

# **DIVIDEND REINVESTMENT PLAN**

## **Terms and Conditions**

**Alumina Limited**  
ABN 85 004 820 419

**Website:** [www.aluminalimited.com](http://www.aluminalimited.com)

### **The Share Registrar**

Computershare Investor Services Pty Limited  
Yarra Falls  
GPO Box 2975  
Melbourne, Victoria, 3001

Telephone: +61 (0)3 9415 4027 or  
1300 556 050 (for callers within Australia)  
Facsimile: +61 (0)3 9473 2555

# Terms and Conditions of Dividend Reinvestment Plan Alumina Limited

## 1. INTERPRETATION

In these Terms and Conditions, unless the context otherwise requires:

- a) 'Alumina' means Alumina Limited ABN 85 004 820 419;
- b) 'ASX' means ASX Limited ABN 98 008 624 691 or, as the context requires, the financial market operated by it;
- c) 'Business Day' means any day that is a business day under the ASX Listing Rules;
- d) 'the Directors' means the Directors of Alumina from time to time acting as a board or any duly appointed committee of that board;
- e) 'DRP Notice of Election' means an application by a Shareholder to participate in the Plan that is lodged with the Registrar by any means that is authorised by the Directors from time to time (including by written notification, electronic communication or telecommunication) and by which the application is effectively notified to the Registrar;
- f) 'DRP Notice of Variation' means a notice by a Participant to increase or decrease the number of their Participating Shares, or to terminate their participation in the Plan, that is lodged with the Registrar by any means that is authorised by the Directors from time to time (including by written notification, electronic communication or telecommunication) and by which the notice is effectively notified to the Registrar;
- g) 'Participant' means a Shareholder whose application to participate in the Plan has been accepted by the Directors and whose participation in the Plan has not been terminated in accordance with these Terms and Conditions;
- h) 'Participating Shares' means Shares held by a Participant that are, in accordance with these Terms and Conditions, Shares the dividend in respect of which is to be applied to the subscription for or acquisition of additional Shares under the Plan, and may include Plan Shares;
- i) 'Plan Shares' means Shares issued or transferred to a Participant under the Plan;
- j) 'Record Date' means, in respect of a dividend, the date and time determined by the Directors for the purpose of identifying the persons who are entitled to the dividend and the number of Shares in respect of which they are entitled;
- k) 'Registrar' means the Alumina Share Registrar from time to time;
- l) 'Share Register' means the register of members of Alumina;
- m) 'Shareholder' means a person registered in the Share Register as a holder of Shares;
- n) 'Shares' means fully paid ordinary shares in the capital of Alumina;
- o) 'Terms and Conditions' means these terms and conditions of the Plan as varied from time to time in accordance with clause 12;
- p) 'the Plan' means the Alumina Dividend Reinvestment Plan established under these Terms and Conditions;
- q) 'VWAP' means the daily volume weighted average market price for all Shares sold on the trading system operated by ASX and, if the Directors determine, such other platforms or systems (including that operated by Chi-X Australia Pty Ltd) on which Shares may be traded, excluding any sales of Shares otherwise than in the ordinary course of trading on those platforms or

systems (which include but are not limited to transactions defined in the ASX Operating Rules as special crossings, crossings prior to the commencement of normal trading, crossings during the closing phase or the after hours adjust phase, crossings during overnight trading, overseas trades and trades pursuant to the exercise of options over Shares) and any other sales of Shares that the Directors determine should be excluded on the basis that they may not be not fairly reflective of genuine supply and demand;

- r) words importing the singular includes the plural and vice versa; and
- s) the headings in these Terms and Conditions are included for convenience only and will not affect the construction of these Terms and Conditions.

## **2. PARTICIPATION IN THE PLAN**

- a) Participation in the Plan is subject to these Terms and Conditions.
- b) Participation in the Plan is optional and not transferable.
- c) Any Shareholder can participate in the Plan, unless excluded under clause 2(d).
- d)
  - (i) Without limiting sub-paragraphs (ii) and (iii), a Shareholder with a registered address outside Australia and New Zealand (or who is a 'U.S. person', or who is acting for the account or benefit of a 'U.S. person', to that extent, in each case as 'U.S person' is defined in clause 16(b) of these Terms and Conditions) is not permitted to participate in the Plan to the relevant extent unless and until the Directors, in their absolute discretion, are satisfied that such participation will not constitute a breach of the laws of the relevant country or place, whether or not the relevant Shareholder has received an invitation to participate in the Plan or has lodged a DRP Notice of Election.
  - (ii) The Directors may on any occasion determine that the right to participate in the Plan is not available to a Shareholder having a registered address, or being resident, in a country or place where:
    - (A) in the absence of a prospectus, disclosure document, registration statement or other prerequisite, the offer of a right of election or participation would or might be unlawful; or
    - (B) in the opinion of the Directors, it would not be practical to offer a right of election or participation.
  - (iii) If, in the opinion of the Directors, the issue of Shares under the Plan to, or the acquisition of Shares under the Plan by, a Participant or the holding of those Shares by a Participant may breach a provision of Alumina's Constitution or be contrary to the law of any country or place, may prejudice the effective operation of the Plan or is otherwise in the opinion of the Directors impractical, the Directors may:
    - (A) decline to issue or transfer those Shares;
    - (B) reduce the issue or transfer of those Shares on a proportionate basis; or
    - (C) reduce, suspend or terminate the participation of the Participant in the Plan.
- e) Participation may, subject to these Terms and Conditions, be varied or terminated by a Shareholder at any time.

### **3. NOTICE OF ELECTION TO PARTICIPATE (ENTRY TO THE PLAN)**

- a) A Shareholder who wishes to participate in the Plan must lodge with the Registrar a DRP Notice of Election, properly completed in accordance with the instructions provided by or on behalf of Alumina and authenticated by any means authorised by the Directors from time to time.
- b) If a DRP Notice of Election is not received by the Registrar at or before 5pm on the first Business Day immediately after the Record Date for a particular dividend, the Shares the subject of the DRP Notice of Election will not participate in the Plan for that dividend, but will, subject to these Terms and Conditions, participate in the Plan for all subsequent dividends. A properly completed and authenticated DRP Notice of Election is, subject to these Terms and Conditions, effective upon receipt by the Registrar and acceptance by the Directors.
- c) A DRP Notice of Election remains in force unless varied by the Shareholder in accordance with clause 9, or until the participation of the Shareholder is terminated in accordance with clause 9 or otherwise in accordance with these Terms and Conditions. Shares which are sold or otherwise transferred will cease to participate in the Plan upon the date of registration of the transfer or other instrument of disposal.
- d) Subject to clause 4(f), the Directors may in their absolute discretion:
  - (i) determine that an improperly completed or inadequately authenticated DRP Notice of Election is invalid and ineffective; or
  - (ii) correct any error in, or omission from, a DRP Notice of Election.
- e) The Directors may in their absolute discretion accept or reject any DRP Notice of Election, or discontinue participation of a Participant at any time, without being bound to give any reason for doing so.
- f) Alumina will record for each holding of Shares of each Participant particulars of:
  - (i) the name and address of the Participant; and
  - (ii) the number of Participating Shares held by the Participant from time to time,and Alumina's records will be conclusive evidence of the matters so recorded.

### **4. DEGREE OF PARTICIPATION**

- a) A Shareholder may participate in the Plan in respect of all the Shares registered in the Shareholder's name ('full participation') or in respect of a specific number of Shares which is less than the total number of Shares registered in the Shareholder's name ('partial participation').
- b) A Shareholder who is eligible and wishes to participate in the Plan must (subject to clause 4(f)) specify in a DRP Notice of Election the degree to which the Shareholder wishes to participate in the Plan, in accordance with the instructions provided by or on behalf of Alumina.
- c) Under full participation, all Shares registered in the Participant's name from time to time, including Plan Shares, will be Participating Shares.
- d) Under partial participation:
  - (i) only that number of Shares specified by the Participant in accordance with these Terms and Conditions will be subject to the Plan; and
  - (ii) all other Shares then held by the Participant or subsequently acquired by the Participant, whether Plan Shares or otherwise, will not be subject to the Plan unless the Participant alters their participation in accordance with clause 9.

- e) If at the relevant Record Date the number of Shares held by the Participant is fewer than the number of Shares specified by the Participant in accordance with clause 4(d), the number of Participating Shares for that Shareholder in respect of that dividend payment will be reduced to the lesser number of Shares.
- f) A DRP Notice of Election lodged with the Registrar which does not indicate the degree of participation will, without notice to the Shareholder, be deemed to be an application for full participation and Alumina will not be liable to the Shareholder for any loss, damage or claim in respect of their participation as a result of the operation of this provision.
- g) If a DRP Notice of Election purports to nominate a shareholding for both full participation and partial participation at the same time, the DRP Notice of Election will be invalid.
- h) No responsibility will be taken by Alumina for transfers that are not entered on, or removed from, the Share Register on or before any particular date or time relevant to the operation of the Plan.

## **5. OPERATION OF THE PLAN**

- a) Each dividend, which is payable to a Participant in respect of Participating Shares and is available for payment to the Participant, will be applied by Alumina on the Participant's behalf in subscribing for and/or acquiring Shares.
- b) The Directors will determine in their absolute discretion with respect to the operation of the Plan for any dividend whether to issue new Shares, or to procure the transfer of existing Shares, to a Participant, or to apply a combination of both these options, to satisfy the obligations of Alumina under the Plan.
- c) Alumina will establish and maintain a Plan account for each Participant.
- d) Alumina will, in respect of each dividend payable to a Participant and at or around the time that dividend is payable to the Participant:
  - (i) determine the amount of the dividend to be payable in respect of their Participating Shares;
  - (ii) determine the withholding payments (if any) deductible by Alumina in respect of the dividend payable in respect of the Participating Shares and any other amounts that Alumina is entitled to retain in respect of the Participating Shares;
  - (iii) credit the amount in sub-paragraph (i) and debit any amount in sub-paragraph (ii) to the Participant's Plan account;
  - (iv) determine the maximum whole number of Shares which may be issued or acquired under the Plan in accordance with clause 5(e);
  - (v) on behalf of and in the name of the Participant, subscribe for or procure the transfer to the Participant of that number of Shares determined in accordance with sub-paragraph (iv), and debit the Participant's Plan account with the total subscription price and/or acquisition amount (as the case may be) for that number of Shares; and
  - (vi) retain in the Participant's Plan account (without interest) any cash balance remaining.

- e) The number of Shares issued or transferred to a Participant in respect of a dividend payable to the Participant will be the whole number next below the value of the sum calculated by the formula:

$$\frac{D+R-W}{C}$$

where:

- D** is the amount calculated in accordance with clause 5(d)(i);
- R** is the amount of the cash balance retained in the Participant's Plan account immediately before the relevant application of the formula;
- W** is the amount calculated in accordance with clause 5(d)(ii); and
- C** is the price per Share at which Shares will be issued or transferred under the Plan, which will be an amount equal to the arithmetic average (rounded down to the nearest cent) of the VWAP over the 7 trading days commencing on the second trading day immediately after the Record Date for the relevant dividend (or such other period as is determined by the Directors in their absolute discretion), less any discount (not exceeding 2%) determined by the Directors from time to time. The price per Share at which Shares will be issued or transferred under the Plan will be calculated by the Directors, or another suitable person nominated by the Directors, by reference to information the Directors approve from time to time. The determination of that price by the Directors or the other relevant person will be binding on all Participants.
- f) A Participant will be deemed to have applied all of the relevant amount of a dividend payable in respect of their Participating Shares to the subscription for or acquisition of Shares in accordance with clause 5(d)(iv) and will not be entitled to any fractional entitlements to Shares.

## **6. SHARES ISSUED OR TRANSFERRED UNDER THE PLAN**

- a) Where the Directors determine to procure the transfer of existing Shares to a Participant under the Plan, the Shares may be acquired in the market in such manner as the Directors consider appropriate, and will be transferred to the Participant on, or as soon as practicable after, the relevant dividend payment date.
- b) Plan Shares issued under the Plan to a Participant will:
- (i) be issued on, or as soon as practicable after, the relevant dividend payment date; and
  - (ii) rank equally in all respects with existing Shares.
- c) Alumina will apply promptly after issue for Plan Shares issued under the Plan to be admitted to quotation by ASX, if other Shares are quoted on ASX at that time.

## **7. COSTS TO PARTICIPANTS**

No brokerage, commission or other transaction costs will be payable by Participants in respect of any issue or transfer to Participants of Plan Shares under the Plan. However, Alumina does not assume liability for any taxes, stamp duties or other imposts assessed against or imposed on a Participant.

## **8. STATEMENT TO PARTICIPANTS**

As soon as practicable after each issue or transfer of Shares under the Plan to a Participant, Alumina will forward to the Participant a statement setting out the information below (and/or such other information as is considered to be appropriate by the Directors in their absolute discretion):

- a) the Participant's number of Participating Shares in respect of the relevant dividend;

- b) the dividend paid on those Participating Shares, the extent to which the dividend is franked and unfranked, and the franking credit in respect of the dividend;
- c) the net amount, taking into account the deduction of withholding payments (if any) (and any other amounts which Alumina is permitted to retain) and any retained amount in the Participant's Plan account (in each case as calculated in accordance with clause 5(e)), applied to the subscription for or acquisition of additional Shares;
- d) the number of additional Shares issued or transferred to the Participant in respect of the dividend and the price at which they have been issued or transferred (as calculated in accordance with clause 5(e));
- e) any cash balance retained in the Participant's Plan account after the issue or transfer of additional Shares in respect of the dividend (in accordance with clause 5(d)(vi)); and
- f) the total number of Participating Shares held by the Participant following the issue or transfer of additional Shares in respect of the dividend.

## **9. VARIATION OR TERMINATION OF PARTICIPATION**

a) A Participant may:

- (i) increase or decrease the number of their Participating Shares; or
- (ii) terminate their participation in the Plan,

by lodging with the Registrar a DRP Notice of Variation, properly completed in accordance with the instructions provided by or on behalf of Alumina and authenticated by any means authorised by the Directors from time to time. However, to be effective for a dividend payment a DRP Notice of Variation must be received by the Registrar at or before 5pm on the first Business Day immediately after the Record Date for that dividend. A properly completed and authenticated DRP Notice of Variation is, subject to these Terms and Conditions, effective upon receipt by the Registrar and acceptance by the Directors.

b) The Directors may in their absolute discretion:

- (i) determine that an improperly completed or inadequately authenticated DRP Notice of Variation is invalid and ineffective; or
- (ii) correct any error in, or omission from, a DRP Notice of Variation.

c) The Directors may in their absolute discretion accept or reject any DRP Notice of Variation without being bound to give any reason for doing so.

d) If a Participant dies, participation in the Plan will be terminated upon receipt by Alumina of a notice of death from the Participant's legal personal representative.

e) If a Participant is declared bankrupt or is being wound up, participation in the Plan will terminate upon receipt by Alumina of a notification of bankruptcy or winding up from the Participant or the Participant's trustee in bankruptcy or liquidator.

f) In the case of joint Participants, where one Participant dies, becomes bankrupt or is being wound up, the participation of the other Participant(s) in the Plan will terminate at the same time as that of the deceased or bankrupt or the Participant being wound up.

g) Upon termination of participation for whatever reason, Alumina will, unless otherwise directed, send to the Participant or to the Participant's legal representative as appropriate a cash payment of the amount, if any, retained in the Participant's Plan account as at that date.

## **10. REDUCTION OR TERMINATION WHERE NO NOTICE IS GIVEN**

- a) Where a Participant has elected for full participation and disposes of some, but not all, of the Participant's Shares, the remaining Shares held by the Participant will continue to be Participating Shares.
- b) Where a Participant has elected for partial participation and disposes of some, but not all, of the Participant's Shares, the Shares disposed of will, to the extent possible, be deemed to be those Shares that are not Participating Shares. If the number of Shares disposed of exceeds the number of Shares that are not Participating Shares, the disposal will be deemed to include all of the Participant's Shares that are not Participating Shares, and the balance will be made up of Participating Shares.
- c) Where a Participant's entire holding of Shares is disposed of, the Participating Shares will cease to participate in the Plan from the date of registration of the transfer or instrument of disposal and Alumina will send to the Participant the amount (if any) to be sent in terms of clause 9(g) to the Participant on termination of participation.

## **11. NOTICES**

All notices to Alumina under these Terms and Conditions (other than DRP Notices of Election and DRP Notices of Variation) must be in writing and in such form as Alumina directs from time to time and sent to the address of the Registrar or such other address as is notified to Shareholders by Alumina from time to time, and will be effective upon receipt, subject to these Terms and Conditions.

## **12. VARIATION, SUSPENSION AND TERMINATION OF THE PLAN**

- a) The Directors may vary these Terms and Conditions as and when they consider it appropriate and may suspend or terminate the Plan when they consider it expedient. The Directors may give written notice of a variation, suspension or termination as they consider appropriate.
- b) If the Plan is terminated, as soon as practicable after the termination date Alumina will send to Participants the amount (if any) to be sent in terms of clause 9(g) upon termination of their participation.
- c) The accidental omission to give notice of variation, suspension or termination or the non-receipt of any notice by any Shareholder will not invalidate the variation, suspension or termination of the Plan with respect to that Shareholder or generally.
- d) Any suspension of the Plan will continue until such time as the Directors either resolve to recommence or to terminate the Plan. If the Plan is recommenced, then elections as to participation in respect of the previously suspended Plan will be valid and have full force and effect in accordance with these Terms and Conditions for the purpose of the recommenced Plan.

## **13. TAXATION**

Neither Alumina nor any of its officers, employees, representatives or agents:

- a) takes any responsibility or assumes any liability for, or as a consequence of, the tax liabilities of any person in connection with the Plan; or
- b) represents or warrants that any person will gain any taxation advantage or will not incur a taxation liability or disadvantage as a result of participation in the Plan.

## **14. ADMINISTRATION OF THE PLAN**

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

- a) determine appropriate procedures for administration of the Plan consistent with the provisions of these Terms and Conditions;



- b) resolve conclusively all questions of fact or interpretation in connection with the Plan;
- c) waive strict compliance with any of the provisions of these Terms and Conditions; and
- d) delegate to any one or more persons, for such period and upon such conditions as they may determine, the exercise of any of their powers or discretions arising under the Plan.

## **15. GENERAL**

- a) The Plan will not apply to cases where in accordance with the Constitution of Alumina, or otherwise by law, the Directors are entitled to retain all or part of a dividend payment in respect of Shares which a Participant has nominated as participating in the Plan and over which Shares or dividend Alumina holds, or is entitled to hold, a charge or lien.
- b) Each holding of Shares which a Shareholder has from time to time will be regarded as separate for the purposes of the Plan and the Plan will operate as if each such holding were held by a separate person, unless the Directors determine otherwise. Consequently, a separate DRP Notice of Election must be delivered to Alumina in respect of each holding of Shares which a Shareholder wishes to nominate for full or partial participation, and the Shareholder will be treated as a separate Participant in respect of each holding of Shares nominated for participation (and a reference to Shares held or acquired by a Shareholder or Participant is a reference to Shares held or acquired in respect or on account of the relevant holding).
- c) The Plan and its operation and these Terms and Conditions will be governed by the laws of the State of Victoria.
- d) These Terms and Conditions will be binding on each Participant and each person who applies to become a Participant.
- e) Neither Alumina nor any officer of Alumina will be liable or responsible to any Shareholder for any loss or any alleged loss or disadvantage incurred by a Shareholder as a result, directly or indirectly, of the establishment or operation of the Plan or participation in the Plan or in relation to any advice given with respect to participation in the Plan.
- f) Any offer of Shares under the Plan to the public in New Zealand is made in compliance with applicable Australian law and any code, rules or other requirements relating to the offer of Shares under the Plan in Australia.

## **16. REPRESENTATIONS, AGREEMENTS AND ACKNOWLEDGEMENTS**

By applying to participate in the Plan in accordance with clause 3, a Shareholder:

- a) warrants that it is eligible to participate in the Plan in accordance with clause 2;
- b) represents and warrants that it is not a U.S. person or acting for the account or benefit of a U.S. person. For purposes of this representation, 'U.S. person' means: (i) any natural person resident in the United States; (ii) any partnership or corporation organised or incorporated under the laws of the United States, except for any agency or branch of a U.S. person located outside the United States if (A) the agency or branch operates for valid business reasons, and (B) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; (iii) any estate of which any executor or administrator is a U.S. person, unless (A) an executor or administrator of the estate who is not a U.S. person has sole or shared investment discretion with respect to the assets of the estate and (B) the estate is governed by foreign law; (iv) any trust of which any trustee is a U.S. person, unless (A) a trustee who is not a U.S. person has sole or shared investment discretion with respect to the trust assets and (B) no beneficiary of the trust is a U.S. person; (v) any agency or branch of a foreign entity located in the United States; (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person; (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States and held for the benefit of a U.S. person; and (viii) any partnership or corporation if: (A) organised or incorporated under

the laws of any foreign jurisdiction, and (B) formed by a U.S. person principally for the purpose of investing in securities not registered under the Act, unless it is organised or incorporated, and owned, by accredited investors who are not natural persons, estates or trusts. U.S. person does not include employee benefit plans established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country;

- c) authorises the Directors to correct any error in, or omission from, its DRP Notice of Election or any DRP Notice of Variation;
- d) acknowledges that the Directors may at any time irrevocably determine that the Shareholder's DRP Notice of Election or DRP Notice of Variation is valid, in accordance with these Terms and Conditions, even if the relevant notice is incomplete, contains errors or is otherwise defective;
- e) acknowledges that the Directors may reject any DRP Notice of Election or DRP Notice of Variation;
- f) consents to the establishment of a Plan account on its behalf;
- g) consents to any residual cash balance in the account as referred to in clause 5(d)(vi) remaining in that account as contemplated by these Terms and Conditions;
- h) agrees that, where the Directors determine to procure the transfer of existing Shares to the Shareholder under the Plan, Alumina may appoint, on behalf of the Shareholder, a stockbroker or other person nominated by Alumina as the Shareholder's agent to acquire Shares in the market (and, for the avoidance of doubt, the Shareholder agrees to Alumina or the person nominated by Alumina taking all steps required to register the Shares in the Shareholder's name, including the execution of any transfers required);
- i) acknowledges that Alumina may arrange for the Plan to be fully or partially underwritten in respect of any one or more of the dividends payable by it;
- j) acknowledges that Alumina has not provided the Shareholder with investment advice or financial product advice and that neither Alumina nor any stockbroker or other person described in clause 16(h) is obliged to provide such advice to a Shareholder;
- k) appoints Alumina as the Shareholder's agent to receive any notices, including any Financial Services Guide (and any update of such document), that any stockbroker or other person described in clause 16(h) is required to provide under the *Corporations Act 2001* (Cth). Any such document will be made available on Alumina's website ([www.aluminalimited.com](http://www.aluminalimited.com)); and
- l) unconditionally agrees to these Terms and Conditions and agrees not to do any act or thing which would be contrary to the spirit, intention or purpose of the Plan or these Terms and Conditions,

in each case, at all times until termination of the Shareholder's participation in the Plan.

**Alumina Limited**

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