maca Limited

2019 ANNUAL REPORT

CORPORATE DIRECTORY

MACA LIMITED
ABN 42 144 745 782

DIRECTORS
Andrew Edwards
Non-Executive Chairman

Chris Tuckwell
Managing Director /
Chief Executive Officer

Geoff Baker
Executive Director

Linton Kirk
Non-Executive Director

Robert Ryan
Non-Executive Director

Peter Gilford
Company Secretary

REGISTERED OFFICE
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WELSHPOOL WA 6106
Telephone (08) 6242 2600
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Corporate and Commercial Law
Level 4/105 St Georges Terrace,
Perth WA 6000

AUDITORS
Moore Stephens
Exchange Tower
2 The Esplanade
PERTH WA 6000

SHARE REGISTRY
Computershare Investor
Services Pty Ltd
11 / 122 St Georges Terrace
PERTH WA 6000

STOCK EXCHANGE LISTINGS
MACA Limited shares are
listed on the Australian
Securities Exchange

ASX CODE : MLD

www.maca.net.au

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ABOUT US

MACA is a publicly listed, international contracting group providing services to the mining and construction industries.

With our team of highly skilled and dedicated professionals, we provide tailored solutions to meet the needs of all our clients.

OUR VISION

Be Number 1 in what we do.

OUR PROMISE

We Care
We are Flexible
We Deliver

CORE VALUES

PEOPLE FIRST

We care for people and create a safe and enjoyable workplace. We treat them fairly, with integrity, honesty and respect.

CONTINUOUS IMPROVEMENT

We are committed to being a better business through continuous improvement and innovation.

ACCOUNTABILITY

We are personally accountable for delivering on our commitments. We do what we say.

EXCEED EXPECTATIONS

We strive to exceed expectations of our people, clients and shareholders.

COMMUNITY

We show leadership and take responsibility for our community.

OUR OPERATING BUSINESSES

MINING AUSTRALIA

- Modern fleet of surface mining equipment
- Load & haul mining contracts
- Bulk overburden removal
- Bulk earthworks
- Modern fleet of proven drilling equipment
- Complete blasting service utilising latest technology
- Experience in gold, iron ore, lithium, coal and others

CRUSHING

- Modern fleet of crushing equipment including primary jaw crushers, secondary cone crushers and tertiary cone crushers
- Complete screening services utilising the latest technology with scalping screens, vibrating and fixed screens and single, double and triple deck screens

MINING INTERNATIONAL

- Equipment and operating techniques are used to meet client needs in diverse operating environments
- Load and haul
- Drill and blast
- International experience in gold and copper projects

CIVIL CONSTRUCTION

- Civil bulk earthworks for the private / resource sector including mining, TSF road, borefield and camp infrastructure
- Public works civil capabilities include roads and bridges, bulk earthworks, aerodromes, drainage and marine works

INFRASTRUCTURE MAINTENANCE

- Infrastructure capabilities and experience includes roads maintenance and construction, parks and gardens, specialist services, verge works, bridge works and safety barriers
- Asset management and maintenance segments in Australia

MACA INTERQUIP

- Delivering small to large scale structural, mechanical and piping projects
- New and refurbished plant and equipment
- Consumables to the mineral processing sector of the resources industry
- Significant number of low to high lift cranes available

HISTORY

2002

Mining and Civil Australia was founded in WA

2003

Awarded first Mining Services contract

2004

Awarded 1st contract with Equigold (now Regis Resources)

2007

Awarded 1st Crushing and Screening contract

2010

Listed on ASX as MACA Limited

2011

Awarded 1st interstate Mining Services contract in South Australia

MACA Civil began providing Civil Infrastructure design & construction services

2014

Awarded 1st International Mining contract. Gold Project, Brazil

2016

Acquisition of Alliance Contracting, a small Mining Services business

2016

Established MACA Infrastructure and expanded the Civil and Infrastructure businesses into Victoria through the acquisition of local contractor Services South East

Acquired a 60% stake in MACA Interquip, and expanded Mining Services offering to include mineral processing solutions

2018

Awarded Bluff Coal contract in Queensland

2019

1,600 + employees, $666m turnover $2.1b work in hand

2018/19 HIGHLIGHTS

CORPORATE

Significant capital investment in FY19 to support growth.

Balance sheet remains strong with capacity to invest in suitable opportunities.

Work in Hand at $2.1 billion.

$30 million returned by Great Panther in the year – debt now $27 million.

REGIS DUKETON SOUTH EXTENSION

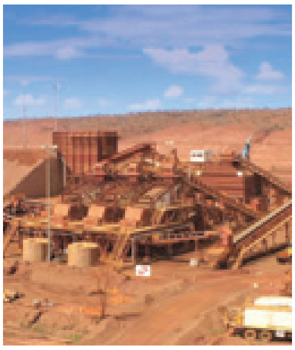
5 year $590 million contract extension at Regis Resource's Duketon South project, with an option for a further 5 year extension.

BLUFF CONTRACT AWARD

10 year, $700 million contract at Bluff Coal, with finance supported by MACA. Shipping of first coal in June 2019.

INFRASTRUCTURE MAINTENANCE

Rollover of current Infrastructure Maintenance contracts in FY19, expected to continue in FY20, in both WA and Victoria.



CRUSHING FOR BHP

Completed construction and commenced crushing operations of two plants at Mining Area C (12Mtpa) and Eastern Ridge (5Mtpa) for BHP.

MACA INTERQUIP

Strong year for MACA Interquip including supporting Adaman Resources at its Kirkalocka gold project with mill installation and refurbishment and a longer term maintenance contract.

AREAS OF ACTIVITY

WA Goldfields

01 **Regis Resources**
Duketon South
Moolart Well

02 **Blackham Resources**
Matilda Gold

03 **Gold Road / Gold Fields JV**
Gruyere Earthworks

04 **AngloGold Ashanti**
Tropicana Joint Venture

WA Murchison

05 **Ramelius Resources**
Mount Magnet

06 **Minjar Gold**
Gossan Hill

07 **Adaman Resources**
Kirkalocka

WA Pilbara

08 **Pilbara Minerals**
Pilgangoora

09 10 **BHP**
Mining Area C
Eastern Ridge
WAIO

11 **Atlas Iron**
Mt Dove Crushing

12 **MainRoads WA**
Karratha / Tom Price Rd
Coongan Gorge

WA Kimberley

13 **MainRoads WA**
Kimberley Road Maintenance

14 **Panoramic Resources**
Savannah

QLD Bowen Basin

15 **Carabella Resources**
Bluff Coal

VIC Regional

16 **VicRoads**
Dual Lane Roundabouts - Shepparton
Doncaster Bus Lanes
Safe System Infrastructure Program
O'Herns Road Signalised Intersection
Verge Maintenance
Network Maintenance

17 **Baw Baw Shire**
Network Maintenance

Brazil

18 **OZ Minerals**
Antas North

Cambodia (East)

19 **Emerald Resources***
Okvau Gold

MACA OFFICES
MINING
CIVIL & INFRASTRUCTURE
CRUSHING
INTERQUIP

** MoU entered into as per ASX announcement January 30th 2019*

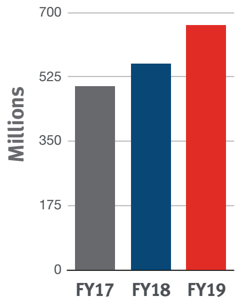

19
CAMBODIA
13
14
08
09
10
11
12
15
AUSTRALIA
BRISBANE
01
02
03
04
05
06
07
PERTH
16
17
MELBOURNE

PERFORMANCE

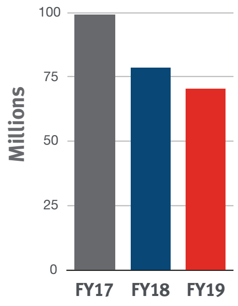
Chart		FY17	FY18	FY19
Revenue	($m)	497.9	562.6	665.7
EBITDA	($m)	98.5	76.6	70.7
NPAT	($m)	32.1	23.6	20.6
Operating Cash Flow	($m)	68.1	8.7	57.5
Work in Hand	($m)	1,130	1,051	2,110[1]
Dividends	(cps)	9.0	6.5	4.5
Net debt / (cash)	($m)	(64.2)	(63.3)	82.8
Net tangible asset backing	(cps)	108.9	118.8	119.5

[1] As at 31 Aug 2019

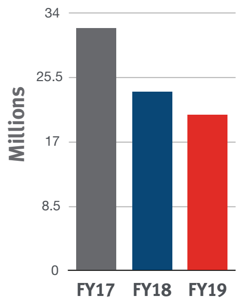
REVENUE
($m)



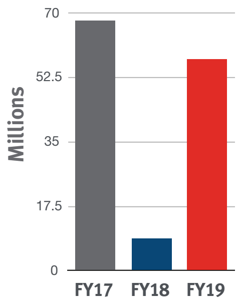
EBITDA
($m)



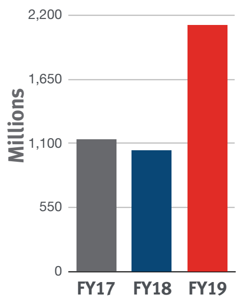
NPAT
($m)



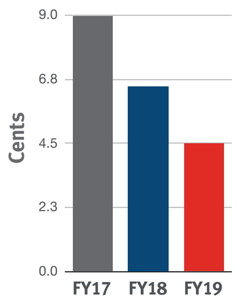
OPERATING CASH FLOW
($m)



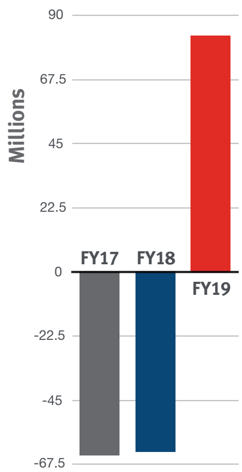
WORK IN HAND
($m)



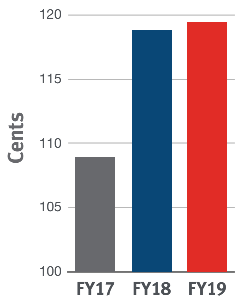
DIVIDENDS
(cents per share)



NET DEBT / (CASH)
($m)



NET TANGIBLE ASSET BACKING
(cents per share)



GROWTH STRATEGY

MACA has a positive outlook for FY20 and expects to deliver to shareholders continued growth in both our revenue and earnings. Our outlook is underpinned by our strong work in hand position of $2.1 billion at Aug19 and is also supported by a general improvement in the mining and construction industries.

MACA IS FOCUSED ON THE FOLLOWING STRATEGIC PRIORITIES:

Delivering for our Existing Clients while Winning New Work

Diversifying into New Markets, Services and Commodities

Implementing long-term strategic plans for Human Resources and Technology

Supporting our Trading Divisions to extract the full value of our assets

Encourage an environment of Continuous Improvement to drive operational efficiencies

EXECUTIVE LEADERSHIP TEAM

Front: *Chris Tuckwell, Mark Davidovic & Adam Struthers.*
Back: *David Greig, Peter Gilford, Geoff Baker, Linda Devereux, Tim Gooch & Tony McClure.*
Absent: *Mitch Wallace*

David Greig

General Manager
Business Development

David was appointed in 2016 and has over 20 years' experience in the international mining, construction, maintenance and infrastructure industries.

Peter Gilford

Chief Financial Officer
and Company Secretary

Peter has over 20 years' experience in the areas of financial management, accounting, business and taxation services and has been with MACA for over 12 years.

Geoff Baker

Executive Director
Operations

Geoff is a founding shareholder of MACA and brings with him more than 40 years' experience in the mining and construction industries.

Linda Devereux

General Manager
People & Safety

Linda joined MACA in 2019 and brings with her more than 20 years' experience in HR and Corporate Services from a diverse range of industries.

Tim Gooch

General Manager
Mining

Tim joined MACA in 2011 and is an experienced mining engineer with over 30 years domestic and international mining experience.

Tony McClure

General Manager
Interquip

Tony has held a number of senior management roles, with over 25 years' experience within the oil and gas, mining and construction industries.

Chris Tuckwell

Managing Director and
Chief Executive Officer

Chris has over 35 years' experience within the mining industry, working with both domestic and international mining contractors and companies.

Mark Davidovic

General Manager Civil
and Infrastructure

Mark is a professional civil engineer with over 25 years' experience in the resources and public infrastructure development sectors.

Adam Struthers

General Manager
Plant

Adam has over 25 years' experience in maintenance and mining industry and has held management roles with contractors, hire companies and OEMs.

Mitch Wallace

General Manager
Brazil

Mitch has more than 20 years' experience in the management of fixed and mobile plant, and has held senior management roles both in Australia and Internationally.

BOARD OF DIRECTORS

Andrew Edwards
Non-Executive Chairman

Andrew is an experienced Non-Executive director. He is a former Managing Partner of PwC's Perth Office, and a former president of the Western Australian division of the Securities Institute of Australia (now the Financial Services Institute of Australasia).

Chris Tuckwell
Managing Director and Chief Executive Officer

Chris is a qualified construction engineer who has spent his entire 35 year career within the mining industry, working with both domestic and international mining contractors and companies.

Geoff Baker
Executive Director, Operations

Geoff is a founding shareholder of MACA. Geoff is responsible for the operations including planning, operating strategy, capital expenditure and delivery of safety and financial outcomes on all projects.

Linton Kirk
Independent Non-Executive Director

Linton has over 40 years' experience in mining and earthmoving, covering both open pit and underground operations in several commodities. He has held technical, operational and management positions in a variety of mining and mining service companies throughout the world prior to becoming a consultant in 1997.

Robert Ryan
Independent Non-Executive Director

Robert brings over 40 years' experience in civil engineering and construction to the Board. For 10 years he worked at a senior level for a significant public company working in engineering services.

CHAIRMAN'S ADDRESS

CHAIRMAN

ANDREW EDWARDS

Dear Shareholders,

I am pleased to report that in 2019 MACA achieved record high levels of revenue and work in hand, alongside a continuing focus to diversify the business. The year has also presented challenges, which we continue to address in order to best position MACA for future years.

Our financial results were in line with guidance, with revenue of $666m, EBITDA of $70.7m and NPAT attributable to members of $20.6m. Our NPAT was down 13% on the prior year, following a subdued financial performance in the first half due to margin pressure in our core mining division. A tightening labour market impacted the availability and deployment of our equipment, which in turn adversely affected site performance across our projects. This has been addressed through significant investment in newer and larger equipment, giving rise to improved margins in the second half of the financial year and the benefits of this investment are expected to extend further in coming years.

Our Australian mining operations have continued to grow, with the renewal of our long-term contract with Regis Resources at the Duketon South operations, the commencement of the Bluff Coal project for Carabella Resources in Queensland, and the award of three crushing contracts by BHP Iron Ore. MACA has continued to provide financial support to our mining clients where this aligns with our commercial objectives. Nevertheless, market concerns with the associated risks have weighed on MACA's share price over the past year. We look forward to maintaining our positive working relationships with these clients and are confident of the continued realisation of these investments in FY20.

The performance of our civil and infrastructure operations in FY19 was disappointing with cost overruns on some key civil projects. We expect these businesses to improve in 2020 with increased scale and a tightening of our project delivery and financial monitoring processes.

Our MACA Interquip business has had a strong year, including supporting Adaman Resources at its Kirkalocka gold project and supporting the construction of our BHP crushing plants.

Positive market conditions exist across the mining and civil construction sectors, and the company is actively pursuing many mining, civil and infrastructure opportunities. As previously announced, MACA is expecting revenue to increase to $720m in FY20, of which over $500m relates to Mining and Crushing.

Your Directors have declared a final dividend of 2.5 cents per share, taking the total dividends for the year to 4.5 cents fully franked. This dividend has been set having regard to the recent level of earnings and the desire to retain sufficient funds for equipment and working capital investments required to support future projects.

MACA remains focused on productivity and other initiatives to improve and protect margins in our drive to bolster earnings sustainability. Importantly, the Company's strong balance sheet provides MACA with the capacity to pursue the right opportunities to achieve its long-term growth strategy.

On behalf of the Board, I would like to take this opportunity to thank our shareholders, as well as all of MACA's other stakeholders, for their continued support, and in particular our dedicated people for their commitment and contribution during the year.

Andrew Edwards
Chairman

REVIEW OF OPERATIONS

MANAGING DIRECTOR

CHRIS TUCKWELL

This report marks the ninth year since listing and seventeenth year since incorporation of MACA. I am pleased to present a review of the Company's performance to you the shareholders of MACA Limited.

This year has seen MACA invest the most amount of capital in its history. This capital has been deployed to both new projects and existing extended projects, and is underpinned by a record orderbook of $2.1b, providing a solid platform of work going forward. The significant capital investment into the business has been achieved with a prudent and modest level of gearing supported by a strong focus on cash management.

Against that background the Group's core mining services business has seen improved performance half on half. The other parts of our business are maturing and beginning to generate improved financial performance in line with our corporate group strategy.

MINING – AUSTRALIA

Operational activities have continued to grow in gold, with MACA renewing its long-term contract at the beginning of the year with Regis Resources at the Duketon South operations for another 5 year period. Our current operations with Ramelius Resources at Mount Magnet, Blackham Resources at the Matilda project and for Pilbara Minerals at the Pilgangoora project continued throughout the full year. In the first half MACA commenced in a new geographic area and commodity when commencing the Bluff Coal project for Carabella Resources in the Blackwater region of Queensland. This is a significant project for MACA both in terms of scale and tenure (a 10 year life of mine contract) which is now beginning to generate reasonable returns.

CRUSHING – AUSTRALIA

MACA was awarded 3 crushing contracts by BHP during the year. These included a 2 year contract to crush blast-hole stemming material across Western Australian Iron Ore (WAIO) operations and a 3 year contract to crush and screen up to 12Mtpa at the Mining Area C operation, which commenced in March 2019. MACA was also awarded a contract to crush and screen up to 5Mtpa at the Eastern Ridge operations which commenced subsequent to year end.

These projects have allowed us to utilise idle crushing equipment from past completed projects.

MINING – INTERNATIONAL

We continue to operate at OZ Minerals' Antas copper mine in the state of Para in Brazil. The Company continues to assess opportunities in Brazil given equipment coming available from other completed projects.

MACA has also executed a Memorandum of Understanding with Emerald Resources to provide contract mining services at the Okvau Gold Project in Cambodia – a new jurisdiction for the business going forward.

Operations

MINING AND CRUSHING

The division's revenue of $473 million represented 71% of the total Group revenue and was derived from continuing operations, the completion of 2 projects and the commencement of 4 new projects during the period.

MINING CONTRACTS BY SECTOR FROM JULY 2018 INCLUDE:

GOLD

MINING SERVICES

Continued	Regis Resources at Moolart Well
	Regis Resources at Duketon South – 5 year extension July 18
	Blackham Resources at Matilda
	Ramelius Resources at Mount Magnet
Completed	Minjar Gold at Gossan Hill in February 2019
Memorandum of Understanding	Emerald Resources at Okvau Gold (Cambodia East)

COAL

MINING SERVICES

Commenced	Carabella Resources at Bluff Coal in Queensland in December 18 – Life of Mine (10 year) contract

COPPER

MINING SERVICES

Continued	OZ Minerals at Antas (Brazil, South America)

LITHIUM

MINING SERVICES

Continued	Pilbara Minerals at Pilgangoora

CRUSHING AND SCREENING CONTRACTS BY SECTOR FROM JULY 2018 INCLUDE:

IRON ORE

CRUSHING AND SCREENING SERVICES

Commenced	BHP at Mining Area C in April 2019
	BHP at Eastern Ridge in June 2019
	BHP WAIO (stemming and other stockpiles at various sites) in July 18

LITHIUM

CRUSHING AND SCREENING SERVICES

Completed	Atlas Iron at Mt Dove in September 2018

MACA INTERQUIP

MACA Interquip (MACA 60% owned) is a business providing Engineering, Procurement and Construction (EPC) services including Structural, Mechanical and Piping (SMP) solutions in Western Australia.

MACA Interquip commenced the Kirkalocka gold project for Adaman Resources during the year - this included installation of a new semi-autogenous (SAG) mill and the refurbishment of an existing processing plant. The project commenced in February of 2019 and will be completed in the first half of FY2020. In addition to this, MACA Interquip is actively pursuing longer term maintenance services with its first of these being agreed subsequent to year end.

Other projects completed during the period included the construction of crushing plants for MACA Mining at BHP and a secondary mill upgrade for AngloGold Ashanti at the Tropicana project.

WESTERN AUSTRALIA

Adaman Resources at Kirkalocka
Mill installation and refurbishment of existing processing plant
Continuing

Panoramic Resources Savannah project
Refurbishment and maintenance services
Completed

Sandfire Resources De Grussa project
SMP services for a filtration upgrade
Completed

AngloGold Ashanti at Tropicana
Secondary mill upgrade
Completed

CIVIL CONSTRUCTION

The Civil Construction business in both the Western Australian and Victoria regions continued to mature in 2019, with cost overrun on a small number of key projects offsetting the broader positive financial performance generated by the business unit. Both sectors continued their year-on-year revenue growth and developed positive relationships with our valued stakeholders, in line with our corporate group strategy.

During 2019 the Civil division in Western Australia completed the bulk earthworks at the Gruyere Gold project involving the greenfield development of the overall process plant bulk earthworks, access roads, storage ponds, airstrip, sealed intersections and tailings storage facility (TSF) works. Later in the year the Coongan Gorge realignment for MainRoads of WA was commenced and completed in the Kimberley region. In addition, a number of small mine based infrastructure projects were completed for mining clients and internally for our Crushing Division.

Subsequent to year end MACA has been awarded stage 3 of the Karratha / Tom Price road - a Construct Only contract for 45km of roadworks for MainRoads WA in the Pilbara region at a value of $81m.

In Victoria, a number of projects for VicRoads and local shires between $2m and $20m were completed with the business growing in scale and capability. The most notable projects during the year were the O'Herns Road intersection upgrade and the Doncaster Bus Lanes projects.

INFRASTRUCTURE MAINTENANCE

The Infrastructure Maintenance business in Western Australia has maintained its strong relationship with Main Roads during the period receiving an extension in contract tenure for delivery of the Road and Asset Maintenance contract in the Kimberley region. One of the success stories has been the outstanding intake of local Aboriginal employees in the workforce and their job growth development in the region.

The Infrastructure Maintenance business in Victoria has maintained its strong relationships with VicRoads and Baw Baw Shire Council plus other local government clients with continuing long-term Road and Asset Maintenance contracts.

MACA Civil once again achieved re-certification in the National pre-qualification system to an elevated R4 (conditional) / B2 level for Roads and has also retained its accreditation to the Office of Federal Safety. This allows continued participation on or competing for federally funded public infrastructure projects.

CIVIL CONSTRUCTION

PROJECTS

Gruyere Joint Venture
Site Bulk Earthworks, Access Roads, Airstrip and Tailings Storage Facility works and variations
Completed

Coongan Gorge
Road realignment in the Kimberley region
Completed

Pilbara Minerals
Road and Tailings Storage Infrastructure works
Completed

Western Areas
Odysseus Evaporation ponds at the Cosmos project
Completed

Main Roads WA
Karratha / Tom Price road
Subsequent to year end

VicRoads
Design and Construct signalised Intersection Upgrade - O'Herns Road, Epping
Completed

Croydon Road Intersection Upgrade
Continuing

Safe System Road Infrastructure Projects (SSRIP) Project Zero Construction Panel
Continuing

Design and Construct Doncaster Bus-lanes
Completed

Works for various shires and councils
Hobson Bay, Wangaratta and Whittlesea
Continuing

INFRASTRUCTURE

PROJECTS

Main Roads WA
Kimberley Road Maintenance
Continuing

VicRoads
Western Region Road and Roadside Maintenance
Continuing

Baw Baw Shire
Routine maintenance
Continuing

THE BUSINESS

The improved performance of the Mining and Crushing Divisions in the second half of FY19 is expected to continue into the coming year as the full benefits of the capital investment are realised. Increased activity within the mining sector is expected to support future growth within this segment.

The Civil and Infrastructure businesses, through increased scale and a heightened focus on improved project delivery, is expected to benefit from a very large infrastructure spend on the East Coast and opportunities in WA increasing on the back of significant capital works programs in the mining industry. MACA Interquip continues to build its reputation and is now starting to deliver on the potential identified at the time of acquisition.

MACA enters the year with a work in hand position of $2.1 billion as at 31 August 2019. This together with strong prospects has the business poised to grow both revenue and profitability. We will continue to selectively identify mining and construction opportunities and are well positioned to deliver growth of our quality services to customers in the sectors in which it operates.

FINANCIAL AND OPERATING PERFORMANCE

- Operating revenue of $665.7 million
- EBITDA of $70.7 million
- Net profit after tax attributable to members of $20.6 million
- Net operating cash flow of $57.5 million
- Final dividend of 2.5 cents per share (fully franked) (Total for FY19 of 4.5 cps)
- Strong balance sheet with a net debt position of $82.8 million

	30 JUNE 2019	30 JUNE 2018	MOVEMENT
Revenue	$665.7m	$562.6m	18%
EBITDA	$70.7m[1]	$76.6m	(8)%
EBIT	$28.1m	$29.4m	(4)%
Net Profit Before Tax	$32.0m	$31.6m	1%
Net Profit After Tax Attributable to Members	$20.6m	$23.6m	(13)%
Work in Hand	$2,110m[2]	$1,051m[3]	
Operating Cash Flow	$57.5m	$8.7m	
Earnings per share - basic	7.7 cents	9.1 cents	
Dividends per share (fully franked)	4.5 cents	6.5 cents	

[1] Adjusted EBTDA of $74.7m excluding addback of net interest income

[2] As at August 2019

[3] As at August 2018

Group revenue increased overall with an increase in growth of the core mining segment of 18% to $473 million, revenue of $139 million for the Civil Construction and Infrastructure Maintenance division and an increase in the mineral processing equipment businesses from $21 million to $51 million.

The after-tax profit has decreased to $20.6 million for the year ended 30 June 2019.

EBITDA (Earnings before interest, tax, depreciation and amortisation) was $70.7 million for the year ended 30 June 2019.

DIVIDEND

On the 22nd August 2019, the board of MACA Limited declared a final dividend for the financial year ended 2019 of 2.5 cents per share and a total dividend for the year of 4.5 cents per share. This payout is consistent with our targeted guideline and the Board's objective to provide a return to shareholders whilst still retaining the financial capacity to support our growth plans.

The total dividend paid during the year was $14.7 million (2018: $19.0 million).

OPERATING CASH FLOW AND CAPITAL EXPENDITURE

Operating cash flow for the 12 months ended 30 June 2019 was $57.5 million (representing a cash conversion ratio of 81%).

Capital expenditure for the financial year was $166 million relating to plant and equipment associated with the commencement of the Bluff Coal project for Carabella Resources, the crushing plants for BHP at Mining Area C and Eastern Ridge, new equipment for the Duketon South operations for Regis Resources, and sustaining capital. Capital equipment purchases were funded by a combination of cash and equipment finance contracts.

The operating cashflow in the second half was significantly improved as a result of repayment arrangements with Great Panther being accelerated by the exercise and conversion of 3 tranches of debt to equity with $30 million received since the end of the first half reporting period.

BALANCE SHEET AND GEARING

With an increase in revenue and assets employed, the Group as at 30 June 2019 remains in a strong financial position with a net debt position of $82.8 million representing a gearing ratio of 20%, and with cash on hand of $59.3 million.

ORDER BOOK

As at the end of August 2019 the Company had Work-In-Hand of $2,110 million, with Mining accounting for $1,867 million and Crushing $103 million.

OUR PEOPLE

At MACA, we recognise that people are our greatest asset, employing over 1,600 at 30 June 2019. Our ability to attract and retain great people is very much the essence of our employer brand and forms the cornerstone of our business. It sets us apart. We ask a lot of our people, as it takes a special effort to consistently strive to exceed the expectations of our stakeholders. In turn we want our workers to feel a great deal of pride to be part of the MACA brand. We actively engage our people, we work to nurture them to be the best they can be, but our highest priority is to keep them safe as we conduct our business.

It takes a certain type of person to work in such a dynamic business, where change is inevitable, and individuals need to be adaptive and flexible. We hear it all the time, "people are our greatest asset", but we certainly don't take this asset for granted. We endeavour to form long-term partnerships with our people.

DIVERSITY

MACA acknowledges that cultural diversity is key to providing a culturally sensitive and respectful workplace. MACA prides itself in being an equal opportunity employer where cultural diversity is demonstrated through our Core Value of People First. We embrace diversity and are mindful of related sensitivities, to help provide a welcoming and enriching place to work.

We recognise the cultural, social and economic impact when interacting and working with communities. We embrace this opportunity to encourage local employment, to support local business and commit to provide other legacies this opportunity will bring. We are fully committed to providing direct and indirect employment and/or contracting opportunities to the Aboriginal community. Currently 4% of MACA's workforce identify themselves to be of Aboriginal heritage and there is a clear plan to increase this participation rate over the next twelve months. MACA is also committed to increasing female diversity across all levels of its business.

LEARNING AND DEVELOPMENT

We recognise the importance of investing in the future of our people at MACA and offer an array of opportunities for those who show promise, work hard and actively seek it. With a diverse company work portfolio, our people have the opportunity to gain a vast range of differing experience across a multi-disciplined, national and international contracting environment.

In 2019, MACA designed, developed and introduced its own internal Leadership Development Program. With over 85 of its emerging and existing leaders having completed or undertaking this development, our clients are noticing excellent improvements benefitting their projects. This program and a number of related development initiatives will build our in-house training capability to meet the demand of a growing order book, a shrinking skilled labour market and the ever-evolving world of technology and industry change.

In an environment of growth and emerging systems, building strong leadership on the frontline is essential. The MACA 'Leading with Intention' program has resulted in a marked shift in safety leadership attitudes and performance.

Recognising we operate in this challenging labour environment, we have a firm belief we have an obligation to help build the next tier of qualified tradespeople, professionals and support roles for our industry. MACA currently employ 53 Apprentices and 43 Trainees across a vast range of disciplines. In addition, MACA is proud to be in partnership with 'Working Spirit', a not-for-profit organisation, where we have employed in excess of 38 ex-ADF (Australian Defence Force) personnel who have successfully transitioned into a range of positions across our business.

As we grow, we expect the level of sophistication of our people systems, our leadership capability and our service delivery to grow too. To facilitate this growth, MACA has made a conscious decision to drive a continuous improvement culture across all aspects of our business.

HEALTH, SAFETY, ENVIRONMENT AND QUALITY

MACA maintains an integrated HSEQ management system, externally accredited by SAI Global (AS/NZS4801:2001, ISO9001:2015 and ISO14001:2015) and the Office of the Federal Safety Commissioner (OFSC). These management systems encompass all the processes and procedures we rely on to conduct our work safely and efficiently and is consistently being improved from lessons learnt and industry updates. These improvements continue MACA's focus on our objective of Zero Harm to provide a safe and healthy workplace for the prevention of work-related injury and / or ill health to our employees, contractors and visitors. There is a genuine belief amongst our leaders that you can't have a good business unless it is a safe business. We are continuing to work towards a sustainable safety culture based on strong leadership, clear lines of accountability, high levels of employee engagement and sound safety performance over time.

MACA is committed to minimising the impact on the environment in which we live and work. MACA always considers the lifecycle aspect to environmental decision-making to reduce emission discharges, wastes, energy usage and resource consumption. We work closely with our clients and traditional custodians of the land to identify items or areas of cultural heritage which may be impacted by our work activities, create an awareness of the significance and establish systems to preserve and protect its value.

MACA has established measurable objectives and targets to evaluate how closely MACA is achieving the health, safety and environmental expectations, requirements and obligations of stakeholders.

Certified System Environment ISO 14001 SAI GLOBAL

Certified System Health & Safety AS 4801 SAI GLOBAL

Certified System Quality ISO 9001 SAI GLOBAL

VETERANS EMPLOYMENT

MACA acknowledges the service that all ADF members have given to all Australians, and as a company MACA is committed to assisting Veterans and their families through employment opportunities. To date MACA has employed approximately 38 Veterans over the last 12 months with the assistance of Working Spirit. Currently Veteran retention over the last 12 months is at 92% and represents 4% of our total workforce.

MACA has successfully registered its public commitment to Veteran Employment with the Department of Veteran Affairs and in doing so has become the first Mining and Civil contractor in Australia to make this public commitment.

COMMUNITY

MACA acknowledges the significance of our social licence to operate, and that it is both earned and maintained on an ongoing basis, as a result of our many relationships with our stakeholders.

Community and People First are two of MACA's core values, and we are proud to have meaningful and positive connections with both the communities we work in and the people we employ.

During FY19, MACA contributed significantly to the communities in which it operates, including the MACA Cancer 200, The Harry Perkins Institute of Medical Research, the Hawaiin Ride for Youth, WASO and other charities in the states in which we operate.

In closing, MACA highly values its hard working, dedicated and loyal employees. The Board would like to extend its thanks to them and all of our stakeholders who remain an integral part of our success.

CHRIS TUCKWELL
Managing Director, CEO

DIRECTORS' REPORT

The Directors present their report, together with the financial statements, of the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of MACA Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled for the year ended 30 June 2019.

DIRECTORS

The following persons were directors of MACA Limited during the whole or part of the financial year and up to the date of this report:

Mr (Hugh) Andrew Edwards (Chairman, Non-Executive Director)

Mr Christopher Mark Tuckwell (Chief Executive Officer and Managing Director)

Mr Geoffrey Alan Baker (Executive Director)

Mr Linton John Kirk (Non-Executive Director)

Mr Robert Neil Ryan (Non-Executive Director)

PRINCIPAL ACTIVITIES AND ANY SIGNIFICANT CHANGES IN NATURE

The principal activities of the Group during the year were in three businesses and two geographical segments being the provision of contract mining services, civil contracting services and mineral processing services throughout Australia, and contract mining services in Brazil, South America.

There were no significant changes in the nature of the Group's principal activities during the financial year.

DIVIDENDS PAID OR RECOMMENDED

Dividends that were fully franked and paid or declared for payment since the end of the previous financial year were as follows:

	2019	2018
Interim dividend declared and paid per ordinary share (cps)	2.0	3.0
Final dividend declared and paid per ordinary share (cps)	2.5	3.5

The final fully franked dividend was paid on 20th September 2019.

DIVIDEND REINVESTMENT PLAN

There is no dividend reinvestment plan in place.

REVIEW OF OPERATIONS

A summary of key financial indicators is set out in the table below.

	2019 $'m	2018 $'m	CHANGE
Revenue	665.7	562.6	18%
EBITDA	70.7	76.7	(8)%
EBIT	28.1	29.4	(4)%
Net Profit before tax	32.0	31.6	1%
Net Profit after tax (attributable to members)	20.6	23.6	(13)%
Work in Hand	2,110 [1]	1051 [2]	
Operating Cashflow	57.5	8.7	
Dividend per share (fully franked)	4.5 cents	6.5 cents	
Basic earnings per share	7.7 cents	9.1 cents	
Net tangible asset backing per share (basic)	119.5 cents	118.8 cents	

[1] As at 31 August 2019 / [2] As at 30 June 2018

A review of, and information about the operations of the consolidated entity for the financial year and the results of those operations are set out in the Chairman's Address and the Managing Director's Review of Operations that forms part of this Directors' Report.

ENVIRONMENTAL ISSUES

MACA is aware of its environmental obligations with regard to its principal activities and ensures it complies with all regulations.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There have not been any significant changes in the state of affairs of the Group.

CHANGES IN CONTROLLED ENTITIES

During the period MACA gained control of the following entities:

- OPMS Cambodia Co. Ltd

EVENTS SUBSEQUENT TO BALANCE DATE

After balance date events include the following:

- Award of the Karratha / Tom Price road - an approximately $81 million Construct Only road construction contract for 45km of roadworks for the MRWA in the Pilbara region (see ASX announcement 19th August 2019)

Other than the matters detailed above no circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

INFORMATION ON CURRENT DIRECTORS

NAME:	**Mr Andrew Edwards**
TITLE:	Independent Non-Executive Chairman
QUALIFICATIONS:	B Com FCA SF Finsia FAICD
EXPERIENCE AND EXPERTISE:	Mr Edwards is a former Managing Partner of PricewaterhouseCoopers (PwC) Perth Office, a former national Vice President of the Securities Institute of Australia (now the Financial Services Institute of Australasia) and a former President of the Western Australian division of that Institute. Mr Edwards is a Fellow of Chartered Accountants Australia and New Zealand and has served as a state councillor of that Institute.
CURRENT DIRECTORSHIPS:	Mr Edwards has been a board member of MACA Limited since 10th November 2010. Mr Edwards is currently Non-executive Chairman of MMA Offshore Limited (appointed December 2009).
FORMER DIRECTORSHIPS (IN LAST 3 YEARS):	Non-Executive Director of Nido Petroleum Limited (appointed December 2009 and resigned December 2018) (delisted from ASX June 2017).
SPECIAL RESPONSIBILITIES:	Mr Edwards is currently a member of the Board's Remuneration Committee, Audit Committee and Risk Committee.
INTEREST IN SHARES:	20,000

NAME:	**Mr Chris Tuckwell**
TITLE:	Chief Executive Officer and Managing Director
QUALIFICATIONS:	B Eng (Construction)
EXPERIENCE AND EXPERTISE:	Mr Tuckwell holds a Bachelor of Engineering - Construction and has spent his entire career within the mining industry, working with both mining contractors and mining companies over the past 35 years. During his career Mr Tuckwell has also fulfilled senior off-shore management and executive positions in West and East Africa, South America, Indonesia and the West Indies.
CURRENT DIRECTORSHIPS:	Mr Tuckwell has been a board member of MACA Limited since 4th August 2014.
FORMER DIRECTORSHIPS (IN LAST 3 YEARS):	Mr Tuckwell was a board member of MACA Limited from 10th November 2010 to 25th July 2012.
SPECIAL RESPONSIBILITIES:	Mr Tuckwell is currently a member of the Board's Risk Committee.
INTEREST IN SHARES	1,288,801
INTEREST IN PERFORMANCE RIGHTS:	184,619 vesting 30 June 2020 256,599 vesting 30 June 2021

NAME:	**Mr Geoff Baker**
TITLE:	Executive Director
QUALIFICATIONS:	MAICD
EXPERIENCE AND EXPERTISE:	Mr Baker is a founding shareholder of MACA. Geoff is responsible for planning, operating strategy, capital expenditure and delivery of safety and financial outcomes on all projects for the business. Mr Baker has worked in the sector for 40 years focusing on plant maintenance and asset management.
CURRENT DIRECTORSHIPS:	Mr Baker has been a board member of MACA Limited since 10th November 2010.
FORMER DIRECTORSHIPS (IN LAST 3 YEARS):	Nil.
SPECIAL RESPONSIBILITIES:	Mr Baker is currently a member of the Board's Risk Committee.
INTEREST IN SHARES:	12,863,816
INTEREST IN PERFORMANCE RIGHTS:	146,775 vesting 30 June 2020 215,514 vesting 30 June 2021

NAME:	**Mr Linton Kirk**
TITLE:	Independent Non-Executive Director
QUALIFICATIONS:	B Eng (Mining) FAusIMM (CP)
EXPERIENCE AND EXPERTISE:	Mr Kirk has over 40 years' experience in mining and earthmoving, covering both open pit and underground operations in several commodities. He has held technical, operational and management positions in a variety of mining and mining service companies throughout the world prior to becoming a consultant in 1997. Mr Kirk holds a Bachelor of Engineering (Mining) degree from the University of Melbourne, is a Fellow and Charted Professional of the Australian Institute of Mining and Metallurgy and has completed a Company Directors course.
CURRENT DIRECTORSHIPS:	Mr Kirk has been a board member of MACA Limited since 1st October 2012.
FORMER DIRECTORSHIPS (IN LAST 3 YEARS)	Mr Kirk was a Non-Executive Director of Middle Island Resources from September 2011 to July 2016.
SPECIAL RESPONSIBILITIES:	Mr Kirk is currently the Chair of the Board's Audit Committee and Risk Committee and a member of the Remuneration Committee.
INTEREST IN SHARES:	75,000

NAME:	**Mr Robert Ryan**
TITLE:	Independent Non-Executive Director
QUALIFICATIONS:	CP Eng MIEAust MAICD
EXPERIENCE AND EXPERTISE:	Mr Ryan has extensive civil contracting and construction engineering experience with particular expertise in engineering, project, asset and senior management. His experience in infrastructure projects is substantial. Mr Ryan has extensive experience at senior levels of a significant public company and was a partner in a successful civil earthmoving business for over 12 years.
CURRENT DIRECTORSHIPS:	Mr Ryan has been a board member of MACA Limited since 18th August 2015.
FORMER DIRECTORSHIPS (IN LAST 3 YEARS):	Nil.
SPECIAL RESPONSIBILITIES:	Mr Ryan is currently the Chair of the Board's Remuneration Committee and member of the Audit Committee and Risk Committee.
INTEREST IN SHARES:	38,604

NAME:	**Mr Peter Gilford**
TITLE:	Chief Financial Officer / Company Secretary
QUALIFICATIONS:	B Com CA AGIA ACIS
EXPERIENCE AND EXPERTISE:	Mr Gilford has significant experience in the areas of financial management, accounting, business and taxation services. He has provided services to a large number of mining, exploration and construction companies. Mr Gilford has acted in roles of Director, Company Secretary and CFO for a number of privately owned businesses. Peter is a member of the Chartered Accountants Australia and New Zealand and is a member of the Governance Institute of Australia.

MEETINGS OF DIRECTORS

The number of directors meetings which directors were eligible to attend (including Committee meetings) and the number attended by each director during the year ended 30th June 2019 were as follows:

	Directors' Meetings		Committee Meetings					
	Board		Audit		Remuneration		Risk	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Andrew Edwards	9	9	2	2	1	1	2	2
Chris Tuckwell	9	8	-	-	-	-	2	2
Geoff Baker	9	9	-	-	-	-	2	2
Linton Kirk	9	9	2	2	1	1	2	2
Robert Ryan	9	9	2	2	1	1	2	2

REMUNERATION REPORT

The audited remuneration report is set out on pages 30 to 43 and forms part of this Directors' Report.

INDEMNIFYING OFFICERS OR AUDITOR

During the financial year the Company paid a premium in respect of a contract insuring the directors of the Company, the company secretary and all executive and non-executive directors of the Company and any related body corporate against a liability incurred as such a director, company secretary or executive officer to the extent permitted by the Corporations Act 2001.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor. In accordance with a confidentiality clause under the insurance policy, the amount of the premium paid to insurers has not been disclosed. This is permitted under s300(9) of the Corporations Act 2001.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

ASIC CI 2016/191 ROUNDING OF AMOUNTS

The Company is an entity to which ASIC CI 2106/191 Rounding of Amounts applies and, accordingly, amounts in the financial statements and directors' report have been rounded to the nearest thousand dollars.

NON AUDIT SERVICES

No non-audit services were provided during the year by the auditor to the Company or any related body corporate.

AUDITORS INDEPENDENCE DECLARATION

The auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 44 and forms part of the directors' report for the financial year ended 30 June 2019.

RISK

MACA's risk management framework is embedded within existing processes and is aligned to the Group's strategic business objectives. Given the markets and the geographies in which the Group operates, a wide range of risk factors have the potential to affect the achievement of these objectives. For further information in relation to the Group's risk management framework, refer to the Corporate Governance Statement.

Set out below is an overview of the more significant business risks facing MACA and the approach taken to managing those risks. The factors identified below are not necessarily listed in order of importance and are not intended as an exhaustive list of all the risks and uncertainties associated with the MACA business.

HEALTH, SAFETY, SUSTAINABILITY AND ENVIRONMENT RISK

The industry sectors in which we operate involve a high degree of operational risk. MACA believes it takes reasonable precautions to manage safety and environmental risks to ensure the continued sustainability of the business. However, there can be no assurance that the Group will avoid significant costs, liability and penalties or criminal prosecution. This risk is mitigated by progressively improving on already high safety performance standards across the business and by maintaining independently reviewed health and safety, environmental and quality certifications.

PROJECT DELIVERY RISK

The execution and delivery of projects involves judgment regarding the planning, development and operation of complex operating facilities and equipment. Some parts of MACA's business are involved in large-scale projects that may occur over extended time periods. As a result, the Group's operations, cash flows and liquidity could be affected if MACA miscalculates the resources or time needed to complete a project, if it fails to meet contractual obligations, or if it encounters delays or unspecified conditions. MACA maintains a strict project monitoring regime, proactive management and decision making to mitigate project delivery risks.

ORDER BOOK RISK

Generally in the mining industry, most contracts can be terminated for convenience by the client at short notice and without penalty, with the client paying for all work completed to date, unused material and in most cases demobilisation from the site and redundancies. As a result, there can be no assurance that work in hand will be realised as revenue in any future period. MACA seeks to manage this risk by being selective in the contracts that it enters into and always seeks to extend contracts where possible in an effort to maximise its return on capital.

DIRECTOR'S REPORT CONTINUED

DEMAND RISK

MACA is a contractor operating predominantly in the mining resources and civil sectors. As a result, failure to obtain contracts, delays in awards of contracts, cancellations or terminations of contracts, delays in completion, changes in economic conditions and the volatile and cyclical nature of commodity prices means that the demand for MACA's goods and services can vary markedly over relatively short periods. Accordingly, changes in market conditions could impact MACA's financial performance. The Group seeks to manage demand risk as best it can by maintaining a diversified client base and commodity mix and having a proportion of equipment and labour on hire.

BUSINESS ACQUISITIONS

When MACA acquires a business there is a risk of not being able to realise or sustain expected benefits of the acquisition. The goodwill represents the amounts paid for the business, less the fair value of the net assets acquired. MACA, at least annually, reviews the carrying value of goodwill and may incur impairment charges related to goodwill if the businesses or markets they serve deteriorate. In addition, businesses that MACA acquires may have liabilities that MACA was unaware of in the course of performing due diligence investigations. Any such liabilities may have material adverse impact on MACA's business and financial position. As part of the due diligence process, MACA thoroughly reviews all contracts to mitigate the risk of acquiring onerous contracts and change in control provisions, and historic liabilities and integration risks.

COMPETITION RISK

The market in which MACA operates is highly competitive, which may result in downward pressure on prices and margins. If MACA is unable to compete effectively in its markets, it runs the risk of losing market share. MACA continues to focus on delivering quality services to make us a contractor of choice as a means of mitigating this risk.

CONTRACT PRICING RISK

MACA has a mixed exposure to contract types. However, if the Group materially underestimates the cost of providing services, equipment, or plant, there is a risk of a negative impact on MACA's financial performance. MACA follows a proven tender review process to reduce the risk of under-pricing contracts.

LIQUIDITY RISK

The risk of MACA not being able to meet its financial obligations as they fall due is managed by maintaining adequate cash reserves and available borrowing facilities, as required. Errors or unforeseen changes in actual and forecast cash flows that then create a mismatch against the maturity profiles of financial assets and liabilities could have a detrimental effect on the Group's liquidity. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

PARTNER RISK

MACA, in some cases, may undertake services through and participate in, joint ventures or partnering/alliance arrangements. The success of these partnering activities depends on the satisfactory performance by MACA's partners. The failure of partners to meet performance obligations could impose additional financial and performance obligations that could cause significant impact on MACA's reputation and financial results. MACA completes due diligence on potential partners prior to forming any business relationship and regularly monitors these relationships.

LABOUR COSTS AND AVAILABILITY

Labour represents a significant portion of operating expenses. In order to compete for work and to service clients, the Group needs to be able to continue to attract and retain skilled employees. Consequently, the Group is exposed to increased labour costs in markets where the demand for labour is strong. Within more stable labour markets, the group's labour costs are typically protected by rise and fall mechanisms within client contracts, which help neutralise the impact of rising labour costs.

CURRENCY FLUCTUATION

As a Group with international operations, MACA is exposed to fluctuations in the value of the Australian dollar versus other currencies. Because MACA's consolidated financial results are reported in Australian dollars, if MACA generates sales or earnings or has assets and liabilities in other currencies, the translation into Australian dollars for financial reporting purposes can result in a significant increase or decrease in the amount of those sales or earnings and net assets. MACA uses cash backed deposits to mitigate some of the US dollar currency risk. Currently the company has unhedged exposure to the Brazilian Real.

Other material risks that could affect MACA include:

- public liability risk incurred maintaining road assets requiring identified defects to be closed out within a specified timeframe;
- a major operational failure or disruption at key facilities or to communication systems which interrupt MACA's business;
- changing government regulation including tax, occupational health and safety, and changes in policy and spending;
- loss of reputation through poor project outcomes, unsafe work practices, unethical business practices, and not meeting the market's expectation of its financial performance;
- operating in international markets, potentially exposing MACA to country specific adverse economic conditions, civil unrest, conflicts, bribery and corrupt practices;
- foreign exchange rates and interest rates in the ordinary course of business, and
- loss of key Board, management or operational personnel.

REMUNERATION REPORT

Section	Title	Description
Section 1	Introduction	Outlines the scope of the Remuneration Report and the individuals disclosed.
Section 2	Remuneration Governance	Describes the role of the board, the Remuneration Committee and matters considered (including external advice) when making remuneration decisions.
Section 3	2019 Executive remuneration framework and improvements	Outlines the 2019 remuneration framework and changes to remuneration plans.
Section 4	Company performance and the link to remuneration	The outcomes of the key business metrics and hurdles that are used for measuring variable pay outcomes.
Section 5	Executive remuneration outcomes	Provides Chief Executive officer remuneration, Short Term Incentive (STI) and Long Term Incentive (LTI) Plan details and Executive remuneration outcomes for the year.
Section 6	Executive contracts	Appointments and notice periods for current and former Key Management Personnel.
Section 7	Non-Executive Directors' fees	Provides detail regarding the fees paid to Non-executive Directors.

1.0 INTRODUCTION

This remuneration Report forms part of the Directors' Report for 2019 and outlines the remuneration strategy and arrangements for the Company's Directors and Executives (together "Key Management Personnel" or "KMP") in accordance with section 300A of the Corporations Act.

1.1 KEY MANAGEMENT PERSONNEL

The KMP of the Group during and since the end of the financial year comprise the company directors (as detailed in the beginning of the Directors' Report) and the following senior executive officers. Except as noted, these persons held their current position for the whole of the financial year and since the end of the financial year.

Person	Position	Period in position during the year
Directors - Non-Executive		
Andrew Edwards	Non-Executive Chairman	Full year
Linton Kirk	Non-Executive Director	Full year
Robert Ryan	Non-Executive Director	Full year
Directors - Executive		
Chris Tuckwell	Chief Executive Officer / Managing Director	Full year
Geoff Baker	Executive Director	Full year
Executives		
Tim Gooch	General Manager - Mining	Full year
Mitch Wallace	General Manager - Brazil Operations	Full year
Mark Davidovic	General Manager - Civil	Full year
David Greig	General Manager - Business Development	Full year
Linda Devereux	General Manager - People and Safety	Commenced effective 22nd July 2019
Peter Gilford	Chief Financial Officer / Company Secretary	Full year
David Kent	General Manager - Corporate Services	Resignation effective 28th June 2019

2.0 REMUNERATION GOVERNANCE

The Board oversees the remuneration arrangements of the KMP.

In performing this function the Remuneration Committee reviews the remuneration packages of all Directors, the Chief Executive Officer and other Executives (collectively the KMP).

The Committee makes recommendations to the Board on an annual basis with benchmarking against comparable industry packages and adjusting to recognise the specific performance of both the company and the individual.

The Remuneration Committee may also engage an external remuneration consultant to review the levels of senior executive and non- executive remuneration. No external remuneration consultant was engaged over the past financial year.

3.0 2019 EXECUTIVE REMUNERATION FRAMEWORK

Remuneration practices are continuously developed in line with the Company's business demands, industry conditions and overall market trends. The primary goal is to link executive remuneration with the achievement of MACA's business and strategic objectives with the aim to increase shareholder value over the short and longer term. The nature and amount of compensation for executive KMP is designed to retain and stimulate individuals on a market competitive basis.

Remuneration Framework		
Total fixed remuneration (TFR)	Short-term incentive (STI)	Long-term incentive (LTI)
• TFR takes into account similar positions in peer companies, length of service, experience and contribution • Peer companies are those with broadly similar revenue and in related industries • TFR is reviewed annually	Financial metrics comprise some or all of: • Net profit after tax - company and divisional • Earnings per share Non-financial metrics comprise some or all of: • Safety indicators - LTI and TRIFR • Personal performance • Maximum STI is 15 - 25% of TFR depending on the individual	• Relative TSR using a benchmark index namely the S&P/ASX Small Ordinaries Accumulation Index (XSOAI) measured over a 3 year period (100% component) • Number of performance rights issued up to 25% of fixed annual remuneration divided by the independently assessed value of a performance right

4.0 COMPANY PERFORMANCE AND THE LINK TO REMUNERATION

Key Performance Indicators ('KPIs') for both short-term and long-term Executive incentive schemes are linked to the Company's strategic and business objectives and as a result, pay outcomes are directly aligned with Company performance against these objectives.

The following Company performance measures are among those that may be included in incentive plans for relevant executives. KPIs may be adjusted for individually large or unusual items to derive an underlying performance measure outcome. The Board believes these KPIs are aligned to Shareholder wealth and returns to investors.

4.0 COMPANY PERFORMANCE AND THE LINK TO REMUNERATION (CONTINUED)

	2019	2018	2017	2016	2015
Reported net profit/(loss) attributable to equity holders of the parent ($m)	20.6	23.6	31.2	24.2	54.4
Reported return on equity (%)	6.9	7.4	11.6	9.5	21.7
Reported basic earnings per share (cents)	7.7	9.1	13.7	10.4	24
Lost time injury frequency rate (LTIFR)	0.5	0	0	0	0
Total recordable injury frequency rate (TRIFR)	6.4	6.8	7.8	13.7	14.8
Shareholders' Wealth					
Interim dividend declared (cents)	2.0	3.0	4.5	4.0	7
Final dividend declared (cents)	2.5	3.5	4.5	4.5	7.5
Special dividend declared (cents)	-	-	-	-	25
Share price at 30 June (cents)	90	120	165	132	77
Total shareholder return (TSR %) [1]	(21.3)	(23.3)	38.1	74.6	(37.0)
3 year Annual Compound TSR [1]	(5.2)	23.2	6.3	8	(9.0)

[1] All dividends in the TSR (Total Shareholder Return) calculation are on a declared (rather than paid) basis in respect to each financial year.

5.0 EXECUTIVE REMUNERATION OUTCOMES

5.1 MANAGING DIRECTOR AND CEO ARRANGEMENTS

Mr Tuckwell's remuneration package as CEO was determined by benchmarking it against that paid to CEOs in similar organisations. The remuneration package comprises the following components:

- Total Fixed Remuneration (TFR) is $677,423 per annum inclusive of superannuation plus the use of a company motor vehicle.
- An STI which includes the opportunity to earn an annual cash bonus of up to 25% of total fixed remuneration, subject to achieving performance hurdles. Mr Tuckwell's STI plan has been aligned with other senior executives under similar plan rules with KPIs that align to profitable performance and safety. The CEO's STI Plan comprises 40% for key financial KPI's, 30% for safety KPI's and 30% for personal KPI's. The financial KPIs comprise Net Profit after Tax and Earnings per Share growth. The safety KPIs are based on the Lost Time Injury Frequency Rate (LTIFR) and the Total Recordable Injury Frequency Rate (TRIFR).

There was no STI payable for Mr Tuckwell for 2019 as most KPI's were not met - refer 5.4 below.

- An LTI under which Mr Tuckwell may receive share performance rights convertible into fully paid shares, subject to performance criteria being met. At the 2018 Annual General Meeting the Board sought and received approval for the grant of 256,599 Performance Rights pursuant to the Company's Performance Rights Plan (PRP). Subject to the relevant performance hurdles being met, these may vest in June 2021.

5.2 TOTAL FIXED REMUNERATION (TFR)

All Executives received TFR as outlined in page 31 of this report. TFR comprises base salary and superannuation plus the use of a company motor vehicle or motor vehicle allowance.

Fixed pay has been reviewed and set against peer companies with whom MACA competes. MACA also benchmarks through industry surveys and reports and may seek external advice for KMP remuneration.

5.3 SHORT-TERM INCENTIVE PLAN (STI PLAN)

Key features of the STI Plan are outlined in the table below.

Objective	KPIs are set to encourage a profit and safety driven culture with the ultimate aim of driving Stakeholder returns. The STI payments are structured to recognise and motivate employees to align their performance with the Company's goals. The amount of bonus actually earned will depend on performance against predetermined KPIs with payment commencing upon reaching those hurdles.
Eligibility	All Executive key management personnel.
At risk payments	2018: The STI is a component of 'at risk' pay provided to Executives and KMP. % of TFR paid on Target Achievement CEO: 25% Executive Directors: 25% Other Executive KMP: 15% 2019: The STI is a component of 'at risk' pay provided to Executives and KMP. % of TFR paid on Target Achievement CEO: 25% Executive Directors: 25% Other Executive KMP: 15%
Performance conditions	Financial and safety targets are all agreed with the Board and personal KPIs are set in consultation with the relevant Executive. Each KPI is weighted according to its importance in driving profitable performance and returns to Shareholders. In order to be eligible to receive an STI there is a minimum financial requirement or gate which must be met before other KPI's are considered. KPIs for the CEO and Executive Directors comprise Earnings per Share (EPS), Net Profit after Tax (NPAT), Lost Time Injury Frequency Rate (LTIFR), Total Recordable Injury Frequency Rate (TRIFR) and personal assessment. KPIs for other Executive KMP comprise Net Profit after Tax (NPAT), business operating unit profit performance, Lost Time Injury Frequency Rate (LTIFR), Total Recordable Injury Frequency Rate (TRIFR) and personal assessment.
Setting of KPIs	Financial and safety targets are all agreed with the Board and personal KPIs are set in consultation with the relevant Executive.
Assessment of KPIs	Performance is measured quantitatively and progress against key targets measured at half year and full year.
Trigger for payment	Any performance target met will trigger the calculation of total or part payment of the STI. The board may exercise its discretion in relation to the payment of STI's.
Cessation of employment	STI forfeited if an Executive or KMP resigns or is terminated before the payment date. In exceptional circumstances this may be reviewed by the Board.

5.4 STI OUTCOMES

Given the minimum financial requirement was not met no STI was paid to any Executive in either 2019 or 2018.

5.5 LONG-TERM INCENTIVE PLAN (LTI PLAN)

Key features of the LTI Plan are outlined in the table below.

Overview of the LTI Plan	The Plan offers Executive KMP performance rights with the opportunity to receive fully paid ordinary shares in MACA Limited for no consideration, subject to specified time restrictions, continued employment and performance conditions being met. Each performance right will entitle participants to receive one fully paid ordinary share at the time of vesting.
Objective	The Plan is designed to assist with Executive and KMP retention and to incentivise employees to maximise returns and earnings for Shareholders.
Eligibility	Executive KMP as determined by the Board.
At risk payments	2018: The LTI is a component of 'at risk' pay offered to Executive KMP. The number of performance rights issued will depend on performance against predetermined KPIs with vesting occurring upon reaching those hurdles. The number of performance rights that vest is linked to relative Total Shareholder Return (TSR).

	% of TFR applied in LTI
CEO	25%
Executive Directors	25%
Other Executive KMP	20%

2019: No changes

	% of TFR applied in LTI
CEO	25%
Executive Directors	25%
Other Executive KMP	20%

Performance conditions	KPIs are set for the Group (where relevant). Each KPI is weighted according to its importance in driving profitable performance and returns to Shareholders. KPIs for the CEO, Executive Directors and other Executive KMP comprise 100% against a Total Shareholder Return (TSR) using a benchmark index namely the S&P/ASX Small Ordinaries Accumulation Index (XSOAI) measured over a 3 year period.
TSR Comparator Group	Assessed 100% against TSR using a benchmark index namely the S&P/ASX Small Ordinaries Accumulation Index (XSOAI).
Assessment of KPIs	Performance is measured quantitatively and progress against key targets reported at full year.
Trigger for vesting	Assessed 100% against TSR using a benchmark index namely the S&P/ASX Small Ordinaries Accumulation Index (XSOAI). The Board has discretion to not approve the vesting of the rights if the TSR is negative.
Cessation of employment	LTI forfeited if an Executive resigns or is terminated before the payment date. In exceptional circumstances this may be reviewed by the Board.

5.6 LTI OUTCOMES

None of the applicable hurdles were met for the period 1 July 2016 to 30 June 2019 (3 year period) for rights to vest in the LTI performance conditions above for Executives and KMP. No LTI was paid to any Executive in the 2019 financial year. 1,486,053 shares were issued during the year in relation to performance rights which vested on 30 June 2018.

5.7 UNVESTED ENTITLEMENTS

It is the Company's policy to prohibit Executives from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements under any equity-based remuneration schemes.

5.8 KMP OPTIONS

No options were granted during the period and no options were vested or were exercised during the period. At 30 June 2019 no options were held by KMP.

5.9 KMP PERFORMANCE RIGHTS

During the 2019 financial year 1,473,586 (2018: 972,231) performance rights were granted under the Group's Performance Rights Plan (1,136,392 to KMP) and 209,941 (2018: 334,637) performance rights were forfeited. Subject to the achievement of designated performance hurdles, these performance rights will vest in June 2021. As at 30 June 2019 there were 2,235,877 (2018: 2,014,485) performance rights outstanding. On 14 November 2018 shareholders approved the issue of 256,599 performance rights to the Managing Director Mr Chris Tuckwell and 215,515 performance rights to the Operations Director Mr Geoff Baker.

5.9 KMP PERFORMANCE RIGHTS (CONTINUED)

The number of rights over ordinary shares held by each KMP of the Group during the financial year is as follows:

30 June 2019	Balance at beginning of year	Granted as remuneration during the year	Exercised during the year	Other changes during the year	Balance at end of year	Vested and exercisable	Vested and unexercisable	Unvested at end of year
Hugh (Andrew) Edwards Chairman	-	-	-	-	-	-	-	-
Linton Kirk Non-Executive Director	-	-	-	-	-	-	-	-
Robert Ryan Non-Executive Director	-	-	-	-	-	-	-	-
Chris Tuckwell Managing Director / Chief Executive Officer	452,873	256,599	-	-	709,472	-	268,254	441,218
Geoff Baker Executive Director	362,251	244,600	-	-	577,765	-	215,476	362,289
Tim Gooch General Manager - Mining	251,617	215,514	-	-	381,726	-	146,261	235,465
Mitch Wallace General Manager - Brazil Operations	137,126	138,107	-	-	389,724	-	150,310	239,414
Mark Davidovic General Manager - Civil and Infrastructure	103,781	148,212	-	-	251,993	-	-	251,993
David Greig General Manager - Business Development	221,045	125,015	-	-	346,060	-	136,556	209,504
Peter Gilford Chief Financial Officer / Company Secretary	217,897	115,819	-	-	333,716	-	125,396	208,320
Total	**1,854,064**	**1,136,392**	**-**	**-**	**2,990,456**	**-**	**1,042,253**	**1,948,203**

Performance rights totaling 287,674 have been issued to employees not classes as KMP and remain unvested as at 30 June 2019

5.10 KMP SHAREHOLDINGS

The number of ordinary shares in MACA Limited held by each KMP of the Group during the financial year is as follows:

30 June 2019	Balance at beginning of year	Granted as remuneration during the year	Increase other	Issued on exercise of rights during the year	Other changes during the year	Balance at end of year
Hugh (Andrew) Edwards Chairman	20,000	-	-	-	-	20,000
Linton Kirk Non-Executive Director	50,000	-	25,000	-	-	75,000
Robert Ryan Non-Executive Director	28,604	-	10,000	-	-	38,604
Chris Tuckwell Managing Director / Chief Executive Officer	774,064	-	70,000	444,737	-	1,288,801
Geoff Baker Executive Director	12,500,000	-	-	363,816	-	12,863,816
Tim Gooch General Manager - Mining	43,012	-	-	241,450	(119,300)	164,962
Mitch Wallace General Manager - Brazil Operations	40,343	-	-	249,932	-	290,275
Mark Davidovic General Manager - Civil and Infrastructure	-	-	-	-	-	-
David Greig General Manager - Business Development	-	-	-	-	-	-
Peter Gilford Chief Financial Officer / Company Secretary	59,258	-	-	186,118	-	245,376
Total	13,515,281	-	105,000	1,486,053	(119,300)	14,986,834

REMUNERATION REPORT CONTINUED

5.11 KMP REMUNERATION

5.11.1 Employment benefits and payments for the year ended 30 June 2019

The following table sets out the benefits and payment details, in respect to the financial year, and the components of remuneration for members of key management personnel of the consolidated Group.

		Short-term benefits					Post-employment benefits		Long-term benefits		Equity-settled sharebased payments		
		Salary, fees and leave	Comm-ittee fees	Cash bonus/ STI	Non-monetary	Other	Super-annuation	Other	Incentive plans	LSL	Share / Units	Options / Rights	Total
	Year	$	$	$	$	$	$	$	$	$	$	$	$
Executive Directors													
Chris Tuckwell Managing Director / Chief Executive Officer	2019	652,423	-	-	-	44,384	25,000	-	-	-	-	168,171	889,978
	2018	643,566	-	-	-	44,384	25,000	-	-	-	-	185,859	898,809
Geoff Baker Operations Director	2019	568,957	-	-	-	-	-	-	-	-	-	136,696	705,653
	2018	557,390	-	-	-	-	-	-	-	-	-	143,819	701,209
Total compensation for Executive Directors	2019	1,221,380	-	-	-	44,384	25,000	-	-	-	-	304,867	1,595,631
	2018	1,200,956	-	-	-	44,384	25,000	-	-	-	-	329,678	1,600,018
Non-Executive Directors													
Andrew Edwards Chairman	2019	141,553	-	-	-	-	13,447	-	-	-	-	-	155,000
	2018	141,552	-	-	-	-	13,447	-	-	-	-	-	154,999
Linton Kirk [1]	2019	104,769	-	-	-	-	8,042	-	-	-	-	-	112,811
	2018	125,517					8,042	-	-	-	-	-	133,559
Robert Ryan [2]	2019	96,978	-	-	-	-	-	-	-	-	-	-	96,978
	2018	115,168					-	-	-	-	-	-	115,168
Total compensation for Non-Executive Directors	2019	343,300	-	-	-	-	21,489	-	-	-	-	-	364,789
	2018	382,237	-	-	-	-	21,489	-	-	-	-	-	403,726
Executives (KMP)													
Tim Gooch General Manager - Mining	2019	413,258	-	-	-	22,684	39,259	-	-	-	-	90,384	565,585
	2018	407,648	-	-	-	25,006	38,726	-	-	-	-	96,371	567,751
Mitch Wallace General Manager - Brazil Operations	2019	466,197	-	-	-	-	-	-	-	-	-	92,340	558,537
	2018	495,028	-	-	-	-	-	-	-	-	-	99,402	594,430
Mark Davidovic General Manager - Civil and Infrastructure	2019	464,100	-	-	-	-	25,203	-	-	-	-	96,045	585,348
	2018	456,103	-	-	-	-	24,411	-	-	-	-	26,812	507,326
David Greig General Manager - Business Development	2019	402,399	-	-	-	-	35,853	-	-	-	-	81,527	519,779
	2018	397,276	-	-	-	-	35,176	-	-	-	-	50,504	482,956
Peter Gilford Chief Financial Officer / Company Secretary	2019	379,014	-	-	-	24,918	23,544	-	-	-	-	79,563	507,039
	2018	361,421	-	-	-	27,204	24,129	-	-	-	-	81,257	494,011
Total compensation for Executives	2019	2,124,968	-	-	-	47,602	123,859	-	-	-	-	439,859	2,736,288
	2018	2,117,476	-	-	-	52,210	122,442	-	-	-	-	354,346	2,646,474

5.11 KMP REMUNERATION (CONTINUED)

		Short-term benefits					Post-employment benefits		Long-term benefits		Equity-settled sharebased payments		Total
		Salary, fees and leave	Comm-ittee fees	Cash bonus/ STI	Non-monetary	Other	Super-annuation	Other	Incentive plans	LSL	Share / Units	Options / Rights	
	Year	$	$	$	$	$	$	$	$	$	$	$	$
Former KMP													
David Kent General Manager - Corporate Services	2019	405,150	-	-	-	-	26,084	-	-	-	-	53,407	484,641
	2018	429,778	-	-	-	-	23,330	-	-	-	-	23,314	476,422
Total compensation for former KMP	2019	405,150	-	-	-	-	26,084	-	-	-	-	53,407	484,641
	2018	429,778	-	-	-	-	23,330	-	-	-	-	23,314	476,422
Total compensation for KMP	2019	4,094,798	-	-	-	91,986	196,432	-	-	-	-	798,133	5,181,349
	2018	4,130,447	-	-	-	96,594	192,261	-	-	-	-	707,338	5,126,640

[1] Linton Kirk was engaged on a contract basis through his business Kirk Mining Consultants to perform consulting work. The engagement was charged at hourly rates and is included in the amount of salary and fees above.

[2] Robert Ryan was engaged on a contract basis through his business Hensman Properties to perform consulting work in business development. The engagement was charged at hourly rates and is included in the amount of salary and fees above.

5.11.2 Employment details of members of key management personnel and other executives

The following table provides details of persons who were, during the financial year, members of key management personnel of the consolidated Group. The table also sets out the proportion of remuneration that was performance and non-performance based and the proportion of remuneration received in the form of options and performance rights.

		Proportions of elements of remuneration related to performance			Proportions of elements of remuneration not related to performance	
		Non-salary cash-based incentives	Shares / Units	Options / Rights	Fixed Salary / Fees	Total
	Year	%	%	%	%	%
Executive Directors						
Chris Tuckwell Managing Director / Chief Executive Officer	2019	-	-	18.9	81.1	100.0
	2018	-	-	20.7	79.3	100.0
Geoff Baker Operations Director	2019	-	-	19.4	80.6	100.0
	2018	-	-	20.5	79.5	100.0
Non-Executive Directors						
Andrew Edwards Chairman	2019	-	-	-	100.0	100.0
	2018	-	-	-	100.0	100.0
Linton Kirk	2019	-	-	-	100.0	100.0
	2018	-	-	-	100.0	100.0
Robert Ryan	2019	-	-	-	100.0	100.0
	2018	-	-	-	100.0	100.0
Executives (KMP)						
Tim Gooch General Manager - Mining	2019	-	-	16.0	84.0	100.0
	2018	-	-	17.0	83.0	100.0
Mitch Wallace General Manager - Brazil Operations	2019	-	-	16.5	83.5	100.0
	2018	-	-	16.7	83.3	100.0
Mark Davidovic General Manager - Civil andInfrastructure	2019	-	-	16.4	83.6	100.0
	2018	-	-	5.3	94.7	100.0
David Greig General Manager - Business Development	2019	-	-	15.7	84.3	100.0
	2018	-	-	10.5	89.5	100.0
Peter Gilford Chief Financial Officer /Company Secretary	2019	-	-	15.7	84.3	100.0
	2018	-	-	16.4	83.6	100.0
Former KMP						
David Kent [1] General Manager - Corporate Services	2019	-	-	11.0	89.0	100.0
	2018	-	-	4.9	95.1	100.0

[1] *David Kent - resigned as General Manager - Corporate Services effective 28th June 2019.*

6.0 EXECUTIVE CONTRACTS

Executive contracts of service between the Company or company within the Group and KMP are on a continuing basis, the terms of which are not expected to change in the immediate future. The notice period for termination varies from one to three months.

Executive	Appointment to KMP	Notice period for contract cessation
Chris Tuckwell Managing Director / Chief Executive Officer	4th August 2014 The contract is ongoing and has no fixed term	The contract can be terminated by either party with 3 months' notice or payment in lieu
Geoff Baker Operations Director	3rd November 2010 The contract is ongoing and has no fixed term	The contract can be terminated by either party with 3 months' notice or payment in lieu
Tim Gooch General Manager - Mining	20th June 2011 The contract is ongoing and has no fixed term	The contract can be terminated by either party with 3 months' notice or payment in lieu
Mitch Wallace General Manager - Brazil Operations	3rd November 2010 The contract is ongoing and has no fixed term	The contract can be terminated by either party with 3 months' notice or payment in lieu
Mark Davidovic General Manager - Civil and Infrastructure	20th February 2017 The contract is ongoing and has no fixed term	The contract can be terminated by either party with 3 months' notice or payment in lieu
David Greig General Manager - Business Development	18th July 2016 The contract is ongoing and has no fixed term	The contract can be terminated by either party with 3 months' notice or payment in lieu
Linda Devereux General Manager - People and Safety	22nd July 2019 The contract is ongoing and has no fixed term	The contract can be terminated by either party with 3 months' notice or payment in lieu
Peter Gilford Chief Financial Officer / Company Secretary	23rd July 2014 The contract is ongoing and has no fixed term	The contract can be terminated by either party with 3 months' notice or payment in lieu

7.0 NON-EXECUTIVE DIRECTORS FEES

Non-Executive Directors fees are determined within an aggregate directors fee pool which is periodically recommended for approval to shareholders. The current aggregate directors' fee pool is $600,000. This provides for any future increases to Non-Executive Directors fees and to allow for any changes to the Board make up and potential increases in the number of Non-Executive Directors.

Fees paid to Non-Executive Directors are set at levels which reflect both the responsibilities of, and time commitments required from, each Non-Executive Director to discharge their duties and are not linked to the financial performance of the Company. Non-Executive Directors fees are reviewed annually by the Board to ensure they are appropriate for the duties performed, including Board committee duties, and are in line with the market. Other than statutory superannuation, Non-Executive Directors are not entitled to retirement benefits.

Non-Executive Directors	$ / Chairman	Member
Andrew Edwards	$155,000 Board	Audit Committee Risk Committee Remuneration Committee
Linton Kirk	$92,700 Audit Committee Risk Committee	Remuneration Committee
Robert Ryan	$92,700 Remuneration Committee	Audit Committee Risk committee

8.0 OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONS AND/OR RELATED PARTIES

Key management person and/or related party	Transaction	2019 $	2018 $
Partnership comprising entities controlled by current director Mr G Baker and former directors Mr J Moore, Mr D Edwards and Mr F Maher.	Expense - Rent on Division St business premises.	1,520,000	1,598,815
Kirk Mining Consultants - a company controlled by current director Mr L Kirk.	Expense - Mining consulting fees	20,112	40,860
Hensman Properties Pty Ltd - a company controlled by current director Mr R. Ryan.	Expense - Consulting fees	4,290	43,658
Gateway Equipment Parts & Services Pty Ltd - a company controlled by current director Mr G Baker and former directors Mr D Edwards, Mr F Maher and Mr J Moore.	Expense - Hire of equipment and purchase of equipment, parts and services.	2,456,742	2,381,300
Amounts payable at year end arising from the above transactions (Receivables Nil).			
Gateway Equipment Parts & Services Pty Ltd - a company controlled by current director Mr G Baker and former directors Mr D Edwards, Mr F Maher and Mr J Moore.		177,241	263,548

This directors' report, incorporating the remuneration report, is signed in accordance with a resolution of the Board of Directors.

On behalf of the Directors

Chris Tuckwell
Managing Director

27th day of September, 2019
Perth

AUDITOR'S INDEPENDENCE DECLARATION

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AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE *CORPORATIONS ACT 2001* TO THE DIRECTORS OF MACA LIMITED & CONTROLLED ENTITIES

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019 there have been no contraventions of:

i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. any applicable code of professional conduct in relation to the audit.

Neil Pace

NEIL PACE
PARTNER

Moore Stephens

MOORE STEPHENS
CHARTERED ACCOUNTANTS

Signed at Perth this 27th day of September 2019

CORPORATE GOVERNANCE STATEMENT CHECKLIST

The Board of MACA Limited is committed to ensuring that the Company's obligations and responsibilities to its stakeholders are fulfilled through its corporate governance practices. MACA is committed to the development of a culture that delivers our Promise – We Care, We are Flexible and We Deliver, and the Core Values of the Company – People First, Exceed Expectations, Continuous Improvement, Accountability and Community. We believe that operating in accordance with the corporate governance guidelines enhances the delivery of the above expectations.

This checklist reports on MACA's key governance principles and practices which are reviewed and revised as appropriate to reflect changes in law and developments in corporate governance. A complete Corporate Governance Statement ("CGS") and all Charters, Policies, Procedures, Disclosures, Definitions, Codes and Strategies are available for viewing on the Company's website under the Corporate Governance tab.

As required by the Australian Securities Exchange Limited ("ASX") Listing Rules, the Corporate Governance Statement contained on the Company website and in reference to this checklist reports on:

- The extent to which the Company has followed the Corporate Governance recommendations contained in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition); and
- The reasons for any departures from the Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition), in compliance with the "if not, why not" regime.

OVERALL APPROACH TO CORPORATE GOVERNANCE

The Board as a whole reviews and makes changes in line with recommendations made by individual Board members and as a result of this focus, the Board is satisfied that the Company meets the Corporate Governance Council's Corporate Governance Principles and Recommendations with departures as disclosed below. There were no departures during the year. A checklist cross-referencing the Corporate Governance Council's Corporate Governance Principles and Recommendations to the relevant sections of the Companies Corporate Governance Statement (CGS) is shown below.

ASX CORPORATE GOVERNANCE PRINCIPLES AND BEST PRACTICE RECOMMENDATIONS	REFERENCE AND IF COMPLIANT
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT A listed entity should clearly delineate the respective roles and responsibilities of its board and management and regularly review their performance.	
Recommendation 1.1 A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	1.1 Board Charter in CGS ✓
Recommendation 1.2 A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	1.2 ✓
Recommendation 1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	1.3 Remuneration Report in CGS ✓
Recommendation 1.4 The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	1.4 Board Charter in CGS ✓

CORPORATE GOVERNANCE STATEMENT CHECKLIST CONTINUED

ASX CORPORATE GOVERNANCE PRINCIPLES AND BEST PRACTICE RECOMMENDATIONS	REFERENCE AND IF COMPLIANT
Recommendation 1.5 A listed entity should: (a) have and disclose a diversity policy; (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and (c) disclose in relation to each reporting period: (1) the measurable objectives set for that period to achieve gender diversity; (2) the entity's progress towards achieving those objectives; (3) either: (A) the respective proportions of men and women on the Board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under the Act.	1.5 ✓ Diversity Procedure in CGS
Recommendation 1.6 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	1.6 ✓ Disclosure - Performance Evaluation in CGS
Recommendation 1.7 A listed entity should: (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	1.7 ✓ Disclosure - Performance Evaluation in CGS
PRINCIPLE 2 – STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE The board of a listed entity should be an appropriate size and collectively have the skills, commitment and knowledge of the entity and the industry in which it operates, to enable it to discharge its duties effectively and to add value.	
Recommendation 2.1 The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose the fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	2.1 ✓ Directors Report Board Charter in CGS Nomination Committee Charter in CGS

ASX CORPORATE GOVERNANCE PRINCIPLES AND BEST PRACTICE RECOMMENDATIONS	REFERENCE AND IF COMPLIANT
Recommendation 2.2 A listed entity should have and disclose a Board skills matrix setting out the mix of skills that the Board currently has or is looking to achieve in its membership.	2.2 ✓
Recommendation 2.3 A listed entity should disclose: (a) the names of the directors considered by the Board to be independent directors; (b) if a Director has an interest, position, or relationship of the type described in the recommendations but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	2.3 ✓ Definition of Independence in CGS
Recommendation 2.4 A majority of the board of a listed entity should be independent directors.	2.4 ✓
Recommendation 2.5 The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	2.5 ✓
Recommendation 2.6 A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	2.6 ✓ Board Charter in CGS Nomination Committee Charter in CGS
PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY A listed entity should instil and continually reinforce a culture across the organisation of acting lawfully, ethically and responsibly.	
Recommendation 3.1 A listed entity should articulate and disclose its values.	3.1 ✓ Corporate Code of Conduct in CGS
Recommendation 3.2 A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	3.2 ✓ Corporate Code of Conduct in CGS
Recommendation 3.3 A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	3.3 ✓ Whistleblower Procedure in CGS
Recommendation 3.4 A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	3.4 ✓ Anti-Bribery and Corruption Procedure in CGS

CORPORATE GOVERNANCE STATEMENT CHECKLIST CONTINUED

ASX CORPORATE GOVERNANCE PRINCIPLES AND BEST PRACTICE RECOMMENDATIONS	REFERENCE AND IF COMPLIANT
PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS A listed entity should have appropriate processes to verify the integrity of its corporate reports.	
Recommendation 4.1 The board of a listed entity should : (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings.	4.1 ✓ Audit Committee Charter in CGS
Recommendation 4.2 The Board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its Managing Director and Chief Financial Officer a declaration that, in their opinion the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	4.2 ✓
Recommendation 4.3 A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	4.3 ✓
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.	
Recommendation 5.1 A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under Listing Rule 3.1.	5.1 ✓ Continuous Disclosure in CGS Compliance Procedure in CGS
Recommendation 5.2 A listed entity should ensure that its board receives copies of all material announcements promptly after they have been made.	5.2 ✓
Recommendation 5.3 A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	5.3 ✓

ASX CORPORATE GOVERNANCE PRINCIPLES AND BEST PRACTICE RECOMMENDATIONS	REFERENCE AND IF COMPLIANT
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS A listed entity should provide its security holders with appropriate information and facilities to allow them to exercise their rights as security holders effectively.	
Recommendation 6.1 A listed entity should provide information about itself and its governance to investors via its website.	6.1 ✓ Shareholder Communication Strategy in CGS
Recommendation 6.2 A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	6.2 ✓
Recommendation 6.3 A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	6.3 ✓ Investor Centre in CGS
Recommendation 6.4 A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	6.4 ✓ Shareholder Communication Strategy in CGS
Recommendation 6.5 A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	6.4 ✓ Shareholder Communication Strategy in CGS
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.	
Recommendation 7.1 The Board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings.	7.1 ✓ Risk Committee Charter in CGS
Recommendation 7.2 The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	7.2 ✓ Disclosure - Risk Management in CGS

CORPORATE GOVERNANCE STATEMENT CHECKLIST CONTINUED

ASX CORPORATE GOVERNANCE PRINCIPLES AND BEST PRACTICE RECOMMENDATIONS	REFERENCE AND IF COMPLIANT
Recommendation 7.3 A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; and (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.	7.3 ✓ In CGS
Recommendation 7.4 A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages those risks.	7.4 ✓ In CGS
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders and with the entity's values and risk appetite.	
Recommendation 8.1 The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings.	8.1 ✓ Remuneration Report in CGS Remuneration Committee Charter in CGS
Recommendation 8.2 A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	8.2 ✓ Remuneration Report in CGS
Recommendation 8.3 A listed entity which has an equity-based remuneration scheme should : (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	8.3 ✓ Remuneration Report in CGS

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements set out on pages 52 to 95 are in accordance with the Corporations Act 2001 and:

    (a) comply with Accounting Standards which as stated in the accounting policies included in the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and

    (b) give a true and fair view of the financial position as at 30 June 2019 and of the performance for the year ended on that date of the company and consolidated group;

2. The Managing Director (acting as Chief Executive Officer) and Chief Finance Officer have each declared that:

    (a) the financial records of the Group for the financial year have been properly maintained in accordance with s286 of the Corporations Act 2001;

    (b) the financial statements and notes for the financial year comply with the International Financial Reporting Standards; and

    (c) the financial statements and notes for the financial year give a true and fair view of the financial performance and results of the entity.

In the directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

Chris Tuckwell
Managing Director

Dated at Perth this 27 day of September, 2019

CONSOLIDATED STATEMENT OF

PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year Ended 30 June 2019

	Section	30 June 2019 $'000	30 June 2018 $'000
Revenue	3.1(a)	**665,719**	562,594
Other Income	3.1(b)	**31,274**	29,086
Direct Costs		**(645,869)**	(543,805)
Finance Costs		**(4,109)**	(2,084)
Impairment of Goodwill		**-**	(3,338)
Fair Value Gains/(Losses) on Financial Assets		**(404)**	-
Foreign Exchange Gains/(Losses)		**1,721**	2,552
Other Expenses from Ordinary Activities		**(16,327)**	(13,376)
Profit Before Income Tax		**32,005**	31,629
Income Tax Expense	3.6.1(a)	**(9,590)**	(9,962)
Profit for the Year		**22,415**	21,667
Other Comprehensive Income:			
Exchange Differences on Translating Foreign Operations		**4,155**	(10,446)
Total Comprehensive Invome for the Year		**26,570**	11,221
Profit / (Loss) Attributable to:			
- Non-controlling Interest		**1,841**	(1,928)
- Members of the Parent Entity		**20,574**	23,595
		22,415	21,667
Total Comprehensive Income Attributable to:			
- Non-controlling Interest		**1,841**	(1,928)
- Members of the Parent Entity		**24,729**	13,149
		26,570	11,221
Earnings per Share:			
- Basic Earnings per Share (cents)	3.7	**7.68**	9.06
- Diluted Earnings per Share (cents)	3.7	**7.60**	8.95

The accompanying Sections form part of these Financial Statements

CONSOLIDATED STATEMENT OF

FINANCIAL POSITION

As at 30 June 2019

	Section	30 June 2019 $'000	30 June 2018 $'000
Current Assets			
Cash and Cash Equivalents	5.1.1	**59,292**	108,239
Trade and Other Receivables	4.1	**175,649**	124,687
Loans to Other Companies	4.1	**22,300**	7,618
Inventory	4.2	**14,306**	13,649
Work in Progress	4.2	**1,717**	(2,023)
Financial Assets	4.1	**7,076**	2,257
Other Assets	4.3	**1,815**	1,395
Total Current Assets		**282,155**	255,822
Non-Current Assets			
Trade and Other Receivables	4.1	**15,139**	39,165
Property, Plant and Equipment	4.4	**238,280**	114,785
Loans to Other Companies	4.1	**25,655**	19,975
Financial Assets	4.1	**6,514**	2,179
Goodwill	4.5	**3,187**	3,187
Deferred Tax Assets	3.6.2(a)	**13,513**	11,265
Total Non-Current Assets		**302,288**	190,556
Total Assets		**584,443**	446,378
Current Liabilities			
Trade and Other Payables	4.6	**87,942**	64,620
Financial Liabilities	5.2.1	**42,272**	14,991
Current Tax Liabilities	3.6.2(b)	**3,732**	1,226
Short-Term Provisions	4.7	**13,657**	11,838
Total Current Liabilities		**147,602**	92,675
Non-Current Liabilities			
Deferred Tax Liabilities	3.6.2(b)	**4,325**	2,958
Financial Liabilities	5.2.1	**99,848**	29,910
Total Non-Current Liabilities		**104,174**	32,868
Total Liabilities		**251,776**	125,543
Net Assets		**332,666**	320,835
Equity			
Issued Capital	5.5	**269,806**	269,806
Reserves	5.6	**(13,793)**	(17,948)
Retained Profits		**73,496**	67,661
Parent Interest		**329,509**	319,519
Non-Controlling Interest		**3,157**	1,316
Total Equity		**332,666**	320,835

The accompanying Sections form part of these Financial Statements

CONSOLIDATED STATEMENT OF

CHANGES OF EQUITY

For the Year Ended 30 June 2019

	Issued Capital $'000	Retained Profits $'000	Outside Equity Interest $'000	General Reserves $'000	Option Reserve $'000	FX Reserve $'000	Total $'000
Balance at 1 Jul 2017	211,333	62,652	3,244	(5,887)	590	(2,205)	269,727
Profit/(Loss) for the Period	-	23,595	(1,928)	-	-	-	21,667
SUB-TOTAL	**211,333**	**86,247**	**1,316**	**(5,887)**	**590**	**(2,205)**	**291,394**
Other Comprehensive Income:							
Forex in Translating Foreign Operations	-	-	-	-	-	(10,446)	(10,446)
SUB-TOTAL	**211,333**	**86,247**	**1,316**	**(5,887)**	**590**	**(12,651)**	**280,948**
Shares Issued	60,176	-	-	-	-	-	60,176
Options/Rights Issued	(1,703)	-	-	-	-	-	(1,703)
Dividends Paid	-	(18,586)	-	-	-	-	(18,586)
Balance at 30 Jun 2018	**269,806**	**67,661**	**1,316**	**(5,887)**	**590**	**(12,651)**	**320,835**
Balance at 1 Jul 2018	269,806	67,661	1,316	(5,887)	590	(12,651)	320,835
Profit for the Period	-	20,574	1,841	-	-	-	22,415
SUB-TOTAL	**269,806**	**88,235**	**3,157**	**(5,887)**	**590**	**(12,651)**	**343,251**
Other Comprehensive Income:							
Forex in Translating Foreign Operations	-	-	-	-	-	4,155	4,155
SUB-TOTAL	**269,806**	**88,235**	**3,157**	**(5,887)**	**590**	**(8,496)**	**347,406**
Shares Issued	-	-	-	-	-	-	-
Options/Rights Issued	-	-	-	-	-	-	-
Dividends Paid	-	(14,740)	-	-	-	-	(14,740)
Balance at 30 Jun 2019	**269,806**	**73,496**	**3,157**	**(5,887)**	**590**	**(8,496)**	**332,666**

The accompanying Sections form part of these Financial Statements

CONSOLIDATED STATEMENT OF

CASH FLOWS

For the Year Ended 30 June 2019

	Section	30 June 2019 $'000	30 June 2018 $'000
Cash Flows from Operating Activities			
Receipts from Customers		**629,567**	529,526
Payments to Suppliers and Employees		**(568,027)**	(509,532)
Dividends Received		**-**	147
Interest Received		**8,055**	4,342
Interest Paid		**(4,109)**	(2,811)
Income Tax Paid		**(7,965)**	(12,990)
Net Cash Provided By Operating Activities	5.1.2	**57,521**	8,682
Cash Flow from Investing Activities			
Proceeds from Sale of Investments		**10,348**	-
Proceeds from Sale of Property, Plant and Equipment		**1,620**	5,633
Purchase of Property, Plant and Equipment		**(89,318)**	(38,769)
Net Loans Provided to Customers		**(19,925)**	(17,918)
Purchase of Investments		**(19,755)**	-
Net Cash Used In Investing Activities		**(117,030)**	(51,054)
Cash Flow from Financing Activities			
Net Proceeds from Share Issue		**-**	58,473
Proceeds from Borrowings		**47,965**	-
Repayment of Borrowings		**(27,337)**	(694)
Dividends Paid by the Parent		**(14,740)**	(18,586)
Net Cash Provided by Financing Activities		**5,887**	39,193
Net Increase/(Decrease) in Cash Held		**(53,622)**	(3,179)
Effect of Forex Rate Changes on Translating Foreign Operations		**4,676**	(590)
Cash and Cash Equivalents at the Beginning of the Period		**108,239**	112,008
Cash and Equivalents at the End of Period	5.1.1	**59,292**	108,239

The accompanying Sections form part of these Financial Statements

SECTIONS TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2019

SECTION 1 GENERAL INFORMATION

1.1 REPORTING ENTITY

MACA Limited (MLD) is a limited company incorporated in Australia. The addresses of the Company's registered office and principal places of business are disclosed in the Corporate Directory. The Principal activities of the Group are described in the Directors' Report.

1.2 STATEMENT OF COMPLIANCE

The consolidated financial statements and notes represent those of MACA Limited and Controlled Entities (the Group).

The Financial Statements comprise the consolidated Financial Statements of the Group. For the purposes of preparing the consolidated Financial Statements, the Group is a for-profit entity. Accounting Standards include Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the Financial Statements and Sections comply with International Financial Reporting Standards ("IFRS").

1.3 BASIS OF PREPARATION

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The Group is a for profit entity for financial reporting purposes under Australian Accounting Standards. These financial statements also comply with International Financial Reporting standards as issued by the International Accounting Standards Board (IASB).

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

These financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. These financial statements are presented in Australian dollars.

1.4 BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of MACA Limited (the 'Company') as at 30 June 2019 and the results of all subsidiaries for the year then ended. MACA Limited and its subsidiaries together are referred to in these financial statements as the 'Group'.

Subsidiaries are all those entities over which the Company has control. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the Group. Losses incurred by the Group are attributed to the non-controlling interest in full.

1.5 NEW ACCOUNTING STANDARDS APPLIED DURING THE PERIOD

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 January 2018.

New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Group include:

- AASB 9 Financial Instruments and related amending Standards
- AASB 15 Revenue from Contracts with Customers and related amending Standards

In the current year, the Group has applied AASB 9 Financial Instruments (as amended) and the related consequential amendments to other Accounting Standards that are effective for an annual period that begins on or after 1 January 2018. The transition provisions of AASB 9 allow an entity not to restate comparatives, which the Group has adopted.

AASB 9 requires an expected credit loss (ECL) model for trade receivables and loans as opposed to an incurred credit loss model under AASB 139. The ECL model requires the Group to account for expected credit losses in trade receivables and financial instruments at an amount equal to the lifetime expected credit losses if the credit risk on that receivable or financial instrument has increased significantly since initial recognition, or if the receivable or financial instrument is a purchased or originated credit impaired financial asset. However, if the credit risk has not increased significantly since initial recognition (except for a purchased or originated credit impaired financial asset), the Group is required to measure the loss allowance at an amount equal to 12 months ECL. AASB 9 also allows a simplified approach for measuring the loss allowance at an amount equal to lifetime ECL for trade receivables, contract assets and lease receivables in certain circumstances.

The directors of the Company reviewed and assessed the Group's existing financial assets as at 1 July 2018 based on the facts and circumstances that existed at that date and concluded that the application of AASB 9 has had no material impact on the Group's financial performance or position. In summary AASB 9 introduced new requirements for:

- The classification and measurement of financial assets and financial liabilities,
- Impairment of financial assets, and
- General hedge accounting

AASB 15 Revenue from Contracts with Customers and related amending Standards

In the current year, the Group has applied AASB 15 Revenue from Contracts with Customers (as amended) which is effective for an annual period that begins on or after 1 January 2018. AASB 15 introduced a 5-step approach to revenue recognition. Far more prescriptive guidance has been added in AASB 15 to deal with specific scenarios.

The Group has applied AASB 15 in accordance with the fully retrospective transitional approach. The Group's accounting policies for its revenue streams are disclosed in more detail in note 3.1

The directors of the Company have reviewed and assessed the Group's contracts with customers and determined that the application of AASB 15 has not had a material impact on the financial position and/or financial performance of the Group. There was no material impact on adoption of the standard and no adjustment made to current or prior period amounts.

The adoption of AASB15 Revenue from contracts with customers has not resulted in any significant changes to accounting policies nor has it materially impacted on amounts recognised in the financial statements.

1.6 NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE PERIODS

The AASB has issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which are relevant to the Group. The directors have decided not to early-adopt any of the new and amended pronouncements. The following sets out their assessment of the pronouncements that are relevant to the Group but applicable in future reporting periods.

- AASB 16: Leases (applicable to annual reporting periods beginning on or after 1 January 2019)

The Group has chosen not to early-adopt AASB 16. However, the Group has conducted a preliminary assessment of the impact of this new Standard, as follows.

A core change resulting from applying AASB 16 is that most leases will be recognised on the balance sheet by lessees as the standard no longer differentiates between operating and finance leases. An asset and

SECTIONS TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2019

1.6 NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE PERIODS (CONTINUED)

a financial liability are recognised in accordance to this new Standard. There are, however, two exceptions allowed: short-term and low-value leases. The accounting for the Group's operating leases will be primarily affected by this new Standard.

AASB 16 will be applied by the Group from its mandatory adoption date of 1 July 2019. The comparative amounts for the year prior to first adoption will not be restated, as the Group has chosen to apply AASB 16 retrospectively with cumulative effect. While the right-of-use assets for property leases will be measured on transition as if the new rules had always been applied, all other right-of-use assets will be measured at the amount of the lease liability on adoption.

The Group's non-cancellable operating lease commitments amount to $16.1m as at the reporting date, see section 3.4(a). The Group intends to adopt the short term lease exception for leases with terms of less than 12 months, which would equate to rental expense of approximately $1m. All impacts are based on current estimates which are subject to finalisation prior to final implementation.

Based on a preliminary assessment, the Group has estimated that on 1 July 2019, a right-of-use asset of approximately $12.1m and lease liabilities of approximately $12.7m will be required to be recognised.

The Group expects that net profit after tax will decrease by approximately $0.3m for 2020 as a result of adopting the new standard. Adjusted EBITDA used to measure segment results is expected to increase by approximately $1.5m as the operating lease payments were included in EBITDA, but the amortisation of the right-of-use assets and interest on the lease liability are excluded from this measure.

The repayment of the principal portion of the lease liabilities will be classified as cash flows from financing activities, thus increasing operating cash flows and decreasing financing cash flows by approximately $1.85m.

Given that the Group's activities as a lessor will not be materially impacted by this new Standard, the Group does not expect any significant impact on its financial statement from a lessor perspective. Nonetheless, starting from 2020, additional disclosures will be required.

1.7 COMPARATIVE FIGURES

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

When the Group applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period will be disclosed.

1.8 ROUNDING OF AMOUNTS

The Company has applied the relief available to it under ASIC CI 2016/191 and accordingly, amounts in the financial statements and directors' report have been rounded off to the nearest $1,000.

SECTION 2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

KEY ESTIMATES AND JUDGEMENTS

Impairment – other assets

The Group assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

The value in use calculations with respect to assets require an estimation of the future cash flows expected to arise from each cash generating unit and a suitable discount rate to apply to these cash flows to calculate net present value. The Directors have determined that there is no adjustment required to the carrying value of assets in the current reporting period.

Impairment – trade and other receivables

As at 30 June 2019, the Group's trade and other receivables amounted to $190,787,000 (2018: $163,852,000).

Based on the Group's historical credit loss experience, trade receivables exhibited different loss patterns for each revenue segment. Within each revenue segment, the Group has common customers across the different geographical regions and applies credit evaluations by customer. Accordingly, management has determined the expected loss rates by grouping the receivables across geographical regions in each revenue segment. No allowance for impairment for trade and other receivables and contract assets respectively was recognised as at 30 June 2019 (2018: nil).

SECTIONS TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2019

2.0 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

Notwithstanding the above, the Group evaluates the expected credit loss on customers in financial difficulties separately. There is no major customer in financial difficulties during the financial year.

Taxation

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on best estimates. These estimates take into account both the financial performance and position of the Group as they pertain to current income taxation legislation, and the Group's understanding thereof.

No adjustment has been made for pending or future taxation legislation. The current income tax position represents that best estimate, pending an assessment by the Australian Taxation Office.

Estimation of Useful Lives of Assets

The estimation of the useful lives of property, plant and equipment is based on historical experience and is reviewed on an ongoing basis. The condition of the assets is assessed at least annually against the remaining useful life with adjustments made when considered necessary.

SECTION 3 RESULTS FOR THE YEAR

This section focuses on the results and performance of the Group and includes disclosures explaining the Group's results for the year, segment information, capital and leasing commitments, taxation and EPS.

3.1 REVENUE ACCOUNTING POLICIES

Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

All dividends received are recognised as revenue when the right to receive the dividend has been established.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Variable consideration is typically constrained and only recognised to the extent that It is highly probable that a significant reversal in the amount of revenue recognised will not occur.

All revenue is stated net of the amount of goods and services tax (GST).

The following is an analysis of the Group's revenue and other income for the year:

3.1(a) Revenue from Operating Activities	Section	**30 June 2019 $'000**	30 June 2018 $'000
Contract Trading Revenue		**657,270**	557,325
Interest Received		**8,055**	4,342
Other Revenue		**394**	927
Total Revenue from Operating Activities	3.2	**665,719**	562,594

3.1(b) Other Income	**30 June 2019 $'000**	30 June 2018 $'000
Profit / (Loss) on Disposal of Property, Plant and Equipment	**630**	1,312
Reversal of Earnout not payable	**-**	1,500
Reversal of Impairment - Crushing	**-**	2,217
Profit / (Loss) on Sale of Investments	**188**	1,060
Rebates	**30,456**	22,997
Total Other Income	**31,274**	29,086

3.2 OPERATING SEGMENTS

Identification of Reportable Segment

The Group identifies its operating segments based on internal reports that are reviewed and used by the Board of Directors (chief operating decision maker) in assessing performance and determining the allocation of resources.

The Group operates in three business and two geographical segments, being the provision of civil, SMP and contract mining services throughout Australia and mining services to the mining industry in Brazil, South America.

BASIS OF ACCOUNTING FOR PURPOSES OF REPORTING BY OPERATING SEGMENTS

Accounting Policies Adopted

Unless otherwise stated, all amounts reported to the Board of Directors as the chief operating decision maker, are in accordance with accounting policies that are consistent to those adopted in the financial statements of the Group.

Inter-segment transactions

Inter-segment loans payable and receivable are initially recognised at the consideration received net of transaction costs. If inter-segment loans receivable and payable are not on commercial terms, these are not adjusted to fair value based on market interest rates. This policy represents a departure from that applied to the statutory financial statements.

Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Unless indicated otherwise in the segment assets note, investments in financial assets, deferred tax assets and intangible assets have not been allocated to operating segments.

Segment liabilities

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Segment liabilities include trade and other payables and certain direct borrowings.

Unallocated items

The following items of revenue and expense are not allocated to operating segments as they are not considered part of the core operations of any segment:

- Dividends, interest, head office and other administration expenditure

3.2 OPERATING SEGMENTS (CONTINUED)

Consolidated - June 2019	Mining	Civil / Infrastructure	Interquip	Unallocated	Total
	$'000	$'000	$'000	$'000	$'000
Revenue					
Reportable Segment Revenue	467,883	138,906	50,481	-	**657,270**
Other Revenue	5,579	15	48	2,807	**8,449**
Total Revenue	473,462	138,920	50,530	2,807	**665,719**
EBITDA*	65,574	(1,405)	5,761	792	**70,722**
Depreciation and Amortisation	(40,849)	(1,041)	(772)	-	**(42,663)**
Impairment	-	-	-	-	**-**
Interest Revenue	5,185	15	48	2,807	**8,055**
Finance Costs	(3,910)	(179)	(19)	-	**(4,109)**
Net Profit/(Loss) Before Tax	26,000	(2,611)	5,018	3,599	**32,005**
Income Tax Expense					**(9,590)**
Net Profit After Tax					**22,415**

*EBITDA is Earnings Before Interest, Tax, Depreciation and Amortisation
13.8% of Interquip segment revenue has been derived at a point in time. All other Group revenue is derived over time.

Assets					
Segment Assets	451,635	31,233	26,785	74,789	**584,443**
Total Assets					**584,443**
Liabilities					
Segment Liabilities	214,136	24,219	8,903	4,518	**251,776**
Total Liabilities					**251,776**
Capital Expenditure	**164,675**	**491**	**754**	**-**	**165,920**

3.2 OPERATING SEGMENTS (CONTINUED)

Consolidated - June 2018	Mining	Civil / Infrastructure	Interquip	Unallocated	Total
	$'000	$'000	$'000	$'000	$'000
Revenue					
Reportable Segment Revenue	398,368	138,243	20,714	-	**557,325**
Other Revenue	3,018	954	38	1,259	**5,269**
Total Revenue	401,386	139,197	20,752	1,259	**562,594**
EBITDA*	77,793	2,921	(4,131)	-	**76,583**
Depreciation and Amortisation	(44,171)	(1,224)	(696)	-	**(46,091)**
Impairment	2,217	-	(3,338)	-	**(1,121)**
Interest Revenue	3,018	27	38	1,259	**4,342**
Finance Costs	(1,745)	(306)	(33)	-	**(2,084)**
Net Profit/(Loss) Before Tax	37,112	1,418	(8,160)	1,259	**31,629**
Income Tax Expense					**(9,962)**
Net Profit After Tax					**21,667**

*EBITDA is Earnings Before Interest, Tax, Depreciation and Amortisation

Assets					
Segment Assets	288,788	41,382	18,181	98,027	**446,378**
Total Assets					**446,378**
Liabilities					
Segment Liabilities	93,391	24,524	5,215	2,413	**125,543**
Total Liabilities					**125,543**
Capital Expenditure	**38,056**	**668**	**735**	**163**	**39,622**

3.2 OPERATING SEGMENTS (CONTINUED)

Geographical Information	Revenue 30 June 2019 $'000	Revenue 30 June 2018 $'000	Non-current Assets 30 June 2019 $'000	Non-current Assets 30 June 2018 $'000
Australia	**639,948**	492,755	**266,492**	130,445
Brazil	**25,772**	69,839	**35,796**	60,111
Total	**665,719**	562,594	**302,288**	190,556

Major Customers

The Group has a number of customers to whom it provides both products and services. The Group supplies 3 single external customers in the mining segment which account for 35.6%, 9% and 7.9% of external revenue. (2018: 31.3%, 8.9% and 8.7%). The next most significant client accounts for 7.2% (2018: 8%) of external revenue.

3.3 OPERATING COSTS FROM CONTINUING OPERATIONS

Expenses	Section	30 June 2019 $'000	30 June 2018 $'000
Depreciation and Amortisation			
– Plant and Equipment		**41,753**	44,989
– Motor Vehicles		**662**	789
– Other		**248**	313
Total Depreciation and Amortisation Expense	4.4	**42,663**	46,091
Employee Benefits Expense		**279,015**	219,851
Repairs, Service and Maintenance		**59,335**	50,870
Materials and Supplies		**128,938**	105,843

3.4 CAPITAL AND LEASING COMMITMENTS

Accounting Policies

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Operating lease payments are recognised as an expense in profit and loss on a straight-line basis over the lease term. Operating lease incentives are recognised as a liability when received and subsequently reduced by allocating lease payments between rental expense and a reduction of the liability.

		30 June 2019	30 June 2018
(a) Operating Lease Commitments	Section	**$'000**	$'000
Non-cancellable Operating Leases			
Payable — Minimum Lease Payments			
– Not Later Than 12 Months		**2,979**	1,650
– Between 12 Months and 5 Years		**8,816**	6,038
– Greater Than 5 Years		**4,268**	7,500
Total Operating Lease Commitments		**16,064**	15,188
(b) Finance Lease Commitments			
Payable — Minimum Lease Payments			
– Not Later Than 12 Months		**47,892**	16,405
– Between 12 Months and 5 Years		**106,865**	30,804
– Greater Than 5 Years		**-**	-
Minimum Lease Payments		**154,758**	47,209
Less: Future Finance Charges		**(12,637)**	(2,308)
Total Finance Lease Commitments	5.2.1	**142,120**	44,901
(c) Capital Expenditure Commitments			
Plant and Equipment Purchases		**21,100**	28,005
Payable			
– Not Later Than 12 Months		**21,100**	28,005
– Between 12 Months and 5 Years		**-**	-
– Greater Than 5 Years		**-**	-
Total Minimum Commitments		**21,100**	28,005

$21.1M of commitments for property, plant and equipment expenditure existed at 30 June 2019 (2018: $28M).

3.5 AUDITORS REMUNERATION

Auditor's Remuneration - Moore Stephens	**30 June 2019 $'000**	30 June 2018 $'000
Audit or Review of the Financial Report	**230**	220
Other Non-audit Services	**-**	-
Taxation Services	**-**	-
Total Auditor's Remuneration	**230**	220

3.6 TAXATION

Accounting Policies

Income tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses. Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

SECTIONS TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2019

3.6 TAXATION (CONTINUED)

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cashflows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

3.6.1 Income Tax Expense	Section	**30 June 2019 $'000**	30 June 2018 $'000
(a) The Components of Tax Expense Comprise:			
Current		**10,491**	12,735
Deferred		**(901)**	(2,773)
Income Tax Expense		**9,590**	9,962
(b) Reconciliation:			
Prima Facie Tax Payable on Profit From Ordinary Activities Before Income Tax at 30% (2018: 30%)		**9,602**	9,489
Add Tax Effect of			
– Dividend Imputation		**1,895**	2,408
– Other Non-allowable Items		**124**	1,948
– Other Taxable Items		**4,286**	10,069
– Research & Development Credit		**-**	-
Less Tax Effect of			
– Franking Credits on Dividends Received		**(6,317)**	(8,028)
– Other Deductible Items (Losses Not Previously Brought to Account)		**-**	(5,924)
Income tax attributable to the Group		**9,590**	9,962
The Applicable Weighted Average Effective Tax Rate as		**30.0%**	31.5%

3.6 TAXATION (CONTINUED)

3.6.2 Tax Assets and Liabilities	Section	30 June 2019 $'000	30 June 2018 $'000
(a) Tax Assets			
Non-Current			
Deferred Tax Assets comprise			
Provisions	3.6.3(c)	**4,671**	3,980
Losses	3.6.3(c)	**8,293**	6,585
Other	3.6.3(c)	**549**	700
Total Non-Current Tax Assets		**13,513**	11,265
(b) Tax Liabilities			
Current			
Income tax		**3,732**	1,226
Total Non-Current Tax Liabilities		**3,732**	1,226
Non-Current			
Deferred tax liability comprises:			
Depreciation		**4,305**	2,835
Other		**20**	123
Total Non-Current Tax Liabilities	3.6.3(b)	**4,325**	2,958

3.6.3 Reconciliations

(a) Gross Movements			
The Overall Movement In the Deferred Tax Account is as Follows			
Opening Balance		**8,307**	7,930
(Charge)/Credit To Income Statement		**882**	739
(Charge)/Credit To Equity		**-**	(362)
Closing Balance		**9,189**	8,307
(b) Deferred Tax Liablities			
The Movement In Deferred Tax Liabilities For Each Temporary Difference During the Year is as Follows:			
Depreciation and Other:			
Opening Balance		**2,958**	107
Charge/(Credit) To Income Statement		**1,367**	2,851
Charge/(Credit) To Equity		**-**	-
Closing Balance	3.6.2(a)	**4,325**	2,958

SECTIONS TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2019

3.6 TAXATION (CONTINUED)

(c) Deferred Tax Assets

The Movement In Deferred Tax Assets For Each Temporary Difference During the Year is as follows:

Provisions:			
Opening Balance		**3,980**	3,611
Credit To Income Statement		**691**	369
Closing Balance	3.6.2(a)	**4,671**	3,980
Losses:			
Opening Balance		**6,585**	3,596
(Charge)/Credit To Income Statement		**1,708**	2,989
Closing Balance	3.6.2(a)	**8,293**	6,585
Other:			
Opening Balance		**700**	830
(Charge)/Credit To Income Statement		**(151)**	232
Charge/(Credit) To Equity		**-**	(362)
Closing Balance	3.6.2(a)	**549**	700

3.7 EARNINGS PER SHARE

Accounting Policies

Basic EPS

Basic EPS is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares during the financial year.

Diluted EPS

Diluted EPS is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares and performance rights for the effects of all dilutive potential ordinary shares.

	30 June 2019	30 June 2018
	$'000	$'000
a. Reconciliation Of Earnings To Profit and Loss		
Profit	**22,415**	21,667
(Profit)/loss Attributable To Non-controlling Interest	**(1,841)**	1,928
Earnings Used To Calculate Basic EPS	**20,574**	23,595
Earnings Used in the Calculation of Dilutive EPS	**20,574**	23,595
Weighted Avg. No. of Ord. Shares Outstanding During the Year (Basic EPS)	**268,008**	260,428
Weighted Average Number of Dilutive Options Outstanding	**2,592**	3,115
Weighted Avg. No. of Ord. Shares Outstanding During the Year (Dilutive EPS)	**270,600**	263,543

SECTION 4 ASSETS AND LIABILITIES

This Section shows the assets used to generate the Group's trading performance and the liabilities incurred as a result. Liabilities relating to the Group's financing activities are addressed in Section 5. Current and deferred tax assets and liabilities are shown in Section 3.6.

4.1 TRADE AND OTHER RECEIVABLES

Accounting Policies

Trade and other receivables represent the asset outstanding at the end of the reporting period for goods and services provided by the Group during the reporting period which remain unpaid. The balance is recognised as a current asset with the amount normally being received within 30 to 60 days of recognition of the receivable.

Trade and Other Receivables	Section	**30 June 2019 $'000**	30 June 2018 $'000
Trade Debtors - Current		**155,405**	116,502
Debtors subject to Payment Arrangements - Current		**20,244**	8,185
Total Current		**175,649**	124,687
Debtors Subject to Payment Arrangements - Non-Current		**15,139**	39,165
Total Trade and Other Receivables	5.3	**190,787**	163,852
Loans to Other Companies			
Loans to Other Companies - Current		**22,300**	7,618
Loans to Other Companies - Non-Current		**25,655**	19,975
Total Loans to Other Companies	5.3	**47,955**	27,593
Financial Assets - Fair Value Profit or Loss			
Shares in Listed corporations at Fair Value - Current		**7,076**	2,257
Shares in Listed corporations at Fair Value - Non-Current		**6,514**	2,179
Total Financial Assets	5.3	**13,590**	4,436

Credit risk

The Group has approximately 23.4% (2018: 28.7%) of credit risk with a single counterparty or group of counterparties. Failure or default of a major counterparty would have a material impact on earnings. Management of credit risk is discussed in Section 5.3 Financial Risk Management. The class of assets described as "trade and other receivables" and "loans to other companies" are considered to be the main source of credit risk related to the Group. The Group holds first ranking security over the assets of both Blackham Resources Ltd and and Carabella Resources Pty Ltd, which is expected to be sufficient to cover the exposure in respect of the Loans to Other Companies totalling $47,955.

4.1 TRADE AND OTHER RECEIVABLES (CONTINUED)

The following table details the Group's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the Group and the customer or counterparty to the transaction. The Group's credit evaluation practices and basis for recognition and measurement of expected credit losses are disclosed in Section 5.3.

The balance of receivables that remain within initial trade terms (as detailed in the table) are considered to be of acceptable credit quality.

	Gross amount	Past due and impaired	Past due but not impaired	Within initial trade terms
	$'000	$'000	$'000	$'000
30-Jun-2019				
Trade and Term Receivables	175,649	-	30,686	144,963
Other Receivables	15,139	-	15,139	
Total Trade and Other Receivables	**190,787**	**-**	**45,825**	**144,963**
30-Jun-2018				
Trade and Term Receivables	124,687	-	5,301	119,386
Other Receivables	39,165	-	39,165	-
Total Trade and Other Receivables	163,852	-	44,466	119,386

	30 June 2019	30 June 2018
Financial Assets Classified as Loans and Receivables	**$'000**	$'000
Trade and Other Receivables		
- Total Current	**175,649**	124,687
- Total Non-Current	**15,139**	39,165
	190,787	163,852
Other loans		
- Total Current	**22,300**	7,618
- Total Non-Current	**25,655**	19,975
	47,955	27,593

4.2. INVENTORIES AND WORK IN PROGRESS (WIP)

Accounting Policies

Inventories and work in progress are measured at the lower of cost or net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned on the basis of weighted average costs.

Inventories and Work In Progess (WIP)	**30 June 2019 $'000**	30 June 2018 $'000
Inventories	**14,306**	13,649
WIP	**1,717**	(2,023)
Total Inventories and Work in Progress (WIP)	**16,023**	11,626

4.3 OTHER CURRENT ASSETS

Other Current Assets	**30 June 2019 $'000**	30 June 2018 $'000
Prepayments	**894**	544
Deposit	**921**	851
Total Other Current Assets	**1,815**	1,395

4.4 PROPERTY, PLANT AND EQUIPMENT

Accounting Policies

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity, all other decreases are charged to the statement of comprehensive income. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of profit or loss and other comprehensive income and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

4.4 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Plant and equipment

Plant and equipment are measured on the cost basis. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the Group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit and loss statement during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a diminishing value or straight line basis over the asset's useful life to the Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Improvements	2.50%
Plant and Equipment	10.00% – 40.00%
Low Value Pool	18.75% – 37.50%
Motor Vehicles	18.75% – 50.00%

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that is transferred to entities in the Group, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a diminishing or straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

4.4 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Movements in Carrying Amounts

Movements in carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial period are as follows:

	30 June 2019 $'000	30 June 2018 $'000
Plant and Equipment – at Cost	**634,613**	479,623
Accumulated Depreciation and Impairment	**(403,198)**	(372,355)
	231,415	107,268
Motor Vehicles – at Cost	**10,005**	12,436
Accumulated Depreciation	**(7,311)**	(9,283)
	2,694	3,153
Land and Building – at cost	**3,272**	3,272
Accumulated Depreciation	**(464)**	(440)
	2,808	2,832
Low Value Pool – at Cost	**466**	409
Accumulated Depreciation	**(372)**	(281)
	94	128
Leasehold Improvements – at Cost	**2,591**	2,529
Accumulated Depreciation	**(1,322)**	(1,125)
	1,269	1,404
Total plant and equipment	**234,203**	110,549
Total property, plant and equipment	**238,280**	114,785

4.4 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The Group monitors market conditions for indications of impairment of its operating assets. Where a trigger event occurs which indicates an impairment may have occurred, a formal impairment assessment is performed. The following trigger events have occured at 30 June 2019:

- The carrying amount of the Group's net assets exceed the Company's market capitalisation

As a result, an assessment has been made of the recoverable amounts of each of the Mining and Crushing Cash Generating Units (CGU's) as at 30 June 2019 on a value in use basis. Both CGUs form part of the Group's core Mining Services operating segment. For this purpose, cash flows have been projected for 5 years from the continuing use of assets within each CGU as well as the disposal of any assets, and have been discounted using a pre-tax discount rate that reflects the assessed risks specific to the CGU's. Projected future cash flows from the continuing use of assets have been based on the current contracted work in hand plus, in the case of the Mining CGU, a modest allowance for estimated new work. No terminal growth rate has been applied to the Crushing CGU cash flows and a 2% terminal growth rate (beyond FY2024) has been applied to the Mining CGU cash flows. The pre-tax discount rates which have been applied to each of these CGU's are 16.6% and 17.7% respectively.

The assessment has resulted in no impairment to the plant and equipment employed within both the Crushing CGU and the Mining CGU.

Key Assumptions used for value in use calculations

- EBITDA Margin
- Discount Rates
- Growth rates used to extrapolate cash flows beyond the forecast period
- Capital expenditure

The EBITDA Margin is based on management's best estimate taking into account past performance and expected market conditions. Working Capital has been adjusted to reflect the required working capital for the forecast future cashflows.

Capital expenditure has considered both required replacement capital and idle equipment which could be utilised to sustain the current Work in Hand schedule. Capital expenditure has been matched to depreciation levels in the terminal year.

Growth rates and discount rates applied are shown below.

Growth Rate

CGU	FY20	FY21	FY22	FY23	FY24	Terminal Year
Crushing	331.60%	6.80%	3.50%	2.90%	2.70%	0.00%
Mining	14.80%	2.30%	2.30%	2.30%	2.30%	2.00%

Discount Rate

CGU	Post-Tax Discount Rate	Pre-Tax Discount rate
Crushing	14.00%	16.60%
Mining	13.00%	17.72%

4.4 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Mining CGU

This CGU is included in the Mining Segment. The impairment test conducted at 30 June 2019 did not result in an impairment as the recoverable amount of the CGU exceeded the carrying value.

Sensitivity Analysis

As disclosed above management have made judgements and estimates in respect of impairment testing of plant and equipment. Any adverse changes to key assumptions may result in a further impairment in the future. The sensitivities are as follows

- Revenue would need to decrease by 12% from the estimate used in the Value in Use calculation before Mining CGU plant and equipment would be impaired; or
- The discount rate would need to increase by 33% before Mining CGU plant and equipment would be impaired.

Crushing CGU

This CGU is included in the Mining Segment. The impairment test conducted at 30 June 2019 did not result in the CGU being impaired as the recoverable amount of the CGU exceeded the carrying value

Sensitivity Analysis.

As disclosed above management have made judgements and estimates in respect of impairment testing of plant and equipment. As the assets of the Crushing CGU have been written down to their carrying value, the sensitivities are as follows;

- Revenue would need to decrease by 39% from the estimate used in the Value in Use calculation before Crushing CGU plant and equipment would be impaired; or
- The discount rate would need to increase by 39% before Crushing CGU plant and equipment would be impaired.

4.4 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Plant and Equipment	Motor Vehicles	Land and Buildings	Leased Plant and Equipment	Low Value Pool	Leasehold Improv.	Total
Consolidated:	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Balance at 01 Jul 17	120,826	3,589	2,761	-	273	1,456	128,905
Additions	38,767	564	123	-	-	168	39,622
Disposals	(6,589)	(211)	(31)	-	(74)	-	(6,905)
Reversal of Impairment	2,217	-	-	-	-	-	2,217
Forex movements	(2,963)	-	-	-	-	-	(2,963)
Depreciation expense	(44,990)	(789)	(21)	-	(71)	(220)	(46,091)
Balance at 30 Jun 18	**107,268**	**3,153**	**2,832**	**-**	**128**	**1,404**	**114,785**

	Plant and Equipment	Motor Vehicles	Land and Buildings	Leased Plant and Equipment	Low Value Pool	Leasehold Improv.	Total
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Balance at 01 Jul 18	107,268	3,153	2,832	-	128	1,404	114,785
Additions	165,431	427	-	-	-	62	165,920
Disposals	(769)	(225)	-	-	(6)	-	(1,000)
Reversal of Impairment	-	-	-	-	-	-	-
Forex movements	1,238	-	-	-	-	-	1,238
Depreciation expense	(41,753)	(662)	(24)	-	(28)	(197)	(42,663)
Balance at 30 Jun 19	**231,415**	**2,694**	**2,808**	**-**	**94**	**1,269**	**238,280**

4.5 INTANGIBLE ASSETS ACCOUNTING POLICIES

Goodwill

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is calculated as the excess of the sum of:

(i) the consideration transferred;

(ii) any non-controlling interest (determined under either the full goodwill or proportionate interest method); and

(iii) the acquisition date fair value of any previously held equity interest;

over the acquisition date fair value of net identifiable assets acquired.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements.

Fair value remeasurements in any pre-existing equity holdings are recognised in profit or loss in the period in which they arise. Where changes in the value of such equity holdings had previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

4.5 INTANGIBLE ASSETS (CONTINUED)

The amount of goodwill recognised on acquisition of each subsidiary in which the Group holds less than 100% interest will depend on the method adopted in measuring the non-controlling interest. The Group can elect in most circumstances to measure the non-controlling interest in the acquiree either at fair value (full goodwill method) or at the non-controlling interest's proportionate share of the subsidiary's identifiable net assets (proportionate interest method). In such circumstances, the Group determines which method to adopt for each acquisition and this is stated in the respective notes to these financial statements disclosing the business combination.

Under the full goodwill method, the fair value of the non-controlling interest is determined using valuation techniques which make the maximum use of market information where available. Under this method, goodwill attributable to the non-controlling interest is recognised in the consolidated financial statements.

Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates.

Goodwill is tested for impairment annually and is allocated to the Group's cash-generating units or groups of cash-generating units, representing the lowest level at which goodwill is monitored and not larger than an operating segment. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity disposed of.

Changes in the ownership interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions and do not affect the carrying amounts of goodwill.

Impairment of Assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Goodwill and Other Tangibles	**30 June 2019 $'000**	30 June 2018 $'000
Carrying Value of Goodwill and Other Tangibles	**3,187**	3,187

Allocation of Goodwill to Cash Generating Unit

Goodwill is allocated to the Group's cash generating units identified according to operating segment. Goodwill is not amortised but is subject to impairment testing on an annual basis or whenever there is an indication of impairment. The carrying amount of goodwill was allocated to cash generating units as follows:

Goodwill and Other Tangibles		
MACA Infrastructure	**3,187**	3,187
MACA Interquip	**-**	-
Goodwill Carrying Amount	**3,187**	3,187

4.5 INTANGIBLE ASSETS (CONTINUED)

Impairment Test for Goodwill

The recoverable amount of the goodwill in each cash generating unit is based on value in use calculations. These calculations use cash flow projections based on the following year's budget and increased for growth at 2.5% for the forecast period being five years.

The key assumptions used in the value in use calculations as at 30 June 2019 and 30 June 2018 were as follows:

- growth rate used to extrapolate cash flows beyond the forecast period: 2.5% (2018: 2.5%);
- pre-tax discount rate: 16.3% (2018: 16.6%); and
- divisional Revenue, EBIT, working capital adjustments and maintenance capital expenditure.

4.6. TRADE AND OTHER PAYABLES ACCOUNTING POLICIES

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Group during the reporting period which remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 45 days of recognition of the liability.

Payables	Section	**30 June 2019 $'000**	30 June 2018 $'000
Current			
Unsecured Liabilities:			
Trade Creditors		**69,263**	45,723
Sundry Creditors and Accruals		**18,679**	18,897
Total Trade and Other Payables		**87,942**	64,620

Creditors are non-interest bearing and settled at various terms up to 45 days.

Financial Liabilities at Amortised Cost Classified as Trade and Other Payables			
Trade and Other Payables			
- Total Current		**87,942**	64,620
- Total Non-Current		**-**	-
Total Trade and Other Payables	5.3	**87,942**	64,620

4.7 PROVISIONS

Accounting Policies

Employee Benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wages increases and the probability that the employee may satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

4.7 PROVISIONS (CONTINUED)

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

	30 June 2019 $'000	30 June 2018 $'000
Employee Entitlments	**13,657**	11,838
Movement in Provisions		
Opening Balance	**11,838**	10,402
Additional Provisions	**8,598**	13,236
Amounts Used	**(6,779)**	(11,800)
Closing balance	**13,657**	11,838

SECTION 5 CAPITAL STRUCTURE AND FINANCING COSTS

This Section outlines how the Group manages its capital structure, including its balance sheet liquidity and access to capital markets.

The Directors determine the appropriate capital structure of MLD, specifically, how much is raised from shareholders (equity) and how much is borrowed from financial institutions (debt) in order to finance the Group's activities both now and in the future. The Directors consider the Group's capital structure and dividend policy at least annually and do so in the context of its ability to continue as a going concern, to execute the strategy and to deliver its business plan.

During FY19, the Group complied with all the financial covenants of its borrowing facilities.

SECTIONS TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2019

5.1 CASH AND CASH EQUIVALENTS ACCOUNTING POLICIES

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. The Group does not have any bank overdraft facilities.

5.1.1 Cash and Cash Equivalents	Section	**30 June 2019 $'000**	30 June 2018 $'000
	5.5	**59,292**	108,239

5.1.2 Cash Flow Information	Section	**30 June 2019 $'000**	30 June 2018 $'000
Reconciliation of Cash Flow from Operations with Operating Profit After Tax			
Operating Profit After Income Tax		**22,415**	21,667
Non-cash Flows in Profit			
Depreciation and amortisation	3.3	**42,663**	46,092
Impairment		**-**	3,338
Net (Gain)/Loss on Disposal of Plant and Equipment		**(630)**	(2,010)
Net (Gain)/Loss on Disposal of Investments		**216**	212
Net (Gain)/Loss on Intangibles		**-**	-
Foreign Exchange (Gains)/Losses		**(1,721)**	(1,228)
Total Non-Cash Flows in Profit		**40,528**	46,404
Movements in Working Capital			
(Increase)/Decrease in Trade and Other Receivables		**(27,372)**	(58,825)
(Increase)/Decrease in Other Assets		**(420)**	(746)
(Increase)/Decrease in Inventories and Work-In-Progress		**(4,397)**	654
Increase/(Decrease) in Trade and Other Payables		**23,322**	1,119
Increase/(Decrease) in Income Tax Payable		**2,506**	(3,222)
Increase/(Decrease) in Deferred Tax Payable		**(881)**	195
Increase/(Decrease) in Provisions		**1,818**	1,437
Total Working Capital Movements		**(5,423)**	(59,389)
Net Cash Increase/(Decrease) from Operating Activities		**57,521**	8,682

5.1.3 Non-Cash Financing and Investing Activities

During the year the Group acquired $76.6 million in plant and equipment (2018: $19.5M) by means of finance leases. These acquisitions are not reflected in the statement of cash flows.

There were no business combinations for the year ended 30 June 2019 and 30 June 2018.

Shares Issued

During 2019 no shares were issued as a result of performance rights vesting to KMPs and other Executives (2018: 233,506). 1,486,053 performance rights vested via the MACA ERT Trust.

Insurance Bonding and Bank Guarantee Facilities

The Group has insurance bonding and bank guarantee facilities totalling $42 million. At 30 June 2019 the amount drawn on the facility was $15.4 million (2018: $14.9 million).

5.2 INTEREST BEARING LOANS AND BORROWINGS ACCOUNTING POLICIES

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

5.2.1 Financial Liablities	Section	**30 June 2019 $'000**	30 June 2018 $'000
Current			
Secured Liabilities			
Finance Lease Liability		**42,272**	14,991
Total Current Financial Liabilities	5.3	**42,272**	14,991
Non-Current			
Secured Liabilities			
Finance Lease liability		**99,848**	29,910
Total Non-Current Financial Liabilities	5.3	**99,848**	29,910
Finance Lease Liability		**142,120**	44,901
Total Current and Non-Current Secured Liabilities:	3.4(b)	**142,120**	44,901
Carrying Amounts of Non-Current Assets Pledged as Security		**161,695**	45,230

5.3 FINANCIAL RISK MANAGEMENT

The Group’s financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, loans to and from subsidiaries, loans to other companies and leases.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements are as follows:

Accounting Policies

The Board of Directors (“the Board”) is responsible for, amongst other issues, monitoring and managing financial risk exposures of the Group. The Board monitors the Group’s financial risk management policies and exposures and approves financial transactions within the scope of its authority. It also reviews the effectiveness of internal controls relating to commodity price risk, counterparty credit risk, liquidity risk, currency risk, financing risk and interest rate risk.

The Board’s overall risk management strategy seeks to assist the Group in meeting its financial targets, while minimising potential adverse effects on financial performance. Its functions include the review of the use of hedging derivative instruments (if any), credit risk policies and future cash flow requirements.

5.3 FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial Assets	Section	**30 June 2019 $'000**	30 June 2018 $'000
Cash and Cash Equivalents	5.1.1	**59,292**	108,239
Loans and Receivables			
— Trade and Other Receivables	4.1	**190,787**	163,852
— Other Loans	4.1	**47,955**	27,593
Available-for-Sale Financial Assets:			
— Listed Investments	4.1	**13,590**	4,436
Total Financial Assets		**311,624**	304,120
Financial Liabilities			
— Trade and Other Payables	4.6	**87,942**	64,620
— Borrowings	5.2.1	**142,120**	44,901
Total Financial Liabilities		**230,062**	109,521

Specific Financial Risk Exposures and Management

The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk, foreign currency risk and commodity and equity price risk.

Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

Credit risk is managed through the maintenance of procedures (such procedures include the utilisation of systems for the approval, granting and renewal of credit limits, regular monitoring of exposures against such limits and monitoring of the financial stability of significant customers and counterparties), ensuring to the extent possible, that customers and counterparties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment. Depending on the division within the Group, credit terms are generally 30 to 60 days from the invoice date. The Group considers various debt recovery methedologies and has entered into repayment arrangements with Beadell Resources Ltd (Great Panther Mining Ltd) and Blackham Resources Ltd. Since the commencement of the arrangement in June 2018, Beadell Resources Ltd has reduced debt by $33million as at the date of this report.

Where the Group is unable to ascertain a satisfactory credit risk profile in relation to a customer or counterparty, the risk may be further managed through credit insurance, title retention clauses over goods or obtaining security by way of personal or commercial guarantees over assets of sufficient value which can be claimed against in the event of any default. In addition MACA is a secured debt holder of Blackham Resources Ltd and Carabella Respirces Ltd. Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating, or in entities that the Board has otherwise cleared as being financially sound.

Credit risk also arises through the provision of financial guarantees, as approved at Board level, given to parties securing the liabilities of certain subsidiaries (refer Section 6.6 Parent Entity Disclosures for details).

Trade Receivables and Contract Assets

The Group applies the simplified approach to provide for the ECL for all trade receivables and contract assets. The simplified approach required the loss allowance to be measured at an amount equal to the lifetime ECL.

The Group uses a provision matrix to measure the lifetime ECL allowance for trade receivables and contract assets. In measuring the ECL, trade receivables and contract assets are grouped based on shared credit risk characteristics and days past due.

5.3 FINANCIAL RISK MANAGEMENT (CONTINUED)

INTERNAL RATING GRADES	DEFINITION	BASIS FOR RECOGNITION AND MEASUREMENT OF ECL
i. Performing	The counterparty has a low risk of default and does not have any past-due amounts	12-month ECL
i i. Under-performing	There has been a significant increase in credit risk since initial recognition	Lifetime ECL (not credit-impaired)
i i i. Non-performing	There is evidence indicating that the asset is credit-impaired	Lifetime ECL (credit-impaired)

In calculating the ECL rates, the Group considers historical loss rates for each category of customers and adjust for forward looking macroeconomic data.

The Group considers a financial asset as in default when the counterparty fail to make contractual payments for a prolonged period of time when they fall due, and the Group may also consider financial or economic conditions that are expected to cause a significant change to the debtors ability to meet its obligations. Financial assets are written off when there is no reasonable expectation of recovering the contractual cash flow. When receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

Management has assessed and concluded that the ECL rate for trade receivables past due and less than 1 year approximates Nil and is immaterial, while the ECL rate for trade receivables past due and more than 1 year approximates 50% to 100%, except for specific cases where management has assessed the amount is still fully recoverable.

The Group's credit risk exposure in relation to trade receivables and contract assets at 30 June 2019 are set out in section 4.1

The Group has assessed and concluded that trade receivables are subject to immaterial credit loss. There has been no change in the estimation techniques or significant assumptions made during the current reporting year.

Other receivables

The Group applies the general approach to provide for the ECL for other receivables. Under the general approach, the loss allowance is measured at an amount equal to the 12-month ECL at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECL.

The Group has approximately 23.4% (2018: 28.7%) of credit risk with a single counterparty or group of counterparties. Failure or default of a major counterparty would have a material impact on earnings. Details with respect to credit risk of Trade and Other Receivables are provided in Section 4.1. MACA carries a credit risk insurance policy. The amount of cover varies on a client by client basis dependant on the counterparty.

Trade and other receivables that remain within initial trade terms are considered to be of acceptable quality.

Credit risk related to balances held with banks and other financial institutions are only invested with counterparties with a Standard & Poors rating of at least AA-.

Liquidity Risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages this risk through the following mechanisms:

- preparing forward looking cashflow analysis in relation to its operational, investing and financing activities;
- monitoring undrawn credit facilities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The Group's policy is to ensure that all lease agreements entered into, are over a period that will ensure that adequate cash flows will be available to meet repayments.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities. Financial guarantee liabilities are treated as payable on demand since the Group has no control over the timing of any potential settlement of the liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.

5.3 FINANCIAL RISK MANAGEMENT (CONTINUED)

Liquidity Risk (continued)

Financial Liability and Financial Asset Maturity Analysis	Section	Within 1 Year 2019 '000	Within 1 Year 2018 '000	1 to 5 Years 2019 '000	1 to 5 Years 2018 '000	Over 5 Years 2019 '000	Over 5 Years 2018 '000	Total 2019 '000	Total 2018 '000
Financial Liabilities Due for Payment									
Trade and Other Payables	4.6	**87,942**	64,620	**-**	-	**-**	-	**87,942**	64,620
Finance Lease Liabilities	5.2.1	**42,272**	14,991	**99,848**	29,910	**-**	-	**142,120**	44,901
Total Contractual Outflows		**130,214**	79,611	**99,848**	29,910	**-**	-	**230,062**	109,521
Total Expected Outflows		**130,214**	79,611	**99,848**	29,910	**-**	-	**230,062**	109,521
Financial Assets - Cash Flows Realisable									
Cash and Cash Equivalents	5.1.1	**59,292**	108,239	**-**	-	**-**	-	**59,292**	108,239
Trade and Other Receivables	4.1	**175,649**	124,687	**15,139**	39,165	**-**	-	**190,787**	163,852
Other Investments	4.1	**29,376**	9,875	**32,169**	22,154	**-**	-	**61,545**	32,029
Total Anticipated Inflows		**264,317**	242,801	**47,308**	61,319	**-**	-	**311,624**	304,120
Net (Outflow)/Inflow on Financial Instruments		**134,103**	163,190	**(52,541)**	31,409	**-**	-	**81,562**	194,599

No financial assets have been pledged as security for debt.

MARKET RISK

Interest Rate Risk

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

	Floating Interest Rate 2019 '000	Floating Interest Rate 2018 '000	Fixed Interest Rate Within 1 Year 2019 '000	Fixed Interest Rate Within 1 Year 2018 '000	Fixed Interest Rate 1 to 5 Years 2019 '000	Fixed Interest Rate 1 to 5 Years 2018 '000	Non-interest Bearing 2019 '000	Non-interest Bearing 2018 '000	Total 2019 '000	Total 2018 '000	Weighted Average Effective Interest Rate 2019 %	Weighted Average Effective Interest Rate 2018 %
Financial Assets												
Cash	**59,292**	108,239	**-**	-	**-**	-	**-**	-	**59,292**	108,239	**0.80**	1.56
Trade, Other Receivables		-	**20,244**	8,185	**15,139**	39,165	**155,405**	116,502	**190,787**	163,852	**6.4**	6.8
Loans to Other Companies		-	**22,300**	7,618	**25,655**	19,975	**-**	-	**47,955**	27,593	**9.5**	10
Total Financial Assets	**59,292**	108,239	**42,544**	15,803	**40,793**	59,140	**155,405**	116,502	**298,034**	299,684		
Financial Liabilities												
Finance Lease	**-**	-	**42,272**	14,991	**99,848**	29,910	**-**	-	**142,120**	44,901	**4.00**	4.66
Trade and Other Payables		-	**-**	-	**-**	-	**87,942**	64,620	**87,942**	64,620	**N/A**	N/A
Total Financial Liabilities	**-**	-	**42,272**	14,991	**99,848**	29,910	**87,942**	64,620	**230,062**	109,521		

5.3 FINANCIAL RISK MANAGEMENT (CONTINUED)

Price Risk

The Group is also exposed to securities price risk on investments held for trading or for medium to longer terms. The risk associated with these investments has been assessed as reasonably not having a significant impact on the Group.

Foreign Exchange Risk

The Group is exposed to fluctuations in foreign currencies. The currency exposure relates to Brazilian Real and a USD lease facility. The USD lease facility is offset by cash held in a USD bank account equal to the total of the lease. Brazilian Real is unhedged. The original investment into the Brazilian subsidiary is exposed to fluctuations in the Brazilian Real. To the extent the fluctuations are unrealised they are taken to the foreign currency translation reserve until such time as they are realised. Upon realisation there is a potential negative impact to the profit and loss statement.

Summarised Sensitivity Analysis

The following illustrates sensitivities to the Group's exposures to changes in interest rates, and equity prices. The table indicates the impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

These sensitivities assume that the movement in a particular variable is independent of the other variables.

	Profit $'000	Equity $'000
Year ended 30 Jun 2019		
+/- 2% in Interest Rates	**+/- 10**	**+/- 10**
+/- 10% in the Value of Listed Investments	**+/- 1,359**	**+/- 1,359**
+/- 10% in AUD/BRL Exchange Rate	**+/- 1**	**+/- 451**
+/- 10% in AUD/USD Exchange Rate	**+/- 1,042**	**+/- 1,042**
Year ended 30 Jun 2018		
+/- 2% in Interest Rates	+/- 1,266	+/- 1,515
+/- 10% in the Value of Listed Investments	+/- 443	+/- 443
+/- 10% in AUD/BRL Exchange Rate	+/- 407	+/- 4,650
+/- 10% in AUD/USD Exchange Rate	+/- 2,389	+/- 2,389

5.4 FINANCIAL INSTRUMENTS

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Group commits itself to either the purchase or sale of the asset.

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.63.

5.4 FINANCIAL INSTRUMENTS (CONTINUED)

Classification and subsequent measurement

Financial liabilities

Financial instruments are subsequently measured at:
- amortised cost; or
- fair value through profit or loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:
- a contingent consideration of an acquirer in a business combination to which AASB 3: *Business Combinations* applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if:
- it is incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationships).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship are recognised in profit or loss.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and are not subsequently reclassified to profit or loss. Instead, they are transferred to retained earnings upon derecognition of the financial liability. If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

Financial assets

Financial assets are subsequently measured at:
- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:
- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:
- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates;
- the business model for managing the financial assets comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The Group initially designates a financial instrument as measured at fair value through profit or loss and it is in accordance with the documented risk management or investment strategy, and information about the groupings was documented appropriately, so that the performance of the financial liability that was part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis;

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading and not a contingent consideration recognised by an acquirer in a business combination to which AASB 3:Business Combinations applies, the Group election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the Group's accounting policy.

5.4 FINANCIAL INSTRUMENTS (CONTINUED)

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished. An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Group no longer controls the asset.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss but is transferred to retained earnings.

Impairment

The Group recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets;
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Group uses the following approach to impairment, as applicable under AASB 9: *Financial Instruments*:

General approach

Under the general approach, at each reporting period, the Group assesses whether the financial instruments are credit-impaired, and if:

- the credit risk of the financial instrument has increased significantly since initial recognition, the Group measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; or
- there is no significant increase in credit risk since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Recognition of expected credit losses in financial statements

At each reporting date, the Group recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value, with changes in fair value recognised in other comprehensive income. Amounts in relation to change in credit risk are transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised, a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

5.5 EQUITY

Issued Capital	30 June 2019 $'000	30 June 2018 $'000
268,007,708 (2018: 268,007,708) Fully Paid Ordinary Shares With No Par Value	**269,806**	269,806

Ordinary Shares	No.	No.
At the Beginning of the Reporting Period	**268,007,708**	234,343,334
Shares Issued During the Year		
- 6 September 2017 Conversion of Performance Rights	-	233,506
- 20 September 2017 Placement of Securities @ $1.80 per share	-	33,430,868
Shares at Reporting Date	**268,007,708**	268,007,708

The Company has no authorised share capital. Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Performance Rights

For information relating to performance rights, including details of performance rights issued, excercised and lapsed during the financial year, refer to Section 5.8.

Capital Management

Management controls the capital of the Group in order to maintain a prudent debt to equity ratio, provide the shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern.

The Group's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets.

There are no externally imposed capital requirements. Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

	Section	30 June 2019 $'000	30 June 2018 $'000
Total Borrowings	5.2.1	**142,120**	44,901
Less Cash and Cash Equivalents	5.1.1	**(59,292)**	(108,239)
Net Debt/(Cash)		**82,828**	(63,338)
Total Equity		**332,666**	320,835
Total Capital		**415,494**	257,497
Gearing ratio		**20%**	(25%)

5.6 RESERVES ACCOUNTING POLICIES

Equity Settled Employee Benefits Reserve

The equity-settled employee benefits reserve relates to performance rights granted by the Company to its Executives and employees under its Employee Long-Term Incentive Plan. Rights granted during the year were made via an Employee Share Trust and as a result there was no movement in the Equity Settled Employee Benefits Reserve.

Foreign Operations

The financial transactions of foreign operations whose functional currency is different from the presentation currency are translated at the exchange rates prevailing at the date of the transaction. At the end of the reporting period, assets and liabilities are re-translated at the rates prevailing at that date. Income and expenses are re- translated at average exchange rates for the period.

Exchange differences arising on translation of foreign operations are transferred directly to the foreign currency translation reserve in the Consolidated Statement of Financial Position. These differences are recognised in profit and loss in the period in which the operation is disposed.

Foreign Currency Translation Reserve

Exchange differences arising on translation of foreign controlled operations are taken to the exchange fluctuation reserve. Gains or losses accumulated in equity are recognised in the income statement when a foreign operation is disposed.

Other Reserves

The other reserves represent the cumulative effective portion of gains or losses arising on changes in fair value of forward foreign exchange contracts entered into for cash flow hedges, and interest rate swaps. The gain or loss that is recognised in the other reserve will be reclassified to profit or loss only when the transaction affects the profit or loss.

		30 June 2019	30 June 2018
Reserves	Section	**$'000**	$'000
Equity-Settled Employee Benefits Reserve		**590**	590
Foreign Currency Translation Reserve	5.6(b)	**(8,496)**	(12,651)
Other Reserves	5.6(a)	**(5,887)**	(5,887)
Total Reserves		**(13,793)**	(17,948)
(a) Other Reserves			
Balance at the Beginning of the Year		**(5,887)**	(5,887)
Transactions with Members		**-**	-
Balance at the End of the Year		**(5,887)**	(5,887)
(b) Foreign Currency Translation Reserve			
Balance at the Beginning of the Year		**(12,651)**	(2,205)
Exchange Differences Arising on Translating the Foreign Operations		**4,155**	(10,446)
Balance at the End of the Year		**(8,496)**	(12,651)

SECTIONS TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2019

5.7 DIVIDENDS

In respect of FY19, the Directors declared the payment of a Final Dividend of 2.5 cents per share fully franked to the holders of fully paid ordinary shares on the Company's register at 5th September 2019 with payment date of 20th September 2019

The amount of the Final Dividend is $6.7 million. No provision has been made for the Final Dividend in the Financial Statements as the final dividend was not declared or determined by the Directors on or before the end of the financial year.

	30 June 2019		30 June 2018	
Distributions Paid	**Cents Per Share**	**$'000**	Cents Per Share	$'000
Interim Dividend in Respect of FY19/FY18	**0.020**	**5,360**	0.030	8,040
Final Dividend in Respect of FY19/FY18	**0.025**	**6,700**	0.035	9,380
Total	**0.045**	**12,060**	0.065	17,421
Balance of franking account at year end		**44,576**		37,069

5.8 SHARE-BASED COMPENSATION

Options

There were no options issued for the year ended 30 June 2019. The weighted average fair value of options granted during the previous year was Nil.

Performance Rights

The Company issues performance rights to Senior executives in accordance with the terms of the Long-Term Incentive Plan and the Performance Rights Plan as approved by Shareholders. When vested, each performance right is converted into one ordinary share for no consideration. Performance rights granted carry no dividend or voting rights.

During the 2019 financial year 1,473,586 (2018: 972,231) performance rights were granted under the Group's Performance Rights Plan and 209,941 (2018: 334,637) performance rights were forfeited. Subject to the achievement of designated performance hurdles, these performance rights will vest in June 2021. As at 30 June 2019 there were 2,235,877 (2018: 2,014,485) performance rights outstanding.

The following performance rights arrangement was in existence at 30 June 2019:	Number	Expiry Date
Unlisted Performance Rights	972,231	30-Jun-20
Unlisted Performance Rights	1,263,646	30-Jun-21

	2019 Number	2018 Number
Outstanding at the Beginning of the Year	**2,014,485**	3,096,450
Granted	**1,473,586**	972,231
Vested	**-**	(233,506)
Cancelled or Expired	**(1,252,194)**	(1,820,690)
Outstanding at the End of the Year	**2,235,877**	2,014,485

An independent valuation was completed on performance rights granted during the year. Market based vesting conditions were valued using a hybrid share option pricing model that simulates the share price of the Company as at the test date using a Monte-Carlo simulation model. For non-market based vesting conditions no discount was made to the underlying valuation model.

The weighted average fair value of the performance rights granted during the year ended 30 June 2019 was $0.66 per right. Payments were made to the MACA ERT Trust for delivery of shares under the Performance Rights Plan. Inputs used to determine the fair value of performance rights granted during the year ended 30 June 2019 were:

- Share price $1.19 being the 30 day VWAP of the Company on the last trading day prior to 30 June 2018
- Exercise price: Nil
- Volatility: 44.08%
- Option life: 3 years
- Dividend yield: 5.1%
- Risk Free Rate 2.07%

SECTION 6 OTHER

6.1 BUSINESS COMBINATIONS ACCOUNTING POLICIES

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is obtained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

Contingent consideration classified as an asset or liability is remeasured in each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to business combinations, other than those associated with the issue of a financial instrument, are recognised as expenses in profit or loss when incurred.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

Refer 4.5 Intangible Assets for treatment and calculation of goodwill.

There were no business combinations during the year ended 30 June 2019 and 30 June 2018.

6.2 CONTROLLED ENTITIES

Details of the Company's subsidiaries at the end of the reporting period are as follows:

	Country of Incorporation	Percentage Owned (%)	
		30 June 2019	30 June 2018
Parent Entity:			
MACA Limited	Australia	**-**	-
Subsidiaries:			
MACA Mining Pty Ltd	Australia	**100%**	100%
MACA Plant Pty Ltd	Australia	**100%**	100%
MACA Crushing Pty Ltd	Australia	**100%**	100%
MACA Civil Pty Ltd	Australia	**100%**	100%
Riverlea Corporation Pty Ltd	Australia	**100%**	100%
MACA Mineracaoe Construcao Civil Ltda	Brazil	**100%**	100%
Alliance Contracting Pty Ltd	Australia	**100%**	100%
MACA Infrastructure Pty Ltd	Australia	**100%**	100%
Marniyarra Mining and Civils Pty Ltd	Australia	**50%**	50%
Interquip Pty Ltd	Australia	**60%**	60%
OPMS Cambodia Co Ltd	Cambodia	**100%**	-

6.3 RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. Transactions with related parties:

Key Management Personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity, are considered key management personnel.

Information regarding individual directors or executives remuneration is provided in the Remuneration Report included in the Directors Report.

	30 June 2019 $'000	30 June 2018 $'000
Short-Term Employee Benefits	**4,187**	4,228
Post-Employment Benefits	**196**	192
Other Long-Term Benefits	**-**	-
Long-Term Incentive Payments	**798**	707
Total Remuneration	**5,181**	5,127

Controlled Entities

Interests in controlled entities are set out Section 6.2.

During the year, funds have been advanced between entities within the Group for the purposes of working capital requirements.

Other Related Parties

Other related parties include entities over which key management personnel exercise significant influence.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Key Management Person and/or Related Party	Transaction	**30 June 2019 $'000**	30 June 2018 $'000
Partnership comprising entities controlled by current director Mr G.Baker and former directors Mr J.Moore, Mr D.Edwards & Mr F.Maher.	Expense - Rent on Division St Business premises.	**1,520**	1,599
Kirk Mining Consultants - a company controlled by current director Mr L.Kirk.	Expense - Mining consulting fees	**10**	48
Hensman Properties Pty Ltd - a company controlled by current director Mr R.Ryan.	Expense - Consulting fees	**5**	44
Gateway Equipment Parts & Services Pty Ltd - a company controlled by director Mr G.Baker and former directors Mr D.Edwards, Mr F.Maher and Mr J.Moore.	Expense - hire of equipment and purchase of equipment, parts and services.	**2,456**	2,381
Gateway Equipment Parts & Services Pty Ltd - a company controlled by current director Mr G.Baker and former directors Mr D.Edwards, Mr F.Maher and Mr J.Moore.	Revenue - sale of equipment	**-**	-

Amounts payable at year end arising from the above transactions

Gateway Equipment Parts & Services Pty Ltd - a company controlled by current director Mr G.Baker and former directors Mr D.Edwards, Mr F.Maher and Mr J.Moore.	**177**	264

6.4 CONTINGENT LIABILITIES

Performance Guarantees

MLD has indemnified its bankers and insurance bond providers in respect of bank guarantees, insurance bonds and letters of credit to various customers and suppliers for satisfactory contract performance and warranty security, in the following amounts:

30 June 2019: $15.4 million 30 Jun 2018: $14.9 million

Claims

Certain claims arising out of engineering and construction contracts have been made by, or against, controlled entities in the ordinary course of business. The Directors do not consider the outcome of any of these claims will be materially different to the position taken in the financial accounts of the Group.

6.5 EVENTS AFTER BALANCE SHEET DATE

The Directors have recommended a final dividend payment of 2.5 cents per share. Refer to Section 5.7 for details.
Subsequent to the year end, the following major contracts have been awarded to the Group:

- Award of Karratha / Tom Price Road Contract by Main Roads Western Australia which is expected to generate revenue of $81 million.

Other than the above, there has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

6.6 PARENT ENTITY DISCLOSURES

The following information has been extracted from the books and records of the Company and has been prepared in accordance with Accounting Standards

Statement of Financial Position	**30 June 2019 $'000**	30 June 2018 $'000
Assets		
Current Assets	**46,761**	85,310
Total Assets	**380,157**	375,418
Liabilities		
Current Liabilities	**4,498**	2,148
Total Liabilities	**4,498**	2,148
Equity		
Issued Capital	**362,212**	362,212
Reserves	**707**	707
(Accumulated Losses) / Retained Profits	**12,739**	10,351
Total Equity	**375,659**	373,270
Statement of Financial Performance		
Profit For the Year (Including Interco Dividends)	**17,128**	22,852
Total Comprehensive Income	**17,128**	22,852

Guarantees

MACA Limited has entered into guarantees for certain equipment finance facilities in the current financial year, in relation to the debts entered into by its subsidiaries.

INDEPENDENT AUDIT REPORT

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MACA LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of MACA Limited (the Company and its subsidiaries) (the "Group"), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

i. giving a true and fair view of the Group's financial position as at 30 June 2019 and of its financial performance for the year then ended; and

ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Group, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key Audit Matters (continued)

Existence and Ownership of Assets – Plant and Equipment	
Refer to Note 4.4 "Property, Plant and Equipment"	
Existence and ownership of plant and equipment is a key audit matter. It is due to the size of this account balance and the location of plant and equipment (most located at client sites throughout Australia and overseas i.e. Brazil) that this is a key area of audit focus.	Our procedures included: • We agreed a sample of plant and equipment additions to supplier invoices and to Capital Expenditure Request Forms (for appropriate authority); • We agreed a sample of plant and equipment to hire purchase financing agreements; • We agreed a sample of plant and equipment in Australia and Brazil by obtaining date stamped photographs and videos taken by senior MACA personnel.

Recognition of Revenue	
Refer to Note 3.1 "Revenue and Other Income"	
The Group's revenue is predominantly derived from the rendering of mining and other services, all of which are based on contracts which determine the services, products and rates to be charged. The accurate recording of revenue is highly dependent upon the following key factors; • Knowledge of the individual characteristics and status of contracts; • Management's invoicing process including; – accurate measurement of work done and services provided each month – invoices prepared in compliance with contract terms such as services performed and rates charged; • Recognition of variations and claims, in accordance with contractual terms and based on an assessment as to when the Group believes it is highly probable that a significant reversal in the amount of revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently removed. We focused on this matter as a key audit matter due to the significance of contract based revenue to the Group combined with the need to comply with a variety of contractual conditions, leading to judgemental risk associated with revenue recognition.	Our procedures included, amongst others: • We evaluated management's processes regarding existence and valuation of the Group's contract revenues. We tested internal controls in relation to preparation and authorisation of monthly revenue invoices for compliance with the Group's policy relating to revenue recognition; • We selected a sample of sales invoices raised during the year and performed the following procedures; – agreed to contractual terms and rates – agreed to general ledger accounts and subsequent receipts from the customer – for variations or claims we checked they were in accordance with contract terms and evaluated for risk of non-recovery; • We evaluated contract performance during and subsequent to year end up to audit opinion date to reflect on year end revenue recognition judgements. As part of this process we challenged the appropriateness of variations and claims included in the computation of contract revenue • We also evaluated management's assessment of the impact to revenue recognition resulting from the adoption of AASB 15.

Key Matters (continued)

Valuation of Receivables	
Refer to Note 4.1 “Trade and Other Receivables” and “Loans to Other Companies”	
Valuation of receivables is a key audit matter. It is due to the size of the account balances and the judgements required in determining their carrying value that this is a key area of audit focus. Trade debtors and debtors subject to payment arrangements amounted to $190,788,000 as at 30 June 2019. Of this amount $15,139,000 is expected to be collected over a period of longer than the next 12 months. Loans to Other Companies amounted to $47,955,000 as at 30 June 2019. Of this amount $25,655,000 is expected to be collected over a period of longer than the next 12 months. Debtors subject to payment arrangements and loans to other companies are all subject to enforceable agreements entered into between the group companies and the debtor. The Group assesses periodically and at each year end the expected credit loss associated with its receivables. When there is expected credit loss impairment the amount and timing of future cash flows are estimated based on historical, current and forward-looking loss experience for assets with similar credit risk characteristics.	Our procedures included, amongst others: • Review of subsequent sales invoices and related claim documentation in respect of accrued revenue; • Review of the level of credit insurance cover for each debtor, subsequent receipt collections from debtors and ageing analysis post year end; • Confirmations with selected trade debtors where considered necessary; • Review for compliance with the Deed of Acknowledgement of Debt, Termination and Release of Open Pit Mining Services Contract entered into by the Company and Beadell Resources Limited (dated 22 June 2018) in order to ensure that related receivables are properly recorded and classified in the accounts at 30 June 2019 in accordance with the terms of this agreement. • Review of agreements and security arrangements entered into in respect of loan facilities provided to borrowers; • Review of expected credit loss workings and assessments prepared by management in relation to trade and other receivables, including an analysis of the credit risk characteristics attributed to significant trade debtors and borrowers, as part of our assessment of the adequacy of impairment provisions. • Discussion with management and the directors as to the existence of any arrears/disputes with debtors and borrowers, review of related correspondence and the impact these factors have had on the assessment of impairment provisions raised by management; • Assessment of the financial viability and future prospects of debtors, where considered necessary based on publicly available information and other information available to the Company; • Review of the classification of receivables between current and non current ensuring that classification reflects the agreements entered into with customers and borrowers; • Review of disclosures made in the notes to the financial statements

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Key Matters (continued)

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Group are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, international omissions, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 30 to 43 of the directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of MACA Limited, for the year ended 30 June 2019 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Group are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Neil Pace

NEIL PACE
PARTNER

Moore Stephens

MOORE STEPHENS
CHARTERED ACCOUNTANTS

Signed at Perth on the 27th day of September 2019

SHAREHOLDER INFORMATION

As at 31st August 2018 and 31st August 2019.

NUMBERS OF HOLDERS OF EQUITY

SECURITIES ORDINARY SHARECAPITAL

268,007,708 fully paid ordinary shares are held by 8,908 individual shareholders.

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified ‘at fair value through profit or loss’, in which case transaction costs are expensed to profit or loss immediately.

LISTED OPTIONS

There are no listed options.

UNLISTED OPTIONS

There are no unlisted options.

DISTRIBUTION OF SHAREHOLDINGS

Fully Paid Ordinary Shares	Number of Shareholders	Number of Shares	% of Issued Capital
1 -1,000 shares	1,462	985,127	0.37%
1,001 –5,000 shares	3,814	10,928,769	4.08%
5,001 –10,000 shares	1,757	13,287,645	4.96%
10,001 –100,000 shares	1,794	42,085,003	15.70%
100,001 and over shares	81	200,721,164	74.89%
Total	8,908	268,007,708	100.00%

SUBSTANTIAL SHARE AND OPTION HOLDERS

An extract of the Company’s register of substantial shareholders (who held a relevant interest in 5% or more ofissued capital) is set outbelow:

Substantial Shareholder	Fully Paid Ordinary Shares	% of Total Shares
J P Morgan Nominees Australia Pty Limited	40,685,382	15.18%
Citicorp Nominees Pty Limited	29,922,344	11.16%
HSBC Custody Nominees (Australia) Limited	27,110,874	10.12%
Mr Kennerth Rudy Kamon	17,650,059	6.59%

There were no substantial option holders listed in the Company’s register as at 5th September 2018.

OTHER INFORMATION

The voting rights attached to ordinary shares are governed by the Constitution of the Company. On a show of hands every person present who is a Member or representative of a Member shall have one vote on a poll, every Member present in person or by proxy or by attorney or duly authorised representative shall have one vote for each share held. None of the options have any voting rights.

UNMARKETABLE PARCELS

As at 31 August 2019, there were 472 holders who held shares that were unmarketable parcels.

SHAREHOLDER INFORMATION CONTINUED

MLD'S TOP TWENTY SHAREHOLDERS

Registered Shareholder	Fully paid Ordinary shares	% of total shares
J P MORGAN NOMINEES AUSTRALIA LIMITED	40,682,382	15.2%
CITICORP NOMINEES PTY LIMITED	29,922,344	11.2%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	27,110,874	10.1%
MR KENNETH RUDY KAMON	17,650,059	6.6%
GEMBLUE NOMINEES PTY LTD <THE G A BAKER FAMILY A/C>	12,863,816	4.8%
MR FRANCIS JOSEPH MAHER + MS SHARON JANE MAHER	12,300,000	4.6%
NATIONAL NOMINEES LIMITED	10,657,927	4.0%
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING DRP A/C>	9,522,353	3.6%
MR JAMES EDWARD MOORE + MS JULIA CATHERINE MOORE	5,350,000	2.0%
CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	3,893,796	1.5%
SARGON CT PTY LTD <CHARITABLE FOUNDATION>	2,582,987	1.0%
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	2,445,057	0.9%
BNP PARIBAS NOMS PTY LTD <DRP>	2,073,040	0.8%
NEWECONOMY COM AU NOMINEES PTY LIMITED <900 ACCOUNT>	1,879,224	0.7%
MR KENNETH JOSEPH HALL <HALL PARK A/C>	1,590,352	0.6%
MS TINA HARDY <THE HARDY FAMILY A/C>	1,470,588	0.6%
WARBONT NOMINEES PTY LTD <UNPAID ENTREPOT A/C>	1,095,229	0.4%
BUTTONWOOD NOMINEES PTY LTD	1,049,235	0.4%
MR CHRISTOPHER MARK TUCKWELL <TUCKWELL FAMILY A/C>	1,288,801	0.4%
MR DAVID STEWARD	800,000	0.3%
Total Held by Top 20	185,884,000	69.4%
Total Ordinary Fully Paid Shares on Issue	268,007,708	100.0%

RESTRICTED SECURITIES

There were no restricted securities at the date of this report.

VOTING RIGHTS

ORDINARY SHARES

For all ordinary shares, voting rights are on a show of hands whereby every member present in person or by proxy shall have one vote and upon a poll, each share shall have one vote.

OTHER INFORMATION

MLD Limited is incorporated and domiciled in Australia and is a publicly listed company by shares.

COMPANY DETAILS

The registered office is:
MACA Limited
45 Division Street
Welshpool, Western Australia, 6106

The principal place of businesses:
MACA Limited
45 Division Street
Welshpool, Western Australia, 6106

Limited

MACA Limited and its Controlled Entities
ABN 42 144 745 782

Perth

45 Division Street,
Welshpool WA 6106

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