
BOARD CONFLICT OF INTEREST POLICY

The Corporations Act imposes obligations on directors in relation to conflicts of interest. Specifically, the Act provides that a director who has a material personal interest in a matter that is being considered at a directors' meeting must not:

- be present while the matter is being considered at the meeting; or
- vote on the matter.

The Board of Macmahon Holdings Limited (Macmahon) has therefore adopted this policy which outlines:

- the circumstances in which Directors must notify the Board of existing and potential conflicts of interest; and
- how the Board will proceed in relation to conflicts and potential conflicts of interest.

In this policy "Conflict of Interest" means circumstances where:

- a Director has or may have a material personal interest in a matter that is or is to be under consideration by the Board; or
- a Director has a financially material relationship or other material association with another entity, and that entity or a related entity of that entity has or may have a material interest in a matter that is or likely to be under consideration by the Board.

A matter which is the subject of a Conflict of Interest is referred to as a Conflict Matter.

NOTIFICATION OBLIGATION

1. Directors must give notice to the Chairman of a Conflict of Interest or a potential Conflict of Interest.

BOARD MANAGEMENT OF CONFLICTS

2. If the Chairman determines that a Conflict of Interest exists in relation to a Director, or determines there is a real and sensible possibility that a Conflict of Interest may arise, then the relevant Director:
 - (a) will not receive Board Papers on the Conflict Matters, but will be advised that those Board Papers have been withheld;

- (b) cannot be present at the meeting when the Conflict Matter is considered unless the other Directors resolve (in accordance with the Corporations Act) that the Director in question can stay; and
 - (c) cannot vote on the Conflict Matter unless the other Directors resolve (in accordance with the Corporations Act) that the Director in question can vote.
- 3. If a Director is dissatisfied with the Chairman's determination, the matter may be referred to the full Board (excluding the director to whom the determination relates) and the Board's decision will be final and binding.
- 4. At all times, regardless of whether a Director has a Conflict of Interest, the normal duty of strict confidentiality applies. Directors must obtain Macmahon's prior written consent (through the Chairman or the Board) before disclosing Macmahon's confidential information to any third party. There are no exceptions to this principle.