

**Monadelphous Group Limited**

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18 March 2009

Nicholas Ong
Principal Advisor, Issuers (Perth)
Australian Securities Exchange
PO Box D187
PERTH WA 6840

Dear Nicholas

RE: Monadelphous Group Limited - Response to ASX Query

I refer to your letter titled 'Monadelphous Group Limited (the "Company")' dated 17 March 2009, regarding ASX's concerns that the company did not comply with listing rules 3.19A and/or 3.19B, and address each of your questions raised therein.

1. The late lodgement of Appendix 3Y was due to an administrative oversight.

The change in Robert Velletri's holding was a result of his exercise of options under the Monadelphous Group Limited Employee Option Plan. The shares were issued on 9 February 2009. Mr Velletri's total share and option holdings were announced to the ASX and on the company's website in the half year report on 16 February 2009, within the required timeframe for disclosure of a change of director's interest. In addition, Appendix 3B disclosing the entire number of shares issued as a result of the exercise of employee options on 9 February 2009, was lodged with the ASX on 11 February 2009. The late lodgement of the Appendix 3Y was an administrative oversight and it was never the company's intention to not comply with the requirements of the listing rules. I confirm that the Appendix 3Y was announced to the ASX as soon as the oversight was detected.

In addition, the detail in respect of Mr Velletri's options was publicly available in the disclosures of the 30 June 2008 annual report and the issue of options to Mr Velletri in respect of this particular issue was approved by shareholders at the general meeting on 31 May 2005 and announced to the ASX on the same day.

2. All directors are educated upon joining the company as to their responsibilities in respect of its disclosure obligations, and regular reminders are provided to all board members to ensure compliance. The company itself has a publicised share trading policy which all affected employees must strictly adhere to.
3. The company is satisfied that its current processes to ensure disclosure compliance are adequate.

Sincerely

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

Giles Everist
Chief Financial Officer & Company Secretary



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17 March 2009

Kristy Glasgow
Company Secretary
Monadelphous Group Limited
The McCraes 1 Sleaf Road
Applecross WA 6153

By facsimile: 9316 1950

Dear Kristy,

Monadelphous Group Limited (the "Company")

We refer to the following;

The Initial Director's Interest for Mr Robert Velletri ("Director's Interest Notice") which was lodged with ASX Limited ("ASX") on 16 March 2009.and

1. Listing rule 3.19A which requires an entity to tell ASX the following:
 - 3.19A.2 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) change the entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.
2. Listing rule 3.19B which states as follows.

An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.
3. The Companies Update dated 27 June 2008, reminding listed entities of their obligation to notify ASX within 5 business days of the notifiable interests in securities held by each director and outlining the action that ASX would take in relation to breaches of listings rules 3.19A and 3.19B.

As the Appendix 3Y indicate that a change in all the aforementioned director's notifiable interests occurred on 9 February 2009 it appears that the Appendix 3Y should have been lodged with ASX by 16 February 2009. Consequently, the Company may be in breach of listing rules 3.19A and/or 3.19B.

Please note that ASX is required to record details of breaches of the listing rules by listed companies for its reporting requirements.

ASX reminds the Company of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Company make necessary arrangements to ensure there is not a reoccurrence of a breach of the listing rules.

Having regard to listing rules 3.19A and 3.19B and Guidance Note 22: "Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities", we ask that you answer each of the following questions .

1. Please explain why the Appendix 3Y was lodged late.
2. What arrangements does the Company have in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by facsimile on facsimile number (08) 9221 2020. It should not be sent to the Company Announcements Office.

A response is requested as soon as possible and, in any event, not later than 5:00pm W.D.S.T on 19 March 2009.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a form suitable for release and must separately address each of the questions asked. If you have any queries or concerns, please contact me immediately

Yours sincerely,



Nicholas Ong
Principal Adviser, Issuers (Perth)