

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Macmahon Holdings Limited

ABN

93 007 634 406

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

1	+Class of +securities issued or to be issued	Class D CEO Performance Rights
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	9,500,000 Class C CEO Performance Rights.
3	Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	<p>The CEO Performance Rights are issued pursuant to the terms of Mr Carroll's employment contract and as approved by shareholders at the 2014 Annual General Meeting.</p> <p>The Performance Rights are issued for no monetary consideration and no funds have been raised from this issue.</p> <p>The Performance Rights are governed by the LTI Plan Rules on pages 47-48 of the Company's 2014 Annual Report, and the Notice of Meeting for the Company's 2014 Annual General Meeting.</p>

+ See chapter 19 for defined terms.

In summary:

- 1) Vesting of the Performance Rights is dependent on the extent to which certain conditions are met during the period from 1 July 2014 to 30 June 2017.
- 2) The conditions are as follows:
  - Mr Carroll must remain as Managing Director of the Company until after 30 June 2017.
  - One half (50%) of the Performance Rights will be eligible to vest after 30 June 2017 depending on how the Total Shareholder Return (TSR) of Macmahon compares to a comparator group comprising companies ranked between 101-200 in the ASX 200 classified as materials or industrials (50% weighting) and a peer group of companies similar to Macmahon (50% weighting); and
  - One half (50%) of the Performance Rights will be eligible to vest after 30 June 2017 depending on the compounded annual growth rate (“CAGR”) of Macmahon’s Earnings Per Share (“EPS”) measured from a relevant starting point determined by the Board to the EPS reported by Macmahon for the financial year ending 30 June 2017.

4 Do the <sup>+</sup>securities rank equally in all respects from the date of allotment with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

No – Securities issued have no rights to participate in dividends until they have vested.

5 Issue price or consideration

Nil.

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+ See chapter 19 for defined terms.

6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	These Performance Rights are issued pursuant to the terms of Mr Carroll's employment contract as a long term incentive.
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?  If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i.	No
6b	The date the security holder resolution under rule 7.1A was passed.	N/A
6c	Number of +securities issued without security holder approval under rule 7.1.	N/A
6d	Number of +securities issued with security holder approval under rule 7.1A.	N/A
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting).	N/A
6f	Number of +securities issued under an exception in rule 7.2.	N/A
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements.	N/A
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements.	N/A
7	+Issue date  <small>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix</small>	17 November 2014

+ See chapter 19 for defined terms.

Appendix 3B  
New issue announcement

7A.														
	Cross reference: item 33 of Appendix 3B.													
8	Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>1,261,699,966 fully paid ordinary shares.</td> <td>Fully paid ordinary shares</td> </tr> </tbody> </table>	Number	+Class	1,261,699,966 fully paid ordinary shares.	Fully paid ordinary shares								
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9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>47,642,370</td> <td>Performance Rights (Executive Equity Plan)</td> </tr> <tr> <td>490,124</td> <td>Class A CEO Performance Rights.</td> </tr> <tr> <td>735,186</td> <td>Class B CEO Performance Rights.</td> </tr> <tr> <td>5,000,000</td> <td>Class C CEO Performance Rights.</td> </tr> <tr> <td>9,500,000</td> <td>Class D CEO Performance Rights.</td> </tr> </tbody> </table>	Number	+Class	47,642,370	Performance Rights (Executive Equity Plan)	490,124	Class A CEO Performance Rights.	735,186	Class B CEO Performance Rights.	5,000,000	Class C CEO Performance Rights.	9,500,000	Class D CEO Performance Rights.
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10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Refer to item 4 of this Appendix 3B.												

## Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the +securities will be offered	N/A
14	+Class of +securities to which the offer relates	N/A
15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A

+ See chapter 19 for defined terms.

18	Names of countries in which the entity has <sup>+</sup> security holders who will not be sent new issue documents  Note: Security holders must be told how their entitlements are to be dealt with.  Cross reference: rule 7.7.	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of <sup>+</sup> security holders	N/A
25	If the issue is contingent on <sup>+</sup> security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do <sup>+</sup> security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do <sup>+</sup> security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A

<sup>+</sup> See chapter 19 for defined terms.

32 How do +security holders dispose of their entitlements (except by sale through a broker)?

33 +Issue Date

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities  
(tick one)

(a)  Securities described in Part 1

(b)  All other securities  
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities.

### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders.

36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over

37  A copy of any trust deed for the additional +securities

### Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought.

39 Class of +securities for which quotation is sought.

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

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+ See chapter 19 for defined terms.

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment.

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41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

N/A
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42 Number and <sup>+</sup>class of all <sup>+</sup>securities quoted on ASX (including the securities in clause 38).

Number	<sup>+</sup> Class
N/A	

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<sup>+</sup> See chapter 19 for defined terms.

### Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
  - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
  - There is no reason why those +securities should not be granted +quotation.
  - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

  - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
  - We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
  - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:   
Company Secretary

Date: 17 November 2014

Print name: Chris Brown

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+ See chapter 19 for defined terms.