



Rules of the Dividend Reinvestment Plan
Senex Energy Limited

Rules of the Dividend Reinvestment Plan

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1 Interpretation

1.1 Definitions

The following definitions apply in this document:

ASX means the Australian Securities Exchange Limited;

Company means Senex Energy Limited ACN 008 942 827;

Constitution means the Constitution of the Company as amended from time to time;

Daily Volume Weighted Average Price means the daily volume weighted average price of all Shares sold on the ASX, excluding such transactions which are not in the ordinary course of trading on ASX (such as special crossings, crossings prior to the commencement of normal trading, crossings during the closing phase and after hours adjust phase, portfolio special crossings, equity combinations, crossings during overnight trading overseas trades or trades pursuant to the exercise of options over Shares), and any other trade, that the Directors consider may not be fairly reflective of genuine supply and demand;

Directors mean the Board of the Company or a properly constituted committee of the Board;

Discount means such discount (if any) as the Directors may determine for the DRP Price of Shares in respect of a dividend;

DRP means the Dividend Reinvestment Plan as set out in these Rules;

DRP Notice means a notice in such form as the Company may from time to time require;

DRP Price of Shares means, in respect of Share issued or transferred under the DRP, the arithmetic average of the Daily Volume Weighted Average Market Price rounded to two decimal places (or such other number of decimal places as the Directors may determine) during the applicable Pricing Period (or such other price or pricing formula as the Directors may determine) and subject to any applicable Discount;

DRP Shares means Shares in respect of which a Shareholder has elected to participate in the DRP;

Listing Rules means the official Listing Rules of the ASX as they apply to the Company from time to time;

Non-DRP Shares means Shares in the capital of the Company not subject to the DRP;

Participant means a Shareholder, some or all of whose Shares are DRP Shares;

Pricing Period means a period of not less than 5 Business Days commencing before, on or after the relevant Record Date as the Directors may determine for the DRP Price of Shares in respect of a dividend;

Record Date means the date nominated by the Directors for the purpose of identifying the Shareholders who are entitled to receive a particular issue of dividends;

Rules means the rules of the DRP as amended from time to time;

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

Shareholder means a person holding Shares;

Share Registry means the share registry which maintains the Company's share register; and

Trading Day has the meaning given in the Listing Rules.

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1.2 Rules for interpreting this document

Headings are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this document, except where the context makes it clear that a rule is not intended to apply.

- (a) A singular word includes the plural, and vice versa.
- (b) A word which suggests one gender includes the other genders.
- (c) If a word or phrase is defined, any other grammatical form of that word or phrase has a corresponding meaning.
- (d) If an example is given of anything (including a right, obligation or concept), for example by saying it includes something else, the example does not limit the scope of that thing.
- (e) Any reference to these Rules to any enactment, part of an enactment or the Listing Rules includes a reference to that enactment, part or those Listing Rules as from time to time amended, consolidated, re-enacted or replaced and, in the case of an enactment, all regulations and statutory instruments issued under it.

2 Participation in the DRP

- (a) Participation in the DRP is optional and subject to the Rules.
- (b) If, in the reasonable opinion of the Directors, the issue or transfer of the Shares by the Company, or the holding of those Shares by the relevant Participant may breach any provision of applicable law or is otherwise in the sole opinion of the Directors undesirable or impractical, the Directors may at any time and from time to time do any of the following:
 - (i) decline to issue or transfer Shares under the DRP;
 - (ii) reduce the issue or transfer of Shares under the DRP on a proportionate basis; and
 - (iii) reduce or suspend the participation in the DRP by any Participant.
- (c) Participation in the DRP is only open to Shareholders whose addresses (as they appear in the register of the Company) are in:
 - (i) Australia;
 - (ii) New Zealand; and
 - (iii) any other jurisdiction in which the Directors are satisfied that the offer and issue or transfer of Shares under the DRP is lawful and practicable.
- (d) Participation in the DRP is open to all Shareholders other than those excluded under this rule 2.

3 Degree of participation

- (a) A Shareholder may participate in the DRP in respect of all that Shareholder's Shares or in respect of only some of those Shares.
- (b) If a Shareholder wishes all of that Shareholder's Shares to become DRP Shares, he or she shall lodge a duly completed and executed DRP Notice electing full participation. Where the Shareholder has elected full participation, all Shares subsequently acquired by the Shareholder (whether under the DRP or otherwise) shall be DRP Shares.
- (c) If a Shareholder wishes only some of his/her Shares to become DRP Shares, he or she shall lodge a duly completed and executed DRP Notice indicating how many Shares are

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to become DRP Shares and only the number of Shares so specified shall become DRP Shares.

- (d) If, at the relevant Record Date, the number of Shares held by a Participant is less than the number of Shares specified in a DRP Notice, then the Participant will be deemed to have elected full participation.
- (e) Where a Shareholder is a partial Participant, all Shares subsequently acquired by the Shareholder (whether under the DRP or otherwise) shall only participate in the DRP if and to the extent that the Shareholder alters the participation level in a DRP Notice in accordance with rule 10 below.

4 Application for participation

Application must be made on a duly completed and executed DRP Notice.

5 Operation of the DRP

- (a) To satisfy the obligations of the Company under these Rules, new Shares will be issued to each Participant. The Directors, in their complete discretion, may otherwise elect to cause the transfer of Shares to a Participant to fully or partially satisfy the obligations of the Company under these Rules.
- (b) The Company will establish and maintain a DRP account for each shareholding account of each Participant. The Company will in respect of each dividend payable to a Participant:
 - (i) credit to that account the amount of dividend payable in respect of the Participant's DRP Shares after deducting (where applicable) the Australian withholding tax and any other sum the Company is entitled to retain in respect of the DRP Shares;
 - (ii) determine the maximum whole number of Shares which can be acquired under these Rules by dividing the amount in the Participant's DRP account by the price determined under rule 6, rounding down to the nearest whole number of Shares; and
 - (iii) issue or cause the transfer of that number of Shares to the Participant and debit the subscription amount or the acquisition amount (as the case may be) against the balance in the Participant's DRP account.
- (c) For the avoidance of doubt, any residual amounts in the Participant's DRP account after debiting the subscription amount or the acquisition amount in accordance with rule 5(b)(iii) will be carried forward without interest in the Participant's DRP account.

6 Issue and transfer price

- (a) Each Share issued or transferred under the DRP will be issued or transferred at the DRP Price of Shares (rounded to the nearest cent).
- (b) The DRP Price of Shares will be announced to the ASX prior to the payment date of the relevant dividend.

7 Issues under the DRP

Shares issued under the DRP will rank equally with other fully paid Shares.

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8 Costs

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

9 Statements to Participants

After each issue or transfer of Shares under the DRP, the Company will forward to each Participant a statement setting out:

- (a) the number of Shares held by the Participant prior to the relevant dividend;
- (b) the amount of the last dividend paid in respect of those Shares;
- (c) the DRP Price of Shares of the last Shares issued or transferred to the Participant under the DRP;
- (d) the number of Shares issued or transferred to the Participant under the last DRP issue or transfer; and
- (e) each Participant's total holding of Shares after issue or transfer.

10 Variation to Participation

- (a) A Participant may, at any time, increase or decrease the number of Shares subject to the DRP by lodging a duly completed and executed DRP Notice.
- (b) If a DRP Notice decreases or increases the level of participation in the DRP to below full participation, only that number of Shares specified in the DRP Notice will be DRP Shares and no after-acquired Shares will be DRP Shares except as specified in rule 3(d).
- (c) If a DRP Notice increases the level of a Shareholder's participation in the DRP to full participation, all of that Shareholder's Shares as at the date of the DRP Notice and all Shares subsequently acquired by the Shareholder (including Shares issued or transferred under the DRP) shall be DRP Shares.

11 Underwriting

The Directors may choose to partially or fully underwrite the DRP in respect of any dividend with one or more underwriters.

12 Termination of Participation

- (a) A Participant may, at any time, terminate his/her participation in the DRP by lodging a duly completed and executed DRP Notice.
- (b) A Participant is deemed to have terminated his/her participation in the DRP on receipt by the Company of written notice of the death, bankruptcy or winding up of the Participant, except where the Participant was a joint holder and any remaining holder or joint holders are eligible to participate in the DRP.

13 Disposals

- (a) Where all of the Participant's Shares are DRP Shares, in the event that only some of those Shares are disposed of, the remaining Shares held by the Participant will continue to be DRP Shares.
- (b) Where only some of a Participant's Shares are DRP Shares the Participant will, unless the Company receives notice otherwise, be deemed to dispose of his/her Non-DRP Shares first.

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- (c) After a person ceases to be a Participant (**Former Participant**) in the DRP, the Company will pay this balance to the Former Participant. Residual balance payments will be made at the time of the next Company dividend or, in any event, within one year from the person ceasing to be a Participant. Alternatively, the Company may elect to donate any residual positive balance in the Participant's account at that time to a registered charity selected by the Company and the relevant Participant will not be issued with a receipt in relation to that donation.

14 Applications and Notices

- (a) Any application or notice referred to in these Rules shall be in writing and in such form as the Company may from time to time require.
- (b) DRP Notices received at the Company's Share Registry prior to 5pm on the business day following the Record Date for a particular dividend will be effective in respect of that dividend and all subsequent dividends.
- (c) Subject to rule 14(b) applications and notices are effective on receipt at the Company's Share Registry and take effect from the next Record Date following such receipt.
- (d) Any notice to be given to Shareholders or Participants may be given by notice on the Company's Website and to the ASX or, at the Directors' discretion, may be given in accordance with the provisions regarding the giving of notices to Shareholders contained in the Company's Constitution.

15 ASX Listing

The Company will apply for Shares issued under the DRP to be listed for quotation on the official list of the ASX as soon as practicable.

16 Amendment, Suspension and Termination of DRP

- (a) The Directors may amend, suspend or terminate the DRP at any time by notifying the Participants in accordance with rule 14(d) The amendment, suspension or termination will take effect upon the date specified by the Board. An amendment, suspension or termination of the DRP will not be invalidated by the accidental omission to give notice to a Shareholder and will not give rise to any liability on the part of, or right or action against, the Company or the Directors.
- (b) In the case of an amendment, a Participant will be deemed to continue its participation in the DRP under the Rules as amended unless the Participant lodges a DRP Notice with the Company's Share Registry withdrawing or amending his/her participation.
- (c) Upon termination of participation for whatever reason, the Company will send to each Participant (or the Participant's legal representative) a statement of the Participant's DRP account made out to the date of termination.
- (d) If the Directors terminate the DRP, the Company will pay each Participant (or the Participant's legal representative) the residual cash balance (if any) in the Participant's DRP account.

17 Equitable claims

The Company, unless otherwise required by law, need not recognise a person as owner of additional Shares issued or transferred under the DRP other than the registered holder of the DRP Shares in respect of which the additional Shares are issued or transferred.