

22 June 2015

IMPAIRMENT OF ASSETS

Macmahon Holdings Ltd (ASX:MAH) today advised that it expects to impair the carrying value of equipment and inventory assets held on 30 June 2015.

The decision to make this impairment follows the cumulative effect of continued challenging market conditions for the mining services sector, and low demand and market prices for used mining equipment and inventory.

Given these factors, an additional pre-tax charge in the range of \$95 million - \$125 million is likely to be recorded in the Company's FY15 results. This charge is yet to be reviewed by the Company's auditor.

The above impairment is further to the \$130 million recorded in the Company's FY15 Half Year results.

As the charge is a non-cash item, it will not have any impact on cash-flow or the Company's existing operations nor does it impact compliance with existing arrangements with lenders.

Further details of the impairment will be provided in the Company's FY15 Full Year Results.

*** 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, Mongolia 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 expanding 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.