



MACMAHON
MACMAHON HOLDINGS LIMITED
ACN 007 634 406

NOTICE OF ANNUAL GENERAL MEETING
WEDNESDAY, 30 NOVEMBER 2016 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 Wednesday, 30 November 2016 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 2016.

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 2016) 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 (and Resolution 3 if that resolution is put to the meeting):

- (a) by or on behalf 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 Resolution 3 if that resolution is put to the meeting), 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 and 3 (Adoption of Remuneration Report and Spill Resolution)* below).

RESOLUTION 2 – RE-ELECTION OF JAMES WALKER AS A DIRECTOR

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

“To re-elect Mr Walker, 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 3 – SPILL RESOLUTION (Contingent upon outcome of Resolution 1)

If at least 25% of the votes cast on Resolution 1 are against the adoption of the 2016 Remuneration Report, to consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That:

- (a) an extraordinary meeting of Shareholders (‘spill meeting’) be held within 90 days of the Company’s 2016 Annual General Meeting (‘AGM’);
- (b) all the Company’s Directors (other than the Managing Director) who were Directors of the Company when the Board approved the Directors’ Report considered at the 2016 AGM, cease to hold office immediately before the end of the spill meeting; and
- (c) resolutions to appoint persons to offices that will be vacated immediately before the end of the spill meeting be put to the vote at the spill meeting.”

Voting Exclusion Statement

Refer to the voting exclusion statement under Resolution 1 above for the voting exclusions that apply to Resolution 3.

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 2016. 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 Resolutions 1 and 3 (Adoption of Remuneration Report and Spill Resolution).

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 (and Resolution 3 if that resolution is put to the meeting), 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 Resolutions 1 and 3 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/s.

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) Monday, 28 November 2016.

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 Limited
 Level 11, 172 St Georges Terrace
 Perth WA 6000
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 2016 Financial Report is now available on its website at www.macmahon.com.au

By order of the Board

Greg Gettingby
Company Secretary
26 October 2016

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 Wednesday, 30 November 2016 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
"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 requires 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 2016,

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 the 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.

At the Company's 2015 AGM, over 25% of the votes cast were against the adoption of the Remuneration Report for the year ended 30 June 2015. At the Company's upcoming 2016 AGM, if less than 25% of the votes cast are against the adoption of the Remuneration Report, Resolution 3 will not be put to the meeting. If 25% or more of the votes cast are against the adoption of the Remuneration Report, Resolution 3 will be required to be put to the 2016 AGM.

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, including the Managing Director.

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?

The Board has noted the 'no' vote received against the 2015 Remuneration Report. However, after consulting with a range of shareholders and other stakeholders, the Board has reached the view that the Company's remuneration practices are necessary and appropriate for the Company's current circumstances. As a result, Macmahon has not made any significant changes to the remuneration arrangements that were in place at the last AGM, with the only variation being to the performance hurdle to be used in the FY17 LTI Plan.

The Company's remuneration practices and outcomes for FY16 are summarised on page 21 of the 2016 Remuneration Report. The Board believes that these arrangements are entirely reasonable, and that a second strike against the Remuneration Report would be counterproductive. The Board therefore seeks your support for the 2016 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 MR JAMES WALKER AS A DIRECTOR

Mr Walker joined the Board as a Non-executive Director in October 2013 and was appointed Chairman in March 2014. As Mr Walker was last elected by Shareholders at the 2013 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 Walker offers himself for re-election as a Director.

Mr Walker has over 40 years of experience in the resources sector. He was previously the Chief Executive Officer of WesTrac Pty Ltd, where he led that company's rapid expansion in industrial and mining services locally and in China.

Mr Walker is currently a Non-executive Director of Austin Engineering Ltd, Programmed Group Ltd, Seeing Machines Ltd and RACWA Holdings Pty Ltd.

Mr Walker's previous appointments include directorships with Seven Group Holdings Ltd, WesTrac Pty Ltd, National Hire Group Ltd, Skilled Group Ltd and Coates Group Holdings Pty Ltd.

Mr Walker is a graduate member of the Australian Institute of Company Directors (AICD) and a Fellow of the Australian Institute of Management (AIM WA), having previously held the positions of President – WA, and National President – Australia.

Mr Walker is currently a member of the Board's Audit & Risk Committee and Remuneration & Nomination Committee.

Recommendation: The Board (with Mr Walker abstaining) is of the view that Mr Walker will continue to add considerable value to the Company due to his extensive experience in the resources sector. Consequently, the Board (with Mr Walker abstaining) recommends that Shareholders vote in favour of Resolution 2.

CONDITIONAL RESOLUTION 3 – SPILL RESOLUTION

At the 2015 AGM more than 25% of votes were cast against the adoption of the 2015 Remuneration Report. If at the 2016 AGM 25% or more of votes cast are against the adoption of the 2016 Remuneration Report then Shareholders will be required to vote on this Resolution 3 ('spill resolution'). This Resolution considers whether another general meeting of the Company ('spill meeting') should be held at which all of the Company's Directors (other than the Managing Director) must stand for re-election should they wish to continue as Directors.

Spill Meeting

If the spill resolution (which is an ordinary resolution) is passed, the Company must hold the spill meeting within 90 days after the spill resolution was passed.

The Directors of the Company (other than the Managing Director) who held their positions when the 2016 Remuneration Report was signed will cease to hold office immediately before the end of the spill meeting. The Directors appointed by the spill meeting will commence to hold office at the end of the spill meeting.

Notwithstanding the results of the spill meeting, the Company may retain three Directors (or two plus the Managing Director), being the minimum number of directors required for a public company under the Corporations Act. If no person receives sufficient votes to be elected as a director by way of ordinary resolution, then the directors that are retained to maintain the statutory minimum will be those candidates for election with the most votes cast in favour of their election at the spill meeting, even if less than half the votes cast on the resolution were in favour of their appointment. If two or more persons have the same percentage of votes in favour of their appointment, the other Directors will choose one of those persons as the appointed director.

The Board considers that this process would be an unnecessary distraction to the Company and senior management, and pose a real risk to the Company's business. Many of the Company's contracts with its customers can be terminated for convenience by the customer at short notice. Customers may be more likely to take this step if they perceive there to be instability within the Company.

Recommendation: The Board recommends that Shareholders vote **against** this Resolution 3, as to vote otherwise would risk destabilising the Company and destroying value.



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
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 787 930
(outside Australia) +61 3 9415 4000

Proxy Form

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Vote and view the annual report online

- Go to www.investorvote.com.au 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: 139060

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) Monday, 28 November 2016

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.

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf XX

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 Wednesday, 30 November 2016 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 Resolutions 1 and 3 (except where I/we have indicated a different voting intention below) even though Resolutions 1 and 3 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

The Chairman of the Meeting intends to vote undirected proxies in favour of each Item of business with the exception of Resolution 3 where the Chairman of the Meeting intends to vote against.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1 and 3 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 James Walker as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Spill Resolution (contingent upon outcome of Resolution 1)	<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 with the exception of Resolution 3 where the Chairman of the Meeting intends to vote against. 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 <input style="width: 90%; height: 25px;" type="text"/>	Securityholder 2 <input style="width: 90%; height: 25px;" type="text"/>	Securityholder 3 <input style="width: 90%; height: 25px;" type="text"/>
Sole Director and Sole Company Secretary	Director	Director/Company Secretary

Contact Name _____ Contact Daytime Telephone _____ Date ____/____/____