



**UGL Limited
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To: ASX Market Announcements
From: Lyn Nikolopoulos
Pages: 9 (incl. this page)
Date: 15 November 2016
Subject: **Appendix 3B**

Please find attached an Appendix 3B for the grant of rights under UGL's Deferred STI plan for FY2016.

UGL has been granted a waiver from listing rule 7.9 which, subject to satisfaction of a number of conditions, permits UGL to grant these rights. Further details on the waiver and the conditions are set out in section 9.6 of the Target's Statement dated 7 November 2016. Any shares allocated on vesting of the rights within the period of 3 months after UGL was notified of CIMIC Group Investments No.2 Pty Limited's (**CIMIC**) offer will be satisfied solely by the transfer of existing shares previously acquired on market from the UGL employee share plan trust to the relevant employees. The remaining conditions applying to the waiver have been satisfied, having regard to CIMIC's Fourth Supplementary Bidders' Statement that the offer for shares in UGL Limited is free of the 'prescribed occurrences' condition contained in section 9.8 of the Bidder's Statement.

The proposed treatment of these rights is set out section 9.5(c) of the Target's Statement. In summary, the rights will vest in full, on and with effect from the date CIMIC achieves a shareholding of 50% or more, or a change of control occurs as defined in section 50AA of the Corporations Act.

Your sincerely

Lyn Nikolopoulos
Company Secretary

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

UGL Limited

ABN

85 009 180 287

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 | Rights (unquoted) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 279, 264 |
| 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>The rights are granted under UGL's FY16 Deferred STI Plan.</p> <p>Ordinarily the rights vest on 1 September 2018. Please refer to sections 9.5 and 9.6 of UGL's Target's Statement dated 7 November 2016, which outlines the effect of the takeover offer by CIMIC on the rights.</p> <p>At vesting, the rights will convert to ordinary shares on a one for one basis.</p> |

4	<p>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"> • 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 	<p>No, the rights do not rank equally with the existing class of quoted securities.</p> <p>The rights do not have any voting rights or rights to receive dividends.</p> <p>If the rights vest and are converted to ordinary shares, those ordinary shares will rank equally with existing fully paid ordinary shares (including the right to vote and receive dividends).</p>
5	Issue price or consideration	In satisfaction of FY16 deferred short term incentive entitlements.
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The rights are granted under UGL's Deferred STI Plan in relation to FY2016.
6a	<p>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>	Not applicable
6b	The date the security holder resolution under rule 7.1A was passed	Not applicable
6c	Number of +securities issued without security holder approval under rule 7.1	Not applicable
6d	Number of +securities issued with security holder approval under rule 7.1A	Not applicable

+ 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)	Not applicable
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6f	Number of +securities issued under an exception in rule 7.2	Not applicable
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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.	Not applicable
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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	Not applicable
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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	Not applicable
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7	+Issue dates 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. Cross reference: item 33 of Appendix 3B.	15 November 2016
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8	Number and +class of all +securities quoted on ASX (<i>including</i> the +securities in section 2 if applicable)	Number	+Class
		166,511,240	Fully paid ordinary shares

9 Number and +class of all +securities not quoted on ASX (*including* the +securities in section 2 if applicable)

Number	Exercise Price (A\$)	Expiry date /vesting date	Class
279,264	NIL	01/09/2018	Rights
389,155	NIL	01/09/2017	Rights
2,992,378	NIL	01/09/2017	Performance Rights
3,236,752	NIL	01/09/2018	Performance Rights

- 10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) The rights do not have rights to receive dividends.

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

- 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 N/A

Note: Security holders must be told how their entitlements are to be dealt with.

Cross reference: rule 7.7.

+ See chapter 19 for defined terms.

19	Closing date for receipt of acceptances or renunciations	N/A
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

32 How do security holders dispose of their entitlements (except by sale through a broker)? N/A

33 ⁺Issue date N/A

Part 3 - Quotation of securities – Not applicable

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

34 Type of ⁺securities
(tick one)

(a) ☐ ⁺Securities described in Part 1

(b) ☐ All other ⁺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 ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders

36 ☐ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺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 ⁺securities

Entities that have ticked box 34(b) – Not applicable

38 Number of ⁺securities for which ⁺quotation is sought

⁺ See chapter 19 for defined terms.

39 +Class of +securities for which quotation is sought

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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

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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)

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

Number	+Class

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: [signed]..... Date: 15 November 2016
(Company secretary)

Print name: Lyn Nikolopoulos

+ See chapter 19 for defined terms.