

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

MANTRA GROUP LIMITED

ABN

69 137 639 395

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |   |   |
|---|---|---|
| 1 | +Class of +securities issued or to be issued  | Performance Rights issued in accordance with the Company's Long Term Incentive Plan ( <b>LTIP</b> ) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 387,457 - 2016 Performance Rights (unquoted)  |

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+ See chapter 19 for defined terms.

3 Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)

Performance Rights  
Exercise price - Nil;  
Expiry date – 15 December 2020 (being the 4<sup>th</sup> anniversary following Grant Date – 15 December 2016)

Each Performance Right entitles the Participant to receive, upon vesting and exercise, one fully paid ordinary share in the Company ("**MTR Share**").

Vesting conditions are summarised below.

**Vesting Conditions**

Performance Rights are divided into two tranches.

Each tranche will be subject to separate vesting conditions, as set out below.

**Relative Total Shareholder Return (TSR) Vesting Condition:** 50% of the Performance Rights are subject to a vesting condition relating to the Company's TSR performance over a 3 year performance period from 1 July 2016 to 30 June 2019 (**Performance Period**), when ranked against the TSR of the ASX 200 Industrials Index (excluding Resources) (collectively, the **Comparator Group**).

TSR for the Company will be determined by reference to:

- the changes in VWAP of the shares of the Company traded on the ASX in the 5 trading days up to and including the trading day prior to 1 July 2016, to the VWAP of the shares of the Company on the ASX in the 5 trading days up to and including 30 June 2019; and
- the value (on a basis determined by the Board from time to time) of any shareholder benefits (including dividends or any other benefits that the Board determines from time to time are to be taken into account) paid or otherwise made available generally to shareholders in the Company during the Performance Period.

**Earnings Per Share (EPS) Vesting Condition:** The remaining 50% of the Performance Rights are subject to a vesting condition relating to the growth in the Company's EPS over the Performance Period, compounded annually.

EPS will be determined by reference to the underlying net profit attributable to the Company during the Performance Period. The Board may from time to time adjust the EPS to exclude the effects of material business acquisitions or divestments and for certain one-off costs. The baseline EPS for the year ended 30 June 2016 is 16.2 cents per share.

<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>No - once the vesting conditions have been satisfied and the Performance Rights are exercised in accordance with the LTIP rules, the shares will be allocated and registered in the respective Participant's names – these shares will then rank equally with existing MTR shares. Until such time, the holders of the Performance Rights will not be entitled to dividend participation, voting or other rights attaching to MTR Shares.</p>
<p>5 Issue price or consideration</p>	<p>No consideration is payable on grant or exercise of the Performance Rights</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Performance Rights issued in accordance with the Company's LTIP. The Company's LTIP is designed to assist with attraction, motivation and retention of key employees and executive Directors of the Company (or a subsidiary of the Company), and to align the interests of those employees and Directors with the interests of shareholders by matching rewards with the long term performance of the Company.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>No</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>NA</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>NA</p>
<p>6d Number of +securities issued with security holder approval under rule 7.1A</p>	<p>NA</p>

+ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	NA				
6f	Number of +securities issued under an exception in rule 7.2	NA				
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	NA				
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	NA				
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	NA				
7	<p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	15 December 2016				
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th data-bbox="716 1457 997 1488">Number</th> <th data-bbox="997 1457 1276 1488">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="716 1488 997 1701">297,206,421</td> <td data-bbox="997 1488 1276 1701">Fully Paid Ordinary Shares</td> </tr> </tbody> </table>	Number	+Class	297,206,421	Fully Paid Ordinary Shares
Number	+Class					
297,206,421	Fully Paid Ordinary Shares					

	Number	+Class
9	2015 – 301,328	Performance Rights (issued in accordance with the Company's LTIP)
	2016 – 387,457	
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	

## Part 2 - Pro rata issue

11	Is security holder approval required?	NA
12	Is the issue renounceable or non-renounceable?	NA
13	Ratio in which the +securities will be offered	NA
14	+Class of +securities to which the offer relates	NA
15	+Record date to determine entitlements	NA
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	NA
17	Policy for deciding entitlements in relation to fractions	NA
18	Names of countries in which the entity has security holders who will not be sent new offer documents  Note: Security holders must be told how their entitlements are to be dealt with.  Cross reference: rule 7.7.	NA
19	Closing date for receipt of acceptances or renunciations	NA

+ See chapter 19 for defined terms.

20	Names of any underwriters	NA
21	Amount of any underwriting fee or commission	NA
22	Names of any brokers to the issue	NA
23	Fee or commission payable to the broker to the issue	NA
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	NA
25	If the issue is contingent on security holders' approval, the date of the meeting	NA
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	NA
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	NA
28	Date rights trading will begin (if applicable)	NA
29	Date rights trading will end (if applicable)	NA
30	How do security holders sell their entitlements <i>in full</i> through a broker?	NA
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	NA

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+ See chapter 19 for defined terms.

- 32 How do security holders dispose of their entitlements (except by sale through a broker)?
- 33 <sup>+</sup>Issue date

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

- 34 Type of <sup>+</sup>securities  
(tick one)
- (a)  <sup>+</sup>Securities described in Part 1
- (b)  All other <sup>+</sup>securities  
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

#### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities - NA

*Tick to indicate you are providing the information or documents*

- 35  If the <sup>+</sup>securities are <sup>+</sup>equity securities, the names of the 20 largest holders of the additional <sup>+</sup>securities, and the number and percentage of additional <sup>+</sup>securities held by those holders
- 36  If the <sup>+</sup>securities are <sup>+</sup>equity securities, a distribution schedule of the additional <sup>+</sup>securities setting out the number of holders in the categories  
 1 - 1,000  
 1,001 - 5,000  
 5,001 - 10,000  
 10,001 - 100,000  
 100,001 and over
- 37  A copy of any trust deed for the additional <sup>+</sup>securities

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<sup>+</sup> See chapter 19 for defined terms.

**Entities that have ticked box 34(b)**

38 Number of +securities for which +quotation is sought NA

39 +Class of +securities for which quotation is sought NA

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?  
 NA

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now NA

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	NA	NA

+ See chapter 19 for defined terms.



**Quotation agreement**

1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: .....  
(Company Secretary)

Date: 15 December 2016

Print name: Fiona van Wyk

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+ See chapter 19 for defined terms.