
A.B.N. 28 008 988 547
PO Box 365
Applecross WA 6953
1 Sleat Road
Applecross WA 6153
Telephone: (08) 9316 1255
Facsimile: (08) 9316 1950

29th April 2005

Dear Shareholder,

Your Board has determined to convene a general meeting in order to obtain shareholder approval for the following resolutions:

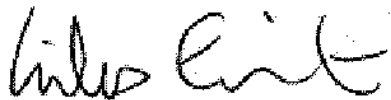
1. A one-to-four share split;
2. The issue of options to a Director.

The first resolution to be considered is a share split in the ratio of four new shares for each existing share held.

The second resolution to be considered by shareholders is the issue of options to Mr Robert Velletri, the Company's Managing Director, under the Employee Option Plan.

The meeting will be held on 31 May 2005, at 10am at the Company's registered office, 1-4 Sleat Road, Applecross, Western Australia.

Enclosed you will find a notice of general meeting, explanatory statement and proxy form. I urge you to read these documents carefully. Please note that your proxy form must be returned to the Company at least 48 hours before the time of the general meeting.



Giles Everist
Company Secretary

Notice of General Meeting

A General Meeting of the Company will be held

at: 1-4 Sleat Road, Applecross, Western Australia

on: 31 May 2005, at 10am (WST)

to consider and, if thought fit, to pass the following resolutions:

Resolution 1 - Share Split

That with effect from 1 June 2005, each fully paid ordinary share in the Company be split into 4 fully paid ordinary shares, in accordance with Section 254H of the Corporations Act 2001.

Resolution 2 - Issue of Options to Director (Mr Robert Velletri)

That for the purposes of ASX Listing Rule 10.14 and all other purposes, the Company be authorised to issue Mr Robert Velletri (or his nominee) 150,000 options (prior to the proposed share split) to each subscribe for one fully paid ordinary share pursuant to the terms of the Employee Option Plan at an exercise price of \$7.80 per share.

In accordance with Listing Rule 7.22.2, the Company's existing options on issue at the close of business on 31 May 2005 will be split in the same ratio as the ordinary shares and the exercise price will be amended in an inverse proportion to the ratio, should Resolution 1 - Share Split be approved. In this case, Mr Velletri (or his nominee) will be issued 600,000 options to each subscribe for one fully paid ordinary share pursuant to the terms of the Employee Option Plan at an exercise price of \$1.95 per share as a result of the share split.

Voting Exclusion Statement

For the purposes of Listing Rule 10.15, the Company will disregard any votes cast on Resolution 2 by any Director of the Company (except a Director who is ineligible to participate in the Employee Option Plan) and any 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.

For further information, please refer to the Explanatory Statement and Proxy Form which form part of this Notice of General Meeting.

By Order of the Board



Giles Everist
Company Secretary

29 April 2005

Monadelphous Group Limited
ACN 008 988 547
("Company")

Explanatory Statement

This Explanatory Statement has been prepared for the information of shareholders in relation to the business to be conducted at the General Meeting of the Company to be held on 31 May 2005, at 10am (WST).

The Directors recommend that shareholders read this Explanatory Statement before determining whether to support the resolutions or otherwise.

Resolution 1 - Share Split

The Corporations Act 2001 provides that the Company may convert all of its shares into a larger number of shares on a pro rata basis, by an ordinary resolution passed at a General Meeting.

Shareholder approval is sought to split each ordinary share in the Company into four shares, with such split to take effect from Wednesday 1 June 2005. Subject to shareholder approval, trading in the Company's split securities will commence on a deferred settlement basis from 1 June 2005 until 15 June 2005. New Holding Statements reflecting the new registered holdings will be despatched by the share registry as soon as possible after 8 June, but no later than 15 June 2005.

In accordance with Listing Rule 7.22.2, the Company's unlisted employee options on issue will also be subdivided on the same terms as the fully paid ordinary shares with the exercise price amended in an inverse proportion to that ratio. No fractional entitlements will be created as a result of the share split.

Summary of Capital

	Pre-Share Split	Post-Share Split
Ordinary Shares	19,792,102	79,168,408
Unlisted Employee Options	1,457,500	5,830,000

The purpose of undertaking the share split is to enhance the liquidity of the Company's ordinary shares traded on the ASX.

Resolution 2 - Issue of Options to Director (Mr Robert Velletri)

Mr Velletri has over 25 years experience in the construction industry and is the Managing Director of the Company, having being appointed to the Board in August 1992.

The issue of options to Mr Velletri (or his nominee) is designed to recognise and reward the services and contributions provided by him to the Company since his appointment and to provide an incentive and reward for the future performance of the Company.

It is proposed that Mr Velletri (or his nominee) be issued 150,000 options (prior to the proposed share split). All options are identical and each option entitles the holder to subscribe for one fully paid ordinary share in the Company at an exercise price of \$7.80 per share. The options will otherwise be issued on the terms of the Employee Option Plan rules. A full copy of these rules is available for inspection at the Company's Registered Office during business hours until the General Meeting and will be sent to any shareholder upon request.

Note that upon approval of Resolution 1 - Share Split, Mr Velletri (or his nominee) will be issued 600,000 options to each subscribe for one fully paid ordinary share pursuant to the terms of the Employee Option Plan at an exercise price of \$1.95 per share.

The exercise price was determined in accordance with the Employee Option Plan rules and was calculated as the weighted average trading price of the Company's shares on the ASX during the last five trading days of December 2004. Under the Employee Option Plan rules, the options may only be exercised during limited Window Periods. One quarter of the options may be exercised in January 2007, one quarter in January 2008 and the remaining 50% in January 2009. Options not exercised in each respective Window Period will expire. Options may expire earlier in certain circumstances (such as Mr Velletri ceasing to be employed by the Company) in accordance with clause 12 of the Employee Option Plan rules. The options will not be quoted on the ASX, although the Company will apply for quotation of any shares issued on exercise of the options. It is intended that the options will be issued as soon as practicable after the date of this meeting but no later than twelve months after the meeting. There are no loans or other financial arrangements provided by the Company to Directors in relation to the issue or exercise of options under the Employee Option Plan.

As the options will be issued to Mr Velletri for nil consideration, no funds will be raised from the issue of the options.

Details of the options issued under the Employee Option Plan will be published in the Annual Report.

The closing price of ordinary fully paid shares in the Company on the five closest practicable trading days before the date of this notice of meeting are as follows:

	20/04/05	21/04/05	22/04/05	26/04/05	27/04/05
Closing Price	\$10.70	\$10.45	\$10.70	\$10.65	\$10.55

The following Directors were issued options under the Employee Option Plan since the last shareholder approval in March 2002:

Year	Director	Number of Options Issued	Exercise Price
2002	Robert Velletri	200,000	\$1.69
2002	Irwin Tollman	100,000	\$1.69

The above options were issued for nil consideration and as such, no funds were raised from the issue of the options.

Only Executive Directors, namely Mr Robert Velletri and Mr John Rubino, are entitled to participate under the plan. However, no issue of options has been proposed to Mr John Rubino at this time.

Listing Rule 10.14 provides that a company must not issue securities (including options) to Directors or their associates under an employee incentive scheme without the approval (by simple majority) of shareholders. Approval under Listing Rule 10.14 is an exception to the prohibition on a company issuing securities to related parties under Listing Rule 10.11.

The Directors, other than Mr Velletri, acknowledge the outstanding contribution that Mr Velletri has made and will continue to make to the Company, and therefore recommend shareholders vote in favour of Resolution 2.

TERMS AND CONDITIONS OF OPTIONS

The general terms and conditions of issue are:

- a) The Options will be issued for nil consideration.
- b) Each Option entitles the Holder to one fully paid ordinary share in the Company.
- c) The Options may only be exercised during limited Window Periods. One quarter of the options may be exercised in January 2007, one quarter in January 2008 and the remaining 50% in January 2009. Options not exercised in each respective Window Period will expire. The options will not be quoted on the ASX, although the Company will apply for quotation of any shares issued on exercise of the options.
- d) The Options are not transferable except with the approval of the Board.
- e) The Company will provide to each Option Holder a notice that is to be completed when exercising the Options ("Notice of Exercise Form"). Options may be exercised by completing the Notice of Exercise Form and forwarding to the Company Secretary prior to the expiry date. The Notice of Exercise Form must state the number of Options to be exercised, and the identity of the proposed allottee. The Notice of Exercise Form must be accompanied by payment (in full) for the relevant number of shares being subscribed for, being the amount of the exercise price multiplied by the number of shares.
- f) All shares issued upon the exercise of the Options will rank pari passu in all respects with the existing shares on issue.
- g) There are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues or pro-rata issues of securities offered to Shareholders of the Company during the currency of the Options.
- h) In the event of any reorganisation (including consolidation, subdivision, reduction, or return) of the issued capital of the Company, all rights of the Option Holder shall be reorganised (as appropriate) in accordance with the ASX Listing Rules.
- i) In the event of any pro-rata issue of securities (except a Bonus Issue) the exercise price of the Options will be adjusted in accordance with the ASX Listing Rule 6.22.

APPOINTMENT OF PROXY FORM

I/We

(please print full name of Securityholder)

of

(please print full address of Securityholder)

being a member(s) of Monadelphous Group Limited hereby appoint:

(please print full name)

of

(please print full address)

or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following instructions (or if no directions have been given, as the proxy sees fit) at the General Meeting of the Company to be held at 10am on 31 May 2005, and at any adjournment thereof.

The Chairman of the Meeting intends to vote undirected proxies in favour of the resolutions. Monadelphous encourages all shareholders who submit proxies to direct their proxy how to vote on the resolutions.

Voting directions to your proxy - please insert ☒ to indicate your voting directions

	FOR	AGAINST	ABSTAIN
1. Share Split	☐	☐	☐
2. Issue of Options to Mr Robert Velletri	☐	☐	☐

OR

If you do not wish to direct your proxy how to vote, please place a mark in the box. ☐

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest.

SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Securityholder 1

Joint Securityholder 2

Joint Securityholder 3

Individual / Sole Director /
Company Secretary (Delete those
not applicable)

Individual / Director /
Company Secretary (Delete those
not applicable)

Individual / Director /
Company Secretary (Delete those
not applicable)

Contact name

Contact daytime telephone number

/ / 2005
Date

How to complete this Proxy Form**1. Your Name and Address**

This is your name and address as it appears on the Company's share register.

2. Appointment of a Proxy

If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a Securityholder of the Company.

3. Votes on Items of Business

You should direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote, beside the respective resolution. If you do not mark any other boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item without indicating a percentage or number applicable to each box, your vote on those items will be invalid.

When voting rights are allocated using percentages, the percentages are applied to the securities appearing on the Company's share register at the lodgement deadline.

4. Appointment of a Second Proxy

A member entitled to attend and vote at this meeting is entitled to appoint not more than two proxies. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning Monadelphous on (08) 9316 1255, or you may copy this form.

To appoint a second proxy you must:

- a) On each of the Proxy Forms state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- b) Return both forms together.

5. Signing Instructions

You must sign this form as follows in the spaces provided:

Individual:	Where the holding is in one name, the Securityholder must sign.
Joint Holding:	Where the holding is in more than one name, either Securityholder may sign.
Trust:	Where the holding is a Trust, the Trustee must sign.
Power of Attorney:	To sign under Power of Attorney, you must have already lodged the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.
Companies:	Where the Company has a Sole Director who is also the Sole Company Secretary, that person must sign this form. If the Company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise a Director must sign this form jointly with either another Director or a Company Secretary.

If a representative of the Corporate Security holder is to attend the meeting, the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's share registry.

6. Lodgment of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by 10am on 29 May 2005, being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy Forms may be lodged by:

Post:
The Company Secretary
Monadelphous Group Limited
PO Box 365
Applecross WA 6953

Deliver:
1 Sleat Road
Applecross WA 6153

Fax: (08) 9316 1950