



Enquiries

Share Registrar

Link Market Services Limited
Ground Floor, 178 St George's Terrace
Perth WA 6000

Investor Enquiries

Tel. 1300 554 474

Dividend Reinvestment Plan ('DRP')

Features and Rules

Dividend Reinvestment Plan - Introduction

The Dividend Reinvestment Plan ("DRP") enables you, as a shareholder of TFS Corporation Ltd (TFS), to reinvest all or part of any Dividend paid on your TFS shares in additional TFS shares instead of receiving that Dividend in cash. Your participation in the DRP is entirely optional. If you elect to reinvest your TFS dividends, additional shares in TFS will be allocated to you immediately following the Dividend Payment Date. You will receive a dividend statement setting out the number of TFS shares allocated to you, the price per share and other information relevant to your Dividend. If you wish to participate in the DRP you must complete and sign the Application Form and return it to the Company's Share Registry:

Link Market Services Limited
Ground Floor,
178 St George's Terrace Perth WA 6000
Tel: 1300 554 474

Features of the Dividend Reinvestment Plan

Under the Dividend Reinvestment Plan ("DRP") you will remain entitled to dividends on shares you have nominated to participate in the DRP. The dividends on those shares are applied to pay for additional TFS shares issued under the DRP. If you are an Australian shareholder, Dividends that are reinvested under the DRP will be assessable for income tax and will carry franking credits to the same extent as any cash dividend. Shares allocated under the DRP may be subject to either income tax or capital gains tax when you sell them, depending on your circumstances.

The statements regarding taxation contained herein are for general information only. TFS cannot provide taxation advice to shareholders and does not accept responsibility for any shareholder reliance on such statements. TFS takes no responsibility for the taxation liabilities of participants and as individual circumstances may vary considerably, shareholders should seek their own specific taxation advice.

Share Entitlements

Share allotments under the DRP will be made at or about the time that the cash dividends are paid. The number of shares which you will be entitled to receive under the DRP will in general be calculated on the same basis. Shares will be allocated to you at the "average market price" which is calculated as the weighted average price of all ordinary TFS shares sold on the stock market of the Australian Stock Exchange Limited during the 5 days of trading immediately following the Dividend Record Date less a discount. The discount rate currently applying to the DRP is 2.5%. The price so determined shall be divided into a sum equal to the value of the total cash Dividend which would have been payable on the relevant shares had they not been participating in the DRP. Where a fraction of a share results the number of shares to be issued shall be rounded up to the nearest whole. Shares allotted under the DRP rank equally with existing shares.

Participation

The DRP is optional and open to all TFS shareholders other than shareholders whose addresses are in countries where regulations make it impracticable in the opinion of TFS for them to participate. Overseas shareholders will in any event be subject to any relevant regulations applying in their own country. You may elect to participate in respect of all or part of your shareholdings in the DRP.

No Additional Costs

No brokerage, commission, stamp duty, or other transaction costs are payable by shareholders on shares issued under the DRP. All administration costs are met by the Company.

Sale of Shares

Shares participating in the DRP or acquired under the DRP may be sold at any time. If shares are sold they will be withdrawn automatically from the DRP on registration of the transfer as set out in the attached Terms.

Variation of Participation

Subject to the terms of the DRP you may at any time vary your participation or withdraw from the DRP

Certificates

The Company participates in the Clearing House Electronic Subregister System (CHESS). ASX Settlement and Transfer Corporation Pty Ltd (ASTC), a wholly owned subsidiary of ASX, operates CHESS in accordance with the ASX Listing Rules, ASTC Settlement Rules and ACH Clearing Rules. Under CHESS, participating shareholders will not receive a certificate but will receive a statement of their holding of New Shares. If you are broker sponsored, ASTC will send you a CHESS statement. If you are registered on the Issuer Sponsored sub register, your statement will be dispatched by the Share Registry and will contain the number of New Shares issued to you under the DRP. A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes. Shareholders may request a statement at any other time. However, a charge may be made for additional statements.

Shareholders with more than one holding

If your holding of TFS shares is in more than one parcel you will need to deliver a separate Application Form in respect of each holding which you wish to nominate for participation in the DRP. It is important that each notice correctly identifies the shareholding account to which it relates. If you hold shares in more than one holding, separate forms for each holding must be completed.

Rules of the Dividend Reinvestment Plan

1. Preliminary

- 1.1 The TFS Dividend Reinvestment Plan (DRP) provides shareholders with an optional and convenient method of reinvesting all or part of their dividends in TFS ordinary shares.
- 1.2 The Plan will commence on a date to be determined by the Directors and will continue until suspended or terminated by the Directors pursuant to Term 14.

2. Interpretation

- 2.1 In these Terms, unless the context otherwise requires, the following expressions have the meanings set out opposite them:

"Application" an application by a Shareholder to become a Participant.

"Application Form" a written application to participate in the Plan signed by a shareholder (or, in the case of joint holders, each Shareholder) in a form prescribed or approved by the Directors from time to time, which form may be combined with or form part of any other form or notice.

"ASX" Australian Stock Exchange Limited.

"Directors" the directors for the time being of TFS.

"Non-participating Shares" Shares that are not Participating Shares.

"Participant" a Shareholder participating in the DRP.

"Participating Shares" Shares participating in the DRP.

"DRP" the Dividend Reinvestment Plan constituted by these Terms.

"DRP Account" an account in the name of a Participant established by TFS under Term 6.1.

"Rules" these Rules as they may be amended from time to time under Term 14.

"Shareholder" a person (including a corporation) registered as holding Shares.

"Shares" fully paid ordinary shares in the capital of TFS.

"TFS" TFS Corporation Ltd (ACN 092 200 854)

2.2 Words importing any gender include all genders.

2.3 Where the Shareholder has, in respect of distinct numbers of Shares held by him, separate holder numbers, he is, for the purpose of these Rules, deemed to be a separate and distinct Shareholder in relation to each such holder number and the Shares from time to time allocated to that holder number.

3. Participation in the DRP

3.1 Participation in the DRP is optional and is subject to the Rules.

3.2 A shareholder who is subject to the laws of a country or place other than Australia may not participate in the DRP until the Board, in its absolute discretion, is satisfied that such participation will not constitute a breach of the laws of that country or place, whether or not that shareholder has received an invitation to participate in the DRP.

3.3 Participation in the DRP may, subject to the Rules, be varied or terminated by a Participant at any time.

4. Application to participate

Application to participate in the DRP must be made on an Application Form.

5. Extent of participation

5.1 A Shareholder may participate in the DRP in respect of all the Shares registered in that Shareholder's name ("full participation") or in respect of some of the Shares registered in that Shareholder's name ("partial participation"), provided that in either event, participation is in respect of not less than a marketable parcel of Shares.

5.2 A Shareholder must specify on the Application Form the extent to which the Shareholder wishes to participate in the Plan by indicating full participation; or indicating how many Shares the Shareholder wishes to participate in the Plan for partial participation.

5.3 Under full participation all Shares registered in the Participant's name at the time of commencement of the full participation and all Shares subsequently registered in the Participant's name (including Shares issued under the DRP) will participate in the DRP, subject to any notice to the contrary being given under Term 10.

5.4 Under partial participation, only that number of Shares indicated by the Participant for participation in the DRP will participate in the DRP.

5.5 Application Forms received by TFS which do not indicate the extent of participation may, without notice to the Shareholder and at the discretion of the Directors, be rejected or may be deemed by TFS to be Applications for full participation. TFS is not liable to the Shareholder for any loss (including consequential loss), damage or claim in respect of either the Shareholder's participation or non-participation, as the case may be, arising from the exercise of such discretion.

5.6 Any Application Form received by TFS which indicates a number of Participating Shares in excess of the number of Shares held by the Shareholder making the Application is deemed to be an Application for full participation, until such time as the Shareholder holds more Shares than the indicated number, at which time the Application is deemed to be for partial participation.

6. Operation of the DRP

6.1 `A Shareholder who applies to participate in the Plan is, in making such Application, deemed to have directed TFS to and TFS must: a) pay into a DRP Account any moneys due to the Shareholder by way of dividend in respect of the Shareholder's Participating Shares; and b) apply such moneys towards subscription for such number of Shares as is determined by the application of the formula set out in Term 6.2.

6.2 `For so long as there exists any Participating Shares, on each occasion that TFS pays a dividend on Shares, the Directors must allot to each Participant that number of Shares that is the number ascertained by the following formula

$$\frac{(S \times D) + R}{C}$$

where:

S is the number of Participating Shares.

D is the amount of the dividend to be paid to the Participant at that time (less any applicable withholding tax) in respect of one Participating Share (expressed in terms of cents and fractions of cents)

R is the amount of any residual balance carried forward under Rule 6.4; and

C equals 97.5% of the weighted average sale price (expressed in terms of cents and fractions of cents) of all the Shares of TFS sold on ASX Limited during the 5 days of trading immediately following the record date, being the date on which books are closed for the determination of entitlement to the relevant dividend.

6.3 Where a fraction of a Share results from the calculation required by Term 6.2, that fraction must be rounded down to the nearest whole number.

6.4 If a fraction is rounded down under Term 6.3, an amount determined in accordance with the following formula will be recorded as a residual balance in the Participant's Plan Account:

$$(S \times D) + R - (A \times C) \text{ where}$$

S, D, R and C represent the same numbers as they did in the application of the formula in Term 6.2 which gave rise to the relevant fraction; and

A represents the number of Shares allotted by that application of that formula

6.5 Residual balances in the Plan Accounts will not bear interest.

7. Shares allotted under the DRP

- 7.1 Shares allotted under the DRP will be allotted in accordance with the Listing Rules of ASX.
- 7.2 Shares allotted under the DRP will rank equally in all respects with existing Shares.
- 7.3 Shares allotted under the DRP will be registered on the register on which the majority of the Participant's Shares are held.

8 No cost to participants

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

9 Statements to participants

- 9.1 After each allotment made pursuant to Term 6.2, each Participant will receive a statement detailing, as at the relevant allotment date:
- a) the number of the Participant's Participating Shares as at the close of the TFS share register for determination of entitlements to payment of dividends on Shares;
 - b) the amount of dividend paid to the Participant in respect of the Participant's Participating Shares; and
 - c) the number of Shares subscribed for and allotted under the DRP to the Participant on the date of payment of the dividend.

10 Variation to or termination of participation

- 10.1 A Participant may at any time give notice in the form set out in Schedule 1 to TFS to:
- a) increase or decrease the number of the Participant's Participating Shares; or
 - b) terminate participation in the Plan.
- 10.2 If a Participant dies, participation by that Participant will be terminated upon receipt by TFS of notice of the death of the Participant unless the deceased was a joint Participant, in which case the Participating Shares will continue to participate.

11 Reduction or termination where no notice is given

- 11.1 Where a Participant transfers Participating Shares those Participating Shares will upon registration of such transfer cease to be Participating Shares.
- 11.2 Where a Participant transfers all of the Participant's holding of Shares without giving notice of termination of participation in the Plan, the Participant will be deemed to have given notice to terminate participation in the Plan on the date when TFS registered the transfer or disposal of the last of the Participant's Shares.

11.3 Where a Participant transfers some of the Participant's holding of Shares without giving notice of termination of participation in the DRP, Shares comprised in the transfer will be taken to be first, Non-participating Shares entitled to a cash dividend and second, Participating Shares. In respect of Shares taken to be Participating Shares, the Participant will be deemed to have given notice to terminate participation in the Plan on registration of the relevant transfers.

12 Applications and notices

12.1 Notices must be in writing and in such form as TFS may from time to time require.

12.2 Applications must be made and notices must be given by the Participant separately in respect of each holding of Shares identified by a separate holder number in the books of TFS.

12.3 Applications and notices will be effective on receipt at TFS share registry subject to:

- a) these Rules;
- b) in the case of Applications, acceptance by TFS;
- c) subject to sub-clause
- d) there being received by TFS on or before 5.00 p.m. on the day of the declaration of the next dividend payable following receipt of that application or notice or, if the directors so determine in relation to any individual application or notice, or generally, the closing date of the share register for determination of entitlements to payment of that dividend. Applications and notices received after the due date will be deemed to have been received on the day following the next allotment made under Term 6.2; and
- e) such other restrictions as to the period of notice required as TFS may from time to time impose.

12.4 The address for Applications and notices to TFS is such address as may be notified to Shareholders by TFS from time to time.

13 Stock exchange listing

TFS will apply promptly for the Shares allotted under the DRP to be listed for quotation on the official list of ASX

14 Modification and termination of the DRP

14.1 The DRP may be modified, suspended or terminated by the Directors at any time on giving one month's notice to Shareholders.

14.2 The Directors may settle in such manner as they think expedient any difficulties, anomalies or disputes which may arise in connection with, or by reason of, the operation of the DRP, whether generally or in relation to any Participant or any Shares and the determination of the Directors is conclusive and binding on all Participants and other persons to whom the determination relates.

15 Forfeiture of residual balances

15.1 Any residual balance remaining in a Participant's DRP Account is forfeited if:

- a) the Participant's participation in the DRP is terminated;
- b) the DRP is terminated; or
- c) the DRP is suspended and it is not reactivated after two years.

15.2 the Directors will make an annual payment to a charity nominated by them of all forfeited residual balances.

16 Governing law

These Rules are governed by, and are to be construed in accordance with, the laws of Western Australia.

SCHEDULE 1



ACN 092 200 854

Dividend Reinvestment Plan
Variation/Termination Notice

SRN/HIN: _____

To: TFS Corporation Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

I/We being a holder of fully paid ordinary shares in TFS wish to vary my/our level of participation in TFS's Dividend Reinvestment Plan (DRP) in the following way.

Please tick one box

A Full participation

B Partial participation

Please enter number of shares for partial participation.

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C Termination

Shareholder's name (in full)

Registered Address

Postcode

Signature

Date

In the case of joint holdings all parties must sign.

Executed in accordance with the Company's Constitution
and the Corporations Act.