

ASX ANNOUNCEMENT

31 January 2020

Upcoming Release of Shares from Voluntary Escrow

Pursuant to ASX Listing Rule 3.10A, Macmahon Holdings Limited (ASX:MAH) (**Macmahon**) wishes to advise that the following shares are due to be released from voluntary escrow on 8 February 2020:

Class of shares: Fully paid ordinary shares in Macmahon

Number of shares: 954,064,924 shares (representing approximately 44.27% of the issued ordinary shares in Macmahon).

These shares were issued to PT AMNT's nominee, Amman Mineral Contractors (Singapore) Pte Ltd (**AMC**), in August 2017 as part of the shareholder approved AMNT Transaction. The shares were the payment by Macmahon for its purchase of the mobile mining equipment at PT AMNT's Batu Hijau copper-gold project in Indonesia, and are due to be released from voluntary escrow 30 months from completion of that transaction. This is in line with the terms of the agreed escrow arrangement as announced to the market in 2017.¹

AMNT Alliance Agreement continues to apply

Following the expiry of the escrow arrangement, PT AMNT's and AMC's relationship with Macmahon will continue to be governed by the Alliance Agreement² which formed part of the AMNT Transaction. This agreement includes 'orderly sale' provisions which are summarised in Appendix A below.

Commenting on the expected expiry of the voluntary escrow arrangement, Macmahon's CEO and Managing Director Michael Finnegan emphasised the success of the AMNT Transaction and that the expiry of the escrow arrangements was as always envisaged.

"While AMC's shareholding in Macmahon is due to be released from voluntary escrow in the near future, AMNT remains a key alliance partner of Macmahon and neither AMNT nor AMC has indicated any plans to change the AMC shareholding in Macmahon at this time.

"The expiry of the voluntary escrow arrangement was always contemplated as part of the AMNT Transaction, and our relationship at Batu Hijau continues to be very productive," he said.

*** ENDS ***

¹ A summary of the escrow terms was contained in the Notice of Meeting for the AMNT Transaction, released by Macmahon to the ASX on 13 June 2017.

² A copy of the Alliance Agreement was attached to Macmahon's ASX release of 8 May 2017, and was summarised on pages 22 – 24 of the Notice of Meeting for the AMNT Transaction.



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About Macmahon

Macmahon is an ASX listed company offering the complete package of mining services to miners throughout Australia and Southeast Asia.

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.

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Appendix A: Summary of orderly sale provisions

On expiry of the escrow arrangement applicable to the Macmahon shares issued to AMC (the **Consideration Shares**), and while AMC and certain of its related parties have aggregate voting power in Macmahon which is not less than 5%, each of AMC and those related parties agree that:

- they will not sell, grant any option, or otherwise dispose of any interest in any Consideration Shares if the number of shares to be disposed of (when aggregated with all disposals during the previous 12 months) would be more than 10% of the total share capital of Macmahon at the time of the later disposal;
- they will give written notice to Macmahon of any intention to sell any Consideration Shares, specifying the price per share and the number of shares to be sold (which cannot exceed the 10% limit described above); and
- if Macmahon gives notice of an alternative buyer who will buy the relevant Consideration Shares for a price not less than that specified in AMC's notice, then AMC must sell the Consideration Shares to such alternative buyer; however
- these restrictions do not apply to a disposal of Consideration Shares by way of acceptance of a bona fide takeover offer under the Corporations Act, pursuant to a scheme or arrangement, or to a disposal of shares to a related body corporate of AMC.