

20 February 2013

Macmahon responds to Sembawang open letter

Macmahon Holdings Limited (ASX:MAH) notes the open letter to Macmahon shareholders published by Sembawang Australia Pty Ltd (Sembawang) on the Sembawang website on Tuesday, 19 February 2013.

The Sembawang open letter does not provide any solutions to the issues raised by Macmahon, as outlined in Macmahon's ASX Announcement dated 19 February 2013. Sembawang has failed to provide Macmahon with a proposal capable of execution, in spite of the extended period in which they have had to do so.

The Independent Directors reiterate that the Sembawang proposal has been rejected because it is not capable of being practically completed and would expose Macmahon to significant risk as an ongoing contracted party to the Construction projects being sold.

The Leighton transaction remains the best and only transaction practically capable of being completed.

The Independent Directors continue to urge shareholders to vote FOR the Leighton transaction at its Extraordinary General Meeting on 26 February 2013.

To vote FOR the resolution shareholders must lodge a proxy form (or an amended Proxy Form if you have already lodged one) **by 2pm (WST) on Sunday, 24 February 2013 or vote in person at the meeting.** For more information shareholders can call 1300 386 269 (within Australia) or +61 8 9415 4681.

*** ENDS ***

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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.