recently entered into potentially transformational transaction with AMNT which when completed will provide further scale to the business

1. As outlined in the Macmahon Target's Statement dated 27 February 2017, pg96. See also Section 5 of Macmahon's Notice of Meeting dated 9 June 2017.
2. As at 31 December 2016

Map of Operations

Macmahon's existing operations are spread across multiple projects in Australia and South East Asia, with the proposed Batu Hijau project to build on existing experience and presence in Indonesia.



Overview of Key Contracts

Macmahon's current key contracts are with tier one global mining companies with a number of key contracts concentrated in the world class mining jurisdiction of Western Australia

Project	Client	Location	Commodity	Type	Comments
Tropicana	AngloGold Ashanti / Independence Group	WA Australia	Gold-copper	Open-pit	<ul style="list-style-type: none"> Macmahon's largest project Successful alliance style contract in place since 2012 Client recently announced an increase in production volumes by 25%
Martabe	PT Agincourt Resources	North Sumatra, Indonesia	Gold	Open-pit	<ul style="list-style-type: none"> 5-year contract covering full scope of mining and bulk earthworks related services, including drill and blast, mining of waste materials, equipment hire and subcontractor management across three operating areas 50/50 JV with a leading Indonesian contractor Contract commenced in January 2016 and has exceeded production targets. Strong relationship with the client and community
Telfer	Newcrest	WA Australia	Copper-gold	Open-pit	<ul style="list-style-type: none"> LOM contract awarded, scheduled to run to 2022 Open-pit mining and bulk earthworks related services including drill and blast, mining of waste materials, equipment hire and subcontractor management
St Ives	Gold Fields	WA Australia	Gold	Open-pit	<ul style="list-style-type: none"> 24 month extension signed in 2016 Equipment and labour hire
Underground	Various	Australia	Various	Underground Mining Services	<ul style="list-style-type: none"> Raisedrilling activities at Olympic Dam in SA and Pajingo in QLD Cablebolting services at Cadia in NSW and Ballarat in VIC Production drilling at Mount Wright in QLD Production drilling, cablebolting and shotcreting at Nifty in WA

Summary of Expected New Work

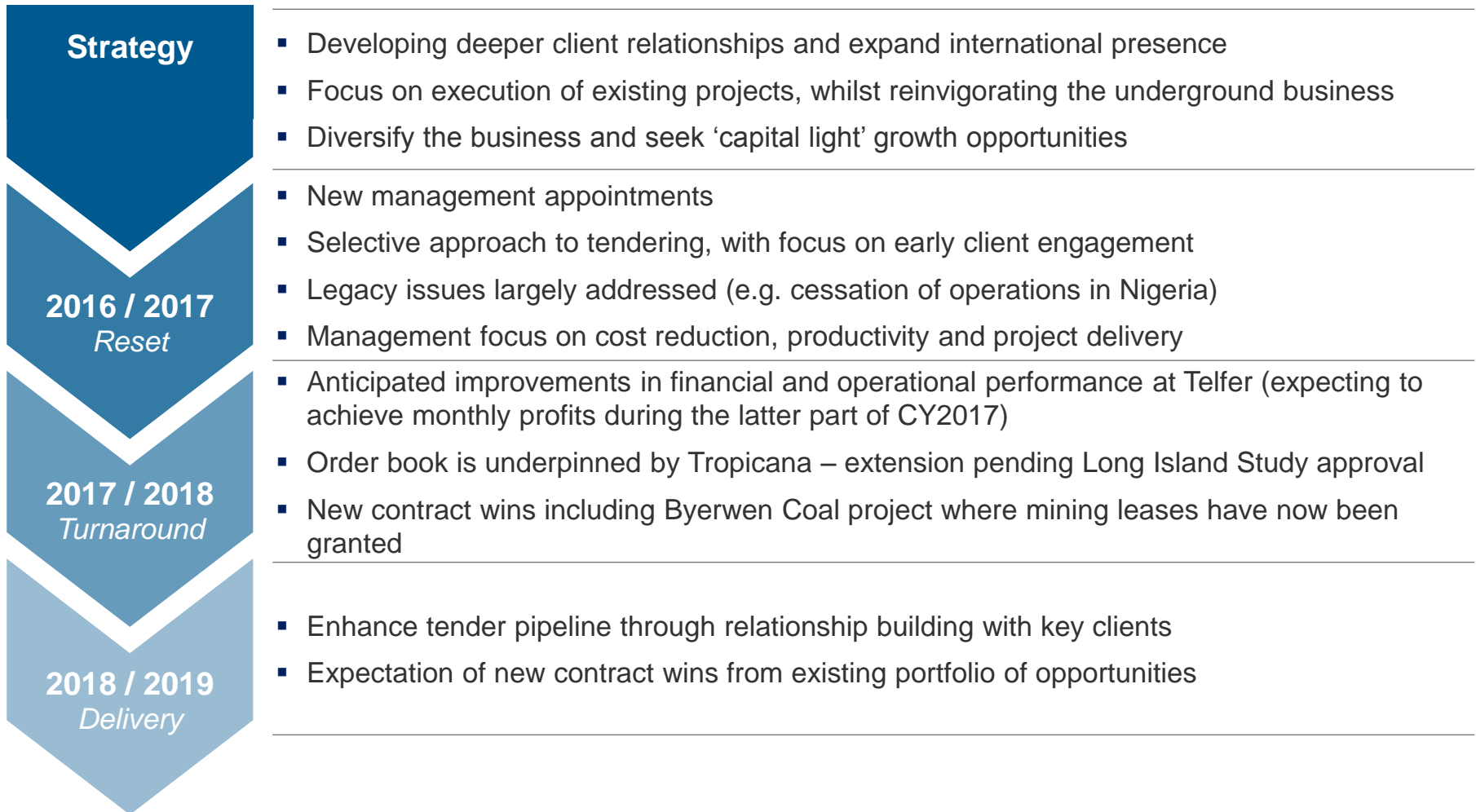
Macmahon expects to convert the following major new opportunities in the near term, subject to conditions.

Project	Client	Location	Commodity	Type	Comments
Tropicana Expansion	AngloGold Ashanti / Independence Group	WA, Australia	Gold-copper	Open-pit	<ul style="list-style-type: none"> Macmahon has Life of Mine contract anticipated to run to 2024¹ with a further 7 year extension anticipated (subject to Long Island Study)
Batu Hijau	PT AMNT	Sumbawa Island, Indonesia	Copper-gold	Open-pit	<ul style="list-style-type: none"> Life-of-mine, alliance-style Mining Services Contract with PT AMNT (owner of Batu Hijau mine), subject to conditions including Macmahon shareholder approval 'Cost-plus' payments with upside and downside sharing (subject to a floor on downside) US\$2.9 billion expected revenue for Macmahon over 14 year life-of-mine² US\$1.8 billion expected revenue over the first 5 years from commencement of Full Operations³ Potential to extend the scope of work to include significant future development options See further detail on pages 13 to 24 below
Byerwen	Byerwen Coal	Bowen Basin, Queensland	Coal	Open-pit	<ul style="list-style-type: none"> Macmahon selected as preferred contactor Likely 3+2 year contract covering full scope of mining and bulk earthworks related services Macmahon currently exclusively negotiating the mining services contract Potential total material movement indicatively 50 million bank cubic metres per year

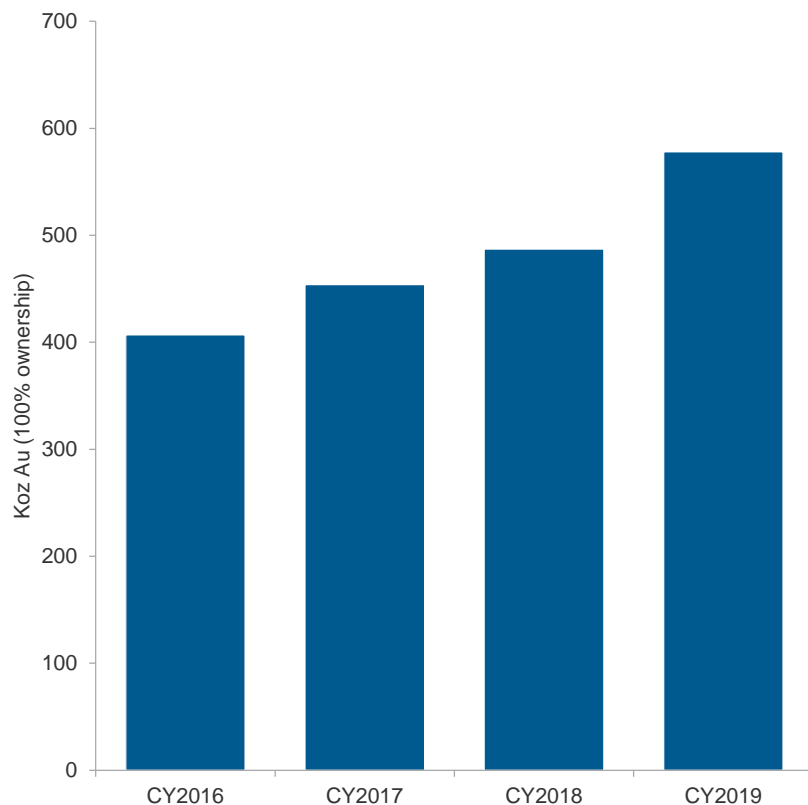
Source: Company announcements

1. Based on IGO investor presentations.
2. Not included in tender pipeline value of \$6.4 billion.
3. Full operations at Batu Hijau are anticipated to commence H1 CY2018.

The announcement of Byerwen Coal Mine preferred contractor status and the AMNT transaction are consistent with Macmahon's strategic roadmap.



Tropicana Directional Production¹



Operational Update

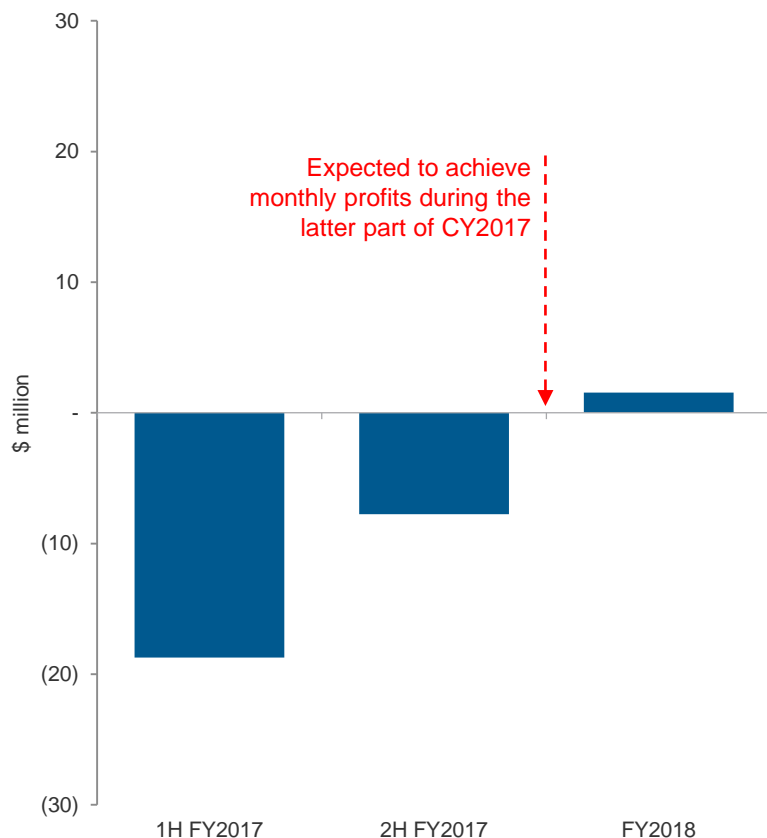
- Tropicana is our largest alliance contract and has been profitable since inception
- Life of mine contract for AngloGold Ashanti and Independence Group's open-pit gold mine in Western Australia
- Operational excellence - first quartile cost position
- Macmahon's revenue from the Tropicana project is 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 gold³

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.

3. See AngloGold Ashanti's ASX announcement dated 15 December 2016.

Telfer EBIT Guidance



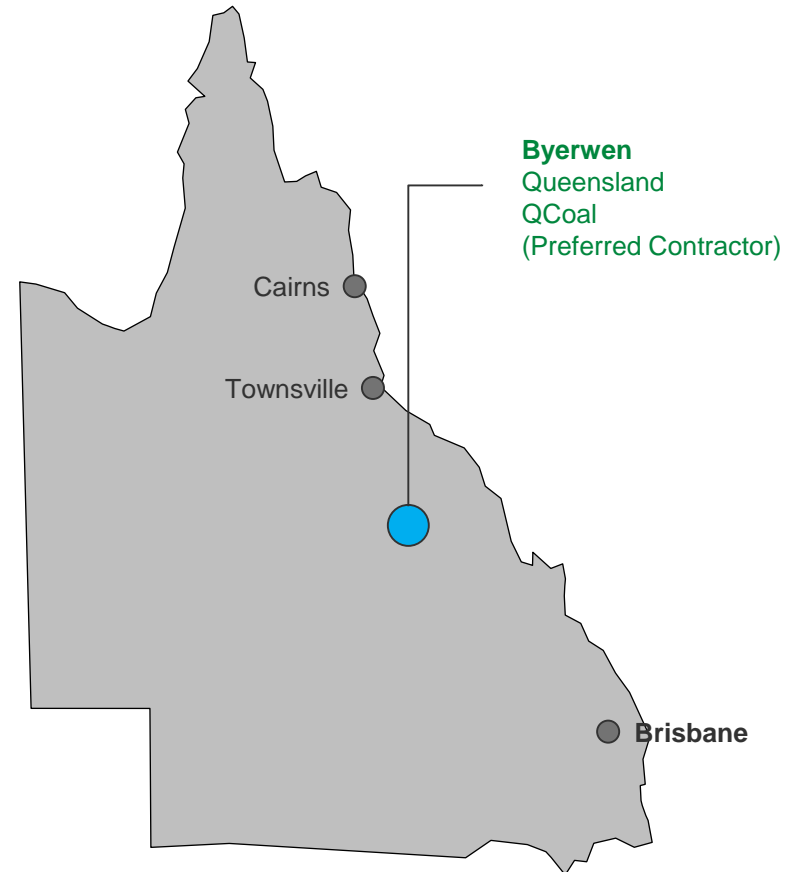
Operational Update

- 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
 - Increase in rates from February 2017 due to a contractual rise and fall mechanism

Macmahon has been selected by Byerwen Coal Pty Ltd as its preferred mining contractor to establish and then operate the new Byerwen Coal Mine near Glenden in the Queensland Bowen Basin.

Asset Overview

- Macmahon currently exclusively negotiating a 3 year mining contract with possible 2 year extension
- Potential total material movement over this period is indicatively 50 million bank cubic metres per year
- Mine located 20 kilometres west of Glenden in Queensland's Bowen Basin.
- Once operational the Byerwen Mine is expected to produce up to 10 million tonnes of hard coking coal per year.
- Coal from the Byerwen Mine will be railed to Abbot Point Coal Terminal for export.



Product	Hard coking coal
Mine Type	Open cut
Production	10mtpa
Employment	- Stage 1: up to 100 during construction and 300 during operations - Once fully operational: up to 500
First Coal	2017



 MACMAHON

AMNT TRANSACTION

Macmahon will become the life-of-mine mining services provider at the Batu Hijau copper-gold mine in Indonesia and buy relevant mobile equipment with new Macmahon shares.¹

MINING SERVICES CONTRACT	<ul style="list-style-type: none"> ▪ Life-of-mine, alliance-style Mining Services Contract awarded by AMNT (owner of Batu Hijau mine) ▪ ‘Cost-plus’ payments with upside and downside sharing (subject to a floor on downside) ▪ US\$2.9 billion expected revenue for Macmahon over 14 year life-of-mine² ▪ US\$1.8 billion expected revenue over the first 5 years from commencement of Full Operations² ▪ Potential to extend the scope of work to include significant future development options
MOBILE EQUIPMENT	<ul style="list-style-type: none"> ▪ Macmahon will acquire certain existing mobile equipment from AMNT (Mobile Equipment) ▪ Mobile Equipment has been independently valued at US\$145.6 million
CONSIDERATION SHARES	<ul style="list-style-type: none"> ▪ 954,064,924 Macmahon shares to be issued to AMC (a subsidiary of AMNT) as consideration for acquisition of Mobile Equipment ▪ Subscription price of A\$0.203 per share (above IER control valuation range)³ ▪ AMC (AMNT subsidiary) will become a 44.3% Macmahon shareholder⁴
STRATEGIC ALLIANCE AGREEMENT	<ul style="list-style-type: none"> ▪ AMC and AMNT will support Macmahon’s growth including pursuing further opportunities ▪ Supportive major shareholder to promote the business and to assist with delivery on existing strategy

Notes:

1. The transaction remains subject to a number of conditions (including Macmahon shareholder approval) – see Macmahon’s Notice of Meeting dated 9 June 2017 and page 16 for next steps.
2. Subject to implementation of the AMNT Transaction, Macmahon expects to commence the full scope of works at the Batu Hijau mining operations (i.e. Full Operations) from 1 March 2018, but this may be delayed. Commencement of Full Operations requires certain matters to be agreed or achieved during Phase 1 of the Mining Services Contract. The expected revenue from the Mining Services Contract is based on Macmahon’s internal pricing models, and was calculated by analysing AMNT’s mine plan for Batu Hijau and estimating the total revenues for Macmahon (using a ‘bottom-up’ build-up of estimated costs and applying anticipated margins) in moving the quantities of material set out in that mine plan (see further at paragraph 179 of the Independent Expert’s Report, which is attached as Annexure A of the Notice of Meeting dated 9 June 2017). Refer to the Notice of Meeting for financial assumptions in Section 5.3 and risks in Section 5.6 and AMNT Transaction Risks and Potential Mitigants in Section 7.
3. Independent Expert’s valuation range of \$0.180 to \$0.202 for Macmahon on a pre-transaction 100% controlling basis completed by Lonergan Edwards & Associates on 9 June 2017 for inclusion in Macmahon’s Notice of Meeting on the same date in relation to the AMNT Transaction.
4. Based on the issue of 954,064,924 Macmahon shares, which will be held by a custodian for 30 months.

Transaction Benefits (1 of 2)

IMPROVED FORECAST EARNINGS	<ul style="list-style-type: none"> ▪ FY2018 EBIT guidance to increase from A\$30-35 million to A\$40-50 million¹ ▪ The full benefit of the Mining Services Contract expected to be realised in FY2019 following ramp up to Full Operations 	<p>↑ A\$10-15 million FY2018 EBIT</p>
INCREASED DIVERSITY & SCALE OF ORDER BOOK	<ul style="list-style-type: none"> ▪ Significant increase in order book (4.2x existing order book) by adding expected US\$2.9 billion over the anticipated 14 year LOM at Batu Hijau, with US\$1.8 billion expected to occur over the first 5 years from commencement of Full Operations² ▪ Increased diversity of the order book across commodities and customers 	<p>4.2x increase in order book</p>
ATTRACTIVE SUBSCRIPTION PRICE	<ul style="list-style-type: none"> ▪ Subscription price of A\$0.203 per share is above the top end of the Independent Expert's valuation range of A\$0.180 to A\$0.202 per share³ ▪ Subscription price is a significant premium to last close prior to announcement (31%) and to CIMIC's recent (expired) takeover offer of A\$0.145 per share (40%)⁴ 	<p>Shares issued at significant premium</p>
IMPROVED ASIAN GROWTH PROSPECTS	<ul style="list-style-type: none"> ▪ Builds on Macmahon's existing successful Indonesian operating experience at Martabe and Lhoknga and provides further regional profile and scale to support South-East Asian growth prospects ▪ Potential to extend scope of work for AMNT beyond Batu Hijau to include the Elang deposit and Nangka prospects if they are developed 	

Notes:

1. Refer to FY18 guidance on page 22 together with assumptions on pages 26-27 and risks on pages 30-31. See also Section 5 of Macmahon's Notice of Meeting dated 9 June 2017.
2. Based on an existing order book of A\$1,213m as at 31 March 2017, an indicative order book for Batu Hijau of US\$2.9 billion and an AUD:USD exchange rate of 0.7518. Full operations are expected to commence H1 CY2018.
3. Subscription price is above the Independent Expert's valuation range of \$0.180 to \$0.202 for Macmahon on a pre-transaction 100% controlling basis completed by Lonergan Edwards & Associates on 9 June 2017 for inclusion in Macmahon's Notice of Meeting of the same date in relation to the AMNT Transaction.
4. Last close on ASX of A\$0.155 per share as at 3 May 17 (being the last Macmahon trading day prior to announcement of the transaction) – refer to page 21 for further detail on premiums.

SUPPORTIVE MAJOR SHAREHOLDER

- Introduces a supportive major shareholder in AMC (AMNT's subsidiary) as a strategic alliance partner with agreed protocols for its participation in Macmahon's decision making¹
- AMC and AMNT will assist Macmahon in securing further opportunities in Asia and Australia
- Right for AMC to appoint 2 nominee Directors to the Macmahon Board

IMPROVED BALANCE SHEET STRENGTH AND FLEXIBILITY

- Strengthened balance sheet with the addition of US\$146 million in plant and equipment
- Pro forma net assets would increase by 101% from A\$188 million to A\$378 million²
- Pro-forma NTA would increase from A\$0.157 per share to A\$0.175 per share³
- Increased cashflows which may assist in tendering for future work, particularly large projects⁴

↑ A\$190 million net assets

RISK MANAGEMENT MECHANISMS

- AMC's shares to be held in escrow for 30 months by a custodian with potential to have these bought back if Mining Services Contract terminates during this period⁴
- Payments to Macmahon for mining services will be 'cost plus' and made monthly in advance
- Downside sharing limited to margin if costs are more than expected (i.e. floor at nil contract margin)

Notes:

1. AMC and AMNT have entered into an Alliance Agreement with Macmahon. See details of this at Section 4.3 of the Notice of Meeting dated 9 June 2017, and Section 4.6 for details of the Nominee Conflict and Confidentiality Protocol that will apply to AMNT's nominee directors,
2. Based on reported Net Assets on 31 December 2016, addition of mobile equipment independently valued at US\$145.6m, an AUD:USD exchange rate of 0.7518, less a total of ~A\$4m for anticipated transaction costs. The Notice of Meeting contains a pro forma balance sheet as at 31 December 2016 on a post AMNT transaction basis (see Section 5).
3. Pro-forma NTA per share post AMNT transaction is calculated based on reported Net Assets on 31 December 2016, addition of mobile equipment independently valued at US\$145.6m, an AUD:USD exchange rate of 0.7518, less a total of ~A\$4m for anticipated transaction costs, and the issue of 954,064,924 new shares.
4. Further detail is set out in Macmahon's Notice of Meeting dated 9 June 2017.

Macmahon’s Directors unanimously recommend that shareholders approve the AMNT Transaction by voting in favour of the Resolution to be considered at the shareholder meeting, and all Directors who hold or control shares intend to vote their own shareholdings in favour of it (in each case in the absence of a superior proposal and subject to the Independent Expert maintaining its conclusion that the AMNT Transaction is reasonable).

The Independent Expert has concluded that the AMNT Transaction is fair and reasonable to shareholders, in the absence of a superior proposal, and that in the Independent Expert’s view the “AMNT Transaction is significantly value accretive for Macmahon shareholders”.¹

Next steps in the Transaction include²

- Macmahon shareholder approval
- Satisfaction of any other outstanding conditions
- Completion

Item	Target Date
Shareholder meeting	12 July
Completion	July
Commencement of initial Phase 1 transitional services period	August
Commencement of Full Operations	H1 CY2018

Notes:

1. See paragraph 14 and 199 of the Independent Expert’s Report, which is attached as Annexure A to the Macmahon Notice of Meeting dated 9 June 2017. This is an important document and should be read in full.
2. See Macmahon Notice of Meeting dated 9 June 2017 (including Section 1.4) for further details of transaction conditions.

Batu Hijau

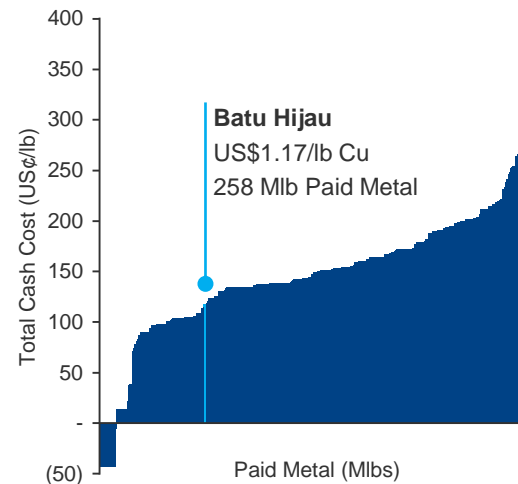
- Large, open pit, owner-mined, porphyry copper-gold deposit located on Sumbawa Island, Indonesia
- Second largest copper-gold mine in Indonesia (behind Grasberg)
- AMNT acquired 82.2% in late 2016, primarily from Newmont and Sumitomo
- Infrastructure includes: 120ktpd processing plant, 112MW coal-fired power plant, Benete port, town-site
- First quartile of the global copper cost curve with a C1 cash cost of US\$1.17/lb Cu



Elang and Nangka

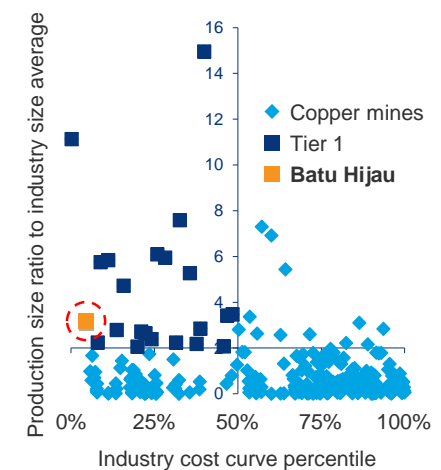
- Potential to extend scope of work to include Elang and Nangka if developed
- Elang is one of the world's largest undeveloped copper-gold porphyry deposits with a 13 billion lb Cu / 20 million oz Au resource¹
- Elang production potential of ~400m lb Cu / ~500k oz Au per annum with ~1:1 strip ratio²
- Further exploration and resource definition drilling is being undertaken at Nangka prospect

Total Cash Cost Curve (Cu)



Source: Wood Mackenzie Ltd, Dataset:2017 Q1.

Cu Mine Matrix



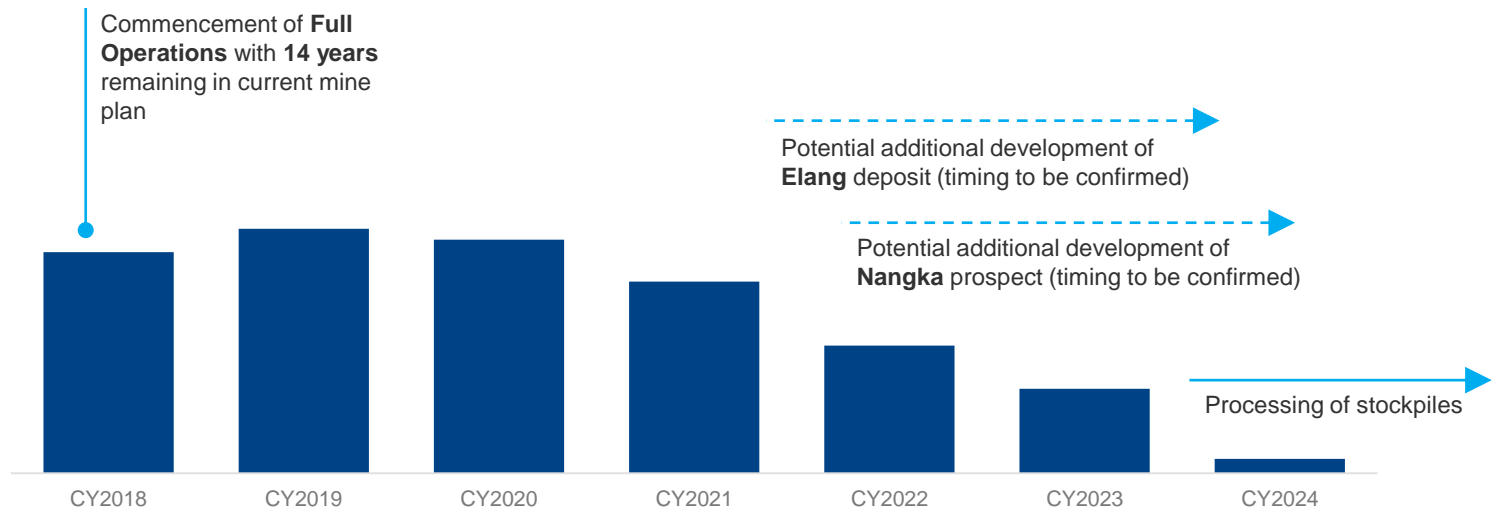
Source: Wood Mackenzie Ltd.

Notes:

- Sourced from PT Medco Energi Internasional Tbk company website (see <http://www.medcoenergi.com/en/our-operation/nr/page/gold>).
- Strip ratio based on waste:ore.

- Production at Batu Hijau commenced in 2000 with remaining LOM production of approximately 1.5Mt of Cu and 3.5Moz of Au anticipated over 14 years¹ (excluding potential development opportunities at Elang and Nangka)
- Resource of 3.0 billion lb Cu / 3.5 million oz Au and reserve of 2.3 billion lb Cu / 3.3 million oz Au²
- AMNT's mine plan includes removal of waste to access the next stage of ore reserves, with processing of stockpiles thereafter
- In addition to the current mine plan, there is significant development potential at the Elang deposit and Nangka prospect³

Batu Hijau – Forecast Total Material Mined (Mt)¹



Notes:

- Sourced from AMNT mine plan.
- Sourced from PT Medco Energi Internasional Tbk company website (see <http://www.medcoenergi.com/en/our-operation/nr/page/gold>).
- There can be no guarantee that this additional development work will eventuate.

Macmahon has agreed an expected US\$2.9 billion life-of-mine, alliance-style mining services contract at Batu Hijau¹.

- Life-of-mine mining services contract
- US\$2.9 billion expected revenue over the 14 year LOM²
- US\$1.8 billion expected revenue over the first 5 years from commencement of Full Operations²
- Scope of work potentially includes nearby deposits controlled by AMNT if developed (e.g. Elang and Nangka)
- Alliance-style contract designed to align interests:
 - ‘Cost-plus’ payments
 - Up to 12 months ramp up period (**Phase 1**) in which the performance targets will be agreed. Macmahon will then commence the full scope of mining services (**Full Operations**)
 - Margin during Full Operations based on higher of pre-agreed return on capital or margin on costs
 - During Full Operations, potential exists for upside and downside sharing based on performance against targets (but with floor on downside at nil contract margin)
 - Performance targets reset annually

Notes:

1. The transaction remains subject to a number of conditions (including Macmahon shareholder approval) – see Macmahon Notice of Meeting dated 9 June 2017 and page 16 for next steps.
2. Subject to implementation of the AMNT Transaction, Macmahon expects to commence the full scope of works at the Batu Hijau mining operations (i.e. Full Operations) from 1 March 2018, but this may be delayed. Commencement of Full Operations requires certain matters to be agreed or achieved during Phase 1 of the Mining Services Contract. The expected revenue from the Mining Services Contract is based on Macmahon’s internal pricing models, and was calculated by analysing AMNT’s mine plan for Batu Hijau and estimating the total revenues for Macmahon (using a ‘bottom-up’ build-up of estimated costs and applying anticipated margins) in moving the quantities of material set out in that mine plan (see further at paragraph 179 of the Independent Expert’s Report, which is attached as Annexure A of the Notice of Meeting dated 9 June 2017). Refer to the Notice of Meeting for financial assumptions in Section 5.3 and risks in Section 5.6 and AMNT Transaction Risks and Potential Mitigants in Section 7.

AMC Singapore (AMC) (AMNT subsidiary) will be issued a 44.3% shareholding in Macmahon as consideration for the Mobile Equipment.

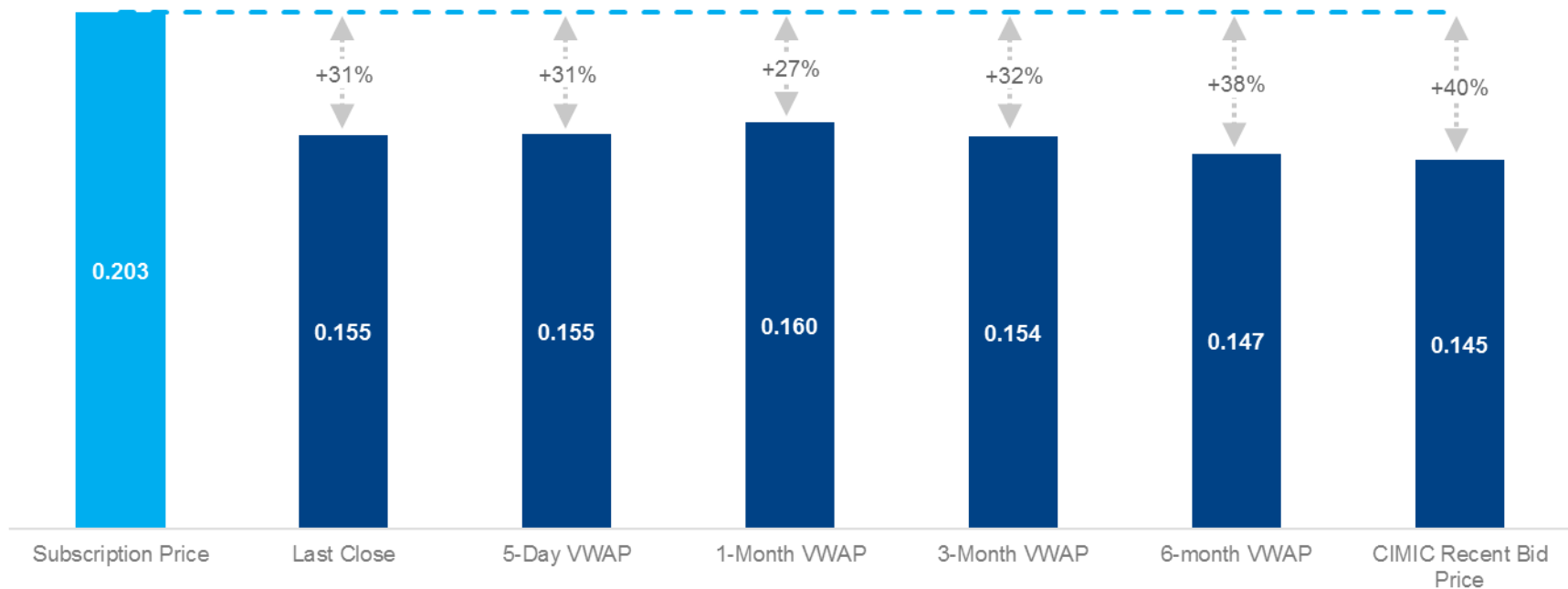
- AMC intends to support delivery on Macmahon's current strategy and for Macmahon to continue operating with a majority independent board
- Parties have entered a Strategic Alliance Agreement and agreed key features of an escrow arrangement¹
 - Co-operation to assist Macmahon in pursuing further opportunities
 - AMC able to appoint 2 nominee Directors to the Board (board to remain majority independent)
 - AMC's shares will be held in escrow by a professional Australian custodian for 30 months, thereafter released to AMC (with ongoing orderly sell down provisions)
 - If the Mining Services Contract is terminated prior to 30 months, Macmahon will transfer the Mobile Equipment in return for cash, or for the buy-back and cancellation of some or all of AMC's shareholding

Notes:

1. See Section 4.4 of Macmahon's Notice of Meeting dated 9 June 2017 for more details of proposed escrow arrangement.

Subscription Price and Premium to Historical Trading

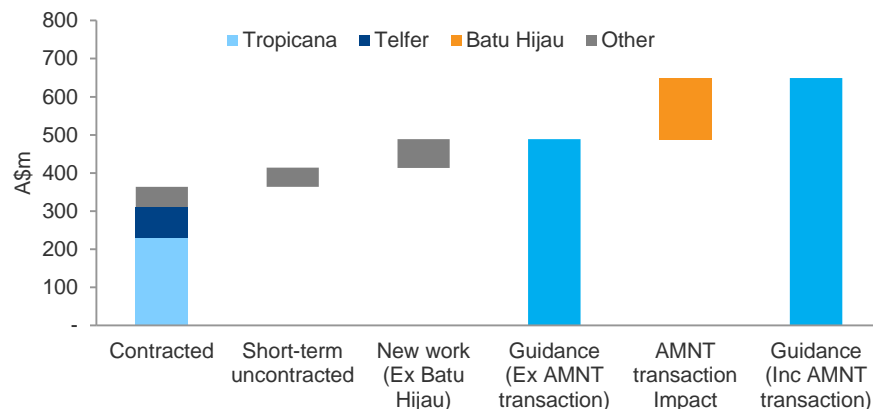
The AMC subscription price of A\$0.203 is above the top end of the IER valuation range¹, a 27% premium to the 1-month VWAP² and a 40% premium to CIMIC's recent A\$0.145 takeover offer³.



Notes:

1. Subscription price is above the Independent Expert's valuation range of \$0.180 to \$0.202 for Macmahon on a pre-transaction 100% controlling basis completed by Lonergan Edwards & Associates on 9 June 2017 for inclusion in Macmahon's Notice of Meeting of the same date in relation to the AMNT Transaction.
2. Last close and VWAPs on ASX calculated as at 3 May 2017, the last Macmahon trading day prior to announcement of the transaction.
3. CIMIC Group Investment Pty Ltd's recent cash bid of \$0.145 per share closed on 9 March 2017.

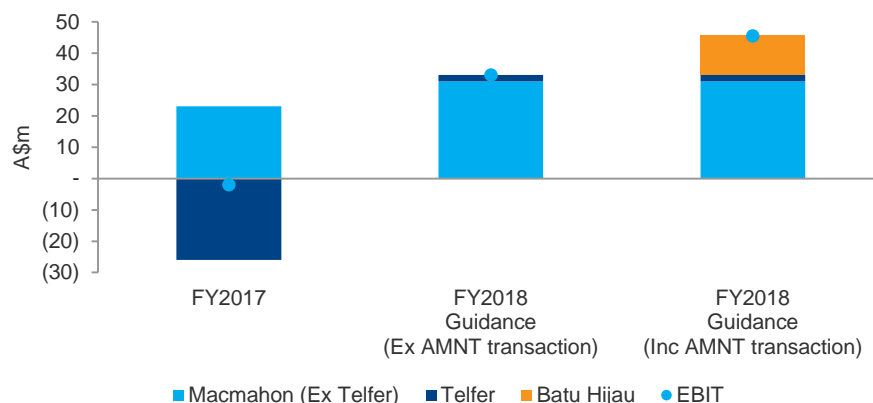
FY2018 Revenue – Key Movements



Updated Guidance and Assumptions

- FY2017 and FY2018 guidance (excluding AMNT transaction) remains in line with prior guidance provided Feb-17
- Assuming AMNT transaction completes:
 - No change to FY2017 guidance
 - FY2018 revenue guidance increases from \$470 – 510 million to \$620 – 680 million
 - FY2018 EBIT guidance increases from \$30 – 35 million to \$40 – 50 million
- Key assumptions:
 - The impact of the potential Byerwen Coal contract has not been updated since February 2017 guidance as the contract is not yet agreed
 - Commencement of initial Batu Hijau Phase 1 ramp up from 1 August 2017
 - Macmahon commences full scope of Batu Hijau mining operations (i.e. Full Operations) from 1 March 2018
 - First full year of Batu Hijau contribution will be FY2019
 - AUD:USD rate of 0.7518 prevails throughout FY2018

FY2018 EBIT – Key Movements



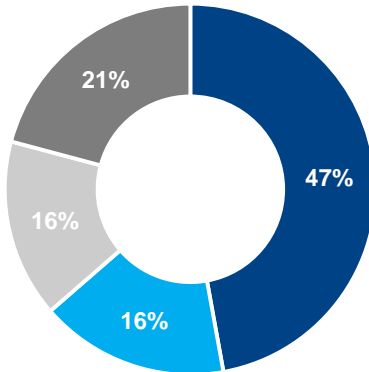
Note: Macmahon has provided earnings guidance on the basis of a number of assumptions and forecasts, which may subsequently prove to be incorrect. Earnings guidance is not a guarantee of future performance and involves known and unknown risks, Macmahon's actual results may differ materially from its 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 appendix for further explanations of assumptions surrounding guidance and risks to achieving guidance, and important notice and disclaimer. Revenue and EBIT guidance relates to continuing operations only, excludes significant items (including takeover and transaction costs). Charts show mid-point of earnings guidance range. See Macmahon's Notice of Meeting dated 9 June 2017 for further detail.

Forecast FY18 Revenue: Pre & Post Transaction

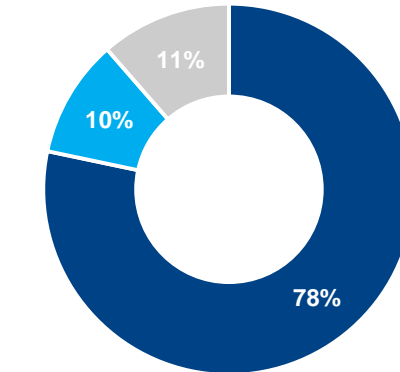
Customer (%)^{1,2}

Commodity (%)^{1,2,3}

EXCLUDING
AMNT TRANSACTION

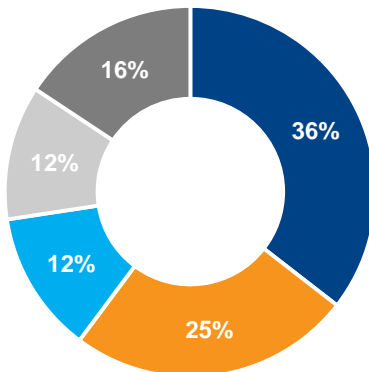


■ AngloGold ■ Newcrest ■ Unsecured New ■ Other

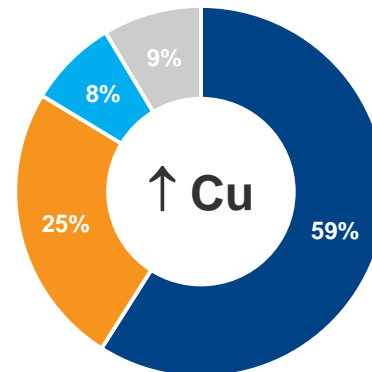


■ Gold ■ Coal ■ Other

INCLUDING
AMNT TRANSACTION



■ AngloGold ■ AMNT ■ Newcrest ■ Unsecured New ■ Other



■ Gold ■ Copper-Gold ■ Coal ■ Other

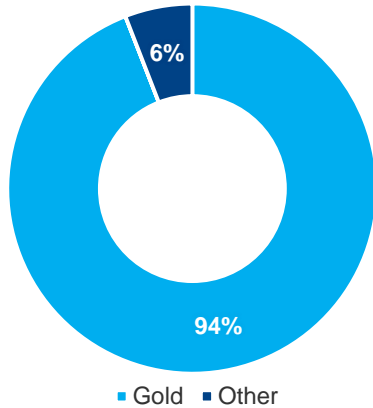
Notes:

1. All figures include potential revenue from unsecured projects including the Byerwen Coal Mine contract where Macmahon has been selected as preferred contractor but a contract has not been executed – refer to assumptions on pages 26-27 and risks on pages 30-31.
2. Based on expected FY18 revenue from the Batu Hijau contract of A\$160m at an exchange rate of AUD:USD 0.7518.
3. Revenue generated from Batu Hijau is categorised as Copper-Gold. Contracts categorised as Gold revenue may also include production of other metal by-products.

Macmahon Order Book: Pre & Post AMNT Transaction

PRE TRANSACTION

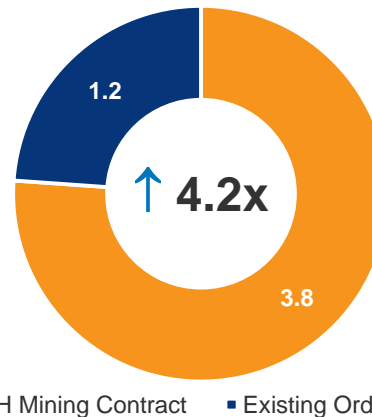
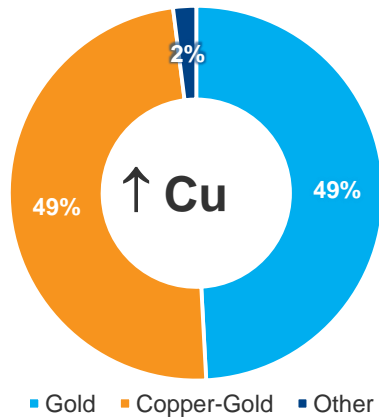
Commodity (%)¹



Order Book (A\$b)²



POST TRANSACTION



Potential further upside from Byerwen and Long Island opportunities

Notes:

1. Assumes all revenue from Batu Hijau is generated from copper and gold, and does not include revenue generated from silver by-products.
2. Based on the Batu Hijau contract delivering anticipated revenue of US\$2.9bn at an exchange rate of USD 0.7518 per AUD.



APPENDIX

Assumptions underpinning FY2018 guidance excluding the Batu Hijau contract:

In FY2018, Macmahon is anticipating substantially improved financial performance with revenue increasing to between \$470 million and \$510 million and EBIT to increase to between \$30 million and \$35 million. The key assumptions underlying the FY2018 guidance are set out below, subject to the sensitivity analysis which follows and the risk factors outlined in the following pages:

- Consistent with progress expected to be made at the Telfer project, Macmahon is anticipating that Telfer will generate a modest profit in FY2018. The bases for this assumption are as described in relation to the FY2017 guidance previously provided.
- Macmahon expects to continue to realise ongoing ad-hoc revenue from its underground mining services business, based on past activity levels. No material revenue growth is assumed in relation to those activities.
- Revenue growth is anticipated to be derived from Telfer and Tropicana based on anticipated increased productivity at Telfer and increased mining volumes at both projects based on the existing long term mine plans. Macmahon has assumed that none of the existing long term contracts are terminated.
- Macmahon expects to be successful in securing revenue during FY2018 from at least two new contracts. In previous guidance re-affirmed on 8 May 2017, Macmahon had assumed three new contracts would be secured. However, FY2018 Guidance remains unchanged because the likelihood that the other two contracts will be awarded to Macmahon has increased and the third contract that was not secured was significantly less material. If Macmahon is not successful in achieving any new long-term contracts in FY2018, EBIT is anticipated to be approximately \$25 million.
- Capital Expenditure for FY2018 is expected to be \$88 million comprising expenditure on existing contracts of \$28 million and \$60 million in relation to three potential new contracts. New sources of funding will be required to assist with meeting the anticipated capital expenditure to carry out the new contracts. The structure and timing of that funding has not yet been determined, but the basis of the assumption that the necessary funding will be secured is that funding has been traditionally available to Macmahon once a contract is secured. Refer to section 6.5 of the previous Target's Statement released 27 February 2017 for further information.

For further information please refer to pages 32 – 37 of Macmahon's Target's Statement dated 27 February 2017, including the risk factors set out in section 8 of that document. See also Section 5 of Macmahon's Notice of Meeting dated 9 June 2017.

Assumptions underpinning FY2018 guidance relating to the Batu Hijau contract:

The key assumptions underlying the FY2018 guidance in relation to Batu Hijau are set out below. These assumptions should be reviewed having regard to the sensitivity analysis and risk factors described on the following pages.

- Following satisfaction or waiver or relevant conditions, the AMNT Transaction will complete during July 2017 and Phase 1 of the Mining Services Contract (the ramp up period) will commence on 1 August 2017.
- The Phase 1 ramp up will continue until 1 March 2018 at which point Macmahon will commence the full scope of mining at Batu Hijau (Full Operations). During Phase 1, assumed that Macmahon will earn revenues of \$27.5 – 32.5 million and EBIT of \$1 – 3 million.
- From the commencement of Full Operations on 1 March 2018, it is assumed that Macmahon will earn revenues of \$122.5 – 137.5 million and EBIT of \$10 – 12 million during the remainder of H2 FY2018 (noting there will be an increase in activity following commencement of Full Operations).
- An AUD:USD exchange rate of 0.7518 will apply during FY2018.
- In addition to the equipment acquired from AMNT, Macmahon expects to incur a further \$5 million of additional capex for ancillary equipment to support the Batu Hijau contract during H2 FY2018. This will be funded from operational cashflows.
- The equipment acquired from AMNT will be fully depreciated over 5 years, returning cash flows of ~US\$30 million plus margin per annum.

For further information, see Macmahon's Notice of Meeting dated 9 June 2017 (including Section 5).

Guidance Summary

		FY2018	H1 FY2018	H2 FY2018	FY2018	
Guidance Summary A\$m FY ending 30 June		Excluding AMNT Transaction	AMNT Transaction Impact¹	AMNT Transaction Impact^{1,2}	Including AMNT Transaction	
		FY2017				
Earnings	Revenue	350.0 – 370.0	470.0 – 510.0	20.0	140.0	620.0 – 680.0
	EBITDA	30.0 – 35.0	67.0 – 75.0	18.0	30.0	112.0 – 125.0
	EBIT	(3.0) – 0.0	30.0 – 35.0	2.0	11.0	40.0 – 50.0
	% EBIT margin	(0.9%) – 0.0%	6.4% – 6.9%	10.0%	7.9%	6.5% – 7.4%
Capital Expenditure	Existing contracts:					
	– Stay in business	37.2	27.7	-	-	27.7
	– Expansion	10.3	-	-	-	-
	New contracts	-	60.5 ³	193.7 ⁴	5.0	259.2
	Total capital expenditure	47.5	88.2	193.7	5.0	286.9

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 and Section 5 of Macmahon's Notice of Meeting dated 9 June 2017 for further information. Revenue and EBIT guidance relates to continuing operations only, excludes significant items (including takeover and transaction costs).

Notes:

- H1 FY2018 and H2 FY2018 represents the expected apportionment of the mid-point of the guidance range for the AMNT Transaction.
- Commencement of Full Operations of the AMNT Mining Services Contract is expected to occur in H2 FY2018. Guidance assumes Full Operations commence from 1 March 2018 which results in H2 FY2018 comprising 2 months of Phase 1 earnings (at a similar pro-rata run rate earnings to H1 FY2018) and 4 months of Full Operations earnings.
- FY2018 earnings guidance includes 100% of anticipated capital expenditure for new contracts, but 50% of anticipated revenue and EBIT from new contracts (or ~30% in the case of Batu Hijau).
- Majority of capex related to the AMNT equipment acquired will be funded by shares issued to AMC. Macmahon expects to fund an additional A\$m of capex for ancillary equipment to support the Batu Hijau contract during H2 FY2018.

Earnings Guidance – Sensitivity Analysis

The FY2018 anticipated revenue and EBIT are inherently uncertain and the following table summarises the key sensitivities in both revenues and EBIT both excluding and including the AMNT Transaction.

Sensitivity Analysis (A\$m)	FY2018 Excluding AMNT Transaction		FY2018 Including AMNT Transaction	
	Revenue (A\$m)	EBIT (A\$m)	Revenue (A\$m)	EBIT (A\$m)
FY2018 Guidance	470.0 – 510.0	30.0 – 35.0	620.0 – 680.0	40.0 – 50.0
Mid-point FY2018 Guidance	490.0	32.5	650.0	45.0
Effect of no new long-term contracts	(76.4)	(6.8)	(236.7)	(19.9)
Effect of a \pm 1% movement in Telfer EBIT margin		\pm 0.8		\pm 0.8
Effect of a \pm 1% movement in Batu Hijau EBIT margin				\pm 1.6
Effect of bringing forward of Batu Hijau Full Operations commencement to 1 January 2018			+57.6	+5.6
Effect of delay in Batu Hijau Full Operations commencement to 1 July 2018			(113.0)	(9.0)
Effect of a \pm 0.01 AUD:USD exchange rate			\pm 2.1	\pm 0.2
Effect of a \pm 1% movement in EBIT margin		\pm 4.9		\pm 6.5
Effect of a \pm 5% movement in revenue based on an average EBIT margin of 6.5-7.4%	\pm 24.5	\pm 1.7	\pm 32.5	\pm 2.3

Note: See further detail in Section 5 of Macmahon's Notice of Meeting dated 9 June 2017.

Risk Factors Relevant to Earnings Guidance (1 of 2)

Macmahon shareholders should be aware that there are a number of risks including those outlined below which could materially affect the future operating and financial performance of Macmahon.¹

PERFORMANCE OF TELFER	<ul style="list-style-type: none"> There can be no guarantee that the guidance in this document in relation to Telfer will be realised There is a risk that the assumptions described on pages 30-31 of this document may be incorrect Although these risks apply to all projects, Telfer is particularly material to Macmahon
PERFORMANCE OF BATU HIJAU	<ul style="list-style-type: none"> There can be no guarantee that the guidance in this document in relation to Batu Hijau will be realised The Bata Hijau project remains subject to completion of the AMNT transaction and the satisfaction or waiver of the conditions to it, including shareholder approval and AMNT lender consents There is a risk that the assumptions described on pages 26-27 of this document may be incorrect There is a risk that AMNT's mining tenements and ability to export production from the Batu Hijau project will be curtailed, and that this will have a negative impact on the viability of the project There is a risk that AMNT will not be able to secure finance to complete the cut-backs at Batu Hijau Commencement of Full Operations requires certain matters to be agreed / achieved during Phase 1. There is no guarantee this will occur Although these risks apply to all projects, Batu Hijau is particularly material to Macmahon
EARNINGS GUIDANCE	<ul style="list-style-type: none"> Macmahon has provided earnings guidance on the basis of several 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, many of which are beyond the control of Macmahon Key identified risks that may result in Macmahon not meeting its earnings guidance include the other risk factors included on pages 30-31, termination of key contracts, variability in cost and productivity assumptions, and inability to recover claims and variations from clients Macmahon's actual results may differ materially from its earnings guidance and the assumptions on which the earnings guidance is based
RELIANCE ON KEY CUSTOMERS	<ul style="list-style-type: none"> Macmahon's business relies on a number of individual contracts and business alliances and Macmahon derives a significant proportion of its revenue from a small number of key long term customers and business relationships with a few organisations. In the event that any of these customers reduces production or scales back operations, terminates the relationship, defaults on a contract or fails to renew their contract with Macmahon, this may have an adverse impact on the financial performance and/or financial position of Macmahon.
INDUSTRY AND COMMODITY CYCLES	<ul style="list-style-type: none"> Macmahon's financial performance is influenced by the level of activity in the resources and mining industry, which is impacted by a number of factors beyond the control of Macmahon. This includes: <ul style="list-style-type: none"> Demand for mining production, which may be influenced by factors including (but not limited to) prices of commodities, exchange rates and the competitiveness of Australian mining operations Government policy on infrastructure spending Policies of mine owners including their decisions to undertake their own mining operations or to outsource these functions Availability and cost of key resources including people, large earth moving equipment and critical consumables Macmahon is indirectly exposed to movements in commodity prices, which are volatile and beyond Macmahon's control Adverse movements in commodity prices may reduce the pipeline of work in the mining sector and the level of demand for the services of Macmahon's mining business, which could have a material impact on Macmahon's operating and financial performance
FAILURE TO WIN NEW CONTRACTS	<ul style="list-style-type: none"> Macmahon's performance is impacted by its ability to win, extend and complete new contracts. Any failure by Macmahon to continue to win new contracts and work will impact its financial performance and position Macmahon expects to continue to have a broad range of competitors across all of its operations, which impacts the attainable margins obtainable on contracts. There is a risk that existing and increased future competition may limit the ability to win new contracts or achieve attractive margins

Notes:

- Further details of risks relevant to the transaction are included in Sections 5 and 7 of the Notice of Meeting dated 9 June 2017 sent to shareholders in relation to the transaction. Shareholders should also refer to the risk factors outlined in Macmahon's Target's Statement dated 27 February 2017 (section 8, commencing on page 40).

Risk Factors Relevant to Earnings Guidance (2 of 2)

EARLY CONTRACT TERMINATION AND CONTRACT VARIATIONS	<ul style="list-style-type: none"> Guidance is partly based on current contracts in hand and Macmahon derives a significant proportion of its revenue from providing services under large contracts. A client could terminate services on short term notice and as a result, there can be no assurance that work in hand will be realised as revenue in any future period. These could be future risks and costs arising from any termination of contract Early termination or failure to renew a contract by Macmahon's clients when that renewal is expected is likely to have an adverse effect on financial performance While Macmahon has no reason to believe any existing or potential contracts will be terminated, there can be no assurance that this will not occur Due to the nature of Macmahon's business, there is also a risk that Macmahon's claims for contract variations are disputed and not ultimately agreed, or are insufficiently certain at a point in time such that they cannot be brought to account in a given accounting period
PROJECT DELIVERY RISK	<ul style="list-style-type: none"> Execution and delivery of projects involves judgment regarding the planning, development and operation of complex operating facilities and equipment. As a result, Macmahon's operations, cash flows and liquidity could be affected if the resources or time needed to complete a project are miscalculated, if it fails to meet contractual obligations, or if it encounters delays or unspecified conditions
MARGINS, OPERATIONS, SAFETY AND ENVIRONMENT	<ul style="list-style-type: none"> Cost overruns, unfavourable contract outcomes, serious or continued operational failure, disruption at key facilities, disruptions to communication systems or a safety incident has the potential to have an adverse financial impact Macmahon is also exposed to input costs through its operations, such as the cost of fuel and energy sources, equipment and personnel. To the extent that these costs cannot be passed on to customers in a timely manner, or at all, Macmahon's financial performance could be adversely affected Macmahon's operations involve risk to personnel and property. An accident may occur that results in serious injury or death, damage to property and environment, which may have an adverse effect on Macmahon's financial performance, and reputation and ability to win new contracts
CONTRACT PRICING RISK	<ul style="list-style-type: none"> If Macmahon materially underestimates the cost of providing services, equipment, or plant, there is a risk of a negative impact on Macmahon's financial performance
COMMODITY PRICE EXPOSURE	<ul style="list-style-type: none"> Gold and copper are the two most important commodities contributing to Macmahon's order book (including the Batu Hijau contract) and tender pipeline. If the gold and copper industries were to suffer, it would have a material adverse effect on Macmahon revenues and profitability
EQUIPMENT AND CONSUMABLE AVAILABILITY	<ul style="list-style-type: none"> Macmahon has a significant fleet of equipment and has a substantial ongoing requirement for consumables including tyres, parts and lubricants. If Macmahon cannot secure a reliable supply of equipment and consumables, there is a risk that its operational and financial performance may be adversely affected
KEY PERSONNEL	<ul style="list-style-type: none"> Macmahon's growth and profitability may be limited by loss of key operating personnel, inability to recruit and retain skilled and experienced employees or by increases in compensation costs If changes occur in certain key personnel of Macmahon's group, this may materially affect Macmahon's material contracts
CURRENCY FLUCTUATION	<ul style="list-style-type: none"> Macmahon is exposed to fluctuations in the value of the Australian dollar versus other currencies due to its international operations. Because Macmahon's consolidated financial results are reported in Australian dollars, if Macmahon generates sales or earnings or has assets and liabilities in other currencies, especially Batu Hijau, the translation into Australian dollars for financial reporting purposes can result in a significant increase or decrease in the amount of those sales or earnings and net assets
PARTNER AND CONTROL RISK	<ul style="list-style-type: none"> Macmahon may undertake services through and participate in joint ventures or partnering/alliance arrangements. The success of these partnering activities depends on the satisfactory performance by Macmahon's partners. The failure of partners to meet performance obligations could impose additional financial and performance obligations that could cause significant impact on Macmahon's reputation and financial results, including loss or termination of the contract and loss of profits If the Transaction completes, AMC will become the largest shareholder of Macmahon with a 44.3% shareholding and may obtain effective control and/or significant influence over Macmahon, with the ability to block special resolutions of shareholders and potentially to pass or block ordinary resolutions. AMC's interests as a shareholder of Macmahon may differ from the interests of other shareholders, and the existence of this shareholding (together with other major shareholdings) may reduce the prospects of persons making takeover bids for Macmahon in the future
COUNTRY RISK	<ul style="list-style-type: none"> While Macmahon primarily operates in Australia it also operates in South East Asia and may undertake new projects in mining regions such as West Africa, where sovereign risk may be higher than is the case in Australia Operating in international markets can expose Macmahon to additional adverse economic conditions, civil unrest, conflicts, security breaches and bribery and corrupt practices Some countries in which Macmahon operates, or may operate in future, have less developed legal, regulatory or political systems than in Australia, which may be subject to unexpected or sudden change or in which it may be more difficult to enforce legal rights The financial performance and position of Macmahon's foreign operations may be adversely affected by changes in the fiscal or regulatory regimes applying in the relevant jurisdictions, changes in, or difficulties in interpreting and complying with local laws and regulations of different countries (including tax, labour, foreign investment law) and nullification, modification or renegotiation of, or difficulties or delays in enforcing, contracts with clients or joint venture partners that are subject to local law

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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, Macmahon's ASX announcement dated 8 May 2017 and the Notice of Meeting dated 9 June 2017 dispatched to shareholders in connection with the AMNT transaction.

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 or the AMNT transaction, 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. In addition, the AMNT transaction costs are estimated to be approximately \$3.5 million to \$4 million which are expected to be recognised in equity as share issue costs.

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