

06 October 2015

Macmahon Announces On-Market Share Buy-Back

Macmahon Holdings Limited (ASX: MAH) today announced its intention to commence an on-market share buy-back of up to 10% of its fully paid ordinary shares over the next twelve months.

This initiative is being undertaken as part of the Company's ongoing capital management, at a time when the Company's shares are trading at a significant discount to their net tangible asset value. The Board believes the current share price does not reflect the fair value of the Company, particularly in light of the Company's current cash reserves. The Board therefore considers a share buy-back to be a sound use of available capital.

The share buy-back will be within the '10/12 limit' permitted under the Corporations Act and as such does not require shareholder approval. The earliest that the Company will be permitted to buy-back any shares will be 21 October 2015.

The timing and actual number of shares purchased under the buy-back will depend on the prevailing share price, business and market conditions, and other considerations such as the cash required to fund growth opportunities.

The Appendix 3C in relation to the buy-back is attached to this announcement. Hartleys Limited has been appointed by Macmahon to act as broker for the buy-back.

*** ENDS ***

For further information, please contact:

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About Macmahon

Macmahon is a leading Australian company providing the complete package of mining services to clients 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.

Appendix 3C

Announcement of buy-back (except minimum holding buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001, 11/01/10

Name of entity	ABN/ARSN
MACMAHON HOLDING LIMITED	93 007 634 406

We (the entity) give ASX the following information.

Information about buy-back

1	Type of buy-back	On-market
2	⁺ Class of shares/units which is the subject of the buy-back (eg, ordinary/preference)	Ordinary
3	Voting rights (eg, one for one)	One for One
4	Fully paid/partly paid (and if partly paid, details of how much has been paid and how much is outstanding)	Fully Paid
5	Number of shares/units in the ⁺ class on issue	1,261,699,966
6	Whether shareholder/unitholder approval is required for buy-back	No
7	Reason for buy-back	Capital management initiative

⁺ See chapter 19 for defined terms.

8 Any other information material to a shareholder's/unitholder's decision whether to accept the offer (eg, details of any proposed takeover bid)

Nil

On-market buy-back

9 Name of broker who will act on the company's behalf

Hartleys Limited

10 Deleted 30/9/2001.

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11 If the company/trust intends to buy back a maximum number of shares - that number
Note: This requires a figure to be included, not a percentage.

< OR = 126,169,996

12 If the company/trust intends to buy back shares/units within a period of time - that period of time; if the company/trust intends that the buy-back be of unlimited duration - that intention

From 21 Oct 2015 to 20 Oct 2016

13 If the company/trust intends to buy back shares/units if conditions are met - those conditions

N/A

Employee share scheme buy-back

14 Number of shares proposed to be bought back

N/A

15 Price to be offered for shares

N/A

Selective buy-back

16 Name of person or description of class of person whose shares are proposed to be bought back

N/A

17 Number of shares proposed to be bought back N/A

18 Price to be offered for shares N/A

Equal access scheme

19 Percentage of shares proposed to be bought back N/A

20 Total number of shares proposed to be bought back if all offers are accepted N/A

21 Price to be offered for shares N/A

22 ⁺Record date for participation in offer
Cross reference: Appendix 7A, clause 9. N/A

Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.

or, for trusts only:

1. The trust is in compliance with all requirements of the Corporations Act as modified by Class Order 07/422, and of the trust's constitution, relevant to this buy-back.

2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here: 
(Director/Company secretary)

Date: 06 October 2015

Print name: Greg Gettingby

⁺ See chapter 19 for defined terms.