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Chairman's Address - 2016 AGM

As I reflect on the past 12 months, and particularly on the past week, I am reminded of the old Chinese curse " May you live in interesting times ".

There is little doubt that we are indeed living in interesting times. Global events such as the unexpected outcomes in the US election and Brexit, whilst not immediately and directly impacting MACA's business, do greatly influence market sentiment - and that manifests into share price volatility and thus returns to shareholders.

At the time of last year's AGM, MACA's share price was around 85 cents; 6 months ago it was around \$1. But in the past few months it has traded mainly in the range of \$1.60 to \$1.80, roughly double that of a year ago.

Neither MACA's business nor its nearer term outlook have fundamentally changed during the past few months; but investor sentiment towards the sector has improved on the back of stronger commodity prices and signs of a tentative industry recovery. Nevertheless, whilst global investor confidence remains fragile, in my view shareholders should expect continued volatility in MACA's share price.

Business conditions are challenging but I believe that MACA has performed pretty well during the current downturn in the cycle. Our unrelenting focus on our customers, combined with a solid operational and safety track record and strong balance sheet, has underpinned this performance. Moreover, I think that the Company's demonstrated resilience in difficult times has also provided some cushion against the extent of MACA's share price volatility.

As previously reported, we are expecting revenue to grow to in excess of \$470 million in financial year 2017. We remain on track to achieve this based on the trading results to date and our work in hand.

Despite the tough market conditions, there are growth opportunities within our existing divisions. We continue to actively pursue new mining services projects, both in Australia and overseas, which meet our targeted risk profile in terms of the country, commodity and counterparty involved, in addition to the normal project risk/return requirements. In so doing, we will continue to occasionally take modest equity positions in order to secure preferred mining contractor status where we consider this is appropriate.

In relation to our Civil operations, In April of this year we expanded our activities through the acquisition of a controlling interest in Services South East Pty Ltd, an eastern states based business which provides road asset and maintenance services, and have recently taken our shareholding to 100%. This business, which has since been rebranded as MACA Infrastructure, provides a platform from which to grow our service offering in infrastructure maintenance and improve the overall financial performance of our Civil activities. Recent contract wins, including being awarded an important road maintenance contract in the Kimberley as announced this morning, evidence the traction we are starting to gain on his strategy.

We will continue to seek out further acquisition opportunities which both complement and diversify MACA's existing businesses, and in 2017 we are looking to make another acquisition which will broaden our mining services footprint.

I would like to conclude by thanking our executive team and all our staff, as well as my fellow Board members, for their continuing efforts, and also thank our shareholders for your continued support.

