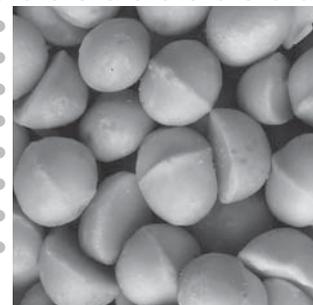


Buderim Ginger Limited

# Dividend Re-investment Plan





## TERMS AND CONDITIONS

The following are the Terms and Conditions applicable to the Buderim Ginger Limited (**Company**) Dividend Re-investment Plan (**Plan**).

### IMPLEMENTATION OF THE PLAN

The Plan will commence upon its implementation by the Directors.

### PARTICIPATION IN THE PLAN

Participation is optional and the Plan is open to all shareholders of the Company. However, the Directors may, in their sole discretion, refuse to accept shares for participation in the Plan and to suspend or withdraw shares from participation if they consider that the participation may give rise to a breach of Australian or foreign laws.

### APPLICATIONS TO PARTICIPATE

Applications to participate in the Plan are to be made on the Application Form which is approved by the Directors and signed by the shareholder.

On receipt by the Company, the Application will be effective from the next record date for the determination of entitlements to dividends, and all subsequent dividends.

To participate in the first allotment under the Plan, Application Forms must be received by the Company no later than the date prescribed by the Directors, once the Plan is implemented by the Directors.

### DEGREE OF PARTICIPATION

Participation in the Plan may be either full or partial.

Under full participation, the Plan will apply to all cash dividends payable on each participant's shareholding from time to time.

Under partial participation, the Plan will apply to all cash dividends payable on the nominated percentage (%) of the participant's shares from time to time.

The shares allotted or transferred under the Plan will participate in the Plan in respect of future cash dividends. In the case of partial participation, shares allotted or transferred under the Plan will be included in the total holding of shares to determine the number of shares to participate in to the Plan.

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

If a conflict appears in the Application Form such that it is not clear whether a shareholder requires partial participation or full participation, the Directors in their absolute discretion will determine whether participation is partial or full.

If two or more Application Forms are received and for any reason there is a conflict between the Application Forms, the Directors may at their discretion reject or accept all or any of the Application Forms.

### OPERATION OF THE PLAN

In satisfying its obligations under the Plan, the Company may, in the Directors' absolute discretion, determine whether shares are to be issued or purchased (whether on market or otherwise) or a combination of both.

The Company may create a trust (of which participants are beneficiaries) to acquire those shares and then transfer or cause the transfer of those shares to participants.

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 (either by allotment and issue or transfer) additional fully paid ordinary shares in the Company.



### ALLOTMENT OR TRANSFER PRICE

Shares to be allotted or transferred under the Plan may be priced at a discount, as determined from time to time by the Directors.

The price of the shares to be allotted or transferred will be the weighted average market price of all the Company's shares sold on the Australian Securities Exchange during:

- the first 5 trading days of "Ex Dividend" in relation to the cash dividend to be paid; or
- such other period as the Directors determine and announce to the Australian Securities Exchange (**Price**).

The Price will be rounded to the nearest cent and exclude such transactions as special crossings, overseas trades and option exercises as determined by the Directors.

### SHARES ALLOTTED OR TRANSFERRED UNDER THE PLAN

Shares will be allotted or transferred in accordance with the Listing Rules of the Australian Securities Exchange.

All shares allotted or transferred under the Plan will rank equally in all respects with existing fully paid ordinary shares of the Company.

The shares will be allotted or transferred to the register where the participant holds its shares.

Holding statements for the shares allotted or transferred under the Plan will be sent to the participants following each allotment or transfer.

### NUMBER OF SHARES TO BE ALLOTTED OR TRANSFERRED

Shares to be allotted or transferred to shareholders participating in the Plan will be calculated by reference to the following formula:

$$S = \frac{(N \times D) - T}{P \times \%}$$

Where:

S equals the number of shares to be allotted or transferred to the participating shareholder;

N is the number of shares equivalent to the percentage of shares that the participating shareholder has elected to form part of the Plan from time to time;

D equals the amount of cash dividend per share declared by the Directors;

T equals the withholding tax or other sum the Company is required or entitled to retain in relation to the dividend or the shares.

P is the Price calculated above.

% equals 100% minus any percentage discount for shares issued under the Plan as determined by the Directors.

### FRACTIONS

Where a fraction of a share results from the pricing formula used to determine the number of shares to be allotted or transferred the Directors may:

- round the fraction to the nearest whole number. If the fraction is rounded down that fraction will be foregone; or
- establish a Plan account for each shareholding account of each Participant.

If a Plan account is established the Directors will:

- determine the cash dividend payable in respect of the Participant's participating shares (after deducting withholding tax or any other sum the Company is entitled to retain in relation to the dividend or the shares);
- credit the Plan account with the cash dividend as calculated above;
- calculate the maximum number of whole shares which can be acquired by the participant under the Plan;



- allot or cause the transfer of that number of shares to the participant and debit the subscription amount from the Plan account;
- carry forward any residual cash balance to the participant's Plan account for the next cash dividend. No interest will accrue in respect of residual balances in a participant's Plan account;
- issue a statement as at each dividend payment date reconciling the allocation of the participant's cash dividends to new shares allotted or transferred and showing any balance owing. and
- on the termination of participation in the Plan by the participant, or the termination of the Plan itself, pay any residual positive balance in the participant's Plan account at that time to the participant by cheque.

### **SECURITIES EXCHANGE LISTING**

The Company will promptly apply for quotation of the shares allotted under the Plan on the Australian Securities Exchange.

### **COST TO PARTICIPANTS**

No stamp duty, brokerage, commission or other transaction costs are payable by participants in respect of any allotment or transfer of shares under the Plan.

### **VARIATION OF PARTICIPATION IN THE PLAN**

A shareholder may from time to time vary his or her level of participation in the Plan, or may at any time elect to participate in, or withdraw from the Plan, by completing a Notice of Variation or Termination in the form which is approved by the Directors.

The notice of variation or termination must be received by the Company before the record date for the determination of entitlement to dividends.

The receipt by the Company of a notice of death or bankruptcy of a participant will not terminate participation in the Plan by that participant or any other participant with whom such participant has a joint holding. Notices for the purposes of a deceased or bankrupt shareholder's participation in the Plan may be given by persons authorised under the Constitution.

### **AMENDMENT, SUSPENSION AND TERMINATION OF THE PLAN**

The Directors may at any time, modify, vary, supplement or substitute all or any of these Terms and Conditions.

The Directors shall not be required to have any amendment to the Plan approved by the Company in general meeting. Any amendment must be consistent with the Listing Rules of the Australian Securities Exchange.

The Plan will continue unless suspended or terminated by the Directors.

Notice of any suspension or recommencement of the Plan after suspension or termination shall be given to shareholders as soon as practicable after the Directors have decided.

### **ADMINISTRATION OF THE PLAN**

Subject to these Terms and Conditions, the Directors will administer the Plan on such terms and conditions as they deem expedient.

The Directors reserve the right to waive strict compliance with any of these rules.