

For personal use only

MACA LIMITED
ACN 144 745 782
NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 2:00pm (WST)
DATE: 18 November 2021
PLACE: Hyatt Regency
Plaza Ballroom
99 Adelaide Terrace
EAST PERTH WA 6004

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00pm (WST) on 16 November 2021.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2021 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2021."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

A voting prohibition statement applies to this Resolution. Please see below.

3. RESOLUTION 2 – ELECTION OF DIRECTOR – NICHOLAS MARINELLI

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of clause 14.4 of the Constitution, Listing Rule 14.4 and for all other purposes, Nicholas Marinelli, a Director who was appointed as an additional Director on 3 May 2021, retires, and being eligible, is elected as a Director."

4. RESOLUTION 3 – ELECTION OF DIRECTOR – DAVID FLANAGAN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of clause 14.4 of the Constitution, Listing Rule 14.4 and for all other purposes, David Flanagan, a Director who was appointed as an additional Director on 30 September 2021, retires, and being eligible, is elected as a Director."

5. RESOLUTION 4 – RE-ELECTION OF DIRECTOR – ROBERT RYAN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of clause 14.2 of the Constitution and for all other purposes, Robert Ryan, a Director, retires by rotation, and being eligible, is re-elected as a Director."

6. RESOLUTION 5 – INCREASE IN TOTAL AGGREGATE REMUNERATION FOR NON-EXECUTIVE DIRECTORS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of clause 14.8 of the Constitution, Listing Rule 10.17 and for all other purposes, Shareholders approve an increase of the total aggregate amount of fees payable to non-executive Directors from \$600,000 per annum to \$800,000 per annum in accordance with the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement and voting prohibition statement apply to this Resolution. Please see below.

7. RESOLUTION 6 – ISSUE OF PERFORMANCE RIGHTS – MR MICHAEL SUTTON

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 821,512 Performance Rights to Mr Michael Sutton (and/or his nominee) pursuant to the MACA Performance Rights Plan on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement and voting prohibition statement apply to this Resolution. Please see below.

Dated: 15 October 2021

By order of the Board



**Nick Ward
Company Secretary
MACA Limited**

Voting Prohibition Statements

Resolution 1 – Adoption of Remuneration Report	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:</p> <ul style="list-style-type: none"> (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or (b) a Closely Related Party of such a member. <p>However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none"> (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or (b) the voter is the Chair and the appointment of the Chair as proxy: <ul style="list-style-type: none"> (i) does not specify the way the proxy is to vote on this Resolution; and (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
Resolution 5 – Increase in Total Aggregate Remuneration for Non-Executive Directors	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution. <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
Resolution 6 – Issue of Performance Rights – Mr Michael Sutton	

Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the following persons:

Resolution 5 – Increase in Total Aggregate Remuneration for Non-Executive Directors	A Director or an associate of that person or those persons.
Resolution 6 - Issue of Performance Rights – Mr Michael Sutton	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Mr Sutton under Resolution 6) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
- (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware 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.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

You may still attend the meeting and vote in person even if you have appointed a proxy. If you have previously submitted a Proxy Form, your attendance not revoke your proxy appointment unless you actually vote at the meeting for which the proxy is proposed to be used, in which case, the proxy's appointment is deemed to be revoked with respect to voting on that resolution.

Please bring your personalised Proxy Form with you as it will help you to register your attendance at the meeting. If you do not bring your Proxy Form with you, you can still attend the meeting but representatives from Computershare Investor Services Pty Ltd will need to verify your identity. You can register from 1:30pm (WST) on the day of the meeting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6242 2600.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2021 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.maca.net.au.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

3. RESOLUTIONS 2 AND 3 – ELECTION OF DIRECTORS – NICHOLAS MARINELLI AND DAVID FLANAGAN

3.1 General

The Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to the Constitution and Listing Rule 14.4, any Director so appointed holds office only until the next annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

3.2 Resolution 2 – Election of Nicholas Marinelli

Nicholas Marinelli, having been appointed by other Directors on 3 May 2021 in accordance with the Constitution, will retire in accordance with the Constitution and Listing Rule 14.4 and being eligible, seeks election from Shareholders.

(a) Qualifications and other material directorships

Mr Marinelli has over 35 years' industry experience in the Construction, Infrastructure Services and Utilities sectors. He was the CEO of Fulton Hogan Australia between 2017 and 2019, during which he grew the business into new sectors and geographies, in addition to managing commercial acquisition activities, new venture start-ups, marketing, business development and technology. Prior to joining Fulton Hogan in 2009, Mr Marinelli held senior positions with Rinker Australia, Cemex Australia, Pioneer Construction Materials and Pioneer International, both locally in Australia and overseas. Mr Marinelli is currently a non-executive director of the Australia Road Research Board.

(b) Independence

Nicholas Marinelli has no interests, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company as a whole rather than in the interests of an individual security holder or other party.

If elected the Board considers Nicholas Marinelli will be an independent Director.

3.3 Resolution 3 – Election of David Flanagan

David Flanagan, having been appointed by other Directors on 30 September 2021 in accordance with the Constitution, will retire in accordance with the Constitution and Listing Rule 14.4 and being eligible, seeks election from Shareholders.

(a) **Qualifications and other material directorships**

David Flanagan AM CitWA, is a geologist with more than 25 years' experience in the mining and mineral exploration industry in Australia, Indonesia and Africa. David has a BSc in Mining & Minerals Exploration Geology, undertaken at Curtin University, WA School of Mines in Western Australia. He is a Fellow of the Australian Institute of Company Directors and Member of the Australian Institute of Mining and Metallurgy. David was the founding Managing Director of Atlas Iron Limited. During his tenure at Atlas Iron he oversaw its growth from a junior explorer to an ASX Top 50 company, and the operator of three iron ore mines producing at a rate of 12Mtpa.

David is currently Executive Chairman of Battery Minerals Limited and Chair of Australian Remote Operations for Space and Earth. He is also an Ambassador for the Western Australian Parks Foundation and Patron of Many Rivers Opportunities, Kalparrin and The Fathering Project

(b) **Independence**

David Flanagan has no interests, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his/her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company as a whole rather than in the interests of an individual security holder or other party.

If elected the Board considers David Flanagan will be an independent Director.

3.4 Other material information

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. The Company undertook such checks prior to the appointment of Nicholas Marinelli and David Flanagan.

Nicholas Marinelli and David Flanagan have each confirmed that they considers they will have sufficient time to fulfil their responsibilities as a Non-Executive Director of the Company and do not consider that any other commitment will interfere with their availability to perform their duties as a Non-Executive Directors of the Company.

3.5 Board recommendation

The Board has reviewed the performance of Nicholas Marinelli and David Flanagan since their respective appointments to the Board and considers that their skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the election of Nicholas Marinelli and David Flanagan and recommends that Shareholders vote in favour of Resolutions 2 and 3.

4. RESOLUTION 4 – RE-ELECTION OF DIRECTOR – ROBERT RYAN

4.1 General

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Robert Ryan, who has served as a Director since 18 August 2015 and was last re-elected on 15 November 2019, retires by rotation and seeks re-election.

4.2 Qualifications and other material directorships

Mr Ryan brings over 40 years' experience in civil engineering and construction to the Board. For 10 years he worked at a senior level for a significant public company working in engineering services. Prior to that Mr Ryan ran the Western Australian civil division of that business for 4 years contributing at a strategic level to the senior management group whilst the civil business established itself throughout Australia. During that time the business experienced significant growth. Mr Ryan later accepted a strategic role aligned to business growth and improvement, working on specific tasks both in Australia and overseas, reporting directly to the CEO of the infrastructure division. Mr Ryan was also a partner in a successful civil earthmoving business for 12 years.

4.3 Independence

If re-elected the Board considers Robert Ryan will be an independent Director.

4.4 Board recommendation

The Board has reviewed Robert Ryan's performance since his appointment to the Board and considers that Robert Ryan's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the re-election of Robert Ryan and recommends that Shareholders vote in favour of Resolution 4.

5. RESOLUTION 5 – INCREASE IN TOTAL AGGREGATE REMUNERATION FOR NON-EXECUTIVE DIRECTORS

5.1 General

Listing Rule 10.17 provides that an entity must not increase the total aggregate amount of directors' fees payable to all of its non-executive directors without the approval of holders of its ordinary securities.

Directors' fees include all fees payable by the entity or any of its child entities to a non-executive director for acting as a director of the entity or any of its child entities (including attending and participating in any board committee meetings), superannuation contributions for the benefit of a non-executive director and any fees which a non-executive director agrees to sacrifice for other benefits. It does not include reimbursement of genuine out of pocket expenses, genuine "special exertion" fees paid in accordance with an entity's constitution, or securities issued to a non-executive director under Listing Rules 10.11 or 10.14 with the approval of the holders of its ordinary securities.

Clauses 14.7 and 14.8 of the Constitution also provide that total aggregate remuneration payable to the non-executive Directors will not exceed the sum initially set by the Constitution and subsequently increased by ordinary resolution of Shareholders in a general meeting.

The maximum aggregate amount of fees payable to the non-executive Directors is currently set at \$600,000.

Resolution 5 seeks Shareholder approval for the purposes of clause 14.8 of the Constitution and Listing Rule 10.17 to increase the total aggregate amount of fees payable to non-executive Directors to \$800,000.

The maximum aggregate amount of fees proposed to be paid to non-executive Directors per annum has been determined after reviewing similar companies listed on ASX and also by considering the Board's Non-Executive Director renewal and recruitment strategy, and the Directors believe that this level of remuneration is in line with corporate remuneration of similar companies.

5.2 Technical information required by Listing Rule 10.17

If Resolution 5 is passed, the maximum aggregate amount of fees payable to the non-executive Directors will increase by \$200,000 to \$800,000. Whilst it is not envisaged that the maximum amount sought will be utilised immediately, the increase to maximum aggregate amount of fees payable may enable the Company to:

- (a) fairly remunerate both existing and any new non-executive directors joining the Board;
- (b) remunerate its non-executive Directors appropriately for the expectations placed upon them both by the Company and the regulatory environment in which it operates; and
- (c) have the ability to attract and retain non-executive directors whose skills and qualifications are appropriate for a company of the size and nature of the Company.

If Resolution 5 is not passed, the maximum aggregate amount of fees payable to non-executive Directors will remain at \$600,000. This may inhibit the ability of the Company to remunerate, attract and retain appropriately skilled non-executive directors.

In the past three years, the Company has not issued any securities to non-executive Directors pursuant to Listing Rules 10.11 and 10.14.

5.3 Board Recommendation

Given the interest of the non-executive Directors in this Resolution, the Board makes no recommendation to Shareholders regarding this Resolution.

6. RESOLUTION 6 – ISSUE OF PERFORMANCE RIGHTS – MR MICHAEL SUTTON

6.1 General

The Company has agreed, subject to obtaining Shareholder approval, that Mr Sutton (and/or his nominees), the Managing Director of the Company, be issued 821,512 Performance Rights respectively pursuant to the MACA Performance Rights Plan (**Plan**).

Details of the performance criteria to be satisfied for these Performance Rights to convert to Shares are set out in Schedule 1 and additional terms and conditions of the Performance Rights are set out in Schedule 2.

The purpose of the issue of the Performance Rights to Mr Sutton (and/or his nominees) is to further align and reward Mr Sutton's performance in achieving specified performance milestones within a specified performance period.

6.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Performance Rights to Mr Sutton (or his nominee/s) constitutes giving a financial benefit and Mr Sutton is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Sutton, who abstained from considering this matter due to his material personal interest) consider that the issue of the Performance Rights to Mr Sutton (and/or his nominees) is reasonable remuneration which falls within the exception in section 211 of the Corporations Act, and accordingly, Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required.

6.3 Listing Rule 10.14

Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire equity securities under an employee incentive scheme without the approval of the holders of its ordinary securities:

- 10.14.1 a director of the entity;
- 10.14.2 an associate of a director of the entity; or
- 10.14.3 a person whose relationship with the entity or a person referred to in Listing Rules 10.14.1 to 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by security holders.

The issue of Performance Rights to Mr Sutton falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolution 6 seeks the required Shareholder approval for the issue of the Performance Rights under and for the purposes of Listing Rule 10.14.

6.4 Technical information required by Listing Rule 14.1A

If Resolution 6 is passed, the Company will be able to proceed with the issue of the Performance Rights to Mr Sutton under the Plan within three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Performance Rights (because approval is being obtained under Listing Rule 10.14), the issue of the Performance Rights will not use up any of the Company's 15% annual placement capacity.

If Resolution 6 is not passed, the Company will not be able to proceed with the issue of the Performance Rights to Mr Sutton under the Plan.

6.5 Technical information required by Listing Rule 10.15

The following information is provided to satisfy the requirements of ASX Listing Rule 10.15 (being the information required to be disclosed for the purposes of ASX Listing Rule 10.14):

- (a) the Performance Rights will be issued to Mr Sutton (and/or his nominee), who falls within the category set out in Listing Rule 10.14.1, by virtue of Mr Sutton being a Director;
- (b) the maximum number of Performance Rights to be issued to Mr Sutton (and/or his nominee) is 821,512;
- (c) the current total fixed remuneration package for Mr Sutton is \$706,500, comprising of directors' salary of \$681,500, a superannuation payment of \$25,000. In addition, Mr Sutton is entitled to receive short-term incentives representing up to 60% of his total fixed remuneration, payable by 50% in cash and the remaining 50% awarded in equity deferred for a twelve month period and long term incentives representing up to 50% of his total fixed remuneration, payable in Performance Rights. If the Performance Rights are issued, the total remuneration package of Mr Sutton will increase by \$353,250, being the value of the Performance Rights;
- (d) 821,512 Performance Rights have previously been issued to Mr Sutton for nil cash consideration under the Plan
- (e) a summary of the material terms and conditions of the Performance Rights is set out in Schedule 2;
- (f) the Performance Rights are unquoted performance rights. The Company has chosen to grant the Performance Rights to Mr Sutton for the following reasons:
 - (i) the Performance Rights are unlisted, therefore the grant of the Performance Rights has no immediate dilutionary impact on Shareholders;
 - (ii) the issue of Performance Rights to Mr Sutton will align his interests with those of Shareholders;
 - (iii) the issue of the Performance Rights is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Mr Sutton; and
 - (iv) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Performance Rights on the terms proposed;
- (g) the Company values the Performance Rights at \$353,250 (being \$0.43 per Performance Right) based on a third party valuation using a Monte-Carlo simulation model;
- (h) the Company intends to issue the Performance Rights to Mr Sutton (and/or his nominee) within 12 months of the date of this Meeting. However, in any case, the issue of the Performance Rights will occur no

later than 3 years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Performance Rights will be issued on one date;

- (i) the issue price of the Performance Rights will be nil, as such no funds will be raised from the issue of the Performance Rights;
- (j) a summary of the material terms and conditions of the Plan is set out in Schedule 3;
- (k) no loan is being made to Mr Sutton in connection with the acquisition of the Performance Rights;
- (l) details of any Performance Rights issued under the Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14; and
- (m) as at the date of this Notice, Mr Sutton is the only person covered by ASX Listing Rule 10.14 that the Board has declared to be eligible to be issued Performance Rights under the Plan (i.e. a Director, an associate of the Director, or a person whose relationship with the Company, Director or associate of the Director is, in ASX's opinion, such that approval should be obtained), however, in accordance with the definition of "Eligible Participant" in the Plan, it is possible that in the future, the Board may determine that any of the other Directors (being Geoff Baker, Robert Ryan, Nick Marinelli and David Flanagan, if elected) may become eligible to participate in the Plan. However, these additional persons who may be covered by Listing Rule 10.14 who become entitled to participate in an issue of Performance Rights under the Plan after Resolution 6 is approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

6.6 Directors' Recommendation

With Mr Michael Sutton abstaining on Resolution 6, the remaining Directors recommend that Shareholders vote in favour of Resolution 6.

GLOSSARY.

\$ means Australian dollars.

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means the current board of directors of the Company.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Maca Limited (ACN 144 745 782).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Listing Rules means the Listing Rules of ASX.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Performance Right means the right to subscribe to one Share in the capital of the Company upon the completion of the performance criteria set out in Schedule 1.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2021.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Shareholder means a registered holder of a fully paid ordinary share in the capital of the Company.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – PERFORMANCE CRITERIA OF THE PERFORMANCE RIGHTS

The Performance Criteria relates to the Company's TSR (defined below) (**TSR**) percentile ranking over the Performance Period relative to the TSR achieved by the companies S&P/ASX Small Ordinaries Accumulation Index (XSOAI) (**Comparator Group**) over the Performance Period (defined below). Specifically, if the Company's TSR over the Performance Period is:

- (a) below the 50th percentile of the TSR achieved by the Comparator Group, no Performance Rights will vest;
- (b) between the 50th and 75th percentile of the TSR achieved by the Comparator Group then between 50% and 100% of the Performance Rights will vest on a pro-rata basis; and
- (c) at or above the 75th percentile of the TSR achieved by the Comparator Group, 100% of the Performance Rights will vest.

TSR means, broadly, the increase in the share price plus dividends paid, excluding franking credits and taxation, over the Performance Period calculated as the Compound Annual Growth Rate.

Performance Period means the period beginning on 1 July 2021 and ending on 30 June 2024.

In the event that the Performance Criteria is not met within the Performance Period, the Performance Rights will not vest and as a result, no new Shares will be issued.

SCHEDULE 2 - TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

A summary of the terms and conditions of the Performance Rights to be issued pursuant to Resolution 6 are out below

- (a) **(Performance Criteria):** The Performance Rights will vest subject to the satisfaction of specified performance criteria (**Performance Criteria**) over a specified period of time (**Performance Period**) as set out in Schedule 1.
- (b) **(Notification to holder):** The Company shall notify the holder in writing when the Performance Criteria has been satisfied.
- (c) **(Conversion):** Following the vesting of a Performance Right, a Performance Right may be exercised, by the holder lodging with the Board a notice of exercise of that Performance Right. Subject to paragraph (j), each Performance Right will convert into one Share.
- (d) **(Share ranking):** All Shares issued upon the vesting of Performance Rights will upon issue rank pari passu in all respects with other Shares.
- (e) **(Application to ASX):** The Performance Rights will not be quoted on ASX. The Company must apply for the official quotation of a Share issued on conversion of a Performance Right on ASX within the time period required by the Listing Rules.
- (f) **(Transfer of Performance Rights):** The Performance Rights are not transferrable.
- (g) **(Expiry Date):** Each Performance Right shall otherwise expire on 30 September 2024 (**Expiry Date**). All unconverted Performance Rights of the relevant class will automatically lapse at that time.
- (h) **(Lapsing Otherwise):** If the holder's engagement with the Company (or one of its subsidiaries) is terminated for whatever reason, any unvested Performance Rights held by the holder will automatically lapse.
- (i) **(Participation in new issues):** There are no participation rights or entitlements inherent in the Performance Rights and a holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights without converting the Performance Rights.
- (j) **(Reorganisation of capital):** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules (if applicable) at the time of the reorganisation.
- (k) **(Dividend and Voting Rights):** The Performance Rights do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.
- (l) **(Deferral of conversion if resulting in a prohibited acquisition of Shares):** If the conversion of a Performance Right would result in any person being in contravention of section 606(1) of the Corporations Act (**General Prohibition**) then the conversion of that Performance Right shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Right would result in a contravention of the General Prohibition:
 - (i) the holder may give written notification to the Company if they consider that the conversion of a Performance Right may result in the

contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition; and

- (ii) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (l)(i) within seven days if the Company considers that the conversion of a Performance Right may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition.
- (m) **(No rights to return of capital):** A Performance Right does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (n) **(Rights on winding up):** A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.
- (o) **(No other rights):** A Performance Right gives the holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.
- (p) **(Plan):** The terms of the Performance Rights are supplemented by the terms of the Plan.

SCHEDULE 3 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS PLAN

The principal terms of the Plan are summarised below:

- (a) **Eligible Participant** means:
- (i) a Director (whether executive or non-executive) of any Group Company;
 - (ii) a full or part time employee of any Group Company;
 - (iii) a casual employee or contractor of a Group Company to the extent permitted by the Class Order; or
 - (iv) a prospective participant, being a person to whom the offer is made but who can only accept the offer if an arrangement has been entered into that will result in the person becoming an Eligible Participant under paragraphs(a), (b) or (c) above,
- who is declared by the Board to be eligible to receive grants of Performance Rights under the Plan.
- (b) **Offers:** The Board may, from time to time, in its absolute discretion, make an Offer to any Eligible Participant (including an Eligible Participant who has previously received an Offer) to apply for up to a specified number of **Performance Rights**, upon the terms set out in the Plan and such additional terms and conditions as the Board determines. In addition, an Eligible Participant may renounce the offer in favour of a nominee specified in the Plan.
- (c) **Performance Rights:** Each Performance Right, once vested, entitles the holder, to the issue or transfer of one Share.
- (d) **Vesting Conditions:** The Board will determine the vesting conditions (if any) that must be satisfied before a Performance Right vests, and the date by which a vesting condition must be satisfied.
- (e) **Vesting:** A Performance Right will vest where vesting conditions are satisfied or where, despite vesting conditions not being satisfied:
- (i) the Board (in its absolute discretion) resolves that unvested Performance Rights have vested as a result of:
 - (A) Special Circumstances arising in relation to a Relevant Person in respect of those Performance Rights; or
 - (B) a Change of Control occurring; or
 - (ii) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.
- (f) **Lapse of a Performance Right:** A Performance Right will lapse upon the earlier to occur of:
- (i) an unauthorised dealing in, or hedging of, the Performance Right;
 - (ii) a vesting condition in relation to the Performance Right is not satisfied by the end of the vesting period, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion;

- (iii) a Relevant Person ceases to be an Eligible Participant, unless the Board in its absolute discretion, resolves to allow the unvested Performance Rights to remain unvested after the Relevant Person ceases to be an Eligible Participant;
- (iv) the Board deems that a Performance Right lapses due to fraud, dishonesty or other improper behaviour of the Participant;
- (v) the Company undergoes a Change of Control or the Board passes a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company;
- (vi) the expiry date of the Performance Right; and
- (vii) seven (7) years after the date of grant of the Performance Right.
- (g) **Not transferrable:** Performance Rights are only transferrable with the prior written consent of the Board (which may be withheld in its absolute discretion) or by force of law upon death to the Participant's legal personal representative or upon bankruptcy to the Participant's trustee in bankruptcy.
- (h) **Shares:** Shares resulting from the vesting of the Performance Rights shall, subject to any Share Sale Restrictions (refer below) from the date of issue or transfer, rank on equal terms with all other Shares on issue or transfer as the context requires except as regards any rights attaching to such Shares by reference to a record date prior to the date of their issue or transfer.
- (i) **Quotation of Shares:** If Shares issued under the Plan are quoted on the ASX, the Company will, subject to the Listing Rules, apply to the ASX for those Shares to be quoted on ASX within 10 business days of the later of the date the Shares are issued and the date any restriction period applying to the disposal of Shares ends.
- (j) **Share Sale Restrictions:** The Board may, in its discretion, determine at any time up until Performance Rights vest, that a restriction period will apply to some or all of the Shares allocated under the Plan up to a maximum of seven (7) years from the grant date of the Performance Rights.
- (k) **Trustee:**
- (i) The Board may, in its absolute discretion, on or before the time of making an offer, determine that Performance Rights offered to an Eligible Participant may be held by a trustee on trust for the benefit of the eligible Participant.
- (ii) The Company and the trustee may implement any procedure, or enter into such arrangements, as they consider necessary to restrict a Participant from dealing with any Shares for as long as those Shares are subject to a restriction period, including establishing a trust or where Shares may be held by a trustee on trust for the benefit of the Participant if they are not already, and Participants are deemed to agree to such arrangements.
- (iii) The Company may authorise the trustee to acquire on-market any Shares required to be given to a Participant following the exercise of vested Performance Rights in accordance with the Plan and the offer (including any restriction conditions) and the trust deed.

- (iv) The Board may do all things necessary for the establishment, administration, operation and funding of a trust established pursuant to a trust deed.
- (l) **No Participation Rights:** There are no participating rights or entitlements inherent in the Performance Rights and participants will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights without the Participant being allocated Shares under the Plan.
- (m) **No Change:** A Performance Right does not confer the right to a change in the number of underlying Shares over which the Performance Right can be exercised.
- (n) **Reorganisation:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a Participant are to be changed in a manner consistent with the Applicable Law at the time of the reorganisation.
- (o) **Amendments:** Subject to express restrictions set out in the Plan and complying with Applicable Law, the Board may at any time by resolution amend or add to all or any of the provisions of the Plan, an offer or the terms or conditions of any Performance Right granted under the Plan and waive or amend the application of the Plan in relation to a Participant.
- (p) **Restrictions on amendments:** The Board must not make any amendment to the Plan which will have a material effect on the powers, rights or obligations of the trustee without first consulting with, and obtaining the written consent of, the trustee (which consent must not be unreasonably withheld or delayed). Without the consent of the Participant, no amendment may be made to the terms of any granted Performance Right which reduced the rights of the Participant in respect of that Performance Right, other than an amendment introduced primarily:
- (i) for the purpose of complying with or conforming to present or future State or Commonwealth legislation governing or regulating the maintenance or operation of the Plan or like plans;
 - (ii) to correct any manifest error or mistake; or
 - (iii) to enable a member of the Group to comply with the Applicable Law and any applicable foreign law; or
 - (iv) to take into consideration possible adverse tax implications in respect of the Plan arising from, amongst others, adverse rulings from the Commissioner of Taxation, changes to tax legislation (including an official announcement by the Commonwealth of Australia) and/or changes in the interpretation of tax legislation by a court of competent jurisdiction.
- (q) **Overriding restrictions on issue or transfer and exercise:** Notwithstanding the Rules or the terms of any Performance Right, no Performance Right may be offered, granted or exercised and no Share may be issued or transferred under the Plan if to do so:
- (i) would contravene the Applicable Law; or
 - (ii) would contravene the local laws or customs of an Eligible Participant's country of residence or in the opinion of the Board would require actions to comply with those local laws or customs which are impractical.

Performance Rights and Shares must not be issued, assigned, transferred, sold, purchased or otherwise dealt with (as applicable) under the Plan if to do so would contravene the Applicable Law.

Definitions: Capitalised terms used in the above summary are as defined in the Plan, including:

Applicable Law means any one or more or all, as the context requires, of:

- (a) the laws of Western Australia;
- (b) the Corporations Act;
- (c) the Listing Rules;
- (d) the Income Tax Assessment Act 1936 (Cth) or the Income Tax Assessment Act 1997 (Cth) or both, as the context requires;
- (e) any practice note, policy statement, class order, declaration, guideline, policy, procedure, ruling, judicial interpretation or other guidance note made to clarify, expand or amend (a), (b), (c) or (d) above;
- (f) the constitution of the Company; and
- (g) any other legal requirement that applies to the Plan

Change of Control means:

- (a) a bona fide takeover bid is declared unconditional and the bidder has acquired a relevant interest in at least 50.1% of the Company's issued Shares;
- (b) a court approves, under section 411(4)(b) of the Corporations Act, a proposed compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
- (c) in any other case, a person obtains voting power in the Company which the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that voting power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board.

Participant means an Eligible Participant to whom Performance Rights have been granted under the Plan a nominee of the Eligible Participant to whom Performance Rights have been granted under the Plan, or, an Eligible Participant or nominee in respect of whom a Performance Right has been granted to the trustee to be held on behalf of the Eligible Participant or nominee, as applicable, under the Plan.

Relevant Person means:

- (a) in respect of an Eligible Participant, that person; and
- (b) in respect of a nominee of an Eligible Participant, that Eligible Participant.

Special Circumstances means:

- (a) a Relevant Person ceasing to be an Eligible Participant due to:
 - (i) death or total or permanent disability of a Relevant Person; or

- For personal use only
- (ii) retirement or redundancy of a Relevant Person;
 - (b) a Relevant Person suffering severe financial hardship;
 - (c) any other circumstance stated to constitute "Special Circumstances" in the terms of the relevant offer made to and accepted by the Participant; or
 - (d) any other circumstances determined by the Board at any time (whether before or after the offer) and notified to the relevant Participant which circumstances may relate to the Participant, a class of Participant, including the Participant or particular circumstances or class of circumstances applying to the Participant.

Need assistance?



Phone:

1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:

www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **2:00pm (AWST) on Tuesday, 16 November 2021.**

Proxy Form

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.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 185902

SRN/HIN:

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



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

☐ **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

I/we being a member/s of MACA 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 MACA Limited to be held at Hyatt Regency, Plaza Ballroom, 99 Adelaide Terrace, East Perth, WA 6004 on Thursday, 18 November 2021 at 2:00pm (AWST) 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, 5 and 6 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 5 and 6 are 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 Resolutions 1, 5 and 6 by marking the appropriate box in step 2.

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	Election of Director – Nicholas Marinelli	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Election of Director – David Flanagan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Re-election of Director – Robert Ryan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Increase in Total Aggregate Remuneration for Non-executive Directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Issue of Performance Rights - Mr Michael Sutton	<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.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

