



APN | Property Group

February 2016

DIVIDEND REINVESTMENT PLAN

Set out within are frequently asked questions in relation to how the Dividend Reinvestment Plan operates. These questions and answers constitute the terms and conditions of the DRP.

A DRP provides shareholders with the option of automatically reinvesting part or all of their dividends as additional shares in APN Property Group Limited.

APN PROPERTY GROUP LIMITED
DIVIDEND REINVESTMENT PLAN

1 HOW DO I PARTICIPATE IN THE DRP?

If you wish to participate in the DRP you are required to either:

- complete the DRP Instruction Form and forward it to:

Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
- or, if your holding has a market value of less than \$50,000, you can complete the DRP Instruction Form electronically by logging into your holding on the Link Market Services Investor Centre website:
www.linkmarketservices.com.au

DRP Instruction Forms are available:

- on the Company's website: <http://www.apngroup.com.au/>
- or by logging into your holding on the Link Market Services Investor Centre website: www.linkmarketservices.com.au
- or by telephoning the Registry on +61 1300 554 474.

Separate DRP Instruction Forms are required for each registered holding.

2 WHEN CAN I PARTICIPATE?

While the DRP is open, you can participate in it at any time. The DRP Instruction Form must be received by the Registry no later than 5.00 pm Australian Eastern Time on the Business Day after the Record Date for a dividend in order to participate in the DRP for that particular dividend. The Record Date for each dividend payable by the Company will be announced to the ASX in advance.

3 HOW LONG DOES PARTICIPATION IN THE DRP LAST?

Participation in the DRP will automatically continue until you either notify the Registry that you no longer wish to participate by submitting a DRP Instruction Form, or the DRP is suspended or withdrawn.

If the DRP is suspended, an election as to your participation in the DRP will also be suspended and all shares are taken not to be DRP shares for the purpose of any dividend paid while the DRP is suspended. Upon reinstatement of the DRP, all of your prior elections are reinstated unless a DRP Instruction Form is validly submitted by you by 5.00 pm Australian Eastern Time on the Business Day after the Record Date for the next dividend which follows the reinstatement of the DRP.

Your right to participate in the DRP is not transferable.

4 CAN I REINVEST ONLY PART OF MY DIVIDENDS IN THE DRP?

Yes. You can reinvest all or part of your dividends. If you choose to reinvest all of your dividends, the DRP will apply to all amounts paid by the Company as a dividend on all of the shares registered to that holding, including any further shares issued or transferred to you under the DRP. If you choose to reinvest only part of your dividend, you can specify the number of shares you wish to be subject to the DRP on the DRP Instruction Form.

If you elect partial participation in the DRP you must specify an exact number of shares to participate. Your level of participation is fixed and all shares in excess of this number, including any new shares you may acquire in the future (either through the DRP or by buying shares on market) will not participate in the DRP.

If you sell some of your shares in the future, such that your total holding becomes less than the number of shares you have specified to participate in the DRP, your participation level will automatically be reduced down to the total number of shares you hold as at the relevant Record Date. However, if you later acquire more shares in the Company, these will participate in the DRP to the extent indicated in your last DRP Instruction Form. If you have ceased to hold any shares in the Company by the time of a dividend Record Date, you are deemed to have terminated your participation in the DRP at that Record Date.

You can increase or decrease the number of shares you wish to nominate in the DRP at any time (refer to question 13 for details).

If a DRP Instruction Form fails to specify a level of participation, it will be deemed to be an application for full participation in the DRP.

5 CAN ALL SHAREHOLDERS PARTICIPATE IN THE DRP?

The DRP is open to all shareholders resident in Australia and New Zealand. Non-resident shareholders may not be eligible to participate in the DRP, due to the differing securities laws of some countries. Before electing to participate in the DRP, shareholders who are not residents of Australia or New Zealand should ascertain whether any restrictions apply. The Directors may then make a determination (at their sole discretion) as to whether a non-resident shareholder will be eligible to participate in the DRP.

The Directors may, in their absolute discretion, accept or refuse a DRP Instruction Form without giving reasons for their decision. The Directors may also determine that a shareholder's DRP Instruction Form is valid even if the DRP Instruction Form is incomplete, contains errors or is otherwise defective. By submitting a DRP Instruction Form, each shareholder is taken to have authorised the Directors (and their delegates or agents) to correct any error in, or omission from, the shareholder's DRP Instruction Form.

Joint shareholders must submit a single DRP Instruction Form. If one, or more, of the joint shareholders is not eligible to participate in the DRP, none of the joint shareholders can apply to participate in the DRP with respect to any of the jointly held shares. If a DRP Instruction Form can be submitted electronically (as set out in question 1), the joint shareholder who submits the form represents and warrants that they are submitting the DRP Instruction Form for and on behalf of all joint shareholders in relation to that joint holding and that all joint shareholders are eligible to participate in the DRP.

6 WHAT ARE THE COSTS INVOLVED IN PARTICIPATING IN THE DRP?

There is no cost associated with participating in the DRP. Shareholders who wish to participate in the DRP do not have to pay brokerage, commission or any other transaction costs on the shares issued or transferred to them under the DRP. This allows shareholders to add to their investment in the Company in a convenient and cost-effective manner.

7 HOW IS THE ACQUISITION PRICE OF THE DRP SHARES DETERMINED?

The price at which the shares will be issued or transferred under the DRP will be the arithmetic average of the daily volume weighted average market price (rounded to the nearest four decimal places) of all shares traded in the ordinary course on the ASX for a period of 10 trading days, less a discount (if any) as determined by the Directors in their absolute discretion. The final acquisition price (after applying the discount, if any) will be rounded to four decimal places.

Unless the Directors determine otherwise, the 10 trading day period will commence on the second Business Day after the relevant dividend Record Date.

8 HOW MANY SHARES WILL I RECEIVE?

The number of shares you will receive is calculated as the amount of the dividend you are entitled to receive, divided by the price of the DRP shares, rounded down to the nearest whole number of shares. The balance of your dividend entitlement (if any) will be retained on your behalf in a separate plan account maintained by the Company (or the Registry on the Company's behalf) and carried forward to the next dividend.

Further information about what will happen to any residual amount in your plan account at the point in time when you cease to be a shareholder is contained under question 13.

9 WHEN WILL I RECEIVE MY DRP SHARES?

Shares to be allocated to participating shareholders under the DRP will be issued or transferred on the dividend payment date (unless the Directors determine otherwise).

10 WHERE WILL THE SHARES ALLOCATED TO ME UNDER THE DRP COME FROM?

Subject to the Constitution of the Company, the Directors may, in their discretion, either issue new shares to you, or make relevant arrangements to cause existing shares to be acquired in the market and then transfer those shares to you. The Directors may also, in their discretion, elect to use a combination of both of these options to satisfy the Company's obligations to you under the DRP.

If the Directors determine to cause the transfer of existing shares to you, the existing shares may be acquired in the market in any way the Directors determine appropriate.

Any shares issued under the DRP will be issued on the dividend payment date (unless the Board determines otherwise).

If shares in the Company are quoted on ASX at the time shares are issued to you under the DRP, the Company will apply for quotation on ASX of those shares promptly after those shares are issued to you.

By applying to participate in the DRP, you agree to the appointment of a trustee nominated by the Directors as the agent of the Company to acquire shares on market, where the Directors decide to transfer shares to you in accordance with these terms and conditions.

The Directors may, in their discretion, arrange for any issue or acquisition of shares under the DRP to be underwritten.

11 HOW DO I FIND OUT HOW MANY SHARES I HAVE RECEIVED FROM THE DRP?

Dividend advices for the reinvestment of the dividends will be mailed to shareholders following the payment of the relevant dividend and allocation of shares under the DRP (to participating shareholders).

The advice will include details of the number of your shares that are participating in the DRP, the amount of cash dividend you have reinvested, the acquisition price per share and the number of shares issued or transferred to you under the DRP for that particular dividend.

The number of shares allocated and your new shareholding balance will be shown on the statement you will receive in the month following each re-investment.

12 WHAT ARE THE TAXATION IMPLICATIONS OF PARTICIPATING IN THE DRP?

Dividends reinvested to purchase shares under the DRP are assessable for income tax purposes as if they had been received in cash. You will receive an annual tax statement, which will include details of the income you have earned on your shares during the year (received either in cash or reinvested in DRP shares) enabling you to complete your tax return.

Shareholders who have not supplied their tax file number will have withholding tax deducted from dividends before being reinvested under the DRP. Shareholders resident outside Australia who the Directors permit to participate in the DRP (see question 5) will have withholding tax deducted from their dividends prior to them being reinvested under the DRP.

The taxation information given above is a general guide only and the Company and its Directors, officers, employees and agents take no responsibility nor assume any liability for any taxes payable by shareholders participating in the DRP. Shareholders should consult their own taxation adviser if uncertain of their tax position.

13 HOW DO I VARY THE LEVEL OF PARTICIPATION OR WITHDRAW FROM THE DRP?

Participating shareholders may vary the level of participation or withdraw from the DRP at any time by submitting a revised DRP Instruction Form in accordance with the alternatives set out in question 1.

Any variation to participation will take effect from the next dividend, provided that notification is received by no later than 5.00 pm Australian Eastern Time on the Business Day after the Record Date for the next dividend.

Notices received after this date will take effect from the following dividend period.

If you choose to withdraw from the DRP, your dividends will be paid by direct credit to your bank account, according to payment instructions given prior to your participation in the DRP, unless you advise the Registry of a change to how you wish to receive the dividends.

Upon termination of your participation in the DRP for whatever reason (including if you cease to be a shareholder in the Company), you will be taken to have directed the Company to retain and donate the cash balance (if any) shown in your plan account to a registered charity nominated by the Directors. You will not be issued with a receipt in connection with such a donation.

14 ARE THE DRP SHARES THE SAME AS MY EXISTING SHARES?

Yes. All shares issued or transferred to you under the DRP will from the date of issue or transfer rank equally, in all respects, with the existing fully paid shares on issue and will participate in all dividends declared subsequently (unless the Directors determine that such DRP shares are not entitled to participate in the next dividend to be paid and/or any offer of shares that is open at the time the DRP shares are issued).

Unless the Directors determine otherwise and give notice to shareholders, DRP shares will be entitled to the dividend for the dividend period in which they are issued or transferred to you.

You can sell or transfer all or part of your holding at any time, including shares participating in the DRP and any shares allotted or transferred under the DRP.

15 CAN THE TERMS AND CONDITIONS OF THE DRP CHANGE?

Yes. The Directors may, at their sole discretion, modify, suspend or terminate the DRP at any time, including by increasing or decreasing the level of discount used in the calculation of the DRP acquisition price (see question 7). The modification, suspension or termination shall take effect from the date specified by the Directors and sufficient written notice shall be given to all shareholders prior to the changes occurring to allow shareholders to withdraw or otherwise change their level of participation in the DRP before the changes come into effect.

The Directors will administer the DRP in their sole discretion in accordance with these rules, the Listing Rules and the Constitution. This includes the Directors' power to determine, set and oversee procedures for the administration of the DRP and settle any difficulties, anomalies or disputes which may arise in connection with the DRP.

16 WHAT OTHER IMPORTANT LEGAL INFORMATION SHOULD I CONSIDER BEFORE DECIDING WHETHER TO PARTICIPATE IN THE DRP?

You should be aware that by applying to participate in the DRP in accordance with these rules, you:

- warrant to the Directors and the Company that you are eligible to participate in the DRP;
- warrant to the Directors and the Company that if you are a joint holder of shares, all other joint shareholders in relation to the same holding are eligible to participate in the DRP;
- unconditionally agree to these rules of the DRP and agree not to do any act that would be contrary to the spirit, intention or purpose of the DRP;

- acknowledge that the Directors may at any time, by giving written notice to eligible shareholders, limit participation in the DRP. This may include a determination that there will be a maximum or minimum number of shares permitted per participant, whether this is in respect of a particular dividend or dividends generally;
- acknowledge that none of the Directors, the Company, its officers, employees, representatives or agents, or the Registry, have provided you with any recommendation or investment, financial or other advice and that none of the above persons have any obligation to provide any advice concerning your decision to apply to participate in the DRP; and
- acknowledge that any variation, suspension, recommencement or termination of the DRP will not give rise to any liability on the part of, or right of action against, the Directors, the Company nor its officers, employees, representatives or agents.

DEFINITIONS

ASX	means ASX Limited or the financial market operated by ASX, as the context requires.
Business Day	has the meaning given in the Listing Rules.
Company	means APN Property Group Limited (ASX code: APD).
Constitution	means the constitution of the Company, as amended from time to time.
Directors	means the directors of the Company.
DRP	means the Company's dividend reinvestment plan constituted by these rules, as varied from time to time.
DRP Instruction Form	means the instruction form to be completed by eligible shareholders to give notice of their election to participate in, or to amend their level of participation in, the DRP.
Listing Rules	means the listing rules of the ASX and any other applicable rules of ASX while the Company is admitted to the official list of the ASX.
Record Date	means 5.00 pm Australian Eastern Time on the date the Company closes its share register for determining entitlements to a dividend.
Registry	means Link Market Services Limited.