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## Macmahon up on USD 500 million BHP contract

*Friday, 10 Apr, 2009*

The West reported that shares in contractor Macmahon soared today after the company confirmed it had won a USD 500 million JV contract with Leighton Contractors to lay double rail lines along sections of BHP Billiton's Mt Newman rail line.

As per report, Macmahon and its subsidiary MVM Rail will provide project managers labor and equipment as part of the 50/50 JV.

The contract includes building a 1000 room work camp, 1.3 million cubic meters of earthworks, building 10 bridges, laying track to duplicate the existing 220 kilometers rail line and installing 840 kilometers of fiber optic cable.

Work on the project has already begun and is expected to be completed by the H2 of 2010. The company's order book was USD 1.94 billion at the end of December 2008.

Macmahon shares shot as high as 67 cents after returning from a trading halt this afternoon.

The stock eventually closed up seven cents, or 13.59% at 58.5 cents.

Leighton Holdings shares were down USD 2.18, or 9.38% to USD 21.07 at the close of trade.

(Sourced from thewest.com)

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