



Media Statement

Monday 2 April 2007

Queensland's Logan River Catchment Project - Alliance Success

MACMAHON HOLDINGS LIMITED (ASX: MAH) announced today that it has been awarded, as a member of the Water Infrastructure Solutions Alliance, the \$98 million contract to design and construct the Logan River Catchment Early Works project by Queensland Water Infrastructure (QWI). QWI was established by the Queensland Government in June 2006 as a special purpose vehicle to deliver several major water infrastructure projects.

Led by Macmahon, the Alliance, which includes SMEC Australia and Hydro Tasmania, will complete the different elements of the project during the next two to three years. Macmahon will undertake all of the construction components for the project, which is expected to be approximately 90 per cent of the contract works.

The Logan River Catchment Early Works project includes construction of the Cedar Grove Weir, the Bromelton Offstream Storage facilities and the access road for the proposed Wyaralong Dam.

Chief Executive Officer Nick Bowen, sees the awarding of this contract as a significant step in the growth of the Macmahon Construction business in the Eastern States.

"This is recognition of our growing strength in Queensland and reflects the fact that we are building a reputation as a national group that is able to deliver quality infrastructure to improve the management of water resources," Mr Bowen said.

Cedar Grove Weir is located on the Logan River, near Cedar Grove approximately 45 kilometres south of Brisbane and Bromelton Offstream Storage is located adjacent to the Logan River at Bromelton, a further 10 kilometres to the south.

Designed to improve the reliability of the Logan River Water Supply Scheme, particularly in drought conditions, this project will deliver the water necessary to meet the growing demand from urban and industrial development in the Beaudesert area. It will also provide an additional source for the South East Queensland Water Grid.

Macmahon is an Australian owned contracting and related services group, operating in the Civil Construction and Mining sectors. The Macmahon Group employs 3,000 people throughout Australia, New Zealand and Malaysia.

ENDS

Media Contact: Gareth Widger Public Affairs Manager Mobile: 0419 918 272

Macmahon Holdings Ltd ABN 93 007 634 406

Level 3 1 Adelaide Terrace East Perth WA 6004 PO Box 198 Cannington WA 6987

Telephone: (08) 9365 1111 Facsimile: (08) 9365 1199 Web: www.macmahon.com.au Email: info@macmahon.com.au