

ASX ANNOUNCEMENT

13 February 2018

Macmahon to acquire TMM Group

Macmahon Holdings Limited (ASX: MAH) today announced it had signed an agreement to purchase TMM Group, a Brisbane-based group of companies which provide civil construction and operations and maintenance services to the Queensland coal mining industry.

The acquisition of TMM will provide Macmahon with additional civil capability that is expected to be an enabler to core mining work through contracts for initial site earthworks and construction services, as well as the ability to target site rehabilitation projects.

TMM's current revenue is in the order of \$60 million per annum, but Macmahon will seek to rapidly grow the business by pursuing opportunities across Australia. The acquisition is not expected to have a material impact on Macmahon's results for FY18.

The purchase price will include an upfront payment plus further payments which are subject to the business meeting performance hurdles in the current and following two financial years. Other than for a portion of the upfront payment which is payable in cash, all amounts are payable in either cash or Macmahon shares (by way of new issue or transfer) at Macmahon's option. Any shares issued or transferred to the vendors will be subject to voluntary escrow for a period of at least 12 months from the date of issue or transfer, except in certain prescribed circumstances.

The purchase agreement is subject to a standard range of conditions precedent which are expected to be satisfied in the near future. The vendors of TMM Group will remain involved with the business for at least three years from completion of the transaction.

*** ENDS ***

For further information, please contact:

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About Macmahon

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

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.

Macmahon is focused on developing strong relationships with its clients whereby both parties work in an open, flexible and transparent way to ensure mutually beneficial outcomes whilst also minimising risks for both parties.

Visit www.macmahon.com.au for more information.