

Media Release



30 March 2012

Macmahon to construct Ranger 3 Deeps exploration decline

Macmahon Holdings Limited (ASX:MAH) today announced that it has been awarded the main contract for the construction of the Ranger 3 Deeps Exploration Decline Project for Energy Resources of Australia Ltd (ERA).

The contract, worth approximately \$50 million, will see Macmahon establish a boxcut and complete portal establishment, plus 2,200 metres of development works, in preparation for ERA's diamond drilling program.

Work on the project will start in May, with both the Underground Mining and Northern Territory Construction businesses collectively delivering the boxcut and exploration decline.

Macmahon Chief Operating Officer – Mining, Ross Carroll said the contract award was an opportunity for Macmahon to again demonstrate its combined capabilities on a significant development.

"Macmahon has an established relationship with ERA through its NT Construction business and this contract broadens that success to include our Underground Mining operations," Mr Carroll said.

"The contract is a welcome expansion of our Underground Mining operations into the Northern Territory and will utilise existing equipment and personnel across the decline establishment."

Macmahon's package of work is scheduled for completion in early 2014.

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(Energy Resources of Australia release is attached)

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About Macmahon

Macmahon is a leading Australian contract mining and construction company with major projects throughout Australia, in New Zealand, Asia, Mongolia and Africa.

An ASX/S&P 200 company, Macmahon has played a major role in the delivery of many of Australia's largest multi-disciplinary mining and construction projects throughout its 49 year history.

Employing more than 4500 people, Macmahon offers the full range of underground and surface mining services and comprehensive construction capabilities spanning transport, marine, water and resource infrastructure services.

With a commitment to providing end to end services, Macmahon's reputation for outstanding teamwork, integrity and commitment to the environment is underpinned by the company's core value - safety.

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

**ERA**

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Friday 30 March 2012

ERA awards major contract to build Ranger 3 Deep exploration decline

Energy Resources of Australia Ltd (**ERA**) has awarded the contract for the construction of the boxcut and decline for the Ranger 3 Deep Exploration Decline Project to Macmahon.

ERA will invest a total of \$120 million in the Ranger 3 Deep Exploration Decline Project to conduct close spaced underground exploration drilling and to explore areas adjacent to the Ranger 3 Deep resource. Work on the construction of the box cut and exploration decline is scheduled to commence in May 2012.

Macmahon has well established operations in the Northern Territory and its underground and civil construction businesses will collectively deliver the exploration decline. This furthers Macmahon's long history of delivering key infrastructure projects in the Northern Territory and across Australia, for both the resources and public sector.

ERA's Chief Executive Rob Atkinson said the Ranger 3 Deep exploration decline project formed a very important component of the business' future plans.

"This is a significant step in the process of determining the viability of an underground mine on the Ranger Project Area," Mr Atkinson said.

"With mining operations in Pit 3 nearing completion, we have increased our focus on potential exploration opportunities on the Ranger Project Area.

"In addition to investing in the Ranger 3 Deep Exploration Decline Project, we have also invested in a three year drilling programme at a cost of \$40 million to define and determine other resources at Ranger.

"This is an exciting time for ERA as we continue significant investment in our water management strategy and infrastructure, and continue to work with the Gundjeihmi Aboriginal Corporation (GAC) representing the Mirarr Traditional Owners to develop a strong future for Jabiru and the region."

The discovery of the Ranger 3 Deep resource was announced by ERA in 2009. Located on the Ranger Project Area, it contains an estimated resource of 34,000 tonnes of uranium oxide, and represents one of the most significant recent uranium discoveries in the world.

Macmahon will excavate a box cut and install a portal access tunnel. From that point work will start to construct the 2.2km decline, which is a tunnel cut into surrounding rock, to a depth of 400-500 metres. The decline will be used to undertake a close spaced exploration drilling program to further define the Ranger 3 Deep ore body.

The results of the exploration drilling will be used in the further studies into the potential development of an underground mine. ERA has allocated an additional \$55 million for these studies.

ERA will continue discussions with the Mirarr, represented by the GAC, as well as the Commonwealth and Northern Territory governments, in relation to this project and the outcomes of further studies.



ERA

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For further information on the company's activities please access ERA's website at
www.energyres.com.au