

12 November 2019

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

Dear Sir / Madam

**RE: ISSUE OF OPTIONS**

Please find attached an Appendix 3B in respect of an issue of options under the Company's Employee Option Plan. The options are being issued under the Company's ASX listing rule 7.1 capacity and shareholder approval is not being sought (although the Company may seek ratification of the issue in the future). A further 300,000 options have been offered to the Company's Managing Director, but the issue of those options is subject to prior shareholder approval being obtained under ASX listing rule 10.11.

Yours sincerely,



Philip Trueman  
**Company Secretary**

**Further Information**

Analysts/Investors

Kristy Glasgow  
Investor Relations  
T +61 8 9316 6386  
M +61 403 781 909

[investor\\_relations@monadel.com.au](mailto:investor_relations@monadel.com.au)

Media

Ella McCarthy  
Group Manager - Marketing and Communications  
T +61 8 6311 1018  
M +61 401 404 874

[EMcCarthy@monadel.com.au](mailto:EMcCarthy@monadel.com.au)

**About Monadelphous**

*Monadelphous Group Limited (ASX: MND) is a leading Australian engineering group providing construction, maintenance and industrial services to the resources, energy and infrastructure sectors. The Company has two operating divisions – Engineering Construction, providing large-scale multidisciplinary project management and construction services, and Maintenance and Industrial Services, specialising in the planning, management and execution of mechanical and electrical maintenance services, shutdowns, fixed plant maintenance services and sustaining capital works.*

*Monadelphous is headquartered in Perth, Western Australia, with a major office in Brisbane, Queensland, and projects, facilities and workshops across Australia and in New Zealand, China, Mongolia, Papua New Guinea and the United States of America. Please visit [www.monadelphous.com.au](http://www.monadelphous.com.au) for more information.*

## Appendix 3B

### New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Monadelphous Group Limited

ABN

28 008 988 547

We (the entity) give ASX the following information.

#### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- | 1         | +Class of +securities issued or to be issued  | Unlisted options   |        |                |             |           |         |            |
|-----------|---|--|--------|----------------|-------------|-----------|---------|------------|
| 2         | Number of +securities issued or to be issued (if known) or maximum number which may be issued   | 2,450,000 options  |        |                |             |           |         |            |
| 3         | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <p>Options granted under the terms of the Monadelphous Group Limited Employee Option Plan and subject to the Monadelphous Group Limited Employee Option Plan Rules.</p> <table><thead><tr><th>Number</th><th>Exercise Price</th><th>Expiry Date</th></tr></thead><tbody><tr><td>2,450,000</td><td>\$14.84</td><td>14/09/2023</td></tr></tbody></table> <p>No money is payable upon the issue of options.</p> <p>Options can only be exercised during relevant window periods if the required</p> | Number | Exercise Price | Expiry Date | 2,450,000 | \$14.84 | 14/09/2023 |
| Number    | Exercise Price  | Expiry Date  |        |                |             |           |         |            |
| 2,450,000 | \$14.84   | 14/09/2023   |        |                |             |           |         |            |

+ See chapter 19 for defined terms.

earnings per share growth performance hurdle is achieved. Earnings per share growth of 10 per cent per annum (compounded over the measurement period) is required for 100 per cent of the options to be exercisable. If earnings per share growth of 5 per cent per annum (compounded) is achieved, 50% of the options will be exercisable and if earnings per share growth of between 5 per cent and 10 per cent per annum (compounded) is achieved, a pro-rata number of options will be exercisable. In subsequent window periods, performance will be re-tested and any options that were incapable of exercise in earlier window periods will become available for exercise to the extent that earnings per share performance has 'caught up' and the earnings per share growth hurdle is met over the longer measurement period. At the end of the final window period any options remaining that are not capable of exercise, as a result of the performance hurdle not being achieved, will be forfeited. No options will be exercisable if an earnings per share growth rate is achieved that is less than 5 per cent per annum (compounded).

Subject to satisfaction of the above performance hurdles, the options may be exercised in the following window periods:

- Up to a maximum of 25 per cent during the window period commencing 1 September 2021;
- Up to a maximum of 25 per cent, plus any options rolled over from the previous window period, during the window period commencing 1 September 2022; and
- Up to a maximum of 50 per cent, plus any options rolled over from the previous window period, during the window period commencing 1 September 2023.

Options may be exercised by payment in cash, by cashless exercise (in which case a smaller number of shares will be issued), or by on-market sale of the resultant shares.

The Board may determine that some or all of the Options are exercisable immediately if

---

+ See chapter 19 for defined terms.

there is a takeover bid (that is declared unconditional and the bidder has voting power of 50% or more); or a scheme of arrangement is approved by the requisite majorities of shareholders; or shareholders approve a person becoming the registered holder of 50% or more of total issued shares.

The Board has discretion to determine that Options should not lapse where employment ceases due to total and permanent disablement, ill health, death, economic necessity or retirement or other factors not attributable to conduct or performance.

Options may not be transferred.

On exercise, the Company may satisfy its obligation by issuing new shares or transferring (or allocating) existing shares that have been acquired by the Company's share trust. Unless otherwise determined, it is intended that all shares awarded under the Plan be held by the trustee of the share plan on behalf of participants.

**Appendix 3B**  
**New issue announcement**

---

<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>The options have no rights to vote or to participate in dividends until they are exercised and converted to fully paid ordinary shares, at which time the resulting shares (if newly issued) will rank equally with all ordinary shares on issue.</p>
<p>5 Issue price or consideration</p>	<p>Nil</p>
<p>6 Purpose of the issue          (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Options issued to eligible employees pursuant to the Monadelphous Group Limited Employee Option Plan.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>No</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>N/A</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>N/A</p>
<p>6d Number of +securities issued with security holder approval under rule 7.1A</p>	<p>N/A</p>

---

+ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A	
6f	Number of +securities issued under an exception in rule 7.2	N/A	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	N/A	
7	<p>+Issue dates</p> <p><small>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</small></p> <p><small>Cross reference: item 33 of Appendix 3B.</small></p>	12 November 2019	
8	Number and +class of all +securities quoted on ASX ( <i>including</i> the +securities in section 2 if applicable)	Number	+Class
		94,394,989	Ordinary

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	612,500 options expiring 14 September 2023 with a vesting date of 1 September 2021	Unlisted options
	612,500 options expiring 14 September 2023 with a vesting date of 1 September 2022	
	1,225,000 options expiring 14 September 2023 with a vesting date of 1 September 2023	
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	164,179 performance rights with a vesting date of 1 July 2020	Performance rights
	164,239 performance rights with a vesting date of 1 July 2021	
	82,078 performance rights with a vesting date of 1 July 2022	
	N/A	

**Part 2 - Pro rata issue**

11 Is security holder approval required?	N/A
12 Is the issue renounceable or non-renounceable?	N/A
13 Ratio in which the +securities will be offered	N/A
14 +Class of +securities to which the offer relates	N/A

+ See chapter 19 for defined terms.

15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has security holders who will not be sent new offer documents  <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	N/A
19	Closing date for receipt of acceptances or renunciations	N/A

---

+ See chapter 19 for defined terms.



**Appendix 3B**  
**New issue announcement**

---

20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A

---

+ See chapter 19 for defined terms.

- 32 How do security holders dispose of their entitlements (except by sale through a broker)? N/A
- 33 <sup>+</sup>Issue date N/A

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

- 34 Type of <sup>+</sup>securities  
(*tick one*)
- (a)  <sup>+</sup>Securities described in Part 1
- (b)  All other <sup>+</sup>securities  
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

#### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

- 35  If the <sup>+</sup>securities are <sup>+</sup>equity securities, the names of the 20 largest holders of the additional <sup>+</sup>securities, and the number and percentage of additional <sup>+</sup>securities held by those holders
- 36  If the <sup>+</sup>securities are <sup>+</sup>equity securities, a distribution schedule of the additional <sup>+</sup>securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over
- 37  A copy of any trust deed for the additional <sup>+</sup>securities

---

<sup>+</sup> See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

---

**Entities that have ticked box 34(b)**

38 Number of +securities for which +quotation is sought 

--

39 +Class of +securities for which quotation is sought 

--

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

--

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

--


	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)		

---

+ See chapter 19 for defined terms.

**Quotation agreement**

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
  - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
  - There is no reason why those +securities should not be granted +quotation.
  - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.  
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
  - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
  - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:   
Company secretary

Date: 12 November 2019

Print name: Philip Trueman

== == == == ==

---

+ See chapter 19 for defined terms.