

Suite 1.03, Level 1  
 46A Macleay St  
 Potts Point, NSW 2011  
 Australia  
 Ph: +61 2 8005 4109  
 Fx: +61 2 9252 8960

26 March 2018

Company Announcements Office  
 Australian Securities Exchange Limited  
 20 Bridge Street  
 Sydney, NSW, 2000

Dear Sirs,

## **Magontec Limited – Short and Long-Term Incentive Remuneration Plans for the Global Management Group**

### **1. Governing Document for the Short and Long-Term Incentive Remuneration Plans**

At the 2017 Annual General Meeting of the Company, shareholders approved a **short-term incentive (STI) and long-term incentive (LTI) remuneration plan** for the Magontec Global Management Group. That approval was in terms of resolution 5 of the 2017 Notice of Annual General Meeting and the principles set out in the explanatory notes to that resolution. Apart from some minor grammatical and textual changes and the more significant changes described in the table below, the principles in the 2017 explanatory notes have been incorporated verbatim into the document which will govern the incentive plan.

#### **Varied Principles Incorporated in Incentive Plan Governing Document**

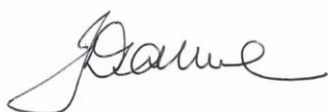
<b>Item</b>	<b>Notice of 2017 AGM</b>	<b>Incentive Plan Governing Document</b>	<b>Topic</b>	<b>Nature of Change</b>
1	Explanatory Note Item 5 ii e ii	Paragraph ii d ii	Vesting of Performance Rights in the event of a takeover	Incorporation of a formula for conversion of Performance Rights in the event of a takeover.
2	Explanatory Note Item 5 ii l	Paragraph ii k	Number of Performance Rights to be issued	Incorporation of a formula to calculate number of Performance Rights to be issued at commencement of LTI period.
3	Explanatory Note Item 5 ii o	Paragraph ii o and paragraph ii p	Conversion of Performance Rights into ordinary shares	Incorporation of a formula to convert Performance Rights into ordinary shares.
4	Explanatory Note Item 5 ii m	Paragraph ii q	Entitlement to ordinary shares at Conversion of Performance Rights	Entitlement subject to discretionary approval of the Board

### **2. Long-Term Incentive Performance Criteria**

A proportion of the Performance Rights held by a participant in the LTI plan will convert into ordinary shares (subject to the discretion of the Board) dependent upon the extent to which LTI performance criteria set by the Board have been satisfied.

The STI/LTI Governing Document and the LTI Performance Criteria set by Board can be viewed on the Magontec website (<http://magontec.com/investor-centre/corporate-governance/>).

Yours sincerely,



Mr John Talbot  
**Company Secretary**  
**Magontec Limited**