

MARKET ANNOUNCEMENT



ABN 42 144 745 782

18 October 2012

96 Ewing Street, Welshpool WA 6106

PO Box 625 Welshpool DC WA 6986

P: (08) 9351 8488 | F: (08) 9351 8477 | E: info@maca.net.au

Sinosteel Midwest Corporation Limited – Deferment of Blue Hills Project

MACA Limited ('MACA') (ASX: MLD) has received notification from Sinosteel Midwest Corporation Limited ('Sinosteel Midwest') that it has decided to delay the start-up of the Blue Hills Hematite DSO Project ('Blue Hills') due to market conditions.

Current operations at Sinosteel Midwest's Koolanooka Hematite DSO mine ('Koolanooka') are due to conclude early in the 2013 calendar year. It was Sinosteel Midwest's intention that upon conclusion of operations at Koolanooka, operations would commence at Blue Hills.

As a result of the decision to defer Blue Hills, and assuming it does not commence in the current financial year, the revenue impact to MACA will be approximately \$15 million for the period ended 30 June 2013 (circa 3% of anticipated revenue).

Sinosteel Midwest's Blue Hills would be one of the smallest of MACA's operations by annualised revenue, and the small mining fleet can be utilised on other projects to reduce forecast capital spend pending further direction from Sinosteel Midwest.

Sinosteel Midwest has been most honourable in all dealings with MACA and both parties have enjoyed a very positive working relationship at Koolanooka.

Outlook & Guidance

MACA's previous guidance to the market of +\$400 million in revenue for the current financial year was provided in August 2012. Since that time MACA has been awarded a \$60 million contract through its 60% owned subsidiary MACA Civil Pty Ltd (refer ASX announcement 24/9/12) and operations continued to perform well. With a high level of active tendering opportunities, and potential increased volumes at MACA operations, the outlook for MACA remains strong. Consequently, MACA continues to expect that revenue will exceed \$400 million for the current financial year.

For further information please contact:

Ross Williams

Finance Director

MACA Limited

About MACA

MACA Limited is a mining and civil contractor with major projects throughout Australia. Employing more than 800 people, MACA offers a full range of surface mining and crushing services, and civil infrastructure services.

Visit www.maca.net.au for more information

For personal use only