

Notice of Annual General Meeting

Monadelphous Group Limited
2020 Annual General Meeting

The University Club
University of Western Australia (UWA), Crawley, and online
Tuesday, 24 November 2020 at 10:00am (AWST)

Map



The University Club, University of Western Australia, Theatre Auditorium
Hackett Drive, Entrance 1, Carpark 3

Monadelphous Group Limited

ACN 008 988 547

("Company")

Notice of Annual General Meeting

The Monadelphous Group Limited 2020 Annual General Meeting (AGM) will be held at The University Club, University of Western Australia (UWA), Crawley, in the theatre auditorium, and online via the Lumi software platform on Tuesday, 24 November 2020, commencing at 10:00am (AWST).

COVID-19 INFORMATION

In light of the global COVID-19 pandemic, the Company has taken steps to ensure that all Shareholders can participate in the Meeting while maintaining their health and safety and abiding by social distancing requirements. The Board has therefore determined that it will hold a physical Meeting (with the appropriate social gathering and physical distancing measures in place to comply with Federal and State Government restrictions for physical gatherings) and simultaneously allow virtual access to the Meeting (via the Lumi platform) to enable Shareholders to attend online. The Company will update shareholders if circumstances relating to COVID-19 will impact the arrangements for the Meeting by way of announcement on ASX and the details will also be made available on the Company's website at www.monadelphous.com.au.

Shareholders do not need to attend the Meeting physically in order to cast their votes or to participate in the Meeting. Accordingly, the Company encourages all Shareholders who do not wish to attend the Meeting in person, but who wish to vote, do so by:

1. participating in the virtual meeting and casting a vote online; or
2. appointing the Chair of the Meeting as their proxy (and where desired, directing the Chair how to vote on a resolution) by completing and returning their proxy form.

Further details are set out below.

Please refer to the attached map for directions to The University Club, University of Western Australia, Crawley.

Instructions on how to access the Lumi software platform are set out on page 4 of this Notice of Meeting, and in the Lumi Online Meeting Guide which is attached at Appendix B.

Agenda

Ordinary Business

1. Chair's Address

The Chair will address the Meeting.

2. Managing Director's Address

The Managing Director will address the Meeting.

3. Financial Report, Directors' Report and Auditor's Report

To receive and consider the Financial Report for the year ended 30 June 2020, together with the Directors' Report and Auditor's Report for that period.

4. Resolutions

Resolution 1: Re-election of Director – Mr Peter Dempsey

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

That Mr Peter Dempsey, who retires by rotation in accordance with clause 11.3 of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a Director.

Resolution 2: Re-election of Director – Ms Helen Gillies

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

That Ms Helen Gillies, who retires by rotation in accordance with clause 11.3 of the Company's Constitution and, being eligible, offers herself for re-election, be re-elected as a Director.

Resolution 3: Grant of Options to Managing Director

In October 2019 (and as mentioned in the Company's ASX announcement dated 12 November 2019), it was proposed that Mr Velletri (or his nominee) be issued with 300,000 Options under the Option Plan subject to shareholder approval. The timing of the proposed grant of Options in October 2019 did not allow for a resolution to be tabled at the 2019 Annual General Meeting. Approval is therefore being sought at the 2020 Annual General Meeting.

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

That for the purposes of ASX Listing Rule 10.14 and for all other purposes, the Company be authorised to grant 300,000 Options to the Company's Managing Director, Mr Robert Velletri, or his nominee, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting.

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of any Director who is eligible to participate in the Option Plan or any associate (as defined in the ASX Listing Rules) of such Director.

However, the Company need not disregard a vote cast in favour of Resolution 3 by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair of the Meeting 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.

Resolution 4: Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

That the Remuneration Report for the year ended 30 June 2020 be adopted.

Note: Pursuant to the Corporations Act, this Resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion

To the extent required by section 250R of the Corporations Act, a vote on Resolution 4 must not be cast (in any capacity) by or on behalf of a member of the Company's Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or a closely related party of such a member. However, a person (the "voter") may cast a vote as a proxy where the vote is not cast on behalf of such a member or a closely related party of such a member and the voter is either:

- (a) appointed as a proxy by writing that specifies how the proxy is to vote on Resolution 4; or
- (b) the Chair of the meeting and the appointment of the Chair as proxy does not specify how the proxy is to vote on Resolution 4 and expressly authorises the Chair to exercise the proxy even though Resolution 4 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

General Business

5. Other Business

Shareholders will be provided with an opportunity to transact any other business which may be properly brought before the Meeting.

Voting Eligibility

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 10.00am (AWST) on Sunday, 22 November 2020.

How to Vote

Attending and Voting in Person (or by Attorney)

Shareholders, or their attorneys, who plan to attend the Meeting in person are asked to arrive at the venue 30 minutes prior to the time designated for the Meeting, if possible, so that the Company can manage admission to the physical Meeting (in accordance with the health and safety and social distancing requirements at the time of the Meeting), and so their holding may be checked against the Company's share register and their attendance recorded. Attorneys must also provide a certified copy of the Power of Attorney, or the original Power of Attorney to the Company in the same manner, and by the same time, as outlined for proxy forms below.

Attending and Voting Online

Shareholders, their attorneys or proxies, who wish to participate online may do so:

- from their computer, by entering the URL in their browser: <https://web.lumiagm.com>; or
- from their mobile device by either entering the URL in their browser.

If you choose to participate in the Meeting online, registration will open at 9:00am (AWST) on 24 November 2020. You can log in to the Meeting by entering the following details as and when prompted:

- the Meeting ID, which is 330-342-105;
- your username, which is your SRN/HIN (which is printed on your personalised proxy form);
- your password, which is the postcode registered to your holding if you are an Australian securityholder.

Overseas securityholders and proxy holders should refer to the Lumi Online Meeting Guide attached to this Notice at Appendix B for their password details.

Voting on all Resolutions at the Meeting will be taken on a poll. Attending the meeting online enables Shareholders to view the Meeting live and also to ask text-based questions and cast votes in the real time poll, at the appropriate time. Please note that if you join the Meeting online as a Shareholder, any proxy vote previously lodged will be withdrawn only upon time of voting. Consequently, for your vote to count you will need to use the voting button in the Lumi software at the time the Chair calls a poll.

More information regarding virtual attendance at the Meeting (including how to vote, comment and ask questions virtually during the Meeting) is set out in the Lumi Online Meeting Guide attached to this Notice at Appendix B.

Appointment of a Proxy:

A Shareholder can vote by:

- appointing a proxy to attend and vote on their behalf using the proxy form accompanying this Notice of Annual General Meeting; or
- submitting their proxy appointment and voting instructions online at www.investorvote.com.au and following the instructions provided, by post using the pre-addressed envelope provided, or by facsimile to 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia).

To be effective, a proxy form and the power of attorney (if any) under which the proxy form is signed (or a certified copy of the power of attorney) must be received by the Company at least 48 hours before the commencement of the Meeting (that is, by 10:00am (AWST) on Sunday, 22 November 2020).

Voting Prohibition by Proxies

To the extent required by section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 3 or Resolution 4 if the person is either a member of the Company's Key Management Personnel or a closely related party of such a member and the appointment does not specify the way the proxy is to vote on the relevant Resolution. However, the proxy may vote if the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel.

If the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 3 or Resolution 4, by signing and returning the proxy form (including via an online voting facility) you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention, even though the Resolution is connected directly or indirectly with the remuneration of Key Management Personnel.

A proxy form has been provided to shareholders and forms part of this Notice of Annual General Meeting.

Technical Difficulties

Technical difficulties may arise during the course of the Annual General Meeting. The Chair has discretion as to whether and how the Meeting should proceed in the event a technical difficulty arises. In exercising his discretion, the Chair will have regard to the number of shareholders impacted and the extent to which participation in the business of the Meeting is affected. Should there be any technical difficulties, an immediate notification will be published on the Company's website.

By Order of the Board



Philip Trueman
Company Secretary
19 October 2020

Explanatory Memorandum

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Annual General Meeting of Monadelphous Group Limited (ACN 008 988 547) to be held in person at The University Club, University of Western Australia, Crawley, Western Australia, and online via the Lumi software platform, on Tuesday, 24 November 2020 at 10:00am (AWST).

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Annual General Meeting.

If you appoint the Chair as your proxy, or the Chair is appointed as your proxy by default, please note that the Chair of the Meeting intends to vote all undirected proxies held by him, and which are able to be voted, in favour of all Resolutions.

2. Glossary

The following terms and abbreviations used in this Explanatory Memorandum (and the Notice of Annual General Meeting to which it relates) have the following meanings:

"ASX"	ASX Limited trading as Australian Securities Exchange
"ASX Listing Rules"	The Official Listing Rules of the ASX, as amended from time to time
"Company"	Monadelphous Group Limited
"Company's Constitution"	The Constitution of the Company as last amended at the Company's Annual General Meeting held on 22 November 2011
"Corporations Act"	Corporations Act 2001 (Cth) as amended from time to time
"Directors" or "Board"	The directors of the Company in office at the date of this Notice of Annual General Meeting
"Key Management Personnel"	Has the same meaning as in the accounting standards and broadly includes those persons with the authority and responsibility for planning, directing and controlling the activities of the Company (whether directly or indirectly), and includes any Director (executive and non-executive)
"Meeting"	The 2020 Annual General Meeting of the Company to be held on 24 November 2020
"Notice"	This notice of Annual General Meeting, including this explanatory memorandum and the proxy form
"Option Plan"	The 2019 Monadelphous Group Limited Employee Option Plan
"Option"	An unlisted option, granted pursuant to the Option Plan, to acquire a Share
"Remuneration Report"	The remuneration report included in the Directors' Report of the Company's 2020 Annual Report for the year ended 30 June 2020
"Resolution"	A Resolution in the Notice of Annual General Meeting to which this Explanatory Memorandum relates
"Shares"	Fully paid ordinary shares in the capital of the Company
"Shareholder"	Person registered as the holder of Shares in the register of members of the Company

3. Financial Reporting

As required by section 317 of the Corporations Act, the Financial Report of the Company (including consolidated financial statements of the Company and its controlled entities), Directors' Report and Auditor's Report for the most recent financial year will be laid before the Meeting. Shareholders will be provided with an opportunity to ask questions about the reports or about the Company and the consolidated entity generally but there will be no formal resolution put to the Meeting. The Auditor will be available at the meeting to answer any questions in relation to the Auditor's Report or the conduct of the audit. Questions to the Auditor should ideally be submitted 48 hours prior to the Annual General Meeting using the Shareholder Questions form attached, or email your question(s) to agmquestion@monadel.com.au.

4. Shareholder Approvals Required

Resolution 1: Re-election of Director – Mr Peter Dempsey

Mr Peter Dempsey retires as a Director of the Company by rotation in accordance with clause 11.3 of the Company's Constitution, and, being eligible, offers himself for re-election.

Mr Dempsey was first appointed as a non-executive Director of the Company on 30 May 2003. He is a Civil Engineer, a Fellow of the Institution of Engineers Australia and a member of the Australian Institute of Company Directors. Mr Dempsey has 48 years of experience in the construction and engineering services industry throughout Australia, Papua New Guinea, Indonesia and Vietnam. Mr Dempsey was last re-elected as a Director of the Company at the 2017 Annual General Meeting and is a member of both the Company's Remuneration Committee and its Nomination Committee. Mr Dempsey previously served as Chair of the Company's Audit Committee for 17 years, until his resignation as Chair of the Audit Committee on 1 September 2020. Mr Dempsey continues as a member of the Company's Audit Committee.

Mr Dempsey is also a non-executive director of ASX listed Service Stream Limited (ASX:SSM) where he is a member of the Audit and Risk Committee, the Sustainability, Safety, Health and Environment Committee and Chair of the Remuneration and Nomination Committee.

Mr Dempsey has been a Director of the Company for 17 years. The Board considers that Mr Dempsey's independence has not been impaired during his tenure and he is therefore considered to be an independent Director.

The Board (other than Mr Dempsey) has determined (after reference to, amongst other things, the Company's Board skills matrix, the past performance of Mr Dempsey and the current and future needs of the Company) that Mr Dempsey:

- has demonstrated commitment and dedication to his role;
- has made and continues to make a significant and valuable contribution to the Board and the quality of its decision making; and
- contributes to the mix of skills and other attributes required of the Board to effectively execute the Company's strategy.

The Board (other than Mr Dempsey, who abstained) unanimously recommends that Shareholders vote in favour of Mr Dempsey's re-election.

Resolution 2: Re-election of Director – Ms Helen Gillies

Ms Helen Jane Gillies retires by rotation in accordance with clause 11.3 of the Company's Constitution and, being eligible, offers herself for re-election.

Ms Gillies was appointed to the Board on 5 September 2016. Ms Gillies holds a Master of Business Administration and a Master of Construction Law, as well as degrees in commerce and law, and is a Fellow of the Australian Institute of Company Directors. She has a strong background in risk, law, governance and finance, as well as extensive experience in mergers and acquisitions, and has 24 years of experience in the construction and engineering services industry. Ms Gillies was last re-elected as a Director of the Company at the 2018 Annual General Meeting and is a member of the Company's Audit, Remuneration and Nomination Committees, and was appointed as Chair of the Company's Audit Committee on 1 September 2020.

Ms Gillies is also currently a non-executive director of The Red Flag Group and Bankstown and Camden Airports and ASX and Hong Kong listed entity, Yancoal Australia Limited where she is also currently a member of the Audit and Risk Committee and Chair of the Nomination and Remuneration Committee. Ms Gillies has previously served as a director of Sinclair Knight Merz and the Australian Civil Aviation Authority.

Ms Gillies has been a Director of the Company for 3 years. The Board considers Ms Gillies to be an independent Director.

The Board (other than Ms Gillies) has determined (after reference to, amongst other things, the Company's Board skills matrix, the past performance of Ms Gillies and the current and future needs of the Company) that Ms Gillies:

- has demonstrated commitment and dedication to her role;
- has made and continues to make a significant and valuable contribution to the Board and the quality of its decision making; and
- contributes to the mix of skills and other attributes required of the Board to effectively execute the Company's strategy.

The Board (other than Ms Gillies, who abstained) unanimously recommends that Shareholders vote in favour of Ms Gillies' re-election.

Resolution 3: Grant of Options to Managing Director

In October 2019 (and as mentioned in the Company's ASX announcement dated 12 November 2019), it was proposed that Mr Velletri (or his nominee) be issued with 300,000 Options under the Option Plan subject to shareholder approval. The timing of the proposed grant of Options in October 2019 did not allow for a resolution to be tabled at the 2019 Annual General Meeting. Approval is therefore being sought at the 2020 Annual General Meeting.

The Company is proposing to grant and issue 300,000 Options to the Managing Director of the Company, Mr Robert Velletri (or his nominee), under the terms and conditions of the Option Plan (**Proposed Issue**).

Listing Rule 10.14 provides that a listed company must not permit a related party (such as a director) or certain other persons to acquire equity securities under an employee incentive scheme unless it obtains the approval of its shareholders. The Proposed Issue falls within Listing Rule 10.14 and therefore requires the approval of Shareholders.

Mr Robert Velletri has 41 years of experience in the construction and engineering services industry. He was appointed to the Board in August 1992 and commenced as Managing Director of the Company in May 2003.

The Board considers that the issue of Options to Mr Velletri (or his nominee) under the Option Plan is in the Company's interests as it further aligns the interests of Mr Velletri with the interests of Shareholders in order to maximise Shareholder value. Further, the issue of the Options provides cost effective remuneration to Mr Velletri in his role as Managing Director, is designed to recognise and reward Mr Velletri's contribution to the success of the Company, and (by being dependent on continuity of employment) is designed to promote long term retention and encourage long term share ownership.

The Board having considered the Proposed Issue (and, taking into account the circumstances of the Company, the circumstances of the Directors, and the remuneration practices of other similar entities) considers that the financial benefits provided to Mr Velletri by way of the Options (together with the other elements of his remuneration package) constitute reasonable remuneration. Accordingly, approval under Chapter 2E of the Corporations Act is not being sought.

If Resolution 3 is passed, the Company will be able to proceed with the Proposed Issue and grant 300,000 Options to Mr Velletri or his nominee. If Resolution 3 is not passed, the Company will not be able to proceed with the Proposed Issue.

The following information is provided in accordance with ASX Listing Rule 10.15 (which sets out the information that must be provided to Shareholders in order to obtain Shareholder approval under ASX Listing Rule 10.14):

- (a) The person for whom approval is being sought is Mr Robert Velletri, the Managing Director of the Company (or his nominee). It is proposed that 300,000 Options be issued to Mr Velletri (or his nominee).
- (b) Mr Velletri, being a director of the Company, falls within Listing Rule 10.14.1. His nominee (if applicable) would fall within Listing Rule 10.14.2 as an associate of Mr Velletri.
- (c) Mr Velletri's current total remuneration package is:
 - (i) \$1,002,300 in salary and fees;
 - (ii) \$19,346 in life and salary continuance insurance; and
 - (iii) \$21,003 in superannuation.

The above remuneration excludes the 30 per cent salary reduction for a six month period agreed to by Mr Velletri in March 2020 to support the cost reduction measures implemented by the Company in response to COVID-19.

- (d) Mr Velletri has not previously been issued Options under the Option Plan.
- (e) A summary of the material terms of the Option Plan (and the Options to be issued under the Option Plan) are set out below.
- (f) The Options are being used as an incentive, motivation and retention mechanism for Mr Velletri, to link remuneration to performance, and to provide cost effective remuneration for Mr Velletri. Options are used because they provide greater alignment with shareholders' interests by enabling Mr Velletri to acquire shares provided that performance hurdles are met over a period of time.
- (g) The indicative total value of the Options to be issued to Mr Velletri is \$636,000 based on an independent fair market valuation at the time the Options were offered to Mr Velletri using the Black-Scholes option pricing model.
- (h) It is proposed that Mr Velletri be issued the Options on or about 25 November 2020.

- (i) The Options will be issued to Mr Velletri for nil cash consideration (in line with the terms of the Option Plan), and as part of his remuneration package. Each Option has an exercise price of \$14.84 per Option.
- (j) No loan will be provided in relation to the acquisition of the Options.
- (k) Details of any Options issued under the Option 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.
- (l) Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Options under the Option Plan after the resolution is approved and who were not named in the Notice will not participate until approval is obtained under that rule. A voting exclusion statement in respect of Resolution 3 is set out in the Notice.

Summary of key terms of the Options and the Option Plan

The purpose of the Company's Option Plan is to retain and reward key employees in a manner aligned to the creation of shareholder wealth. The Board may offer Options under the Option Plan to "Eligible Employees" having regard to the seniority of the employee and the position the employee occupies in the Company (or its associated bodies corporate). No issue price is payable for Options issued under the Option Plan, however an offer of Options may set out vesting or performance conditions that apply to any exercise of Options.

Each Option the subject of the Proposed Issue will entitle the holder to subscribe for one fully paid ordinary share in the Company for an exercise price of \$14.84 per Option, calculated as the average closing price of Monadelphous shares on the ASX over the five (5) trading days prior to 14 October 2019.

In accordance with the terms of the offer and the rules of the Option Plan, the Options can only be exercised in specified window periods (or at the discretion of the Board in particular circumstances) and are subject to the financial performance of the Company during the Option vesting period (**Measurement Period**).

Earnings Per Share (**EPS**) growth is the means for measuring the performance of the Company over the measurement period. In order for 100 per cent of the Options to be exercisable EPS growth of 10 per cent per annum (compounded over the Measurement Period) is required. If EPS growth of 5 per cent per annum (compounded) is achieved, 50 per cent of the Options will be exercisable and if EPS 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 EPS performance has 'caught up' and the EPS 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 EPS growth rate is achieved that is less than 5 per cent per annum (compounded).

Subject to the satisfaction of the EPS performance hurdle, the Options may be exercised in the following window periods:

- Up to a maximum of 25% during the window period commencing 1 September 2021;
- Up to a maximum of 25%, 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%, plus any Options rolled over from the previous window period, during the window commencing 1 September 2023.

All Options not exercised will lapse on the expiry date for those Options (following the window period in September 2023), or upon cessation of employment or a determination by the Board in certain cases of breach.

Upon exercise, each Option will result in the issue or transfer to the Option holder of one fully paid ordinary share in the Company at the exercise price. Options may be exercised by payment in cash, by cashless exercise (in which case a smaller number of shares will be acquired), or by on-market sale of resultant shares. Unless otherwise determined, any Shares that result from an exercise of Options will be held within the Monadelphous Group Limited Employee Share Trust until validly withdrawn. The trustee is a third party provider of trustee services, CPU Share Plans Pty Limited. Once Options have been exercised and are being held by the trustee, the trustee will pass on dividends received to the underlying shareholder and the underlying shareholder can direct the trustee how to vote those shares.

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

As the Options will be issued for nil consideration, no funds will be raised from the issue of the Options. Any funds raised on exercise of the Options will be used for working capital purposes.

Upon receipt of an offer, an employee may, by notice in writing to the Board, nominate a nominee (within certain categories) in whose favour the employee wishes to renounce the offer. The Board may, in its discretion, resolve not to allow a renunciation of an offer in favour of a nominee without giving any reason for that decision.

Options issued under the Option Plan may not be transferred and will not be quoted on ASX. An Option carries no right to a dividend and no right to a vote.

If there is a reorganisation of the issued capital of the Company, the rights of an Option holder will be changed to the extent necessary to comply with the ASX Listing Rules. If there is a bonus issue of Shares to Shareholders (and no Shares have been issued or transferred to the Option holder before the record date for such issue) then the number of Shares over which an Option is exercisable will be increased proportionately. If there is a rights issue of Shares to Shareholders, then the exercise price of the Options will be reduced in accordance with the formula set out in ASX Listing Rule 6.22.2.

The Board (with the exception of Mr Velletri who abstains, given his interest in the Resolution) acknowledges the outstanding contribution that Mr Velletri has made and will continue to make to the Company, and therefore recommends Shareholders vote in favour of Resolution 3.

Resolution 4: Adoption of Remuneration Report

Section 300A of the Corporations Act requires the Directors to include a Remuneration Report in the Directors' Report for a financial year. Section 250R(2) requires that the Remuneration Report be put to the vote at the Company's Annual General Meeting.

In accordance with the Corporations Act, the vote on Resolution 4 is advisory only and does not bind the Directors or the Company. However, under the "two strikes" rule, the Company will be required to put a resolution to Shareholders to hold new elections for Directors if, at two consecutive annual general meetings, more than 25% of the votes cast on a resolution to adopt the Remuneration Report (such as Resolution 4) are cast against that resolution. Accordingly, if 25% or more of the votes cast at the Meeting on Resolution 4 are against that Resolution and if, at the next annual general meeting in 2021, 25% or more of the votes are again cast against the resolution to adopt the Remuneration Report, then the Company will be required to propose a resolution to hold another general meeting within the following 90 days (a "**Spill Meeting**"). If more than 50% of Shareholders vote in favour of this resolution, then at the Spill Meeting all Directors (other than a Managing Director) will cease to hold office immediately before the end of the Spill Meeting, but may, if eligible, stand for re-election at the Spill Meeting. Following the Spill Meeting, those persons whose election or re-election as Directors is approved would be the Directors of the Company.

Key Management Personnel, details of whose remuneration are included in the Remuneration Report, and their closely related parties, are prohibited from voting on Resolution 4, except in the circumstances described in the voting exclusion set out in the Notice of Annual General Meeting.

Noting that each Director has a personal interest in their own remuneration from the Company as set out in the Remuneration Report, the Board recommends that Shareholders vote in favour of the adoption of the Remuneration Report.

5. Questions

Shareholders are encouraged to lodge questions in writing prior to the Meeting.

Shareholders are invited to put any questions to the Company in writing before the Meeting using the attached form at Appendix A. Submitting a question in advance of the Meeting does not in any way limit your ability to ask questions in person or online during the Annual General Meeting.

Shareholders attending via the Lumi software platform may submit questions online through the platform. Note that it may not be possible to respond to all questions however the Company will do its best to respond to as many as is feasible.

Appendix A - Shareholder Questions

The Board of Monadelphous Group Limited welcomes your questions in relation to the Company.

Registered Shareholders will be provided with the opportunity to ask questions at the Annual General Meeting. However, as an alternative, Shareholders are invited to submit their questions in advance of the Meeting.

The Board will endeavour to address as many of the more frequently asked questions during the course of the Annual General Meeting presentations.

If you would like to submit a question, please complete this form and forward to: The Company Secretary, Monadelphous Group Limited, PO Box 600, Victoria Park, WA 6979 or email your question(s) to **agmquestion@monadel.com.au**

All questions should be submitted to the Company by 22 November 2020.

YOUR QUESTION(S)

(Please complete all sections)

Shareholder Name

Address

General Shareholder Question(s):

Signature

Date

Appendix B – Lumi Online Meeting Guide

Online meeting guide

Getting started

If you choose to participate online you will be able to view a live webcast of the meeting, ask the Directors questions online and submit your votes in real time. To participate online visit <https://web.lumiagm.com> on your smartphone, tablet or computer. You will need the latest versions of Chrome, Safari, Internet Explorer 11, Edge or Firefox. Please ensure your browser is compatible.

To log in, you must have the following information:

Meeting ID

Meeting ID as provided in the Notice of Meeting.

Australian residents

- > **Username** (SRN or HIN) and
- > **Password** (postcode of your registered address).

Overseas Residents

- > **Username** (SRN or HIN) and
- > **Password** (three-character country code) e.g. New Zealand - NZL; United Kingdom - GBR; United States of America - USA; Canada - CAN.

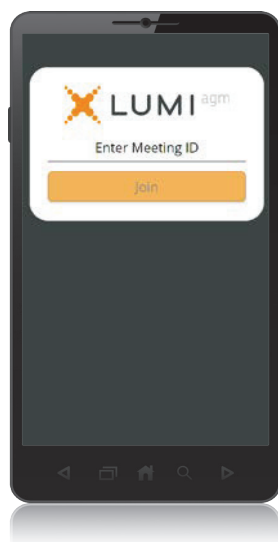
A full list of country codes is provided at the end of this guide.

Appointed Proxies

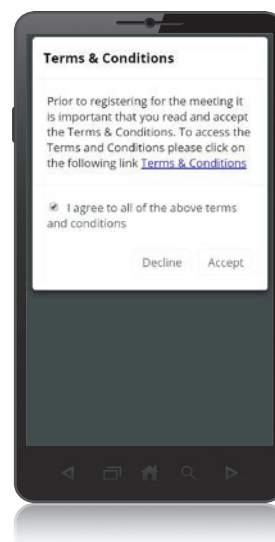
To receive your unique username and password, please contact Computershare Investor Services on +61 3 9415 4024 during the online registration period which will open 1 hour before the start of the meeting.

Participating at the meeting

- 1 To participate in the meeting you will be required to enter the unique 9-digit Meeting ID as provided in the Notice of Meeting.



- 2 To proceed into the meeting, you will need to read and accept the Terms & Conditions



Icon descriptions



Voting icon, used to vote. Only visible when the Chair opens the poll.



Home page icon, displays meeting information.



Questions icon, used to ask questions.



The broadcast bar allows you to view and listen to the proceedings.

- 3 To register as a securityholder**, select 'Securityholder or Proxy' and enter your SRN or HIN and Postcode or Country Code.



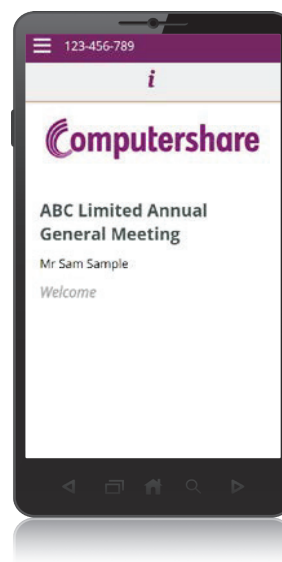
- 4 To register as a proxyholder**, select 'Securityholder or Proxy' and you will need your username and password as provided by Computershare. In the 'SRN or HIN' field enter your username and in the 'Postcode or Country Code' field enter your password.



- 5 To register as a guest**, select 'Guest' and enter your name and email address.



- 6 Once logged in**, you will see the home page, which displays the meeting title and name of the registered securityholder or nominated proxy.



Icon descriptions



Voting icon, used to vote. Only visible when the Chair opens the poll.



Home page icon, displays meeting information.

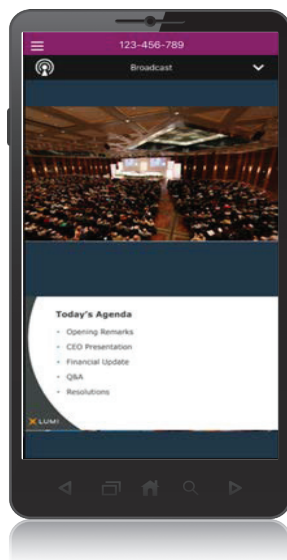



Questions icon, used to ask questions.

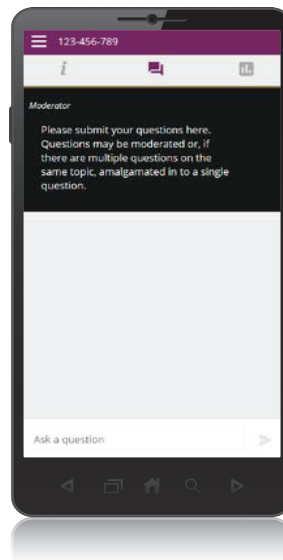


The broadcast bar allows you to view and listen to the proceedings.


- 7 To view the webcast you must tap the broadcast arrow on your screen and press the play button. Toggle between the up and down arrow to switch between screens.



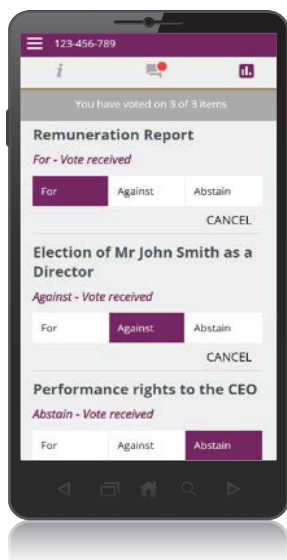
- 8 To ask a question tap on the question icon , type your question in the chat box at the bottom of the screen and select the send icon. Confirmation that your message has been received will appear.



- 9 When the Chair declares the poll open:

- > A voting icon  will appear on screen and the meeting resolutions will be displayed
- > To vote, tap one of the voting options. Your response will be highlighted
- > To change your vote, simply press a different option to override

The number of items you have voted on or are yet to vote on, is displayed at the top of the screen. Votes may be changed up to the time the Chair closes the poll.



Icon descriptions



Voting icon, used to vote. Only visible when the Chair opens the poll.



Home page icon, displays meeting information.



Questions icon, used to ask questions.



The broadcast bar allows you to view and listen to the proceedings.

For Assistance

If you require assistance before or during the meeting please call +61 3 9415 4024

COUNTRY CODES

Select your country code from the list below and enter it into the 'Postcode or Country Code' field.

ABW ARUBA	DEU GERMANY	KHM CAMBODIA	PRK KOREA DEM PEOPLES	TJK TAJIKISTAN
AFG AFGHANISTAN	DJI DJIBOUTI	KIR KIRIBATI	REPUBLIC OF	TKL TOKELAU
AGO ANGOLA	DMA DOMINICA	KNA ST KITTS AND NEVIS	PRT PORTUGAL	TKM TURKMENISTAN
AIA ANGUILLA	DNK DENMARK	KOR KOREA REPUBLIC OF	PRY PARAGUAY	TLS EAST TIMOR
ALA ALAND ISLANDS	DOM DOMINICAN REPUBLIC	KWT KUWAIT	PSE PALESTINIAN TERRITORY	DEMOCRATIC REP OF
ALB ALBANIA	DZA ALGERIA	LAO LAO PDR	OCCUPIED	TMP EAST TIMOR
AND ANDORRA	ECU ECUADOR	LBN LEBANON	PYF FRENCH POLYNESIA	TON TONGA
ANT NETHERLANDS ANTILLES	EGY EGYPT	LBR LIBERIA	QAT QATARPL NEPAL	TTO TRINIDAD & TOBAGO
ARE UNITED ARAB EMIRATES	ERI ERITREA	LBY LIBYAN ARAB	NRU NAURU	TKM TURKMENISTAN
ARG ARGENTINA	ESH WESTERN SAHARA	JAMAHIRIYA	NZL NEW ZEALAND	TLS EAST TIMOR
ARM ARMENIA	ESP SPAIN	LCA ST LUCIA	OMN OMAN	DEMOCRATIC REP OF
ASM AMERICAN SAMOA	EST ESTONIA	LIE LIECHTENSTEIN	PAK PAKISTAN	TMP EAST TIMOR
ATA ANTARCTICA	ETH ETHIOPIA	LKA SRI LANKA	PAN PANAMA	TON TONGA
ATF FRENCH SOUTHERN	FIN FINLAND	LSO LESOTHO	PCN PITCAIRN ISLANDS	TTO TRINIDAD & TOBAGO
TERRITORIES	FJI FIJI	LTU LITHUANIA	PER PERU	TZA TANZANIA UNITED
ATG ANTIGUA AND BARBUDA	FLK FALKLAND ISLANDS	LUX LUXEMBOURG	PHL PHILIPPINES	REPUBLIC OF
AUS AUSTRALIA	(MALVINAS)	LVA LATVIA	PLW PALAU	UGA UGANDA
AUT AUSTRIA	FRA FRANCE	MAC MACAO	PNG PAPUA NEW GUINEA	UKR UKRAINE
AZE AZERBAIJAN	FRO FAROE ISLANDS	MAF ST MARTIN	POL POLAND	UMI UNITED STATES MINOR
BDI BURUNDI	FSM MICRONESIA	MAR MOROCCO	PRI PUERTO RICO	OUTLYING
BEL BELGIUM	GAB GABON	MCO MONACO	PRK KOREA DEM PEOPLES	URY URUGUAY
BEN BENIN	GBR UNITED KINGDOM	MDA MOLDOVA REPUBLIC OF	REPUBLIC OF	USA UNITED STATES OF
BFA BURKINA FASO	GEO GEORGIA	MDG MADAGASCAR	PRT PORTUGAL	AMERICA
BGD BANGLADESH	GGY GUERNSEY	MDV MALDIVES	PRY PARAGUAY	UZB UZBEKISTAN
BGR BULGARIA	GHA GHANA	MEX MEXICO	PSE PALESTINIAN TERRITORY	VAT HOLY SEE (VATICAN CITY
BHR BAHRAIN	GIB GIBRALTAR	MHL MARSHALL ISLANDS	OCCUPIED	STATE)
BHS BAHAMAS	GIN GUINEA	MKD MACEDONIA FORMER	PYF FRENCH POLYNESIA	VCT ST VINCENT & THE
BIH BOSNIA & HERZEGOVINA	GLP GUADELOUPE	YUGOSLAV REP	QAT QATAR	GRENADINES
BLM ST BARTHELEMY	GMB GAMBIA	MLI MALI	REU REUNION	VEN VENEZUELA
BLR BELARUS	GNB GUINEA-BISSAU	MLT MALTA	ROU ROMANIA	VGB BRITISH VIRGIN ISLANDS
BLZ BELIZE	GNQ EQUATORIAL GUINEA	MMR MYANMAR	RUS RUSSIAN FEDERATION	VIR US VIRGIN ISLANDS
BMU BERMUDA	GRC GREECE	MNE MONTENEGRO	RWA RWANDA	VNM VIETNAM
BOL BOLIVIA	GRD GRENADA	MNG MONGOLIA	SAU SAUDI ARABIA KINGDOM	VUT VANUATU
BRA BRAZIL	GRL GREENLAND	MNP NORTHERN MARIANA	OF	WLF WALLIS AND FUTUNA
BRB BARBADOS	GTM GUATEMALA	ISLANDS	SCG SERBIA AND	WSM SAMOA
BRN BRUNEI DARUSSALAM	GUF FRENCH GUIANA	MOZ MOZAMBIQUE	MONTENEGRO	YEM YEMEN
BTN BHUTAN	GUM GUAM	MRT MAURITANIA	SDN SUDAN	YMD YEMEN
BUR BURMA	GUY GUYANA	MSR MONTSERRAT	SEN SENEGAL	DEMOCRATIC
BVT BOUVET ISLAND	HKG HONG KONG	MTQ MARTINIQUE	SGP SINGAPORE	YUG YUGOSLAVIA SOCIALIST
BWA BOTSWANA	HMD HEARD AND MCDONALD	MUS MAURITIUS	SGS STH GEORGIA & STH	FED REP
BLR BELARUS	ISLANDS	MWI MALAWI	SANDWICH ISL	ZAF SOUTH AFRICA
CAF CENTRAL AFRICAN	HND HONDURAS	MYS MALAYSIA	SHN ST HELENA	ZAR ZAIRE
REPUBLIC	HRV CROATIA	MYT MAYOTTE	SJM SVALBARD & JAN MAYEN	ZMB ZAMBIA
CAN CANADA	HTI HAITI	NAM NAMIBIA	SLB SOLOMON ISLANDS	ZWE ZIMBABWE
CCK COCOS (KEELING)	HUN HUNGARY	NCL NEW CALEDONIA	SLE SIERRA LEONE	
ISLANDS	IDN INDONESIA	NER NIGER	SLV EL SALVADOR	
CHE SWITZERLAND	IMN ISLE OF MAN	NFK NORFOLK ISLAND	SMR SAN MARINO	
CHL CHILE	IND INDIA	NGA NIGERIA	SOM SOMALIA	
CHN CHINA	IOT BRITISH INDIAN OCEAN	NIC NICARAGUA	SPM ST PIERRE AND	
CIV COTE D'IVOIRE	TERRITORY	NIU NIUE	MIQUELON	
CMR CAMEROON	IRL IRELAND	NLD NETHERLANDS	SRB SERBIA	
COD CONGO DEMOCRATIC	IRN IRAN ISLAMIC	NOR NORWAY	STP SAO TOME AND	
REPUBLIC OF	REPUBLIC OF	PL NEPAL	PRINCIPE	
COG CONGO PEOPLES	IRQ IRAQ	NRU NAURU	SUR SURINAME	
REPUBLIC OF	ISL ICELAND	NZL NEW ZEALAND	SVK SLOVAKIA	
COK COOK ISLANDS COL	ISM BRITISH ISLES	OMN OMAN	SVN SLOVENIA	
COLOMBIA	ISR ISRAEL	PAK PAKISTAN	SWE SWEDEN	
COM COMOROS	ITA ITALY	PAN PANAMA	SWZ SWAZILAND	
CPV CAPE VERDE	JAM JAMAICA	PCN PITCAIRN ISLANDS	SYC SEYCHELLES	
CRI COSTA RICA	JEY JERSEY	PER PERU	SYR SYRIAN ARAB REPUBLIC	
CUB CUBA	JOR JORDAN	PHL PHILIPPINES	TCA TURKS AND CAICOS	
CXR CHRISTMAS ISLAND	JPN JAPAN	PLW PALAU	ISLANDS	
CYM CAYMAN ISLANDS	KAZ KAZAKHSTAN	PNG PAPUA NEW GUINEA	TCD CHAD	
CYP CYPRUS	KEN KENYA	POL POLAND	TGO TOGO	
CZE CZECH REPUBLIC	KGZ KYRGYZSTAN	PRI PUERTO RICO	THA THAILAND	

