

**Form 604**

Corporations Act 2001

Section 671B

**Notice of change of interests of substantial holder**To Company Name/Scheme McGrath Limited (**McGrath**)

ACN/ARSN 608 153 779

**1. Details of substantial holder (1)**

Name John McGrath

Fondorru Pty Ltd

ACN/ARSN (if applicable) Fondorru Pty Ltd (ACN 003 939 839)

There was a change in the interests of the substantial holder on 1 August 2018

The previous notice was given to the company on 21 June 2018

The previous notice was dated 21 June 2018

**2. Previous and present voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Ordinary shares	37,127,378	23.744% (based on 156,364,491 shares on issue)	37,127,378	22.108% (based on 167,932,533 shares on issue*)
<b>*The number of shares in McGrath held by the substantial holder has not changed. However, pursuant to a share placement which was announced on 20 June 2018 (and the issue of the second tranche of shares approved by shareholders of McGrath on 31 July 2018), the issued capital in McGrath has increased to 167,932,533, changing the substantial holder's voting power in McGrath.</b>				

**3. Changes in relevant interests**

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
N/A	N/A	N/A	N/A	N/A	N/A

**4. Present relevant interests**

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
John McGrath	John McGrath	John McGrath	Relevant interest in ordinary shares under section 608(1) (a) of the Corporations Act as holder of the ordinary shares	15,931,928 ordinary shares	15,931,928
John McGrath and Fondorru Pty Ltd	Fondorru Pty Ltd	Fondorru Pty Ltd	Relevant interest in ordinary shares under section 608(1) (a) of the Corporations Act as holder of the ordinary shares (Fondorru Pty Ltd) and	21,195,450 ordinary shares	21,195,450

			under section 608(3)(b) of the Corporations Act as a controller of the holder (John McGrath)		
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## 5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	N/A

## 6. Addresses

The addresses of persons named in this form are as follows:

Name	Address
John McGrath	C/O 191 New South Head Road, Edgecliff, NSW 2027
Fondorru Pty Ltd	C/O 191 New South Head Road, Edgecliff NSW 2027

## Signature

print name      John Damian McGrath      capacity      Authorised Signatory

sign here            date      01/08/2018

## DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
  - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.