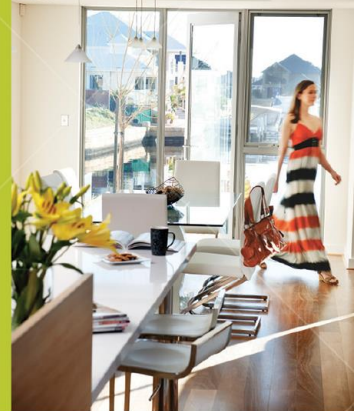


ASX Announcement

2 February 2015

Cedar Woods



Cedar Woods Properties Limited

ASX Code: CWP

Cedar Woods Properties Limited has a long history of creating award winning communities in Australia.

Highlights

- ❖ The Dividend Reinvestment Plan and Bonus Share Plan will recommence for the next (interim) dividend
- ❖ The BSP has been updated to comply with the recent changes to the ASX listing rules
- ❖ The BSP election date will align with the DRP election date

For further information:

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Chief Financial Officer / Company
Secretary
(08) 9480 1500

Recommencement of Dividend Reinvestment Plan and Bonus Share Plan

Cedar Woods Properties Limited (ASX: CWP) advises that the previously suspended Dividend Reinvestment Plan (DRP) and Bonus Share Plan (BSP) will be recommenced for the next (interim) dividend.

In accordance with the rules of each plan, shareholders' previous election status that was in place prior to the plans being suspended in July 2014 will be re-instated, hence shareholders will only need to submit election forms if they wish to vary their previous status, or if they wish to join a plan.

Election forms

Election forms may be obtained by contacting the share registry as follows:

Online at: www.Investorcentre.com or

By telephone on: 1300 850 505

Terms and conditions

Following the April 2014 amendments to appendix 6A of the ASX Listing Rules, the company has updated the terms of the DRP and BSP.

The terms of the updated DRP and BSP may be found on the company website www.cedarwoods.com.au on the Shareholder Information page.

The April 2014 amendments provided (amongst other things) that the last date for elections under a dividend or distribution plan must be at least one business day after the dividend record date.

In order to comply with this rule, Cedar Woods' BSP terms have been amended so that the BSP election date will be after the dividend record date. This is an important change that will benefit shareholders, as previously the BSP election date was prior to the dividend declaration date.

The change of date will allow shareholders to be advised of the amount of the dividend and the issue price of shares under the BSP before deciding whether to elect to participate in the



BSP and take shares rather than receive a dividend. It will also simplify the operation of the plan. In future, where possible, the BSP election date will be aligned with that of the DRP.

Certain other minor modifications were made to the DRP and BSP to address the changes under the listing rules.

The updated terms of the DRP and BSP are attached to this announcement and may also be found on the company's website on the Shareholder Information page, together with the Class Ruling and Tax Advice from the Australian Tax Office in relation to the BSP.

--- ENDS ---

Summary of the Dividend Reinvestment Plan

The key features of the Plan are:

- At each dividend payment date, dividends on participating shares are automatically invested in new ordinary fully paid shares in the Company.
- Shares will be allotted under the Plan at a price determined by the Board from time to time in its absolute discretion, such price to be a percentage of VWAP calculated at the end of the Determination Period and to be announced to ASX Limited prior to the dividend payment date.
- Participants pay no brokerage or other costs. Upon allotment the shares rank equally with the then existing fully paid ordinary shares.
- Shares allotted under the Plan are credited directly to the participant's holding.
- A statement is sent to participants as at each dividend payment date.
- Eligible participants (being shareholders registered on the record date for any dividend) may join, vary their participation, or withdraw from the Plan at any time prior to the Election Date for any dividend.

1. PARTICIPATION IN THE PLAN

Each holder of ordinary fully paid shares is eligible and may apply to participate in the Plan. The Directors may determine that participation is not available to a Shareholder with a particular registered address.

Participation in the Plan is not transferable. An overseas Shareholder must obtain any necessary governmental approvals required in order for it to participate.

2. APPLICATION TO PARTICIPATE

An Eligible Shareholder who wants to participate in the Plan must validly complete and lodge an Election Notice at the Company's Share Registry. All joint holders of Shares must sign an Election Notice.

Alternatively an Eligible Shareholder may complete an Election Notice by completing the online forms available on the Share Registry website.

An Election Notice will not be effective in respect of any dividend if it is received after the Election Date for that dividend. The Company must provide a Notice of Election to each Shareholder upon their initial purchase of shares in the Company, unless the plan is suspended.

3. LEVEL OF PARTICIPATION

A Shareholder must specify on the Election Notice the degree to which the Shareholder wants to participate in the Plan in respect of its holding.

Participation may be:

- (a) full participation for all the Participant's Shares from time to time however acquired (including Shares allotted under the Plan); or
- (b) partial participation for a specific number of Shares nominated by the Participant together with the Shares allotted under the Plan in respect of the Shares and any other Shares subsequently nominated for participation under clause 6. However, if at the record date for a dividend, the number of Shares held by the Participant is fewer than the nominated number, then the Plan will apply only to that lesser number for that

Dividend. An Election Notice which does not indicate the degree of participation in the Plan will, without liability to the Company, be deemed to be an application for full participation in the Plan for all Shares of the Shareholder concerned.

4. OPERATION OF THE PLAN

Dividends payable in respect of Plan Shares will be applied by the Directors on each Participant's behalf in subscribing for ordinary fully paid shares in the Company. Any dividend (or part thereof) which the Company is entitled to retain under its Constitution or otherwise or on which the Company is or would be entitled to a charge will not be available for subscription.

The Directors will establish and maintain a Plan account for each Participant. At the time of each dividend payment the Directors will, for each Participant:

- (a) determine the dividend payable in respect of the Plan Shares less any applicable Australian withholding tax;
- (b) credit the amount in (a) above to the Participant's Plan account;
- (c) determine the maximum whole number of Shares which can be acquired under these Rules by using the amount in the Participant's Plan account;
- (d) subscribe for the number of Shares determined pursuant to (c) above in the name of the Participant and debit the subscription amount against the balance in the Participant's Plan account;
- (e) allot the resultant Shares accordingly;
- (f) retain without interest any balance remaining in the Shareholder's Plan account.

The number of Shares to be issued to each Participant will be determined by reference to a participation price (as determined by the Directors, in their absolute discretion, from time to time, which will be a percentage of VWAP and will be announced to ASX Limited).

The Board may in its discretion by announcement to ASX Limited vary the participation price on one or more occasions.

5. SHARES ALLOTTED UNDER THE PLAN / STATEMENT TO PARTICIPANTS

Shares will be allotted and statements despatched in accordance with the Listing Rules and CHES. After each dividend payment the Company will send to each Participant a statement setting out:

- (a) the number of the Participant's Plan Shares immediately before and after the record date for the relevant dividend;
- (b) the dividend amount and the basis on which it has been applied towards subscribing for additional Shares;
- (c) the number of Shares (including Plan Shares) in respect of which that Participant is the registered holder after the allotment;
- (d) the balance, if any, in the Participant's Plan account.

All ordinary Shares allotted under the Plan will from the date of allotment rank equally in all respects with existing ordinary fully paid shares in the Company. In accordance with the Listing Rules, the Company will make application promptly after each allotment of Shares under the Plan for quotation of those Shares on ASX.

6. VARIATION OR TERMINATION OF PARTICIPATION

An Eligible Participant may, by lodging with the Share Registry an Election Notice, or by updating the details on-line on the Share Registry's website, increase or decrease the number of its Plan Shares or terminate participation in the Plan. To be effective for a forthcoming Dividend, the Election Notice must be received by the Share Registry before the Election Date for that Dividend.

If a Participant disposes of all of its Plan Shares without giving the Share Registry an Election Notice the Participant will be deemed to have terminated participation on the last date when the Company registered a transfer of the Participant's Plan Shares.

When a Participant who participates in respect of part of its holding of Shares disposes of part of its holding of Shares, and does not notify the Share Registry otherwise, the Shares disposed of will, to the extent possible, be taken to be:

- (a) first, Shares which are not Plan Shares; and
- (b) secondly, Plan Shares.

A Participant may vary the above order by written notice to the Share Registry.

If a Participant dies, participation by that Participant and any joint holder of the relevant Shares will be terminated upon receipt by the Share Registry of notice of the Participant's death.

Upon termination of participation in the Plan the Share Registry will forward the former participant a statement with all applicable details in respect of the Plan account up to termination together with any amount standing to the credit of that account.

7. MODIFICATION, SUSPENSION AND TERMINATION OF THE PLAN

The Plan may be modified, extended, suspended, terminated or recommenced by the Directors, in their absolute discretion, at any time by giving notice to ASX Limited. The nonreceipt of any notice by any Participant will not invalidate the modification, suspension, termination or extension of the Plan. Existing Participants will be deemed to continue under any modified Plan. In the case of recommencement the Board may direct that a Participant's previous participation takes effect as from recommencement.

8. ADMINISTRATION OF THE PLAN

This Plan will be administered by the Directors who have the power to:

- (a) determine procedures for administration of the Plan consistent with the Rules including for the establishment and administration of Plan accounts;
- (b) settle in such manner as they think expedient any difficulties, anomalies or disputes which may arise in connection with, or by reason of, the operations of the Plan, whether generally or in relation to any Participant or any Shares and the determination of the Directors is to be conclusive and binding on all Participants and any other persons to whom the determination relates;
- (c) delegate to any one or more persons, for such period and on such conditions as they may determine, the administrative functions arising under the Plan; and
- (d) resolve conclusively all questions of fact or interpretation in connection with the Plan.

The Company reserves the right to waive strict compliance with any provision of these Rules.

9. COST TO PARTICIPANTS

No brokerage, commission, stamp duty or other transaction costs will be payable by Participants in respect of allotment of Shares under the Plan.

10. TAXATION

Neither the Company nor any of its officers take responsibility for the taxation liabilities of Participants. Each Shareholder considering participation in the Plan is responsible for obtaining advice in relation to that Shareholder's position and the application of taxation legislation to that Shareholder.

11. GENERAL

The Plan and its operation are governed by the laws of Western Australia and the Commonwealth of Australia.

12. INTERPRETATION

“Business Day” means a day on which ASX Limited is open for the trading of securities.

“Determination Period” means the period comprising three business days prior to and including the record date and five business days after the record date in respect of any dividend payable by the Company.

“VWAP” means the daily volume weighted average sale price of the ordinary shares in the Company quoted on the ASX but does not include:

- (a) special crossings;
- (b) crossings prior to the commencement of normal trading;
- (c) crossings during the after hours adjust phase; or
- (d) the exercise of options,

as described in the ASX Market Rules.

The Cedar Woods Bonus Share Plan

Cedar Woods Properties Limited

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Important Note:

This is an important document.

If you have any doubts as to what you should do, please consult your stockbroker, accountant or other professional adviser.

If you have any questions in relation to the Bonus Share Plan after reading this booklet, please contact the Share Registry in Perth:

Computershare Investor Services Pty Limited

Level 2

45 St Georges Terrace

PERTH WA 6000

T 1300 850 505

F (03) 9473 2500

Alternatively you can email the company on email@cedarwoods.com.au

Features

- A simple and convenient way of automatically receiving additional CWP shares as an alternative to receiving dividends.
- Shares allocated under the BSP rank equally with existing ordinary shares.
- You do not have to appoint a stockbroker or pay fees, brokerage, goods and services tax or other transaction costs for shares allocated under the BSP.
- Participation is voluntary. You can choose to elect all, part or none of your shares in the BSP.
- You can choose to have less than your full shareholding participating in the BSP, provided you specify the minimum number of shares per registered holding for participation. If you choose partial participation, you will receive a dividend cheque or direct credit or DRP statement for the portion of your shares not participating in the BSP.
- You can join, withdraw or vary your participation in the BSP at any time. However, make sure you have returned your completed and signed BSP election form to the Share Registry before 5pm on the Election date. If your form is not received in time, it will not be processed until after the dividend has been paid. Your instruction will then only apply to the next and subsequent dividends.
- BSP statements are sent to shareholders shortly after the payment date of each dividend. Details of the calculation and your participation are provided. You should retain this statement for tax purposes.

Frequently Asked Questions and Answers

1. How do I participate in the BSP?

Participation in the BSP is entirely voluntary. Contact our Share Registry to request a BSP election form or make an election on-line using the registry's website.

2. Who is eligible to participate in the BSP?

CWP ordinary shareholders who:

- have a registered holding at each dividend record date; and
- have a registered address in Australia or New Zealand

are eligible to participate in the BSP.

For legal and practical reasons, shareholders with registered addresses outside Australia and New Zealand cannot participate in the BSP.

Please see the CWP BSP Rules in this booklet for further information about eligibility.

3. How is the issue price calculated?

The issue price is based on a weighted average market price of shares calculated during a set pricing period. The pricing period for BSP shares will be the three trading days immediately preceding and inclusive of the dividend record date and the five trading days immediately following the dividend record date. The issue price will be rounded either up or down to the nearest cent (0.5 cent to be rounded down).

4. Do all my shares have to participate in the BSP?

You can choose to have less than your full shareholding participating in the BSP, provided you specify the number of shares per registered holding for participation (partial participation). If you choose partial participation, you will receive a dividend cheque or direct credit or DRP statement for the portion of your shares not participating in the BSP.

5. Is there a minimum or maximum participation level?

To participate in the BSP, you must specify a number of shares per registered holding prior to the BSP election date. CWP has the discretion to introduce a minimum and maximum participation level.

6. How many shares will I receive?

The number of BSP shares you receive will be calculated by multiplying the number of participating shares you hold at the dividend record date by the relevant dividend, deducting any withholding tax (if applicable) and then dividing this amount by the issue price. The calculation will be rounded either up or down to the nearest whole number of shares.

Frequently Asked Questions and Answers

7. How will I know how many shares I receive under the BSP?

All participants in the BSP will be sent a statement shortly after the dividend payment date. This statement will include:

- the number of participating shares you held in your registered holding at the dividend record date;
- the dividend foregone calculation (including withholding tax deductions, if applicable); and
- the number of BSP shares issued to your registered holding.

If you are a partial participant, you will also receive your cheque or direct credit payment advice or DRP statement in the same envelope.

8. How will my BSP shares be treated for the subsequent dividend payments?

If you choose to participate fully in the BSP, all shares held by you in the relevant registered holding at each dividend record date will be treated as participating in the BSP (participating shares), including any previously acquired BSP shares or other shares.

If you choose partial participation, only the number of shares you have specified in the relevant registered holding will be participating shares. Any change to BSP partial participation share numbers must be completed by any BSP election date.

9. What if I have more than one CWP shareholding?

You will need to complete a separate BSP election form for each of your shareholdings. To make it easier to manage your shareholdings, you may want to combine your shareholdings. Please contact the Share Registry for more information.

10. What will happen if I combine my separate shareholdings?

If you decide to combine your holdings for instance, by converting your issuer sponsored holding to your CHESS holding (or vice versa), your participation in the BSP may be affected by the conversion of your holdings. You should contact the Share Registry to ensure the appropriate BSP election continues to be applied.

11. Can the BSP be changed or terminated?

CWP may vary the Rules or suspend or terminate the BSP at any time. If this occurs, CWP will make a public announcement and information will be available at www.cedarwoods.com.au

12. How do I change my BSP participation?

You can change your participation or withdraw from the BSP by contacting the Share Registry to request a BSP election form and then completing it and sending it to the Share Registry.

Your BSP election form must be received, by the Share Registry, before 5pm on the BSP election date, to be active for the next dividend.

Frequently Asked Questions and Answers

13. Can I sell my BSP shares?

Shares acquired through the BSP can be sold at any time after allocation by CWP and quotation on the Australian Securities Exchange. If you sell all of your shares between a dividend ex date and dividend payment date, your dividend payment in respect of participating shares will still be used to acquire shares through the BSP. However, if you sell all of your shares before the dividend ex date, you will not receive shares under the BSP or any other payment on the dividend payment date.

14. What is the taxation treatment?

CWP cannot advise on the taxation implications of participating in the BSP. If you have any questions regarding the taxation implications, please consult your stockbroker, accountant or other professional adviser. The BSP provides for shareholders to elect not to receive a dividend in respect of all or some of their CWP shares but to receive instead additional fully paid shares issued as bonus shares to the equivalent value of the dividend forgone. CWP understands for Australian residents that shares issued under the BSP should not be dividends for the purpose of the Australian dividend imputation system and therefore such shares should not, in general, be subject to Australian income tax or dividend withholding tax. Such shares will also not be treated as “franked dividends” to which “franking credits” attach for the purpose of the dividend imputation system.

CWP has obtained a class ruling from the Australian Taxation Office to clarify the taxation implications for shareholders. The ruling is titled Class Ruling CR 2011/18: Income Tax: bonus share plan: Cedar Woods Properties Limited (CR2011/18) and is available on both the ATO and the CWP websites.

Following the 14 April 2014 amendments to Appendix 6A of the ASX Listing Rules and the subsequent change to the definition of the BSP election date in these rules, CWP has received further guidance from the ATO confirming that the taxation outcomes expressed in CR 2011/18 will remain effective notwithstanding such changes.

Rules of the Bonus Share Plan (BSP)

See Definitions at the end for meanings of specific words and expressions used in these Rules.

1. Eligibility and Participation

- 1.1 Participation in the BSP is limited to the eligible holdings of eligible shareholders. Subject to Rule 1.5, an eligible holding is a registered holding in CWP's Share Register as at the relevant dividend record date that contains at least the minimum holding.
- 1.2 Subject to Rules 1.5 and 1.8, an eligible shareholder is a person who at the relevant dividend record date was recorded in CWP's Share Register as having an address in either Australia or New Zealand.
- 1.3 Participation in the BSP:
 - a) is optional and voluntary;
 - b) is not transferable; and
 - c) may be varied or terminated at any time as set out in Part 10.
- 1.4 To apply to participate in the BSP, eligible shareholders must complete, sign and lodge with the Share Registry a BSP election form for each of their eligible holdings in accordance with these Rules and the instructions on the BSP election form. However:
 - a) CWP may accept written applications for participation in the BSP which are not in the form of a BSP election form if CWP decides that the instructions are clear. Such written instruction, if acceptable to CWP, will be deemed to be a BSP election form for the purpose of these Rules; and
 - b) CWP may allow BSP election forms to be lodged electronically, either through CWP's web site or that of an authorised third party. The availability of any such facility will be referred to on CWP's website and announced to the ASX. Any BSP election forms so lodged must comply with the applicable terms and conditions of the facility.
- 1.5 CWP may determine that a shareholder is not an eligible shareholder or that a holding is not an eligible holding within the provisions of these Rules. Such a determination will be final and binding. In making this determination, CWP may consider, among other things, whether a shareholder obtained any necessary approvals to enable that shareholder to participate in the BSP in the jurisdiction in which that shareholder resides.
- 1.6 If an eligible shareholder has more than one eligible holding of shares and wishes to participate in the BSP with respect to one or more such holding, a BSP election form must be lodged with respect to each separate shareholding. For the purpose of determining whether a shareholder has an eligible holding:
 - a) the holders of a joint or several holding will be considered as one holder and if they are entitled to BSP shares because of that holding, the BSP shares will not be paid to them separately; and
 - b) the number of shares in different holdings will not be aggregated.
- 1.7 If shares are jointly or severally held by two or more eligible shareholders, all joint or several holders of such shares must sign a single BSP election form for it to be valid. If one or more of the joint or several holders of the shares is not an eligible shareholder, none of the joint or several holders can apply to participate in the BSP with respect to the shares jointly or severally held.
- 1.8 CWP may refuse to accept a BSP election form and may suspend or withdraw shares from participation in the BSP if it considers that the participation of those shares might lead to:
 - a) foreign persons or associates of foreign persons acquiring a significant interest or an aggregate significant interest in CWP for the purposes of the foreign takeovers legislation; or
 - b) an unacceptable shareholding for the purposes of the Financial Sector (Shareholdings) Act 1998.

Rules of the Bonus Share Plan (BSP)

2. Participation

- 2.1 An eligible shareholder with an eligible holding who wishes to participate in the BSP must elect on the BSP election form the degree to which the shareholder wishes to participate in the BSP with respect to that holding.
- 2.2 The degree of participation that an eligible shareholder may elect is either:
- Full Participation - for all of the participant's shares in the eligible holding from time to time - see Rule 2.4 and Part 3; or
 - Partial Participation - for a specific number of shares in the eligible holding nominated by the participant – see Rules 2.5, 2.6 and Part 3.
- 2.3 Signed and otherwise complete BSP election forms received by CWP under which the degree of participation in the BSP of an eligible holding of an eligible shareholder is unclear will without further notice to the relevant eligible shareholder be deemed to be an election of full participation.
- This includes:
- electing partial participation without specifying the number of participating shares;
 - signing the BSP election form but not electing full participation or partial participation; or
 - electing both full participation and partial participation.
- This Rule does not limit Parts 4 and 5.
- 2.4 Subject to Rule 3.2, if a participant has elected full participation for a holding of shares, all of that shareholding from time to time will be participating shares. This means that all shares acquired by that participant that are added to that holding (including any BSP shares issued to the participant) will be designated participating shares, subject to:
- the SCH Business Rules;
 - any subsequent disposals of shares;
 - any changes to that participant's BSP election; and
 - any minimum or maximum limit on participating shares that may be set by CWP from time to time.
- 2.5 If a participant has elected partial participation for a holding of shares, the number of participating shares will remain at that specified by the participant on its BSP election form and will not increase, irrespective of whether the participant subsequently acquires additional shares (including any BSP shares issued to the participant).
- 2.6 If a participant who has elected partial participation holds in their shareholding, at any dividend record date, fewer shares than the number of participating shares, then the participant will receive a cash dividend in respect of that shareholding.
- 2.7 If a shareholder has elected participation in the BSP for a number that is less than the minimum holding or holds at any dividend record date less than the minimum holding, the participant will receive a cash dividend in respect of that shareholding.

3. Minimum and Maximum Participation

- 3.1 CWP's Directors may from time to time determine the minimum number of shares required for a shareholding to be an eligible holding. CWP may vary this minimum number by noting such variation on CWP's website and by notice to the ASX.
- 3.2 CWP may, whether in respect of a particular dividend or as a continuing term of participation in the BSP, set a maximum number of participating shares per eligible shareholder.

Rules of the Bonus Share Plan (BSP)

- 3.3 To the extent that a BSP election form specifies a number of participating shares in excess of a limit set under Rule 3.2 (including by Full Participation where the number of participating shares would exceed that limit), for so long as that limit applies:
- a) that limit will be deemed to be the number of participating shares for the purposes of Part 6 and Rule 8.1; and
 - b) any shares specified in a BSP election form as participating shares in excess of that limit (including by electing full participation where the number of participating shares would exceed that limit) will be deemed to be non-participating shares, and any dividend payable in respect of those shares will be a cash dividend.
- 3.4 Where a limit is set under Rule 3.2, CWP may waive the limit on the number of participating shares at any time for any eligible shareholder who holds shares as a trustee or nominee for a number of beneficial owners (who are also eligible shareholders), provided that:
- such trustee or nominee will not at any time participate in the BSP on behalf of any single beneficial owner in excess of the limit set under Rule 3.2; and
 - Rule 3.3 will apply as if each such beneficial owner is the registered shareholder.

4. Acceptance of Applications

- 4.1 Subject to Rule 4.3, an eligible shareholder's participation in the BSP for an eligible holding will commence from the first BSP election date following receipt by CWP's Share Registry of the eligible shareholder's BSP election form for that eligible holding and will continue for so long as the BSP election form is effective under Rule 4.2.
- 4.2 Subject to Rules 1.1, 1.2 and 4.3, a BSP election form submitted in accordance with Rule 1.4 is effective:
- a) from the date the BSP election form is received by the Share Registry;
 - b) in respect of a dividend, only if it is received at the Share Registry's office by 5pm on the BSP election date;
 - c) until:
 - i) the participant varies or terminates its participation in the BSP pursuant to these Rules;
 - ii) termination of the BSP;
 - iii) the participant ceases to be an eligible shareholder; or
 - iv) the shareholding ceases to be an eligible holding.

The form will become effective again at such time as the shareholder recommences to be an eligible shareholder, the shareholding recommences to be an eligible holding or upon and from recommencement of the BSP, following a suspension.

- 4.3 CWP may:
- a) accept or refuse a BSP election form which is not properly completed or signed;
 - b) correct any error in, or omission from, a BSP election form, prior to acceptance under Rule 4.3(a).
- 4.4 CWP will record, with respect to each participant:
- a) the name and address of the participant (being the name and address in CWP's register of members, from time to time); and
 - b) the number of participating shares held by the participant from time to time,
- and CWP's records will be conclusive evidence.

Rules of the Bonus Share Plan (BSP)

5. Significance of Applying

- 5.1 By applying to participate in the BSP in accordance with Rule 1.4, an applicant:
- a) warrants to CWP that the shareholding is an eligible holding (see Rule 1.1) and it is an eligible shareholder (see Rule 1.2);
 - b) authorises CWP (and its Directors, employees or agents) to correct any error in, or omission from, its BSP election form;
 - c) acknowledges that CWP may at any time irrevocably determine that the applicant's BSP election form is valid, in accordance with these Rules, even if the BSP election form is incomplete, contains errors or is otherwise defective;
 - d) acknowledges that CWP may refuse any BSP election form;
 - e) consents to the establishment of a BSP account on its behalf;
 - f) acknowledges that neither CWP nor the Share Registry has provided the applicant with investment, taxation or other advice and that neither has any obligation to provide this advice, concerning participation in the BSP; and
 - g) unconditionally agrees to the Rules and agrees not to do any act which would be contrary to the intention of the BSP, in each case, at all times until termination of the BSP or of the applicant's participation in the BSP.

6. Share Issue

- 6.1 Subject to Rule 6.2 and Part 10, a participant elects to not receive a dividend in respect of all or some of their shares but to instead receive additional fully paid shares issued as bonus shares to the equivalent value of the dividend foregone.
- 6.2 Any portion of a participant's dividend payment on participating shares which CWP is entitled or required to withhold for any reason will not be available for BSP shares.
- 6.3 A BSP account for each participating shareholding will be established and maintained by CWP. Subject to Part 10, for each dividend, CWP will, with respect to each participating shareholding:
- a) determine the dividend payment with respect to the participating shares;
 - b) credit the amount in paragraph (a) to the BSP account of the participating shareholding. Such payment into that account constitutes payment in lieu of the dividend on those participating shares;
 - c) determine the number of BSP shares which can be acquired under the BSP by dividing the amount in the BSP account for the participating shareholding by the issue price and rounding either up or down to the nearest whole number of shares; and
 - d) on behalf of and in the name of the participant, issue the number of BSP shares determined under paragraph (c) and debit the aggregate issue price for those BSP shares against the balance in the BSP account for the participating shareholding.
- 6.4 The issue price per share for a particular dividend is the weighted average market price of shares traded on ASX over the three trading days immediately preceding and inclusive of the dividend record date and the five trading days immediately following the dividend record date rounded either up or down to the nearest cent (0.5 cent to be rounded down) less such discount, if any, as the Directors may determine, rounded either up or down to the nearest cent.
- 6.5 The issue price and any discount determined by the Directors in respect of this BSP for a particular dividend payment date may differ from the issue price and any discount determined by the Directors in respect of any other particular dividend payment date.
- 6.6 The discount for BSP shares allocated on a particular dividend payment date:
- a) may be nil; and
 - b) may be varied by announcement on CWP's website and to the ASX at any time, but any such variation will not apply to dividends already announced.

Rules of the Bonus Share Plan (BSP)

7. Issue or Transfer of Shares

- 7.1 All newly issued BSP shares will, from the date of allocation, rank equally in all respects with existing shares and will participate in all dividends subsequently declared.
- 7.2 BSP shares will be registered on the share register on which the participant already holds shares or if the participant holds shares on more than one share register, on the share register which CWP determines.
- 7.3 CWP will make application promptly after each allocation of newly issued BSP shares for quotation of those shares on ASX.
- 7.4 CWP will ensure that the BSP shares satisfy subparagraph 6BA(6) of the Income Tax Assessment Act 1936, namely that the company will not credit the share capital account in connection with the issue of the shares.

8. Despatch of BSP Statements

- 8.1 As soon as practicable after each allocation of BSP shares, CWP will send to each participant to whom BSP shares have been allocated a statement for each eligible holding setting out:
 - a) the number of the participating shares in the shareholding at the relevant dividend record date;
 - b) the dividend foregone in respect of the participating shares in the shareholding;
 - c) if applicable, the amount of withholding tax or other amount under Rule 6.2 which has been deducted from the dividend payment on the participating shares in the shareholding;
 - d) the number of BSP shares allocated to that shareholding and the date of allocation of those BSP shares;
 - e) the issue price of each BSP share allocated to the shareholding;
 - f) subject to any share transactions the participant may have engaged in after the dividend record date, the total number of participating shares (including the BSP shares) in the shareholding after the allocation of BSP shares;
 - g) the total number of shares in the shareholding after the allocation of BSP shares; and
 - h) any other matters required by law to be included in a statement confirming a transaction.

9. Variation or Termination of a Participant's Participation

- 9.1 Subject to Parts 3 and 10 and Rule 4.3, a participant may in respect of an eligible holding:
 - a) vary its participation from full participation to partial participation or from partial participation to full participation;
 - b) maintain its partial participation but increase or decrease the number of its participating shares; or
 - c) terminate its participation in the BSP,
 by submitting a BSP election form in accordance with Rule 1.4 specifying the variation or termination respectively. Participants can obtain a BSP election form for this purpose by contacting the Share Registry.
- 9.2 A participant is taken to have terminated its participation in the BSP for an eligible holding:
 - a) on receipt by the Share Registry of a BSP election form in accordance with Rule 9.1 in respect of that shareholding;
 - b) on the day after the first BSP election date following registration of a transfer of all of the participant's participating shares in that shareholding;

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- c) on termination of the BSP by CWP pursuant to these Rules;
 - d) on receipt by CWP of notice of the death, bankruptcy or liquidation of the participant, except where the participant was a joint holder in respect of that shareholding and any remaining holder or joint holders are eligible shareholders;
 - e) on the participant ceasing to be an eligible shareholder; or
 - f) the shareholding ceasing to be an eligible holding.
- 9.3 When a participant disposes of part of its holding of shares, and does not notify CWP otherwise, the shares disposed of will, to the extent possible:
- a) first, reduce the number of any non-participating shares in that shareholding (if any); and
 - b) secondly, reduce the number of any participating shares in that shareholding (if any).

10. Variation, Suspension, Recommencement and Termination of the BSP

- 10.1 The BSP may be:
- a) varied (including by variation of the Rules);
 - b) suspended;
 - c) recommenced; or
 - d) terminated,
- by CWP at any time.
- 10.2 A variation, suspension, recommencement or termination of the BSP will take effect:
- a) on such date as the Directors determine; and
 - b) in the case of a suspension, until such time as the Directors resolve either to recommence or terminate the BSP.
- 10.3 Any variation, suspension, recommencement or termination of the BSP will not give rise to any liability on the part of, or right of action against, CWP nor its Directors, employees, or agents.
- 10.4 If the BSP or the Rules are varied, a participant continues to participate under the BSP and Rules in their varied form unless the participant terminates its participation in the BSP by submitting a BSP election form in accordance with Rules 1.4 and 9.1.
- 10.5 If the BSP is suspended, participants' elections in the BSP will cease to be effective until such time as the BSP is recommenced and all shares will be deemed to be non-participating shares for the purpose of any dividend declared while the BSP is suspended.
- 10.6 If the BSP is recommenced following a suspension the participant's previously suspended BSP election form will be reinstated and be valid and effective in accordance with these Rules for the purposes of the recommenced BSP, unless determined otherwise by CWP and notified to participants in accordance with Rule 10.7.
- 10.7 CWP will give notice of any:
- a) termination of the BSP to participants at least one month before the effective date of the termination;
 - b) variation of the BSP (other than simply an exercise of a discretion, authority or power under these Rules) to eligible shareholders at least one month before the effective date of the variation; and
 - c) suspension or recommencement of the BSP to participants as soon as reasonably practicable before or after the effective date of the suspension or recommencement.

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Such notice may be provided in any manner (including, without limitation, by public announcement, advertisements in any newspapers circulating generally in Australia, notice on CWP's website, announcement to the ASX or mailed written notices) which CWP considers appropriate to bring the termination, variation, suspension or recommencement to the notice of the participants or eligible shareholders, as the case may be, having regard to the nature of the event for which notice is being given.

- 10.8 The accidental omission to give notice of termination, variation, suspension or recommencement to any participant or the non-receipt of any notice by any participant will not invalidate the termination, variation, suspension or recommencement of the BSP or any allocation of shares under the BSP.
- 10.9 Notice of a variation of the BSP will be given to participants as soon as practicable after the effective date of the variation if the Directors are satisfied that the variation is made to correct a manifest error, or an error of a minor nature, is of a formal or technical nature only or does not prejudice the interests of participants.
- 10.10 CWP will announce the pricing period and any discount applicable to the BSP for any dividends payable on a particular dividend payment date at or around the same time it announces the dividend.

11. Directors' Powers

- 11.1 This BSP will be administered by the Directors who are authorised under these Rules, and have the discretion to:
- a) determine any procedures for administration of the BSP that are consistent with the Rules;
 - b) resolve conclusively all questions of fact or interpretation in connection with the BSP;
 - c) resolve in such manner as they think expedient any difficulties, anomalies or disputes which may arise in connection with, or by reason of, the operation of the BSP, whether generally or in relation to any participant or any Shares;
 - d) enter into any underwriting arrangements regarding the BSP that they deem appropriate;
 - e) exercise discretions or powers (including any power to make a choice, decision, determination or resolution) of CWP under these Rules;
 - f) delegate to any one or more persons, for such period and on such conditions as they may determine, the exercise of any of their discretions, authorities or powers arising under the BSP including, without limitation, the power to delegate such discretions, authorities or powers; or
 - g) waive strict compliance with any of the provisions of these Rules.
- 11.2 Any discretion, authority or power (including any power to make a choice, decision, determination or resolution) exercisable by CWP or the Directors under these Rules or by a delegate under Rule 11.1(f):
- a) is final and binding on the participants and any other relevant persons;
 - b) is exercisable in the absolute discretion of CWP, the Directors or the delegate, as the case may be; and
 - c) may be exercised at any time and from time to time.

12. Costs to Participants

No fees, brokerage, goods and services tax, stamp duty or other transaction costs will be charged by CWP in respect of the allocation of BSP shares pursuant to these Rules unless required by law.

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13. Taxation

Neither CWP nor its Directors, employees or agents:

- a) take any responsibility or assume any liability for, or as a consequence of, the tax liabilities of any person in connection with the BSP; or
- b) represent or warrant that any person will gain any taxation advantage or will not incur a taxation liability or disadvantage as a result of participation in the BSP.

14. Governing Law

These Rules are governed by the laws of Western Australia, Australia.

15. Lien

The BSP will not apply to cases where in accordance with CWP's constitution or otherwise by law, the Directors are entitled to retain all or part of a dividend payment in respect of a participant and over which Shares or dividend CWP holds, or is entitled to hold, a charge or lien.

16. Interpretation

In these Rules, unless the contrary intention appears:

- a) a reference to a Rule or Part is a reference to a Rule or Part in these Rules;
- b) a reference to this BSP or these Rules includes any variation or replacement of them;
- c) a reference to a statute or the Listing Rules includes any consolidations, amendments, re-enactments or replacements of any of them;
- d) the singular includes the plural and vice versa;
- e) the word person includes a firm, a body corporate, an unincorporated association or an authority;
- f) a reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including but not limited to, persons taking by novation) and assigns; and
- g) headings are inserted for convenience and do not affect the interpretation of these Rules.

Definitions

In these Rules, the following words and expressions have the meanings indicated unless the contrary intention appears.

Allocation	The issue of new Shares to Participants under the BSP. "Allocated" has a corresponding meaning.
ASX	Australian Securities Exchange Limited
Average Market Price	The average of the daily volume weighted average sale price per Share of Shares sold on the ASX during the Pricing Period excluding in the Directors' discretion Shares which are sold otherwise than in the ordinary course of trading on the ASX (including any transaction defined in the ASX Business Rules as "special", crossings prior to the commencement of normal trading, crossings during the closing phase and the after hours adjust phase and any overseas trades or trades pursuant to the exercise of options over Shares, any overnight crossings and any other sales which the Directors consider may not be fairly reflective of natural supply and demand).
BSP	CWP's Bonus Share Plan to which these Rules apply as varied from time to time.
BSP Election Form	The form relating to the BSP used to apply for, vary or terminate participation in the BSP.
BSP Shares	Shares which a participant acquires by way of allotment of newly issued shares under the BSP in lieu of receiving a dividend payment by cheque or direct credit.
BSP Election Date	The date and time, as determined by the Directors in accordance with the Listing Rules and announced to ASX, by which a person must have lodged a BSP election form to apply for, vary or terminate participation in the BSP at the next dividend.
Business Day	A day other than a Saturday, Sunday or public holiday in Western Australia.
Corporations Act	Corporations Act 2001 (Cth), including any waivers of, modifications to, or other form of relief from, provisions of the Corporations Act, applicable to the BSP from time to time.
CWP	Cedar Woods Properties Limited ABN 47 009 259 081
Directors	The directors of CWP acting either as a board or a committee of the board.
Discount	The discount, if any, expressed as a percentage, to the Average Market Price, determined by the Directors to be applied in calculation of the Issue Price in respect of the BSP for shares to be issued on a particular dividend payment date.
Dividend	Any dividend per share announced and payable by CWP.
Dividend Payment	In relation to each shareholding of a shareholder, the dividend multiplied by the number of shares held by that shareholder in the shareholding, less any withholding tax deductible by CWP or any other amounts CWP is entitled or required to deduct from the dividend.
Dividend Payment Date	The date on which a dividend is payable, as announced by CWP.
Dividend Record Date	The date and time, as determined by the Directors and announced to ASX, at which a person holds or is taken to hold shares for the purpose of determining the entitlement of shareholders to dividends.
Eligible Holding	See Rule 1.2.
Eligible Shareholder	See Rule 1.2.

Definitions

Ex Dividend	The date from which sellers rather than purchasers become entitled to the dividend payment.
Full Participation	A degree of participation in the BSP under which all of a participant's shares in a shareholding from time to time, including shares subsequently acquired by the participant in a shareholding, under the BSP or otherwise, will be designated participating shares.
Issue Price	In respect of the BSP for a particular dividend, the Weighted Average Market Price, less any Discount, rounded either up or down to the nearest cent.
Listing Rules	The Listing Rules of ASX (including the SCH Business Rules), including any waivers or modifications of the Listing Rules applicable to the BSP from time to time.
Maximum and Minimum Holding	The number of shares as may be determined by the Directors from time to time.
Non-Participating Shares	Shares in a shareholding which a participant has not nominated for participation in the BSP or which have ceased to be participating shares.
Partial Participation	A degree of participation in the BSP where a participant specifies the number of its shares in a shareholding that will be designated as participating shares.
Participating Shares	Subject to Part 4, shares in a shareholding which a participant has validly nominated for participation in the BSP.
Pricing Period	In respect of a particular dividend payment date, the pricing period for BSP shares will be the three trading days immediately preceding and inclusive of the dividend record date and the five trading days immediately following the dividend record date .
Rules	These rules of the BSP as varied from time to time.
SCH Business Rules	The business rules of the securities clearing house of ASX, as enforced from time to time.
Shareholder	A person registered at a relevant dividend record date as a holder of shares.
Shareholding	A holding of Shares registered in the CWP share register.
Shares	Fully paid ordinary shares in CWP and any other shares issued by CWP that the Directors decide are eligible for participation in the BSP.
Share Registry	Computershare Registry or any other share registry that maintains the share register of CWP.
Trading Day	A full day on which the Shares are quoted, and not suspended from quotation or made subject to a trading halt, on ASX, provided that a day on which ASX is closed or on which trading on ASX is suspended is not a Trading Day