

**DIVIDEND REINVESTMENT PLAN
RULES**

**MGM WIRELESS LIMITED
(ABN 93 091 351 530)**



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DIVIDEND REINVESTMENT PLAN RULES

1. Definitions

Unless otherwise specified, in this document:

Adelaide time means the time in Adelaide, South Australia;

ASX means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange operated by it (as the context requires);

Board means the board of directors of the Company;

Business Day has the meaning defined by the ASX Listing Rules;

Calculation Period means the period of ten Business Days commencing on the Election Date of the relevant dividend, or such other period as the Board may determine;

Company means MGM Wireless Limited (ABN 93 091 351 530);

DRP means the Company's dividend reinvestment plan to which these Rules apply;

DRP Form means the form in which a Shareholder updates the details of their participation in the DRP, available on request from the Share Registry or electronically at www.computershare.com.au/easyupdate/mwr. Shareholders will be taken to have signed the electronic version of the DRP Form if lodged online in accordance with the instructions on the website;

Election Date means the date that is the Business Day after the record date or such other date as determined by the Board and notified to Shareholders by announcement to the ASX;

Excluded Transaction means

- (a) any transaction defined or described in the ASX Operating Rules as "special", any crossing prior to the commencement of open session state (as defined by the ASX Operating Rules), any crossing during overnight trading as permitted by the ASX Operating Rules), any overseas trades or the exercise of options over Shares;
- (b) where Shares are traded on a trading platform of an Australian financial market operated by a person other than the ASX, any transaction on that trading platform having similar effect to any transaction defined or described in the ASX Operating Rules as "special", any crossing prior to the commencement of the open session state (as defined by the ASX Operating Rules), any crossing during overnight trading (as permitted by the ASX Operating Rules), any overseas trades or the exercise of options over Shares;
- (c) any trades that the Board determines to exclude on the basis that the trades are not fairly reflective of supply and demand.

Participant means a Shareholder who has elected to participate in the DRP and has not been excluded;

Participating Shares has the meaning defined by clause 4.3 of these Rules;

Rules means these rules of the DRP;

Share Registry means the Company's share registry;

Shareholder means a holder of Shares; and

Shares means ordinary securities in the Company.

2. **Participation**

2.1 Participation in the DRP:

2.1.1 is open to all Shareholders;

2.1.2 is optional and voluntary; and

2.1.3 may be varied or terminated at any time in accordance with clause 2.4 of these Rules.

2.2 The Board has a discretion to exclude a Shareholder from participating in the DRP if:

2.2.1 a Shareholder has a registered address or is resident outside of Australia and New Zealand on the record date of the relevant dividend; or

2.2.2 it considers that the Shareholder's participation might prejudice the effective operation of the DRP or give rise to breaches of applicable laws by the Company or its officers or the Shareholders or their associates.

2.3 Application to participate in the DRP must be made by the lodgement of a DRP Form. The application will only have effect in relation to a particular dividend if received by the Share Registry by 5:00pm (Adelaide time) on the Election Date for the relevant dividend.

2.4 Any variation to or withdrawal of a Shareholder's participation in the DRP must be made by the lodgement of a DRP Form. The variation or withdrawal will only have effect in relation to a particular dividend if received by the Share Registry by 5:00pm (Adelaide time) on the Election Date for the relevant dividend.

2.5 A separate DRP Form is required for any application, variation or withdrawal in relation to each shareholding account of a Shareholder.

2.6 If a Participant dies, participation in the DRP will be withdrawn upon receipt by the Share Registry of written notice of death.

2.7 If a Participant is declared bankrupt or is wound up, participation in the DRP will be withdrawn upon receipt by the Share Registry of notification of bankruptcy or winding up from the Participant or the Participant's trustee in bankruptcy or liquidator.

3. **Degree of Participation**

3.1 Shareholders are able to elect their degree of participation in the DRP by the lodgement of a DRP Form.

- 3.2 Where a Shareholder elects full participation, the DRP will apply to all Shares held from time to time.
- 3.3 Where a Shareholder elects a partial degree of participation by nominating a specific number of Shares, the DRP will only apply to the number of Shares specified.
- 3.4 In the event of a Share disposal, those Shareholders who participate in the DRP on a partial basis will be deemed to have disposed of their Shares in the following order:
 - 3.4.1 Shares not participating in the DRP;
 - 3.4.2 Shares participating in the DRP.
- 3.5 If a DRP Form does not indicate a Shareholder's preferred degree of participation, it will be deemed to be an application for full participation.
- 3.6 Regardless of the level of participation, all Shares issued through bonus issues in respect of Shares participating in the DRP and Shares issued under the DRP will participate in the DRP.

4. Operation of the DRP

- 4.1 For each dividend, the Board will determine whether to issue new Shares or cause the transfer of Shares to a Participant, or a combination of both options to satisfy the Company's obligations under the DRP.
- 4.2 The Company may create a trust (of which Participants are the beneficiaries) to acquire those Shares and then transfer or cause the transfer of those Shares to Participants.
- 4.3 The number of Shares to which each Participant is entitled shall be the value of the sum calculated by:

$$\frac{(S \times D) - T}{C}$$

Where:

- S is the number of Shares subject to the DRP which the Participant holds at the record date of the relevant dividend (**Participating Shares**);
- D is the amount of the ordinary dividend in cents per Share to which the Participating Shares will be entitled;
- T is any withholding tax or other sum the Company is entitled to retain in relation to the dividend;
- C is the acquisition price, being the average of the daily volume weighted average price of all Shares traded on ASX, excluding any Excluded Transaction, during the Calculation Period, rounded to four decimal places and subject to such discount as determined at the discretion of the Board.

- 4.4 If any number determined in accordance with the formula in clause 4.3 is not a whole number, that number is to be rounded down to the nearest whole number.
- 4.5 Statements of holdings in relation to Shares allotted under the DRP will be sent to members as soon as practicable after the relevant dividend payment date. Every such statement shall set out:
- 4.5.1 the number of Participating Shares at record date;
 - 4.5.2 the amount of the dividend which the person would have received in cash if the Participating Shares had not participated in the DRP;
 - 4.5.3 the effective price at which the Shares allotted under the DRP were issued or transferred;
 - 4.5.4 the number of those Shares issued or transferred;
 - 4.5.5 the number of Participating Shares after the issue or transfer;
 - 4.5.6 such information, if any, as is required by law to be included in such a statement or to be given to the recipient of such a statement; and
 - 4.5.7 such other information as the Board considers necessary.
- 4.6 Shares allotted or transferred to Participants under the DRP will be issued on the register on which the member's holding is registered on the date of allotment. Where Shares are held on more than one register, the Shares will be issued on the first named register, as shown in the Company's register of members.
- 4.7 The DRP will operate only where dividends are declared in cash.

5. **Less than One Share**

Clause 4 does not apply in respect of a Participant where the number determined in accordance with the formula in clause 4.3 is less than one, in which case no Shares are to be issued under the DRP to that Participant and the Participant is to be paid the calculated amount in cash.

6. **Cost to Participants**

No brokerage, commission, stamp duty or other transaction costs will be payable by Participants in respect of Shares allotted or transferred under the DRP.

7. **ASX Listing**

The Company will apply for the Shares allotted under the DRP to be listed for quotation on ASX.

8. **Variation and Termination of the DRP**

- 8.1 The Board may vary the Rules and may suspend or terminate the DRP on not less than one month's written notice to all Shareholders.
- 8.2 Subject to clause 25 of the Company's constitution, failure to give a notice of variation, suspension or termination in accordance with this clause 8 or the

non-receipt of any notice by any Shareholder will not invalidate the variation, suspension or termination.

- 8.3 If the DRP is varied in accordance with this clause 8, each Participant will be taken to continue to participate in the DRP unless and until the Participant notifies the Company of its intention to vary or withdraw under clause 2.4.

9. General

- 9.1 The Board reserves the right to waive strict compliance with any of these Rules.

- 9.2 Despite anything else in these Rules, the ASX Listing Rules and the *Corporations Act 2001* (Cth) prevail to the extent of any inconsistency with these Rules.

- 9.3 Neither the Company nor any officer 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.

- 9.4 Neither the Company nor any officer of the Company:

9.4.1 takes any responsibility or assume any liability for, or as a consequence of, the tax liabilities of any person in connection with the DRP; or

9.4.2 represents or warrant that any person will gain any taxation advantage, or will not incur a taxation liability or disadvantage, as a result of participation in the DRP.

- 9.5 Except as required by law, if the Company is notified in connection with the DRP that any Shares are held for one or more different persons or beneficial owners, the Company is not required to act upon, use or recognise that information for any purpose other than to treat the relevant Shares as separate holdings or parcels held by separate Shareholders to the extent required under these Rules.

10. Warning Statements for Non-Australian Jurisdictions

- 10.1 New Zealand resident shareholders

Participation in the DRP is made available to New Zealand resident shareholders in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2002* (NZ). Accordingly, the Company is not required to register a New Zealand prospectus or prepare and distribute a New Zealand investment statement to New Zealand resident shareholders in respect of the DRP.

These Rules have not been registered, filed or approved by any New Zealand regulatory authority under the *Securities Act 1978* (NZ).

- 10.2 United Kingdom resident shareholders

This document does not constitute a prospectus for the purposes of European Union Regulation No 809/2004, or the legislation of any EU member state

implementing the EU Prospectus Directive (2003/71/EC) as amended, including the *Financial Services and Markets Act 2000* of the United Kingdom. No such prospectus will be issued in connection with this offer.

10.3 United States resident shareholders

The new ordinary shares in the Company pursuant to these Rules have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended or the securities laws of any state or other jurisdiction of the United States.