

ASX ANNOUNCEMENT
25 August 2014

Dear Shareholder

Amendments to dividend reinvestment plan

As you may be aware, Silver Chef Limited (**Company**) has in place a dividend reinvestment plan (**DRP**), which recommenced in August 2012 after being temporarily suspended in September 2011. The **DRP** provides an easy and cost-effective way for shareholders to increase their investment in the Company by reinvesting all or part of their dividend entitlements in shares rather than being paid cash, thereby providing funds to the Company for future growth opportunities.

Under the terms of the **DRP**, if the number of shares to which a participant is entitled is calculated to be a fraction, that fraction is rounded down to the nearest whole number. There is currently no mechanism for carrying forward any residual balances to the next dividend payment.

In order to achieve a more equitable and efficient treatment of fractional entitlements under the **DRP**, the directors have resolved to amend the **DRP** such that:

- (a) if the number of shares to which a participant is entitled is calculated to be a fraction, that fraction is rounded up to the nearest whole number; and
- (b) the directors have discretion to round a fraction down to the nearest whole number where there are grounds for believing that a participant is not acting in good faith or that a participant's holding has been split into smaller parcels for the purpose of making multiple elections to participate under the **DRP**.

The **DRP** has also been amended to correct minor errors, update the name and details of the Company's share registry to 'Boardroom Pty Limited' (previously known as Registries Limited) and reflect Appendix 6A of the Listing Rules which has been revised and now provides that the last date for eligible shareholders to provide **DRP** elections must be at least the business day after the record date for the relevant dividend.

A copy of the amended **DRP** accompanies this notice, and available on request should it be required, is a copy of the previous version with tracked changes marked.

The amendments to the **DRP** will take effect immediately.

Enquiries to Don Mackenzie at dmackenzie@silverchefgroup.com.au

Yours faithfully



Don Mackenzie
Company Secretary

For personal use only

For personal use only

Dividend reinvestment plan

Silver Chef Limited ACN 011 045 828

Adopted: 25 August 2014

Table of contents

Frequently asked questions	1
Features of the Plan	4
Dividend reinvestment plan rules	5
1 Definitions and interpretation	5
1.1 Definitions	5
1.2 Interpretation	7
2 Separate Shareholder numbers	7
3 Participation in the Plan	8
3.1 Optional Participation	8
3.2 Non transferable	8
3.3 Eligible shareholders	8
3.4 Non-resident Shareholders	8
3.5 Director's discretion	8
4 Extent of Participation	8
4.1 Election to Participate	8
4.2 Extent of Participation	9
4.3 Election to Participate	9
4.4 Full Participation	9
4.5 Partial Participation	9
4.6 Full Participation by default	9
4.7 Nomination taking effect	10
4.8 Minimum Participation	10
4.9 Maximum Participation	10
4.10 Shares held by trustee or nominee	10
4.11 Shares over which the Company has a charge	11
4.12 Shares which may not Participate in the DRP	11
4.13 Failure to identify Shareholder number	11
4.14 Allocation to new account	11
4.15 Identification of shareholding account	12
5 Operation of DRP	12
5.1 Commencement of DRP	12
5.2 Application of DRP	12
5.3 Declaration of dividends	12

5.4	Reinvestment of Eligible Dividends	12
5.5	Application of Eligible Dividend	13
5.6	Whole number	13
5.7	Full payment of Eligible Dividend	13
5.8	Directors' discretion	13
6	Shares allotted under the DRP -----	13
7	Costs to Participants -----	14
7.1	Transaction costs	14
7.2	Deduction of costs	14
8	Statements to Participants -----	14
9	Variation or termination of Participation-----	14
9.1	Variation of Participation	14
9.2	Death or bankruptcy of Participant	15
10	Transfer of Participating Shares -----	15
10.1	Transfer of all Shares	15
10.2	Transfer of some Shares	15
10.3	Different priority	15
10.4	Ceasing Participation	16
11	Election and notices -----	16
11.1	Form	16
11.2	Effectiveness of notices	16
11.3	Time takes effect	16
11.4	Approval	16
11.5	Notice by transferee or transmittee	17
11.6	Invalid notices	17
11.7	Notice by Company	17
11.8	Notice by Shareholder	17
11.9	Omission to give notice	17
12	Suspension of plan -----	17
12.1	Suspension	17
12.2	Period of suspension	18
12.3	Effect of suspension	18
12.4	Recommencement of DRP	18
12.5	Effect of prior nomination	18
12.6	Notice of suspension and subsequent recommencement	18
13	Modification and termination of the DRP -----	18

13.1	Modification, variation or termination of DRP	18
13.2	Effect of modification or variation	19
14	General -----	19
14.1	Administration of the DRP	19
14.2	Dispute resolution	19
14.3	Entries conclusive	19
14.4	Errors in Register	19
14.5	Delegation	19
14.6	Taxation	20
14.7	Waive compliance	20
14.8	Waive liability	20
14.9	Governing law	20
15	Listing Rules -----	20
15.1	Consistency with the Listing Rules	20
15.2	Quotation of Shares	20
	Corporate directory -----	21

Important

This is an important document. If after reading this document, you do not understand its contents, you are advised to contact your broker, legal advisor, financial advisor or accountant.

You may contact the Share Registry on (02) 9290 9600 if you have any questions about this document or the Plan. Please be aware that the Share Registry can only give answers to questions and cannot give you professional advice.

Frequently asked questions

Am I eligible to participate in the Plan?

All Silver Chef Shareholders are eligible to participate in the Plan if they reside in Australia or New Zealand. Non-resident Shareholders will generally not be eligible to participate in the Plan. The Company reserves the right to permit or limit participation in the Plan by non-resident Shareholders. The Board may request that a non-resident Shareholder give evidence that they are lawfully able to participate in the Plan, before approving the Shareholder's participation.

Am I required to participate in the Plan?

No. Participation in the Plan is optional.

The Board does however have power under the Plan to declare dividends which may only be accepted if the Shareholder agrees for the dividend to be reinvested to subscribe for Shares under the Plan.

How do I participate in the Plan?

To participate in the Plan, you must complete and sign a Reinvestment Plan Application and return it (in the reply paid envelope) to the Share Registry at the address in the corporate directory at the back of this booklet.

Are all of my Shares required to participate in the Plan?

No. If you wish to participate in the Plan, you can elect that only some of your Shares participate. To make this election, you simply select 'Partial Participation' in the Reinvestment Plan Application and specify the number of Shares you wish to participate.

The balance of your Shares will therefore remain as they are and you will continue to receive any dividend entitlements for those Shares in cash (by way of cheque or direct deposit into your nominated bank account).

Can I change my participation level at any time?

Except in the event that the Plan is suspended, you can either vary (increase or decrease) or terminate your participation level in the Plan at any time by submitting a completed Variation Notice to the Share Registry. If you wish to terminate your participation in the Plan you must contact the Share Registry to receive a Variation Notice to effect the termination.

To be valid and effective for a dividend payable on Shares in the Plan, you must submit your Variation Notice to the Share Registry by 5.00pm (AEST) on the Business Day after the nominated Record Date.

Is it expensive to participate in the Plan?

No. In fact, at present, there are no fees or associated costs of participating in the Plan.

The Company will continue to pay any brokerage, commission or associated transaction costs for Shares you acquire under the Plan for so long as it is permitted to do so under the law.

Will further issues of Shares automatically participate in the Plan?

Yes. Any Shares issued or transferred to you after you have made an election to participate in the Plan will automatically be treated as participating Shares in the Plan. If you do not want this to happen, you will need to submit a new Reinvestment Plan Application terminating the participation of those Shares.

When will my participation in the Plan begin?

Your participation in the Plan will begin after the Share Registry receives your completed and signed Reinvestment Plan Application and the appropriate entry has been made in the Register. To be effective for the relevant Eligible Dividend period, your Reinvestment Plan Application must be received by 5.00pm (AEST) on the Business Day after the relevant Record Date.

How many Shares will I receive?

The number of Shares you will receive is calculated by dividing the Eligible Dividend (net the withholding of or payment of any tax or other payment or levy) by the Market Price which is calculated by the Board. Your entitlement will be used to subscribe for or purchase as many new Shares as possible at the Market Price. Any fractional amounts left over will be rounded up to the nearest whole number of Shares. However, the Directors have discretion to round a fraction down to the nearest whole number where there are grounds for believing that a Participant is not acting in good faith or that a Participant's holding has been split into smaller parcels for the purpose of making multiple elections to participate under the Plan.

How is the Market Price calculated?

The price will be the Market Price, which is to be the average of the daily volume weighted average price of Shares sold on ASX during the five trading days immediately before and inclusive of the relevant Record Date (or other period or periods as the Directors may from time to time decide).

The Directors may, in their absolute discretion, allot Shares under the Plan at a discount of up to 5% of the Market Price.

How will I know how many Shares I have received under the Plan?

After each issue or transfer of Shares to you under the Plan, the Share Registry will send you a statement detailing the change in your shareholding.

Can I sell my Plan Shares?

Yes. You can sell any of your Participating Shares at any time. If you transfer your Participating Shares, the Shares will be treated as Non-Participating once they are transferred.

If you hold both Participating and Non-Participating Shares (that is, you elected Partial Participation in the Plan) and you wish to transfer only some of your Shares, your Non-Participating Shares will be reduced first, before your Participating Shares, if that should be necessary. You can change this outcome by completing and lodging a new Reinvestment Plan Application.

Your participation in the Plan is not transferable.

Can the Plan be changed or terminated?

Under the Plan Rules, the Board may vary, suspend, recommence or terminate the Plan at any time as it decides appropriate and in its discretion.

For personal use only

What is the taxation treatment of Dividends paid under the Plan?

The Company takes no responsibility for the taxation liabilities of Participants and specific taxation advice should be obtained by the Participant, if required.

Features of the Plan

The principal features of the Silver Chef Dividend Reinvestment Plan (Plan) are:

- (a) Your participation in the Plan is optional.
- (b) You may elect to participate in the Plan at any time.
- (c) Similarly, you can vary or terminate your participation in the Plan at any time.
- (d) Any Shares you acquire through the Plan rank equally with existing Shares in the Company.
- (e) Joining and participating in the Plan is free – you do not pay any fees, brokerage or transaction costs.

For personal use only

Dividend reinvestment plan rules

1 Definitions and interpretation

1.1 Definitions

In these Rules:

Term	Definition
AEST	means Australian Eastern Standard Time.
ASX	means ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the case requires).
Board	means the board of Silver Chef.
Business Day	means a day that is not a Saturday, Sunday or public holiday in Brisbane.
Commencement Date	means 5 February 2010.
Company or Silver Chef	means Silver Chef Limited ACN 011 045 828.
Company Secretary	means the person appointed to the office of company secretary for Silver Chef.
Constitution	means Silver Chef's constitution.
Corporations Act	means <i>Corporations Act 2001</i> (Cth).
Date of Suspension	has the meaning set out in rule 12.2.
Directors	means the directors of the Company.
DRP or Plan	means Silver Chef's dividend reinvestment plan constituted and governed by these Rules as adopted by the Board and amended from time to time.
Dividend Amount	means the amount of the Eligible Dividend payable to a Participant, less any deductions or withholdings Silver Chef is entitled or required by law to deduct under rule 7.2.
Dividend Policy	means the Board's policy on the payment of dividends as amended from time to time.
Electronic Notice	has the meaning set out in rule 11.8(a).
Eligible Dividend	means a dividend declared by the Board to be payable wholly in cash on Shares (whether or not on Shares in every class) which the Directors declare to be an Eligible Dividend for the purposes of the DRP.
Full Participation	has the meaning set out in rule 4.2(a).
Listing Rules	means the official listing rules and requirements of the ASX.

Term	Definition
Market Price	<p>of a Share means the price calculated by the Board to be:</p> <p>(a) the volume weighted average market price of all Shares sold on ASX during the period of five trading days immediately before and inclusive of the relevant Record Date (or other period or periods as the Board may from time to time decide); or</p> <p>(b) if there has been no trading during this time, the average price calculated on the last five sales before the relevant Record Date,</p> <p>which is to be calculated by Silver Chef by reference to information the Board approves for that purpose from time to time, and to be rounded up or down to the nearest full cent.</p>
Maximum Participation Level	means the maximum number of Shares eligible to become Participating Shares under rule 4.9.
Minimum Participation Level	means the minimum number of Shares eligible to become Participating Shares under rule 4.8.
Non-Participating Share	means a Share that is not a Participating Share.
Non-Qualifying Shares	has the meaning set out in rule 4.12.
Official List	means the official list of ASX.
Partial Participation	has the meaning set out in rule 4.2(b).
Participant	means a Shareholder some or all of whose Shares are Participating Shares.
Participating Share	means a Share which a Participant has validly elected to Participate in the DRP.
Participate and Participation	means Full Participation or Partial Participation as appropriate.
Record Date	means the date on which entitlements to Eligible Dividends are notified by Silver Chef to Shareholders.
Register	means the Company's share register.
Reinvestment Plan Application	means a written application to participate in the DRP signed by a Shareholder (or each Shareholder in the case of a joint shareholding) under rule 4.1 in the form prescribed or approved by the Board from time to time, which may be combined with or form part of, any other form or notice (including a Variation Notice).
Rules	means these rules of the DRP as amended by the Board from time to time.
Share	means a fully paid ordinary share in the capital of Silver Chef and any other class of share in Silver Chef that the Board from time to time decides is capable of being Participating in the DRP.
Shareholder	means, subject to rule 2, the person whose name is entered in the Register as the holder of the Share on any given date.
Share Registry	means Boardroom Pty Limited or another share registry as the Company may from time to time decide by notice to Participants.

Term	Definition
Variation Notice	means a written notice in the form prescribed or approved by the Board from time to time, used to vary or terminate a Shareholder's participation in the DRP and signed by a Shareholder (or each Shareholder in the case of a joint shareholding) under rule 9.1 which may be combined with, or form part of, any other form or notice including a Reinvestment Plan Application.

1.2 Interpretation

In these Rules:

- (a) a singular word includes the plural and vice versa;
- (b) a word which suggests one gender includes the other gender;
- (c) a reference to a rule is a reference to a rule under this Plan;
- (d) if a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (e) a reference to a document or agreement (including a reference to this document) is to that document or agreement as amended, supplemented, varied or replaced;
- (f) a reference to legislation or to a provision of legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
- (g) if any day on or by which a person must do something under this document is not a Business Day, then the person must do it on or by the previous Business Day; and
- (h) a reference to a person includes a corporation, trust, partnership, unincorporated body, government and local authority or agency, or other entity whether or not it comprises a separate legal entity;
- (i) headings are for convenience of reference only and do not affect interpretation;
- (j) a reference to '\$' 'or dollar' is to Australian currency; and
- (k) the meaning of any general language is not restricted by any accompanying example, and the words 'includes', 'including', 'such as' or 'for example' (or similar phrases) do not limit what might else be included.

2 Separate Shareholder numbers

Subject to rule 5.6(b), where a Shareholder is shown in the Register with separate shareholder numbers, for the purpose of these Rules, the Shareholder is taken to be a separate and distinct Shareholder for each shareholder number and the Shares that may be from time to time entered in the Register against that Shareholder number.

For personal use only

3 Participation in the Plan

3.1 Optional Participation

Participation in the DRP by a Shareholder is optional (at the sole election of the Shareholder under these Rules), and may be varied or terminated at any time.

3.2 Non transferable

Participation in the DRP is not transferable.

3.3 Eligible shareholders

Except as provided in rule 3.4, each Shareholder is eligible to participate in the DRP subject to:

- (a) these Rules and the Constitution;
- (b) if the Shareholder resides, or is shown in the Register as having an address, outside Australia and New Zealand, any applicable law of Australia or any other country and the approval of the Board; and
- (c) any limitation on shareholding in the Company or participation in the DRP imposed by any law or the Board from time to time.

3.4 Non-resident Shareholders

A Shareholder is not eligible to participate in the DRP if the registered address of that Shareholder is in a country or place where, in the absence of a registration statement or other formality, the offer of a right to so participate would or might be unlawful.

3.5 Director's discretion

Despite any other rule, the Directors are under no obligation to allot any Share to a Shareholder under the DRP if to do so would or might (in the opinion of the Directors):

- (a) prejudice the effective operation of the DRP;
- (b) give rise to breaches of applicable laws by the Company or its officers or by the Participant;
- (c) result in a breach of the Constitution; or
- (d) be impracticable, impossible, cause actual or possible inconvenience or expense by allowing the Participation.

4 Extent of Participation

4.1 Election to Participate

An election to participate in the DRP may, subject to these Rules, only be made by a Shareholder giving a Reinvestment Plan Application to the Share Registry.

4.2 Extent of Participation

A Shareholder may Participate in the DRP in respect of either:

- (a) all Shares entered in the Register in the Shareholder's name (subject to the Maximum Participation Level and Minimum Participation Level) which are nominated as being Participating Shares under these Rules (**Full Participation**); or
- (b) a specific number of the Shares, which is less than a Shareholder's full holding, which are nominated as being Participating Shares under these Rules (**Partial Participation**).

4.3 Election to Participate

A Shareholder must specify in a Reinvestment Plan Application the extent to which the Shareholder wishes to participate in the DRP by specifying either:

- (a) Full Participation; or
- (b) Partial Participation and specify the number of Shares which are to become Participating Shares.

4.4 Full Participation

When the nomination in the Reinvestment Plan Application for Full Participation has taken effect, all Shares entered in the Register in the Shareholder's name when the nomination takes effect and all Shares subsequently entered in the Register in the Shareholder's name (including allotment under the DRP) are subject to the DRP.

4.5 Partial Participation

When the nomination in the Reinvestment Plan Application for Partial Participation has taken effect:

- (a) the number of Shares entered in the Register in the Shareholder's name and specified by the Shareholder in the Reinvestment Plan Application for participation in the DRP when the nomination takes effect;
- (b) any other Shares entered in the Register in the Shareholder's name which are subsequently nominated for Partial Participation in the DRP under rule 9.1; and
- (c) all Shares entered in the Register in the Shareholder's name under an allotment under the DRP,

will be subject to the DRP.

4.6 Full Participation by default

If a Reinvestment Plan Application does not clearly specify:

- (a) the level of Participation; and
- (b) the number of Shares to become Participating Shares in the DRP,

the election will be treated as an election for Full Participation.

4.7 Nomination taking effect

For the purposes of this rule 4, a reference to a nomination or Reinvestment Plan Application taking effect is a reference to a nomination or Reinvestment Plan Application taking effect in accordance with rule 11.

4.8 Minimum Participation

- (a) Subject to rule 3, the Board may from time to time decide the minimum number of Shares required by the Participant to Participate in the DRP (**Minimum Participation Level**).
- (b) In the absence of a Minimum Participation Level being decided by the Board, there is no Minimum Participation Level.

4.9 Maximum Participation

- (a) Subject to rule 3, the Board may from time to time decide the maximum number of Shares of each Participant that may Participate in the DRP (**Maximum Participation Level**).
- (b) In the absence of a Maximum Participation Level being decided by the Board, there is no Maximum Participation Level.
- (c) Where the number of Shares nominated in a Reinvestment Plan Application for Participation in the DRP exceeds the Maximum Participation Level (including a nomination for Full Participation where the number of Shares held is more than the permitted maximum level):
 - (i) the Reinvestment Plan Application and the nomination for Participation will be valid only for those Shares equal to the Maximum Participation Level;
 - (ii) the number of Participating Shares for that Participant will be equal to the Maximum Participation Level;
 - (iii) the number of Shares in excess of the Maximum Participation Level will be treated as Non-Participating Shares; and
- (d) any dividend payable on the Participant's Non-Participating Shares will be paid in the ordinary manner for payment of dividends for Non-Participating Shares.

4.10 Shares held by trustee or nominee

For Shares held by a trustee or nominee, in order for the trustee or nominee to validly nominate Shares to Participate in the DRP, the trustee or nominee must disclose to the Board in the Reinvestment Plan Application that the Shares are held on behalf of various persons and subject to rule 3, each shareholding of each separate person may only Participate to the extent of any Minimum Participation Level or Maximum Participation Level as nominated by the Board under rules 4.8 and 4.9.

4.11 Shares over which the Company has a charge

Despite any other rule, no dividend will be paid to a Shareholder on Shares under the DRP where, in accordance with the Constitution or otherwise by law:

- (a) the Board is, or would be, entitled to retain all or part of any dividend which is, or would be, payable on any of the Shareholder's Shares which are the subject of the DRP; or
- (b) the Company is, or would be, entitled to a charge or lien over any of the Shareholder's Participating Shares, or over any dividend payable on any of those Shares.

4.12 Shares which may not Participate in the DRP

Shares registered in the name of a Shareholder to which rule 4.11 applies and Shares which are not fully paid or are not otherwise eligible to receive a full dividend (**Non-Qualifying Shares**), may not Participate in the DRP. Where Shares have been nominated for either Full Participation or Partial Participation, and Non-Qualifying Shares are either:

- (a) included in that nomination at the time when the nomination has taken effect under rule 11; or
- (b) subsequently entered in the Register in the Shareholder's name because of an allotment, a transfer or transmission of Shares or otherwise,

then the Non-Qualifying Shares will not be Participating Shares under these Rules until:

- (c) in the case of Full Participation, the Shares cease to be Non-Qualifying Shares; and
- (d) in the case of Partial Participation, the Shares cease to be Non-Qualifying Shares and after that time a Reinvestment Plan Application is delivered and takes effect under these Rules.

4.13 Failure to identify Shareholder number

Where a Participant becomes a registered holder of additional Shares because of:

- (a) a transfer or transmission of Shares from another person; or
- (b) an allotment of Shares arising from an acceptance of renounceable rights or an exercise of options, being rights or options which are transferred to the Shareholder from another person,

the transfer form for the transferred Shares or transferred rights or options which is lodged or received for registration with the Share Registry, must correctly identify an existing shareholder number of the Participant and the Shares to be transferred, transmitted or allotted in order to be entered in the Register for that shareholder number.

4.14 Allocation to new account

Despite rule 4.13, where a Participant fails to identify or correctly identify a shareholder number for additional Shares referred to in rule 4.13, those Shares:

- (a) will be allocated to a new shareholder number created in the Register for the transfer or allotment; and

- (b) will not be Participating Shares for the purpose of the DRP, in the absence of the Participant making an election to participate for those Shares under rule 3.

4.15 Identification of shareholding account

To correctly identify a shareholder number, the name, address, account number (if any) and account designation (if any) specified by the transferee in the transfer form must be identical to the name, address, account number, account designation for that shareholder number in the Register.

5 Operation of DRP

5.1 Commencement of DRP

The DRP:

- (a) begins on the Commencement Date; and
- (b) will apply to any dividend of Silver Chef paid after the Commencement Date.

5.2 Application of DRP

- (a) Despite any other rule, the DRP applies only to an Eligible Dividend payable to a Participant on a fully paid Participating Share on the Record Date.
- (b) Eligible Dividends will be applied by Silver Chef to subscribe for and arrange for the transfer or issue of Shares on behalf of a Participant under rule 5.4.

5.3 Declaration of dividends

The Board will consider and (if appropriate) declare dividends each year in accordance with the Dividend Policy.

5.4 Reinvestment of Eligible Dividends

- (a) The Board must establish and maintain a DRP account for each Participant for each separate shareholding, into which Eligible Dividends will be paid.
- (b) On declaration of an Eligible Dividend, the Board must for each Participant:
 - (i) decide the Eligible Dividend amount payable on a Participant's Participating Shares less any costs calculated under rule 7;
 - (ii) deposit the Participant's DRP account with the amount calculated in rule 5.4(b)(i); and
 - (iii) either subscribe for or arrange for the purchase and transfer of Shares on behalf of the Participant from another Shareholder with the clear funds in the Participant's DRP account.

5.5 Application of Eligible Dividend

The Dividend Amount must be applied by Silver Chef on the Participant's behalf in subscribing for, and Silver Chef must allot to the Participant, the number of fully paid Shares of the same class calculated as follows:

$$S = \frac{N}{M}$$

Where:

S is the number of Shares to be allotted;

N is the amount in dollars of the Dividend Amount; and

M is the Market Price in dollars per Share or such other price or percentage of the Market Price as may be decided by the Directors from time to time less any discount decided by the Directors (which must not be greater than 5%).

5.6 Whole number

- (a) Subject to rule 5.6(b), if any number calculated using the formula in rule 5.5 is a fraction, that fraction will be rounded up to the nearest whole number.
- (b) The Directors have discretion to round a fraction down to the nearest whole number where there are grounds for believing that a Participant is not acting in good faith or that a Participant's holding has been split into smaller parcels for the purpose of making multiple elections to participate under the Plan.

5.7 Full payment of Eligible Dividend

Where the Eligible Dividend on the Participating Shares is dealt with by Silver Chef under rule 5.2(b), that constitutes full and final payment by Silver Chef of the Eligible Dividend on the Participating Shares to the relevant Shareholder.

5.8 Directors' discretion

- (a) The Board has the complete discretion under rule 5.4(b)(iii) to issue new Shares, purchase existing Shares and arrange for the transfer of those Shares or a combination of both.
- (b) Despite any other provision of this rule 5, the subscription price for Shares to be allotted under the DRP may be adjusted in any way the Directors consider appropriate:
 - (i) to preserve equity between Participants and other Shareholders; or
 - (ii) to disregard any effect on the subscription price which appears in the reasonable opinion of the Directors to have resulted from a breach of a provision of part 7.10 Corporations Act.

6 Shares allotted under the DRP

Shares allotted under the DRP to a Participant:

- (a) must be allotted under the Constitution;

- (b) rank equally in all respects with existing Participating Shares of the same class; and
- (c) must be entered in the same part of the Register as the part in which the Participant's Participating Shares are entered at the time of the allotment.

7 Costs to Participants

7.1 Transaction costs

Except to the extent required by law (in which case rule 7.2 applies), no brokerage, commission, stamp duty or other transaction costs will be payable by a Participant for any allotment of Shares under the DRP.

7.2 Deduction of costs

Where any law requires the payment of any amount (including the withholding of or payment of any tax or other payment or levy) in respect of an allotment of Shares to a Participant under the DRP, that amount is to be:

- (a) deducted from the sum which would, but for the Participation of the Participant, be available for payment to the Participant; and
- (b) paid by the Company as required by that law.

8 Statements to Participants

After each allotment is made under rule 5.2(b), the Share Registry must forward to each Participant a statement detailing, as at the date of that allotment:

- (a) the number of the Participant's Participating Shares at the relevant Record Date;
- (b) the Dividend Amount;
- (c) the amount of any deductions made under rule 7.2 in respect of that allotment;
- (d) the number of Shares allotted under the DRP by that allotment;
- (e) the issue price of each Share allotted to the Participant under the DRP;
- (f) the franked amount (if any) of the dividend and the imputation tax credit (if any) attaching to the dividend; and
- (g) subject to any Share transactions in the intervening period, the total number of Participating Shares of the Participant after the dividend.

9 Variation or termination of Participation

9.1 Variation of Participation

Subject to rule 10, a Participant may by giving a Variation Notice to the Share Registry:

- (a) convert from Full Participation in the DRP to Partial Participation;

- (b) convert from Partial Participation in the DRP to Full Participation;
- (c) increase or decrease the number of the Participant's Participating Shares; or
- (d) terminate the Participant's Participation in the DRP.

9.2 Death or bankruptcy of Participant

If a Participant dies or becomes bankrupt, Participation by the Participant and any other Participants with whom the deceased was a joint Participant terminates with effect from the time Silver Chef receives notice of the death or bankruptcy of that Participant.

10 Transfer of Participating Shares

10.1 Transfer of all Shares

Subject to the Listing Rules and Corporation Act requirements, where a Participant transfers all of the Participant's Shares, the Participant is treated as having given notice to terminate Participation in the DRP on the last date when Silver Chef registered the relevant transfer of the Participant's Shares.

10.2 Transfer of some Shares

Where a Participant transfers some of the Participant's Shares, the transferred Shares are taken to be:

- (a) first, Shares which are Non-Participating Shares of that Participant (if any); and
- (b) secondly, to the extent that the number of Shares referred to in rule 10.2(a) is insufficient to make up the full parcel of Shares transferred, Participating Shares of that Participant.

10.3 Different priority

Where a Participant transfers some of the Participant's Shares, and wishes those Shares to be treated other than as specified in rule 10.2, the Participant may deliver a Reinvestment Plan Application to the Share Registry which specifies that particular Shares will be the subject of a particular transfer. That Reinvestment Plan Application will not be of any effect unless:

- (a) it is received by the Share Registry before the registration of the transfer to which the Reinvestment Plan Application relates;
- (b) it gives sufficient details to identify the transfer to which the Reinvestment Plan Application relates including the date on which any relevant transfer form was signed and the number of relevant Shares;
- (c) it identifies the number of Shares (if any) participating in the DRP which are to be the subject of the transfer; and
- (d) it is signed by or on behalf of the Shareholder as required by Silver Chef.

10.4 Ceasing Participation

A Participating Share will not cease to be a Participating Share following a transfer until the transfer has been registered in accordance with the Constitution and any other relevant legal requirements.

11 Election and notices

11.1 Form

Reinvestment Plan Applications and Variation Notices must be in:

- (a) writing and signed by the Shareholder or registered broker, trustee or agent of the Shareholder; and
- (b) in the form prescribed or approved by the Board from time to time or otherwise in accordance with these Rules.

11.2 Effectiveness of notices

Notices under these Rules (including Reinvestment Plan Applications and Variation Notices) will be effective on receipt by the Share Registry subject to:

- (a) these Rules;
- (b) in the case of Reinvestment Plan Applications or Variation Notices:
 - (i) approval by the Board which may be withheld in any case (in its absolute discretion);
 - (ii) the appropriate entry having been made in the Register for the Participating Shares to which the Reinvestment Plan Application or Variation Notice relates to record the Participation of the Participant in the DRP, or the variation of the Participation of the Participant in the DRP;
 - (iii) receipt by the Company by not later than 5.00pm (AEST) on the Business Day after the Record Date for the relevant Eligible Dividend; and
 - (iv) any other restrictions on the period of notice which the Board may from time to time impose.

11.3 Time takes effect

- (a) Where a Reinvestment Plan Application or a Variation Notice has been approved and the appropriate entry has been made in the Register, the Reinvestment Plan Application or the Variation Notice will take effect from the time the entry was made.
- (b) Reinvestment Plan Applications received after 5.00pm (AEST) on the Business Day after the Record Date for the relevant Eligible Dividend are not effective for that dividend but are effective for any subsequent Eligible Dividend Record Date.

11.4 Approval

Approval of a Reinvestment Plan Application or Variation Notice may be withheld in any case at the absolute discretion of the Board, including if the Board has decided that approval of that

Reinvestment Plan Application or Variation Notice would prejudice the effective operation of the DRP or otherwise be contrary to law or equity.

11.5 Notice by transferee or transmittee

A Reinvestment Plan Application or Variation Notice given by a transferee or transmittee of Shares may be treated by Silver Chef as an effective notice for the purposes of these Rules even though the Shares were not registered in the name of the transferee or transmittee at the time the Reinvestment Plan Application or Variation Notice was given.

11.6 Invalid notices

Silver Chef is under no obligation to correct invalid Reinvestment Plan Applications or Variation Notices on behalf of Shareholders or to correct an error or omission in those forms before acceptance under these Rules.

11.7 Notice by Company

A notice required by these Rules to be given to Shareholders may be served on Shareholders at any time as the Board decides by:

- (a) despatch of the notice in writing to each Shareholder in accordance with the Constitution;
- (b) announcement on the Company's website; or
- (c) both of the methods specified in rules 11.7(a) and 11.7(b).

11.8 Notice by Shareholder

- (a) The Board may decide that Shareholders may lodge notices, including Reinvestment Plan Applications and Variation Notices, electronically through the Share Registry (**Electronic Notices**).
- (b) Any notice lodged electronically must comply with any terms and conditions imposed by the Board for Electronic Notices in addition to the requirements under these Rules from time to time.

11.9 Omission to give notice

The accidental omission to give notice of modification, suspension or termination or the non-receipt of any notice by any Shareholder under rule 11.7 will not invalidate the modification, suspension or termination of the DRP.

12 Suspension of plan

12.1 Suspension

The DRP may be suspended by the Directors at any time at their absolute discretion, including at any time when the Directors consider that its continued operation for the time being may be prejudicial to the Company or inequitable between Shareholders (whether in the payment of dividends or otherwise) or for any other reason.

12.2 Period of suspension

A suspension of the DRP under rule 12.1 will take effect from a date decided by the Directors (**Date of Suspension**) and will continue until the time the Directors resolve either to recommence or to terminate the DRP under these Rules.

12.3 Effect of suspension

- (a) At the Date of Suspension, any Shares which may have been Participating Shares immediately before that date will be suspended from Participation in the DRP for the period from the suspension until the date immediately following recommencement of the DRP.
- (b) During the period of the suspension of the DRP, all Shares will be treated as Non-Participating Shares for the purposes of these Rules despite the entries which may appear in the Register from time to time and accordingly will not be entitled to an Eligible Dividend declared while the DRP is suspended.
- (c) Any Reinvestment Plan Application received by the Share Registry under these Rules during a suspension of the DRP will not be processed but will be held pending the recommencement of the DRP under rule 12.4 at which time it must be processed.
- (d) A suspension under this rule does not give rise to any liability on the part of, or right or action against, the Company, the Board or its Directors, employees or agents.

12.4 Recommencement of DRP

The Board may resolve to recommence the suspended DRP at any time on any conditions it considers appropriate.

12.5 Effect of prior nomination

- (a) Without limiting its power under rule 12.4, the Directors may also direct that Shares which had been nominated for Full Participation or Partial Participation in the DRP before the Date of Suspension will, with effect from the date of recommencement, participate in the DRP in accordance with the previous nominations of the relevant Shareholders.
- (b) The date and conditions of the recommencement (including any directions about Shares recommencing to participate in the DRP) must be notified to Shareholders under these Rules.

12.6 Notice of suspension and subsequent recommencement

The date of any suspension and the date of any subsequent recommencement of the DRP must be notified to Shareholders by the Company under these Rules.

13 Modification and termination of the DRP

13.1 Modification, variation or termination of DRP

The DRP may be varied, modified or terminated by the Board (subject to the Constitution) at any time by notice to all Shareholders under these Rules.

13.2 Effect of modification or variation

- (a) A Participant will be taken to continue to Participate in the DRP as varied or modified unless the Participant terminates its Participation under these Rules.
- (b) A modification or termination of the DRP under these Rules does not give rise to any liability on the part of, or action or right against the Company, the Board or its Directors, employees or agents.

14 General

14.1 Administration of the DRP

- (a) Subject to rule 14.5, the Board will administer the DRP and these Rules.
- (b) Any decision of the Board about the DRP and these Rules is final and binding.
- (c) Despite the effect of any other Rule, the Board has the power to, among other things:
 - (i) make decisions about the Rules generally or specific Participants in interpretation of the Rules, errors or ambiguities in the Rules or disputes arising under the Rules;
 - (ii) waive strict compliance with the Rules; and
 - (iii) decide on procedures for the administration of or participation in the DRP.

14.2 Dispute resolution

The Board may settle, in the manner it considers appropriate, any difficulties, anomalies or disputes which may arise in connection with, or by reason of this DRP (or its operation) whether generally or in relation to any Participant or any Shares and the decision of the Board is conclusive and binding on all Participants and other persons to whom the decision relates.

14.3 Entries conclusive

Subject to these Rules, the entries which have been made in the Register for a Participant at any time under these Rules is conclusive in deciding whether or not a Share is a Participating Share and whether the holder of the Share at that time has the corresponding rights which attach under these Rules to a Participating Share.

14.4 Errors in Register

Neither Silver Chef nor any of its Directors, officers or employees are liable in any way to Shareholders for errors or omissions in the making of entries in the Register under these Rules.

14.5 Delegation

- (a) The Board may validly delegate any or all of its duties, responsibilities, powers or discretions under these Rules to any person or persons as it considers appropriate to do so.
- (b) The Board may at any time revoke the delegation of any or all of its duties, responsibilities, powers or discretions under these Rules.

14.6 Taxation

Silver Chef takes no responsibility for the taxation liabilities of Participants and specific taxation advice should be obtained by the Participant, if required.

14.7 Waive compliance

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

14.8 Waive liability

No liability or responsibility attaches to Silver Chef, the Board or its Directors, officers, employees, agents or advisors to any Shareholder or Participant for any loss or disadvantage suffered by any Shareholder or Participant, either directly or indirectly, arising from:

- (a) the establishment of the DRP;
- (b) the suspension, modification, variation or termination of the DRP; or
- (c) any advice given or marketing material given by any person about the DRP or Participation in the DRP.

14.9 Governing law

Queensland law governs the DRP and its operation and the terms set out in these Rules.

15 Listing Rules

15.1 Consistency with the Listing Rules

Despite any other rule, while the Company is admitted to the Official List of ASX, the Company must comply with the Listing Rules and, to the extent of any inconsistency between the Rules and the Listing Rules, the Listing Rules will prevail.

15.2 Quotation of Shares

The Company must apply for official quotation by ASX of all Shares allotted under the DRP.

Corporate directory

Share Registry

Boardroom Pty Limited

Level 7
207 Kent Street
Sydney NSW 2001
(street address)

GPO Box 3993
Sydney NSW 2001
(postal address)

Tel 1300 737 760 (local) / (02) 9290 9600 (international)
Fax 1300 653 459 (local) / (02) 9279 0664 (international)

Corporate Office

The Company Secretary
Silver Chef Limited

Park Tower
20 Pidgeon Close
West End QLD 4101
(street address)

PO Box 1760
Milton QLD 4064
(postal address)

Tel 1800 064 431
Fax (07) 3335 3399
E mail: dmackenzie@silverchefgroup.com.au