



GROUP LIMITED
ACN 003 964 181

Rules of Dividend Reinvestment Plan

1 Interpretation

1.1 Definitions

In these Rules:

ASX means ASX Limited, or the Australian Securities Exchange, as appropriate.

ASX Market Rules means the market rules that form part of the operating rules of the ASX for the purposes of the Corporations Act (as amended from time to time).

Board means the board of directors of the Company, as constituted from time to time.

Company means PPK Group Limited ACN 003 964 181

Constitution means the Company's constitution as amended from time to time.

Corporations Act means the Australian *Corporations Act 2001 (Cth)*.

DRP means the Company's Dividend Reinvestment Plan the terms of which are set out in these Rules.

DRP Application or Variation Form means the form prescribed by the Board to be used in connection with the DRP to apply for, vary or terminate, participation in the DRP.

Listing Rules means the official Listing Rules of ASX, as modified or supplemented from time to time.

Participant means a Shareholder some or all of whose Shares are participating in the DRP.

Participating Shares means at any time a Participant's Shares which the Participant has validly nominated for participation in the DRP.

Price means the price at which Shares will be transferred or issued under the DRP as calculated in accordance with clause 6(d).

Record Date means the date the Register is closed for determining entitlements to a dividend.

Register means the register of members maintained by the Company, including both the principal register and any branch registers.

Rules means the terms and conditions of the DRP as set out in this document, as modified from time to time in accordance with clause 14.

Shareholder means a person registered in the Register as a holder of Shares.

Share Registry means the share registry company that is appointed to maintain the Register from time to time.

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

VWAP means the daily volume weighted average market price of all Shares sold on ASX (or such alternative or additional trading platforms as the Board may determine

from time to time) including the closing single price auction, but excluding all off-market trades including but not limited to transactions defined in the ASX Market Rules (or other relevant market rules) as special crossings, crossings prior to the commencement of the open session state, portfolio special crossings, equity combinations, crossings during overnight trading, overseas trades, trades pursuant to the exercise of options over Shares and any other trades that the Board determines to exclude on the basis that the trades are not fairly reflective of supply and demand.

Withholdings means withholding tax and any other amounts which the Company is required or permitted to withhold from a dividend payable on participating Shares.

2 Commencement of DRP

The DRP and these Rules will commence operation on such date as the Board determines.

3 Eligibility and participation

- (a) The DRP is a means by which Shareholders may elect to reinvest all or part of their dividends in the acquisition of additional Shares.
- (b) Participation in the DRP is subject to these Rules, all applicable law, the Listing Rules and the Constitution.
- (c) Participation in the DRP is optional and not transferable and is open to each Shareholder unless excluded under these Rules.
- (d) Any Shareholder having a registered address or being resident in a country other than Australia may not be eligible to participate in the DRP because of the legal requirements applying in that jurisdiction, unless the Board, in its absolute discretion, determines otherwise. Shareholders outside of Australia should, before electing to participate in the DRP, seek professional advice to ascertain if any restrictions apply under any law in respect of participation by that Shareholder in the DRP.
- (e) Shares which are held subject to an employee incentive plan are not eligible to participate in the DRP, unless the relevant plan does not prohibit Shares held under the plan from participating in a dividend reinvestment plan and the Board resolves to allow such Shares to participate in the DRP.
- (f) The Board may, in its absolute discretion, set a limit on the number or percentage of Shares which each Shareholder may nominate to participate in the DRP, and will notify Shareholders of any such limit. Once notified, each Participant's participation in the DRP will be subject to that limit and, to the extent that any Participant's participating Shares exceeds the limit determined by the Board, the number of Participating Shares will be reduced to that limit.
- (g) If:
 - (i) the Board determines to impose a limit on the number or percentage of Shares which each Shareholder may nominate to participate in the DRP; and
 - (ii) a Shareholder holds Shares via a broker in a clearing account (as defined in the Listing Rules) or by a trustee or nominee,the relevant broker, trustee or nominee will be permitted to participate in the DRP up to such limit in respect of each underlying beneficial holder, subject to these Rules.
- (h) The Board is entitled (but not obliged) to refuse a Shareholder's participation in the DRP where that Shareholder has, in the opinion of the Board, split a shareholding or acquired Shares as part of such a split, in

order to increase the number of Shares that may be allotted or transferred to that Shareholder or another person under the DRP.

4 Application to participate

- (a) If a Shareholder wishes to participate in the DRP, application must be made by way of a DRP Application or Variation Form, or such other form prescribed by the Board from time to time.
- (b) Upon receipt and acceptance by the Company of a duly completed and executed DRP Application or Variation Form, participation will commence from either that particular dividend Record Date if the DRP Application or Variation Form is received by no later than 5.00pm on the business day after that Record Date, or otherwise, on the next dividend Record Date.
- (c) The Board may, in its absolute discretion, refuse or accept an application to participate in the DRP, and suspend or withdraw Shares from participation.
- (d) If the Board decides to reject an application for participation in the DRP it will inform the relevant Shareholder of its decision in writing within a reasonable time of receipt of the application.
- (e) A Shareholder must lodge a separate DRP Application or Variation Form for each holding of Shares in relation to which they wish to participate in the DRP.

5 Level of participation

- (a) Participation in the DRP may be either full or partial.
- (b) Under full participation, all Shares registered in the Participant's name from time to time, including Shares issued pursuant to the DRP, will be subject to the DRP, subject to any limit imposed in accordance with clause 3(f). If a Shareholder wants to participate in the DRP in respect of all of their Shares, the Shareholder must lodge a duly completed and executed DRP Application or Variation Form electing full participation.
- (c) Under partial participation, only that number of Shares as specified in the DRP Application or Variation Form by the Shareholder (being no less than the Shareholder's total shareholding) will be subject to the DRP. However, if at the relevant Record Date the number of Shares registered in the name of the Participant is less than the number of Shares the Participant has specified for participation in the DRP Application or Variation Form, then the provisions of the DRP in respect of that dividend payment will apply to the lesser number of Shares registered in the name of the Participant. Where a Shareholder is a partial Participant, all Shares subsequently acquired by the Shareholder, whether under the DRP or otherwise, will only participate in the DRP to the extent that the Shareholder alters the participation level via a DRP Application or Variation Form in accordance with clause 10.
- (d) If a DRP Application or Variation Form does not indicate the level of participation in the DRP, it will be deemed by the Company to be an application for full participation.

6 Operation

- (a) Subject to clause 6(c) below, each cash dividend (net of Withholdings, if any) payable to a Participant in respect of Participating Shares will be applied by the Company to acquire or subscribe for Shares on the Participant's behalf.

- (b) The Board in its absolute discretion will determine with respect to the operation of the DRP for any dividend whether to issue new Shares or to cause a broker to arrange the purchase and transfer of existing Shares to a Participant, or to apply a combination of both options, to satisfy the obligations of the Company under these Rules.
- (c) If the Board determines to cause the purchase and transfer of Shares to Participants, the Shares may be acquired through a broker on-market in such manner as the Board considers appropriate.
- (d) The Company will, in respect of each dividend payable to a Participant:
 - (i) determine the amount of the dividend payable (less Withholdings if applicable) in respect of that Participant's Participating Shares;
 - (ii) add to that amount an amount equal to the remainder (if any) from the immediately preceding dividend paid in respect of that Participant's Participating Shares at that time;
 - (iii) determine the maximum number of additional Shares which may be acquired under the DRP by dividing the amount of dividend payable to the Participant, plus the remainder (if any) from the immediately preceding dividend paid, by the Price, rounded down to the next whole Share; and
 - (iv) on behalf, and in the name, of the Participant, issue or cause a broker to purchase and transfer to the Participant that resulting number of additional Shares calculated in accordance with the preceding provisions of this clause 6(d).

The remainder for a particular dividend payable to a Participant is the amount (if any) equal to the dividend payable to the Participant in respect of the Participating Shares, plus the remainder (if any) from the immediately preceding dividend paid in respect of that Participant's Participating Shares at that time, and which has not been applied towards the issue or acquisition of additional Shares under the DRP. The remainder (if any) will be retained by the Company and will be applied in accordance with these Rules.

- (e) The additional Shares to be issued to a Participant under the DRP will be transferred or issued under the DRP at the Price, which will be the arithmetic average of the daily VWAP (rounded to the nearest cent) during the period determined by the Board from time to time less a discount (if any) determined by the Board from time to time, or such other Price as determined by the Board.
- (f) The VWAP referred to above will be calculated by the Board or another suitable person nominated by the Board, by reference to information the Board approves for that purpose. The determination by the Board or some other person nominated by the Board of the Price will be binding on all Participants.
- (g) If there is a remainder for a particular dividend payable to a Participant and the Participant ceases to participate in the DRP for any reason (including as a result of the termination of the DRP), then:
 - (i) if the Participant continues to hold Shares as at the next Record Date, that amount will be paid to the Participant as part of, and in the same manner as, the next dividend payment; or
 - (ii) if the Participant no longer holds any Shares as at the next Record Date, the Participant will be taken to have irrevocably directed the Company to donate that amount, on behalf of the Participant, to one or more registered charities, as determined by the Board from time to time.

No interest will be payable in respect of any remainder amounts which are retained by the Company. Participants will not be issued with a receipt in connection with any donations made under this clause 6(g).

- (h) The Board may, in its absolute discretion, choose to partially or fully underwrite the DRP in respect of any dividend with one or more underwriters.

7 Shares allotted

Shares allotted under the DRP will:

- (a) be allotted in accordance with the Listing Rules;
- (b) rank equally with existing Shares; and
- (c) be registered on the same Register as the relevant Participant's Participating Shares.

8 Participation costs

No brokerage, commission, or other transaction costs will be payable by Participants in respect of Shares transferred or issued under the DRP and no stamp duty or other duties will be payable, under present law, by Participants in respect of Shares transferred or issued under the DRP.

9 Statements and certificates

After each date on which Shares are issued or transferred under the DRP, the Company will send to each Participant a statement, as at the relevant dividend payment date, that complies with sub-division 202-E of the *Income Tax Assessment Act 1997* (Cth), which sets out:

- (a) the total number of Shares registered in the Participant's name at the Record Date;
- (b) the total number of Participating Shares;
- (c) the amount of dividend payable to that Participant in respect of the Participating Shares at the Record Date;
- (d) the amount of dividend payable in respect of the Shares which did not participate in the dividend (if any);
- (e) any percentage by which the VWAP will be discounted in order to determine the number of Shares to be issued or transferred under the DRP;
- (f) the number of Shares that the Company has issued or caused to be transferred to the Participant under the DRP;
- (g) the date on which the issue or transfer of those Shares has occurred;
- (h) whether or not there is a franking credit on an amount specified on the dividend;
- (i) the franking percentage for the dividend;
- (j) the amount of any Withholdings that has been deducted from the dividend by the Company or any other amount that the Company is entitled to retain or withhold; and
- (k) such other information that the Board may decide.

10 Changes to participation

- (a) A Participant may at any time, by notice in writing to the Company in the prescribed DRP Application or Variation Form:

- (i) terminate their participation in the DRP; or
 - (ii) increase or decrease the number of Participating Shares.
- (b) Subject to clause 12(c), the alteration or termination takes effect from the next Record Date.
- (c) If a Participant increases the level of participation in the DRP to full participation, all of the Participant's Shares as at the date of the DRP Application or Variation Form and all Shares subsequently acquired by the Participant (including Shares transferred or issued under the DRP) will participate in the DRP.
- (d) If a Participant increases or decreases the level of participation in the DRP to below full participation only that number of Shares specified in the DRP Application or Variation Form will participate in the DRP and no Shares subsequently acquired by the Participant (including Shares transferred or issued under the DRP) will participate in the DRP unless the Participant elects to vary their level of participation in the DRP to include those Shares by completing and sending a further DRP Application or Variation Form.
- (e) If a Participant dies, participation in the DRP will be terminated 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 will be terminated 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 one or more joint holders will not automatically terminate participation.
- (f) The Board may determine that Shareholders can lodge DRP Application or Variation Forms electronically, either through the Company's website or via the Company's Share Registry. Any DRP Application or Variation Forms lodged electronically must comply with the terms and conditions of the relevant facility.

11 Share transfers and other changes in shareholding

- (a) Where all of a Participant's Shares are subject to the DRP and the Participant transfers part of those Shares, then, unless the Participant advises the Company otherwise, the remaining Shares held by the Participant will continue to participate in the DRP.
- (b) Where some of a Participant's Shares are subject to the DRP and the Participant transfers some of those Shares, then unless the Participant advises the Company otherwise, the Shares transferred will be deemed by the Company to be Shares not participating in the DRP. If the number of Shares transferred is more than the number of a Participant's Shares not participating in the DRP, the transfer will be deemed by the Company to include all the Shares registered in the name of the Participant not participating in the DRP, and the balance (if any) will be attributed to Shares participating in the DRP.
- (c) Shares which are sold by a Participant or otherwise transferred to a new owner will cease to participate in the DRP upon registration of the transfer.

12 Applications and notices

- (a) Any notice or application by a Shareholder provided for in the Rules must be in writing, addressed to the Company and in the form prescribed (if any) for that purpose by the Board. Where Shares are held jointly, all joint Shareholders must sign the relevant notice or application.

- (b) Separate notices or applications must be given in respect of each parcel of Shares identified in the Register by a separate Shareholder number, and a Shareholder shall be deemed for the purposes of the DRP to be a separate Shareholder in relation to each parcel of Shares so identified by a separate Shareholder number.
- (c) Notices and applications received by the Company will be effective in respect of a particular Record Date if received no later than 5.00pm on the business day after the relevant Record Date. Any notices or applications received after that time will not be effective in respect of that dividend payment but will be effective from the next relevant Record Date.
- (d) Any notice or announcement made by the Company in relation to the DRP may be effected by either of the following (at the Company's discretion):
 - (i) by notice to the ASX, for release to the market; or
 - (ii) by notice to Participants (or all Shareholders, as appropriate) in accordance with the Constitution.

Notwithstanding this clause 12(d), the Company may, at any time, without the need for any notice, modify these Rules to comply with the Constitution, the Listing Rules or any other law or to make minor amendments of an administrative or procedural nature.

13 ASX quotation

The Company will promptly apply for quotation on the ASX of all Shares allotted to Participants under the DRP.

14 Modification and termination

- (a) The Board may modify the Rules, or, terminate, suspend or re-commence the DRP, at any time at the Board's absolute discretion. The modification, termination, suspension or re-commencement will take effect upon the date specified by the Board. A modification, termination, suspension or re-commencement of the DRP will not be invalidated by the accidental omission to give notice of the modification, termination, suspension or re-commencement to a Shareholder and will not give rise to any liability on the part of, or right or action against, the Board or the Company.
- (b) Any suspension under clause 14(a) will continue until such time as the Board resolves to re-commence or terminate the DRP. If the DRP is re-commenced, election as to participation in respect of the previously suspended DRP will be valid and have full force and effect in accordance with these Rules for the purposes of the DRP. The date and conditions of the re-commencement (including any directions as to Shares re-commencing to participate in the DRP) will be notified to Shareholders in such manner as permitted under clause 12(d).
- (c) Upon modification of the DRP, Participants will continue to participate under the modified DRP unless a DRP Application or Variation Form to the contrary is received by the Company.

15 General

- (a) Any dividend payable on Shares which a Participant has nominated as participating in the DRP and which dividend the Company is entitled to retain as a result of a charge or lien in favour of the Company in accordance with the Constitution, or other requirement of law, will not be available for the purpose of participating in the DRP.

- (b) These Rules (and the Constitution) will be binding upon each person who is or becomes a Shareholder.
- (c) The Board may implement the DRP in the manner as the Board sees fit, and may settle any difficulty which may arise either generally or in a particular case in connection with the DRP as the Board sees fit. Without prejudice to the general powers of the Board under the Constitution and these Rules, the Board may settle in the manner as the Board sees fit any difficulty, anomaly or dispute which may arise in connection with, or by reason of, the operation of the DRP, whether generally or in relation to any Shareholder or any Share or Shares and the determination of the Board will be conclusive and binding on all Shareholders and other persons to whom the determination relates.
- (d) Neither the Company nor any officer or employee of the Company will be 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 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.

16 Governing law

These Rules will be governed by and construed in accordance with the laws in force for the time being in Queensland and each Shareholder submits to the jurisdiction of the courts of Queensland and any courts to which appeals may be made from those courts.