

## Notice of Annual General Meeting

The Annual General Meeting of the Company will be held at Bluewater Function Centre, 56 Duncraig Road, Applecross, Western Australia on 27 November 2007, at 10am (WST)

### **AGENDA**

#### **Ordinary Business**

**1. Managing Director's Address**

The Managing Director will address the meeting.

**2. Financial Statements, Directors' Report and Auditors' Report**

To receive the Directors' Report and Income Statement for the year ended 30 June 2007, the Balance Sheet at that date and the Audit Report on the accounts and consolidated entity accounts.

**3. Resolution 1: Election of Director**

To elect one Director: Mr Christopher Peronal Michelmore, who has been appointed by the Directors in accordance with the Constitution and being eligible offers himself for re-election.

The Board unanimously recommends that shareholders vote in favour of Mr Michelmore's re-election.

**4. Resolution 2: Election of Director**

To elect one Director: Mr Calogero Giovanni Battista Rubino retires in accordance with the Constitution and being eligible offers himself for re-election.

The Board unanimously recommends that shareholders vote in favour of Mr Rubino's re-election.

**5. Resolution 3: Fees to Non-Executive Directors**

To approve in accordance with ASX Listing Rule 10.17 and the Constitution, an increase of \$200,000 to \$400,000 in the 'not to exceed sum' per annum of amounts paid as fees to Non-Executive Directors. The Company will disregard any votes cast on this resolution by any Director of the Company and of their associates.

However, the Company need not disregard a vote if:

- It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- It is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

**6. Resolution 4: Adoption of Remuneration Report**

To consider and adopt the Remuneration Report for the year ended 30 June 2007 as a non-binding resolution. The Remuneration Report is contained in the Directors' Report and sets out the policy for the remuneration of the directors and executives of the Company. The Corporations Act 2001 expressly provides that the vote on the resolution is advisory only and does not bind the directors or the company.

#### **General Business**

**7. Other Business**

Shareholders will be provided the opportunity to transact any other business, which may be lawfully brought forward.

A proxy form has been enclosed and forms part of this Notice of Annual General Meeting.

By Order of the Board



Giles Everist  
Company Secretary

10 October 2007

## 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 at Bluewater Function Centre, 56 Duncraig Road, Applecross, Western Australia on 27 November 2007, at 10am (WST).

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

### 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"	Australian Stock Exchange Limited (ACN 008 624 691)
"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 Monadelphous Group Limited approved at the Company's Annual General Meeting held on 20 November 2003
"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 the Notice of Annual General Meeting
"Resolution"	A Resolution on the Notice of Annual General Meeting to which this Explanatory Memorandum relates
"Shares"	Fully paid ordinary shares in 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 2001, the Financial Report of Monadelphous Group Limited (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 the 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 of the Financial Report.

### 4. Shareholder Approvals Required

#### Resolution 1: Election of Director

Mr Christopher Peronal Michelmore, has been appointed by the Directors as a Director of the Company in accordance with the Constitution and being eligible offers himself for re-election.

Mr Michelmore formerly held the position of Director of Connell Wagner and Managing Director of the Central West Region of the firm's operation, covering all activities in South Australia, Western Australia and Northern Territory. Mr Michelmore has over 30 years experience in the construction industry and has been responsible for design and delivery of projects throughout Australia, South East Asia and the Middle East. He has also played an active role in supporting and managing various professional bodies and associations connected with the engineering profession and the construction industry.

The Board unanimously recommends that shareholders vote in favour of Mr Michelmore's re-election.

#### Resolution 2: Election of Director

Mr Calogero Giovanni Battista Rubino retires in accordance with the Constitution and being eligible offers himself for re-election.

Mr Rubino was appointed to the Board on 18 January 1991 as Managing Director. On 30 May 2003, Mr Rubino resigned as Managing Director and continued as Chairman to the Board. Mr Rubino has over 40 years experience in the construction and engineering services industry.

The Board unanimously recommends that Shareholders vote in favour of Mr Rubino's re-election.

#### Resolution 3: Fees to Non-Executive Directors

At the Annual General Meeting held on 21 November 2006, shareholders approved an aggregate remuneration of \$200,000 in the 'not to exceed sum' paid to non-executive directors. Shareholder approval is being sought to increase the maximum aggregate annual sum that may be paid by the Company as remuneration to its Non-Executive Directors to \$400,000.

As a result of the rapid growth of the Company, the Directors are reviewing the size and composition of the Board. The increase in the 'not to exceed sum' gives the Board the flexibility to appoint additional directors at remuneration levels commensurate with market rates.

The Directors are satisfied that the current Board remuneration levels lie within the average bands applying to companies in our industry of similar size, profitability, growth and risk profile.

#### Resolution 4: Adoption of Remuneration Report

Section 300A of the Corporations Act 2001 requires the Directors to include a Remuneration Report in their report for a financial year. Section 250R requires that the report be put to the vote at the Company's Annual General Meeting. The vote on the resolution is advisory only and does not bind the Directors.

The Board recommends that Shareholders vote in favour of the adoption of the Remuneration Report.

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