

29 June 2015

ASX Market Announcements Office
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

By electronic lodgement

HHA Group placed into Administration

McAleese Limited (ASX: MCS) (**McAleese Group** or the **Company**) announces that HHA Group Pty Ltd (**HHA**), in which the Company holds a 50% equity interest, and its subsidiary companies (together, **HHA Group**), have been placed into administration (the **Administration**).

As announced on 4 May 2015, the activities of HHA Group have been under review. In light of sustained poor market conditions in the Oil & Gas and infrastructure sectors and HHA Group's inability to support the high fixed costs of its lease arrangements, McAleese Group concluded that further investment in HHA Group is unlikely to deliver an acceptable financial return and has withdrawn working capital support.

McAleese Group is considering its options for legal recourse against the vendor (and associated parties) of the Company's shareholding in HHA Group, in connection with the sale process and conduct after that time.

McAleese Group remains committed to the heavy haulage market through its wholly owned Heavy Haulage and Lifting Division, comprising McAleese Transport and Walter Wright Cranes. These businesses are unaffected by the Administration and continue to offer integrated solutions on a national basis.

As a result of the Administration, McAleese Group expects a one-off impairment of approximately \$17 million in its financial results for the year ending 30 June 2015, relating to loans, accrued interest and other receivables payable by HHA Group to the Company.

HHA Group's debts are entirely non-recourse to McAleese Group and as a result the Company does not consider that it has any further financial exposure relating to its investment in HHA Group.

Ends

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