



GOWING BROS

GOWING BROS. LIMITED DIVIDEND REINVESTMENT PLAN



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**Passed at the Annual General Meeting
Held on 29 October 1987**

TERMS AND CONDITIONS

The following are the Terms and Conditions applicable to the Gowing Bros. Limited Dividend Reinvestment Plan ("the plan").

Participation in the Plan

Participation is optional.

The Directors may in their absolute discretion invite shareholders of the Company except such holders whose address (as it appears in the register) is in a country whose regulations make it impracticable in the opinion of the directors for the plan to be offered to them.

A shareholder is not eligible to participate in the plan with respect to any shares allotted to him pursuant to the Gowing Bros. Employee Share and Option Plan during such time as any loan made by the Company with respect to those shares remains unpaid.

Participation may, subject to any restrictions in these Terms and Conditions, be varied or terminated by a plan participant at any time.

Applications to participate in the plan are to be made on the appropriate application form signed by the applicant.

Each application received by the Company will be effective for:

- a) the first dividend payable after receipt of the application and
- b) all subsequent dividends

provided that any application received by the Company after the close of the Company's share register for determination of entitlements to payment of a dividend will not be effective for that dividend.

Degree of participation

Participation in the plan in respect of dividends on the Company's shares may be either **full** or **limited**.

Full participation will result when the Company accepts an application by a shareholder for a nominated number of that shareholder's shares to be subject to the plan. Under full participation, the provisions of the plan will apply to all cash dividends payable on all the participants shareholding from time to time.

Limited participation will result when the Company accepts an application by a shareholder for a nominated number of that shareholder's shares to be subject to the plan. Under limited participation, the provisions of the plan will apply to all cash dividends payable on the number of the participants shares nominated as subject to the plan unless, when the Company's share register is closed for determination of entitlements to payment of a dividend, the number of shares held by a limited participant is less than the nominated number, in which case the provisions of the plan will in respect of that dividend apply only to such lesser number of shares.

Applications in respect of a shareholder's shareholding which are duly signed but which do not indicate the degree of participation selected may be deemed by the Company to be applications for full participation.

Operation of the Plan

Each cash dividend which is payable to a participant in respect of shares subject to the plan and which is available for payment to the participant will upon payment be used to acquire additional shares.

In respect of each participant the Company will:

1. determine the amount of the cash dividend payable in respect of the shares of that participant which are subject to the plan
2. determine the maximum number of additional shares (fractions to be disregarded), priced in accordance with the provisions of the plan, which could be acquired under the plan using the amount of dividend, and
3. allot that number of shares to the participant.

Shares will be allotted under the plan at a price per share equal to the price per share of the last sale of shares in the Company on the Australian Stock Exchange (Sydney) Ltd recorded on the tenth working day after the directors have notified that Exchange of the proposed dividend or (if there be no sale on that day) of the last such sale recorded prior to that day less any such sum (being not more than ten percent of the aforesaid price per share) as the directors may in their absolute discretion resolve to allow.

Where a dividend has been declared but application of this pricing formula would result in the allotment price so determined being less than the par value of the Company's shares, such dividend will be paid in cash and the provisions of the plan will not operate in respect of such dividend.

Shares to be allotted under the plan

Shares allotted under the plan will from allotment rank equally in all respects with all other allotted fully paid shares in the company.

A share certificate will be issued in respect of shares allotted under the plan.

Statements to participants

The Company will send to each participant with shares subject to the plan a statement, as at each individual payment date, giving details of the participant's participation in the plan with respect to that dividend.

Variations to participation

A limited participant may at any time apply to become a full participant.

A limited participant may at any time apply to increase the number of shares subject to the plan while remaining a limited participant.

Any participant may at any time apply to reduce the number of shares subject to the plan.

Where a limited participant disposes of less than the number of the participant's shares not subject to the plan and does not advise the Company otherwise, the shares so disposed of will be deemed to be shares not subject to the plan.

Where a limited participant disposes of more than the number of the participant's shares not subject to the plan and does not advise the Company otherwise, the shares so disposed of will be deemed to be all the participant's shares not subject to the plan together with such of the participant's shares subject to the plan as may be necessary.

Termination of participation

A full or limited participant may at any time give the Company notice of termination of participation in the plan.

Notice of termination of participation will be effective in respect of the first closing date for determining dividend entitlements ("closing date") after the date of receipt by the Company of the notice.

If a participant dies, participation by that participant and any other participants with whom the deceased was a joint participant will be terminated upon receipt by the Company of notice of the death of the deceased participant.

Where a participant disposes of all the participant's shares without giving the Company notice of termination of participation and is not registered as the holder of shares at the next closing date, the participant will be deemed to have terminated participation immediately prior to that closing date.

Where a participant has no shares subject to the plan the Company may terminate such participant's participation in the plan.

Upon termination of participation the Company will, unless otherwise directed, send to the participant or the participant's estate a certificate for shares allotted to the participant under the plan and for which no certificate had previously been issued.

Applications and notices

Applications and notices to the Company shall be in writing and in such form as the Company may from time to time require.

Such applications and notices will be effective on receipt by the Company subject to:

1. These terms and conditions
2. In the case of applications, acceptance by the Company at the discretion of the Directors, and
3. Receipt by the Company before the closing date. (Applications or notices received after such closing date will be effective in respect of the next closing date).

Stock Exchange listing

Application will be made by the Company promptly after allotment for shares allotted under the plan to be listed for quotation on the Australian Stock Exchange (Sydney) Ltd.

Modification and termination of the plan

The plan may be modified by the Company at any time on giving one month's notice to holders of shares, and each agreement between the Company and a participant under the plan shall be modified as necessary by such notice.

The plan and each agreement between the Company and a participant under the plan may be terminated by the Company at any time on giving six month's notice to holders of shares, in which event the Company will send to participants the certificates (if any) to be sent to participants upon termination of participation.

The non-receipt of any notice under the plan by the holder of any shares or the accidental omission to give notice of modification or termination of the plan shall not invalidate such modification or termination.

Miscellaneous

The provisions of the plan will not apply to dividends on shares subject to the plan where, by its Articles of Association or otherwise, the Company is entitled to and does retain or deal with all or part of such dividends.

The Company reserves the discretion to waive or vary strict compliance with any provision of these Terms and Conditions.
