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15 April 2020

ASX ANNOUNCEMENT

Pacific Smiles Group Limited Implements Dividend Reinvestment Plan

Pacific Smiles Group Limited (ASX: PSQ) ("Pacific Smiles" or "the Company") is pleased to announce the implementation of a Dividend Reinvestment Plan ("DRP"), which will allow eligible shareholders to reinvest all or part of their dividend payments into Pacific Smiles shares, without incurring brokerage, commissions or other transaction costs.

The DRP will apply to the fully franked interim dividend of 2.4 cents per share announced on 20 February 2020 ("FY20 Interim Dividend"). The key dates for the DRP in respect of the FY20 Interim Dividend are set out in this announcement.

Operation of the DRP

Participation in the DRP is optional and currently available to holders of fully paid ordinary shares in the Company with a registered address in Australia or New Zealand as at the relevant dividend record date (which is 19 March 2020 for the FY20 Interim Dividend).

The Board decided to establish the DRP in relation to the FY20 Interim Dividend to give existing shareholders the flexibility to reinvest in the Company at historically low prices, while allowing the Company to retain additional cash as a buffer for the period of shutdowns, as noted in the 30 March 2020 market update.

The Company wishes to advise that, since the previous market update, Pacific Smiles has had positive discussions with its lenders regarding an increase in facility limits. The Company has been provided with an indicative term sheet which, if progressed to a legally binding agreement, would offer the Company up to \$20 million of additional debt funding. Pacific Smiles will continue to explore this option as a means of further increasing financial flexibility throughout the COVID-19 crisis and beyond.

The Board will determine whether the DRP will apply to subsequent dividends at the time it considers the decision whether to pay a dividend. When announcing any such future dividends, Pacific Smiles will publish whether the DRP will apply.

More information on the DRP

The DRP rules, which contains the full terms and conditions of the DRP, and a set of frequently asked questions about participation in the DRP, are attached to this announcement and available at <http://investors.pacificsmilesgroup.com.au/Investors/>.

Pacific Smiles strongly encourages shareholders to read the DRP rules in their entirety and to seek their own independent financial and taxation advice about the consequences of participation in the DRP.

What you need to do to participate in the DRP

Shareholders who wish to participate in the DRP must elect to do so in respect of either all of part of their

dividends in accordance with the DRP rules. The Company encourages eligible shareholders who wish to participate in the DRP to make their election online at the Link Market Services website at <https://investorcentre.linkmarketservices.com.au/>

Eligible Shareholders who do not wish to participate in the DRP do not need to do anything and will continue to receive dividend payments from Pacific Smiles in accordance with current arrangements.

Key dates for FY20 Interim Dividend and DRP

As noted above, the DRP will apply to the FY20 Interim Dividend.

The DRP Price will be calculated using the 5 day volume weighted average price (VWAP) from 20 April 2020 to 24 April 2020 with a 5% discount applied to the VWAP.

In order to participate in the DRP in respect of the FY20 Interim Dividend, eligible shareholders must elect by the DRP Election Date of 26 April 2020 to have all or part of their dividends paid in Pacific Smiles shares in accordance with the DRP rules.

The key dates for the FY20 Interim Dividend and DRP are provided below:

Ex-Dividend Date	18 March 2020
Dividend Record Date	19 March 2020
DRP Election Date	26 April 2020
DRP Pricing Period	VWAP from 20 April – 24 April 2020
Notification of DRP Price	27 April 2020
Dividend Payment Date	1 May 2020
DRP Share Issue Date	1 May 2020

For further information, please contact:

Phil McKenzie

Chief Executive Officer

Email: investor.relations@pacificsmiles.com.au

Phone: 02 4930 2000

Dividend reinvestment plan - Plan highlights and frequently asked questions

Pacific Smiles Group Limited
ACN 103 087 449

15 April 2020

HIGHLIGHTS

1 HIGHLIGHTS FOF THE DIVIDEND REINVESTMENT PLAN

You may elect to have the Dividends on some or all of your Pacific Smiles Group Limited Shares automatically reinvested in additional Shares.

Pacific Smiles Group Limited Shares will be transferred or issued under the DRP at the volume weighted average market price during the period determined by the Board from time to time, less any applicable discount determined by the Board from time to time.

You do not have to pay any administrative, brokerage, commission or stamp duty costs.

Pacific Smiles Group Limited Shares issued under the DRP rank equally with existing Pacific Smiles Group Limited Shares.

Participation in the DRP is optional. You may apply to participate in the DRP, vary your participation or withdraw from it at any time.

A DRP Statement providing details of your participation will be made available to you on, or as soon as reasonably practicable after, the date Shares are issued or transferred to you.

2 HOW TO PARTICIPATE

To participate in the DRP complete either:

- (a) log into Link Market Services Investor centre at <https://investorcentre.linkmarketservices.com.au/Login/Login>
 - 1. Click on **Payments & Tax** tab
 - 2. Select **Reinvestment Plans** to provide your DRP election
- (b) the interactive DRP Application available on Pacific Smiles Group Limited's website at <http://investors.pacificsmilesgroup.com.au/Investors/>
- (c) a DRP Application available from Pacific Smiles Group Limited's Share Registry at the details below.

Subject to the Board's discretion, participation in the DRP commences on the first Dividend payment after Pacific Smiles Group Limited receives and accepts the duly completed and executed DRP Application. The DRP Application must be received by 5.00pm (AEST) on the DRP Election Date.

3 FURTHER INFORMATION

If you require further information about the DRP, please contact Pacific Smiles Group Limited's Share Registry, Link Market Services Limited at:

Post

Pacific Smiles Group Limited
c/- Link Market Services
Locked Bag A14
South Sydney NSW 1235
Australia

Online

www.linkmarketservices.com.au

Email

Telephone

+61 1300 554 474

Facsimile

registrars@linkmarketservices.com.au +61 2 9287 0309

4 DEFINED TERMS

Defined terms used in these highlights and frequently asked questions have the same meaning as set out in DRP Terms.

FREQUENTLY ASKED QUESTIONS

1 AM I ELIGIBLE TO PARTICIPATE?

All Shareholders with an address in Australia or New Zealand on the Register are eligible to participate in the DRP. Shareholders who do not have an address in Australia or New Zealand may only participate in the DRP if the Directors in their absolute and unfettered discretion approve of the participation.

Participation in the DRP by Eligible Shareholders is:

- (a) optional and voluntary; and
- (b) not transferable.

2 HOW DO I PARTICIPATE?

You may elect to participate in the DRP by submitting a DRP Application. The easiest way to complete your DRP Application is by accessing it via Pacific Smiles Group Limited's website at <http://investors.pacificsmilesgroup.com.au/Investors/>. A paper based DRP Application can also be obtained from Pacific Smiles Group Limited's Share Registry.

Subject to the Board's discretion, participation in the DRP commences on the first Dividend payment after Pacific Smiles Group Limited receives and accepts the duly completed and executed DRP Application. The DRP Application must be received by 5.00pm (AEST) on the first Business Day after the Record Date.

3 FULL OR PARTIAL PARTICIPATION?

Shareholders may elect in their DRP Application to participate in the DRP as either:

(a) Full participation

If you elect full participation, all Dividends for all of the Shares held by you at the relevant Record Date are treated as Participating Shares. The Dividends on all of your Shares are reinvested as Participating Shares.

(b) Partial participation

If you elect partial participation, only the specific number of Shares nominated are Participating Shares. For Shares not participating in the DRP, Dividends will be paid into your nominated financial institution or by cheque, depending on the payment instructions you have provided to Pacific Smiles Group Limited's Share Registry. Any Shares issued or transferred to you under the DRP will automatically become Participating Shares. Dividends paid on Participating Shares are reinvested in new Shares in accordance with the DRP Terms.

4 DO I HAVE TO PARTICIPATE?

No, participation is optional. If you are unsure whether to participate, you should obtain your own independent advice before making a decision.

5 IS THERE A DISCOUNT?

The Board will determine for each Dividend whether a Discount will be applied to the DRP. The Discount, if any, will be announced to the ASX at the time the relevant Dividend is announced to the ASX.

6 WILL THESE SHARES BE THE SAME AS MY EXISTING SHARES?

Yes, Shares allotted or transferred under the DRP rank equally in all respects with existing Shares from the date of allotment, and are therefore eligible to participate in any subsequent DRP.

7 HOW MANY SHARES WILL I RECEIVE?

The number of new Shares to be allotted or transferred to you depends on the value of the Dividend declared. The number of Shares that you will receive will be the value of the Dividend payable on your Participating Shares (net of Withholdings) at the Record Date divided by the Market Price, rounded down to the nearest whole number of Shares.

If you continue to hold Shares under your Shareholder Number at the Record Date and continue to participate in the DRP, any balance remaining after rounding down that is less than the price of one new Share will be retained for you and used to subscribe for shares under the DRP with the next Dividend.

If you cease to participate in the DRP before the Record Date but continue to hold shares under your Shareholder Number at the Record Date for the next dividend, the balance will be remitted to you at a time determined by Pacific Smiles Group Limited to be paid either into your nominated financial institution or by cheque, depending on the payment instructions you have provided to Pacific Smiles Group Limited's Share Registry.

If you cease to hold Shares under the Shareholder Number the DRP relates to at the time of the Record Date for the next dividend, Pacific Smiles Group Limited will retain any residual balance and donate those funds to a charitable organisation.

Refer to clauses 5.6, 5.7 and 5.8 of the DRP Terms for further information about the residual balance.

8 WILL I HAVE TO PAY ANYTHING TO PARTICIPATE IN THE DRP?

No brokerage or other transaction or administration costs are payable by Participants on Shares allotted under the DRP at this time. You are responsible for costs associated with seeking independent advice concerning your participation in the DRP.

9 WHAT IF I HAVE MORE THAN ONE SHAREHOLDING?

You will have to submit a separate DRP Application for each shareholding registered under different names or for each shareholding that has a different shareholder registration number.

10 HOW WILL I KNOW HOW MANY SHARES I HAVE BEEN ALLOTTED OR TRANSFERRED?

Pacific Smiles Group Limited's Share Registry will make available to you a DRP Statement after each Dividend Payment Date.

11 WHEN WILL SHARES BE RECORDED IN MY NAME?

Shares allotted or transferred under the DRP will be recorded in the Register under your name on or about the date of payment of the relevant Dividend.

You should confirm that the Shares have been recorded in your name before entering into any transaction involving Shares issued or transferred under the DRP.

12 DOES PARTICIPATING IN THE DRP RESTRICT ME FROM SELLING MY SHARES?

No. Participation in the DRP does not restrict you from selling your Shares.

Pacific Smiles Group Limited employees must abide by the terms of the Pacific Smiles Group Limited's Trading Policy.

13 HOW DO I CHANGE OR TERMINATE MY PARTICIPATION IN THE DRP?

You may vary your level of participation or withdraw from the DRP at any time by submitting a DRP Application.

Subject to the DRP Application being received by 5.00pm (AEST) on the DRP Election Date, the variation or withdrawal will be effective for that Dividend.

A DRP Application that is received after the DRP Election Date for a Dividend is not effective for that Dividend but takes effect in respect of the next Dividend declared by the Directors.

14 MARKET PRICE

Shares are issued or transferred at the arithmetic average of the daily volume weighted average market price (rounded to the nearest cent) of all Shares sold through a Normal Trade on the ASX automated trading venues (and/or such other trading venues as the Directors may determine from time to time) during the ten Trading Days commencing on the second Trading Day following the relevant Record Date, or such other period as the Directors may determine from time to time. If, in the absolute discretion of the Directors, the "Market Price" as calculated is not considered to represent the then fair market value of Shares, the Directors may determine the fair market value of Shares. The Market Price may be reduced by a Discount in accordance with the DRP Terms.

The calculation may be made by the Directors or a person nominated by the Directors and may be determined by reference to such information as the Directors approve for the purpose from time to time, and, in the absence of manifest error, is binding on Participants.

The Market Price will be announced to the ASX at the time the relevant Dividend is announced to the ASX or when it is available following calculation.

15 MODIFICATION OF THE DRP

The DRP may be modified, suspended or terminated by the Directors at any time. Any such changes will be notified to the ASX.

16 DOES THE DRP APPLY IN RESPECT OF EVERY DIVIDEND?

No. In addition to varying, suspending or terminating the DRP, the Pacific Smiles Group Limited Board may at any time determine that the DRP will not apply for a particular dividend by making an announcement to the market to that effect. Pacific Smiles Group Limited will announce to the market whether the DRP applies in respect of a particular dividend at the same time the Dividend is announced.

17 WHAT IF I AM A NOMINEE?

If you are a nominee, please call Pacific Smiles Group Limited's Share Registry.

18 TAXATION

For tax purposes, Dividends reinvested under the DRP are usually assessable for income tax in the same way as cash Dividends in Australia and New Zealand.

Pacific Smiles Group Limited takes no responsibility for any taxation liability of Participants. Shareholders should seek taxation advice specific to their individual circumstances from professional advisers before deciding whether or not to participate in the DRP.

19 WHERE CAN I GET FURTHER INFORMATION?

For more information or to request a Reinvestment Plan Application or Variation Form, refer to the Terms or contact Pacific Smiles Group Limited's Share Registry:

Post

Pacific Smiles Group Limited
c/- Link Market Services
Locked Bag A14
South Sydney NSW 1235
Australia

Online

www.linkmarketservices.com.au

Telephone

+61 1300 554 474

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registrars@linkmarketservices.com.au

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Dividend Reinvestment Plan Rules

Pacific Smiles Group Limited
ACN 103 087 449

April 2020

Contents

Page

1	Definitions and interpretation	1
2	Eligibility to participate	3
3	Application to participate	4
4	Extent of participation	5
5	Multiple and joint holdings	6
6	Broker, trustee or nominee accounts	6
7	Minimum Participating Holding and Maximum Participating Holding	6
8	The effect of applying for participation	7
9	Reinvestment of Dividends and residual balances	8
10	Price of Shares	9
11	Allocation of Shares	10
12	Underwriting	10
13	DRP statements	10
14	Variation or termination of participation	11
15	Reduction or termination of participation where no notice is given	11
16	Variation, suspension and termination of the DRP or these Rules	12
17	Costs to Participants	12
18	Applications and other notices	13
19	Taxation	13
20	General	13

1 Definitions and interpretation

1.1 Definitions

In these Rules:

Allocated Shares the Shares allocated to the Participant under the DRP.

Allocation means:

- (a) the issue of new Shares to Participants under the DRP; or
- (b) the transfer of Shares acquired for the purposes of the DRP to Participants under the DRP,

as the case may be.

Allocation Price means the price at which Shares will be Allocated under the DRP calculated in accordance with rule 10.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it (as the context requires).

ASX Operating Rules means the operating rules of ASX, as in force from time to time.

ASX Settlement Operating Rules means the operating rules of ASX Settlement Pty Limited (ACN 008 504 532), as in force from time to time.

Average Market Price means the arithmetic average of the daily volume weighted average sale price (calculated to the nearest cent) of Shares traded on the ASX during the relevant period, excluding any Excluded Transactions.

Board means the board of directors of the Company.

Business Day has the meaning given in the Listing Rules.

Company means Pacific Smiles Group Limited (ACN 103 087 449).

Discount means the percentage discount (if any) determined by the Company from time to time to be applied in calculating the Allocation Price per Share under rule 10.

Dividend means any cash dividend per Share announced and payable by the Company.

Dividend Payment for a Shareholder means the Dividend multiplied by the number of Shares held by that Shareholder as at the Dividend Record Date, less any withholding tax or any other amounts the Company is entitled or required to deduct from the payment.

Dividend Payment Date means the date on which the Dividend is payable, as announced by the Company to the market.

Dividend Record Date means the time and date, as determined by the Board, at which a person holds or is taken to hold Shares for the purpose of determining the entitlement of Shareholders to Dividends.

DRP means the Company's dividend reinvestment plan to which these Rules apply, as varied from time to time.

DRP account means the account established and maintained by the Company for each Participant under the DRP.

DRP Instruction Form means the form (whether in paper format or completed electronically) relating to the DRP used to apply for participation in the DRP, or to vary or terminate a Shareholder's participation in the DRP, as approved by the Company from time to time.

Election Date has the meaning given in rule 18.4.

Eligible Shareholder has the meaning given in rule 2.

Excluded Transaction means any transaction, as determined by the Company in its absolute discretion, to be an abnormal transaction (on the basis that that the transaction is not fairly reflective of natural supply and demand), including but not limited to crossings which occur off market (including, for example, any transaction described in the ASX Operating Rules as a 'special crossing', crossings with price improvement which occur off market, crossings prior to the commencement of normal trading, crossings during the closing phase and the after hours adjust phase and any overnight crossings), and any overseas trades or trades pursuant to the exercise of options over Shares.

Full Participation means a degree of participation in the DRP under which all of a Participant's Shares from time to time (subject to the limit imposed by the Maximum Participating Holding, if any) including Shares subsequently acquired by the Participant under the DRP or otherwise, are Participating Shares.

Listing Rules means the listing rules of ASX and any other rules of ASX that are applicable while the Company is admitted to the Official List of the ASX.

Maximum Participating Holding means the number of Shares (if any) determined by the Company from time to time under rule 7.3.

Minimum Participating Holding means the number of Shares (if any) determined by the Company from time to time under rule 7.1.

Partial Participation means a degree of participation in the DRP under which less than all of a Participant's Shares from time to time (or less than the Maximum Participating Holding (if any) of a Participant's Shares) are Participating Shares.

Participant means a Shareholder some or all of whose Shares are Participating Shares.

Participating Shares means Shares that a Shareholder has validly specified for participation in the DRP or which are otherwise taken under these Rules to participate in the DRP.

Pricing Period means the period determined by the Board (commencing before or after the Dividend Record Date), being a period of not less than 5 Trading Days.

Rules means these rules of the DRP as varied from time to time.

Shareholder means a registered holder of Shares.

Shares means fully paid ordinary shares in the capital of the Company.

Share Registry means the share registry that maintains the share register of the Company.

Trading Day means a full day (other than a day on which the ASX is closed or on which trading on the ASX is suspended) on which Shares are quoted, and not suspended from quotation or made subject to a trading halt on the ASX.

1.2 Interpretation

In these Rules, unless the context otherwise requires:

- (a) headings are for convenience only and do not affect interpretation;
- (b) words importing the singular include the plural and vice versa;
- (c) words importing a gender include any gender;
- (d) other parts of speech and grammatical forms of a word or phrase defined have a corresponding meaning;
- (e) any reference in these Rules to any enactment, part of an enactment or the Listing Rules includes a reference to that enactment, part of enactment or those Listing Rules as from time to time amended, consolidated, re-enacted, replaced or as affected by instrument of waiver, exemption or modification and, in the case of an enactment, all regulations and statutory instruments issued under it;
- (f) a reference to dollars or \$ is to Australian currency;
- (g) unless otherwise expressly stated, “including” means “including but not limited to” and “include” and “includes” have corresponding meanings; and
- (h) a reference to a body, whether statutory or not: that ceases to exist; or whose powers or functions are transferred to another body, is a reference to the body that replaces it or that substantially succeeds to its powers or functions.

2 Eligibility to participate

2.1 Participation in the DRP is subject to these Rules.

2.2 Participation in the DRP:

- (a) is open to all Eligible Shareholders;
- (b) is optional and voluntary;
- (c) is not transferable; and
- (d) may be varied or terminated at any time in accordance with rule 14.

2.3 Subject to rules 2.4, 2.5 and 2.6, an **Eligible Shareholder** is, in respect of a particular Dividend:

- (a) a Shareholder at that Dividend Record Date whose address in the Company’s share register is in Australia or New Zealand, unless that person holds Shares only on behalf of another person who resides outside Australia and New Zealand and who would not themselves, if named in the Company share register, be an Eligible Shareholder under rule 2.3(b); or

- (b) any other Shareholder at that Dividend Record Date in respect of whom the Board is satisfied (in its absolute discretion) that, or who has satisfied the Board that:
 - (i) the offer and issue or transfer of Shares under the DRP to that person is lawful and practicable in the jurisdiction in which they reside; and
 - (ii) that person does not hold Shares on behalf of any other person who would not, if named in the Company's share register, be an Eligible Shareholder themselves.
- 2.4 Any Shareholder having a registered address or being resident in a country other than Australia or New Zealand may not be eligible to participate in the DRP because of the legal requirements applying in that country or other factors. The Board has absolute discretion to determine whether any such Shareholder is excluded from participation in the DRP because such participation would or may be impracticable, impossible or illegal.
- 2.5 The Board has absolute discretion to refuse to accept any person's Shares for participation or continued participation in the DRP and to suspend or withdraw any person's Shares from participation, including if the Board considers that the participation of those Shares might:
 - (a) breach any law of Australia including the *Foreign Acquisitions and Takeovers Act 1975* (Cth), the Listing Rules or the constitution of the Company;
 - (b) prejudice the effective operation of the DRP;
 - (c) be undesirable or impractical.
- 2.6 The Board is entitled to make a final determination as to whether any particular Shareholder is an Eligible Shareholder within the terms of these Rules or not, and to change any such determination, as and when it sees fit. In making this determination, the Board may consider factors including whether a Shareholder obtained any necessary approvals or advices to enable, or supporting, that Shareholder's participation in the DRP in the jurisdiction in which that Shareholder resides and any actual or anticipated inconvenience or expense in allowing, or investigating the possibility of allowing, such participation.
- 2.7 Notwithstanding any other rule, a "US person" (as defined in Regulation S of the U.S. Securities Act of 1933), or the estate of any deceased person where the Company has been notified of the estate, is not an Eligible Shareholder.

3 Application to participate

- 3.1 Subject to the discretion of the Company, an application to participate in the DRP must be made by submitting a DRP Instruction Form in accordance with rule 18. An Eligible Shareholder's participation in the DRP will take effect in accordance with rule 18.3.
- 3.2 A DRP Instruction Form validly submitted or otherwise accepted by the Company is effective until:
 - (a) the Participant varies or terminates participation in the DRP pursuant to these Rules; or
 - (b) termination of the DRP; or

- (c) the Participant ceases to be an Eligible Shareholder, in which case the DRP Instruction Form will become effective again if and at such time as the Shareholder recommences to be an Eligible Shareholder.

3.3 The Company will record, with respect to each Participant:

- (a) the name and address of the Participant (being the name and address in the company's register of members, from time to time); and
- (b) the number of Participating Shares held by the Participant from time to time, and the Company's record will be conclusive evidence of the matters so recorded

4 Extent of participation

- 4.1 Shareholders can elect to participate in the DRP for part or all of their holdings of Shares. A DRP Instruction Form electing participation in the DRP must specify whether the Shareholder elects Full Participation or Partial Participation, and if Partial Participation is specified, the DRP Instruction Form must specify the number of Shares that are to be Participating Shares.
- 4.2 Under **Full Participation**, all Shares registered in the Participant's name from time to time, including Shares issued pursuant to the DRP, are Participating Shares subject to:
 - (a) the ASX Settlement Operating Rules;
 - (b) any changes to the extent of that Participant's participation; and
 - (c) the Minimum Participating Holding and Maximum Participating Holding (in each case, if any).
- 4.3 Under **Partial Participation**, only that number of Shares specified in the DRP Instruction Form by the Participant as Participating Shares (being less than the Participant's total shareholding) are subject to the DRP (subject to the Minimum Participating Holding or the Maximum Participating Holding, if any). However, if at the relevant Dividend Record Date the number of Shares held by the Participant is less than the specified number of Participating Shares in the DRP Instruction Form, the DRP will apply to the lesser number of Shares. Where a Shareholder elects Partial Participation, Shares in excess of the number specified as participating that are subsequently acquired by that Shareholder (whether under the DRP or otherwise), will not participate in the DRP unless that Shareholder alters the participation level in accordance with rule 14. The effect of this rule is that where the Shareholder has disposed of Shares then acquired more Shares, newly acquired Shares will participate up to the number specified in the latest DRP Instruction Form received by the Election Date.
- 4.4 A DRP Instruction Form that does not specify whether participation is to be full or partial, that specifies both, or that does not clearly identify the number of Participating Shares or identified a number of Participating Shares in excess of the number of Shares currently held by the Participant (where Partial Participation is chosen), is deemed to be an election for Full Participation.
- 4.5 The Company shall not be liable to any Eligible Shareholder for any loss, damage or claim in respect of that Eligible Shareholder's participation as a result of the operation of rules 4.1, 4.2 or 4.3.

5 Multiple and joint holdings

- 5.1 If a Shareholder has more than one holding of Shares or holds Shares on behalf of one or more beneficial owners:
- (a) each holding, or the parcel of Shares held on behalf of a beneficial owner, will be treated as separate for the purposes of the DRP, such that a separate appropriately completed DRP Instruction Form must be lodged with respect to each separate holding, or parcel held on behalf of a beneficial owner, that is to participate; and
 - (b) these Rules will apply as if each such holding, or parcel held on behalf of a beneficial owner, were held by a separate Shareholder,
- unless the Board determines otherwise.
- 5.2 If Shares are jointly held by 2 or more Eligible Shareholders, all joint holders of such Shares must sign a single DRP Instruction Form (or it must be appropriately completed electronically) for it to be valid. If one or more of the joint holders of the Shares is not an Eligible Shareholder, none of the joint holders can apply to participate in the DRP with respect to the Shares jointly held.

6 Broker, trustee or nominee accounts

- 6.1 If:
- (a) a shareholding account appearing in the Company's register of members relates to a:
 - (i) broker's clearing account;
 - (ii) trustee; or
 - (iii) nominee; and
 - (b) the broker, trustee or nominee notifies the Company:
 - (i) that the relevant Shares are held for a number of different persons; and
 - (ii) specifies the number of Shares held for each of such persons (although the names of such persons need not be specified),

then each such holding shall, from the date of such notification, be taken to represent a separate Shareholder for the purpose of Full Participation, Partial Participation, the Minimum Participating Holding (if any) and the Maximum Participating Holding (if any), and these Rules will be read and interpreted accordingly.

7 Minimum Participating Holding and Maximum Participating Holding

- 7.1 The Company may determine a **minimum** permitted number of Participating Shares per Participant (whether in respect of a particular Dividend or Dividends generally) from time to time by announcement to the market.

- 7.2 To the extent that a DRP Instruction Form has specified a number of Participating Shares less than a prevailing Minimum Participating Holding (including an election of Full Participation where the number of Participating Shares would otherwise be less than that limit), for so long as that limit applies:
- (a) the number of Participating Shares for that Participant for the purposes of these Rules is deemed to be zero; and
 - (b) on each Dividend Record Date, any Shares specified in the DRP Instruction Form as Participating Shares less than that limit (including an election of Full Participation where the number of Participating Shares would otherwise be less than that limit) are deemed not to be Participating Shares, and any Dividend payable in respect of them will be paid by the Company in accordance with its usual arrangements for the payment of Dividends.
- 7.3 The Company may determine a **maximum** permitted number of Participating Shares per Participant (whether in respect of a particular Dividend or Dividends generally) from time to time by announcement to the market.
- 7.4 To the extent that a DRP Instruction Form has specified a number of Participating Shares in excess of the prevailing Maximum Participating Holding (including an election of Full Participation where the number of Participating Shares would otherwise exceed that limit), for so long as that limit applies:
- (a) the number of Participating Shares for that Participant for the purposes of these Rules is deemed to be that limit; and
 - (b) on each Dividend Record Date, any Shares specified in the DRP Instruction Form as Participating Shares in excess of that limit (including an election of Full Participation where the number of Participating Shares would otherwise exceed that limit) are deemed not to be Participating Shares, and any Dividend payable in respect of them will be paid by the Company in accordance with its usual arrangements for the payment of Dividends.

8 The effect of applying for participation

- 8.1 By applying to participate in the DRP, the Shareholder:
- (a) warrants to the Company that it is an Eligible Shareholder;
 - (b) acknowledges that Dividends reinvested under the DRP will be assessable for applicable income tax in the same way as cash Dividends;
 - (c) authorises the Company (and its officers or agents) to correct any error in, or omission from, any DRP Instruction Form that it submits;
 - (d) acknowledges that the Company may at any time irrevocably determine that the applicant's DRP Instruction Form is valid, in accordance with these Rules, even if the DRP Instruction Form is incomplete, contains errors or is otherwise defective;
 - (e) acknowledges that the Company may reject any DRP Instruction Form;
 - (f) consents to the establishment of a DRP account on its behalf;
 - (g) consents to any residual positive balance produced by the calculation in rule 9.3 remaining in its DRP account rather than being paid;

- (h) agrees to the appointment of the Company, or a trustee or nominee (including a broker or the Share Registry) nominated by the Company, as the Participant's agent to acquire Shares, where the Company decides to Allocate Shares to Participants by transferring existing Shares in accordance with rule 11 (and for the avoidance of doubt, the Shareholder agrees to the Company or its nominee taking all steps necessary to register the Shares in the Shareholder's name, including the execution of any share transfers required);
- (i) consents to the donation of the residual positive balance in its DRP account to one or more registered charities, in the circumstances set out in rule 9.6;
- (j) acknowledges that the Company may, in its absolute discretion, arrange for the DRP to be fully or partially underwritten in respect of any one or more Dividends;
- (k) acknowledges that neither the Company nor the Share Registry has provided the applicant with investment advice, financial product advice or any securities recommendation concerning its decision to apply to participate in the DRP and that neither has any obligation to provide any such advice or recommendation;
- (l) acknowledges that neither the Company nor the Share Registry (nor any officer of the Company or the Share Registry) will be liable or responsible to the Shareholder for any loss or disadvantage suffered or incurred by the Shareholder as a result, directly or indirectly, of the establishment or operation of the DRP or participation in the DRP or in relation to any advice given with respect to participation in the DRP; and
- (m) unconditionally agrees to the Rules and agrees not to do any act or thing that would be contrary to the spirit, intention or purpose of the DRP or Rules,

in each case, at all times until termination of the DRP or of the Participant's participation in the DRP.

9 Reinvestment of Dividends and residual balances

9.1 Each Dividend that is payable to a Participant in respect of Participating Shares will be applied by the Company on the Participant's behalf in acquiring additional Shares by issue or transfer in accordance with these Rules.

9.2 Any portion of a Participant's Dividend Payment on Participating Shares that:

- (a) is deductible by the Company as withholding tax; or
- (b) the Company is entitled or required to withhold or deduct for any reason from the Dividend payable to the Participant,

will not be applied to acquire or subscribe for Shares under the DRP.

9.3 The Company will establish and maintain a DRP account for each Participant. The Company will in respect of each Dividend payable to a Participant:

- (a) determine the Dividend Payment in respect of that Participant's Participating Shares (including any amount to be withheld or deducted under Rule 9.2);
- (b) credit the amount in rule 9.3(a) to the Participant's DRP account and that payment constitutes payment of the Dividend on the Participant's Participating Shares;

- (c) determine the maximum whole number of additional Shares that may be acquired under the DRP at the Allocation Price by dividing the amount in the Participant's DRP account by the Allocation Price and rounding that number down to the nearest whole number;
- (d) on behalf and in the name of the Participant, subscribe for or purchase that number of Shares and debit the Participant's DRP account with the total of the price for the Allocated Shares; and
- (e) retain in the Participant's DRP account, without interest, any cash balance remaining (rounded down to the nearest cent) unless and until the cash balance is applied in accordance with these Rules.

Except as set out in these Rules, as required by law or as determined by the Board, neither a Participant's DRP account nor any amount credited to it is transferrable.

- 9.4 Subject to rule 9.5 and rule 9.6, any residual balance in a Participant's DRP account will remain in the Participant's DRP account (without accruing interest) until the next Dividend Payment Date, when it will be aggregated with any further Dividend Payment credited to the DRP account.
- 9.5 If the DRP is terminated by the Company pursuant to these Rules, any residual balance in a Participant's DRP account will remain in the Participant's DRP account until the next Dividend Payment Date, when it will be paid to the Participant along with, and (where practicable) by the same means as, the Participant's Dividend Payment. Additionally, where the Board determines that the DRP will not apply to a particular dividend, the Board may also determine that the amount in a Participant's DRP account will be paid to that Participant along with and by the same means as that Participant's Dividend Payment.
- 9.6 If a Participant ceases to participate in the DRP for any reason other than the termination of the DRP by the Company pursuant to these Rules, the Participant will be taken to have directed the Company to donate any residual balance in the Participant's DRP account on behalf of the Participant to one or more registered charities, nominated by the Board from time to time (unless the amount in question exceeds the Allocation Price in respect of the next Dividend or, if the DRP does not apply to that Dividend, the Average Market Price for the 5 Trading Days commencing on the third Trading Day after the Dividend Record Date for that Dividend, in which case the residual balance will be paid to the Participant along with, and (where practicable) by the same means as, the Participant's next Dividend Payment or otherwise at that time to the Participant at the Participant's last registered address). Participants will not be issued with a receipt in connection with any donation made under this rule.

10 Price of Shares

- 10.1 Shares are allocated under the DRP at the Allocation Price, which is the Average Market Price for the Pricing Period, less the Discount (if any) determined by the Company rounded to the nearest cent. The determination by the Company of the Allocation Price is binding on all Participants.
- 10.2 The Average Market Price must be calculated by the Company or another suitable person nominated by the Company, by reference to information the Company approves for that purpose from time to time.

- 10.3 A Discount (if any) or Pricing Period may be different from one dividend to the next, and either may be determined or varied by announcement to the market at any time, but any such variation will not apply to Dividends already announced.
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11 Allocation of Shares

- 11.1 The Company may, in its discretion, either issue new Shares or cause existing Shares to be acquired for transfer to Participants (or undertake a combination of both options), to satisfy its obligations under these Rules.
- 11.2 If the Company determines to cause the transfer of Shares to Participants, those Shares may be acquired in the market or otherwise in such manner as the Company considers appropriate.
- 11.3 All Shares newly issued under the DRP will, from the date of Allocation, rank equally in all respects with existing Shares unless the Company determines that they are not to participate in either or both of:
- (a) the next dividend paid; and
 - (b) any offer of Shares open when the Shares are issued under the DRP.
- 11.4 Shares Allocated pursuant to the DRP 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 that the Company determines.
- 11.5 The Company will make application promptly after each Allocation of newly issued Shares for quotation of those Shares on the ASX.
- 11.6 Shares will not be issued under the DRP if the issue would breach a provision of any applicable law.
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12 Underwriting

The Board may, in its absolute discretion, choose to procure the partial or complete underwriting of the DRP in respect of any Dividend by one or more underwriters to be appointed by the Company.

13 DRP statements

On, or as soon as practicable after, each Dividend Payment Date, the Company will forward a statement to each Participant detailing:

- (a) the number of the Participant's Participating Shares as at the relevant Dividend Record Date;
- (b) the amount of the relevant Dividend Payment in respect of the Participant's Participating Shares (including any amounts withheld or deducted from the dividend payable);
- (c) the number of Shares Allocated and the Allocation Price of each Share Allocated to the Participant under these Rules and the date of Allocation of those Shares;

- (d) the remainder of the Dividend Payment on the Participant's Participating Shares not applied towards Shares under the DRP (if any) and retained in the Participant's DRP account;
 - (e) the Participant's total holding of Shares after Allocation;
 - (f) the franked amount (if any) of the Dividend Payment and the franking credit (if any) attached to the Dividend; and
 - (g) any other matters required by law to be included in a statement\.
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14 Variation or termination of participation

- 14.1 A Participant may at any time give written notice to the Company via the Share Registry using a DRP Instruction Form:
- (a) increasing or decreasing the number of Shares participating in the DRP (including by varying participation for Partial Participation to Full Participation, or vice versa); or
 - (b) terminating participation in the DRP.
- 14.2 The alteration or termination takes effect in accordance with rule 18 (meaning it will only be effective in respect of a Dividend if the DRP Instruction Form is received before the Election Date for that Dividend, unless the Company determines otherwise). If a Participant increases the level of participation in the DRP to Full Participation, rule 4.2 applies.
- 14.3 If a Participant decreases the level of participation in the DRP or increases the level of participation in the DRP to a level below Full Participation, rule 4.3 applies.
- 14.4 If a Participant dies, participation in the DRP terminates upon receipt by the Company of written notice of the death. If a Participant is declared bankrupt or is wound-up, participation in the DRP terminates upon receipt by the Company of a notification of bankruptcy or winding-up from the Participant or the Participant's trustee in bankruptcy or liquidator, as the case may be. The death, bankruptcy or winding-up of 1 or more joint holders does not automatically terminate participation provided the remaining holder or all remaining joint holders are Eligible Shareholders.
- 14.5 Following termination of participation for whatever reason, (including termination of the DRP under rule 16) if the Participant or the Participant's legal representative requests a statement of the Participant's DRP account made out to the date of termination, the Company will provide that statement.
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15 Reduction or termination of participation where no notice is given

- 15.1 Where all of a Participant's Shares are Participating Shares and the Participant disposes of some of those Shares, then subject to rule 14.1, the remaining Shares held by the Participant continue to be Participating Shares.
- 15.2 Where only some of a Participant's Shares are Participating Shares and the Participant disposes of part of the Participant's Shares then unless the Participant advises the Company via the Share Registry otherwise in writing at least 5 Trading Days prior to the disposal, the Shares disposed of will, to the extent possible:

- (a) first, reduce the number of Shares that are not Participating Shares that the Participant holds (if any); and
 - (b) secondly, reduce the number of Participating Shares that the Participant holds (if any).
- 15.3 Where a Participant disposes of all Shares without notifying the Company via the Share Registry of termination of participation and the Participant is not registered as a holder of any Shares on the following Dividend Record Date, the Participant is deemed to have terminated participation in the DRP with respect to the shareholding effective on that following Dividend Record Date.
- 15.4 For the purpose of this rule 15, a Participant 'disposes' of Shares if the Participant holds fewer Shares on a Dividend Record Date than the Participant held on the preceding Dividend Record Date.

16 Variation, suspension and termination of the DRP or these Rules

- 16.1 The DRP or these Rules may be varied, suspended or terminated by the Company at any time by announcement to the market. Following suspension, the DRP or these Rules may be reinstated by the Company at any time by announcement to the market. The DRP and these Rules may be varied, suspended and reinstated more than once.
- 16.2 Without limiting its power under rule 16.1, for the avoidance of doubt, where the Company has announced that the DRP will operate in respect of a Dividend, the Company retains the discretion to suspend the DRP in respect of that Dividend at any time prior to the Dividend Payment Date.
- 16.3 The variation, suspension, termination or reinstatement takes effect on the date specified by the Company and the variation, suspension, termination or reinstatement does not give rise to any liability on the part of, or right or action against, the Company or the Company or its officers, employees or agents.
- 16.4 If the DRP or these Rules are varied, a Participant continues to participate under the DRP and these Rules in their varied form unless the Participant terminates its participation in the DRP by submitting an appropriately completed DRP Instruction Form in accordance with these Rules.
- 16.5 If the DRP is suspended, an election as to participation in the DRP will also be suspended and all Shares are deemed to be non-Participating Shares for the purpose of any Dividend paid while the DRP is suspended. Upon reinstatement of the DRP, all prior elections are reinstated and will continue to apply until a new valid DRP Instruction Form is lodged, unless the Company determines otherwise.

17 Costs to Participants

No brokerage, commission, or other transaction costs are payable by Participants in respect of Shares Allocated under the DRP and no stamp or other duties are payable, under present law, by Participants in respect of Shares Allocated under the DRP. The Company may, to the extent permitted by law, apply its funds in the payment of brokerage, commission or other transaction costs in respect of Shares Allocated under the DRP.

18 Applications and other notices

- 18.1 For the purposes of this rule 18, an application or notice includes, but is not limited to, a DRP Instruction Form.
- 18.2 Applications and notices to the Company must be in the form prescribed by the Company from time to time. The Company may determine that applications and notices to the Company may be lodged electronically either through the Company's website or that of an authorised third party (including the Share Registry). Any application or notice lodged electronically must comply with the applicable terms and conditions of the electronic lodgement facility.
- 18.3 Subject to rules 18.4 and 18.5, applications and notices are effective upon receipt by the Company or the Share Registry (as appropriate) subject to these Rules.
- 18.4 The Company will set a time and date by which applications or notices must be received by the Company or the Company's share registry for the Shareholder to have elected to participate in the Plan in accordance with the ASX Listing Rules (**Election Date**). Unless the Company determines otherwise, applications or notices not received by the Election Date for a Dividend are not effective in respect of that Dividend but are effective in respect of subsequent Dividends.
- 18.5 Without limiting rule 8.1(c), the Company has absolute discretion to:
- (a) accept or reject applications or notices which are not properly completed or signed; and
 - (b) prior to acceptance, correct any error in, or omission from, application form or notice.
- 18.6 The accidental omission by the Company to give any notice under these Rules to any Shareholder, the ASX or any other person under these Rules will not invalidate any act, matter or thing.

19 Taxation

- 19.1 Neither the Company nor any of its officers, employees, representatives 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 DRP; 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 DRP.

20 General

- 20.1 Any Dividend, payable on Participating Shares, that the Company is entitled to retain as a result of a charge or lien in favour of the Company in accordance with the constitution of the Company, or other requirement of law, are not available for the purpose of participating in the DRP.
- 20.2 Any power, discretion, authority or function of the Company under these Rules may be exercised or undertaken by the Board, and the Board may delegate any such power, discretion, authority or function to any person.

- 20.3 Subject to the Constitution, the Company may:
- (a) implement the DRP in the manner the Company thinks fit; and
 - (b) settle any difficulty, anomaly or dispute which may arise either generally or in a particular case in connection with, or by reason of, the operation of the DRP or these Rules as the Company thinks fit, whether generally or in relation to any Shareholder or DRP account or any Shares and the determination of the Company is conclusive and binding on all relevant Shareholders and other persons to whom the determination relates;
- 20.4 Neither the Company nor any officer, employee, agent or adviser of the Company is liable or responsible to any Participant for any loss or alleged loss or disadvantage suffered or incurred by a Participant as a result, directly or indirectly, of any one or more of:
- (a) the establishment or operation of the DRP;
 - (b) participation in the DRP; or
 - (c) any advice given with respect to participation in the DRP by any other person.
- 20.5 Except as required by law, if the Company is notified in connection with the DRP that any Shares are held for one or more different persons or beneficial owners, the Company is not required to act upon, use or recognise this information for any purpose other than to treat the relevant Shares as separate holdings or parcels held by separate Shareholders to the extent required under these Rules.
- 20.6 The DRP, its operation and these Rules are governed by the laws of the State of New South Wales and each Shareholder submits to the jurisdiction of the Courts of that State and the Courts which may hear appeals from those Courts.
- 20.7 Despite anything else in these Rules, the Listing Rules and the Corporations Act 2001 (Cth) prevail to the extent of any inconsistency with these Rules.