



ALLIED TECHNOLOGIES GROUP LIMITED

ACN 010 597 672

DIVIDEND REINVESTMENT PLAN – TERMS AND CONDITIONS

1. Definitions

1.1 In this Plan:

Allotment Price means the price at which the Plan Shares are allotted as determined from time to time by the directors of the Company and which shall be a price that is not greater than the Market Price of Shares nor may the price be less than an amount that is a 5% discount to the Market Price;

Business Day means a day designated by the rules of the Australian Stock Exchange as a business day;

Certified Holding means a Share or Shares for which a certificate has been issued and not subsequently cancelled, by the Company;

Company means Allied Technologies Group Limited (ACN 010 597 672);

Directors means the directors of the Company from time to time;

Eligible Member means, subject to clause 2.2, a Shareholder;

Record Date means the books closing date being, the date on which the Company closes its register of Eligible Members for the purpose of determining the number of Shares held by Eligible Members, or the equivalent date under the Securities Clearing House Business Rules;

Market Price of Shares means the weighted average market price for Shares sold on Australian Stock Exchange Limited during the 5 Business Days immediately preceding the Record Date referable to the dividend in question or, if no Shares are so sold, the weighted average market price of all Shares sold on Australian Stock Exchange Limited during the 5 Business Days before that Record Date on which Shares were sold;

Notice means a notice of the kind referred to in clauses 6 and 7;

Participant means a person registered as such in the Register of Participants;

Plan means the **Allied Technologies Group Limited Dividend Reinvestment Plan** described in these Rules;

Plan Shares means, in respect of a Participant, the number of Shares registered in the name of the Participant in the Register of Participants;

Register of Members means the register of members of the Company;

Register of Participants means the Register of Participants referred to in clause 13;

Rules means these rules as modified from time to time;

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

Shares means all the shares in the Company which carry voting rights; and

Uncertificated Holding means a Share or Shares for which a certificate has not been issued by the Company, or in respect of which any certificate which was issued by the Company has been cancelled without the issue of a replacement certificate.

- 1.2 Words denoting the singular shall include the plural and vice versa, words denoting a gender shall include any gender and person includes a corporation and vice versa.
- 1.3 Headings are for ease of reference only and shall not affect the interpretation of these Rules.

2. Eligibility

- 2.1 Subject to clause 2.2, participation in the Plan is open to all Shareholders.
- 2.2 The Directors may at any time determine that the right to participate in the Plan shall not be available to any Shareholder whose address, as appearing in the Register of Members, is in a country or place other than Australia where, in the absence of a registration statement, prospectus or other formality, participation in the Plan would or might be unlawful.

3. Participation

- 3.1 Participation in the Plan is optional but is not transferable.
- 3.2 An Eligible Member may elect to participate in the Plan on a full or partial basis.
- 3.3 The Company will give each Eligible Member who is not already a Participant an opportunity to participate in the Plan. When this Plan commences, each Eligible Member will be given this opportunity at least 15 Business Days before a Record Date.

4. Full participation

- 4.1 An Eligible Member who elects to participate in the Plan on the basis of full participation must indicate clearly in the Notice that he or she elects to participate in the Plan on that basis.
- 4.2 Full participation will apply in respect of all Shares registered in the name of the Eligible Member in the Register of Members from time to time.

4.3 A Notice which does not specify whether participation is to be full or partial shall be deemed to be an election for full participation.

5. Partial participation

5.1 An Eligible Member who elects to participate in the Plan on the basis of partial participation must indicate clearly in the Notice the specific number of Shares registered in his or her name in the Register of Members which he or she nominates for participation in the Plan.

5.2 Partial participation will apply in respect of:

- (a) the specific number of Shares nominated in the Notice;
- (b) any other Shares registered in the name of the Participant in the Register of Members which are subsequently accepted for participation under clause 6; and
- (c) all Shares that are allotted to and registered in the name of the Participant under this Plan.

5.3 Where, at a Record Date, the number of Shares registered in the name of a Participant in the Register of Members is less than the specific number of shares nominated by the Participant for participation in the Plan, the provisions of the Plan will apply only to that lesser number of Shares.

6. Notice

6.1 An Eligible Member who wishes to participate in the Plan must complete, sign and lodge with the Company a Notice. A Notice shall be in a form which the Company from time to time prescribes.

6.2 A Participant may vary his or her participation by:

- (a) increasing or decreasing the number of Shares to which this Plan relates;
- (b) converting a partial participation to a full participation;
- (c) converting a full participation into a partial participation; or
- (d) withdrawing from this Plan.

6.3 Subject to clause 6.5, a Notice lodged with the Company in accordance with clause 6.1 or 6.2 shall take effect when it has been received and approved by the Company and an appropriate entry has been made in the Register of Participants.

6.4 Approval of a Notice lodged under clause 6.1 may be withheld in any case at the absolute discretion of the Company, including, but without limiting the generality of the foregoing, if the Company determines that approval of the Notice may prejudice the effective operation of the Plan or would otherwise be contrary to law. The Company shall inform the Eligible Member if approval is withheld.

6.5 Unless the Directors determine otherwise, a Notice received by the Company less than 5 Business Days prior to a Record Date in respect of a particular dividend shall be deemed to have become effective immediately after the payment of that dividend.

6.6 A Notice will remain in force until it is formally varied or the Participant's participation in the Plan is terminated in accordance with these Rules.

7. Termination or death of participant

7.1 A Participant may at any time terminate his or her participation in the Plan by completing, signing and lodging with the Company a Notice.

7.2 Subject to clause 6.5, termination shall take effect when a duly completed Notice has been received and approved by the Company and an appropriate entry has been made in the Register of Participants.

7.3 If a Participant dies, his or her participation in the Plan will terminate upon receipt by the Company of notification of that death.

7.4 In the case of joint Participants, if one Participant dies, the participation of the other Participant or Participants shall terminate at the same time as the participation of the deceased Participant terminates.

8. Reduction or termination on disposal of shares

8.1 Where a Participant disposes of his or her full holding of Plan Shares, the Participant shall be deemed to have withdrawn from the Plan without the need for any notification to the Company.

8.2 Where a Participant whose participation in the Plan is partial disposes of a number of Shares registered in the Participant's name in the Register of Members, being a number which is less than the number of his or her shares which are not Plan Shares and the Participant does not notify the Company otherwise, the Shares disposed of will, to the extent possible, be taken to be the Participant's Shares other than his or her Plan Shares.

8.3 Where a Participant whose participation in the Plan is partial disposes of a number of the Shares registered in the Participant's name in the Register, being a number of Shares which is greater than the number of his or her Shares which are not Plan Shares and the Participant does not notify the Company otherwise the Shares so disposed of shall be taken to be all of the Participant's Shares other than his or her Plan Shares together with such of the Participant's Plan Shares as may be necessary to make up the total number of Shares disposed of.

8.4 No Plan Share shall cease to be a Plan Share pursuant to a transfer unless and until the transfer has been registered in the Register of Members. Upon registration of a transfer relating to a Plan Share, the Company will make an appropriate entry in the Register of Participants.

9. Operation of the plan

9.1 Each cash dividend payable with respect to Plan Shares and available for payment to the Participant is to be applied by the Company on the Participant's behalf in subscribing for Shares.

9.2 The Company will establish and maintain a Plan account for each Participant. The Company will in respect of each dividend for each Participant:

- (a) determine the amount of the cash dividend payable in respect of the Plan Shares held by the Participant as at the relevant Record Date;
- (b) determine the amount of Australian withholding tax (if any) payable in respect of the cash dividend;
- (c) credit to the Participant's Plan account the difference between the amount of the cash dividend and the amount of Australian withholding tax (if any) payable in respect thereof;
- (d) determine the number of Shares to be allotted to the Participant in accordance with the provisions of clause 11.1;
- (e) subscribe, on behalf of and in the name of the Participant, for that number of Shares and debit the Participant's Plan account with the subscription price thereof; and
- (f) allot that number of Shares to the Participant and make an appropriate entry in the Register of Participants.

10. Issue price

- 10.1 Shares are to be allotted under the Plan at the Allotment Price. The Allotment Price will be notified to each Participant in accordance with clause 23.2.
- 10.2 For the purposes of the Plan, the allotment price shall be determined by the Company from information obtained from the Australian Stock Exchange Limited and will be rounded to the nearest whole cent (0.5 of one cent being rounded down).
- 10.3 If application of the pricing formula results in the allotment price being less than the minimum issue price (if any) for shares required by the Corporations Law or the listing rules of the Australian Stock Exchange, the relevant dividend is to be paid in cash and the Plan will not apply in respect of that dividend.

11. Number of shares to be allotted

- 11.1 The number of Shares to be allotted under the Plan to any Participant in respect of any dividend shall be the number of Shares which is equal to AS in the formula specified below provided that any fractions of a Share will be disregarded.

$$AS = \frac{N(D - W)}{P}$$

Where:

AS is the number of additional Shares;

N is the number of Plan Shares held by the Participant at the relevant Record Date;

D is the amount of the dividend, in cents per Plan Share, that is payable to the Participant in the respect of the Plan Shares held by the Participant at the Record Date;

W is the amount of Australian withholding tax (if any), in cents per Plan Share, payable in respect of the dividend; and

P is the allotment price per Share, in cents, calculated in accordance with clause 10.

- 11.2 Where in any case AS in the formula specified in clause 11.1 is not a whole number fractions will be cancelled and extinguished.

12. Statement participants

The Company will in respect of each dividend send to each Plan Participant a statement containing the following information:

- (a) the number of Plan Shares held by the Participant as at the relevant Record Date;
- (b) the amount of the cash dividend payable in respect of those Plan Shares;
- (c) the amount of Australian withholding tax (if any) which has been deducted in respect of the dividend;
- (d) the number of Shares allotted to the Participant under the Plan in respect of the dividend;
- (e) the price determined under clause 10.2;
- (f) the total number of Plan Shares then held by the Participant;
- (g) the amount of any residue applied as subscription price for Plan Shares under clause 11.2; and
- (h) the extent to which the dividend is franked for Australian income tax purposes.

13. Register of participants

The Company shall establish and maintain a Register of Participants in which it shall record particulars of the name and address of each Participant and the number of Plan Shares held by each Participant from time to time. The Register of Participants shall be conclusive evidence of the matters contained in it.

14. Shares allotted under plan

- 14.1 All Shares allotted under the Plan will rank equally in all respects with all other Shares then on issue except that such shares will be deemed to be Plan Shares from the date of their issue.
- 14.2 The allotment of Shares under the Plan must take place no later than 5 Business Days after the date of payment of each cash dividend.

15. Share certificate and uncertificated holdings

- 15.1 In respect of Shareholders with Certificated Holdings, the Company will not later than 10 Business Days after the date of payment of each cash dividend dispatch to each Participant a new share certificate for the Shares allotted to the Participant under the Plan in respect of each dividend.

15.2 In respect of Shareholders with Uncertificated Holdings, the Company shall provide transaction statements as and when required by the Official Listing Rules of Australian Stock Exchange Limited in respect of Shares allotted to Participants under the Plan.

16. Register of members

Shares allotted under the Plan will be registered on the Register of Members on which the Participant's Plan Shares are registered. In the event that the Participant's Plan Shares are registered on more than one register the Shares allotted under the Plan may be recorded on any of those registers unless the Participant requests otherwise.

17. Stock exchange listing

The Company will make application for all Shares allotted under the Plan to be granted official quotation by Australian Stock Exchange Limited.

18. Cost to participants

Other than stamp duty or other duties (if any), no brokerage, commission or other transaction costs will be payable by any Participant in respect of the application for and allotment of Shares under the Plan.

19. Modification, suspension and termination of plan

19.1 The Plan may be modified, suspended or terminated by the Directors at any time by giving not less than one month's notice in writing to all Shareholders.

19.2 In the case of a modification, a Participant will be deemed to continue his or her participation in the Plan under the Rules as so modified unless and until the Participant lodges a Notice with the Company.

19.3 During the period of any suspension of the Plan no Shares shall participate in the Plan notwithstanding the entries which may appear in the Register of Participants from time to time. The Directors may resolve to recommence the Plan at any time on such conditions as they think fit.

20. Governing law

The Plan shall be governed by and construed in accordance with the laws for the time being in force in the State of New South Wales, Australia.

21. Powers of directors

The Plan shall be administered by the Directors who shall have the power to:

- (a) determine appropriate procedures for administration of the Plan consistent with the provisions of these Rules;
- (b) resolve conclusively all questions of fact or interpretation in connection with the Plan;

- (c) delegate to any one or more persons for such period and on such conditions as they may determine the exercise of any of their powers or discretions arising under the Plan; and
- (d) modify, suspend or terminate the Plan in accordance with clause 19.

22. Shares over which the company has a charge etc

Notwithstanding anything contained in these Rules, no amount of dividend on Shares which the Company is entitled to retain or otherwise has a charge over in accordance with the Constitution of the Company or other requirement of law shall be available for the purpose of participation in the Plan.

23. Notices

- 23.1 Except as otherwise provided by these Rules, notice given to a Shareholder pursuant to these Rules shall be in writing and may be given to the Shareholder by leaving it at or sending it by ordinary post to the Shareholder at the Shareholder's address as set out in the Register of Members.
- 23.2 Except as otherwise provided by these Rules, any notice to a Participant pursuant to these Rules shall be in writing and may be given by leaving it at or sending it by ordinary post to the Participant at the Participant's address as set out in the Register of Participants.
- 23.3 Except as otherwise provided by these Rules, any notice to the Company may be given to the Company by leaving it at or sending it by ordinary post to the registered office of the Company.