



*City* **Pacific** Limited

ACN 079 453 955

## DIVIDEND REINVESTMENT PLAN



[www.citypac.com.au](http://www.citypac.com.au)

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City Pacific Limited (City Pacific) is pleased to offer shareholders the opportunity to participate in the company's Dividend Reinvestment Plan (DRP). The DRP provides shareholders who hold fully paid ordinary shares with a convenient means of increasing their holding in City Pacific by reinvesting all or part of their dividend in additional fully paid ordinary shares.

## Dividend Reinvestment Plan

Under the City Pacific Limited Dividend Reinvestment Plan (DRP), the dividend attributable to your City Pacific Limited (City Pacific) ordinary fully paid shares (the “Dividend”) may be reinvested in new City Pacific ordinary fully paid shares.

## Increase your Holding

The DRP is a cost effective and convenient way of increasing your shareholding in City Pacific.

## Entitlement to shares

Each Dividend paid in respect of shares participating in the DRP is automatically reinvested in new shares.

## Discount on Ex-Dividend Price

It is intended that shares will be allotted under the DRP at a discount from the weighted average ‘ex-Dividend’ market price and will be allotted to you free of brokerage, commission and stamp duty costs. The DRP gives the Directors of City Pacific discretion as to the amount of the discount up to a maximum of 5%.

## Entitlement Rounded Up

Where the allotment formula results in a fraction of a share, your entitlement will be rounded up to the next whole number.

## Shares Rank Equally

Shares allotted under the DRP rank equally with existing fully paid ordinary shares.

## Optional Participation

Participation is entirely optional. You may at any time join the DRP, vary your participation, or withdraw from the DRP by completing an Application Form and sending it to City Pacific’s Share Registry. Forms received after the close of the Register for a Dividend will not be effective until the next date for a Dividend.

# Highlights

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## Statement

A statement will be sent to you on each Dividend payment date, detailing your participation in the DRP.

## Amendment, Suspension and Termination

The Directors of City Pacific may in their discretion resolve to amend, suspend or terminate the DRP, but in so doing cannot vary any entitlement you have received or accrued up to that point.

## Terms and Conditions

The detailed Terms and Conditions of the DRP are contained in this booklet. Please read them before deciding whether or not to participate in the DRP.

## Enquiries

If you wish to enquire about the DRP, please contact City Pacific's Share Registry, Link Market Services Limited at the following address

Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235

Telephone: 02 8280 7454  
Fax: 02 9287 0303  
Email: [registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au)  
Web: [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

# Frequently Asked Questions

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## Who can participate?

All Shareholders of City Pacific can participate in the DRP to the limit of their Share holdings. However any Shareholder who has a registered address or is resident in a country other than Australia may not be eligible to participate in the DRP because of legal requirements applying in that country. The Directors have the discretion to determine whether any such Shareholder is excluded from the DRP and may require any Shareholder to provide proof, in the form of a statutory declaration or other document, of the legality of their participation.

## What if I Reside outside Australia?

You may participate but only in accordance with the laws of your country of residence.

## Is participation optional?

Yes. The decision is entirely yours.

## Can I participate fully in the DRP?

Yes. The limit of your participation for a given Dividend entitlement is determined by the number of City Pacific Shares registered in your name on the Record Date for the relevant Dividend or such other date advised by the Directors.

## Can I participate partially in the DRP?

Yes. In this case your participation in the DRP will depend on the number of City Pacific Shares you have nominated for the DRP. Your entitlement to Dividend payments in respect of Shares not participating in the DRP will be paid in the normal way.

# Frequently Asked Questions

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## How do I join the DRP?

Complete the Application Form and return it to:

The Registrar

Link Market Serviced Limited

Locked Bag A14

Sydney South NSW 1235

A copy of the DRP Terms and Conditions and an Application Form can be obtained from City Pacific's website.

## When will my participation begin?

It will begin with the first Dividend after receipt of your Application Form. This is subject to the form being received prior to the Record Date or other date nominated by the Directors in respect of that Dividend so as to allow sufficient time for forms to be processed before the payment of the Dividend.

## What happens if I have more than one Share holding?

You will need to lodge a separate Application Form for each separate Share holding (those registered under a different name or joint names), and you must correctly identify the Share holding on each form.

## Can I change my participation at any time?

Yes. Simply notify the Registrar in writing and correctly sign the variation request. The variation will be effective from the next Dividend payment, subject to the variation being received on or before the relevant Record Date or other date nominated by the Directors.

## At what price will the Shares be allotted?

Shares will be issued or transferred at a price which is to be the average of the daily volume weighted average market price (rounded to the nearest cent) of all City Pacific Shares sold on the Australian

# Frequently Asked Questions

Stock Exchange during the 5 trading days including and immediately following the ex-Dividend date in relation to the relevant Dividend, regardless of whether any Shares are sold on those days. If the Directors think the price is not fair, the Directors may adopt a value determined by a valuer. A discount may apply to the price and will be determined by the Directors, but is capped at 5%.

## How is the discount determined?

The amount of the discount, up to a maximum 5%, is decided from time to time by the Directors but cannot be changed once declared for a particular Dividend period. Details of the discount applicable to each Dividend will be posted on City Pacific's website or announced on the ASX website.

## Do the Shares issued under the DRP participate in the DRP?

Where a Shareholder has elected full participation, Shares issued under the DRP automatically participate in the DRP unless and until a variation is given by you.

## What will it cost me to participate?

There is no cost for participation. You will not be charged brokerage fees, commission, stamp duty or administrative costs for any allotment of Shares under the DRP.

## Can I sell my Shares when I choose?

Shares participating in the DRP or acquired under the DRP may be sold at any time. When a Shareholder with partial participation in the DRP sells Shares the number of Shares sold will be deducted first from their holding of Shares which are not Participating Shares and then from their Participating Shares unless City Pacific receives notice to the contrary from the Shareholder.

City Pacific takes no responsibility for the taxation liabilities of Shareholders and recommends that you obtain professional taxation advice. Shareholders resident overseas are advised to make enquiries about their tax liabilities in their country of residence as well as in Australia.

# Frequently Asked Questions

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## When will I receive a statement?

After each Dividend, a statement will be issued to each Shareholder showing:

- The number of your Shares participating in the DRP;
- The Dividend entitlement on such Shares;
- The number and price of new Shares allotted under the DRP;
- The extent to which a Dividend under the DRP is franked; and
- The amount of any tax that has been withheld from the Dividend

## Can the DRP be amended?

The DRP maybe amended by the Directors.

## Can the DRP be suspended or terminated?

The DRP may be suspended or terminated by the Directors without notice.

## What happens if I do not participate in the DRP?

If you elect not to participate in the DRP, you will continue to receive any Dividend payments in the normal manner. Non-participation in the DRP will result in a dilution of your holding of City Pacific relative to other Shareholders.

## Can the DRP be underwritten?

Yes. The Directors in their discretion may seek underwriting of all or part of the DRP from time to time. Any underwriting may result in additional Shares that are available for allocation under the DRP but which are not taken up by Shareholders being issued to other persons through the underwriting. Those persons may or may not be existing Shareholders.

# Frequently Asked Questions

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## **Enquiries**

If you have any enquires (other than taxation) about how the DRP operates and how you can participate, write to or telephone:

The Registrar  
Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235

Telephone: (02) 8280 7454  
Fax: (02) 9287 0303

OR

The Company Secretary  
City Pacific Limited  
GPO Box 2456  
Brisbane QLD 4001

Telephone: 13 47 69  
Fax: (07) 3229 5796

Please note that City Pacific is not in a position to answer enquiries concerning the taxation implications for Shareholders. Such enquiries should be addressed to your professional taxation adviser.

# Terms and Conditions

## 1 Definitions

**1.1** In these Terms and Conditions unless the contrary intention appears:

**Application** and **Application Form** means a written application to participate in the DRP signed by a Shareholder, or a person entitled to be registered as a Shareholder (or each Shareholder or person in the case of joint holdings) and in the form prescribed or approved by the Directors from time to time which form may be combined with or form part of any other form or notice;

**ASX** means Australian Stock Exchange Limited;

**City Pacific** means City Pacific Limited ACN 079 453 955;

**Directors** means the directors of City Pacific;

**DRP** means the City Pacific Limited Dividend Reinvestment Plan constituted and incorporating the Terms and Conditions;

**Listing Rules** means the official listing rules of the ASX;

**Participant** means a Shareholder participating in the DRP;

**Participating Shares** means Shares participating in the DRP;

**Record Date** is as defined in the Listing Rules;

**Register** means the register of holders of Shares maintained by City Pacific;

**Registry** means Link Market Services Limited;

**Shareholder** means a person (including a corporation) entered in the Register as the holder of Shares;

**Shares** means fully paid ordinary shares in the capital of City Pacific;

**Termination Notice** means a notice to terminate participation in the DRP in a form approved by the Directors;

**Terms and Conditions** means the terms, provisions and conditions of the DRP set out herein as amended from time to time pursuant to clause 13;

**Variation Notice** means a notice to vary participation in the DRP in a form approved by the Directors; and

# Terms and Conditions

**Withholding Tax** means any tax or withholding amount that City Pacific is required to withhold from a Dividend payable to a Participant.

- 1.2** Words importing the masculine gender includes the feminine and neuter genders and words importing the singular include the plural and vice versa.
- 1.3** Shareholders who, in respect of distinct numbers of Shares held by them have separate holder numbers, shall, for the purposes of the Terms and Conditions, be deemed to be separate and distinct Shareholders in relation to each such holder number and the Shares from time to time allocated to that holder number.

## 2 Participation in the DRP

- 2.1** Under the DRP a Shareholder may elect to receive new Shares instead of cash for Dividends declared by the Directors in respect of all or part of their holdings of Shares.
- 2.2** Participation in the DRP is:
  - (a) subject to these Terms and Conditions;
  - (b) optional; and
  - (c) not transferable.
- 2.3** Except as stated in clauses 2.4 and 2.8, all Shareholders are eligible to participate in the DRP.
- 2.4** A Shareholder who is subject to the laws of a country or place other than Australia may not be eligible to participate in the DRP because of legal requirements that apply in that country or place. The issue of Shares to Shareholders who are not resident in Australia at the time of issue will be subject to all necessary government approvals. It is the responsibility of each Shareholder to obtain any such approvals. Before electing to participate in the DRP, Shareholders should seek professional advice to ascertain if any restrictions apply.
- 2.5** If, in the opinion of the Directors, the law of Australia or another country (or any other matter or thing) makes Shareholders participation illegal, impossible or impracticable, such Directors may determine that the Shareholder is not able to participate in the DRP.

# Terms and Conditions

- 2.6** The Directors may, at their discretion, require from a Shareholder a statutory declaration or other proof that the Shareholder is not in breach of any law by participating in the DRP.
- 2.7** Participation may, subject to the Terms and Conditions, be varied or terminated by a Shareholder at any time.
- 2.8** The Directors are entitled (but not obliged) to refuse a Shareholder participation in the DRP where the Shareholder has, in the opinion of those Directors, split a Share holding or acquired Shares of such a split in order to increase the number of Participating Shares that may be allotted to the Shareholder or another person.

## 3 Application to participate

- 3.1** An application to participate in the DRP is to be made on an Application Form.
- 3.2** Upon receipt and acceptance of a duly completed and executed Application Form, participation will commence from the next Record Date for determining entitlement to Dividends.
- 3.3** If the Directors decide to reject an Application they will inform the relevant Shareholder of their decision in writing within a reasonable time of receipt of the Application.

## 4 Degree of participation

- 4.1** Shareholders may elect one of two levels of participation in the DRP:
  - (a) **Full Participation:** meaning all the Participant's Shares at any time, however acquired (including Shares allotted under the DRP), will be subject to the DRP. For full participation a Shareholder must specify on the Application Form where indicated that they wish for full participation; or
  - (b) **Partial Participation:** meaning only the number of Shares specified by the Participant will be subject to the DRP. For partial participation a Shareholder must specify on the Application Form where indicated that they wish for partial participation and also specify the number of Shares they wish to participate.

# Terms and Conditions

- 4.2** Application Forms received by City Pacific which do not indicate either the degree of participation or a specific number of Shares to participate, will be deemed by the Directors to be Applications for full participation. The Directors shall not be liable to the Shareholder for any loss, damage or claim in respect of either the Shareholder's participation or non-participation as the case may be pursuant to the exercise by the Directors of their discretion.
- 4.3** Application Forms received by City Pacific which indicate a number of Participating Shares in excess of the number of Shares held by the Shareholder making the Application will be deemed to be an Application for full participation.

## 5 Operation of DRP

- 5.1** The DRP allows Participants to acquire Shares at a discount of up to 5%. The Directors shall publish the amount of the discount for each Dividend on the City Pacific or ASX website. The number of Shares to be issued to each Participant is calculated as set out in clause 5.2.
- 5.2** Each Dividend which is payable to a Participant in respect of Shares subject to the DRP will, upon payment, be applied by City Pacific on the Participant's behalf in subscribing for the whole number of Shares, or when not a whole number the nearest whole number above the number, calculated by the following formula:

$$S = \frac{P \times D}{M}$$

Where:

- S** is the number of Shares to be allotted to the Participant;
- P** is the number of Participating Shares registered in the name of the Participant to which the allotment relates;
- D** is the amount of the Dividend per Share in cents declared by City Pacific on the Shares, less the amount of any Withholding Tax applicable to that Dividend;
- M** is the average of the daily weighted average market price in cents per Share (rounded to the nearest full cent)

# Terms and Conditions

of all Shares sold on the ASX over the 5 trading days including and immediately following the ex Dividend date in relation to the relevant Dividend, regardless of whether any Shares are sold on those days (excluding “special crossings”, “crossings” outside normal trading hours and transactions related to the exercise of any options). If the Directors think the price is not fair, the Directors may adopt a value determined by a valuer. A discount may apply to the price and will be determined by the Directors, but is capped at 5%; and

- 5.3** Shares will be allotted as soon as practicable following subscription pursuant to clause 5.2.

## 6 Shares allotted under the DRP

**6.1** Shares allotted under the DRP will be allotted in accordance with the Listing Rules. Where City Pacific considers that holdings have been split to take advantage of the allotment formula which results in a fraction of a Share and the entitlements being rounded up to the next whole number, City Pacific reserve the right, to the extent permitted by law, to aggregate holdings for the purpose of determining the Shares allotted to those holdings.

- 6.2** All Shares allotted under the DRP will rank equally in all respects with existing Shares.

## 7 Costs of Participants

**7.1** No brokerage, commission, stamp duty or other transaction costs will be payable by Participants in respect of any allotment of Shares under the DRP.

## 8 Statements to participants

**8.1** After each allotment made pursuant to clause 5.3, City Pacific will forward to each Participant a statement detailing, as at the relevant allotment date:

- (a) the number of the Participant’s Participating Shares as at the close of the Register for determination of entitlement to Dividends;
- (b) the Dividend amount payable on all of the Participant’s Participating Shares, the amount of any Withholding Tax and the extent to which the Dividend is franked;

# Terms and Conditions

- (c) the number of Shares allotted to the Participant under the DRP under the allotment to which the statement relates;
- (d) the price at which these Shares were allotted and any discount reflected in the price;
- (e) the allocation of the Dividend between the acquisition cost of Shares in City Pacific; and
- (f) the Participant's total holding of Participating Shares after such allotment

## 9 Variation to or termination of participation

**9.1** Subject to clause 10, a Participant may at any time give a Variation Notice or Termination Notice to City Pacific at the Registry to:

- (a) increase or decrease participation in the DRP; or
- (b) terminate participation in the DRP

The variation or termination takes effect from the Record Date for the next Dividend.

**9.2** If a partially participating Shareholder disposed of Shares and does not notify City Pacific to the contrary, the Shares disposed of cease to participate in the DRP. If the remaining Participating Shares are less than the number specified for participation, the Participant will be treated as having elected for full participation until such time as the Participant's holding exceeds the number of Participating Shares previously specified for partial participation.

**9.3** If a Participant transfers all of the Participant's holding of Shares, without giving notice of termination of participation in the DRP, the Participant will be deemed to have given notice to terminate his participation in the DRP on the last date when City Pacific registered a transfer of instrument of disposal of the Participant's Shares.

**9.4** If a Participant dies, participation by that Participant and any other Participants with whom the deceased was a joint Participant will be terminated, subject to Clause 10, upon receipt by City Pacific of notice of the death of the Participant.

# Terms and Conditions

- 9.5** When a Participant transfers Participating Shares, the Participating Shares shall upon registration of such transfer or instrument of disposal cease to be Participating Shares.

## 10 Applications and notices

- 10.1** Notices must be in writing and in such form as the Directors may from time to time require.
- 10.2** Applications must be made and notices must be given by the Participants separately in respect of each holding of Shares identified by a separate holder number in the Register.
- 10.3** Applications and notices will be effective on receipt by City Pacific at its Registry subject to:
- (a) the Terms and Conditions;
  - (b) in the case of Applications, acceptance by the Company Directors;
  - (c) subject to sub-clause (d), their being received on or before the relevant Record Date; and
  - (d) such other determination or restrictions as to the period of notice required as the Directors may from time to time impose including any substituted time for the time set out in sub-clause (c).
- 10.4** Applications and notices received after the due date will be effective from the date following the re-opening of the Register.

## 11 Administration of DRP

- 11.1** The Directors shall administer the DRP and the Directors shall have power to:
- (a) determine appropriate procedures for administration of the DRP consistent with the provisions of the Terms and Conditions;
  - (b) waive strict compliance with any of the provisions of the Terms and Conditions;
  - (c) delegate the exercise of their powers or discretions under the DRP; and
  - (d) settle in such manner as they think expedient any difficulties, anomalies or disputes which may arise in

# Terms and Conditions

connection with, or by reason of, the operation of the DRP, whether generally or in relation to any Participants or any Shares and the determination of the Directors shall be conclusive and binding on all Participants and other persons to whom the determination relates.

- 11.2** City Pacific and their officers and employees shall not be liable to any Shareholder for any loss, damage or claim in respect of either the Shareholders participation or non-participation, as the case may be, in the DRP by reason of the administration or lack of administration of the DRP or the exercise by the Directors of any discretion under the DRP.
- 11.3** Unless the Directors shall otherwise decide, entries made in the Register shall be conclusive in determining whether or not any Share is a Participating Share.

## 12 Stock Exchange Listing

- 12.1** If the Participating Shares are quoted on the official list of the ASX, City Pacific will apply promptly for the Shares allotted under the DRP to be listed for quotation on the official list of ASX.

## 13 Amendment, suspension and termination of the DRP

- 13.1** The Directors may in their absolute discretion from time to time modify, vary, supplement or substitute all or any of the Terms and Conditions and those Directors shall not be required to have any such amendments approved by the Shareholder in general meetings but any amendment shall be consistent with the Listing Rules. Notice of any amendment made by the Directors shall be given to the Shareholders as soon as practicable after the effective date of the amendment.
- 13.2** The Directors may in their absolute discretion from time to time suspend the operation of the DRP in respect of any particular parcel of Participating Shares in respect of which those Directors wish to exercise a lien, right of forfeiture or right of deduction either in relation to such Participating Shares or any Dividend which would have been payable in respect thereto.

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- 13.3** The Directors may in their absolute discretion from time to time suspend the operation of the DRP including (but not limited to) when in the opinion of those Directors the continued operation of the DRP is impractical or may be prejudicial to City Pacific or to the Shareholders participating in the DRP or to the Shareholders not participating in the DRP. On and from the time when Directors suspend the DRP until the time when Directors recommence the DRP no Participants shall participate in the DRP.
- 13.4** A suspension of the DRP pursuant to this clause 13 shall take effect on and from such time as the Directors resolve and shall continue until such time as those Directors resolve that the DRP shall recommence or be terminated.
- 13.5** Notice of any suspension and of the recommencement or termination of the DRP following a suspension shall be given to the Shareholders as soon as practicable after the Directors have so resolved.
- 13.6** The Directors may in their absolute discretion at any time terminate the DRP.
- 13.7** Notice of termination shall be given to the Shareholders as soon as practical after the Directors have so resolved.

## 14 Governing law and jurisdiction

- 14.1** The DRP shall be governed by and shall be construed in accordance with the laws of the State of Queensland and each Participant submits to the non-exclusive jurisdiction of the Courts of that State.

## 15 Terms and Conditions to bind Shareholders

- 15.1** The Terms and Conditions shall be binding upon each Shareholder.

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## Enquiries

If you have any enquires (other than taxation) about how the DRP operates and how you can participate, write to or telephone:

The Registrar  
Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235

Telephone: (02) 8280 7454

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