

ASX ANNOUNCEMENT

18 February 2020

GBF receives letter of intent for further work with Silver Lake Resources

Macmahon Holdings Limited (ASX:MAH) (**Macmahon** or **the Company**) is pleased to advise that its recently acquired underground contracting business, GBF Group (**GBF**), has received a conditional letter of intent from Silver Lake Resources (ASX:SLR) (**Silver Lake**) for further work at the Mount Monger gold operations in the Kalgoorlie region of Western Australia.

GBF has been operating at Mount Monger since 2014, and currently provides mining services to the Daisy Complex, Cock-eyed Bob and Maxwells mines which form part of this operation. Under the new letter of intent, GBF's tenure at these sites will be extended for three years from 1 March 2020, and GBF will also develop Silver Lake's new Santa mine which is due to commence in March 2020. GBF estimates the value of the new work with Silver Lake will add approximately \$200 million to its order book.

Silver Lake and GBF will now negotiate the formal mining services agreement, with finalisation expected in March.

Macmahon CEO and MD, Michael Finnegan said:

"We are very pleased to receive this letter of intent from Silver Lake, which will continue and expand on GBF's successful track record at the Mount Monger projects. The new work is an important milestone in our strategy to further expand in the underground market, and demonstrates the value in our GBF acquisition. We are looking forward to working closely with Silver Lake on this project and building on our relationship with this key client."

***** ENDS *****

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About Macmahon

Macmahon is an ASX listed company offering the complete package of mining services to miners throughout Australia and Southeast Asia.

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.

Macmahon is focused on developing strong relationships with its clients whereby both parties work in an open, flexible and transparent way to ensure mutually beneficial outcomes whilst also minimising risks for both parties.

Visit www.macmahon.com.au for more information.

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