ASX Announcement Monday 8 September 2008

MACMAHON EXTENDS TAKEOVER OFFER FOR AUSDRILL TO 29 SEPTEMBER

Macmahon Holdings Limited (“Macmahon”) today announced that it had extended its takeover Offer for Ausdrill Limited (“Ausdrill”) until 29 September 2008.

Macmahon Chief Executive Officer, Nick Bowen, said that as the offer had gained momentum Macmahon was extending the Offer period.

“Since we announced our Increased Offer on 20 August 2008, approximately 14 per cent of Ausdrill shares have either been accepted into the Offer or our Institutional Acceptance Facility.

“The Offer provides significant value for Ausdrill shareholders with an implied price of just under $3 per Ausdrill share.

“Not only is this a material premium to the Ausdrill share price immediately prior to our Initial Offer but, this is a price which Ausdrill shareholders have not seen since the company listed in 1994,” he said.

The Offer provides Ausdrill Shareholders with 1.65 Macmahon shares for each Ausdrill share. Based on the Macmahon closing price on 5 September 2008 of $1.80, the Offer implies a price for Ausdrill shares of $2.97.

This represents a premium of 52 per cent to the Ausdrill share price on 20 May 2008, the day before the announcement of the Initial Offer. It is also a substantial premium of almost 19 per cent over the Ausdrill share price on 5 September 2008.

“The value of our Offer is supported by the outstanding performance of Macmahon shares in this period of instability in equity markets,” Mr Bowen said.

“Since announcing our record full year profit result on 20 August 2008, Macmahon shares have increased by 16 per cent, which demonstrates investors support for the strong growth outlook for Macmahon.

“We are convinced, more than ever, that our Offer represents exceptional value for Ausdrill shareholders and that shareholders will receive a significantly better outcome by accepting our Offer than they would if our Offer was to lapse.

“The combination of Ausdrill and Macmahon has real strategic merit for both companies and we recommend that all Ausdrill shareholders accept this Offer as soon as possible,” he said.

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