



NMG Corporation Limited
(proposed to be renamed to “Acrow Formwork and Construction Services Limited”)

ACN 124 893 465

**NOTICE OF EXTRAORDINARY GENERAL
MEETING**

EXPLANATORY STATEMENT

PROXY FORM

TIME: 2:00pm (Sydney time)

DATE: Monday, 12 March 2018

PLACE: Whittens & McKeough
Level 29, 201 Elizabeth Street
Sydney NSW 2000

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 2) 8072 1400.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Extraordinary General Meeting of the Shareholders to which this Notice of Meeting relates will be at 2:00pm (Sydney time) on Monday, 12 March 2018 at: Whittens & McKeough, Level 29, 201 Elizabeth Street, Sydney NSW 2000.

YOUR VOTE IS IMPORTANT

The business of the Extraordinary General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the Extraordinary General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and either:

(a) deliver the proxy form:

(a) by hand to:

Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138; or

(b) by post to:

NMG Corporation Limited, c/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia; or

(b) by facsimile to +61 2 9287 0309; or

(c) lodge online at www.linkmarketservices.com.au, instructions as follows:

Select 'Investor Login' and enter NMG Corporation Limited or the ASX code 'NMG' in the Issuer name field, your Security Reference Number (SRN) or Holder Identification Number (HIN) (which is shown on the front of your proxy form), postcode and security code which is shown on the screen and click 'Login'. Select the 'Voting' tab and then follow the prompts. You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website.

so that it is received not later than 48 hours before the commencement of the Meeting.

Proxy Forms received later than this time will be invalid.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting of Shareholders of NMG Corporation Limited will be held at 2:00pm (Sydney time) on Monday, 12 March 2018 at Whittens & McKeough, Level 29, 201 Elizabeth Street, Sydney NSW 2000.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Extraordinary General Meeting. The Explanatory Statement forms part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Extraordinary General Meeting are those who are registered Shareholders of the Company at 2:00pm (Sydney time) on 10 March 2018 on Whittens & McKeough, Level 29, 201 Elizabeth Street, Sydney NSW 2000.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

RESOLUTIONS

Part A: Acquisition of Acrow Holdings Pty Limited

1. RESOLUTION 1 – CONSOLIDATION OF CAPITAL

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to the other Acquisition Resolutions being passed, pursuant to section 254H of the Corporations Act and for all other purposes, the issued capital of the Company be consolidated on the basis that every twenty (20) Shares to be consolidated into one (1) Share, and, where the Consolidation results in a fraction of a Share being held, the Company be authorised to round that fraction up or down (as the case may be) to the nearest whole Share.”

NOTE: RESOLUTIONS 2 TO 14 WILL BE IMPLEMENTED AFTER THE COMPLETION OF THE CONSOLIDATION AS SET OUT IN RESOLUTION 1.

2. RESOLUTION 2 – APPROVAL OF CHANGE TO NATURE AND SCALE OF ACTIVITIES

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to the other Acquisition Resolutions being passed, for the purposes of ASX Listing Rule 11.1.2 and for all other purposes, the Company be authorised to make a significant change to the nature and scale of its activities by completing the Proposed Transaction as set out in the Explanatory Statement which accompanies and forms part of the Notice of Meeting.”

Voting exclusion statement: The Company will disregard any votes cast on Resolution 2 by:

- (a) a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed; or
- (b) an associate of any person described in (a).

However, the Company need not disregard a vote if:

- (i) it is cast by a person acting as a proxy for another person entitled to vote, in accordance with the direction on the proxy form; or
- (ii) it is cast by the person chairing the meeting (**Chair**) 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.

3. RESOLUTION 3 – ELECTION OF STEVEN BOLAND AS A DIRECTOR OF THE COMPANY

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to the other Acquisition Resolutions being passed, for the purposes of clause 13.3 of the Company’s Constitution and for all other purposes, Steven Boland, having been nominated, being eligible and having consented to act, be elected as a Director of the Company on and from the date of completion of the Proposed Transaction.”

4. RESOLUTION 4 – ELECTION OF PETER LANCKEN AS A DIRECTOR OF THE COMPANY

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to the other Acquisition Resolutions being passed, for the purposes of clause 13.3 of the Company’s Constitution and for all other purposes, Peter Lancken, having been nominated, being eligible and having consented to act, be elected as a Director of the Company on and from the date of completion of the Proposed Transaction.”

5. RESOLUTION 5 – ELECTION OF JOSHUA MAY AS A DIRECTOR OF THE COMPANY

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to the other Acquisition Resolutions being passed, for the purposes of clause 13.3 of the Company’s Constitution and for all other purposes, Joshua May, having been nominated, being eligible and having consented to act, be elected as a Director of the Company on and from the date of completion of the Proposed Transaction.”

6. RESOLUTION 6 – CHANGE OF COMPANY NAME

To consider and, if thought fit, to pass with or without amendment, the following resolution as a **special resolution**:

“That, subject to the other Acquisition Resolutions being passed, pursuant to section 157(1) of the Corporations Act and for all other purposes, the name of the Company be changed to “Acrow Formwork and Construction Services Limited”, effective from the date ASIC alters the details of the Company’s registration.”

Part B: Capital raising and undertaking of offers

7. RESOLUTION 7 – APPROVAL OF ISSUE OF NEW SHARES PURSUANT TO CAPITAL RAISING

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to the other Acquisition Resolutions being passed, for the purposes of Listing Rule 7.1 and for all other purposes, the Shareholders of the Company approve the issue and allotment of, on a post-Consolidation basis, up to 136,000,000 New Shares to raise \$27,200,000 (before associated costs), to investors who have been invited to subscribe for New Shares under a Prospectus to be issued by the Company, and otherwise on the terms and conditions which are described in the Explanatory Statement.”

Voting exclusion statement: The Company will disregard any votes cast on Resolution 7 by:

- (a) a person who may participate in the proposed issue;
- (b) any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed; or
- (c) an associate of any person described in (a) or (b).

However, the Company need not disregard a vote if:

- (i) it is cast by a person acting as a proxy for another person entitled to vote, in accordance with the direction on the proxy form; or
- (ii) it is cast by the Chair 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.

8. RESOLUTION 8 – APPROVAL FOR EXISTING DIRECTORS TO SUBSCRIBE FOR NEW SHARES

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to the other Acquisition Resolutions being passed, for the purposes of Listing Rule 10.11 and for all other purposes, the Shareholders of the Company approve the issue and allotment of, on a post-Consolidation basis:

- (a) up to \$150,000 worth of New Shares by Michael Hill (or his nominee);*
- (b) up to \$50,000 worth of New Shares by Gregg Taylor (or his nominee); and*
- (c) up to \$150,000 worth of New Shares by Joshua May (or his nominee),*

on the terms and conditions which are described in the Explanatory Statement.”

Voting exclusion statement: The Company will disregard any votes cast on Resolution 8 by:

- (a) Michael Hill (or his nominee), Gregg Taylor (or his nominee) and Joshua May (or his nominee), being persons who is to receive Shares in relation to the Company;
- (b) a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed; or
- (c) an associate of any person described in (a) or (b).

However, the Company need not disregard a vote if:

- (i) it is cast by a person acting as a proxy for another person entitled to vote, in accordance with the direction on the proxy form; or
- (ii) it is cast by the Chair 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.

9. RESOLUTION 9 – APPROVAL OF ISSUE OF SHARES UPON CONVERSION OF LOANS

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to the other Acquisition Resolutions being passed, for the purposes of Listing Rule 7.1 and for all other purposes, the Shareholders of the Company approve the issue and allotment of, on a post-Consolidation basis, 4,000,000 Shares at a deemed issue price of 20 cents (\$0.20) to the Lenders upon conversion of the Loans, on the terms and conditions which are described in the Explanatory Statement.”

Voting exclusion statement: The Company will disregard any votes cast on Resolution 9 by:

- (a) the Lenders;
- (b) a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed; or
- (c) an associate of any person described in (a) or (b).

However, the Company need not disregard a vote if:

- (i) it is cast by a person acting as a proxy for another person entitled to vote, in accordance with the direction on the proxy form; or
- (ii) it is cast by the Chair 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.

10. RESOLUTION 10 – APPROVAL OF ISSUE OF SHARES TO RELATED PARTIES AS SETTLEMENT OF OUTSTANDING FEES

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to the other Acquisition Resolutions being passed, for the purposes of Listing Rule 10.11 and for all other purposes, the Shareholders of the Company approve the issue and allotment of, on a post-Consolidation basis:

- (a) 651,109 Shares at a deemed issue price of 20 cents (\$0.20) per Share to Michael Hill, a current Director of the Company;*
- (b) 361,841 Shares at a deemed issue price of 20 cents (\$0.20) per Share to Brett Chenoweth, a current Director of the Company; and*
- (c) 361,841 Shares at a deemed issue price of 20 cents (\$0.20) per Share to Jonathan Pager, a former Director of the Company;*

in full and final settlement of certain outstanding fees owed to each of these related parties of the Company, on the terms and conditions which are described in the Explanatory Statement.”

Voting exclusion statement: The Company will disregard any votes cast on Resolution 10 by:

- (a) Michael Hill (or his nominee), Brett Chenoweth (or his nominee) and Jonathan Pager (or his nominee), being persons who is to receive Shares in relation to the Company;
- (b) a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed; or
- (c) an associate of any person described in (a) or (b).

However, the Company need not disregard a vote if:

- (i) it is cast by a person acting as a proxy for another person entitled to vote, in accordance with the direction on the proxy form; or
- (ii) it is cast by the Chair 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.

11. RESOLUTION 11 – APPROVAL OF ISSUE OF SHARES TO OTHER PARTIES AS SETTLEMENT OF OUTSTANDING FEES

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to the other Acquisition Resolutions being passed, for the purposes of Listing Rule 7.1 and for all other purposes, the Shareholders of the Company approve the issue and allotment of, on a post-Consolidation basis, 941,331 Shares at a deemed issue price of 20 cents (\$0.20) per Share to certain management, committee members and advisors of the Company (or their nominees), in full and final settlement of certain outstanding fees owed to each of these other parties, on the terms and conditions which are described in the Explanatory Statement.”

Voting exclusion statement: The Company will disregard any votes cast on Resolution 11 by:

- (a) a person who may participate in the proposed issue;
- (b) a person who might obtain a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed; or
- (c) an associate of any person described in (a) or (b).

However, the Company need not disregard a vote if:

- (i) it is cast by a person acting as a proxy for another person entitled to vote, in accordance with the direction on the proxy form; or
- (ii) it is cast by the Chair 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.

Part C: Issue of incentive securities

12. RESOLUTION 12 – ADOPTION OF LONG TERM INCENTIVE PLAN (LTIP)

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

*“That, subject to the other Acquisition Resolutions being passed, for the purposes of sections 257B(1), 259B(2) and 260C(4) of the Corporations Act, Listing Rule 7.2 (exception 9) and for all other purposes, the Shareholders of the Company approve the adoption of the Long Term Incentive Plan (**LTIP**) and approve the issue of securities under the LTIP to eligible and invited participants, as described in the Explanatory Statement.”*

Voting exclusion statement: The Company will disregard any votes cast on Resolution 12 by:

- (a) any director of the Company (except one who is ineligible to participate in any employee incentive schedule in relation to the Company); or
- (b) an associate of any person described in (a).

However, the Company need not disregard a vote if:

- (i) it is cast by a person acting as a proxy for another person entitled to vote, in accordance with the direction on the proxy form; or
- (ii) it is cast by the Chair 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.

13. RESOLUTION 13 – APPROVAL OF ISSUE OF INCENTIVE SECURITIES TO RELATED PARTIES

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

*“That, subject to the other Acquisition Resolutions being passed, for the purposes of Listing Rule 10.14 and for all other purposes, the Shareholders of the Company approve the issue and allotment of, on a post-Consolidation basis, the following **Incentive Securities** under the LTIP:*

- (a) 510,000 Loan Funded Shares, 340,000 New Options and 2,550,000 Performance Rights to Steven Boland, a proposed Director of the Company;*
- (b) 525,000 Loan Funded Shares, 350,000 New Options and 2,625,000 Performance Rights to Peter Lancken, a proposed Director of the Company;*
- (c) 90,000 Loan Funded Shares, 60,000 New Options and 450,000 Performance Rights to Michael Hill, an existing Director of the Company who will remain on the New Board;*
- (d) 90,000 Loan Funded Shares, 60,000 New Options and 450,000 Performance Rights to Gregg Taylor, an existing Director of the Company who will remain on the New Board; and*
- (e) 450,000 Loan Funded Shares, 300,000 New Options and 2,250,000 Performance Rights to Joshua May, a proposed Director of the Company,*

as part of their respective incentives packages in connection with their appointment to, or role as, a Director on the New Board (as the case may be) on completion of the Proposed Transaction, on the terms and conditions which are described in the Explanatory Statement.”

Voting exclusion statement: The Company will disregard any votes cast on Resolution 13 by:

- (a) a related party of the Company to whom this Resolution would permit a financial benefit to be given;
- (b) a director of the Company who is eligible to participate in the LTIP; or
- (c) an associate of any person described in (a) or (b).

However, the Company need not disregard a vote if:

- (i) it is cast by a person acting as a proxy for another person entitled to vote, in accordance with the direction on the proxy form;
- (ii) it is cast by the Chair 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;
- (iii) it is cast by a person acting as a proxy that specifies how the proxy is to vote on the proposed resolution; or
- (iv) it is not cast on behalf of a related party or associate of a kind referred to in (a) – (c) above.

14. RESOLUTION 14 – APPROVAL OF ISSUE OF OTHER INCENTIVES

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to the other Acquisition Resolutions being passed, for the purposes of Listing Rule 7.1 and for all other purposes, the Shareholders of the Company approve the issue and allotment of, on a post-Consolidation basis, 45,000 Loan Funded Shares, 30,000 New Options and 225,000 Performance Rights to Thomas Ness (or his nominee), an advisor to the Company, on the terms and conditions which are described in the Explanatory Statement which accompanies and forms part of the Notice of Meeting.”

Voting exclusion statement: The Company will disregard any votes cast on Resolution 14 by:

- (a) Thomas Ness (or his nominee);
- (b) a person who might obtain a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed; or
- (c) an associate of any person described in (a) or (b).

However, the Company need not disregard a vote if:

- (i) it is cast by a person acting as a proxy for another person entitled to vote, in accordance with the direction on the proxy form; or
- (ii) it is cast by the Chair 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.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Extraordinary General Meeting to be held at 2:00pm (Sydney time) on Monday, 12 March 2018 at Whittens & McKeough, Level 29, 201 Elizabeth Street, Sydney NSW 2000.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

If you are in any doubt about what to do in relation to the Resolutions contemplated in the Notice of Meeting and this Explanatory Statement, it is recommended that you seek advice from an accountant, solicitor or other professional advisor.

Full details of the business to be considered at the Extraordinary General Meeting are set out below.

Part A: Acquisition of Acrow Holdings Pty Limited

Consolidation of existing issued capital of the Company

Following completion of the Proposed Transaction (as defined in this Notice of Meeting), the Company will apply for reinstatement to the Official List of the ASX.

As part of the reinstatement, the Company will need to satisfy all the conditions set out in Listing Rule 2.1. In order to satisfy Listing Rules 1.1 (condition 11) and 2.1 (condition 2), the Company will undertake a consolidation of the Shares on issue on 20 for 1 basis (**Consolidation**).

Shareholders should note the use of post-Consolidation figures throughout this Notice of Meeting.

Shareholder approval for the Consolidation is being sought under Resolution 1 of this Notice of Meeting.

Proposed acquisition of Acrow Holdings Pty Limited by the Company

Background

On 22 December 2017, the Company announced that it had entered into a conditional agreement (**Share Sale Agreement**) to acquire, subject to the satisfaction of a number of conditions precedent, 100% of the issued capital in Acrow Holdings Pty Limited (**Acrow**), an Australian holding company for Acrow Formwork and Scaffolding Pty Ltd (**Acrow Formwork and Scaffolding**).

The proposed acquisition of Acrow by the Company is referred to as the **Proposed Transaction** in this Notice of Meeting.

Completion of the Proposed Transaction will be subject to a number of conditions, which includes approval from Shareholders of the Company and re-compliance with

Chapters 1 and 2 of the ASX Listing Rules. Therefore, the Proposed Transaction may not proceed if those requirements are not met. ASX takes no responsibility for the contents of this Notice of Meeting.

Material terms of the Share Sale Agreement are summarised below on pages 18-20 of this Explanatory Statement.

Rationale for entry into the Proposed Transaction by the Company

Since recapitalisation and reinstatement to the Official List of the ASX on 18 April 2016, the Company has reviewed the relaunch of some parts of its business of minerals exploration in Ghana, West Africa. In addition, the Company has focused on a broader acquisition and investment strategy of seeking to identify and evaluate opportunities in all industries.

The Proposed Transaction represents an opportunity to acquire a business that may transform the Company into a strong cash-generative business with significant growth potential.

If the Proposed Transaction completes, the Company will be changing its business model from a mining explorer to a scaffolding and formwork operations business operator. Details of the changes and the operations of Acrow, as set out below.

About Acrow

Background

Acrow acts as the holding company for Acrow Formwork and Scaffolding.

Formerly Boral Formwork & Scaffolding, the trading organisation was rebranded as Acrow Formwork and Scaffolding following the acquisition by Anchorage Capital Partners in 2010.

The name Acrow has been active in the Australian construction industry since 1950 and its heritage dates back to 1936, when the company was first launched in the United Kingdom.

Acrow operates a national network of scaffolding and formwork solutions branches, including the industry standard brands Acrow in formwork and Cuplok in scaffolding, consisting of a number of scaffolding and formwork hire and sales sites across Australia. The network has been consolidated under Anchorage's ownership to focus on major markets and enhance branch profitability, reduce costs and improve controls.

Scaffolding business

Acrow's scaffold operations provide access solutions when working at heights. Acrow supplies builders and building contractors with a wet hire access solution (and uses labour subcontractors and a small amount of own labour to erect and dismantle the equipment). The Company also dry hires scaffold equipment. Acrow provides scaffold solutions in each of the branch network locations with the exception of Perth. Acrow also provides various items of scaffold equipment that can be utilised with Cuplok, Supercuplok, Modular and Surelock categories. These items include timber planks, steel planks, various types of couplers, scaffold tube and stillage.

Formwork business

Acrow develops and provides a range of modular Wall Forming panel, Soffit forming and conventional systems to deliver optimal solutions for large and small construction equipment.

Acrow's formwork operations dry hires the formwork equipment and provides only the product that forms the temporary mould to support concrete structures in their construction. It also dry hires falsework equipment that is used to support suspended horizontal structures during their construction. Acrow provides these formwork systems to all branch network locations.

Other formwork products include products used as components of Soffit & Wall formwork systems enabling high concrete pressures on walls and deep concrete slabs/beams. These systems are also used in various combinations such as single sided wall formwork, façade retentions, circular tank formwork, vertical and raking shores.

Residential division

Acrow operates a separate residential division within NSW and Victoria which is focused on the provision of scaffold equipment, labour and cartage services to the detached housing and small residential development markets. The residential solutions are offered on a 'wet' and 'dry' basis.

In Victoria, contracts are a combination of formal fixed term contracts / agreements and short term hire agreements. The contracts are based on a fixed lineal meter rate per house based on a 4-5 week hire period, with extras applied depending on the complexity of the scaffold required and additional weeks hire. In NSW no formal contracts in place with major builders, however there are long term relationships with key customers. 'Dry' hire agreements are based on a price per tonne per week, over a minimum 4 weeks.

Labour provided is a combination of contract labour and in house labour employed by Acrow to build and dismantle perimeter scaffold (NSW is all contract labour). Additionally, two full-time supervisors are employed in each of Victoria and NSW to coordinate work load and quality of build.

Acrow customers

Acrow targets customers within the civil and residential construction industry. The Company has a diversified customer base with approximately 1,168 customers as at FY17.

Acrow categorises its customers across five key industries, being:

- (a) **High density residential:** apartment/attached dwelling building constructions;
- (b) **Low density residential:** houses/detached dwellings with two or more stories;
- (c) **Commercial:** non-residential building construction;
- (d) **Infrastructure:** roads, bridges, electricity and telecommunication projects; and
- (e) **Resources:** mining projects.

Acrow has developed a track record of forming long-term relationship with its top 20 customers hiring Acrow equipment for an average of 7 years. Acrow also maintains a very low customer concentration, with its largest customer contributing less than 6% of revenue in FY17.

Acrow sources of revenue

Acrow categorises its operations and generates revenue from the following six major categories:

- (a) **Formwork hire:** rental of formwork equipment;
- (b) **Scaffold hire:** rental of scaffold equipment;
- (c) **Residential:** provision of scaffold equipment, labour and cartage services to the residential sector;
- (d) **Labour:** supply of a 'wet' hire scaffold access solution, largely using subcontracted, third party labour;
- (e) **Cartage:** transport of equipment to and from scaffold jobs using subcontractor drivers; and
- (f) **Other:** sale of plywood, timber, hardware and consumables (e.g. nails, washers and Zbar).

Acrow directors and management team

Each of the following executives/directors will continue to operate the Acrow business. Messrs Boland and Lancken will join the New Board at completion of the Proposed Transaction, as Executive Director and Non-Executive Chairman, respectively.

Steven Boland, Chief Executive Officer

Steven joined Acrow in 2013 and since then has served as its Chief Executive Officer. Steven was previously the CEO of the Melbourne Rebels Rugby Club and was responsible for the start-up phase of a Super Rugby professional sporting team. Previously, from 2004 to 2010, Steven served as the Global Executive Director (Recycling) of Visy Industries, and from 2002 to 2004, Steven was the Executive Director (Commercial Waste) of Veolia Environment UK.

David Williams, Chief Financial Officer

David joined Acrow in 2013 as its Chief Financial Officer.

Peter Lancken, Non-Executive Director

Peter has a career spanning over 25 years in a range of executive and director roles in equipment hire, industrial, and real estate companies. He was formerly the Managing Director and Non-Executive Chairman of Kennards Hire Pty Limited (**Kennards**). Peter managed an era of growth spanning two decades at Kennards, with sales now exceeding \$380 million from a network of over 170 locations, and remains on the Board as a Non-Executive Director. Peter was the Deputy Chairman and Non-Executive Director of CMA Corporation Limited, a public company listed on the ASX.

Peter is also the Non-Executive Chairman of Propertylink Group (ASX:PLG) and Non-Executive Chairman of Crimestoppers NSW.

Peter holds a Bachelor of Engineering (Civil) from the University of New South Wales, is a Fellow of the Institute of Engineers Australia and is a member of the Australian Institute of Company Directors.

Share Sale Agreement

On 22 December 2017, the Company announced that it had entered into a Share Sale Agreement with the shareholders of Acrow (**Acrow Vendors**) to acquire 100% of the issued ordinary shares in Acrow.

A summary of the material terms of the Share Sale Agreement is as follows:

Acrow Vendors

The following Table 1 sets out the details of each of the Acrow Vendors:

Table 1 – Acrow Vendors

Acrow Vendor	% of Acrow ^(a)	Relationship with related parties
Australian Executor Trustees Limited (ABN 84 007 869 794) as custodian for Anchorage Capital Partners Fund, LP (Anchorage Entity)	96.61%	N/A – not a related party of the Company.
Alik Investments Pty Limited (ACN 108 292 217) as trustee for the Alik Trust	2.82%	N/A – not a related party of the Company.
Palcort Pty Limited (ABN 65 062 153 771) as trustee for Lancken Investment Trust (Lancken Entity)	0.57%	Entity associated with Peter Lancken, proposed Director of the Company.

As Mr Lancken is a proposed Director of the Company to be appointed on completion of the Proposed Transaction, the Lancken Entity is a “related party” of the Company for the purposes of the Corporations Act and the Listing Rules.

Conditions precedent

Completion under the Share Sale Agreement is subject to a number of conditions precedent being satisfied or waived (**Conditions Precedent**). The conditions which are still to be satisfied or waived (as of the date of this Notice of Meeting) under the Share Sale Agreement include:

- (a) the Company obtaining all necessary approvals required under the Listing Rules and Corporations Act to give effect to the terms of the Share Purchase Deed including, without limitation, Shareholder approvals required by Listing Rules 7.1, 10.1 and 11.1.2;
- (b) the Company having received valid applications for the minimum subscription of \$25,000,000 for the Capital Raising;
- (c) a warranty and indemnity insurance policy being issued on terms reasonably acceptable to the Company (**W&I Insurance Policy**);
- (d) the Company having received evidence that a third party has given its written consent to the change of control of Acrow;

- (e) the shares in Acrow and its wholly-owned subsidiary (Acrow Formwork and Scaffolding Pty Ltd ACN 004 284 806) having been released from any registered security interest; and
- (f) the conditional approval by ASX to reinstate the securities of the Company to trading on ASX on terms reasonably acceptable to the Company and the Anchorage Entity.

In relation to paragraph (d) above, the third party is a receivables purchase facility which, subject to receiving written consent, will continue to remain in place post-completion of the Proposed Transaction.

All of the Conditions Precedent, other than the W&I Insurance Policy condition, are for the benefit of the Company and may be waived only by the Company.

If each of the Conditions Precedent are not satisfied or waived on or before 5pm (Sydney time) 31 March 2018, then either the Company or jointly the Acrow Vendors may terminate the Share Sale Agreement.

Warranty and indemnity insurance policy

As mentioned earlier, a Condition Precedent is that the Company be issued the W&I Insurance Policy. If there is a breach of any warranty or indemnity contained in the Share Sale Agreement by an Acrow Vendor, the Company's sole recourse is against the W&I Insurance Policy. No Acrow Vendor will have any liability to the Company for such a breach except in limited circumstances specified in the Share Sale Agreement.

Completion Payment

At Completion, the Company must pay the Completion Payment on Completion, being the total price payable for all of the shares in Acrow.

The Completion Payment means the greater of \$1.00 and the sum of:

- (a) \$23,000,000 ("Enterprise Value"); **plus**
- (b) the difference between the "Estimated Working Capital Amount" and \$6,356,000; **less**
- (c) \$87,500 ("W&I Contribution"); **less**
- (d) the sum of the "Estimated External Net Debt" and the "Estimated Anchorage Net Debt" (which must not be greater than the Enterprise Value).

The Acrow Vendors must inform the Company of the Estimated Working Capital Amount, the Estimated External Net Debt and the Estimated Anchorage Net Debt at least five Business Days before the Completion Date. The above calculations will be based on those estimates.

Payment of Debt

The Company must also at Completion provide (by way of unsecured loan) to Acrow the necessary funds to enable the Company to pay its debts (including that of its subsidiary) (**Debt**), subject to certain agreed exceptions.

Based on the Company's calculations to date, the directors believe that the Completion Payment will be approximately \$1.00 and the Debt will be in the vicinity of \$23,000,000.

As part of the Proposed Transaction, the Company will raise \$27,200,000 under a Prospectus that will be lodged with ASIC and ASX by the Company (**Capital Raising**). Approximately

\$23,000,000 of the proceeds from the Capital Raising will be applied towards the Debt, which will be fully discharged at completion of the Proposed Transaction.

Adjustments to the Completion Payment

Completion accounts will be prepared no later than 20 business days after Completion. Any adjustments to the Estimated External Net Debt and the Estimated Working Capital Amount will be made within 10 business days after the completion accounts become final and binding.

Termination

The Share Sale Agreement may only be terminated if any of the Conditions Precedent are not satisfied on or before 5pm (Sydney time) 31 March 2018 (or such other date as agreed in writing between the Company and the Acrow Vendors' representative). No right to terminate arises if there is a breach of warranty or an indemnity contained in the Share Sale Agreement.

Other key terms of the Share Sale Agreement

The Share Sale Agreement contains other terms considered standard for an agreement of this nature, including obligations of the Group Companies before Completion, obligations of the Acrow Vendors and the Company on Completion, post-Completion obligations regarding record keeping, confidentiality, warranties, covenants and indemnities provided by the Acrow Vendors, Acrow and/or the Company (as applicable).

New Board and management of the Company

The Board is currently comprised of:

- (a) Michael Hill, Executive Chairman
- (b) Brett Chenoweth, Executive Director
- (c) Gregg Taylor, Non-Executive Director

Following completion of the Proposed Transaction, a new composition of Directors will be appointed to the Board of the Company (**New Board**) to oversee the operations of the Company. The New Board will consist of the following Directors:

- (a) Steven Boland, Executive Director and Chief Executive Officer
- (b) Peter Lancken, Non-Executive Chairman
- (c) Michael Hill, Non-Executive Director
- (d) Gregg Taylor, Non-Executive Director
- (e) Joshua May, Non-Executive Director

Shareholder approval for the election of the incoming Directors (Messrs Boland, Lancken and May) to the New Board is being sought under Resolutions 3, 4 and 5 of this Notice of Meeting.

Pro-forma capital structure of the Company

The pro-forma capital structure of the Company at completion of the Proposed Transaction (which includes the Capital Raising) will be as follows.

Table 2 – Pro-forma Capital Structure (\$27,200,000 raised under Prospectus)

Capital Structure	Shares	% of Total Shares
Existing number of Shares (pre-Consolidation)	338,328,147	As below
Projected number of existing Shares (post-Consolidation)	16,916,407	10.5%
\$27,200,000 raised under Capital Raising (post-Consolidation)	136,000,000	74.9%
New Shares to Conversion Participants (post-Consolidation)	6,316,122	3.9%
Loan Funded Shares under LTIP (post-Consolidation)	2,475,000	1.5%
Total number of Shares on issue	161,707,529	100%
Projected number of existing Options (post-Consolidation)	5,750,000	
New Performance Rights under LTIP (post-Consolidation)	12,375,000	
New Options under LTIP (post-Consolidation)	1,650,000	
Total number of Securities (fully diluted)	181,482,529	

Risk factors

Shareholders should be aware that if the Acquisition Resolutions are approved and the Proposed Transaction is completed, the Company will be changing the nature and scale of its activities which will result in it being subject to various risk factors (in addition to those that are presently applicable to the Company and its Shareholders). Based on the information available, a non-exhaustive list of these risks factors is detailed in Annexure B of this Notice of Meeting.

Indicative Timetable*

The Company's Securities have been suspended from the Official List of the ASX since 28 August 2017 and will remain suspended until such time as the Proposed Transaction has been completed and the Company has complied with all pre-quotation requirements of ASX. Accordingly, there will be no trading in the Company's Securities until the Company has been reinstated to the Official List of the ASX. If all Resolutions under this Notice of Meeting are passed, the Company anticipates that the Company will undertake the Capital Raising and the application for re-instatement to the Official List of the ASX as follows:

Action	Date
Despatch Notice of Meeting	Thursday, 8 February 2018
Lodgement of the Prospectus with ASIC	Tuesday, 6 March 2018
Extraordinary General Meeting	Monday, 12 March 2018
Company tells ASX that Shareholders have approved the Consolidation	Monday, 12 March 2018
Last day for trading in pre-Consolidation securities	Tuesday, 13 March 2018
Opening date for Offers under the Prospectus	Tuesday, 13 March 2018
Trading on a deferred settlement basis starts	Wednesday, 14 March 2018
Last day for Company to register transfers on a pre-Consolidation basis	Thursday, 15 March 2018
Record date of Consolidation	Thursday, 15 March 2018
First day for the Company to send notice of post-Consolidation holdings to each Securityholder	Friday, 16 March 2018
Despatch date – completion of despatch of post-Consolidation notices	Thursday, 22 March 2018
Closing date of the Offers under the Prospectus	Tuesday, 27 March 2018
Allotment of Securities under this Notice of Meeting and the Prospectus (on a post-Consolidation basis)	Thursday, 29 March 2018
Completion of Proposed Transaction	Thursday, 29 March 2018
Effective date for change of name and change of ASX code	Wednesday, 4 April 2018
Pre-quotation disclosure to ASX	Wednesday, 4 April 2018
Anticipated date - the suspension is lifted and the Company's Securities re-commence trading on ASX under the ASX code "ACF"	Friday, 6 April 2018

***Please note that the dates are indicative only and may be subject to change without further notice to Shareholders of the Company.**

RESOLUTION 1 – CONSOLIDATION OF CAPITAL

General

This Resolution seeks Shareholder approval to consolidate the total number of existing Securities on issue in the event that all the Resolutions under this Notice of Meeting are passed by Shareholders, on a twenty (20) for one (1) basis (**Consolidation**).

The purpose of the Consolidation is to implement a more appropriate capital structure for the Company going forward and to seek to comply with relevant Listing Rules as part of the re-quotations of the Shares on the ASX, should Shareholder approval be obtained for the Acquisition Resolutions.

The Directors intend to implement the Consolidation prior to completion of the Proposed Transaction and prior to the proposed issue of any of the Securities in connection with the Proposed Transaction, which includes the issue of the New Shares (under the Capital Raising) and the Incentive Securities under the LTIP.

Resolution 1 is subject to approval of the other Acquisition Resolutions.

Effect of Resolution 1 on capital structure

If Resolution 1 is passed and excluding any Securities issued pursuant to the other Resolutions, the number of existing Shares on issue will be reduced from 338,328,147 to 16,916,407 (subject to rounding).

Effect of Resolution 1 to Shareholders

As at the date of the Notice, the Company has 338,328,147 Shares on issue.

The Consolidation proposed by Resolution 1 will have the effect of reducing the number of Shares on issue to approximately 16,916,407 Shares (subject to rounding). Individual holdings will be reduced in accordance with the Consolidation Ratio.

As the Consolidation applies equally to all Shareholders of the Company (subject only to the rounding of fractions), it will have no material effect on the percentage interest of each Shareholder in the Company. Further, the aggregate value of each Shareholder's proportional interest in the Company will not materially change solely as a result of the Consolidation as the only anticipated changes, which will be a result of rounding, will be immaterial.

Theoretically, the market price of each share following the Consolidation should increase by 20 times its current value. Practically, the actual effect on the market price of each share will be dependent upon a number of factors which will not be within the control of the Company. Therefore, this may result in the market price of each share following Consolidation being higher or lower than the theoretical post-Consolidation price.

Effect of Resolution 1 to Optionholders

As of the date on which this Notice is despatched to Shareholders, the Company has 115,000,000 Options on issue. In accordance with Listing Rule 7.22, and the terms of issue of the Options currently on issue, the Consolidation will involve a corresponding adjustment to Options, having the effect that the number of Options will reduce in proportion to the ordinary share capital and the exercise price will increase in inverse proportion to the Consolidation Ratio. The impact of the Consolidation on the terms of the Options on issue is set out in the table below.

Table 3 – Details of Existing Options (pre-and post-Consolidation)

Pre-Consolidation Option terms	Pre-Consolidation numbers	Post-Consolidation Option terms	Post-Consolidation numbers
Options, exercisable at \$0.01 per Option by 30 June 2018	75,000,000	Options, exercisable at \$0.20 per Option by 30 June 2018	3,750,000
Unvested Options, which vest upon the Company's share price achieving a 20 day VWAP of \$0.02 per Share, which is exercisable at \$0.01 per Option by 12 April 2019	15,000,000	Unvested Options, which vest upon the Company's share price achieving a 20 day VWAP of \$0.40 per Share, which is exercisable at \$0.20 per Option by 12 April 2019	750,000
Unvested Options, which vest upon the Company's share price achieving a 20 day VWAP of \$0.03 per Share, which is exercisable at \$0.01 per Option by 12 April 2021	15,000,000	Unvested Options, which vest upon the Company's share price achieving a 20 day VWAP of \$0.60 per Share, which is exercisable at \$0.20 per Option by 12 April 2021	750,000
Unvested Options, which vest upon the Company's share price achieving a 20 day VWAP of \$0.02 per Share, which is exercisable at \$0.01 per Option by 23 November 2019	1,000,000	Unvested Options, which vest upon the Company's share price achieving a 20 day VWAP of \$0.40 per Share, which is exercisable at \$0.20 per Option by 23 November 2019	50,000
Unvested Options, which vest upon the Company's share price achieving a 20 day VWAP of \$0.03 per Share, which is exercisable at \$0.01 per Option by 23 November 2021	1,000,000	Unvested Options, which vest upon the Company's share price achieving a 20 day VWAP of \$0.60 per Share, which is exercisable at \$0.20 per Option by 23 November 2021	50,000
Unvested Options, which vest upon the Company's share price achieving a 20 day VWAP of \$0.02 per Share, which is exercisable at \$0.01 per Option by 13 December 2020	4,000,000	Unvested Options, which vest upon the Company's share price achieving a 20 day VWAP of \$0.40 per Share, which is exercisable at \$0.20 per Option by 13 December 2020	200,000
Unvested Options, which vest upon the Company's share price achieving a 20 day VWAP of \$0.03 per Share, which is exercisable at \$0.01 per Option by 13 December 2022	4,000,000	Unvested Options, which vest upon the Company's share price achieving a 20 day VWAP of \$0.60 per Share, which is exercisable at \$0.20 per Option by 13 December 2022	200,000
Total	115,000,000		5,750,000

Legal Requirements

Section 254H of the Corporations Act provides that a company may, by resolution passed in a general meeting, convert all or any of its shares into a larger or smaller number.

As noted above, the Listing Rules also require that the terms of Options provide for them be consolidated in the same ratio as the ordinary capital and the exercise price of the Options be amended in inverse proportion to that ratio.

Fractional Entitlements

Not all Securityholders of the Company will hold a number of Shares or Options (as the case may be) that can be evenly divided by the Consolidation Ratio. Where a fractional entitlement occurs, the Company will round that fraction up or down (as the case may be) to the nearest whole Security.

Taxation

It is not considered that any taxation implications will exist for Securityholders that will arise directly from the Consolidation. However, Securityholders of the Company are advised to seek their own tax advice on the effect of the Consolidation and the Company does not accept any responsibility for the individual or collective taxation implications arising from the Consolidation.

Holding Statements

From the date of the Consolidation, all holding statements for Securities will cease to have any effect, except as evidence of entitlement to a certain number of Securities on a post-Consolidation basis. After the Consolidation becomes effective, the Company will arrange for new holding statements for Securities to be issued to Securityholders. It is the responsibility of each and every affected Securityholder to check the number of Securities held prior to disposal or exercise (as the case may be).

Indicative Timetable

If the Acquisition Resolutions are passed, the Consolidation is proposed to take effect in accordance with the indicative timetable set out above in Part A on page 22 of this Notice of Meeting.

RESOLUTION 2 – APPROVAL OF CHANGE TO NATURE AND SCALE OF ACTIVITIES

Information Required by Listing Rule 11.1.2

Overview and Information of Acrow and the Proposed Transaction

Pursuant to the Proposed Transaction, the Company seeks to acquire 100% of the issued capital of Acrow.

Further details of Acrow, its key management, its divisions and its overall operations together with a detailed description of the Proposed Transaction are set out in Part A of the Explanatory Statement in this Notice of Meeting.

Resolution 2 is subject to approval of the other Acquisition Resolutions.

Listing Rule 11.1

Listing Rule 11.1 provides that where an entity proposes to make a significant change, either directly or indirectly, to the nature and scale of its activities, it must provide full details to ASX as soon as practicable and comply with the following:

- (a) provide to ASX information regarding the change and its effect on future potential earnings, and any information that ASX asks for;
- (b) if ASX requires, obtain the approval of holders of its shares and any requirements of ASX in relation to the notice of meeting; and
- (c) if ASX requires, meet the requirements of Chapters 1 and 2 of the Listing Rules as if the company were applying for admission to the official list of ASX.

In the event that the Proposed Transaction completes, there will be a significant change:

- (a) to the nature of the Company's main undertaking, from mining exploration to a scaffolding and formwork operations business; and
- (b) to the scale of the Company's activities, both operationally and financially.

Therefore, the practical effect of completing the Proposed Transaction to the Company is that there will be a significant change to the nature and scale of the Company's activities.

Shareholder approval and re-compliance with Chapters 1 and 2 of the Listing Rules

ASX has indicated to the Company that given the significant change in the nature and scale of the activities of the Company upon completion of the Proposed Transaction, it requires the Company to:

- (a) obtain the approval of its Shareholders for the proposed change of activities; and
- (b) re-comply with the admission requirements detailed in Chapters 1 and 2 of the Listing Rules.

For this reason, the Company is seeking Shareholder approval under this Resolution 2 for the Company to change the nature and scale of its activities under Listing Rule 11.1.2.

Shareholders should be aware that the Company's Securities have been suspended from the Official List of the ASX since 28 August 2017.

The Company's Securities will continue to remain suspended until such time that Shareholders have approved all the Resolutions under this Notice of Meeting, and the Company has re-complied with Chapters 1 and 2 of the Listing Rules in accordance with Listing Rule 11.1.3. It is the Company's intention to meet these requirements as soon as practicable after the Meeting is held, and following the successful completion of the Capital Raising.

Advantages of Change to Nature and Scale of Activities of the Company

The Board believes that the Proposed Transaction offers a number of advantages to Shareholders of the Company, which can be described as follows:

- (a) *Opportunity to acquire established business:* Since 1950, Acrow has operated in the Australian construction industry. The business was formerly known as "Boral Formwork & Scaffolding" and was rebranded as "Acrow Formwork and Scaffolding" in 2010. Acrow operates a national network of scaffolding and formwork solutions branches, including the industry standard brands Acrow in formwork and Cuplok in scaffolding, consisting of a number of scaffolding and formwork hire and sales sites across Australia. In addition, through its national network, Acrow has developed a track record of forming long-term relationship with its top 20 customers hiring Acrow equipment for an average of 7 years. This supports the fact that Acrow is an established business that has a long track record of operating successfully in Australia.
- (b) *Track record of significant revenue and improving profitability:* Given its long history of operating in the industry, Acrow has a track record of significant revenue. Since 2010, Acrow has recorded revenues in excess of \$60m every year. Profitability has also improved in recent years, as a result of reduction in costs and change in contribution of revenue streams.
- (c) *Experienced New Board with interests aligned with Shareholders:* Existing management and Directors of the business, being Messrs Steven Boland (current CEO of Acrow Formwork and Scaffolding) and Peter Lancken (current Director of Acrow Formwork and Scaffolding) propose to join the New Board of the Company at completion of the Proposed Transaction. This will ensure that the Company is represented at both the Board and management level with the requisite experience to continue to operate the Acrow business. In addition, Mr Joshua May proposes to join the New Board and will bring a wealth of corporate advisory experience which will assist the Company as it navigates the next stage of its growth. Messrs Mike Hill and Gregg Taylor will remain on the Board, which will solidify the Board's experience across a number of different areas. Each member of the New Board will be issued, subject to Shareholder approval, a combination of unvested Incentive Securities, which have been designed to align the interests of recipients to Shareholders of the Company. Under the terms of the Incentive Securities, they will only vest if certain conditions which are tied to continued employment, improvements in the Company's Share price and/or the Company's financial performance, are met.
- (d) *Greater market capitalisation and trading liquidity in the Company's shares:* As a result of the issue of additional securities in the Company associated with the Proposed Transaction and Capital Raising there will be substantially more Shares on issue after completion of the Proposed Transaction and a larger market capitalisation for the Company. This provides potential for increased trading in the Company's shares alongside potential for greater interest by the investment community, improved access to equity capital markets and increased liquidity in the Company's shares.

Disadvantages of Change to Nature and Scale of Activities of the Company

The Board believes that the Proposed Transaction offers a number of disadvantages to Shareholders of the Company, which can be described as follows:

- (a) *Change to Nature and Scale of Activities of the Company:* The manner in which the change to nature and scale of the Company's activities is being achieved may not be consistent with the objective of all Shareholders of the Company.
- (b) *Dilution of existing Shareholdings in the Company:* In the event that the Proposed Transaction completes, the issue of New Shares under the Capital Raising will have a significant dilutionary effect on the holdings of existing Shareholders of the Company. In addition, a significant number of Incentive Securities are also proposed to be issued as part of the Proposed Transaction. Although the Incentive Securities will have vesting conditions and therefore will not be convertible or exercisable into Shares for some time, in the event that the vesting conditions are satisfied, there is a risk that the holdings of existing Shareholders of the Company could be diluted even further in the future. As such, the ability of the existing Shareholder to influence decisions, including the composition of the Board or disposal of assets, will be reduced accordingly.
- (c) *Possibility of unrealised potential:* Despite the future potential of Acrow and its operations, there is no guarantee that this potential attributable to the business and operations of Acrow will ever be realised by the Company and will result in an increase to the value of the Shares of the Company.
- (d) *Re-compliance:* The Company will seek to re-comply with the Listing Rules if Shareholders approve all of the Acquisition Resolutions. There is no guarantee that the Company will successfully re-comply with the requirements or that the Securities will be reinstated to trading on ASX.
- (e) *Increased exposure to wider array of risks:* There are many risks associated with the proposed change to the nature and scale of activities of the Company. Some of these are explored in greater detail in Annexure B of this Notice of Meeting.

Risk factors

Shareholders should be aware that if the Acquisition Resolutions are approved and the Proposed Transaction is completed, the Company will be changing the nature and scale of its activities which will result in it being subject to various risk factors (in addition to those that are presently applicable to the Company and its Shareholders). Based on the information available, a non-exhaustive list of these risks factors is detailed in Annexure B of this Notice of Meeting.

Pro-forma balance sheet

A pro-forma balance sheet of the Company and Acrow following completion of the Proposed Transaction (which includes the Capital Raising) is contained in Annexure C of this Notice of Meeting.

Directors' recommendation

Messrs Hill and Chenoweth abstain from making a recommendation as they are shareholders of Bombora, a corporate advisory firm, which will be providing services to the Company as part of the Proposed Transaction. Mr Taylor considers that it is in the best interests of the

Company that it completes the Proposed Transaction, and accordingly recommends that Shareholders vote in favour of Resolution 2.

Forward looking statements

The forward looking statements in this Notice of Meeting are based on the Company's current expectations about future events. They are, however, subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Company and its Board of Directors, which could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by the forward looking statements in this Notice of Meeting. These risks include but are not limited to, the risks referred to above. Forward looking statements include those containing words such as "anticipate", "estimates", "should", "will", "expects", "plans" or similar expressions.

RESOLUTIONS 3, 4 AND 5 – ELECTION OF DIRECTORS

As part of the Proposed Transaction, the New Board appointed will comprise of the following new directors:

- (a) Mr Steven Boland, Executive Director and Chief Executive Officer;
- (b) Mr Peter Lancken, Non-Executive Chairman; and
- (c) Mr Joshua May, Non-Executive Director.

Shareholder approval for the election of the incoming Directors to the New Board is being sought under Resolutions 3, 4 and 5 of this Notice of Meeting.

The summaries of the qualifications, skills and experience of the Directors being elected to the New Board are as follows:

Mr Steven Boland, Executive Director and Chief Executive Officer – Resolution 3

Steven joined Acrow in 2013 and since then has served as its Chief Executive Officer. Steven was previously the CEO of the Melbourne Rebels Rugby Club and was responsible for the start-up phase of a Super Rugby professional sporting team. Previously, from 2004 to 2010, Steven served as the Global Executive Director (Recycling) of Visy Industries, and from 2002 to 2004, Steven was the Executive Director (Commercial Waste) of Veolia Environment UK.

Mr Peter Lancken, Non-Executive Chairman – Resolution 4

Peter has a career spanning over 25 years in a range of executive and director roles in equipment hire, industrial, and real estate companies. He was formerly the Managing Director and Non-Executive Chairman of Kennards Hire Pty Limited. Peter managed an era of growth spanning two decades at Kennards, with sales now exceeding \$380 million from a network of over 170 locations, and remains on the Board as a Non-Executive Director. Peter was the Deputy Chairman and Non-Executive Director of CMA Corporation Limited, a public company listed on the ASX.

Peter is also the Non-Executive Chairman of Propertylink Group (ASX:PLG) and Non-Executive Chairman of Crimestoppers NSW.

Peter holds a Bachelor of Engineering (Civil) from the University of New South Wales, is a Fellow of the Institute of Engineers Australia and is a member of the Australian Institute of Company Directors.

Mr Joshua May, Non-Executive Director – Resolution 5

Josh is a Chartered Accountant and transaction advisory specialist, with over 20 years experience in Corporate Finance. Josh qualified as a Chartered Accountant with Grant Thornton between 1994 and 1997, before embarking on a career in Corporate Finance – firstly with Horwath Clarke Whitehill in London (UK) between 1997 and 2001. He then worked as a Director within Ernst & Young's M&A Advisory Practice in Sydney, before co-founding Oaktower Partnership in 2005, an independent boutique Corporate Advisory Business, based in Sydney and Melbourne. After 12 successful years with Oaktower, Josh joined Bombora Group in November 2017.

Josh has broad corporate advisory experience gained over many years and through various economic cycles. Transaction themes have included private equity, entrepreneurial clients

seeking growth capital, succession planning for large established private businesses, and sale of non-core assets for large corporations. His industry experience is broad across healthcare, construction related products and services, food, and consumer/retail.

Directors' Recommendation

The Board considers that the appointments of Messrs Boland, Lancken and May to the New Board are in the best interests of the Company and each represent an integral component of the Company's strategy post-Completion of the Proposed Transaction.

The Board unanimously recommends that Shareholders vote in favour of Resolutions 3, 4 and 5.

RESOLUTION 6 – CHANGE OF COMPANY NAME

The Company proposes to change its name from “NMG Corporation Limited” to “Acrow Formwork and Construction Services Limited” which more accurately reflects the proposed future operations of the Company. The change of name will take effect from when ASIC alters the details of the Company's registration.

The Company also proposes to change its ASX ticker code from 'NMG' to 'ACF' to reflect this change, subject to confirmation by ASX.

This change in name will not in itself, affect the legal status of the Company or any of its assets or liabilities.

Pursuant to section 157(1) of the Corporations Act, a change in Company name can only be effected by way of a special resolution passed by its Shareholders. Therefore, this Resolution can only be passed if at least 75% of the total votes cast by Shareholders entitled to vote on this Resolution are voted in its favour.

Resolution 6 is subject to approval of the other Acquisition Resolutions.

Directors' Recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 6.

Part B: Capital raising and undertaking of offers

Details of Capital Raising

As part of the Proposed Transaction, the Company proposes to raise up to \$27,200,000 under a Prospectus that will be lodged with ASIC and ASX by the Company (**Capital Raising**). Majority of the funds raised will be applied towards the consideration payable by the Company under the terms of the Share Sale Agreement to complete the Proposed Transaction. Further details of the proposed use of funds are set out below in Table 5.

In addition to a public offer for the Capital Raising, the Prospectus will contain other offers as part of the Proposed Transaction.

On a post-consolidation, the Company proposes to make the following offer under the Prospectus:

Table 4 – Details of the offers

Type of Offer	Terms of Offer
Public Offer	For the offer of up to 98,000,000 fully paid ordinary shares at an issue price of 20 cents (\$0.20) per Share (New Shares), to investors who are invited to subscribe for New Shares under the Prospectus pursuant to the Capital Raising, to raise up to \$19,600,000.
Invitation Offer	For the offer of up to 38,000,000 New Shares at an issue price of 20 cents (\$0.20) per New Share, to a group of non-associated sophisticated and/or professional investors from whom firm commitments have been received, who are invited to subscribe for New Shares under the Prospectus pursuant to the Capital Raising, to raise up to \$7,600,000.
Conversion Offer	For the offer of 6,316,122 Shares at a deemed issue price of 20 cents (\$0.20) per Share, to the Conversion Participants, who have each agreed to convert debt owed to them into equity.
Incentive Securities Offer	For the offer of up to 2,475,000 fully paid ordinary shares on a limited recourse loan funded arrangement (Loan Funded Shares), 1,650,000 New Options and 12,375,000 Performance Rights issued under the LTIP to current and proposed Directors, management and advisors of the Company.

Shareholder approval for the issue of:

- (a) the New Shares under the Public Offer and Invitation Offer (which collectively forms the Capital Raising) is sought under Resolution 7 of this Notice of Meeting;
- (b) the Shares to Conversion Participants is sought under Resolutions 9, 10 and 11; and
- (c) the Incentive Securities is sought under Resolutions 13 and 14 of this Notice of Meeting.

Public Offer and Invitation Offer

In addition, as part of the Proposed Transaction and appointment to the New Board, current and proposed Directors of the Company have expressed their desire to subscribe for New Shares under the Prospectus. Shareholder approval under Listing Rule 10.11 for the subscription of New Shares by existing Directors is sought under Resolution 8 of this Notice of Meeting.

In relation to the Invitation Offer, as announced by the Company on 31 January 2018, the investors will be a group of non-associated sophisticated and/or professional investors from whom firm commitments have been received, which includes the family office of the Kennards family and entities related to Mr Peter Lancken, a proposed Director of the Company.

Shareholder approval under the Listing Rules for the participation of proposed Directors in the Capital Raising is not required as Listing Rule 10.12 (exception 6) applies.

The proposed use of the funds raised in the Public Offer and Invitation Offer is as follows:

Table 5 – Proposed use of funds

Description	\$28m Capital Raising
Cash payments payable to Vendors under the Share Sale Agreement	Maximum of \$23,000,000
Transaction costs	\$1,700,000
Working capital	Minimum of \$2,500,000
Total	<u>\$27,200,000</u>

Conversion Offer

As a strategy to preserve cash, current and former Directors of the Company, members of Company's advisory committee and the Company's advisors collectively agreed to unconditionally and irrevocably waive any salaries/fees owed to them from 1 July 2017 onwards.

This strategy was last announced and reiterated by the Company in its September 2017 quarter update and Appendix 5B on 31 October 2017. Following the Company's entry into the Share Sale Agreement as announced on 22 December 2017, payments to current Directors were re-commenced.

The salaries/fees which remained outstanding up until 30 June 2017, continue to remain outstanding as of the date of this Notice (**Outstanding Fees**). Each of the parties owed salaries/fees have agreed to convert all of their respective Outstanding Fees to Shares at the same issue price as the New Shares offered under the Public Offer and Invitation Offer (which on a post-Consolidation basis will be 20 cents per New Share).

Separately, as announced by the Company on 31 January 2018, the Company borrowed \$800,000 (**Loans**) from lenders, which includes Conchord Pty Ltd ATF Neo Camelot No. 2 Trust (**Neo Camelot Holdings**), an entity likely to become a related party (**Lenders**), for working capital purposes and to fund part of the costs of the Proposed Transaction. Neo Camelot Holdings is controlled by Mr Brad Lancken, son of Mr Peter Lancken, a proposed Director of the Company.

The breakdown of the Lenders are as follows: Neo Camelot Holdings (\$320,000) and other non-related parties (\$480,000).

The principal amount of the Loans are convertible to Shares (at the same issue price of the Capital Raising), subject to receipt of Shareholder approval, which is being sought under Resolution 9 of this Notice of Meeting. Separate related party approval is not required for the conversion of the Loans held by Neo Camelot Holdings, as Listing Rule 10.12 (exception 6) applies.

The Lenders and parties owed salaries/fees as noted above, are referred to as the **Conversion Participants** in this Notice of Meeting.

The following Table 6 sets out the proposed number of Shares that will be offered to the Conversion Participants as part of the conversion of the Outstanding Fees and the Loans.

Table 6 – Conversion Participants (post-Consolidation)

Owed party	Total outstanding amount	Number of Shares
Mr Hill, current Director	\$130,221.77	651,109
Mr Chenoweth, current Director	\$72,368.28	361,841
Mr Pager, former Director (past 6 months)	\$72,368.28	361,841
Other management, members of the advisory committee and advisors	\$188,266.13	941,331
Lenders	\$800,000.00	4,000,000
Total	\$1,263,224.46	6,316,122

Messrs Hill, Chenoweth and Pager are each “related parties” of the Company for the purposes of the Listing Rule 10.11. Accordingly, Shareholder approval to issue the Shares to each of them as part of the conversion is being sought under Resolution 10 of this Notice of Meeting.

The other parties and the Lenders are not “related parties” of the Company for the purposes of the Listing Rule 10.11, or can rely on an exception under Listing Rule 10.12. Accordingly, separate Shareholder approval under Listing Rule 7.1 to issue the Shares to them as part of the conversion is being sought under Resolutions 9 and 11 of this Notice of Meeting.

Incentive Securities Offer

As part of the Proposed Transaction, the New Board will implement a new Long Term Incentive Plan (**LTIP**), under which Directors, management and employees of the Company will be invited to share in the ownership of the Company. Under the terms of the LTIP, eligible persons may be issued shares, options or performance rights and such eligible persons may be offered a loan by the Company to fund the subscription amount or exercise price for such securities.

Further details of the LTIP and its intended recipients are set out in Annexure A of this Notice of Meeting and Part C of this Explanatory Statement (pages 44-45 of this Notice of Meeting).

RESOLUTION 7 – APPROVAL FOR ISSUE OF NEW SHARES PURSUANT TO CAPITAL RAISING

This Resolution seeks Shareholder approval to issue and allot up to 136,000,000 New Shares to investors (on a post-Consolidation basis) who are invited to subscribe for New Shares in the Company, at an issue price of 20 cents (\$0.20) per New Share, to raise \$27,200,000 under the Prospectus pursuant to the Capital Raising.

The effect of this Resolution is for Shareholders to approve the issue of these Shares to fall within an exception to Listing Rule 7.1, which will allow the Directors to issue these Shares without using the Company's annual 15% placement capacity.

Information Required by Listing Rule 7.3

The following information in relation to these New Shares (on a post-Consolidation basis) is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) On a post-Consolidation basis, the maximum number of New Shares to be issued is 136,000,000 (being the number of Shares that would be issued for a maximum raise of \$27,200,000).
- (b) These New Shares will be issued by within 3 months of Shareholder approval being obtained by the Company (or otherwise, as determined by the ASX in the exercise of their discretion). Within this period of time, the New Shares will be issued on one date.
- (c) On a post-Consolidation basis, the New Shares will be offered at an issue price of 20 cents (\$0.20) per New Share.
- (d) The allottees are investors invited to subscribe for New Shares under the Prospectus pursuant to the Capital Raising.
- (e) The New Shares will be fully paid on issue and rank equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.
- (f) Funds raised under the Capital Raising will be applied in accordance with Table 5.

Directors' Recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 7.

RESOLUTION 8 – APPROVAL FOR EXISTING DIRECTORS TO SUBSCRIBE FOR NEW SHARES

Shareholder approval is being sought under this Resolution to permit:

- (a) Mr Michael Hill to participate in the Capital Raising, and subscribe for up to \$150K worth of New Shares under the prospectus, on the same terms as other non-related investors;
- (b) Mr Gregg Taylor to participate in the Capital Raising, and subscribe for up to \$50K worth of New Shares under the prospectus, on the same terms as other non-related investors and
- (c) Mr Joshua May to participate in the Capital Raising, and subscribe for up to \$150K worth of New Shares under the prospectus, on the same terms as other non-related investors

Listing Rule 10.11 provides that the Company, as an ASX listed entity, must not issue equity securities to a related party without Shareholder approval.

If approval is obtained under Listing Rule 10.11, in accordance with Listing Rule 7.2 (exception 14), separate approval is not required under Listing Rule 7.1.

A “related party” for the purposes of the Listing Rules is widely defined and includes a director of a public company or a spouse of a director of a public company. Given that Messrs Hill and Taylor are existing Directors of the Company and Mr May is a proposed Director of the Company (as of the date of this Notice), they are each a “related party” of the Company and the issue of New Shares to each of them (or their nominees) constitutes the giving of a financial benefit under Chapter 2E of the Corporations Act.

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a related party of the Company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- (b) prior Shareholder approval is obtained prior to the giving of the financial benefit.

The Shares proposed to be subscribed by and issued to Messrs Hill, Taylor and May are on the same terms and the same post-Consolidation issue price of 20 cents (\$0.20) per New Share, that will be offered other non-related investors under the Capital Raising.

For the above reason, the non-conflicted director of the Company (Mr Brett Chenoweth) formed the view that the issue of these New Shares to Messrs Hill, Taylor and May fall within the “arm’s length” exception as set out in section 210 of the Corporations Act. Accordingly, the Company relies on this exception for the purposes of this Resolution 8 under this Notice.

Information required by Listing Rule 10.13

The following information in relation to the issue of the New Shares to Messrs Michael Hill (or his nominee) and Joshua May (or his nominee) is provided to Shareholders for the purposes of Listing Rule 10.13:

- (a) The related parties are Messrs Michael Hill, Gregg Taylor and Joshua May.
- (b) Based on a post-Consolidation issue price of 20 cents (\$0.20) per New Share, the maximum number of New Shares to be issued to:
 - (i) Mr Hill (or his nominee) is 750,000;

- (ii) Mr Taylor (or his nominee) is 250,000; and
- (iii) Mr May (or his nominee) is 750,000.
- (c) The New Shares will be issued within 1 month of Shareholder approval being obtained by the Company (or otherwise, as determined by the ASX in the exercise of their discretion).
- (d) On a post-Consolidation basis, the issue price of the New Shares is 20 cents (\$0.20) per New Share.
- (e) The New Shares will be fully paid on issue and rank equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.
- (f) Funds raised under the Capital Raising will be applied in accordance with Table 5.

RESOLUTION 9 – APPROVAL OF ISSUE OF SHARES UPON CONVERSION OF LOANS

This Resolution seeks Shareholder approval to issue and allot 4,000,000 Shares to the Lenders (on a post-Consolidation basis) as full repayment of the principal amounts of the Loans. The Shares will be offered under the Conversion Offer, on the same issue price as the New Shares which will be offered under the Public Offer and Invitation Offer of the Prospectus.

As noted on page 34 of this Notice of Meeting, the Lenders includes Neo Camelot Holdings, an entity likely to become a related party. Neo Camelot Holdings is controlled by Mr Brad Lancken, son of Mr Peter Lancken, a proposed Director of the Company.

If Shareholder approval for this Resolution 9 is obtained, on a post-Consolidation basis, Neo Camelot Holdings will be issued 1,600,000 Shares under the Conversion Offer (which reflects \$320,000 of the Loans) and the other Lenders will be issued 2,400,000 Shares under the Conversion Offer (which reflects \$480,000 of the Loans).

The effect of this Resolution is for Shareholders to approve the issue of these Shares to fall within an exception to Listing Rule 7.1, which will allow the Directors to issue these Shares without using the Company's annual 15% placement capacity. Separate related party approval is not required for the conversion of the Loans held by Neo Camelot Holdings, as Listing Rule 10.12 (exception 6) applies.

Information Required by Listing Rule 7.3

The following information in relation to these Shares (on a post-Consolidation basis) is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) On a post-Consolidation basis, the maximum number of Shares to be issued is 4,000,000.
- (b) These Shares will be issued by within 3 months of Shareholder approval being obtained by the Company (or otherwise, as determined by the ASX in the exercise of their discretion).
- (c) On a post-Consolidation basis, the Shares will be offered at a deemed issue price of 20 cents (\$0.20) per Share. As the Shares are being issued as conversion for existing debt, no actual cash will be raised from the issue of these Shares under this Resolution 9.
- (d) The allottees are the Lenders, which includes Neo Camelot Holdings, an entity likely to become a related party.
- (e) The Shares will be fully paid on issue and rank equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.
- (f) As noted above, the Shares will be issued as full repayment of the principal amounts of the Loans.

Directors' Recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 9.

RESOLUTION 10 – APPROVAL OF ISSUE OF SHARES TO RELATED PARTIES AS SETTLEMENT OF OUTSTANDING FEES

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a related party of the Company unless either:

- (a) the giving of the financial benefit falls within one of the exceptions to the provisions; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed issue of Shares to the parties who are owed fees/salaries constitutes the giving of a financial benefit.

Listing Rule 10.11 provides that a listed company must not issue equity securities to a related party without Shareholder approval. The Shares, as ordinary fully paid ordinary shares of the Company, are classified as equity securities by the Listing Rules.

If approval is obtained under this Resolution 10 for the purpose of Listing Rule 10.11, further approval is not required under Listing Rule 7.1.

A “related party” for the purposes of the Corporations Act and the Listing Rules is widely defined and includes a director of a public company, a spouse of a director of a public company or an entity controlled by a director of a public company. The definition of “related party” also includes a person whom there is reasonable grounds to believe will become a “related party” of a public company, and includes a person who was a “related party” in the previous 6 months.

As Messrs Hill and Chenoweth are each current Directors of the Company, they are each a “related party” of the Company for the purposes of the Corporations Act and the Listing Rules.

Mr Pager resigned as a Director of the Company on 8 December 2017. Accordingly, as Mr Pager resigned within the previous 6 months, Mr Pager is also a related party of the Company for the purposes of the Corporations Act and the Listing Rules.

Therefore, for each of the aforementioned parties, the proposed issue of Shares to each of them requires Shareholder approval under Chapter 2E of the Corporations Act and Listing Rule 10.11.

The Company formed the view that the issue of the Shares as part of the debt to equity conversion falls within the “arm’s length terms” exception set out in section 210 of the Corporations Act, as the terms of the Shares are exactly the same as those that will be offered to the public under the Prospectus to raise a minimum of \$27,200,000. Accordingly, the Company relies on section 210 of the Corporations Act for the purposes of Chapter 2E of the Corporations Act.

Information Required by Listing Rule 10.13

The following information in relation to the issue of Shares (on a post-Consolidation basis) is provided to Shareholders for the purposes of Listing Rule 10.13:

- (a) The related parties are:
 - (i) current Directors of the Company: Messrs Hill and Chenoweth
 - (ii) former Director of the Company: Mr Pager

- (b) On a post-Consolidation basis, the maximum number of Shares that will be issued are as follows:
 - (i) Mr Hill: 651,109 Shares
 - (ii) Mr Chenoweth: 361,841 Shares
 - (iii) Mr Pager: 361,841 Shares
- (c) The Shares will be issued by within 1 month of Shareholder approval being obtained by the Company (or otherwise, as determined by the ASX in the exercise of their discretion).
- (d) On a post-Consolidation basis, each of the Shares will have a deemed issue price of 20 cents (\$0.20) per Share. As the Shares are being issued as conversion for existing debt, no actual cash will be raised from the issue of these Shares under this Resolution 10.
- (e) The Shares will be fully paid on issue and rank equally in all aspects with all existing ordinary shares previously issued by the Company.
- (f) The Shares are being issued as part of the agreed debt to equity conversion for the settlement of all of their respective portion of the Outstanding Fees.

Directors' Recommendation

Messrs Hill and Chenoweth abstain from making a recommendation as this Resolution 10 considers the issue of Shares to each of them in satisfaction of outstanding fees.

Mr Taylor recommends that Shareholders vote in favour of Resolution 10.

RESOLUTION 11 – APPROVAL OF ISSUE OF SHARES TO OTHER PARTIES AS SETTLEMENT OF OUTSTANDING FEES

This Resolution seeks Shareholder approval to issue and allot up to 941,331 Shares (on a post-Consolidation basis) to parties who are owed fees/salaries who are not “related parties” of the Company under Listing Rules and the Corporations Act, in full and final settlement of their respective portion of the Outstanding Fees. Further details of the conversion amounts are set out in Table 6. As noted previously, the fees were for services provided by each of the Conversion Participants to the Company.

The effect of this Resolution is for Shareholders to approve the issue of these Shares to fall within an exception to Listing Rule 7.1, which will allow the Directors to issue these Shares without using the Company’s annual 15% placement capacity.

Information Required by Listing Rule 7.3

The following information in relation to these Shares (on a post-Consolidation basis) is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) On a post-Consolidation basis, the maximum number of Shares to be issued is 941,331.
- (b) These Shares will be issued by within 3 months of Shareholder approval being obtained by the Company (or otherwise, as determined by the ASX in the exercise of their discretion).
- (c) On a post-Consolidation basis, each of the Shares will have a deemed issue price of 20 cents (\$0.20) per Share. As the Shares are being issued as conversion for existing debt, no actual cash will be raised from the issue of these Shares under this Resolution 11.
- (d) The allottees are the Company’s former director (more than 6 months ago), committee members and advisors who are each not “related parties” of the Company. Each of the allottees agreed to convert all of the outstanding fees owed to each of them into equity.
- (e) The Shares will be fully paid on issue and rank equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.
- (f) The Shares are being issued as part of the agreed debt to equity conversion for the settlement of all of their respective portion of the Outstanding Fees.

Directors’ recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 11.

Part C: Issue of incentive securities

Following completion of the Proposed Transaction, the New Board will implement a new Long Term Incentive Plan (**LTIP**), under which Directors, senior management, and other key employees of the Company will be invited to share in the ownership of the Company. Under the terms of the LTIP, eligible persons may be issued shares, options or performance rights and such eligible persons may be offered a loan by the Company to fund the subscription amount or exercise price for such securities.

Shareholder approval for the adoption of the LTIP is being sought under Resolution 12 of this Notice of Meeting.

Summary of the LTIP is set out in Annexure A of this Notice of Meeting.

Long Term Incentive Plan

Pursuant to the terms of the Share Sale Agreement, under the LTIP (of which, the key terms are set out in Annexure A of this Notice of Meeting), the Company will be issuing a combination of, on a post-Consolidation basis:

- (a) 2,475,000 Loan Funded Shares;
- (b) 1,650,000 New Options; and
- (c) 12,375,000 Performance Rights

(collectively referred to as the **Incentive Securities**),

to the Company's proposed new management and members of the New Board, and other management, advisors and employees of the Company who are not related parties to the Company.

The terms of the Incentive Securities, which all have vesting conditions, have been designed to assist in aligning the interests of the recipients to the Shareholders of the Company, and where applicable, to remunerate each of them appropriately.

Table 7 – Incentive Securities (Post-Consolidation)

Proposed recipient	Proposed role with the Company	Incentive Securities
Steven Boland	Executive Director and CEO	<ul style="list-style-type: none">• 510,000 Loan Funded Shares• 340,000 New Options• 2,550,000 Performance Rights
Peter Lancken	Non-Executive Chairman	<ul style="list-style-type: none">• 525,000 Loan Funded Shares• 350,000 New Options• 2,625,000 Performance Rights
Michael Hill	Non-Executive Director	<ul style="list-style-type: none">• 90,000 Loan Funded Shares• 60,000 New Options• 450,000 Performance Rights
Gregg Taylor	Non-Executive Director	<ul style="list-style-type: none">• 90,000 Loan Funded Shares• 60,000 New Options• 450,000 Performance Rights
Joshua May	Non-Executive Director	<ul style="list-style-type: none">• 450,000 Loan Funded Shares

		<ul style="list-style-type: none"> • 300,000 New Options • 2,250,000 Performance Rights
Non-related parties of the Company	Management, advisors and employees	<p>The issue and allotment will be at the discretion of the Company. At present, the intention is to issue an additional:</p> <ul style="list-style-type: none"> • 810,000 Loan Funded Shares • 540,000 New Options • 4,050,000 Performance Rights
Total		<ul style="list-style-type: none"> • 2,475,000 Loan Funded Shares • 1,650,000 New Options • 12,375,000 Performance Rights

Shareholder approval for the issue of the Incentive Securities to members of the New Board under the LTIP is sought under Resolution 13 of this Notice of Meeting.

As part of the Proposed Transaction, the Company is also seeking Shareholder approval for the issue of Incentive Securities to Mr Thomas Ness (or his nominee) for past and on-going advisory services to the Company, which is sought under Resolution 14 of this Notice of Meeting.

RESOLUTION 12 – ADOPTION OF LONG TERM INCENTIVE PLAN (LTIP)

Background to the LTIP

This Resolution seeks Shareholder approval for the Company to adopt an employee incentive scheme titled “Long Term Incentive Plan” (**LTIP**) in accordance with Listing Rule 7.2 (exception 9(b)) and for all other purposes. This Resolution is conditional on the Acquisition Resolutions being passed (which are required to complete the Proposed Transaction) under this Notice of Meeting.

The effect of this Resolution is for Shareholders to approve the issue of securities under the LTIP (**LTIP Securities**) to fall within an exception to Listing Rule 7.1, which will allow the Directors to issue the LTIP Securities without using the Company’s 15% placement capacity for a period of 3 years from the date on which Shareholders approve the issue of securities under the relevant employee incentive scheme.

As of the date of this Notice, no LTIP Securities have been issued under the proposed LTIP. Subject to approval of this Resolution 12, the Board intends to issue Loan Funded Shares, New Options and Performance Rights to existing and proposed Directors, management and advisors of the Company, as part of the completion of the Proposed Transaction. Shareholder approval for the issue of LTIP Securities to related parties is sought under Resolution 13 of this Notice of Meeting.

Following completion of the Proposed Transaction, any future issue of LTIP Securities to a related party or a person whose relation with the Company or the related party is, in the ASX’s opinion, such that approval should be obtained, will require additional Shareholder approval under Corporations Act and Listing Rules at the relevant time.

Shareholder loans

The Board may, in its discretion, also determine that the Company will provide limited recourse loans to participants to use to pay the subscription price for the purchase of loan funded shares under the LTIP.

Permit the Company to take security over its own Shares

Section 259B(1) of the Corporations Act prohibits a company taking security over shares in itself or in a company that controls it, unless one of the exceptions in subsections 259B(2) or 259(3) applies. Section 259(2) of the Corporations Act permits the taking of security by a Company over its own Shares, if the security is taken over shares issued under an employee share scheme approved at a meeting of shareholders via an ordinary resolution.

Employee share scheme is defined widely by the Corporations Act and includes the LTIP.

Accordingly, Shareholder approval is being sought under this Resolution to approve the LTIP in order for the Company to take security over its own Shares issued under the LTIP if required to do so.

Exemption for 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 of the assistance does not materially prejudice the interests of the company or its shareholders, or the company’s ability to pay its creditors;

- (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(4) of the Corporations Act provides an exemption to financial assistance, if the financial assistance is given under an employee share scheme approved at a meeting of shareholders via an ordinary resolution.

As noted above and set out in Annexure A, the terms of the LTIP envisages the giving of financial assistance by the Company to eligible and invited participants in the form of interest free, limited recourse loans to acquire loan funded shares in the Company.

Although the Board does not consider that the giving of financial benefit under the LTIP will materially prejudice the interests of the company or its shareholders, or the company's ability to pay its creditors, Shareholder approval is being sought under this Resolution to enable the Company to qualify for the special exemption offered by section 260C(4) of the Corporations Act.

Employee share scheme buy-back

Section 257B(1) of the Corporations Act sets out the procedure for various forms of share buy-back, including an "employee share scheme buy-back". In order for the Company to undertake a buy-back of Shares under the LTIP using the employee share scheme buy-back procedure under the Corporations Act, the LTIP must be approved by Shareholders of the Company.

Accordingly, Shareholder approval is being sought under this Resolution to approve the LTIP in order for the Company to undertake a buy-back of Shares under the LTIP using the employee share scheme buy-back procedure under the Corporations Act.

Terms of the LTIP

A summary of the key terms of the LTIP is set out in Annexure A to this Notice of Meeting.

A copy of the full terms and conditions of the LTIP is available for review by Shareholders at the registered address of the Company until the date of the Meeting. A copy of the LTIP can also be sent to Shareholders upon a written request being made with the Company. Shareholders are invited to contact the Company if they have any queries or concerns.

Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 12.

RESOLUTION 13 – APPROVAL OF ISSUE OF INCENTIVE SECURITIES TO RELATED PARTIES

As noted previously and set out in Table 7, the Company will be issuing a combination of Incentive Securities under the LTIP, which comprises of Loan Funded Shares, New Options and Performance Rights, to the Company's proposed new management and members of the New Board.

A summary of the key terms of the LTIP is set out in Annexure A of this Notice of Meeting.

The terms of the Incentive Securities, which all have vesting conditions, have been designed to assist in aligning the interests of the recipients to the Shareholders of the Company, and where applicable, to remunerate each of them appropriately.

Under this Resolution 13, Shareholder approval is being sought to issue, on a post-Consolidation basis, Incentive Securities to each of the Directors of the New Board (which comprises of current and proposed Directors of the Company) as follows:

Table 8 – Incentive Securities to Related Parties (Post-Consolidation)

Proposed recipient	Proposed role with the Company	Incentive Securities
Steven Boland	Executive Director and CEO	<ul style="list-style-type: none">• 510,000 Loan Funded Shares• 340,000 New Options• 2,550,000 Performance Rights
Peter Lancken	Non-Executive Chairman	<ul style="list-style-type: none">• 525,000 Loan Funded Shares• 350,000 New Options• 2,625,000 Performance Rights
Michael Hill	Non-Executive Director	<ul style="list-style-type: none">• 90,000 Loan Funded Shares• 60,000 New Options• 450,000 Performance Rights
Gregg Taylor	Non-Executive Director	<ul style="list-style-type: none">• 90,000 Loan Funded Shares• 60,000 New Options• 450,000 Performance Rights
Joshua May	Non-Executive Director	<ul style="list-style-type: none">• 450,000 Loan Funded Shares• 300,000 New Options• 2,250,000 Performance Rights
Total		<ul style="list-style-type: none">• 1,665,000 Loan Funded Shares• 1,110,000 New Options• 8,325,000 Performance Rights

Director and Related Party Approvals

Listing Rule 10.14 provides that a listed company must not permit a Director of the Company to acquire securities under an employee incentive scheme without Shareholder approval.

If approval is obtained under Listing Rule 10.14, in accordance with Listing Rule 10.12 (exception 4), separate approval is not required under Listing Rule 10.11.

The proposed issue of Incentive Securities under the LTIP to Messrs Boland, Lancken, Hill, Taylor and May, continuing and proposed Directors of the Company (as the case may be),

constitutes the acquisition of securities under an employee incentive scheme for the purposes of Listing Rule 10.14.

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a related party of the Company unless either:

- (a) the giving of the financial benefit falls within one of the exceptions to the provisions; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed issue of Incentive Securities constitutes the giving of a financial benefit.

Each of the non-conflicted Directors considered the proposed issue of the Incentive Securities as part of their respective remuneration packages. The current Board considered the issue of Incentive Securities to Messrs Bolland, Lancken and May. Messrs Hill and Chenoweth considered the issue of Incentive Securities to Mr Taylor. Messrs Chenoweth and Taylor considered the issue of Incentive Securities to Mr Hill.

Each of the groups formed the view that the giving of the financial benefit to the parties as set out in Table 8 was reasonable remuneration, given the circumstances of the Company and the responsibilities to be held by each of the members of the New Board following completion of the Proposed Transaction.

In reaching the view, the following considerations were taken into account by the groups:

- (a) all of the Incentive Securities are unvested and subject to conditions which are tied to either continued tenure with the Company, performance in the Company's share price (which is a 100% premium to the proposed issue price under the Public Offer and Invitation Offer) and/or the financial performance of the Company in FY19, which all assist in aligning the interests of the Directors with Shareholders of the Company;
- (b) the quantity and value of the Incentive Securities together with the terms in each case constitute an appropriate number to reflect the duties and obligations associated with the role of a director and also, to adequately incentivise each of the members of the New Board in light of their skill and experience; and
- (c) the issue of Incentive Securities are a cost effective and efficient reward and incentive to be provided to each of them, as opposed to alternative forms of incentive, such as the payment of additional cash consideration or bonuses.

Accordingly, the Board (in their respective groups noted above) believe that the issue of Incentive Securities to the members of the New Board fall within the "reasonable remuneration" exception as set out in section 211 of the Corporations Act and relies on this except for the purposes of Resolution 13 of this Notice.

Information Required by Listing Rule 10.15

The following information in relation to the issue of certain Incentive Securities (on a post-Consolidation basis) to Messrs Boland, Lancken, Hill, Taylor and May is provided to Shareholders for the purposes of Listing Rule 10.15:

- (a) The Directors are:
 - (i) Mr Steven Boland, a proposed Executive Director and CEO of the New Board;

- (ii) Mr Peter Lancken, a proposed Non-Executive Chairman of the New Board;
 - (iii) Mr Michael Hill, the current Executive Chairman who will continue as a Non-Executive Director of the New Board;
 - (iv) Mr Gregg Taylor, an existing and continuing Non-Executive Director of the New Board; and
 - (v) Mr Joshua May, a proposed Non-Executive Director of the New Board.
- (b) On a post-Consolidation basis, the maximum number of Incentive Securities to be issued to each of the related parties are as follows:
- (i) Mr Boland: 510,000 Loan Funded Shares, 340,000 New Options and 2,550,000 Performance Rights;
 - (ii) Mr Lancken: 525,000 Loan Funded Shares, 350,000 New Options and 2,625,000 Performance Rights;
 - (iii) Mr Hill: 90,000 Loan Funded Shares, 60,000 New Options and 450,000 Performance Rights;
 - (iv) Mr Taylor: 90,000 Loan Funded Shares, 60,000 New Options and 450,000 Performance Rights; and
 - (v) Mr May: 450,000 Loan Funded Shares, 300,000 New Options and 2,250,000 Performance Rights.
- (c) The New Options and Performance Rights are being issued for nil cash consideration pursuant to the terms of the LTIP. The Loan Funded Shares are being issued at an issue price of 20 cents per Loan Funded Share with the issue price being funded by a loan from the Company pursuant to the terms of the LTIP.
- (d) No Incentive Securities have been issued to, or for the benefit of, eligible participants under the LTIP to date. Subject to shareholder approval being obtained under this Resolution 12, the LTIP will be adopted on completion of the Proposed Transaction.
- (e) Each Director of the New Board (being Messrs Boland, Lancken, Hill, Taylor and May) are all the persons referred to in Listing Rule 10.14 who are eligible to participate in the LTIP, if approved by Shareholders under Resolutions 12 and 13 of this Notice.
- (f) A summary of the key terms of the LTIP is set out in Annexure A to this Notice of Meeting.
- (g) The Loan Funded Shares are fully paid ordinary Shares of the Company which are to be issued on a limited recourse loan funded arrangement under the LTIP. The Loan Funded Shares will have the following material terms:
- (i) Loan term: 5 years;
 - (ii) Interest: No interest payable; and
 - (iii) Vesting hurdles: subject to being a continuous employee or director of the Company group for 2 years from the date of issue, and 20 day VWAP of the Company's Share price exceeding 40 cents per Share (post-Consolidation basis).
- (h) The New Options will have the following material terms:

- (i) Exercise price: 20 cents per option (post-Consolidation basis);
 - (ii) Vesting hurdles: subject to being a continuous employee or director of the Company group for 2 years from the date of issue, and 20 day VWAP of the Company's Share price exceeding 40 cents per Share (post-Consolidation basis); and
 - (iii) Expiry date: 3 years from the date of issue.
- (i) The Performance Rights will have the following material terms:
- (i) Exercise price: Nil;
 - (ii) Conversion: upon vesting, conversion to Shares on a 1 for 1 basis;
 - (iii) Vesting hurdles: subject to being a continuous employee or director of the Company group for 2 years from the date of issue, and satisfaction of performance hurdles being met (FY19 EBITDA exceeding \$11m); and
 - (iv) Expiry date: if unvested after 2 years from the date of issue, expires immediately thereafter.
- (j) The Incentive Securities will be issued by within 12 months from the date of this Meeting at completion of the Proposed Transaction, if approved by Shareholders of the Company.

RESOLUTION 14 – APPROVAL OF ISSUE OF OTHER INCENTIVES

As part of the Proposed Transaction, the Company proposes to issue, on a post-Consolidation basis, 45,000 Loan Funded Shares, 30,000 New Options and 225,000 Performance Rights to Mr Thomas Ness (or his nominee) for past and on-going advisory services to the Company.

The terms of these incentives, which all have vesting conditions, have been designed to assist in aligning the interests of Mr Ness as an advisor to the Company to its Shareholders.

The effect of this Resolution is for Shareholders to approve the issue of these Incentive Securities to fall within an exception to Listing Rule 7.1, which will allow the Directors to issue these Incentive Securities without using the Company's annual 15% placement capacity.

Information Required by Listing Rule 7.3

The following information in relation to the Incentive Securities (on a post-Consolidation basis) is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) On a post-Consolidation basis, the maximum number of Incentive Securities to be issued is as follows:
 - (i) Loan Funded Shares: 45,000
 - (ii) New Options: 30,000
 - (iii) Performance Rights: 225,000
- (b) The Incentive Securities will be issued on completion of the Proposed Transaction which is expected to occur within 3 months of Shareholder approval being obtained by the Company (or otherwise, as determined by the ASX in the exercise of their discretion).
- (c) The New Options and Performance Rights are being issued for nil cash consideration. The Loan Funded Shares are being issued at an issue price of 20 cents per Loan Funded Share with the issue price being funded by a loan from the Company.
- (d) The allottee will be Thomas Ness, an adviser to the Company.
- (e) The Loan Funded Shares are fully paid ordinary Shares of the Company which are to be issued on a limited recourse loan funded arrangement. The Loan Funded Shares will have the following material terms:
 - (i) Loan term: 5 years;
 - (ii) Interest: No interest payable; and
 - (iii) Vesting hurdles: subject to being a continuous adviser of the Company group for 2 years from the date of issue, and 20 day VWAP of the Company's Share price exceeding 40 cents per Share (post-Consolidation basis).
- (f) The New Options will have the following material terms:
 - (i) Exercise price: 20 cents per option (post-Consolidation basis);

- (ii) Vesting hurdles: subject to being a continuous adviser of the Company group for 2 years from the date of issue, and 20 day VWAP of the Company's Share price exceeding 40 cents per Share (post-Consolidation basis); and
 - (iii) Expiry date: 3 years from the date of issue.
- (g) The Performance Rights will have the following material terms:
- (i) Exercise price: Nil;
 - (ii) Conversion: upon vesting, conversion to Shares on a 1 for 1 basis;
 - (iii) Vesting hurdles: subject to being a continuous adviser of the Company group for 2 years from the date of issue, and satisfaction of performance hurdles being met (FY19 EBITDA exceeding \$11m); and
 - (iv) Expiry date: if unvested after 2 years from the date of issue, expires immediately thereafter.
- (v) If at any time the issued capital of the Company is reconstructed, all rights of the holder of the Incentive Securities will be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
- (h) There are no participating rights or entitlements inherent in the New Options and Performance Rights and the holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Options and Performance Rights. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give the holder of the New Options the opportunity to exercise the New Options (if vested) prior to the date for determining entitlements to participate in any such issue.

Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 14.

ENQUIRIES

Shareholders are asked to contact the Company Secretary, on (+61 2) 8072 1400 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

Accounting Standards means:

- (a) the requirements of the Corporations Act about the preparation and contents of financial reports;
- (b) the accounting standards approved under the Corporations Act;
- (c) generally accepted and applied accounting principles and practices in Australia, except those inconsistent with the standards or requirements referred to in sub-clauses (a) and (b) above; and
- (d) in the event of any dispute as to their interpretation, the approach determined by the auditor of the Company.

Acquisition Resolutions means Resolutions 1 to 14 under this Notice of Meeting.

Acrow means Acrow Holdings Pty Limited (ACN 145 589 797) of Suite 2, Level 39, 259 George Street, Sydney NSW 2000.

Acrow Formwork and Scaffolding means Acrow Formwork and Scaffolding Pty Ltd ACN 004 284 806, a wholly-owned subsidiary of Acrow.

Acrow Vendors means the securityholders of Acrow, as identified in the Share Sale Agreement.

Anchorage Entity means Australian Executor Trustees Limited (ABN 84 007 869 794) as custodian for Anchorage Capital Partners Fund, LP (an Acrow Vendor).

ASIC means Australian Securities and Investment Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it, as the context requires, of 20 Bridge Street, Sydney, NSW 2000.

ASX Listing Rules or **Listing Rules** means the official listing rules of the ASX and any other rules of the ASX which are applicable while the Company is admitted to the official list of the ASX, as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

Board means the Board of Directors of the Company.

Business Day means a day on which trading takes place on the stock market of ASX.

Capital Raising means a capital raising to be conducted by the Company under the Prospectus (Public Offer and Invitation Offer) in accordance with Resolution 7 of this Notice of Meeting.

Company or **NMG** means NMG Corporation Limited (ACN 124 893 465) of Level 29, 201 Elizabeth Street, Sydney NSW 2000.

Completion means the completion of the sale and purchase of all the fully paid ordinary shares in Acrow contemplated by the Share Sale Agreement.

Completion Date means the date on which Completion occurs.

Completion Payment has the meaning given to it in the Share Sale Agreement, which is also described on page 19 of this Notice of Meeting.

Consideration means the consideration payable to the Acrow Vendors for their shares in Acrow under the terms of the Share Sale Agreement.

Consolidation means the 20 for 1 consolidation of the existing issued capital of the Company, which will be implemented in accordance with Resolution 1 of this Notice of Meeting.

Consolidation Ratio means the 20 for 1 ratio of the Consolidation, being 20 securities being consolidated to 1 security.

Conversion Participants means the Lenders and parties owed salaries/fees as set out in Table 6.

Corporations Act means the *Corporations Act 2001* (Cth) as amended or replaced from time to time.

Debt has the meaning given in the Share Sale Agreement, which covers all debt with Acrow and its wholly-owned subsidiary (Acrow Formwork and Scaffolding Pty Ltd ACN 004 284 806) has on Completion (with certain agreed exceptions).

Director means a current director of the Company or a director that is to be appointed as part of the Proposed Transaction, as appropriate.

Dollar or “\$” means Australian dollars.

Explanatory Statement means the explanatory statement accompanying this Notice of Meeting.

Extraordinary General Meeting or **Meeting** means the meeting of the Company’s members convened by this Notice of Meeting.

Incentive Securities means securities that may be issued under the LTIP and to an advisor, including the combination of Loan Funded Shares, New Options and Performance Rights that will be issued to current and proposed directors, certain management and advisors as part of the Proposed Transaction.

Invitation Offer means the offer of New Shares to a group of non-associated sophisticated and/or professional investors from whom firm commitments have been received, who are invited to subscribe for New Shares under the Prospectus pursuant to the Capital Raising, to raise up to \$7,600,000.

Lancken Entity means Palcort Pty Limited (ABN 65 062 153 771) as trustee for Lancken Investment Trust (an Acrow Vendor and an entity associated with Mr Peter Lancken, proposed director of the Company).

Lenders means the parties that provided the Loans, which includes Conchord Pty Ltd ATF Neo Camelot No. 2 Trust.

Loan Funded Shares forms part of the Incentive Securities, which are Shares of the Company which are to be issued on a limited recourse loan funded arrangement.

Loans means the \$800,000 which the Company borrowed from the Lenders, as announced by the Company on 31 January 2018.

LTIP means the Long Term Incentive Plan which will be implemented following completion of the Proposed Transaction, the summary of key terms which is set out in Annexure A of this Notice.

New Board means the proposed board of the Directors of the Company, following completion of the Proposed Transaction.

New Options forms part of the Incentive Securities, which are unlisted and unvested Options.

New Shares means, on a post-Consolidation basis, up to 136,000,000 Shares at an issue price of 20 cents (\$0.20) per Share that will be offered as part of the Public Offer and Invitation Offer, as conducted under the Prospectus.

Notice of Meeting or **Notice of Extraordinary General Meeting** means this notice of extraordinary general meeting dated 8 February 2018 including the Explanatory Statement.

Offers means the offers to be made under the Prospectus, which includes the offer of the New Shares.

Option means an unlisted option to subscribe for a Share.

Outstanding Fees means \$463,222 in salaries/fees which continue to remain outstanding as of the date of this Notice, and is owed by the Company to current and former Directors of the Company, advisory committee members and advisors.

Performance Rights forms part of the Incentive Securities, which are unlisted and unvested performance rights of the Company which are convertible to Shares.

Proposed Transaction means the proposed acquisition of 100% of the issued capital in Acrow pursuant to the Share Sale Agreement, as announced by the Company on 22 December 2017.

Prospectus means the prospectus that will be issued by the Company to conduct the Capital Raising and other make offers as contemplated in this Notice of Meeting.

Proxy Form means the proxy form attached to this Notice of Meeting.

Public Offer means the offer of New Shares to investors who are invited to subscribe for New Shares under the Prospectus pursuant to the Capital Raising, to raise up to \$19,600,000.

Resolutions means the resolutions set out in this Notice, or any one of them, as the context requires.

Security means a Share or any other equity interest in the Company.

Share means a fully paid ordinary share in the capital of the Company.

Share Sale Agreement means the conditional share sale agreement executed between Acrow, the Acrow Vendors and the Company dated 22 December 2017, which sets out the terms and conditions under which the Proposed Transaction will complete.

Shareholder means a holder of a Share.

W&I Insurance Policy means the warranty and indemnity insurance policy to be issued by the underwriter of the W&I Insurance Policy, in relation to the Share Sale Agreement.

ANNEXURE A – SUMMARY OF LONG TERM INCENTIVE PLAN

LONG TERM INCENTIVE PLAN

Subject to the Acquisition Resolutions being approved, the Company intends to adopt the Long Term Incentive Plan (**LTIP**), to assist in the reward, retention and motivation of the Company's Directors, senior management, and other key employees.

Under the rules of the LTIP, the Board has a discretion to offer any of the following awards to senior management, directors or other nominated key employees:

- options to acquire Shares;
- performance rights to acquire Shares; and/or
- Shares, including to be acquired under a limited recourse loan funded arrangement,

In each case subject to service-based conditions and/or performance hurdles (collectively, the **"Awards"**).

The terms and conditions of the LTIP are set out in comprehensive rules. A summary of the rules of the LTIP is set out below:

- The LTIP is open to Directors, senior management, and any other employees of the Company, as determined by the Board. Participation is voluntary.
- The Board may determine the type and number of Awards to be issued under the LTIP to each participant and other terms of issue of the Awards, including:
 - what service-based conditions and/or performance hurdles must be met by a participant in order for an Award to vest (if any);
 - the fee payable (if any) to be paid by a participant on the grant of Awards;
 - the exercise price of any option granted to a participant;
 - the period during which a vested option can be exercised; and
 - any forfeiture conditions or disposal restrictions applying to the Awards and any Shares that a participant receives upon exercise of their options or performance rights.
- The Board may, in its discretion, also determine that the Company will issue limited recourse loans to participants to use for the purchase of Shares as part of a Share Award under the LTIP.
- When any service-based conditions and/or performance hurdles have been satisfied, participants will receive fully vested Shares or their options/performance rights will become vested and will be exercisable over Shares (as applicable).
- Each vested option and performance right enables the participant to be issued or to be transferred one Share upon exercise, subject to the rules governing the LTIP and the terms of any particular offer.
- Participants holding options or performance rights are not permitted to participate in new issues of securities by the Company but adjustments may be made to the number of Shares over which the options or performance rights are granted and/or the exercise price (if any) to take into account changes in the capital structure of the Company that occur by way of pro rata and bonus issues in accordance with the rules of the LTIP and the Listing Rules.

- The LTIP limits the number of Awards that the Company may grant without Shareholder approval, such that the sum of all Awards on issue (assuming all options and performance rights were exercised) do not at any time exceed in aggregate 10% of the total issued capital of the Company as at the date of commencement of the LTIP.
- The Board may delegate management and administration of the LTIP, together with any of their powers or discretions under the LTIP, to a committee of the Board or to any one or more persons selected by them as the Board thinks fit.

ANNEXURE B – RISK FACTORS

1.1 SPECIFIC RISKS RELATING TO THE COMPANY AND ACROW

Contractual risk – Share Sale Agreement

Pursuant to the Share Sale Agreement, the Company has agreed to acquire 100% of the issued capital of Acrow, subject to the fulfilment of certain conditions, including meeting the requirements of Chapters 1 and 2 of the ASX Listing Rules. There is a risk that the Share Sale Agreement conditions cannot be fulfilled and, in turn, the Proposed Transaction is not completed.

If the Proposed Transaction is not completed, the Offers and the re-listing of the Company will not proceed.

Under the terms of the Share Sale Agreement, the Company's sole recourse for breaches of warranties or indemnities by the Acrow Vendors is the W&I Insurance Policy (subject to certain limited exceptions). There is a risk that the warranty insurer will not pay out, or pay out in full, any claims made under the W&I Insurance Policy, or that the damage suffered by the Company for such breaches exceeds the policy limit or falls within an exclusion.

Industrial relations

Acrow operates within a highly unionised industry. Many of its staff are employed on enterprise bargaining agreements negotiated through various industrial associations. Whilst Acrow endeavours to maintain amicable relationships with relevant unions, such as the Construction, Forestry, Mining and Energy Union, and has not been the subject of any industrial disputes so far, there are no assurances that Acrow will not experience industrial action in the future. A lengthy union dispute and industrial action would cause the financial performance of Acrow to suffer.

As Acrow's clients operate in highly unionised industries (e.g. construction and mining) there is also the risk that Acrow's clients will experience industrial action. Any such industrial action could reduce the demand for Acrow's services and/or products, thereby decreasing revenue.

Construction industry downturn

As a service provider to the construction industry, the financial performance of Acrow is highly reliant on the level of activity within that industry. The level of activity in the construction industry can be cyclical and sensitive to a number of factors beyond the control of the Company. Any downturn in the construction industry is likely to have a significant effect on the financial performance and/or financial position of the Company.

Major infrastructure projects cancelled or delayed

Major infrastructure projects undertaken by the private and public sector are susceptible to a number of factors including economic and political conditions. The cancellation or delay of a major infrastructure project is likely to have a significant effect on the financial performance and/or financial position of the Company.

Safety and industrial accidents

The provision of Acrow's products and services is subject to safety related risk and can be considered high-risk. Acrow provides 'wet hire' solutions in its scaffolding business, where labour is provided to assemble and dismantle scaffolding (**Wet Hire**). These workers often work at heights and operate in dangerous environments such as construction sites, where there may be loose debris and hazardous materials. Whilst most of this labour is provided through subcontractors, Acrow is not absolved of its obligations under the *Work Health and Safety Act 2011* (Cth). This risk is amplified by the fact that Acrow cannot control the safety practices of its clients (i.e. those who hire the scaffolding and labour).

This increases Acrow's exposure to workplace injury claims. Whilst Acrow takes preventative measures, there is no guarantee that accidents or unsafe operations will not occur and injure its own workers or third parties. A serious accident may negatively impact the financial performance and/or financial position of the Company. There are currently two workplace injury proceedings in which Acrow has been joined as a defendant.

Reliance on third party suppliers

Acrow relies on third-party suppliers in its business operations.

Where Acrow provides Wet Hire solutions most of the labour is provided through subcontractors. Whilst Acrow's products are designed in-house, the material used in their manufacture and the manufacturing process itself is supplied by/outsourced to third parties.

If key suppliers were to cease their relationships with Acrow, there would be significant disruption to its business whilst Acrow arranges replacement suppliers. This may have a material impact on the ability of Acrow to service its clients, which would be likely to have a material impact on its financial performance.

Acrow's ability to serve its clients to a high standard is also dependent on retaining quality suppliers. There is no guarantee that the services and/or products provided by its suppliers will be of the same high standard as those of Acrow. It is not practical for Acrow to check every component. This may result in defective equipment being hired out to Acrow's clients, which may not be discovered until an incident occurs. This increases Acrow's exposure to potential claims.

Exchange rate fluctuation

The material used to manufacture Acrow's equipment, in particular steel, is sourced overseas as well as locally. This exposes Acrow to fluctuations in exchange rates, which is beyond the Company's control, and there is a risk that the cost of manufacturing Acrow's products will rise as a result. This would adversely impact the financial performance of the Company.

Changes in government policies

Acrow's clients operate in industries, such as infrastructure, that are highly influenced by the capital expenditure policies of both federal and state governments, which are beyond its control. Any change in to the government's spending policy that adversely affects Acrow's clients, such a decision to reduce spending on infrastructure, is likely to reduce demand for Acrow's products and/or services and impact negatively on revenue.

Failure to protect intellectual property

Acrow's scaffolding and formwork equipment is designed in-house. It currently owns two granted patents in Australia for a stair stringer and a clamp assembly. However, Acrow is still reliant on trade secrets, know-how and copyright, which are not the subject of formal intellectual property registration. There is a risk that the measures Acrow has in place to protect its intellectual property may not be adequate. Any such deficiency in these measures may adversely affect its business (for example, the use of its intellectual property by competitors).

Acrow may be unable to detect unauthorised use of its intellectual property rights. Monitoring unauthorised use of its intellectual property is difficult and may require significant resources.

Breach of third party intellectual property rights

There may be a risk that the validity, ownership or use of intellectual property relating to Acrow's business is challenged by third parties. This may require Acrow to incur significant costs and expenses to protect its intellectual property rights or defend claims by third parties for infringement of intellectual property rights. If Acrow is not successful in any such litigation or claims, it may be required to pay damages and costs to third parties. In addition, if any such claims result in Acrow being unable to continue to use any of its key intellectual property, and it is unable to find a cost-

effective alternative, then this may materially adversely impact Acrow's reputation, business, operations and financial performance. Whether or not litigation is successful, Acrow's involvement in litigation could result in significant cost and expense to Acrow and cause a distraction to management. This may affect Acrow's business and financial performance. If Acrow is required to develop or support new technology and intellectual property, it may require significant capital expenditure by Acrow.

Changes in technology

The technology in scaffolding and formwork sector is constantly evolving. Accordingly, there is a risk that new entrants will develop technology that is superior to that of Acrow. If such technology has advantages over Acrow's products, the Acrow products may lose their attraction to the market and to Acrow's clients. Acrow's success will depend, in part, on its ability to adapt its products and services in response to changing technologies, client and/or user demands and competitive pressures. Failure to do so may impact the success of Acrow's business. Furthermore, the cost of responding to changing technologies is unpredictable and may impact Acrow's profitability or, if such cost is prohibitive, may reduce Acrow's ability to expand or maintain its business.

Competition

Increased competition could result in price reductions, under-utilisation of equipment and personnel, reduced operating margins and loss of market share. Despite Acrow's ability to compete effectively in the markets in which it operates, any of these occurrences may adversely affect the Company's financial performance and/or financial position.

An increase in competition may also result in Acrow being unable to increase its prices which, combined with rising labour costs, may adversely affect the Company's financial performance and/or financial position.

Reliance on key personnel

Acrow relies on the experience and knowledge of its senior management team to oversee the day-to-day operations of Acrow.

Acrow is also dependent on the continued service of its executives, as well as other existing sales, client marketing and engineering personnel, because of the complexity of its products. Acrow relies on its ability to recruit and retain suitably qualified personnel. In particular, Acrow operates a comprehensive in-house engineering department. This competitive advantage may be lost if it is unable to attract quality engineers. In the event that such key personnel leave their employment or engagement with Acrow, or Acrow is unable to recruit suitable replacements or attract additional personnel when required, such loss or inability to attract new personnel could have a materially adverse effect on Acrow's business, operational performance and financial results.

Failure to retain or attract clients

Acrow's business depends on its ability to retain its existing clients and its growth depends on its ability to attract further business from existing clients and to attract new clients. Acrow's ability to retain existing clients and attract new ones, and its clients' level of usage, depends on many factors including the adequacy of its products with respect to matters such as functionality, reliability, cost-effectiveness, pricing, client support and value compared to competing products. In addition, the ability to attract and retain clients may be affected by external factors beyond its control, including a decline in economic conditions, the conduct of its competitors or changes to laws and regulations. In particular, the majority of Acrow's clients operate in volatile markets such as construction.

Several of Acrow's current contracts include termination for convenience rights in favour of the client. If a client exercises these termination rights, it could impact the Company's anticipated revenue stream, which is accentuated in respect of long-term projects and contracts that provide scope for multiple engagements or where future projects are anticipated.

Acrow clients at the end of their contracts are generally free to use other providers for their scaffolding and formwork needs. If clients discontinue or reduce their use of Acrow's products, Acrow's revenue could decrease.

Price risk

There is a pricing risk in respect of Acrow's current and future contracts. If the initial estimate of costs by Acrow in projects that it has tendered for has been understated or costs increase by a margin greater than that accounted for in the pricing of the contracts, then this will adversely affect the Company's financial performance and/or financial position. Further, if future fixed price contracts are priced incorrectly, or costs increase above those anticipated at the time of entering the contracts, this may adversely affect the Company's financial performance and/or financial position.

A portion of Acrow's business is based on the supply of plant and equipment and labour to erect and dismantle for a fixed price. If the amount of plant and equipment required for a particular job or the number of man hours to erect and dismantle is underestimated then this may adversely affect the Company's financial performance and/or financial position.

Fixed price contracts also expose the Company to risks of work interruptions, such as inclement weather conditions, causing potential delays to project work. Acrow may be contractually bound by project time frames or in order to maintain key customer relationships to bear the costs of additional resources required to meet customer project deadlines.

Labour constraints and rising labour costs

The operations of Acrow's Wet Hire business are labour intensive. Any shortage of labour could cause labour costs to rise sharply. This would impact Acrow both directly and indirectly, by an increased cost of subcontractors. If Acrow is unable to increase prices to offset any such rise, then the Company's financial performance and/or financial position may be adversely affected.

Asset secure facility

Acrow has an asset secure facility that will remain in place. Any breach of the terms of that facility by Acrow will allow the facility provider to exercise its secured interest over the assets of Acrow in the normal course.

Tax losses

The Company has not yet obtained advice on tax losses that may or may not be available to it.

Additional requirements for capital

While the Company believes that it will have sufficient funds to meet its growth strategy in relation to the Acrow business and has sufficient working capital for the near term, there can be no assurance that future strategies can be met without further financing. The Company may seek to exploit opportunities of a kind that will require it to raise additional capital from equity or debt sources.

Accordingly, the Company may need to engage in equity or debt financing to secure additional funds. There can be no assurance that the Company will be able to obtain additional capital from equity or debt sources on favourable terms or at all. If the Company is unable to raise capital if and when needed, this could delay, suspend or reduce the scope of the Company's business strategy and could have a material adverse effect on the Company's activities which could adversely affect its business, financial condition and operating results.

Any additional equity financing may be dilutive to existing Shareholders and any debt financing, if available, may involve restrictive covenants, which limit the Company's operations and business strategy.

1.2 GENERAL RISKS RELATING TO THE COMPANY AND ACROW

Future profitability or dividends are not assured

No assurance as to future profitability or dividends can be given as these are dependent on future earnings and working capital requirements of the Company, which are affected by factors beyond the Company's control.

Potential investors should note that there can be no guarantees with respect to the payment of dividends and return of capital.

Change in strategy

Acrow's strategy may evolve over time due to a review and assessment of, among other things, market trends, technical challenges, changes in regulations, the level of market acceptance in particular jurisdictions or markets and the emergence of new or improved technology. As a result, the current strategies, approaches, market, products and plans of Acrow may not reflect the strategies, approaches, markets, products and plans in this document and may be changed without notice.

Regulatory risk

Acrow's existing and target customers are located in states and territories throughout Australia. Laws and regulations which govern the construction, infrastructure and mining sectors may vary depending on jurisdiction. Given the highly regulated nature of these sectors, they could reasonably be expected to vary over time. Government regulations may change in any or all of the target territories making the business model ineffective or pricing unfeasible. New or varied laws or regulations, may affect some business model strategies. The Company's operations will also be subject to risks inherent in multi-jurisdiction operations including inconsistent regulations between governments and costs associated with compliance with these regulations.

Economic and government risk

The future viability of the Company depends upon a number of factors affecting performance of all industries including, but not limited to, the following:

- general economic conditions in jurisdictions in which the Company and Acrow operate;
- the strength of the equity and share markets in Australia and throughout the world, and in particular investor sentiment towards the construction sector;
- movement in, or outlook on, interest rates and inflation rates in jurisdictions in which the Company and Acrow operate; and
- natural disasters, social upheaval, terrorism or war in jurisdictions in which the Company and Acrow operate.

A prolonged deterioration in any number of the above factors may have a material adverse effect on the financial performance, financial position, cash flows, distribution, growth prospects and share price of the Company.

Taxation

There is a potential for changes in Australia's tax laws. Any current rate of taxes imposed on the Company is likely to affect returns to Shareholders. An interpretation of taxation laws by the relevant tax authority that is contrary to the Company's view of those laws may increase the amount of tax to be paid. The Company obtains external expert advice on the application of tax laws to its operations.

Litigation risks

The Company may be subject to litigation and other claims and disputes in the course of its business, including contractual disputes with suppliers or clients, employment disputes, indemnity claims, and occupational and other claims. There is a risk that such litigation, claims and disputes could materially and adversely affect the Company's operating and financial performance due to the cost of settling such claims, and affect the Company's reputation. Acrow is currently engaged in three litigation matters (two as a joint defendant, and one as the claimant).

Disruption to business operations

Acrow's activities are subject to a range of operational risks. Such operational risks include equipment failures, IT system failures, external services failure (including energy or water supply) and industrial action or disputes. While the Company will endeavour to take appropriate action to mitigate these operational risks or to insure against them, one or more of these risks may have a material adverse impact on the performance of the Company.

General economic conditions

Both Australian and world economic conditions may negatively affect the Company's performance. Any slow down in economic conditions or factors such as the level of production in the relevant economy, inflation, currency fluctuation, interest rates, taxation legislation, supply and demand and industrial disruption may have a negative impact on the Company's costs and revenue. These changes may adversely affect the Company's financial performance and/or financial position.

Accounting standards

Changes in accounting standards or the interpretation of those accounting standards that occur after the date of this presentation may adversely impact on the Company's reported financial performance and/or financial position.

Legal and regulatory changes

The operating activities of the Company are subject to extensive laws and regulations. These relate to labour standards, taxes, occupational health, waste disposal, transportation safety and other matters.

Compliance with these laws and regulations increases the costs of operating activities.

As legal requirements change frequently, are subject to interpretation and may be enforced to varying degrees in practice, the Company is unable to predict the ultimate cost of compliance with these requirements or their effect on operations.

Furthermore, changes in regulations and policies and practices could have an adverse impact on the Company's future cash flows, earnings, and financial position.

Force majeure events

Events such as acts of terrorism, an outbreak of international hostilities or natural disasters may occur within or outside Australia that have an impact on the Company's business. Any such force majeure events may have a negative impact on the value of an investment in shares in the Company.

Share market conditions

The market price of the Company's securities may be subject to varied and unpredictable influences on the market for equities.

Insurance

The Company will face various risks in connection with its and Acrow's business and may lack adequate insurance coverage or may not have the relevant insurance coverage. The Company and Acrow maintain insurance coverage that they consider appropriate for their needs. However, if the Company incurs substantial losses or liabilities and its insurance coverage is unavailable or inadequate to cover such losses or liabilities, the Company's financial position and financial performance may be adversely affected.

ANNEXURE C – PRO-FORMA BALANCE SHEET

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5 February 2018

The Directors
NMG Corporation Limited
Level 29, 201 Elizabeth Street
SYDNEY NSW 2000

Dear Sirs

RE: Pro forma Statement of Financial Position – NMG Corporation Limited

At the request of NMG Corporation Limited (“NMG” or “the Company”) on 10 January 2018, please find attached in Appendix 1 the condensed consolidated (pro-forma) statement of financial position (balance sheet) of NMG Corporation Limited as at 31 December 2017 incorporating adjustments for the proposed acquisition of Acrow Holdings Pty Limited (Acrow).

This report has been prepared, based on information provided by NMG, to provide a consolidated pro forma statement of financial position with information on historical results, the condensed statement of financial position of NMG and the pro-forma consolidated statement of financial position of NMG as noted in Appendix 1. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial reports in accordance with the Corporation Act 2001.

Yours faithfully

STANTONS INTERNATIONAL SECURITIES PTY LTD



Martin Michalik
Director

APPENDIX 1 – CONSOLIDATED PRO-FORMA

1. Condensed Consolidated Statements of Financial Position (Pro-forma Unaudited)

	Note	Reviewed Consolidated NMG 31-December -17 \$	Unaudited Consolidated NMG Pro-forma 31-December-17 \$
Current Assets			
Cash assets	3	546,589	2,797,735
Receivables	4	4,905	10,700,224
Inventories	4	-	2,406,874
Other Assets	4	4,567	517,640
Assets held for sale	6	64,103	64,103
Total Current Assets		<u>620,164</u>	<u>16,486,576</u>
Non-Current Assets			
Plant and equipment	5	-	27,943,962
Investment in subsidiaries	7	-	-
Total Non-Current Assets		<u>-</u>	<u>27,943,962</u>
Total Assets		<u>620,164</u>	<u>44,430,538</u>
Current Liabilities			
Trade and other payables	8	258,854	5,350,512
Employee entitlements	9	-	2,737,568
Finance liabilities	10	-	-
Total Current Liabilities		<u>258,854</u>	<u>8,088,080</u>
Employee entitlements	9	-	331,597
Provisions	13	-	167,974
Finance liabilities	10	-	-
Total Non-Current Liabilities		<u>-</u>	<u>499,571</u>
Total Liabilities		<u>258,854</u>	<u>8,587,651</u>
Net Assets		<u>361,310</u>	<u>35,842,887</u>
Equity			
Issued capital	11	2,065,819	28,829,043
Reserves	12	154,675	2,218,560
Accumulated (losses)/profits		(1,859,184)	4,795,284
Total Equity		<u>361,310</u>	<u>35,842,887</u>

Condensed Notes to and forming part of the above condensed statements of financial position are attached.

2. Actual and Proposed Transactions to Arrive at Pro-forma (Unaudited) Condensed Consolidated Statement of Financial Position

Actual and proposed transactions adjusting the 31 December 2017 reviewed consolidated condensed Statement of Financial Position of NMG in the pro-forma consolidated Statement of Financial Position of NMG are as follows:

- (a) The consolidation of capital on a 1 for 20 basis;
- (b) The issue of 136,000,000 New Shares raising the amount of \$27,200,000 from the capital raising at 20 cents each;
- (c) The incurring of capital raising costs estimated at \$1,700,000 (based on a \$27,200,000 Capital Raising);
- (d) The acquisition of all of the shares in Acrow Holdings Pty Limited and elimination of Debt and borrowings for a total consideration of \$23,000,000 (\$1 treated as the cost to acquire the shares in Acrow). Part of the acquisition consideration relates to the elimination of Acrow cash of \$510,692 and \$20,535,225 of Acrow borrowings (current and non-current) and related party creditors of \$4,754,665. Using acquisition principles, the premium on consolidation relating to Acrow totals \$9,971,577 and this amount has been written up as income in the statement of profit and loss and other comprehensive income (the actual amount may differ on the actual date of the acquisition of Acrow);
- (e) The payment of 31 December 2017 payables and accruals of approximately \$258,854 (NMG only);
- (f) The incurring of further due diligence costs or other related transaction costs (estimated at \$790,000) incurred by NMG and Acrow post 31 December 2017;
- (g) Accounting for the original contingent liability for NMG directors and advisory fee liabilities of \$463,244 and the subsequent issue of 2,316,122 shares to extinguish this liability;
- (h) The issue of 4,000,000 shares to eliminate Loans of \$800,000 received post 31 December 2017.
- (i) The issue of 2,475,000 unvested Loan Shares at a deemed fair value of \$215,643 but treated as a share based payment expense;
- (j) The issue of 1,650,000 unvested Advisor Options at a deemed fair value of \$115,742; and
- (k) The issue of 12,375,000 unvested Advisor Performance Rights with a deemed fair value of \$1,732,500.

	Note 2	Reviewed Consolidated NMG 31-December-17 \$	Unaudited Consolidated NMG Pro-forma 31-December-17 \$
3. Cash Assets			
The movements in cash assets are as follows:			
Reviewed 31 December 2017		546,589	546,589
Loan funds raised	(h)	-	800,000
Issue of New Shares	(b)	-	27,200,000
Capital Raising costs	(c)	-	(1,700,000)
Due Diligence/Transaction costs	(f)	-	(790,000)
Cash Consideration for Acrow	(d)	-	(23,000,000)
Repayment of payables	(e)	-	(258,854)
Cash of Acrow Group	13	-	510,692
Payment of Acrow cash		-	(510,692)
		<u>546,589</u>	<u>2,797,735</u>
4. Receivables and Other Assets			
Current			
Other receivables		4,905	4,905
Other Assets		4,567	4,567
Trade and other receivables of Acrow	13	-	10,695,319
Inventory of Acrow	13	-	2,406,874
Other Assets of Acrow	13	-	513,073
		<u>9,472</u>	<u>13,624,738</u>
5. Plant and equipment			
At cost - Acrow		-	123,940,830
Less: Accumulated depreciation - Acrow		-	(95,996,868)
NBV of Plant and equipment - Acrow	13	-	27,943,962
6. Assets held for resale- Capitalised mineral exploration expenditure			
Other Intangibles-Exploration Assets		64,103	64,103

	Note 2	Reviewed Consolidated NMG 31-December-17 \$	Unaudited Consolidated NMG Pro-forma 31-December-17 \$
7. Investments in subsidiaries			
Shares in wholly owned subsidiaries			
Acrow (to be 100% owned)	(d)	-	1
		-	1
Less: elimination on consolidation		-	(1)
		-	-
8. Trade and other payables			
Trade and other payables(including liabilities relating to assets held for sale		258,854	258,854
Payables of Acrow	13	-	10,105,177
Less: Repayment of NMG payables		-	(258,854)
Repayment of related party creditors			(4,754,665)
		258,854	5,350,512
9. Employee Entitlements			
Employee Entitlements Acrow (Current)	13	-	2,737,568
Employee Entitlements Acrow (Non-Current)	13	-	331,597
10. Finance liabilities			
Finance liabilities Acrow – (Current)	13	-	11,677,830
Finance liabilities Acrow – (Non-Current)	13	-	8,857,395
Repayment of Loans	(d)	-	(20,535,225)
		-	-

	Note 2	Reviewed Consolidated NMG 31-December- 17 \$	Unaudited Consolidated NMG Pro-forma 31-December- 17 \$
11. Issued Capital			
338,328,147 ordinary shares as at 31 December 2017 in NMG		2,065,819	2,065,819
16,916,407 post consolidated share on issue			
Issue of 4,000,000 shares to repay loans \$800,000	(h)	-	800,000
Ordinary shares on issue in Acrow	13	-	27,873,243
Reversal of Acrow capital		-	(27,873,243)
140,000,000 New Shares	(b)	-	27,200,000
Issue of 2,300,000 shares to NMG directors and advisory committee	(g)	-	463,224
Less: estimated new share issue costs	(c)	-	(1,700,000)
		<u>2,065,819</u>	<u>28,829,043</u>
12. Reserves			
Balance as at 31 December 2017			
Share option reserve		154,657	154,675
Reserves in Acrow	13	-	1,388,574
Reversal of Acrow Reserves	13	-	(1,388,574)
Issue of unvested 2,475,000 Loan Shares	(i)	-	215,643
Issue of 12,375,000 Advisor Performance rights	(k)	-	1,732,500
Issue of 1,650,000 Advisor Options	(j)	-	115,742
		<u>154,675</u>	<u>2,218,560</u>

13. Summary of Acrow Holdings Pty Limited from reviewed Statements of Financial Position as at 31 December 2017

	Reviewed 31-December-17 AUD\$
<u>Assets</u>	
Cash at bank	510,692
Trade and other receivables	10,695,319
Inventory	2,406,874
Other Assets	513,073
Plant and equipment	27,943,962
Total assets	42,069,920
<u>Liabilities</u>	
Creditors and accruals	10,105,177
Employee liabilities – Current	2,737,568
Employee liabilities –Non-Current	331,597
Financial liabilities – Current	11,677,830
Financial liabilities – Non-Current	8,857,395
Provisions	167,974
Total liabilities	33,877,541
Net Assets	8,192,379
<u>Equity</u>	
Issued capital	27,873,243
Reserves	1,388,574
Accumulated losses	(21,069,438)
Net Equity	8,192,379

LODGE YOUR VOTE



ONLINE

www.linkmarketservices.com.au



BY MAIL

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Sydney South NSW 1235 Australia



BY FAX

+61 2 9287 0309



BY HAND

Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138



ALL ENQUIRIES TO

Telephone: +61 1300 554 474

LODGE A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **2:00pm (Sydney time) on Saturday, 10 March 2018**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the reverse of this Proxy Form).

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE EXTRAORDINARY GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

NAME SURNAME
ADDRESS LINE 1
ADDRESS LINE 2
ADDRESS LINE 3
ADDRESS LINE 4
ADDRESS LINE 5
ADDRESS LINE 6



X99999999999

PROXY FORM

I/We being a member(s) of NMG Corporation Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

☐ the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Extraordinary General Meeting of the Company to be held at **2:00pm (Sydney time) on Monday, 12 March 2018 at Whittens & McKeough, Level 29, 201 Elizabeth Street, Sydney NSW 2000** (the **Meeting**) and at any postponement or adjournment of the Meeting.

Important for Resolutions 10, 12 and 13: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 10, 12 and 13, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an ☒.

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Consolidation of Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Approval of Issue of Shares Upon Conversion of Loans	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Approval of Change to Nature and Scale of Activities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Approval of Issue of Shares to Related Parties as Settlement of Outstanding Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Election of Steven Boland as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11 Approval of Issue of Shares to Other Parties as Settlement of Outstanding Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Election of Peter Lancken as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12 Adoption of Long Term Incentive Plan (LTIP)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Election of Joshua May as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13 Approval of Issue of Incentive Securities to Related Parties	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Change of Company Name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	14 Approval of Issue of Other Incentives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Approval of Issue of New Shares Pursuant to Capital Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
8 Approval For Existing Directors to Subscribe For New Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

NMG PRX1801D