

3 June 2014

Company Announcements
Australian Securities Exchange Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000
AUSTRALIA

Dear Sir / Madam

RE: AMENDMENT TO DIVIDEND REINVESTMENT PLAN RULES

In accordance with ASX Listing Rule 3.10.8, Monadelphous Group Limited (ASX: MND) advises that the Board has approved changes to the rules of the Monadelphous Group Limited Dividend Reinvestment Plan (DRP) with immediate effect. The revised DRP rules are attached to this announcement.

The changes to the DRP rules are as a result of recent changes to the ASX Listing Rule timetables which now require the last election date for DRPs to be at least one business day after the record date.

Yours sincerely,



Zoran Bebic
CFO and Company Secretary



Monadelphous

Monadelphous Group Limited Dividend Reinvestment Plan

Information Booklet

This booklet contains important information. Please give it your immediate attention. Should you have any doubts about how to deal with it, please consult your legal or financial adviser. Specific taxation advice should be obtained if required and the Company takes no responsibility for the taxation liabilities of participants in the Dividend Reinvestment Plan.

Monadelphous Group Limited
ABN 28 008 988 547

Monadelphous Group Limited Dividend Reinvestment Plan

Outline of the Plan

The Monadelphous Group Limited Dividend Reinvestment Plan (**Plan**) allows Eligible Shareholders to apply for additional shares in Monadelphous Group Limited as an alternative to receiving dividends in cash.

Shareholders can participate in respect of all of their Shares, or some only of their Shares, and may withdraw from the Plan at any time by written notice.

The price of Shares allocated under the Plan will be based on the arithmetic average of the daily volume weighted average market price (rounded to the nearest cent) of all shares sold on market (through Normal Trade) during the relevant calculation period in respect of the Dividend, less a discount, if any, as determined by the Directors. The calculation period will be announced to the ASX (and, unless otherwise determined, will be the period of 10 trading days (inclusive) commencing on the second trading day after the Dividend record date).

No brokerage, commission, stamp duty or other transaction costs will be payable by shareholders in respect of Shares allocated under the Plan.

Plan Shares will rank equally with existing fully paid ordinary shares and ASX quotation will be sought for all new Shares issued under the Plan.

Members can elect to participate in the Plan by completing the Election Notice included with this booklet and returning it to the Share Registrar (Computershare Investor Services Pty Ltd) at the address below.

The full terms and conditions of the Plan are set out in the following Rules of the Plan.

Enquiries

Enquiries relating to the administration of the Plan should be addressed to:

Computershare Investor Services Pty Ltd
Level 2, 45 St Georges Terrace
Perth Western Australia 6000
Australian Shareholder Line 1300 364 961
Overseas Shareholder Line +61 3 9946 4415
Fax +61 8 9323 2033

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Rules

1 The Plan

1.1 Commencement

The Plan and these Rules will commence operation on the date determined by the Directors.

1.2 Participation

Only Eligible Shareholders may participate in the Plan. Participation in the Plan is optional and not transferable.

1.3 Election Notice

To apply to participate in the Plan, Eligible Shareholders must complete, sign and lodge an Election Notice with the Share Registry.

1.4 Joint Holders

All joint holders of Shares must sign a single Election Notice for it to be valid. If one or more of the joint holders of the Shares is not an Eligible Shareholder, none of the joint holders can apply to participate in the Plan with respect to the Shares jointly held.

1.5 Multiple shareholding accounts

If an Eligible Shareholder has more than one holding of Shares and wishes to participate in the Plan with respect to one or more such holdings, an Election Notice must be lodged with respect to each separate shareholding.

2 Degree of participation

2.1 Participation

An Eligible Shareholder who wishes to participate in the Plan must elect on the Election Notice the degree to which the shareholder wishes to participate in the Plan. Participation in the Plan may be:

- a) full participation - for all the Participant's shareholding from time to time; or
- b) partial participation - for a specific number of Shares nominated by the Participant. If at the record date for a Dividend, the number of Shares held by the Participant is fewer than the nominated

number, then the Plan will apply only to that lesser number for that Dividend.

2.2 Limited participation

Despite Rule 2.1, the Directors may at any time by written notice to Eligible Shareholders limit participation in the Plan by limiting the amount of Dividend which may be reinvested under the Plan.

2.3 Application taken to be for full participation

An Election Notice received by the Share Registry is taken to be:

- a) an application for full participation in the Plan if the Eligible Shareholder does not clearly indicate the degree of participation in the Plan.

3 Acceptance of applications

3.1 Director's discretion

The Directors may in their absolute discretion accept or refuse any Election Notice, without being bound to give any reason for doing so. If the Directors refuse to accept an Election Notice, the Company must notify the Eligible Shareholder as soon as practicable that the Election Notice has been rejected.

3.2 Effectiveness of Election Notice

Subject to Rule 3.1, an Eligible Shareholder's participation in the Plan will commence from the first Dividend payment after receipt of the Election Notice, provided it is received no later than the first trading day following the record date for that Dividend, and will continue until:

- a) superseded by a later Variation Notice;
- b) termination of the Participant's participation in the Plan; or
- c) the Plan is suspended or terminated.

3.3 Record of Plan participation

The Company will record for each shareholding account of each Participant particulars of:

- a) the name and address of the Participant; and
- b) the number of Plan Shares held by the Participant from time to time.

The Company's records will be conclusive evidence of the matters so recorded.

3.4 Significance of applying

By applying to participate in the Plan in accordance with Rule 1, an applicant:

- a) warrants to the Directors that it is an Eligible Shareholder;
- b) authorises the Directors (and their officers or agents) to correct any error in, or omission from, the applicant's Election Notice or any later Variation Notice;
- c) acknowledges that the Company may at any time irrevocably determine that the applicant's Election Notice is valid, in accordance with these Rules, even if the Election Notice is incomplete, contains errors or is otherwise defective;
- d) acknowledges that the Directors may reject any Election Notice;
- e) acknowledges the discount (if any) applicable under Rule 4.5 may be different from one Dividend to the next; and
- f) acknowledges that none of the Directors, the Company or the Share Registry has provided the applicant with investment advice or financial product advice and that none of the above has any obligation to provide such advice concerning its decision to apply to participate in the Plan.

4 Application of Dividends

4.1 Application

Dividends on Plan Shares will be applied by the Company on the Participant's behalf in acquiring Shares (whether by subscription or transfer). Any Dividends on Plan Shares which the Company is entitled to retain under its Constitution or otherwise will not be available for the acquisition of Shares.

Any portion of a Participant's Dividends on Plan Shares:

- a) which is deductible by the Company as withholding tax; or
- b) which the Company is entitled or required to withhold or deduct for any reason from the Dividend payable to that Participant,

will not be applied to the acquisition of Shares.

4.2 Issue new Shares or purchase existing Shares

- a) The Directors may, in their absolute discretion, determine with respect to the operation of the Plan for any Dividend and in respect of each Participant whether to:
 - i) issue new Shares; or
 - ii) cause the acquisition in the market and transfer to the Participant of existing Shares,or to apply a combination of both options, to satisfy the Company's obligations under this Plan.
- b) If the Directors determine to cause the acquisition in the market and transfer of Shares to Participants, the Shares may be acquired in such manner as the Directors consider appropriate including, without limitation, through a broker in the market.

4.3 Plan accounts

The Directors will establish and maintain a Plan account for each shareholding account of each Participant. At the time of each Dividend payment, the Directors will:

- a) determine the Dividend payable in respect of the Plan Shares which may be applied under the Plan (before any deduction referred to in (b) below);
- b) determine (where applicable) the amount to be withheld or deducted under Rule 4.1, and any other sum the Company is entitled to retain in respect of the Plan Shares;
- c) credit the amount in (a) above and debit any amount in (b) above to the Participant's Plan account;
- d) determine the maximum whole number of Shares which can be acquired under these Rules by dividing the amount in the Participant's Plan account by the Allocation Price and rounding to the nearest whole Share with 0.5 of a Share rounded down; and
- e) on behalf of and in the name of the Participant, allocate (by subscription or acquisition) the number of Shares determined under (d) above and debit the entire balance of the Participant's Plan Account in payment for those Shares (with no cash balance being carried forward in the Participant's Plan account).

4.4 Entitlement formula

The number of Shares allocated to each Participant will be the whole number equal to (or when not a whole number, be rounded to the nearest

whole Share with 0.5 of a Share rounded down) the number represented by “N” calculated in accordance with the following formula:

$$N = \frac{D - T}{A}$$

where:

D is the Dividend payable on the Participant’s Plan Shares as at the record date for that Dividend which may be applied under the Plan;

T is any withholding tax or other sum the Company is entitled to deduct or retain in relation to the Dividend or the Plan Shares; and

A is the Allocation Price.

Shares will not be issued or transferred under the Plan if the issue or transfer of such Shares would breach any provision of any applicable law.

4.5 No discount unless otherwise determined

No discount will apply for the purposes of calculating the Allocation Price unless the Directors determine otherwise. The Directors may, in their sole discretion, resolve from time to time to apply a discount for the purposes of calculating the Allocation Price.

Any discount determined by the Directors in respect of the Plan for a particular Dividend may differ from any discount determined by the Directors in respect of the Plan for any future Dividends.

The discount allocated for a particular Dividend may be:

- a) nil; or
- b) as determined by the Directors.

In either case, the discount will be announced on the Company’s website and to the ASX.

4.6 Statements

As soon as practicable after each allocation of Shares under the Plan, the Company will send to each Participant, for each shareholding account, a statement setting out:

- a) the number of the Participant’s Plan Shares on the record date for the relevant Dividend;
- b) the Dividend payable in respect of that Participant’s Plan Shares which has been applied towards allocating additional Shares;

- c) if applicable, the amount of any withholding tax or other amount under Rule 4.3(b) which has been deducted or retained from the Dividend payment on the Participant's Plan Shares;
- d) the number, price and issue or transfer date of additional Shares allocated to that Participant under the Plan;
- e) the number of Shares (including Plan Shares) in respect of which that Participant is the registered holder after the allocation; and
- f) any franking credit which is attached to the Dividend.

4.7 Equal ranking

All Shares issued under the Plan will from the date of issue rank equally in all respects with existing Shares.

4.8 Allotment and despatch of statements

Shares to be allocated under the Plan will be allocated by the Company within the time required by the ASX and shareholder statements for the Shares will be despatched as soon as practicable after allocation, if so required by the Constitution.

4.9 Quotation on ASX

The Company will make application promptly after any issue of Shares under the Plan for quotation of those Shares on ASX, if other Shares of the Company are quoted at that time.

5 Variation or termination of participation

5.1 Variation Notice

By lodging with the Share Registry a Variation Notice, a Participant may:

- a) increase or decrease the number of its Plan Shares; or
- b) terminate its participation in the Plan.

A Variation Notice must be lodged for each shareholding account. To be effective for a future Dividend, the Variation Notice must be received by the Share Registry no later than the first trading day following the record date for that Dividend.

5.2 Participation taken to be terminated

If a Participant disposes of all the Participant's Shares without giving the Share Registry a Variation Notice and is not registered as a holder of any Shares at the record date for payment of a Dividend, the Participant is

taken to have terminated participation on the last date when the Company registered a transfer of the Participant's Shares.

5.3 Part disposal and no notice

When a Participant disposes of part of the holding of Shares of that Participant, and does not notify the Share Registry, the Shares disposed of, to the extent possible, will be taken to be:

- a) firstly, Shares which are not Plan Shares; and
- b) secondly, Plan Shares.

5.4 Termination on death or bankruptcy

If a Participant dies, participation in the Plan terminates upon receipt by the Directors of written notice of the death. If a Participant is declared bankrupt or is wound-up, participation in the Plan terminates upon receipt by the Directors of a notification of bankruptcy or winding-up from the Participant or the Participant's trustee in bankruptcy or liquidator, as the case may be. The death, bankruptcy or winding up of one or more joint holders does not automatically terminate participation provided the remaining holder or all remaining joint holders are Eligible Shareholders.

6 Underwriting

The Directors may, in their absolute discretion, choose to partially or fully underwrite the Plan in respect of any Dividend with one or more underwriters. No person who is a related party or an associate of a related party (in each case, as defined for the purposes of the Listing Rules) is to act as underwriter or sub-underwriter of the Plan without shareholder approval.

7 Modification, suspension and termination of the Plan

7.1 Directors may act

The Plan may, at the absolute discretion of the Directors, be:

- a) modified (including by variation of the Rules);
- b) suspended;
- c) recommenced; or
- d) terminated,

by the Directors at any time and with effect from such date specified by the Directors.

7.2 Modification

If the Plan or Rules are modified, a Participant continues to participate under the Plan unless the Participant terminates its participation in the Plan by submitting a Variation Notice in accordance with Rule 5.1 or is taken to have terminated its participation under Rule 5.2 or Rule 5.4.

7.3 Suspension

If the Plan is suspended, Participants' elections as to participation in the Plan cease to be effective and all Shares are taken not to be Plan Shares for the purpose of any Dividend declared while the Plan is suspended. While the Plan is suspended, Dividends on Plan Shares will not be applied by the Directors on the Participant's behalf in subscribing for Shares.

7.4 Recommencement

If the Plan is recommenced following a suspension, the Directors may determine that the Participant's previously suspended Election Notice will be reinstated and be valid and effective in accordance with these Rules for the purposes of the recommenced Plan, unless determined otherwise by the Directors and notified to Participants in accordance with Rule 7.5.

7.5 Notice

The Company shall give notice of any termination, variation, suspension or recommencement of the Plan or the Rules as the Directors consider appropriate.

Notice may be provided in any manner (including, but not limited to, by public announcement, advertisements in any newspapers circulating generally in Australia, notice on the Company's website, announcement to ASX or mailed written notices) which the Directors consider appropriate to bring the termination, variation, suspension or recommencement to the notice of the Participants or Eligible Shareholders, as the case may be, having regard to the nature of the event for which notice is being given.

7.6 No liability

Any variation, suspension, recommencement or termination of the Plan will not give rise to any liability on the part of, or right of action against, the Company or its Directors, officers, employees, representatives or agents.

7.7 Omission or non-receipt of notice

The accidental omission to give notice of variation, suspension or termination to any Participant or the non-receipt of any notice by any Participant will not invalidate the variation, suspension or termination of the Plan.

8 Administration of the Plan

8.1 Administered by Directors

This Plan will be administered by the Directors who have the power to:

- a) determine procedures for administration of the Plan consistent with the Rules;
- b) settle in such manner as they think expedient any difficulties, anomalies or disputes which may arise in connection with, or by reason of, the operation of the Plan, whether generally or in relation to any Participant or any Shares and the determination of the Directors is to be conclusive and binding on all Participants and other persons to whom the determination relates; and
- c) delegate to any one or more persons, for such period and on such conditions as they may determine, the exercise of any of their powers or discretions arising under the Plan.

Notwithstanding anything else in these Rules, this Plan must be administered in accordance with the Listing Rules and the Constitution.

8.2 Participants to be bound

Participants are at all times bound by the Rules.

8.3 Costs to Participants

No brokerage, commission or other transaction costs will be payable by Participants in respect of Shares allocated under the Plan. However the Company does not assume liability for any taxes or other imposts assessed against or imposed on a Participant.

8.4 Governing law

These Rules will be governed by and construed in accordance with the laws of Western Australia.

8.5 Additional information

A copy of the Company's most recent annual report and financial statements is available to every Eligible Shareholder free of charge by:

- a) downloading the documents from the Company's website (www.monadelphous.com.au); or
- b) downloading the documents from the ASX website (www.asx.com.au) (the Company's ASX code is "MND"); or
- c) on request by contacting the Share Registry.

9 Interpretation

9.1 Definitions

The following words have these meanings in these Rules, unless the contrary intention appears:

Allocation Price means, in respect of any allocation of Shares under the Plan (by issue or transfer), the arithmetic average of the daily volume weighted average market price (rounded to the nearest cent) of all Shares sold through a Normal Trade on:

- a) the ASX automated trading system; and
- b) any additional trading platform considered appropriate by the Directors (such as, without limitation, Chi-X),

during the calculation period (determined by the Directors and announced to the ASX) less a discount, if any, as determined by the Directors under Rule 4.5. Unless otherwise determined, the calculation period will be the period of 10 trading days (inclusive) commencing on the second trading day after the record date in respect of the relevant Dividend.

The arithmetic average of the daily volume weighted average market price referred to above will be calculated by the Directors or another suitable person nominated by the Directors, by reference to information the Directors approve for the purpose from time to time. If, in the sole discretion of the Directors, the arithmetic average of the daily volume weighted average market price of Shares as calculated above is not considered to represent the then fair market value of Shares, the Directors may determine the Allocation Price in their absolute discretion. The determination by the Directors of the Allocation Price will be binding on all Participants.

ASX means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange as the context requires.

Board means the board of Directors of the Company from time to time.

Company means Monadelphous Group Limited ABN 28 008 988 547.

Constitution means the constitution of the Company as amended from time to time.

Directors means the directors of the Company acting as a board or any duly appointed committee of the Board.

Dividend means a cash dividend or cash component of a dividend paid by the Company.

Election Notice means the application to participate in the Plan in respect of a particular shareholding account in the form that the Directors from time to time approve (including a form which can be used as both an Election Notice and a Variation Notice).

Eligible Shareholder means a person registered as the holder of Shares other than:

- a) a person with a registered address in any place where, in the reasonable opinion of the Directors, participation or the making of an offer or invitation to participate in the Plan is unlawful or would require compliance with conditions which the Directors in their sole discretion regard as unacceptable or unduly onerous; or
- b) a person whose participation in the Plan would otherwise, in the reasonable opinion of the Directors, be unlawful, impractical, impossible or would have an adverse effect on the regulatory approvals or licences which the Company holds or for which it intends to apply.

Listing Rules means the Listing Rules of ASX.

Normal Trade means all trades excluding any transaction defined or described in the ASX Operating Rules as “special”, any crossing prior to the commencement of the open session state (as defined in the ASX Operating Rules), any crossing during overnight trading (as permitted by the ASX Operating Rules), any overseas trades or the exercise of options over Shares and, where Shares are traded on a trading platform operated by a person other than the ASX, any transaction on that trading platform having a similar effect to the aforementioned transactions and any other trade determined by the Board in its sole discretion as not to be reflective of normal trading in Shares.

Participant means an Eligible Shareholder whose application to participate in the Plan in respect of a particular shareholding account has been accepted by the Directors.

Plan means the Monadelphous Group Limited Dividend Reinvestment Plan, the terms of which are set out in these Rules.

Plan Shares means the Shares in a particular shareholding account which are designated by a Participant as Shares that are to participate in this Plan

and in relation to which any Dividend is to be applied in subscribing for additional Shares.

Rules means the rules of the Plan as varied from time to time.

Shares means fully paid ordinary shares in the Company, and any other shares issued by the Company that the Directors decide are eligible for participation in the Plan.

Share Registry means the share registry that maintains the Share register of the Company from time to time.

Variation Notice means a notice in the form that the Directors from time to time approve (including a form which can be used as both an Election Notice and a Variation Notice) for a Participant to increase or decrease the number of the Participant's Plan Shares or terminating the Participant's participation in the Plan.

9.2 Reference to certain general terms

Unless the contrary intention appears, a reference in these Rules to:

- a) **(person)** the word "person" includes any company, partnership, joint venture, association, corporation; and
- b) **(singular includes plural)** the singular includes the plural and vice versa.

