

## 2018 Notice of Annual General Meeting

**To Be Held On:** Tuesday, 30 October 2018, at 10.30 am (Sydney time)

**To Be Held At:** Fort Macquarie Room  
InterContinental Sydney  
117 Macquarie Street  
Sydney, New South Wales

## RCR TOMLINSON 2018 ANNUAL GENERAL MEETING, 30 OCTOBER 2018

The 2018 Annual General Meeting for RCR Tomlinson Ltd ("RCR" or the "Company") will be held in the Fort Macquarie Room, InterContinental Sydney, 117 Macquarie Street, Sydney, New South Wales, on Tuesday, 30 October 2018, commencing at 10:30 am (Sydney time).

The following documents relate to the Annual General Meeting:

- the Notice of Annual General Meeting, and accompanying Explanatory Memorandum;
- guide on how to access a copy of RCR's electronic Annual Financial Report for the financial year ended 30 June 2018; and
- your personalised Proxy Form and reply paid return envelope.

If you are attending the Annual General Meeting and have not lodged a Proxy Form, please bring the blank Proxy Form with you to assist with registration.

If you are not attending the Annual General Meeting you can lodge a completed Proxy Form by returning it in the enclosed envelope or by facsimile. Alternatively, you may submit your proxy voting instructions online at [www.investorvote.com.au](http://www.investorvote.com.au). Please refer to the enclosed Proxy Form for more information about submitting proxy voting instructions online.

Please be aware that the Proxy Form or online proxy voting instructions, needs to be received by the Share Registry, Computershare, by no later than 10:30 am (Sydney time) on Sunday, 28 October 2018. Further details on how to lodge your Proxy Form can be found on the reverse side of the Proxy Form.

## HOW TO ACCESS A COPY OF RCR'S ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

RCR has adopted an environmentally friendly policy whereby RCR no longer distributes hard copies of the Annual Report unless a shareholder elects to receive a hard copy.

In accordance with the Corporations Act 2001 (Cth), RCR advises that a copy of the Company's Annual Report for the year ended 30 June 2018 is available on RCR's website, [www.rcrtom.com.au](http://www.rcrtom.com.au). When you access RCR's Annual Report online, you can view it, search for specific information and you can also print a copy.

Please note that if you have elected to continue to receive a hard copy of RCR's Annual Report it will be mailed to you no later than 21 days before the Annual General Meeting.

If you have not elected to receive a hard copy of RCR's Annual Report and now (or sometime in the future) wish to receive a hard copy of RCR's Annual Report, please contact RCR's Share Registry on 1300 850 505 (within Australia) and on +61 3 9415 4000 (outside Australia). They will be pleased to mail a copy to you.

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## NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the 2018 Annual General Meeting of shareholders of RCR Tomlinson Ltd ("RCR" or "the Company") will be held in the Fort Macquarie Room, InterContinental Sydney, 117 Macquarie Street, Sydney, New South Wales, on Tuesday, 30 October 2018, commencing at 10:30 am (Sydney time).

The Explanatory Memorandum which accompanies, and forms part of this Notice describes the matters to be considered at the Annual General Meeting.

### Items of Business

#### 1. FY2018 Annual Financial Report

*"To receive and consider the financial statements and the reports of the Directors and of the auditors for the year ended 30 June 2018."*

**Note:** This item of ordinary business is for discussion only and is not a resolution.

However, pursuant to the Corporations Act, shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions about, or make comments in relation to, the Annual Financial Report during consideration of these items.

#### 2. Adoption of the FY2018 Remuneration Report

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

*"That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report for the year ended 30 June 2018 (as set out in the Company's FY2018 Annual Report)."*

**Note:** This resolution is advisory only and does not bind the Company or the Directors.

#### 3. Re-election of Director – Mr Roderick Brown

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

*"That Mr Roderick Brown be re-elected as a Director of the Company."*

**Note:** The non-candidate Directors unanimously support the re-election of Mr Brown, who retires by rotation in accordance with RCR's constitution and the ASX Listing Rules and is eligible to offer himself for re-election.

#### 4. Election of Director – Mr David Robinson

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

*"That Mr David Robinson be elected as a Director of the Company."*

**Note:** The non-candidate Directors unanimously support the election of Mr Robinson, who as a casual appointee since the last Annual General Meeting, retires in accordance with RCR's constitution and is eligible to offer himself for election."

5. **Renewal of RCR Performance Incentive Plan**

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

*"That the employee share scheme known as the "Performance Incentive Plan" ("PIP"), a summary of which is included in the Explanatory Memorandum, be approved for all purposes under the Corporations Act and ASX Listing Rules, including:*

- (a) approval of the issue of securities under the PIP for the purposes of ASX Listing Rule 7.2 (Exception 9(b));*
- (b) approval for the Company or any of its subsidiaries giving financial assistance (as defined in the Corporations Act) under the PIP for the purposes of section 260C(4) of the Corporations Act; and*
- (c) approval for the giving of all benefits to current or future Key Management Personnel of the Company or persons who hold a managerial or executive office in the Company or a related body corporate, in connection with the person ceasing to hold an office or position of employment in the Company or a related body corporate for the purposes of sections 200B and 200E of the Corporations Act, as set out in the Explanatory Memorandum to this Notice of Meeting."*

Details of any voting exclusion and/or prohibition that apply to a resolution are contained in the Explanatory Memorandum relating to that resolution.

Capitalised terms in this Notice of Meeting are defined in the Glossary contained in the Explanatory Memorandum.

By order of the Board.



Darryl Edwards  
Company Secretary  
**RCR Tomlinson Ltd**  
Dated: 27 September 2018

The Notice of Annual General Meeting, Notes, Explanatory Memorandum and Proxy Form should be read in their entirety. If a shareholder is in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.



## NOTES

These notes form part of the Notice of Meeting.

### Eligibility to Attend and Vote

The Company has determined under Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that members eligible to vote at the Meeting are those persons who are the registered holders of Shares at 10:30 am (Sydney time) on Sunday, 28 October 2018.

### How to Vote

Eligible shareholders may attend the Meeting and vote in person, by proxy, or by appointing an authorised representative.

### Voting in Person

To vote in person, attend the Meeting on the date and at the place set out above. Shareholders are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that the Company may check their shareholding against the Company's share register.

If you intend to attend the Meeting and vote in person you do not need to submit a Proxy Form.

### Voting by Proxy

An eligible shareholder has the right to appoint a proxy, who need not be a shareholder of the Company. A proxy can 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 Meeting. The representative should bring to the Meeting 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".

If a shareholder is entitled to cast two or more votes they may appoint two proxies and may specify the percentage of votes or number of securities each proxy is appointed to exercise. If a shareholder appoints two proxies and the appointment does not specify the percentage or the number of votes each proxy may exercise, each proxy may exercise half the votes.

Proxies can vote at the meetings provided they cast all directed votes as directed.

The Chairman will vote undirected proxies on, and in favour of, all proposed resolutions set out in this Notice.

For further details on these changes you should consult your professional adviser.

To vote by proxy, the Proxy Form (together with the original of any power of attorney or other authority, if any, or certified copy of that power of attorney or other authority under which the proxy is signed) must be received at the Company's Share Registry by no later than 10:30am (Sydney time) on Sunday, 28 October 2018. Proxy Forms or online proxy voting instructions received after that time will be invalid. Proxy Forms or online proxy voting instructions must be received before that time via any of the following methods:

By Post:           Computershare Investor Services Pty Limited  
                      GPO Box 242  
                      Melbourne, Victoria 3001

By Facsimile: (within Australia) 1800 783 447

By Facsimile: (outside Australia) +61 3 9473 2555

Electronically: Submit proxy voting instructions online at [www.investorvote.com.au](http://www.investorvote.com.au). Please refer to the enclosed proxy form for more information about submitting proxy voting instructions online.

## Voting restrictions that may affect your proxy appointment on item 2 (Adoption of FY2018 Remuneration Report) and item 5 (Renewal of RCR Performance Incentive Plan)

If the Chairman is appointed, or taken to be appointed, as your proxy, you can direct the Chairman of the meeting to vote 'for' or 'against', or 'abstain' from voting on items 2 and 5 on the Proxy Form. If you do not direct the Chairman how to vote on items 2 and 5, by completing and returning the relevant Proxy Form you will be expressly authorising the Chair to exercise your undirected proxy on items 2 and 5 even though those items may be directly or indirectly connected with the remuneration of a member of Key Management Personnel.

If you appoint a member of Key Management Personnel of the Company (other than the Chairman) or their closely related parties as your proxy, you must direct them how to vote on items 2 and 5. If you do not do so, you risk your vote not being cast.

## Corporate Representatives

A body corporate may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a certificate of appointment of the corporate representative executed in accordance with the Corporations Act. The certificate of appointment must be lodged with the Company and/or the Company's Share Registry, Computershare Investor Services, before the Meeting or at the registration desk on the day of the Meeting.

Shareholders can download and fill out the 'Appointment of Corporate Representative' form at [www.investorcentre.com/au](http://www.investorcentre.com/au) under the help tab 'Printable Forms'.

## Enquiries

Shareholders are invited to contact the Company Secretary on +61 2 8413 3000 or by email to [enquiries@rcrtom.com.au](mailto:enquiries@rcrtom.com.au) if they have any queries in respect of the matters set out in this document.





## EXPLANATORY MEMORANDUM

This Explanatory Memorandum and all attachments are important documents. They should be read carefully. If you have any questions regarding the matters set out in the Notice of Meeting, including this Explanatory Memorandum, please contact the Company, your stockbroker or other professional adviser.

### General Information

This Explanatory Memorandum has been prepared for the shareholders of the Company in connection with the Annual General Meeting of the Company to be held in the Fort Macquarie Room, InterContinental Sydney, 117 Macquarie Street, Sydney, New South Wales on Tuesday, 30 October 2018 at 10:30 am (Sydney time).

The purpose of this Explanatory Memorandum is to provide shareholders with information that the Board believes to be material to shareholders in deciding whether or not to vote in favour of the resolutions detailed in the Notice.

Capitalised terms in this Explanatory Memorandum are defined in the Glossary on page 11.

### Item 1 – FY2018 Annual Financial Report

The Corporations Act requires the Annual Financial Statements, the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report (together "**Annual Financial Report**") of RCR and its controlled entities for the year end 30 June 2018 to be received and considered at the Meeting.

There is no requirement for shareholders to approve the Annual Report.

During this item of business, we will provide a reasonable opportunity for shareholders attending the Meeting to ask questions about, or make comments on, the Annual Financial Report.

A representative from the Company's Auditor, Deloitte Touche Tohmatsu, will be present at the Meeting and shareholders will have the opportunity to ask the Auditor questions in relation to the conduct of the audit, the Auditor's Report, the Company's accounting policies and the independence of the Auditor.

The Annual Financial Report for the year ended 30 June 2018 is included in the Company's 2018 Annual Financial Report, a copy of which can be accessed online at [www.rcrtom.com.au](http://www.rcrtom.com.au) or alternatively, a hard copy of the Company's 2018 Annual Report will be made available on request.

### Item 2 - Adoption of the 2018 Remuneration Report

In accordance with section 250R(2) of the Corporations Act, the Company is required to present to its shareholders the Remuneration Report as disclosed in the Company's Annual Financial Report. The 2018 Annual Financial Report for the year ended 30 June 2018 contains the Remuneration Report which:

- sets out information about the remuneration policy of RCR;
- discusses the relationship between the remuneration policy and RCR's performance; and
- details information about the remuneration arrangements for the Key Management Personnel.

#### 2018 Remuneration Report

The Company's 2018 Remuneration Report for the year ending 30 June 2018 is contained within the Directors' Report in RCR's FY2018 Annual Financial Report which is available on RCR's website at [www.rcrtom.com.au](http://www.rcrtom.com.au).

The Remuneration Report outlines the Company's Executive remuneration framework and the FY18 remuneration outcomes for the Board and key Executives.

The Chairman will allow a reasonable opportunity for shareholders to ask questions about, or make comments on, the Remuneration Report at the meeting before calling for a vote.

## Voting on the Remuneration Report

Voting on the adoption of the Remuneration Report is for advisory purposes only and will not bind the Directors or the Company.

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of RCR's Remuneration Report at two consecutive annual general meetings of the Company, shareholders will be required to vote at the second of those annual general meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which time all of the Directors (other than the Managing Director) must go up for re-election.

The Chairman of the Meeting intends to vote undirected proxies in favour of resolution 2.

## Board Recommendation

The Non-Executive Directors unanimously recommend that you vote in favour of resolution 2.

## Voting Prohibition Statement

In accordance with the Corporations Act, a vote on item 2 must not be cast (in any capacity) by or on behalf of a member of the Company's Key Management Personnel (details of whose remuneration are included in the Remuneration Report) or any of their closely related parties (such as family members and any controlled companies or trusts), unless the vote is cast as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form specifying the way the proxy is to vote or by the Chairman in accordance with the express authorisation on the Proxy Form.

For information on voting restrictions that may affect your proxy appointment on this item, see the notes on page 4.

## Item 3 – Re-election of Director – Mr Roderick Brown

### Background

Item 3 seeks approval, the re-election of Mr Roderick Brown as a Director of the Company.

Mr Brown is required to retire by rotation pursuant to clause 11.7(a) of the Company's Constitution and, being eligible, offer himself for re-election.

Mr Brown is an independent Non-Executive Director and Chairman and his relevant skills and experience are summarised below.

The Deputy Chair of the Meeting intends to vote undirected proxies in favour of resolution 3.



### Mr Roderick Brown, Independent Non-Executive Director and Chairman

Mr Brown was appointed a Non-Executive Director of RCR on 18 October 2005 and Chairman of the Company on 1 January 2008.

Qualifications: AWASM, MAID, AusIMM.

Mr Brown is an engineer by profession and has extensive experience in marketing and general management. He has over 20 years' experience as a company Director. During his career, Mr Brown has worked in Australia, the USA and Europe with companies involved in the engineering, mining, and industrial service sectors. He has held various senior management positions including as Managing Director with global responsibility.

Board Committee Membership: Member of the Remuneration & Nomination Committee, Member of the Audit & Risk Committee and Member of the Tender Review Committee.

Shares Held in RCR: 234,044.

### Board Recommendation

The Board (other than Mr Brown in relation to his own re-election) unanimously recommends the re-election of Mr Brown.





## Item 4 – Election of Director – Mr David Robinson

### Background

Item 4 seeks approval, the election of Mr David Robinson as a Director of the Company.

Section 11.3(a) of the Constitution provides that if a person is appointed as a Director by the Board, the Company must confirm the appointment at the next annual general meeting. If the appointment is not confirmed, the person ceases to be a Director at the conclusion of the Annual General Meeting.

Mr Robinson is an independent Non-Executive Director and his relevant skills and experience are summarised below.

The Chairman of the Meeting intends to vote undirected proxies in favour of resolution 4.



### Mr David Robinson, Independent Non-Executive Director

Mr Robinson was appointed a Non-Executive Director of RCR on 1 March 2018.

Qualifications: BEng (Civil), FAICD, FIEAust

Mr Robinson is a professional engineer with over 40 years of experience across the heavy civil and construction, petrochemical, oil & gas, mechanical, underground, marine and commercial building sectors. During a 37 year career at McConnell Dowell, Mr Robinson held a number of Management and Executive roles, including 15 years as Managing Director and CEO, until his retirement in 2015. He has also previously served on the boards of Aveng Limited, Infrastructure Partnerships Australia and Australian Constructors' Association Limited.

Board Committee Membership: Member of the Audit & Risk Committee and Chair of the Tender Review Committee.

Shares Held in RCR: 30,000.

### Board Recommendation

The Board (other than Mr Robinson in relation to his own election) unanimously recommends the election of Mr Robinson.

## Item 5 – Renewal of RCR Performance Incentive Plan ("PIP")

### Background

RCR's executive remuneration framework offers a mix of fixed remuneration and 'at risk' variable rewards (such as short term and long term incentives). This includes an equity-based incentive plan aimed at aligning the interests of those executives with shareholders by matching rewards with the long term performance of the Company and the retention of executives and selected senior managers.

The PIP was previously approved by shareholders at RCR's 2015 Annual General Meeting.

Non-Executive Directors will not be eligible to participate in the PIP.

### Key Features of the Performance Incentive Plan

The key features of the PIP are summarised in Annexure A to this Explanatory Memorandum.

Under the PIP, Conditional Rights may be offered to eligible executives.

Conditional Rights are rights to a pre-agreed number of shares or their cash equivalent value, subject to performance, service, time or other conditions that the Board believes best align with the Company's remuneration strategies.

Conditional Rights will be structured and offered in a manner that is consistent with the proper implementation of the Company's remuneration policies as disclosed in the Remuneration Report which is in the Company's FY2018 Annual Financial Report.

The grant of Conditional Rights to a participant is subject to both the PIP and the terms of the specific grant as set out in an individual participants' offer document.

As set out in the Remuneration Report, the Company's current remuneration policy is to offer Conditional Rights which are subject to, amongst other conditions, the satisfaction of pre-defined performance hurdles. These performance hurdles will continue to be based on achievement of pre-defined EPS growth hurdles and TSR hurdles. The Board may, at the time of grant, amend these hurdles or specify a different performance hurdle(s) if the Board considers it necessary.

The PIP provides flexibility to structure offers that include:

- a mix of Conditional Rights with different objectives;
- different performance periods applicable to different Conditional Rights;
- varied performance conditions (for example a mix of EPS growth hurdles, TSR hurdles and continuity of service conditions). Performance conditions may also include Board discretion to reduce vesting if a minimum gateway is not achieved (such as minimum safety performance measures or a requirement that the Company's TSR is positive);
- the ability to settle vested Share entitlements through either the issue or acquisition on-market of Shares or a cash payment (net of tax) or a combination of both. The Board believes that the ability to settle entitlements in cash (net of tax) allows the Company to deliver rewards to participants without the participant being influenced by the need to sell Shares, manage dilution and ensures executives who have extensive shareholdings in the Company do not become excessively risk adverse;
- entitlements reflective of dividends that would have been paid during the performance period;
- an exercise mechanism which allows the participant a period in which to exercise vested Conditional Rights and thus control the point of delivery of underlying shares;
- placing minimum shareholding requirements on participants, which may be expressed as a percentage of their remuneration or a fixed number of Shares and placing trading restriction on the Shares vested; and
- clawback structures in specified circumstances (such as fraud or wrongdoing).

### Share Limit and Dilution

The Board has discretion to determine the number of Conditional Rights granted to a participant.

Shareholders should note that the PIP is designed to comply with ASIC Class Order 14/1000 which limits the number of new Shares that may be offered or issued under incentive plans that rely upon the class order (or related relief) in any 3 year period to 5% of the total number of Shares on issue at the time of offer.

Under the PIP the Board may also settle vested Share entitlements through either the issue or acquisition on-market of Shares or cash settlement. The latter two options will not result in dilution.

The Company operates an Employee Share Trust with Computershare Plan Managers Pty Ltd as the Trustee. The Employee Share Trust's sole purposes is to subscribe, acquire, deliver, allocate and/or hold Shares for the benefit of participants in the Company's employee equity incentive schemes in force from time to time.

### Requirement for Shareholder Approval

#### ASX Listing Rule 7.2 (Exception 9(b))

ASX Listing Rule 7.1 imposes a limit on the number of equity securities (including ordinary shares) that a company can issue or agree to issue without shareholder approval. Generally, a company may not, without shareholder approval, issue in any 12 month period, equity securities which is more than 15% of the number of fully paid ordinary shares on issue 12 months before the issue.

ASX Listing Rule 7.2 lists the exceptions to ASX Listing Rule 7.1. Exception 9(b) of ASX Listing Rule 7.2 provides that an issue of securities under an employee incentive scheme (such as the PIP) is exempt from the operation of ASX Listing Rule 7.1 for a period of three years from the date that shareholder approval is obtained.

If shareholders approve item 5, the grant of Conditional Rights (and the issue of any new Shares pursuant to these Conditional Rights) under the PIP will not be included in the 15% limit imposed by ASX Listing Rule 7.1 for a period of three years from the date of the Annual General Meeting. Notwithstanding any approval by shareholders of item 5, any future equity raisings will remain subject to the 15% limit set out in ASX Listing Rule 7.1.

If shareholders do not approve item 5, the Company may still issue Conditional Rights under the PIP, but any such Rights will be taken into account when calculating whether the 15% limit under ASX Listing Rule 7.1 has been reached.

In accordance with ASX Listing Rule 7.2, Exception 9(b), the following information is provided to shareholders:

- a summary of the terms and conditions of the PIP is set out in Annexure A to this Explanatory Memorandum;
- shareholders last approved the issue of securities under the previous PIP at the 2015 annual general meeting held on 6 November 2015. Since that time 5,544,805 Performance Rights have been issued and 1,718,200 remain unvested which represents 0.73% of the Share capital of the Company as at the date of this Notice of this Notice of Meeting and Explanatory Memorandum; and
- a voting exclusion statement for item 5 is included in this Explanatory Memorandum.



### Section 260C(4) of the Corporations Act

If the Company elects to transfer (or procure the acquisition and transfer) of Shares to a participant to meet his or her entitlements under the PIP (rather than issue new Shares), the Company may be considered to be providing financial assistance to the executive or any Plan Trustee that it appoints to acquire Shares.

Under section 260A of the Corporations Act, the Company is prohibited from financially assisting in the acquisition of Shares except in certain limited circumstances or if an exemption from this prohibition applies.

There is an exemption from the prohibition against financial assistance in section 260C(4) of the Corporations Act for financial assistance provided under an employee share scheme approved by shareholders in general meeting.

Accordingly, the Company is also seeking approval of the PIP for the purposes of section 260C(4) of the Corporations Act. If approved, the exemption will only apply where Shares are acquired by or for the benefit of employees or directors who hold a salaried employment or office in the Company or a related body corporate of the Company. The exemption will not apply to the extent that funds are used to acquire Shares, by or for the benefit of any other person.

A complete copy of the rules of the PIP is available for inspection by shareholders (free of charge) at the Company's registered office or, upon request, from the Company Secretary.

### Sections 200B and 200E of the Corporations Act

The Corporations Act provides that the Company may only give a person a termination benefit in connection with their ceasing to hold a "managerial or executive office" in the Company or its related bodies corporate if that termination benefit is approved by shareholders or an exemption applies. This restriction will apply to all Key Management Personnel and includes any person who held a "managerial or executive office" in the three years before they ceased to be a director of, or ceased employment with, the Company or a related body corporate ("**Relevant Retiree**").

The term "benefit" is open to a wide operation and may include the early vesting or acceleration of Conditional Rights under the PIP. As outlined in the summary of the terms of the PIP in Annexure A to this Explanatory Memorandum, the Board has the discretion to determine that some or all of the Conditional Rights held by participants may become entitled to early or accelerated vesting of Conditional Rights in certain circumstances.

Shareholder approval is sought to approve any benefit under the rules of the PIP that may be payable to all current and future persons holding a "managerial or executive office" in the Company or a related body corporate of the Company in connection with the relevant person ceasing to hold an office, or position of employment in the Company or related body corporate ("**Retirement**"), including the grant of Conditional Rights and the issue (or transfer) of Shares or cash payments of the equivalent value (or a combination of both) to the extent that the benefits are deliverable on Retirement. The amount and value of the benefits for which shareholder approval is sought is the maximum potential benefit that could be provided to a Relevant Retiree on Retirement.

If item 5 is not approved, participants who are Key Management Personnel may not be able to receive benefits that are available to all other participants unless shareholder approval is obtained. Further, equity linked benefits such as the Conditional Rights align senior executives with shareholders and the Directors believe granting approval is better for Shareholders than, for example, increasing cash awards in future in lieu of share benefits.

The value of any benefits to be granted on cessation of a participant's employment cannot be ascertained at the present time. Apart from the future share price being unknown, the following are the key matters, events or circumstances which will or are likely to affect the value of the benefits:

- the performance criteria determined to apply to the participant's Conditional Rights;
- the participant's length of service and reasons for cessation of employment;
- the number of Conditional Rights granted to the participant;
- employee and Company performance factors used to determine vesting of Conditional Rights;
- the amount of other remuneration payable to the participant; and
- the exercise of the Directors' discretion at the relevant time.

### Board Recommendation

The Directors unanimously recommend that shareholders vote in favour of item 5. In their view, the PIP is an effective way of incentivising participating executives and other senior managers and more closely aligning their interests with those of shareholders.

The Chairman of the Meeting intends to vote undirected proxies in favour of resolution 5.

### Voting Exclusion Statement

In accordance with ASX Listing Rules, the Company will disregard any votes cast in favour of item 5 by or on behalf of any Director (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and any associate of such a Director. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or it is cast by the Chairman 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.

### Voting Prohibition Statement

In accordance with the Corporations Act, a vote on item 5 must not be cast (in any capacity) by or on behalf of, any person who may be entitled to receive a benefit in connection with that person's retirement from office, or position of employment, the subject of item 5 ("**Relevant Executive**"), or an associate of that Relevant Executive. However, a person is entitled to cast a vote if it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the resolution; and it is not cast on behalf of a Relevant Executive or an associate of a Relevant Executive.

In addition, under the Corporations Act, a vote on item 5 must not be cast by a member of the Company's Key Management Personnel or any of their closely related parties (such as family members and any controlled companies) as a proxy for a person who is entitled to vote, unless the vote is cast in accordance with the directions on the Proxy Form specifying the way the proxy is to vote or by the Chairman in accordance with an appointment under the Proxy Form, which expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel.

For information on voting restrictions that may affect your proxy appointment on this item, see the notes on page 4.



## GLOSSARY

Annual Financial Report	has the meaning given to it in the section of this Explanatory Memorandum entitled "Item 1 – 2018 Annual Financial Report".
Annual General Meeting or AGM or Meeting	means the annual general meeting of shareholders of RCR to be held in the Fort Macquarie Room, InterContinental Sydney, 117 Macquarie Street, Sydney, New South Wales, on Tuesday, 30 October 2018, commencing at 10:30 am (ADST) or any adjournment thereof.
ASX	means ASX Limited (ABN 98 008 624 691), or as the context requires, the financial market operated by it.
ASX Listing Rules or Listing Rules	means the Listing Rules of the ASX, from time to time and as modified by any express waiver given by ASX.
Board	means the board of Directors.
Chairman	means the person chairing the AGM from time to time.
closely related party	of Key Management Personnel means: <ul style="list-style-type: none"> <li>• a spouse or child of the member; or</li> <li>• a child of the member's spouse; or</li> <li>• a dependent of the member or the member's spouse; or</li> <li>• anyone else who is one of the member's family any may be expected to influence the member or be influenced by the member in the member's dealings with RCR; or</li> <li>• company the member controls; or</li> <li>• a person prescribed by the <i>Corporations Regulations 2001</i> (Cth).</li> </ul>
Company or RCR	means RCR Tomlinson Ltd (ABN 81 008 898 486).
Constitution	means RCR's constitution.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Director	means a director of RCR.
Explanatory Memorandum	means the explanatory memorandum accompanying this Notice of Meeting.
FY2018 or FY18	means the financial year commencing on 1 July 2018 and ending 30 June 2018.
Key Management Personnel or KMP	has the same meaning given in the accounting standards. Broadly speaking this includes those persons with the authority and responsibility for planning, directing and controlling the activities of RCR (whether directly or indirectly), and includes any Directors.
Notice of Annual General Meeting or Notice or Notice of Meeting	means this notice of Annual General Meeting, including the Explanatory Memorandum.
Non-Executive Director	means a Non-Executive Director of RCR.
Performance Incentive Plan or PIP	means the RCR Performance Incentive Plan which was last approved by shareholders at RCR's 2015 annual general meeting held on 6 November 2015.
Performance Right	means a right, subject to conditions determined by the Board, to receive Shares.
Proxy Form	means the proxy form attached to this Notice.
Remuneration Report	means the remuneration report for the year ended 30 June 2018 forming part of the Directors' Report in RCR's FY182018 Annual Report.
RCR Group	means RCR, any subsidiary and any other entity declared by the Board to be a member of the group.
Share	means a fully paid ordinary share in the capital of RCR.
Share Registry or Computershare	Computershare Investor Services Pty Limited (ABN 48 078 279 277).
TSR	means Total Shareholder Return.

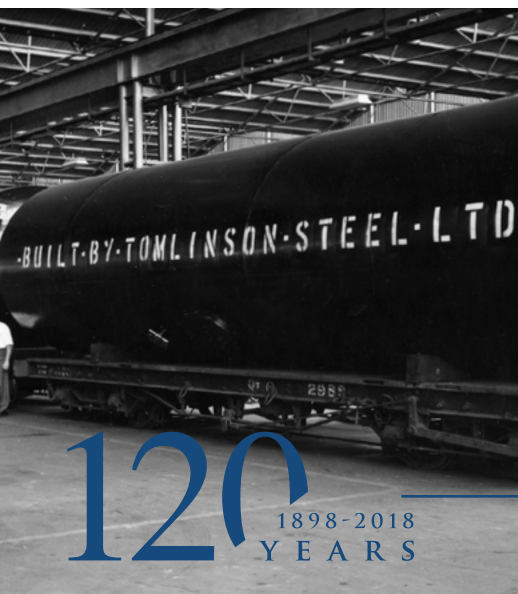
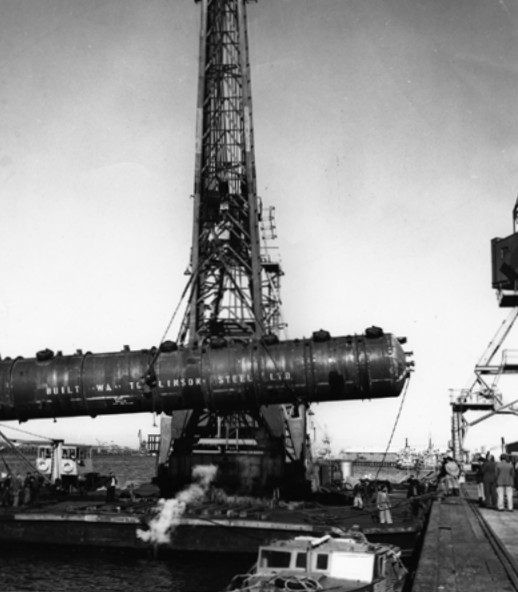
## ANNEXURE A – SUMMARY OF PERFORMANCE INCENTIVE PLAN TERMS

Who is an Eligible Person entitled to participate in the Performance Incentive Plan?	<p>Any executive of the Group or another senior manager determined by the Board as eligible to participate in the Performance Incentive Plan ("<b>Eligible Person</b>").</p> <p>Non-executive Directors will not be eligible to participate in the Performance Incentive Plan.</p>
What securities can be offered?	<p>The Performance Incentive Plan envisages the offer of Conditional Rights.</p> <p>Conditional Rights are rights to Shares or to be paid their cash equivalent value (based on a pre-agreed formula) subject to performance, service, time or other conditions that the Board believes best align with the Company's remuneration strategies.</p> <p>Examples of these types of rights include Performance Rights, share appreciation rights, deferred share rights and options.</p> <p>Conditional Rights will not be quoted on ASX or any other financial market.</p> <p>Provided that other Shares are listed on ASX at the time, Shares acquired on vesting of Conditional Rights will be quoted on ASX or if Shares provided by RCR on vesting of the Conditional Rights are by way of a new issue of Shares, RCR will apply to have the Shares quoted on the ASX within the period required by ASX.</p>
Invitations to participate in the Performance Incentive Plan	<p>Each Eligible Person offered the opportunity to participate in the Performance Incentive Plan will receive a written invitation to apply for a grant of Conditional Rights, in such form as may be determined from time to time by the Board ("<b>Invitation</b>").</p> <p>An Invitation will set out amongst other things, the number of Conditional Rights which the Eligible Person may apply for, any applicable vesting and performance conditions, the period of time during which these conditions must be satisfied, and the Conditional Rights exercised and any amount that will be payable upon exercise of a Conditional Right (if applicable).</p> <p>Unless the Board determines otherwise, no offer to apply for a grant of Conditional Rights may be made if the offer or grant does not comply with ASIC Class 14/1000, any subsequent or replacement class order or relief in respect of employee incentive schemes or any specific relief granted by ASIC to the Company in respect of the Plan.</p>
Performance Hurdles	<p>Conditional Rights awarded to each Eligible Person will be subject to the performance hurdles determined by the Board at the time of grant.</p> <p>These may include financial performance hurdles (such as EPS and TSR based hurdles as highlighted in the Company's Remuneration Report), service requirements, time elapsed since the grant or the satisfaction of any other vesting and exercise conditions determined by the Board.</p> <p>The Board's decision as to the satisfaction, achievement or waiver of performance hurdles may be made in the Board's absolute discretion and a determination as to the interpretation, effect, application, achievement, satisfaction or waiver of a performance hurdle is final, conclusive and binding on the relevant Eligible Person. The Board will only exercise its discretion to waive (in whole or in part) any performance hurdle in special circumstances.</p>
Lapse of Conditional Rights	<p>Conditional Rights lapse if the performance hurdles are not met at the end of the relevant Period.</p> <p>Subject to the Board's overriding discretion, Conditional Rights will lapse where:</p> <ul style="list-style-type: none"> <li>• they have expired without exercise;</li> <li>• the holder is in breach of the terms of the Performance Incentive Plan (such as a prohibited transfer or hedging) or certain events occur (such as cessation of employment or change of control).</li> </ul>
Disposal Restrictions	<p>The Performance Incentive Plan also contemplates the potential for disposal restrictions to be imposed on shares issued on exercise of Conditional Rights.</p>
Clawback Rights	<p>The Performance Incentive Plan provides that if in the opinion of the Board an Eligible Person acts fraudulently, dishonestly, is in breach of his or her obligations to the RCR Group or is knowingly involved in a material misstatement of financial statements, then the Board may take action such as altering performance hurdles, deem Conditional Rights to have lapsed or clawback Shares, cash paid or proceeds from the sale of Shares the subject of Conditional Rights.</p>
Exercise	<p>Conditional Rights will have an exercise process whereby following those rights vesting, the Eligible Person may elect to exercise those rights (with such period being consistent with ASX regulations).</p> <p>On exercise, the Board may, having regard to any election of the Eligible Person, either issue or procure the transfer of Shares to the Eligible Person or pay a cash amount (net of tax) equivalent to the market price of the Shares at the exercise date.</p>



<b>Right to Dividends</b>	The Board may prescribe as part of the terms of the Conditional Right that the entitlement be calculated by reference to a formula (such as in the case of Share Appreciation Rights), provide a value for dividends that would have otherwise been received had Shares been held during the vesting period or pay a mixture of Shares and cash to the Eligible Person (including cash to enable the holder to pay any tax payable on exercise).
<b>Leaving employment</b>	Where a Participant ceases to be an employee of the RCR Group: <ul style="list-style-type: none"> <li>for any reason other than death or total and permanent disability, his or her vested and unvested Conditional Right immediately lapses, unless the Board in its absolute discretion determines otherwise;</li> <li>due to his or her death or total and permanent disability, subject to the Board determining otherwise, a pro rata number of unvested Conditional Rights will lapse based on the proportion of time remaining in the relevant performance period, while the remaining Conditional Rights may still vest subject to satisfaction of the performance hurdles at the end of the performance period; or</li> <li>due to resignation, dismissal for cause or circumstances that, the Board's opinion, involve a failure to meet acceptable performance requirements, the Board may, at its discretion, determine that a Participant will forfeit Shares allocated on the exercise of Conditional Rights that remain subject to disposal restrictions.</li> </ul>
<b>Change of control</b>	The Board may, in its absolute discretion, determine that all or a portion of the Conditional Rights vest if: <ul style="list-style-type: none"> <li>a change of control occurs in certain circumstances including by way of a takeover bid, compromise or arrangement, amalgamation with another company or selective capital reduction; or</li> <li>the Company passes a resolution for voluntary winding up or to dispose of its main undertaking, or an order is made for the compulsory winding up of the Company.</li> </ul>
<b>Dilution and Plan Limit</b>	The Board retains the discretion to decide whether to purchase Shares on-market or issue new Shares on exercise of Conditional Rights.  Unless the Board determines otherwise, no Conditional Right will be offered if to do so would contravene the ASIC Class Order CO 14/1000. This broadly requires that that the number of Shares that may be issued pursuant to an offer or that have or may be issued pursuant to offers made under the Performance Incentive Plan or any other incentive plans of the RCR Group over the previous 3 years is less than 5% of the total Shares on issue in RCR.
<b>Participate in reorganisations, bonus Issues of Shares etc</b>	A Participant's entitlement to Shares or their cash equivalent value will be adjusted to take account of any bonus issues, rights issues or reorganisation of issued capital in accordance with any requirements of the ASX Listing Rules, the Corporations Act or any other applicable law and otherwise in the manner determined by the Board in order to minimise any material advantage or disadvantage to the Participant.  A Participant cannot participate in new issues of Shares in respect of Conditional Rights held by the Participant unless those Conditional Rights have been exercised and the underlying Shares issued or transferred before the relevant record date for determining entitlements to the new issue.
<b>Hedging</b>	A Participant must not enter into any scheme, arrangement or agreement (including options and derivative products) under which the Participant may alter the economic benefit to be derived from an unvested Conditional Right.
<b>Re-testing</b>	There is no right to re-test performance hurdles.
<b>Transfer, sale or disposal of Conditional Rights</b>	Conditional Rights may not be transferred, sold or disposed of except by force of law (for example, in the event of death or legal incapacity).
<b>Trustee, withdrawal process and rights when Shares held by Trustee on behalf of Participant</b>	RCR has established an employee share trust for the sole purposes of subscribing for or acquiring, delivering, allocating and holding Shares for the benefit of Participants and participants in other employee equity incentive schemes from time to time. The initial trustee of the trust is CPU Share Plan Pty Ltd (" <b>Trustee</b> "), which was appointed on the terms of a deed of trust (" <b>Trust Deed</b> ").  Subject to the Listing Rules, applicable laws and RCR policy (if relevant) RCR must instruct the Trustee to subscribe for, acquire and/or allocate the relevant number of Shares in respect of which Conditional Rights have vested. The Trustee will hold those Shares on behalf of that Participant in accordance with the Trust Deed.  The Board may instruct the Trustee to either subscribe for new Shares or acquire Shares on market to be held on a Participant's behalf, or to use a combination of both alternatives.  Shares held by the Trustee in the Trust for the benefit of a Participant in accordance to the Performance Incentive Plan, will remain held in the Trust for the benefit of that Participant until the Shares are withdrawn.
<b>Variations to the Performance Incentive Plan</b>	The Board may cease, suspend or amend the terms of the Performance Incentive Plan at any time. Any such amendment may not, without the written agreement of a Participant, materially reduce or otherwise prejudicially affect the rights attaching to the Rights granted or the Shares issued or transferred pursuant to and still subject to the Plan, other than in certain circumstances (for example, if the amendment introduced primarily for the purpose of complying with the ASX Listing Rules or the Corporation Act).





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1898-2018  
YEARS



[www.rcrtom.com.au](http://www.rcrtom.com.au)



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E-mail: [enquiries@rcrtom.com.au](mailto:enquiries@rcrtom.com.au)  
Website: [www.rcrtom.com.au](http://www.rcrtom.com.au)

## Lodge your vote:



**Online:**

[www.investorvote.com.au](http://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](http://www.intermediaryonline.com)

## For all enquiries call:

(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

## Proxy Form

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### Vote and view the annual report online

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

### Your access information that you will need to vote:

**Control Number: 999999**

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



**For your vote to be effective it must be received by 10:30am (Sydney time) Sunday, 28 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.

## Proxy Form

Please mark ☒ to indicate your directions

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

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I/We being a member/s of RCR Tomlinson Ltd 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 RCR Tomlinson Ltd to be held at the Fort Macquarie Room, InterContinental Sydney, 117 Macquarie Street, Sydney, New South Wales on Tuesday, 30 October 2018 at 10:30am (Sydney time) 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 2 and 5 (except where I/we have indicated a different voting intention below) even though Resolutions 2 and 5 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 2 and 5 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 2	Adoption of the 2018 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Director – Mr Roderick Brown	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Election of Director – Mr David Robinson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Renewal of RCR Performance 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    /    /