

18 April 2017

Update on proposed transaction with PT Amman Mineral Nusa Tenggara

Macmahon Holdings Limited ACN 007 634 406 (**Macmahon** or the **Company**, ASX:MAH) is pleased to announce that it has made significant progress in documenting the proposed transaction with PT Amman Mineral Nusa Tenggara (**AMNT**), as outlined in Company's announcement on 1 March 2017.

Transaction documentation and regulatory approval work streams are now well advanced, and both parties remain committed to finalising binding documentation on terms substantially consistent with the previously announced Heads of Agreement, as soon as possible.¹

Macmahon Chief Executive Officer, Michael Finnegan, said: "The proposed transaction with AMNT has the potential to be transformational for Macmahon. Both Macmahon and AMNT have committed significant resources to this proposal and we are therefore very focussed on working properly through the various transaction work streams in order to finalise an outcome that delivers substantial long term benefits to both parties."

*** ENDS ***

For further information, please contact:

Christian Sealey General Manager – Investor Relations & Communications +61 497 828 300

About Macmahon

Macmahon is a leading Australian company offering the complete package of mining services to miners throughout Australia and in New Zealand, South East Asia and Africa.

An ASX listed company, Macmahon's diverse and comprehensive capabilities provide an end to end service offering to its mining and engineering clients.

Macmahon's extensive experience in both surface and underground mining has established the Company as the contractor of choice for resources projects across a range of locations and commodity sectors.

With an international footprint, 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.

¹ To avoid any doubt, Macmahon reiterates that the proposed transaction with AMNT is currently non-binding, and there is no guarantee that a binding arrangement will eventuate.