



Ashley Moir
Company Secretary
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2 November 2005

Company Announcements Office
Australian Stock Exchange Limited
Level 4
20 Bridge Street
SYDNEY NSW 2000

Dear Sir,

Re: Lane Cove Tunnel Project Update

Please find attached a copy of a media release to be issued today by Leighton Holdings Limited.

Yours faithfully
LEIGHTON HOLDINGS LIMITED

ASHLEY MOIR
Company Secretary

2 November 2005

Lane Cove Tunnel Project Update

Leighton Holdings Limited confirms that a subsidence occurred this morning at the Lane Cove Tunnel Project at Epping Road near Longueville Road being built in joint venture by the Company's subsidiaries Thiess Pty Ltd and John Holland Group Pty Ltd.

Workers in the tunnel were evacuated and all are accounted for. Two nearby unit blocks have also been evacuated and residents have been moved into a hotel.

No one has been injured in the accident.

The subsidence occurred following an unforeseen geological event, which is currently being investigated.

A team of engineers and geotechnical experts is on site and has assessed the situation and has commenced the necessary repairs.

The incident is not expected to affect the Tunnel's construction programme and it remains on track for completion as scheduled. The incident and its consequences are covered by the Company's insurance policies.

Leighton Holdings apologises to the travelling public and those local residents affected by the incident.

Issued by:

Leighton Holdings Limited

A.C.N. 004 482 982 A.B.N. 57 004 482 982

<http://www.leighton.com.au>

For further information:

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MS NICOLE JOHNSTON

Manager External Affairs

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Leighton Holdings Limited is the parent company of Australia's largest project development and contracting group. Founded in 1949, the organisation has grown into a diversified group that includes Thiess, Leighton Contractors, John Holland, Leighton Asia and Leighton Properties. Leighton Group companies undertake activity for public and private sector clients in the engineering and infrastructure, building and property, mining and resources, and operations and maintenance services markets. With around 15,000 employees, the Group's operations are spread all around the Asia-Pacific region on projects in Australia, Hong Kong, Indonesia, Malaysia, the Philippines, Thailand, Vietnam, China and New Zealand. Leighton Holdings is listed on the Australian Stock Exchange and has its head office in Sydney.