



NOTICE OF ANNUAL GENERAL MEETING
THURSDAY, 30 NOVEMBER 2017 AT 9.30AM (WST)
at
15 HUDSWELL ROAD, PERTH AIRPORT, WA 6105

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Shareholders of Macmahon Holdings Limited will be held at 15 Hudswell Road, Perth Airport, WA on Thursday, 30 November 2017 at 9.30am (WST).

Attached to, and forming part of this Notice of Meeting is an Information Memorandum that provides shareholders with background information and further details on the resolutions to understand the reasons for, and the effect of, the resolutions, if approved.

This information is presented in accordance with the regulatory requirements of the Corporations Act and the ASX Listing Rules.

Terms which are defined in section 2 of the Information Memorandum and are used in this Notice of Meeting have the same meaning as in the Information Memorandum.

ORDINARY BUSINESS

DISCUSSION OF FINANCIAL STATEMENTS AND REPORTS

To discuss the financial report, the Directors' report and the auditor's report for the year ended 30 June 2017.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

“That for the purposes of section 250R(2) of the Corporations Act, the Remuneration Report (which forms part of the Directors' report for the year ended 30 June 2017) be adopted”.

Note: Section 250R(3) of the Corporations Act provides that the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 1:

- (a) by or on behalf of a member of the key management personnel listed in the Remuneration Report or a closely related party of those persons (such as close family members and any companies the person controls), regardless of the capacity in which the vote is cast; or
- (b) as a proxy by a member of the key management personnel at the date of the AGM or a closely related party of those persons,

unless the vote is cast as proxy for a person who is entitled to vote on Resolution 1, and:

- (c) the vote is cast in accordance with a direction on the proxy form; or
- (d) in the absence of a direction on the proxy form, the vote is cast by the Chairman of the meeting and the Chairman has received express authority to vote undirected proxies as the Chairman decides (see *Proxies on Resolution 1 (Adoption of Remuneration Report)* below).

RESOLUTION 2 – RE-ELECTION OF EVA SKIRA AS A DIRECTOR

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

“To re-elect Ms Skira, who retires from the office of Director in accordance with rule 3.6(c) of the Company’s Constitution and ASX Listing Rule 14.4, and being eligible, offers herself for re-election”.

RESOLUTION 3 – RE-ELECTION OF VYRIL VELLA AS A DIRECTOR

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

“To re-elect Mr Vella, who retires from the office of Director in accordance with rule 3.6(c) of the Company’s Constitution and ASX Listing Rule 14.4, and being eligible, offers himself for re-election”.

RESOLUTION 4 – ELECTION OF ALEXANDER RAMLIE AS A DIRECTOR

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

“To elect Mr Ramlie, who was appointed to the board in August 2017 and automatically retires from the office of Director in accordance with rule 3.6(a) of the Company’s Constitution and being eligible, offers himself for election”.

RESOLUTION 5 – ELECTION OF ARIEF SIDARTO AS A DIRECTOR

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

“To elect Mr Sidarto, who was appointed to the board in August 2017 and automatically retires from the office of Director in accordance with rule 3.6(a) of the Company’s Constitution and being eligible, offers himself for election”.

RESOLUTION 6 – RENEWAL OF PROPORTIONAL TAKEOVER PROVISIONS

To consider and, if thought fit, to pass the following resolution as a special resolution:

“That, with effect from the close of the Meeting and in accordance with section 648G of the Corporations Act, the proportional takeover provisions set out in Rule 29.8 of, and Schedule 2 to, the Constitution of the Company (a copy of which is tabled at the Meeting), be renewed for a period of three years.”

OTHER BUSINESS

To transact any other business that may be brought forward in accordance with the Company’s Constitution or the law.

Determination of Shareholders’ Right to Vote

For the purposes of the AGM, Shares will be taken to be held by persons who are registered as members of the Company as at 4.00pm (WST) on 28 November 2017. Accordingly, transactions registered after that time will be disregarded in determining shareholders entitled to attend and vote at the AGM.

Appointment of Proxy

A Shareholder has the right to appoint a proxy who need not be a Shareholder of the Company. If a Shareholder is entitled to cast two or more votes, they may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise.

Sections 250BB and 250BC of the Corporations Act apply to voting by proxy. The effect of these sections is that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the chair, who must vote the proxies as directed.

More detail on these sections is provided below.

Proxy vote if appointment specifies way to vote

Section 250BB of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does**:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (that is, as directed);
- if the proxy has two or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands;
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (that is, as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (that is, as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at the meeting;
- the appointed proxy is not the chair of the meeting;
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting; or
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

Proxies on Resolution 1 (Adoption of Remuneration Report).

If you appoint the Chairman of the Meeting as your proxy and you do not direct the Chairman as to how to vote on Resolution 1, the Chairman will vote in favour of the resolution where the Chairman is authorised to do so, even though the relevant resolution is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

If you appoint any other member of key management personnel or any closely related party of a member of key management personnel (including a closely related party of the Chairman) as your proxy, you must direct that person how to vote on Resolution 1 if you want your Shares to be voted on that item of business.

If either of the above applies to you and you do not act in accordance with the above, your proxy will not cast your vote on the resolution.

Lodgement of proxy documents

The completed proxy form enclosed with this Notice of Meeting (and, if it is executed by an attorney, the relevant power of attorney or a certified copy of it) must be received by the Company at the address specified below by 9.30am (WST) Tuesday, 28 November 2017.

A proxy can be appointed electronically by visiting www.investorvote.com.au and following the instructions provided. A proxy can be appointed online if they are appointed under power of attorney or similar authority.

For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting instructions.

For the purposes of section 249X(1A) of the Corporations Act, Shareholders are advised that the proxy appointed may be an individual or body corporate. A body corporate appointed as a Shareholder's proxy may appoint a representative to exercise any of the powers the body may exercise as a proxy at the AGM (as summarised below).

In accordance with section 250BA of the Corporations Act, the Company specifies the following information for the purposes of receipt of proxy appointments:

Share Registry : Computershare Investor Services Pty Ltd
 Yarra Falls, 452 Johnston Street,
 Abbotsford, VIC, 3067

Facsimile Number: (within Australia) 1800 783 447 (outside Australia) +61 3 9473 2555

Postal Address : GPO Box 242
 Melbourne Vic 3001

Bodies corporate

In accordance with section 250D of the Corporations Act, a body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at a meeting of a company's shareholders. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a resolution.

The representative should bring to the AGM evidence of his or her appointment, including any authority under which it is signed (such as: (i) a letter or certificate, executed in accordance with the body corporate's constitution or the Corporations Act, authorising the person as a representative; or (ii) a copy of a resolution, certified by a secretary or a director of the body corporate, appointing the person as a representative), unless it has previously been given to the Company.

NOTICE IS ALSO GIVEN that the Company's 2017 Financial Report is now available on its website at www.macmahon.com.au

By order of the Board

Greg Gettingby
Company Secretary
25 October 2017

INFORMATION MEMORANDUM

1. INTRODUCTION

This Information Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the AGM of Macmahon Holdings Limited (ACN 007 634 406) to be held at 15 Hudswell Road, Perth Airport, WA on Thursday, 30 November 2017 at 9.30am (WST).

This Information Memorandum forms part of and should be read in conjunction with the accompanying Notice of Meeting.

2. GLOSSARY

The following terms and abbreviations used in this Information Memorandum (and the Notice of Meeting to which it forms a part of), have the following meanings:

"AGM"	The annual general meeting of the Company notified to Shareholders by this Notice of Meeting
"AMC"	Amman Mineral Contractors (Singapore) Pte. Ltd.
"ASX"	ASX Limited (ACN 008 624 691)
"ASX Listing Rules"	The official Listing Rules of the ASX, as amended from time to time
"Company" or "Macmahon"	Macmahon Holdings Limited (ACN 007 634 406)
"Company's Constitution" or "Constitution"	The constitution of Macmahon
"Corporations Act"	<i>Corporations Act 2001</i> (Cth) as amended from time to time
"Directors" or "Board"	The directors of the Company in office at the date of the Notice of Meeting
"Notice of Meeting"	This notice of meeting incorporating the Information Memorandum
"Resolution"	A resolution contained in the Notice of Meeting to which this Information Memorandum relates
"Shareholder"	A person registered as the holder of Shares in the register of members of the Company
"Shares"	Fully paid ordinary shares in the Company

3. ANNUAL FINANCIAL REPORT

The Corporations Act and the Company's Constitution require that:

- the reports of the directors and auditors; and
- the annual financial report, including the financial statements of the company for the year ended 30 June 2017,

be laid before the AGM. Neither the Corporations Act nor the Constitution requires a vote of Shareholders on the reports or statements. However, Shareholders will be given ample opportunity to raise questions or comments on the management of the Company.

Also, a reasonable opportunity will be given to members as a whole at the AGM to ask the Company's auditor questions relevant to the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

4. RESOLUTIONS TO BE CONSIDERED BY SHAREHOLDERS

RESOLUTION 1 – REMUNERATION REPORT

Section 300A of the Corporations Act requires the Directors to include in their report for a financial year, a Remuneration Report. Section 250R requires that the Remuneration Report be put to the vote at the Company's AGM. The vote on this Resolution is advisory only and does not bind the Directors or the Company. The Board will, however, take into account the outcome of the vote when reviewing its remuneration policy.

The Corporations Act states that, if a company's remuneration report receives a 'no' vote of 25 per cent or more at two consecutive annual general meetings, a resolution must then be immediately put to shareholders at the second annual general meeting as to whether another meeting of shareholders should be held (within 90 days) at which all directors (other than any managing director) who were in office at the date of approval of the applicable directors' report must stand for re-election. In summary, if the Remuneration Report receives "2 Strikes", shareholders will be entitled to vote in favour of holding a separate general meeting (to be held within 90 days) to re-elect the entire board.

The Remuneration Report as set out within the Directors' Report:

- explains the Board's policies in relation to the nature and level of remuneration paid to Directors and executives of the Company;
- discusses the link between the Board's policies and the Company's performance;
- provides a summary of performance conditions, explaining why they were chosen and how performance is measured against them;
- sets out remuneration details for each Director and for each member of the Company's key management personnel; and
- makes clear that the basis for remunerating Non-executive Directors is distinct from the basis for remunerating executives.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting.

Why should shareholders vote in favour of the Remuneration Report?

After considering a range of factors including market conditions, feedback from various stakeholders, and the Company's financial position, the Macmahon Board considers that the Company's remuneration practices and outcomes during the last financial year were appropriate for the Company's circumstances during that period. The Board therefore seeks your support for the 2017 Remuneration Report.

Recommendation: The Board recommends that Shareholders vote in favour of the adoption of the Remuneration Report. The Chairman intends to vote all undirected proxies *in favour* of Resolution 1 where he is permitted to do so.

RESOLUTION 2 – RE-ELECTION OF MS EVA SKIRA AS A DIRECTOR

Ms Skira joined the Board as a Non-executive Director in September 2011. As Ms Skira was last elected by Shareholders at the 2014 AGM, she retires at the AGM in accordance with the provisions of the Company's Constitution and the ASX Listing Rules that require a director to retire every 3 years. Being eligible, Ms Skira offers herself for re-election as a Director.

Ms Skira has a background in banking, capital markets, stockbroking and financial markets, previously holding executive positions at Commonwealth Bank in the Corporate Banking/Capital Markets divisions and later with stockbroker Barclays de Zoete Wedd. She has served on a number of boards in business, government and the not-for-profit sectors across a range of industries.

Ms Skira is currently the Chairman of the Trustees of St John of God Health Care Inc., and a director of both RCR Tomlinson and the WA Parks Foundation.

Ms Skira completed her BA (1st Class Honours, Economic History) at the University of New South Wales, and obtained her Masters of Business Administration (Dux and Distinction) at the International Management Institute (University of Geneva), now called IMD International in Switzerland, one of the premier business schools in Europe.

Ms Skira is currently the Chair of the Board's Audit & Risk Committee and a member of the Remuneration & Nomination Committee.

The Board considers Ms Skira to be an independent director.

Recommendation: The Board (with Ms Skira abstaining) is of the view that Ms Skira will continue to add considerable value to the Company due to her extensive experience in the resources and financial sectors. Consequently, the Board (with Ms Skira abstaining) recommends that Shareholders vote in favour of Resolution 2.

RESOLUTION 3 – RE-ELECTION OF MR VYRIL VELLA AS A DIRECTOR

Mr Vella joined the Board as a Non-Executive Director in November 2007. As Mr Vella was last elected by Shareholders at the 2014 AGM he retires at the AGM in accordance with the provisions of the Company's Constitution and the ASX Listing Rules that require a director to retire every 3 years. Being eligible, Mr Vella offers himself for re-election as a Director.

Mr Vella has over 40 years of experience in the civil engineering, building, property and construction industries. During Mr Vella's 34 years as an executive with the Leighton group he held various positions including General Manager NSW, Director of Leighton Contractors Pty Ltd, Founding Director of Welded Mesh Pty Ltd, Managing Director of Leighton Properties and Associate Director of Leighton Holdings. Mr Vella was also previously a consultant to Leighton Holdings Ltd (now CIMIC), where he advised on investment in the residential market, general property issues and major construction and infrastructure projects. From April 2007 until April 2014 Mr Vella was a Non-executive Director of Devine Limited.

Mr Vella is currently the Chairman of the Board's Remuneration & Nomination Committee and a member of the Audit & Risk Committee. Since May 2017 the Macmahon Board has considered Mr Vella to be an independent Director.

Recommendation: The Board (with Mr Vella abstaining) is of the view that Mr Vella will continue to add considerable value to the Company due to his extensive experience in the resources and construction sectors. Consequently, the Board (with Mr Vella abstaining) recommends that Shareholders vote in favour of Resolution 3.

RESOLUTION 4 – ELECTION OF MR ALEXANDER RAMLIE AS A DIRECTOR

Mr Ramlie joined the Board as a Non-Independent Non-Executive Director in August 2017 as a nominee of the Company's largest shareholder, AMC. At the AGM Mr Ramlie will automatically retire as a Director in accordance with rule 3.3(a) of the Company's Constitution, and being eligible, offers himself for election as a Director. Pursuant to the terms of the Alliance Agreement between the Company and (amongst others) AMC, AMC has a right to appoint up to two Directors while it has voting power of not less than 35% in the Company. Further details of the Alliance Agreement are set out in the Company's Notice of General Meeting dated 9 June 2017.

Mr Ramlie is currently a director of PT Amman Mineral Nusa Tenggara (the owner of the Batu Hijau mine) and has held senior management positions in the mining industry in Indonesia since 2011. Prior to this time he was a private equity professional and was Managing Director of Ancora Capital Management Pte. Ltd., an Indonesia focused private equity fund.

Mr Ramlie began his career as an investment banker at Lazard Freres & Co and has a Bachelor of Arts and a Master of Arts in Economics from Boston University.

Recommendation: The Board (with Mr Ramlie abstaining) is of the view that Mr Ramlie will continue to add considerable value to the Company due to his extensive experience in the resources and financial sectors. Consequently, the Board (with Mr Ramlie abstaining) recommends that Shareholders vote in favour of Resolution 4.

RESOLUTION 5 – ELECTION OF MR ARIEF SIDARTO AS A DIRECTOR

Mr Sidarto joined the Board as a Non-Independent Non-Executive Director in August 2017 as a nominee of the Company's largest shareholder AMC. At the AGM Mr Sidarto will automatically retire as a Director in accordance with rule 3.3(a) of the Company's Constitution, and being eligible, offers himself for election as a Director. Pursuant to the terms of the Alliance Agreement between the Company and (amongst others) AMC, AMC has a right to appoint up to two Directors while it has voting power of not less than 35% in the Company. Further details of the Alliance Agreement are set out in the Company's Notice of General Meeting dated 9 June 2017.

Mr Sidarto is currently a director and the Chief Financial Officer of PT Amman Mineral Nusa Tenggara and has previously held senior roles in investment banking with Goldman Sachs, and with a diversified Indonesian holding company with businesses including palm plantations, mining, hotels, transportation and infrastructure.

Mr Sidarto's qualifications include an MBA from Harvard Business School and two bachelors degrees with summa cum laude from The Wharton School of Finance and The Engineering School of the University of Pennsylvania.

Recommendation: The Board (with Mr Sidarto abstaining) is of the view that Mr Sidarto will continue to add considerable value to the Company due to his extensive experience in the financial sector. Consequently, the Board (with Mr Sidarto abstaining) recommends that Shareholders vote in favour of Resolution 5.

RESOLUTION 6 – RENEWAL OF PROPORTIONAL TAKEOVER PROVISIONS

Resolution 6 seeks to renew both Rule 29.8 and Schedule 2 in the Company's Constitution ("**Proposed Proportional Takeover Provisions**"), in the form set out in Schedule 1 to this Notice of Meeting. These provisions relate to proportional takeover approval under section 648D of the Corporations Act.

The Company's Constitution currently contains a rule 29.8 and Schedule 2 that enables the Company to refuse to register shares acquired under a proportional takeover bid unless approved by a resolution of Shareholders. In accordance with the Corporations Act, these provisions last for a maximum of three years, unless renewed. These provisions were last renewed by the Company at the AGM held on 7 November 2014, so will shortly cease to be of any effect and will be deemed to be omitted from the Company's Constitution.

The Directors believe it is appropriate to continue with the Proposed Proportional Takeover Provisions in the Company's Constitution. The Proposed Proportional Takeover Provisions have the same effect as the current provisions. If adopted, the Proposed Proportional Takeover Provisions would operate for three years from the date of the meeting and after that time would cease to apply unless renewed by a further special resolution of Shareholders.

If Resolution 6 is passed, then for 21 days after the Meeting, the holders of 10% of the Company's shares have the right to apply to the court to have the Resolution set aside. The court may set aside the Resolution if the court is satisfied in all the circumstances that it is appropriate to do so.

The Corporations Act requires certain information to be included in a notice of meeting where a company seeks the approval of its shareholders to adopt proportional takeover provisions. This information is set out below.

Proportional takeover bid

A proportional takeover bid is a takeover bid that is sent to all shareholders in a class, offering to purchase only a specified proportion (but not all) of each shareholder's shares. If a shareholder accepts, the shareholder disposes of that specified portion and retains the balance.

Effects of the proportional takeover provisions

The effects of the proportional takeover provisions are that:

- if a bidder makes a proportional takeover bid for any class of shares in the Company, the Directors must ensure that a meeting of members of that class is convened where a resolution to approve the proportional takeover bid is voted on. The vote is decided on a simple majority. The bidder and its associates are excluded from voting on that approving resolution;
- the meeting and the vote on the approving resolution must take place more than 14 days before the last day of the bid period;
- if the approving resolution is rejected before the deadline, the bid cannot proceed and the offer will be taken to have been withdrawn. Any transfers giving effect to takeover contracts for the bid will not be registered and all offers under the takeover bid are taken to be withdrawn and all takeover contracts must be rescinded;
- if the approving resolution is not voted on, the bid will be taken to have been approved; and
- if the approving resolution is passed (or taken to have been approved), the transfers must be registered (subject to other provisions of the Corporations Act and the Company's Constitution).

The proportional takeover provisions do not apply to full takeover bids.

Reasons for the proportional takeover provisions

A proportional takeover bid may result in control of the Company changing without Shareholders having an opportunity to dispose of all their Shares. That is, Shareholders are exposed to the risk of being left as minority Shareholders in the Company by not being able to sell their entire shareholding into a proportional takeover. Also, by making a proportional bid, a bidder could obtain practical control of the Company by acquiring less than a majority interest. This might allow a bidder to acquire control without payment of an adequate control premium.

The Directors believe that the Proposed Proportional Takeover Provisions are desirable to give Shareholders protection from the risks inherent in proportional takeover bids. The proposed provisions allow Shareholders to decide if a proportional takeover bid is acceptable in principle, and may assist in ensuring that any proportional takeover bid is appropriately priced.

To assess the merits of the Proposed Proportional Takeover Provisions, Shareholders should make a judgment as to what events are likely to occur in relation to the Company during the three year life of the proposed new provisions.

Since the Proposed Proportional Takeover Provisions were last renewed, AMC has acquired a 44.3% shareholding in the Company. There is no contractual restriction on AMC (or its group entities) from acquiring further shares in the Company. Given this, the Directors now consider that it is less likely that the Company may be subject to a proportional takeover bid than was the case three years ago. Notwithstanding this, the Directors consider it is appropriate to renew the Proposed Proportional Takeover provisions because:

- this is consistent with past practice, and the Board's view of the desirability (or otherwise) of proportional takeover bids as a means of affecting a change in control has not changed; and
- the Proposed Proportional Takeover Provisions will have a life of three years, and the Board cannot say with certainty what AMC's shareholding in the Company will (or may) be for that period. For example, it may be that AMC's percentage shareholding reduces over time, thus increasing the likelihood of a proportional takeover bid from a third party at some future point.

For these reasons, the Board considers it appropriate to seek to renew these provisions.

Potential advantages and disadvantages of the Proposed Proportional Takeover Provisions

The Corporations Act requires the Notice of Meeting to discuss the advantages and disadvantages for Directors and Shareholders of the Proposed Proportional Takeover Provisions.

The Directors consider that the Proposed Proportional Takeover Provisions have no potential advantages or disadvantages for any of them, and that they would remain free to make a recommendation on whether or not an offer under a proportional takeover bid should be accepted.

The Directors note that it could be argued that the Proposed Proportional Takeover Provisions are an advantage to them as a takeover defence mechanism that could be exploited to entrench the incumbent board of Directors. However, the Directors believe that argument ignores the basic object of the Proposed Proportional Takeover Provisions, which is to empower Shareholders not the Directors.

The potential advantages for Shareholders of the Proposed Proportional Takeover Provisions include:

- Shareholders have the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- the provisions may assist Shareholders and protect them from being locked in as a minority;
- the provisions increase the bargaining power of Shareholders and may assist in ensuring that any proportional takeover bid is adequately priced; and
- each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders and assist in deciding whether to accept or reject an offer under a proportional takeover bid.

The potential disadvantages for Shareholders include:

- proportional takeover bids for Shares in the Company may be discouraged;
- Shareholders may lose an opportunity to sell some of their Shares at a premium;
- individual Shareholders may consider that the Proposed Proportional Takeover Provisions would restrict their ability to deal with their Shares as they see fit; and
- the likelihood of a proportional takeover bid succeeding may be reduced.

Previous operation of rule 29.8 and Schedule 2

The Corporations Act also requires the Notice of Meeting to retrospectively address the advantages and disadvantages for Directors and Shareholders of the proportional takeover provisions which are proposed to be renewed.

During the time that the current proportional takeover provisions have been in effect there have been no proportional takeover bids for the Company. However, there were also no proportional takeover bids during the periods when such provisions were not in effect. Nor are the Directors aware of any potential proportional takeover bid that was discouraged by the proportional takeover provisions. The Company was recently subject to a takeover bid from CIMIC Group Investments Pty Ltd, but that was a full bid to which the proportional takeover provisions did not apply. The Directors are therefore unable to point to any more specific advantages or disadvantages evident from the operation of the current provisions during the period of their operation.

Knowledge of any acquisition proposals

Apart from the general considerations above, as at the day on which this Notice of Meeting was prepared, no Director is aware of a proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

Those Directors who are also Shareholders have the same interest in Resolution 6 as all Shareholders.

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

SCHEDULE 1:

PROPOSED RULE 29.8 OF THE CONSTITUTION AND SCHEDULE 2 TO THE CONSTITUTION

29.8 Proportional Takeover Bids

Schedule 2 applies and forms part of this Constitution.

SCHEDULE 2: PROPORTIONAL TAKEOVER BID

1. SPECIAL DEFINITIONS

The following definitions apply to these rules.

"Accepted Offer" means an offer under a proportional takeover bid that has been accepted and from the acceptance of which a binding contract has not resulted as at the end of the Resolution Deadline.

"Approving Resolution" means a resolution to approve the proportional takeover bid passed in accordance with rule 4 as contained in this Schedule.

"Resolution Deadline" means the day that is 14 days before the last day of the bid period of the proportional takeover bid.

A reference to **"an associate of"** another person is a reference to a person who is an associate of the first person because of sections 11, 12 or 15 of the Act.

2. LIMITED LIFE OF RULES

These rules cease to apply by force of section 648G(1) of the Act at the end of three years starting when these rules were inserted in the constitution or starting when these rules were last renewed in accordance with that section.

3. RESTRICTION ON REGISTRATION OF TRANSFERS

The Company must not register a transfer giving effect to a contract resulting from the acceptance of an offer made under a proportional takeover bid until an Approving Resolution is passed.

4. APPROVING RESOLUTION

If offers have been made under a proportional takeover bid for securities in a class issued by the Company:

- (a) an Approving Resolution must be voted on at a meeting, convened and conducted by the Company, of the persons entitled to vote on the Approving Resolution;
- (b) the Directors must ensure that an Approving Resolution is voted on in accordance with these rules before the Resolution Deadline for the bid;
- (c) a person (other than the bidder or an associate of the bidder) who, as at the end of the day on which the first offer under the bid was made, held securities included in that class is entitled to vote on an Approving Resolution;
- (d) the bidder or an associate of the bidder is not entitled to vote on an Approving Resolution; and
- (e) an Approving Resolution that has been voted on is taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than 50%, and otherwise is taken to have been rejected.

5. GENERAL MEETING PROVISIONS APPLY

The rules in this Constitution relating to general meetings apply, modified as necessary, to any meeting convened under these rules, except that:

- (a) a meeting may be convened on less than 28 days notice and on at least 14 days notice if the Directors considers that should be done to ensure that the meeting is held before the Resolution Deadline; and
- (b) the holder of a security that carries no right to vote at a general meeting of the Company has one vote for each security held at a meeting convened under these rules.

6. NOTICE OF MEETING OUTCOME

If an Approving Resolution is voted on in accordance with these rules before the Resolution Deadline for the proportional takeover bid, the Company must, on or before the Resolution Deadline give a written notice stating that an Approving Resolution has been voted on and that the resolution has been passed or rejected to:

- (a) the bidder; and
- (b) ASX and any other relevant financial market.

7. FAILURE TO PROPOSE RESOLUTION

If, as at the end of the day before the Resolution Deadline for a proportional takeover bid, no Approving Resolution has been voted on in accordance with these rules, an Approving Resolution is taken to have been passed in accordance with these rules.

8. REJECTED RESOLUTION

If an Approving Resolution is voted on, in accordance with these rules, before the Resolution Deadline for the proportional takeover bid and is rejected:

- (a) despite section 652A of the Act, all offers under the bid that have not, as at the end of the Resolution Deadline, been accepted, and all Accepted Offers are taken to be withdrawn at the end of the Resolution Deadline;
- (b) as soon as practical after the Resolution Deadline, the bidder must return to each person who accepted an Accepted Offer any documents that were sent by the person to the bidder with the acceptance of the offer;
- (c) the bidder may rescind, and must rescind, as soon as practical after the Resolution Deadline, each contract resulting from the acceptance of an offer made under the bid; and
- (d) a person who has accepted an offer made under the bid may rescind the contract (if any) resulting from that acceptance.



MACMAHON

ABN: 93 007 634 406

Lodge your vote:

Online:
www.investorvote.com.au

By Mail:
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
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Proxy Form

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Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.



Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999 PIN: 99999

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

For your vote to be effective it must be received by 9.30am (WST) Tuesday, 28 November 2017

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** ➔

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



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Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of Macmahon Holdings Limited hereby appoint

 the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Macmahon Holdings Limited to be held at 15 Hudswell Road, Perth Airport, Western Australia on Thursday, 30 November 2017 at 9.30am (WST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box in step 2 below.

STEP 2 Items of Business

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

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Eva Skira as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Vyril Vella as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Election of Alexander Ramlie as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Election of Arief Sidarto as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Renewal of Proportional Takeover Provisions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /