Media Release

MACMAHON

15 July 2011

Macmahon awarded 10 year mining contract for Tropicana Gold Project

Macmahon Holdings Limited (ASX: MAH) has been awarded the ten-year mining contract to develop the greenfields gold project for the Tropicana Joint Venture, worth an estimated $900 million.

The Tropicana Gold Project is part of the Tropicana Joint Venture between AngloGold Ashanti Australia Ltd (70% interest and Manager) and Independence Group NL (30%).

The project is located 330 kilometres east-north-east of Kalgoorlie on the edge of Western Australia's Great Victoria Desert and the mining contract includes mine planning, drill and blast, load and haul, crusher feed and other associated works.

Macmahon Chief Executive Officer Nick Bowen said the contract was a fantastic boost to the Company and would provide a strong foundation for the Surface Mining business for the next decade.

"This is a significant milestone for Macmahon and we are pleased to join with the Tropicana Joint Venture in the establishment of this major gold mining operation in Western Australia."

"Tropicana is an important contract for Macmahon, it increases the diversity of our operations and strengthens the long-term growth prospects of the Company. This contract also increases our order book to a record $2.7 billion," Mr Bowen said.

AngloGold Ashanti Australia EVP Graham Ehm said the Tropicana Joint Venture welcomed this long term relationship with Macmahon.

"We are very pleased that Macmahon has fully embraced AngloGold Ashanti's new operating model, which provides the foundation for a close working relationship and continuous improvement in productivity and efficiency through a well-defined business framework," Mr Ehm said.

Commencing with the construction of infrastructure in the first quarter of 2012, Macmahon will begin mining operations in July 2012.

"We expect to employ up to 250 people as part of the project, which will deliver excellent opportunities for growth and development of not only our people on the project, but throughout the region. Macmahon will work with AngloGold Ashanti Australia to focus on Indigenous subcontracting and employment during the project to further expand the new operation's community and social benefits," Mr Bowen said.

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Production will peak at an average of 60 million tonnes of ore and waste per annum, a rate which is expected to be achieved about 12 months into the mine's operations. Macmahon will invest approximately $130 million in mining fleet, minor equipment and infrastructure over three years, with the operation to utilise large hydraulic excavators and a fleet of 240 tonne capacity trucks.

(Project location map attached)

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For further information, please contact:

Investor Relations

Craig Dettman	General Manager Corporate Finance	+61 409 371 400

Media Relations

Stuart McLagan	Group Communications Manager	+61 458 755 117

About Macmahon

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

An ASX/S&P 200 company, Macmahon has played a major role in the delivery of many of Australia's largest multi-disciplinary mining and construction projects throughout its 47 year history.

Employing more than 3500 people, 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.

The location of the Tropicana Gold Project