

Trading in Shares Policy

Directors, Officers & employees dealing in Macmahon shares

Members of KMP (as defined below) are strictly prohibited from any trading of a short-term or speculative nature in the securities of Macmahon Holdings Limited (“Macmahon”).

Closed periods

Furthermore, a member of KMP may not deal in securities of Macmahon:

1. during the periods beginning on 30 June and 31 December each year and ending on the trading day after release of Macmahon’s full year results and half year results, respectively;
2. immediately prior to announcements in relation to any material changes in Macmahon’s financial performance or changes to (including entry into, renewal or termination of) major contracts; or
3. during any other period imposed by the Macmahon Board from time to time (for example, when it is considering matters which are subject to the disclosure exception in ASX Listing Rule 3.1A).

Each of the above is referred to as a **closed period**.

A member of KMP who wishes to exercise employee options or performance rights, participate in dividend reinvestment and rights issues, accept an offer made to all Shareholders or make transfers to related parties, may generally do so during a closed period; however, they must at all times comply with all legislative requirements regarding dealing in securities (see further below).

Insider trading prohibition

In addition to the specific requirements of this policy, members of KMP and other employees must ensure they comply with all legislative requirements regarding trading in securities. In particular, individuals should be aware of the prohibitions in the corporations legislation on dealing in securities-if they are in possession of “inside information” (which is information concerning Macmahon or another entity that is not generally available, which, if made public, would be likely to have a material impact on the price of the securities of the relevant entity).

Procedural guidelines

Members of KMP of Macmahon are strongly encouraged to follow a long term holding policy with respect to their investments in Macmahon’s securities (which includes derivatives).

Prior to dealing in Macmahon shares:

- a Director should obtain the agreement of the Chairman (who will consult with at least one of Macmahon’s Disclosure Officers);
- the Chairman should obtain the agreement of all other Directors (who may consult with Macmahon’s Disclosure Officers); and
- a member of KMP that is not a Director should obtain the written agreement of one of Macmahon’s Disclosure Officers (who will consult with at least one other Disclosure Officer),

in each case, to ensure there is no impediment to such dealing.

(Note that Macmahon has appointed the Chief Executive Officer, Chief Financial Officer and Company Secretary and General Counsel as its Disclosure Officers.)

Any permission to deal in Macmahon shares should specify how long that clearance will last.

The requirement to obtain the Chairman's or the CFO's written agreement, as the case may be, does not apply where the securities are being acquired under a standing instruction under the Dividend Reinvestment Program, through the exercise of options or performance rights granted under Macmahon's incentive plans or under an acceptance of offers made to all Shareholders. However, the requirement does apply to the trading of these securities once they have been acquired and the insider trading prohibition continues to apply at all times.

When a member of KMP has obtained written agreement to sell shares, it would be appropriate to advise the CFO in advance of the actual time of the transaction in order for Macmahon to be in a position to respond to any external queries on the nature or reason for the sale.

If shares are to be bought or sold then they should wherever possible be traded on one trading order and not over an extended period of time. This is intended to indicate the trade is an investment decision and not a speculative one.

Australian Securities Exchange ("ASX") listing rule 3.19A requires the Company to notify the ASX of a change in a director's interest within 5 business days. Members of KMP must notify the Company Secretary of details of any trade in Macmahon's securities within two business days of such trade occurring to enable the Company to (where applicable) meet its obligations under the ASX Listing Rules. Directors are obliged under section 205G of the Corporations Act to notify the ASX within 14 days after any change in a director's interest. The Company Secretary will ensure that all necessary disclosures are lodged at the ASX on behalf of the Company.

The Company Secretary will maintain a register for all trades and holdings in Macmahon's securities by members of KMP. The Company Secretary monitors and ensures compliance with this policy.

Prohibited transactions

All members of KMP and employees are prohibited from entering into transactions or arrangements that limit the economic risk of participating in unvested entitlements under any equity-based remuneration scheme. Any hedging of unvested equity will result in immediate forfeiture.

Margin loans

If a member of KMP enters into a margin lending arrangement involving Company shares or otherwise encumbers Company shares ("Security Arrangement"), then the member of KMP must provide details of the Security Arrangement to the Chairman, or the Company Secretary immediately. Where a member of KMP has entered into a Security Arrangement for a material number of shares, the Company may be required or may otherwise decide to notify the ASX of these arrangements.

General

In this policy:

"Key Management Personnel" or "KMP" means:

1. those persons having authority and responsibility for planning, directing and controlling the activities of Macmahon, directly or indirectly, including any director (whether executive or otherwise) of Macmahon; and
2. includes any closely related party of a person referred to in paragraph 1; and
3. includes any employee who in the performance of his or her duties may become aware of price sensitive information in respect of Macmahon or who the Macmahon Board deems to be a member of KMP for the purposes of this policy from time to time.