

20 August 2014

## **Mongolia Update**

Macmahon Holdings Ltd's (ASX:MAH) Mongolian operating subsidiary has been in communication with Erdenes Tavan Tolgoi (ETT) regarding payment delays for work completed at the Tavan Tolgoi coal project in Mongolia. Approximately US \$22 million in progress payments are currently overdue. Macmahon has been operating at Tavan Tolgoi since 2012 and the contract is scheduled to expire in 2017.

Macmahon advises that operations at Tavan Tolgoi have now been suspended by ETT, as part of a range of disagreements between the parties.

The parties are engaging in discussions to see whether the matters can be resolved by agreement.

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

For further information, please contact:

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### **About Macmahon**

*Macmahon is a leading Australian company providing the complete package of mining services to clients throughout Australia and in New Zealand, South East Asia, Mongolia and Africa.*

*An ASX listed Company, Macmahon's diverse and comprehensive capabilities provide an end to end service offering to its mining and engineering clients.*

*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.*

*With an expanding international footprint, Macmahon's reputation for outstanding teamwork, integrity and commitment to the environment is underpinned by the Company's core value – safety.*

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