

Integral Diagnostics Limited to implement Dividend Reinvestment Plan

6 November 2019

Integral Diagnostics Limited (ASX:IDX) (**IDX**) today announced it will implement a Dividend Reinvestment Plan (**DRP**) for its shareholders.

It is anticipated that the DRP will operate for any dividend paid by IDX in relation to the half year ended 31 December 2019.

The DRP rules and an Information Booklet setting out a number of frequently asked questions about participation in the DRP are attached to this announcement and are available at <https://www.integraldiagnostics.com.au/page/for-investors/>

Eligible shareholders have the option to participate and if they wish to participate in the DRP may elect to do so at any time. IDX encourages eligible shareholders who wish to participate in the DRP to make their election online at www.investorcentre.com.

When announcing each dividend, IDX will publish relevant information in relation to the DRP, including information on the allocation price and any applicable discount, and the last date for eligible shareholders to elect to participate in the DRP for that dividend.

Kirsty Lally
Company Secretary

About IDX:

Integral Diagnostics (IDX) is a leading provider of medical imaging services across Australia and New Zealand. The Company provides state of the art diagnostic services to patients and their referrers at 53 radiology clinics, including 13 hospital sites. IDX employs some of Australasia's leading radiologists and nuclear medicine specialists in a unique medical leadership model that ensures quality patient care, service and access. Good medicine is good business.

Dividend Reinvestment Plan

What is the DRP?

The DRP provides you with the option, as a shareholder in IDX, to reinvest all or part of any dividend paid on your shares in additional IDX shares instead of receiving that dividend in cash.

Who can participate?

All shareholders of fully paid IDX ordinary shares who are resident in, and whose address on the register of shareholders at the relevant dividend record date is in, Australia or New Zealand have the choice to participate in the DRP, subject to certain limits set out in the DRP Rules.

How do I participate in the DRP?

If you choose to participate in the DRP, we encourage you to make your election online at www.investorcentre.com.

Alternatively, please complete and sign a DRP participation notice and return it to the Company's share registry at the address below. If a DRP participation notice does not accompany this booklet, please contact the Company's share registry:

Computershare Investor Services Pty Ltd
Yarra Falls 452 Johnston Street
Abbotsford Victoria 3067

GPO Box 2975
Melbourne Victoria 3001
Telephone: 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia)
Facsimile: +61 3 9473 2500
Website: www.investorcentre.com

DRP participation notices must be received, or online elections made, by 5:00pm (Melbourne time) on the Last Election Date for a dividend if you wish to participate for that dividend.

Can I participate in the DRP for some of my shares?

Yes, you can choose all of your shares or a specific number of your shares to participate in the DRP.

- **Full participation:** If you choose full participation, dividends on all of your shares will be reinvested in acquiring DRP shares. Dividends on any shares you may acquire in the future will also be reinvested in this way.
- **Partial participation:** If you choose partial participation, you nominate a number of your shares which participate in the DRP. Only the dividends paid on those shares that you nominate will be reinvested. For shares not participating in the DRP, dividends will be paid in the usual way.

If your DRP participation notice or online election does not clearly indicate the level of participation in the DRP, it will be deemed to be an application for full participation.

Is there a minimum or maximum participation level?

No, however IDX has the discretion under the DRP Rules to introduce a minimum or maximum participation level.

When will my participation begin?

Your participation in the DRP will begin with the first dividend payment after receipt of your online election or participation notice. Your election must be received by 5.00pm (Melbourne time) on the Last Election Date for a dividend to be effective for that dividend.

The Last Election Dates for forthcoming dividends will be notified to ASX and posted on IDX's website when the relevant dividend is announced.

For elections received after the Last Election Date for a particular dividend, you will not participate in the DRP for that dividend and your participation will begin from the next dividend.

What happens if I have more than one shareholding?

You must make a separate election for each shareholding registered under different names or holding numbers by either making an online election or submitting a separate participation notice for each shareholding.

Can I withdraw or change my participation at any time?

Yes. Simply notify the share registry online. Alternatively, forms to vary or terminate your participation can be obtained at www.investorcentre.com or by contacting IDX's share registry. The change will be effective from the next dividend payment, provided that the election is received by 5.00pm (Melbourne time) on the Last Election Date for that dividend. If your change is received after that date, the change will not be effective until the next dividend.

IDX will announce the relevant Last Election Date for each dividend to the ASX and on the IDX website at the time it announces the dividend.

At what price will the shares be allocated?

Shares will be allocated at an average of the daily market price over a period of at least 5 trading days ('Allocation Price'), in accordance with the DRP Rules. The Allocation Price may be reduced by a discount, which the Board may determine from time to time and announce to the ASX.

The pricing period for the Allocation Price will be announced to ASX and posted on IDX's website at the time IDX announces a dividend. The final Allocation Price for a dividend will be notified in the same way after the Allocation Price is determined.

How will my DRP shares be treated for subsequent dividend payments?

- **Full participation:** If you choose full participation, all shares held by you at each dividend record date will be treated as participating in the DRP, including any shares previously acquired under the DRP or other shares.
- **Partial participation:** If you choose partial participation, only the number of shares you have specified will be treated as participating in the DRP. If you hold less shares than the number of shares you have specified in the participation notice/election, then the dividends on the shares that you actually hold will be reinvested.

The number of shares that will be treated as participating in the DRP may be limited if IDX elects to introduce a minimum or maximum participation limit.

What will it cost me to participate?

Nothing. No brokerage fees, commission or other transaction costs will be payable for any shares allocated under the DRP.

Can I sell my shares when I choose?

Yes. You can sell any or all of your shares at any time. However, if you sell all of your shares, your participation in the DRP will cease with effect from the date IDX registers a transfer or instrument of disposal of your holding.

If you choose for full participation and then sell some of your shares, the dividends on your remaining shares will continue to be reinvested under the DRP. If you elect for partial participation and then sell some of your shares, the number of shares sold will be deemed to the full extent possible to be non-participating shares and the balance, if any, will be deemed to be participating shares under the DRP.

What are the tax implications of participating?

- **Australian shareholders:** The Australian Taxation Office currently treats dividends reinvested under the DRP as assessable income in the same way as cash dividends received on shares which are not participating in the DRP. For Capital Gains Tax (GCT) purposes, shares acquired under the DRP will have a cost base equal to the amount reinvested and be acquired on the date the shares are issued (or transferred). These comments are general in nature only. You should seek professional taxation advice in relation to your individual circumstances.
- **New Zealand shareholders:** Any dividends reinvested on your behalf under the DRP will be taxable to you at your marginal tax rate. You may need to include those dividends (plus any Australian withholding tax deducted, and converted to New Zealand dollars at the time of distribution) in your income tax return. If you are a natural person shareholder, you may instead need to include those dividends in your IRD “pre-populated account” following the end of the relevant income year (broadly speaking, this is required if you have more than NZ\$200 of income for the income year that has not been subject to withholding tax in New Zealand). Any Australian withholding tax deducted from the dividend can be credited against your income tax liability, although the tax credit cannot exceed your New Zealand tax liability on the dividend. You will not be able to apply any franking credits attached to the dividend against your New Zealand tax liability.

IDX takes no responsibility for the taxation consequences of shareholders participating in the DRP, and recommends you obtain professional taxation advice. These comments apply to shareholders who are Australian or New Zealand residents for tax purposes and who are not transitional residents. They are general in nature only. You should seek professional taxation advice in relation to your individual circumstances.

Will I receive a dividend statement?

After each allocation of shares under the DRP, a dividend statement will be provided to you in accordance with the manner you ordinarily receive notices from IDX showing full details of shares allocated to you under the DRP. This statement should be kept for your taxation purposes.

Can the DRP be modified, suspended or cancelled?

IDX may vary the terms and conditions, alter, suspend or terminate the DRP at any time by notification to the ASX and on the IDX website.

What happens to any residual value after each dividend?

The application of the dividend reinvestment formula normally results in a residual amount. This is because your dividend amount will be used to acquire a whole number of shares, usually leaving a residual amount which is less than the price of one IDX share.

For each dividend, if there is a residual amount, then the residual amount on each dividend will be carried forward, without interest, and added to your next dividend.

What happens if I leave the DRP?

If you choose to cease to participate in the DRP for any reason, or the DRP is suspended or terminated by IDX, any positive residual balance in your DRP account will be paid to you.

How do I find out about IDX's historic dividend amounts?

The Following dividends have been paid by IDX:

Dividend paid 5 cents per share on 2 October 2019

Dividend paid 5 cents per share on 2 April 2019

Dividend paid 4 cents per share on 4 October 2018

Dividend paid 4 cents per share on 5 March 2018

Dividend paid 4 cents per share on 4 October 2017

Dividend paid 3 cents per share on 30 March 2017

Dividend paid 4 cents per share on 4 October 2016

Need more information?

If you have further questions (other than on taxation) about how the DRP operates and how you can participate, please contact Computershare on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).