

31 October 2012

Macmahon named preferred contractor for Christmas Creek mining project

Macmahon Holdings Ltd (ASX:MAH) today announced it has been nominated as preferred contractor by Fortescue Metals Group Ltd (ASX:FMG) for a contract to deliver open cut mining services as part of the expansion of the Christmas Creek iron ore mine in the Pilbara region of Western Australia.

If awarded, the five year contract with a value of approximately \$1.8 billion would be the Company's largest ever mining contract.

Macmahon would operate and maintain the fleet required for the contract, most of which will be supplied by the client, with work to ramp up to full production by mid-2013.

Mobilisation to site will commence under a limited notice to proceed. Negotiations regarding the final contract are continuing and are expected to finalise by the end of November 2012.

*** ENDS ***

For further information, please contact:

Investor Relations

Theresa Mlikota	Chief Financial Officer	+61 407 470 859
-----------------	-------------------------	-----------------

Media Relations

Joeley Pettit-Scott	Group Communications Advisor	+61 467 775 376
---------------------	------------------------------	-----------------

About Macmahon

Macmahon is a leading Australian contract mining and construction company with major projects throughout Australia, in New Zealand, South East Asia and Africa.

An ASX listed company, Macmahon has played a major role in the delivery of many of Australia's largest multi-disciplinary mining and construction projects throughout its 49 year history.

Macmahon offers the full range of underground and surface mining services and comprehensive construction capabilities spanning transport, marine, water and resource infrastructure services.

With a commitment to providing end to end services, 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.