

ASX ANNOUNCEMENT

9 March 2021

Letter of intent received for King of the Hills surface and underground gold project

- Letter of intent received for Red 5's King of the Hills gold project
- Expected to add \$650m+ to order book with mining to commence in early 2022
- Strategic project for Macmahon – will involve both surface and underground mining for initial 5 year period
- Major gold deposit in Western Australia with expected mine life of over 16 years

Macmahon Holdings Limited (ASX:MAH) ('**Macmahon**' or 'the **Company**') is pleased to confirm it has received a letter of intent in relation to the King of the Hills ("**KOTH**") gold project being developed by Red 5 Limited (ASX:RED) ('**Red 5**').

The KOTH project is a major open pit and underground gold deposit located in the eastern goldfields region of Western Australia, with a projected mine life of over 16 years.

Red 5 has commenced the construction of the camp and processing facilities on site and is planning for mining to commence in early 2022. First gold production is expected to occur in June 2022.

Following a detailed tender process for both the surface and underground mining activities, Red 5 has issued a letter of intent to Macmahon for a proposal combining both scopes of work. Under the letter of intent, the parties are working to finalise the documentation by which Macmahon will provide all surface and underground mining services to the project over a 5 year contract term, commencing in the first quarter of 2022.

Macmahon expects this documentation will be completed by June 2021 and that the contract will add over \$650 million to the Company's order book.

Commenting on the letter of intent, Macmahon's CEO and MD Michael Finnegan said:

"We are delighted to be in advanced discussions with Red 5 for its King of the Hills gold project in Western Australia. We have a strategy to expand our presence across the mining services value chain, and this project highlights the benefits of being able to offer a combined surface and underground mining solution from the outset. We look forward to continuing our relationship with the Red 5 team and supporting their development of this important project."

*** ENDS ***

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



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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.