



MACMAHON HOLDINGS LIMITED  
ACN 007 634 406

**NOTICE OF ANNUAL GENERAL MEETING**  
**FRIDAY, 2 NOVEMBER 2018 AT 9.30AM (WST)**

**at**

**15 HUDSWELL ROAD, PERTH AIRPORT, WA 6105**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Shareholders of Macmahon Holdings Limited will be held at 15 Hudswell Road, Perth Airport, WA on Friday, 2 November 2018 at 9.30am (WST).

Attached to, and forming part of this Notice of Meeting is an Information Memorandum that provides Shareholders with background information and further details on the resolutions to understand the reasons for, and the effect of, the Resolutions, if approved.

This information is presented in accordance with the regulatory requirements of the Corporations Act and the ASX Listing Rules.

Terms which are defined in section 2 of the Information Memorandum and are used in this Notice of Meeting have the same meaning as in the Information Memorandum.

**ORDINARY BUSINESS**

***DISCUSSION OF FINANCIAL STATEMENTS AND REPORTS***

To discuss the financial report, the Directors' report and the auditor's report for the year ended 30 June 2018.

***RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT***

To consider and, if thought fit, to pass the following Resolution as an ordinary resolution:

"That for the purposes of section 250R(2) of the Corporations Act, the Remuneration Report (which forms part of the Directors' report for the year ended 30 June 2018) be adopted".

Note: Section 250R(3) of the Corporations Act provides that the vote on this Resolution is advisory only and does not bind the Directors or the Company.

**Voting Exclusion Statement**

To the extent required by section 250R of the Corporations Act, a vote must not be cast (in any capacity) on Resolution 1 by or on behalf of either of the following persons:

- (a) a member of the key management personnel details of whose remuneration are included in the Remuneration Report; or
- (b) a closely related party of such a member.

However, a person (the “voter”) may cast a vote on the Resolution as a proxy if the vote is not cast on behalf of a person described in (a) or (b) above and either:

- (c) the voter is appointed as a proxy in writing that specifies the way the proxy is to vote in the Resolution; or
- (d) the voter is the chair of the meeting and the appointment of the chair as proxy (i) does not specify the way the proxy is to vote on the Resolution; and (ii) expressly authorises the chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

#### **RESOLUTION 2 – ELECTION OF MR KIM HORNE AS A DIRECTOR**

To consider, and if thought fit, to pass the following Resolution as an ordinary resolution:

“To elect Mr Horne, who was appointed to the Board in March 2018 and automatically retires from the office of Director in accordance with rule 3.6(a) of the Company’s Constitution and being eligible, offers himself for election”.

#### **RESOLUTION 3 – SENIOR MANAGER LONG TERM INCENTIVE PLAN**

To consider, and if thought fit, to pass the following Resolution as an ordinary resolution:

“That:

- (a) the Senior Manager Long Term Incentive Plan (**Plan**) and its terms, as described in the Information Memorandum which forms part of the Notice of Meeting, be approved for the purposes of section 260C(4) of the Corporations Act and for all other purposes; and
- (b) the issue by the Company of 64,649,575 Performance Rights under the Plan on 5 July 2018, as described in the Information Memorandum which forms part of the Notice of Meeting, be approved and ratified for the purposes of ASX Listing Rule 7.4 and for all other purposes”.

#### **Voting Exclusion Statement**

The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of:

- (a) any person who received Executive Performance Rights; or
- (b) an associate of those persons.

However, the Company will not disregard a vote if:

- (c) it is cast by the person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (d) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

### **OTHER BUSINESS**

To transact any other business that may be brought forward in accordance with the Company’s Constitution or the law.

#### **Determination of Shareholders’ Right to Vote**

For the purposes of the AGM, Shares will be taken to be held by persons who are registered as members of the Company as at 4.00pm (WST) on Wednesday, 31 October 2018. Accordingly, transactions registered after that time will be disregarded in determining which Shareholders are entitled to attend and vote at the AGM.

#### **Appointment of Proxy**

A Shareholder has the right to appoint a proxy who need not be a Shareholder of the Company. If a Shareholder is entitled to cast two or more votes, they may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise.

Sections 250BB and 250BC of the Corporations Act apply to voting by proxy. The effect of these sections is that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the chair, who must vote the proxies as directed.

More detail on these sections is provided below.

#### ***Proxy vote if appointment specifies way to vote***

Section 250BB of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does**:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (that is, as directed);
- if the proxy has two or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands;
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (that is, as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (that is, as directed).

#### ***Transfer of non-chair proxy to chair in certain circumstances***

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at the meeting;
- the appointed proxy is not the chair of the meeting;
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting; or
  - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

#### **Voting Prohibition by Proxies (Remuneration of key management personnel)**

To the extent required by section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolutions 1 or 3 if the person is either a member of the Company's key management personnel or a closely related party of such a member and the appointment does not specify the way the proxy is to vote on the Resolution. However, the proxy may vote if the proxy is the chair of the meeting and the appointment expressly authorises the chair of the meeting to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of key management personnel.

If the chair of the meeting is appointed as your proxy and you have not specified the way the chair of the meeting is to vote on any of Resolutions 1 or 3, by signing and returning the Proxy Form (including via the online voting facility described below), you are considered to have provided the chair of the meeting with an express authorisation for the chair of the meeting to vote the proxy in accordance with the chair of the meeting's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of key management personnel.

#### **Lodgement of proxy documents**

The completed proxy form enclosed with this Notice of Meeting (and, if it is executed by an attorney, the relevant power of attorney or a certified copy of it) must be received by the Company at the address specified below by 9.30am (WST) on Wednesday, 31 October 2018.

A proxy can be appointed electronically by visiting [www.investorvote.com.au](http://www.investorvote.com.au) and following the instructions provided. A proxy can be appointed online if they are appointed under power of attorney or similar authority.

For Intermediary Online subscribers only (custodians) please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting instructions.

For the purposes of section 249X(1A) of the Corporations Act, Shareholders are advised that the proxy appointed may be an individual or a body corporate. A body corporate appointed as a Shareholder's proxy may appoint a representative to exercise any of the powers the body may exercise as a proxy at the AGM (as summarised below).

In accordance with section 250BA of the Corporations Act, the Company specifies the following information for the purposes of receipt of proxy appointments:

Share Registry:               Computershare Investor Services Pty Ltd  
                                      Yarra Falls, 452 Johnston Street,  
                                      Abbotsford, VIC, 3067

Facsimile Number:         (within Australia) 1800 783 447 (outside Australia) +61 3 9473 2555

Postal Address:             GPO Box 242  
                                      Melbourne Vic 3001

**Bodies corporate**

In accordance with section 250D of the Corporations Act, a body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at a meeting of a company's shareholders. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a resolution.

The representative should bring to the AGM evidence of his or her appointment, including any authority under which it is signed (such as: (i) a letter or certificate, executed in accordance with the body corporate's constitution or the Corporations Act, authorising the person as a representative; or (ii) a copy of a resolution, certified by a secretary or a director of the body corporate, appointing the person as a representative), unless it has previously been given to the Company.

**NOTICE IS ALSO GIVEN** that the Company's 2018 Financial Report is now available on its website at [www.macmahon.com.au](http://www.macmahon.com.au)

By order of the Board

**Greg Gettingby**  
**Company Secretary**  
**01 October 2018**

## INFORMATION MEMORANDUM

### 1. INTRODUCTION

This Information Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the AGM of Macmahon Holdings Limited (ACN 007 634 406) to be held at 15 Hudswell Road, Perth Airport, WA on Friday, 2 November 2018 at 9.30am (WST).

This Information Memorandum forms part of and should be read in conjunction with the accompanying Notice of Meeting.

### 2. GLOSSARY

The following terms and abbreviations used in this Information Memorandum (and the Notice of Meeting to which it forms a part of), have the following meanings:

<b>“AGM”</b>	The annual general meeting of the Company notified to Shareholders by this Notice of Meeting
<b>“Annual Report”</b>	The annual report for the Company for the year ended 30 June 2018
<b>“ASX”</b>	ASX Limited (ACN 008 624 691)
<b>“ASX Listing Rules”</b>	The official Listing Rules of the ASX, as amended from time to time
<b>“Company” or “Macmahon”</b>	Macmahon Holdings Limited (ACN 007 634 406)
<b>“Company’s Constitution” or “Constitution”</b>	The constitution of Macmahon
<b>“Corporations Act”</b>	The <i>Corporations Act 2001</i> (Cth) as amended from time to time
<b>“Directors” or “Board”</b>	The directors of the Company in office at the date of the Notice of Meeting
<b>“Executive Performance Rights”</b>	The 64,649,575 Performance Rights issued to five executives on 5 July 2018 as announced to ASX on 5 July 2018
<b>“Information Memorandum”</b>	The information memorandum which forms a part of the Notice of Meeting
<b>“Notice of Meeting”</b>	This notice of meeting incorporating the Information Memorandum
<b>“Performance Right”</b>	A right to acquire a Share in accordance with the rules of the Plan
<b>“Plan”</b>	The Company’s Senior Manager Long Term Incentive Plan, as announced to ASX on 5 July 2018 and as summarised in the Information Memorandum
<b>“Remuneration Report”</b>	The remuneration report of the Company contained in the Directors’ report for the year ended 30 June 2018
<b>“Resolution”</b>	A resolution contained in the Notice of Meeting to which this Information Memorandum relates
<b>“Shareholder”</b>	A person registered as the holder of Shares in the register of members of the Company
<b>“Shares”</b>	Fully paid ordinary shares in the Company

### 3. ANNUAL FINANCIAL REPORT

The Corporations Act and the Company's Constitution require that:

- the reports of the Directors and the Company's auditors; and
- the annual financial report, including the financial statements of the Company for the year ended 30 June 2018,

be laid before the AGM. Neither the Corporations Act nor the Constitution requires a vote of Shareholders on the reports or statements. However, at the AGM Shareholders will be given ample opportunity to raise questions or comments on the management of the Company.

Also, a reasonable opportunity will be given to members as a whole at the AGM to ask the Company's auditor questions relevant to the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

### 4. RESOLUTIONS TO BE CONSIDERED BY SHAREHOLDERS

#### RESOLUTION 1 – REMUNERATION REPORT

Section 300A of the Corporations Act requires the Directors to include a remuneration report in their annual report for each financial year. (The Remuneration Report for the 2018 financial year is set out on pages 46 – 59 of the Company's Annual Report.) Section 250R of the Corporations Act requires that the Remuneration Report be put to a vote at the Company's AGM. The vote on this Resolution is advisory only and does not bind the Directors or the Company. The Board will, however, take into account the outcome of the vote when reviewing its remuneration policy.

The Corporations Act states that, if a company's remuneration report receives a 'no' vote of 25 per cent or more at two consecutive annual general meetings, a resolution must then be immediately put to shareholders at the second annual general meeting as to whether another meeting of shareholders should be held (within 90 days) at which all directors (other than the managing director) who were in office at the date of approval of the applicable directors' report must stand for re-election. In summary, if the Remuneration Report receives "2 Strikes", shareholders will be entitled to vote in favour of holding a separate general meeting (to be held within 90 days) to re-elect the entire board.

The Remuneration Report as set out within the Directors' Report:

- explains the Board's policies in relation to the nature and level of remuneration paid to Directors and executives of the Company;
- discusses the link between the Board's policies and the Company's performance;
- provides a summary of performance conditions, explaining why they were chosen and how performance is measured against them;
- sets out remuneration details for each Director and for each member of the Company's key management personnel; and
- makes clear that the basis for remunerating non-executive Directors is distinct from the basis for remunerating executives.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting.

*Why should shareholders vote in favour of the Remuneration Report?*

As described above, the Board will take into account the outcome of the vote on this Report when reviewing its remuneration policy. Remuneration practices are a key component of the Company's effort to attract, retain and engage its workforce, and are therefore the subject of considerable thought and attention by the Board. For the reasons set out in the Remuneration Report, the Board considers that the Company's remuneration settings in the last financial year were appropriate to strike the right balance between cost control, incentivising employees to outperform, and aligning employee and shareholder interests. The Board therefore seeks your support for the 2018 Remuneration Report.

**Recommendation:** The Board recommends that Shareholders vote in favour of the adoption of the Remuneration Report. The Chairman intends to vote all undirected proxies *in favour* of Resolution 1 where he is permitted to do so.

## RESOLUTION 2 – ELECTION OF MR KIM HORNE AS A DIRECTOR

Mr Horne joined the Board as an Independent Non-Executive Director in March 2018.

At the AGM, Mr Horne will automatically retire as a Director in accordance with rule 3.3(a) of the Company's Constitution and ASX Listing Rule 14.4, and being eligible, offers himself for election as a Director.

Mr Horne holds a Diploma of Frontline Supervision, a WA Restricted Quarry Managers Certificate, and is a graduate of the University of Western Australia's Management Education Programme. He has also completed the Australian Institute of Company Directors Training Course and is a graduate of the Alcoa Executive Programme.

Mr Horne has had extensive executive experience with Alcoa, where he was involved in mine development and management, human resources, corporate affairs, strategy and government relations. His most recent roles were as Executive Director of Alcoa Australia and President of Alcoa's Global Mining Centre.

Mr Horne is currently the Deputy Chair of Synergy (the State electricity generator and retailer in Western Australia), a non-executive director of the Fremantle Ports Authority and Rainbow Bee Eater Pty Ltd (a private company specialising in low cost renewable energy from biomass) and a life member of the Chamber of Minerals and Energy. In 2014, Mr Horne was appointed as a Member of the Order of Australia for his services to the mining industry.

**Recommendation:** The Board (with Mr Horne abstaining) is of the view that Mr Horne will continue to add considerable value to the Company due to his extensive experience in the resources sector in the areas of mine development, human resources, corporate affairs, strategy and government relations. Consequently, the Board (with Mr Horne abstaining) recommends that Shareholders vote in favour of Resolution 2.

## RESOLUTION 3 – SENIOR MANAGER LONG TERM INCENTIVE PLAN

As announced to the ASX on 5 July 2018, the Board has established a Senior Manager Long Term Incentive Plan ("Plan") as an incentive and retention tool for its senior management. Under the terms of the Plan, certain eligible executives will be offered Performance Rights that will be subject to vesting conditions. If the relevant vesting conditions are satisfied, the holder will receive one Share for each vested Performance Right. All Shares to be awarded in satisfaction of vested Performance Rights (if any) will be acquired by the trustee of the Plan on market rather than being newly issued so will not dilute existing Shareholders.

Pursuant to the Plan, Macmahon issued 64,649,575 Performance Rights to five executives on 5 July 2018 (the "Executive Performance Rights"). Vesting of these Performance Rights is subject to the achievement of a performance hurdle involving Macmahon's total shareholder return ("TSR") achieving a target compound annual growth rate. Vesting of these Performance Rights is also subject to Shareholders approving the Plan for the purposes of part 2J.3 of the Corporations Act (which is one of the purposes of this Resolution 3).

The table below sets out the material terms of the Plan, including details of the relevant tranches of Performance Rights and the performance hurdles.

<b>Eligibility</b>	Certain eligible employees of Macmahon holding senior executive roles (determined by the Board at its discretion) will be offered Performance Rights that entitle the holder to receive one Share per Performance Right. Five executives were issued Performance Rights on 5 July 2018. A holder is not required to pay for a Performance Right, or for any resultant Share that is allocated upon the vesting of a Performance Right (and Macmahon will meet the acquisition costs).
<b>Performance periods</b>	Performance Rights are issued in three tranches (of 25%, 25% and 50% respectively of the total number of Performance Rights issued).  The first tranche will be measured over two years; the second tranche will be measured over three years; and the third tranche will be measured over four years, in each case from the date of issue.  Each of these periods constitutes the performance period for the Performance Rights in that tranche.

<p><b>Vesting conditions</b></p>	<p>In order for any Performance Right in any tranche to vest:</p> <ul style="list-style-type: none"> <li>the recipient must remain an employee of the Macmahon group at the end of the relevant performance period (for that tranche);</li> <li>a TSR vesting condition must be satisfied in respect of the relevant tranche (described further below); and</li> <li>the Plan must have been approved by Shareholders for the purposes of section 260C(4) of the Corporation Act.</li> </ul> <p>In addition, in respect of the tranche 3 Performance Rights only, 50% of any Shares that vest upon satisfaction of the relevant vesting condition (in respect of that tranche 3) will be subject to a one year retention period – meaning that the holder must remain an employee of the Macmahon group (and cannot withdraw any vested Plan Shares from the Plan trust) for one year following the vesting of those Shares.</p> <p>Each tranche of Performance Rights will be measured over the performance period relevant to that tranche. Those Performance Rights will vest in accordance with the following table:</p> <table border="1" data-bbox="488 730 1362 1357"> <thead> <tr> <th>Macmahon’s absolute TSR performance hurdle (over relevant performance period)</th> <th>Proportion of Performance Rights (in relevant tranche) that are eligible to vest</th> </tr> </thead> <tbody> <tr> <td>Less than 17% compound annual growth in TSR over the performance period.</td> <td>0%</td> </tr> <tr> <td>17% compound annual growth in TSR over the performance period.</td> <td>50%</td> </tr> <tr> <td>Between 17% and 25% compound annual growth in TSR over the performance period.</td> <td>50% plus a straight line increase in % award until Target TSR is achieved.</td> </tr> <tr> <td>At 25% or above compound annual growth in TSR over the performance period.</td> <td>100%</td> </tr> </tbody> </table> <p>The TSR vesting condition applies separately in respect of each tranche of Performance Rights and will be measured over the performance period specific to it, and will not be retested. If the TSR hurdle is not met at the end of a relevant period, then all Performance Rights in that tranche will lapse (unless otherwise determined by the Board).</p> <p>TSR will be measured over each performance period. For the purpose of this measurement, the starting Share price (for each performance period) will be based on the volume weighted average price (“VWAP”) over the 30 calendar days up to (but not including) the first day of the performance period and the end Share price will be the VWAP over the 30 calendar days up to and including the final day of the relevant performance period. Dividends will be assumed to have been re-invested on the ex-dividend date, capital returns will be treated the same as dividends, and tax and any franking credits (or equivalent) will be ignored.</p> <p>After the end of each performance period, the Board will determine the extent to which Macmahon's TSR performance has satisfied the TSR vesting condition and the subsequent proportion of the Performance Rights (in the tranche that related to that performance period) that will be eligible to vest at the end of that performance period.</p>	Macmahon’s absolute TSR performance hurdle (over relevant performance period)	Proportion of Performance Rights (in relevant tranche) that are eligible to vest	Less than 17% compound annual growth in TSR over the performance period.	0%	17% compound annual growth in TSR over the performance period.	50%	Between 17% and 25% compound annual growth in TSR over the performance period.	50% plus a straight line increase in % award until Target TSR is achieved.	At 25% or above compound annual growth in TSR over the performance period.	100%
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<p><b>Lapse or forfeiture</b></p>	<p>The Board has an ongoing discretion to deem unvested Performance Rights to have lapsed, and to deem any vested Plan Shares that remain subject to a retention period to be forfeited, in certain circumstances of fraud, dishonesty or breach of obligation.</p>										



<b>Rights to participate in new issues</b>	<p>Holders of Performance Rights cannot participate in new issues of securities until the Performance Rights have vested and Shares have been allocated.</p> <p>Even then, to participate the holders would need to withdraw vested Plan Shares from the Plan trust and have them registered in their name.</p>
<b>Rights to dividends etc</b>	<p>Performance Rights carry no entitlements to Shares or dividends or other benefits unless and until they vest.</p>
<b>Performance Rights not transferable</b>	<p>Performance Rights (and vested Shares that remain within the Plan trust) may not be transferred, encumbered or subject to any hedging or derivative instrument intended to limit the economic risk of holding them.</p>
<b>Vesting of unvested Performance Rights</b>	<p>The Board may determine that some or all unvested Performance Rights should vest:</p> <ul style="list-style-type: none"> <li>• if a person acquires a relevant interest in more than 50% of Macmahon's issued capital;</li> <li>• if a takeover bid is made to acquire more than 50%; if a court orders a meeting to consider (or Shareholders approve) a scheme of arrangement which would result in a person holding more than 50%;</li> <li>• if Macmahon is wound up; if Macmahon is delisted or disposes of substantially all of its business or assets; or</li> <li>• if the participant ceases to be employed because of circumstances beyond the participant's control.</li> </ul>
<b>Reorganisation of capital</b>	<p>If Macmahon reorganises its capital, the Performance Rights will be changed to the extent necessary to comply with the ASX Listing Rules.</p>

### **Approval for the purposes of the Corporations Act – Financial Assistance**

Section 260A of the Corporations Act provides that a company may financially assist a person to acquire shares in the company or a holding company of the company only if:

- (a) giving the assistance does not materially prejudice:
  - (i) the interests of the company or its shareholders; or
  - (ii) the company's ability to pay its creditors; or
- (b) the assistance is approved by shareholders under section 260B of the Corporations Act; or
- (c) the assistance is exempted under section 260C of the Corporations Act.

Section 260C of the Corporations Act provides for certain specific instances of exempted financial assistance, including a special exemption for employee share schemes that have been approved by a resolution passed at a general meeting of the company (section 260C(4)).

To the extent that the Company provides funds to the trustee of the Plan to acquire Shares (and pay any associated costs) to allow for the award of Shares in satisfaction of vested Performance Rights (including those Performance Rights issued on 5 July 2018), the Company will be providing financial assistance for the purposes of section 260A.

The Board has recommended that the Shareholders approve the Plan to ensure that it qualifies for the special exemption under section 260C(4) of the Corporations Act and for all other purposes. It is also a vesting condition of the Performance Rights that this approval be obtained.

#### **Approval for the purposes of the ASX Listing Rules – ASX Listing Rule 7.4**

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, Macmahon will retain the flexibility to issue securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1, without the requirement to obtain prior Shareholder approval.

For the purposes of ASX Listing Rule 7.5, the following information is provided to Shareholders in relation to the issue of the Executive Performance Rights under the Plan:

- (a) 64,649,575 Executive Performance Rights were issued (all on 5 July 2018). Of these, 16,162,394 comprise the first tranche with a performance period of 1 year, 16,162,394 comprise the second tranche with a performance period of 2 years and the balance of 32,324,787 comprise the third tranche with a performance period of 3 years;
- (b) the Executive Performance Rights Shares were issued for no consideration;
- (c) the terms of the Executive Performance Rights are summarised in the table above;
- (d) the Executive Performance Rights were issued to five executives of the Company or its subsidiaries, being Mr Michael Finnegan, Mr Giles Everist, Mr Greg Gettingby, Mr Mark Hatfield and Mr Michael Fisher;
- (e) No funds were raised from the issue of the Executive Performance Rights (and no funds will be raised from any allocation of Shares upon vesting of the Executive Performance Rights); and
- (f) a voting exclusion statement in respect of Resolution 3 is set out in the Notice of Meeting.

**Recommendation:** The Board unanimously recommends that Shareholders vote in favour of approving the Senior Manager Long Term Incentive Plan and ratifying the issue of the Executive Performance Rights under the Plan, as described above. The Chairman intends to vote all undirected proxies in favour of Resolution 3 where he is permitted to do so.



**MACMAHON**

ABN: 93 007 634 406



**Lodge your vote:**

**Online:**  
www.investorvote.com.au

**By Mail:**  
Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia



Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) www.intermediaryonline.com

**For all enquiries call:**  
(within Australia) 1300 787 930  
(outside Australia) +61 3 9415 4000

**Proxy Form**

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 <p><b>Vote and view the annual report online</b></p> <ul style="list-style-type: none"> <li>• Go to <a href="http://www.investorvote.com.au">www.investorvote.com.au</a> or scan the QR Code with your mobile device.</li> <li>• Follow the instructions on the secure website to vote.</li> </ul>	
<p><b>Your access information that you will need to vote:</b></p> <p><b>Control Number: 999999</b></p> <p><b>SRN/HIN: I9999999999      PIN: 99999</b></p> <p>PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.</p>	

**For your vote to be effective it must be received by 9:30am (WST) Wednesday, 31 October 2018**

**How to Vote on Items of Business**

All your securities will be voted in accordance with your directions.

**Appointment of Proxy**

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

**Signing Instructions for Postal Forms**

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

**Attending the Meeting**

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,  
or turn over to complete the form** ➔

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



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# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Macmahon Holdings Limited hereby appoint

 the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Macmahon Holdings Limited to be held at 15 Hudswell Road, Perth Airport, Western Australia on Friday, 2 November 2018 at 9:30am (WST) and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1 and 3 (except where I/we have indicated a different voting intention below) even though Resolutions 1 and 3 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1 and 3 by marking the appropriate box in step 2 below.

## STEP 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
Resolution 1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Election of Mr Kim Horne as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Adoption of Senior Manager Long Term Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date