

5 February 2024

ASX: EHL ('EMECO' OR 'THE COMPANY')

Emeco completes sale of underground contracting to Macmahon

Emeco is pleased to announce it has completed the sale of key underground contract mining contracts and assets to Macmahon Holdings Limited (ASX: MAH) (**Macmahon**).

As announced to the market on 19 December 2023, the transaction comprised the transfer of Pit N Portal customer contracts, employees and non-mining fleet assets to Macmahon, in exchange for surface and underground mining equipment which are core to Emeco.

Emeco and Macmahon have also entered a 5-year agreement under which Emeco will become Macmahon's preferred equipment rental provider for both surface and underground, including the rental of Emeco's existing underground fleet at projects transferring to Macmahon.

Emeco's CEO and Managing Director Ian Testrow said:

"The exit from underground contracting allows Emeco to focus our full attention on our core business of surface and underground equipment rental. Our mid-life asset model, supported by our Force workshops capability, enables us to source, rebuild and refurbish machines at a significantly lower cost than new assets, driven by our scale and engineering capabilities. This cost and quality advantage drives Emeco's industry leading margins and returns in rental."

"The preferred rental agreement with Macmahon enables us to support the growth of one of Australia's leading contract miners, in both surface and underground. By supporting Macmahon and our other contracting customers, we can continue to grow our core rental business, supported by our Force workshops' maintenance and rebuild capabilities."

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Investor enquiries

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This announcement was authorised to be provided to the ASX by Penny Young, Company Secretary of Emeco Holdings Limited