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14 February 2017

ASX Market Announcements
Australian Securities Exchange Limited
Level 4
20 Bridge Street
SYDNEY NSW 2000

RE: CGI's TAKEOVER BID FOR MACMAHON HOLDINGS LIMITED – ASIC RELIEF GRANTED

CGI's takeover bid for Macmahon Holdings Limited – Offer extends to Macmahon shares issued on vesting of Macmahon Performance Rights

Section 9.1(b) of the Bidder's Statement for CIMIC Group Investments Pty Limited's (CGI) takeover bid for Macmahon Holdings Limited provides that, subject to CGI obtaining any necessary relief from the Corporations Act, CGI's offer extends to Macmahon fully paid ordinary shares (**Shares**) that are issued during the period from 7.00pm (Sydney time) on 25 January 2017 (**Register Date**) to the end of the offer period due to the vesting of, conversion of, or exercise of rights attaching to, Macmahon Performance Rights that are on issue at the Register Date (**Rights**)¹.

CGI confirms that the Australian Securities and Investments Commission (**ASIC**) has granted the necessary relief. The effect of the relief is to confirm that CGI's offer extends to Shares that are issued during the period from the Register Date to the end of the offer period due to the vesting of, conversion of, or exercise of rights attaching to, Rights that are on issue as at the Register Date.

If Macmahon issues Shares as a result of the vesting of Rights on or after the Register Date and before the end of the offer period, CGI may not regard the issue of such Shares on the vesting of Rights as non-fulfilment of the defeating condition in section 9.8(a)(i)(D) of its Bidder's Statement. This complies with the ASIC instrument attached,

A copy of the ASIC relief instrument is attached to this announcement.

Sincerely,

CIMIC GROUP LIMITED

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¹ Without such relief the offer may not have been able to extend to Macmahon shares that are issued on vesting of Rights, given that such Rights may be considered to be derivatives and not securities for the purposes of section 617 of the Corporations Act.

**Australian Securities and Investments Commission
Corporations Act 2001 – Subsection 655A(1) – Declaration**

Enabling legislation

1. The Australian Securities and Investments Commission (*ASIC*) makes this instrument under subsection 655A(1) of the *Corporations Act 2001* (the *Act*).

Title

2. This instrument is ASIC Instrument [17-0105].

Commencement

3. This instrument commences on the date it is signed.

Declarations

4. Chapter 6 of the Act applies to CIMIC Group Investments Pty Limited ACN 126 876 953 (*Bidder*) as if:
 - (a) section 617 of the Act was modified or varied by inserting after subsection 617(2) the following subsection:

“(2A) The bid may also extend to all securities that come to be in the bid class during the offer period due to the issue of securities in the bid class on the vesting of derivatives which were issued by the target on or before the date set by the bidder for the purposes of subsection 633(2) and remained on issue at that date.”
 - (b) section 636 were modified or varied by inserting after subsection 636(1)(j) the following paragraph:

“(ja) if the bid is to extend to securities that come to be in the bid class during the offer period under subsection 617(2A) – a statement to that effect referring to the relevant derivatives;”

Where this instrument applies

5. This instrument applies to offers made by the Bidder under an off-market takeover bid for all of the fully paid ordinary shares (*Shares*) in Macmahon Holdings Limited ACN 007 634 406 (*MAH*), where:

- (a) the Bidder has disclosed in the bidder's statement that, subject to ASIC relief, the bid extends to Shares issued after the date set by the Bidder for the purposes of subsection 633(2) of the Act (**Register Date**) and before the end of the offer period as a result of the vesting of Rights;
- (b) on the next trading day after the date of this instrument, the Bidder makes an announcement on ASX that:
 - i. describes the need for and the effect of the relief provided by this instrument as it applies to the Bidder; and
 - ii. indicates that if MAH issues Shares as a result of the vesting of Rights on or after the Register Date and before the end of the offer period, the Bidder may not regard the issue of such Shares on the vesting of Rights as non-fulfilment of the defeating condition; and
- (c) if MAH issues Shares as a result of the vesting of Rights on or after the Register Date and before the end of the offer period, the Bidder may not regard the issue of such Shares on the vesting of Rights as non-fulfilment of the defeating condition.

Interpretation

6. In this instrument:

ASX means ASX Limited ACN 008 624 691;

bidder's statement means the bidder's statement in relation to the takeover bid by the Bidder for all of the ordinary shares in MAH lodged with ASIC on 24 January 2017;

defeating condition means a prescribed occurrence condition of the kind referred to in s652C(1)(d) of the Act and specified in subparagraph 9.8(a)(i)(D) of the bidder's statement;

offer period has the same meaning as in section 9 of the Act;

Rights means performance rights:

- (a) issued by MAH under employee incentive plans operated by MAH in accordance with the Macmahon Holdings Limited Executive Equity Plan Rules FY15 and Macmahon Holdings Limited Executive Equity Plan Rules FY17; and
- (b) under which, in accordance with the terms of the performance rights, MAH may issue Shares on the vesting of the performance rights,

that are on issue at the Register Date; and

vesting in relation to Rights, includes the conversion of Rights or the exercise of rights attaching to Rights.

Dated this 13th day of February 2017

A handwritten signature in blue ink, appearing to read 'Michelle Cobb', is positioned above the printed name.

Signed by Michelle Cobb
as a delegate of the Australian Securities and Investments Commission