

9 October 2014

Update on Mongolia discussions

Macmahon Holdings Ltd (ASX:MAH) is pleased to advise that the standstill agreement currently in place with Erdenes Tavan Tolgoi, and described in the Company's ASX announcement on 18 September 2014, has now been extended for a further two weeks. The standstill will now end on 23 October 2014 unless extended further.

The extension allows the parties further time to negotiate the matters between them and progress alternative solutions.

The standstill agreement protects the positions of both parties while the negotiations continue.

*** 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.