



Monday, 25 August 2014

The Manager
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Dear Sir/Madam,

**Bradken Limited (ASX Code: BKN)
Restricted Share Rights Plan**

On Wednesday, 13 August 2014, Bradken Limited ("Bradken") announced that it had invited selected key personnel to apply for Share Rights under its Restricted Share Rights Plan as part of its long-term incentive scheme and remuneration policies.

On Friday, 22 August 2014, the Board of Directors of Bradken resolved to accept all applications, which will now result in 879,749 Restricted Share Rights being granted. Each Share Right is exercisable into one ordinary share in Bradken on the satisfaction of certain performance targets.

In accordance with ASX Listing Rule 3.10.3, details of the Share Rights are:

1. **Class** - unquoted Restricted Share Rights;
2. **Number** - a maximum of 879,749 Restricted Share Rights have been granted;
3. **Principal Terms**
 - 3.1 For Direct Reports to the Managing Director, each Restricted Share Right is exercisable into one ordinary share in Bradken. Exercise of the Restricted Share Rights is subject to the satisfaction of a total shareholder return performance hurdle that is based on Bradken's performance in comparison to a peer group of companies (being the ASX Small Cap Industrials Index companies) at the relevant test day. There is no exercise price for the exercise of the Restricted Share Rights;
 - 3.2 For other nominated employees, each Share Right is exercisable into one ordinary share in Bradken. Exercise of the Share Rights is subject to the satisfaction of an earnings per share performance hurdle that is based on Bradken's performance at the relevant test day. There is no exercise price for the exercise of the Share Rights;
4. **Issue price** - Nil;
5. **Purpose** - The Share Rights are being offered as part of Bradken's long-term incentive scheme for personnel identified as critical to the continuing growth and effective operation of the Company;



6. **Security holder approval** - Approval of the proposed grant of Restricted Share Rights to Direct Reports to the Managing Director and Share Rights to other nominated employee participants is not required; and
7. **Class of security holders** - Not applicable.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'David Chesterfield', written in a cursive style.

David Chesterfield
Company Secretary