

ASX ANNOUNCEMENT

17 September 2020

Macmahon appointed preferred mining contractor for Warrawoona Gold Project

Macmahon Holdings Limited (ASX:MAH) (**‘Macmahon’** or **‘the Company’**) is pleased to confirm it has been selected by Calidus Resources Limited (ASX:CAL) as the preferred mining contractor for the Warrawoona gold project in Western Australia.

This project involves the development of a new open cut mine in the Pilbara region, with the scope of work for Macmahon to include all open cut mining activities, and potentially some early stage civil works.

Macmahon estimates the open cut mining work will generate approximately \$220 million in revenue over 54 months and require capital expenditure of circa \$30 million. There is also potential for the Warrawoona project to include underground mining, which could represent a further opportunity for Macmahon when this is developed.

Macmahon expects it will start work on site in the first half of 2021, with the project to eventually employ more than 120 Macmahon personnel.

Other Project Awards

Macmahon has also recently been awarded the following contracts with new clients in Western Australia:

- A civil contract with Strandline Resources (ASX:STA) to construct the site access road and perform other bulk earthworks at its Coburn mineral sands project. This contract is subject to receiving a Notice to Proceed from Strandline; and
- An underground contract with Bellevue Gold (ASX:BGL) to construct a new portal and refurbish the existing decline at the Bellevue gold mine.

Together these two contracts are expected to generate revenue of \$30 million, and when combined with the Warrawoona project will increase Macmahon’s order book by approximately \$250 million.

Commenting on the recent awards, CEO and Managing Director Michael Finnegan said:

“We are delighted to be selected by Calidus as the preferred contractor for its Warrawoona gold project and look forward to being part of the successful development of the mine. This work will form a key part of our exposure to Western Australia’s thriving gold sector.”

We are also very pleased with the recent award of the Strandline and Bellevue contracts. The varied scope of work across these three projects highlights the breadth of Macmahon’s integrated services offering, which enables us to work across the mining value chain.”

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This announcement was authorised for release by the CEO and Managing Director.

For further information, please contact:

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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.