



**MACMAHON**

# Media Release

16 March 2010

## **Macmahon awarded \$190 million coal contract**

Macmahon Holdings Limited (ASX:MAH) announced today that it had been awarded a three year contract by Syntech Resources to develop and operate the new Cameby Downs coal mine in the Surat Basin in Queensland.

The contract, valued at over \$190 million, will see Macmahon undertake all mining activities for Stage 1 of the project, including planning, mine development, waste stripping, coal mining, coal preparation and train loading.

Cameby Downs is located 17 km north east of Miles, which is approximately 360 km west of Brisbane.

Macmahon Chief Executive Officer, Nick Bowen, said that the award was an excellent addition to the Mining Business's growing portfolio of work.

"We are pleased to be able to work with Syntech Resources to develop this important initial stage of their project which will see them established as a significant coal producer in the Surat Basin.

"This award not only builds on our expertise in coal mining, it is also the first contract where we will operate and maintain the Coal Handling and Preparation Plant.

"This contract win allows us to further develop our expertise in this area and provide customers with a full suite of services," Mr Bowen said.

In announcing the award, Syntech Resources chief executive Darian Hielscher said, "Syntech Resources is excited that a major milestone in the development of Cameby Downs has now been reached and that we have a world class contractor in Macmahon to develop and operate this site."

Production will commence in July 2010 with the first coal train load expected in October 2010. At full production in Stage 1, the mine will produce 1.4 million tonnes each year of high quality thermal coal for export via Port of Brisbane. Stage 2 production is targeted at shipping in excess of 10 million tonnes via Port of Gladstone.

Approximately 140 people will be employed on the site and, where practical, Macmahon will source the workforce from local communities.

\*\*\* ENDS \*\*\*

Contact: Kavneet Elvin

Manager External Relations 0418 130 692