



Ask Funding Limited

ABN 22 094 503 385

Dividend Reinvestment Plan

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CHAIRMAN'S LETTER

Dear Shareholder

The Directors of Ask Funding Limited have established the Ask Funding Limited Dividend Reinvestment Plan ("the DRP").

The DRP enables you to receive some or all of your future Dividends as Ordinary Shares in Ask Funding Limited instead of cash.

As all brokerage and associated costs are paid by the Company, the DRP provides a cost effective means for you to increase your ownership in Ask Funding Limited.

In addition, Shares issued under the DRP may be issued at a discount to the market price.

Enclosed in this booklet is a summary that may help you to better understand the DRP, as well as a copy of the Dividend Plan Rules.

You should read this information carefully and obtain your own independent advice before determining whether you should participate in the DRP.

Yours sincerely

A handwritten signature in grey ink, appearing to read 'Ken Rich', with a long, sweeping underline that extends to the left.

Ken Rich
Chairman

SUMMARY OF THE DIVIDEND PLAN

PURPOSE

The purpose of the Dividend Plan is to provide shareholders with the choice of applying Dividends paid or declared by the Company in subscribing for Ordinary Shares in the Company rather than receiving those Dividends in cash.

ELIGIBILITY

Participation in the Dividend Plan is offered only to Eligible Shareholders. Participation in the Plan is optional and not transferable.

PARTICIPATION

Eligible members may elect to participate in the Dividend Plan in respect of all of their holding (full participation) or a specified number of Shares (partial participation) as follows:

Full participation

For full participation, all the Ordinary Shares registered in a shareholder's name as at each record date for a Dividend will participate in the Dividend Plan. For example, Shares issued under the Dividend Plan and any bonus Shares issued by the Company from time to time will be added to the shareholder's total shareholding participating in the Dividend Plan.

Partial participation

For partial participation, participation of a shareholder is in respect of the specified number of Shares registered in the shareholder's name at each record date for a Dividend. Unless advised otherwise, Shares issued under the Dividend Plan and any bonus Shares issued by the Company from time to time will not be added to Shares participating in the Dividend Plan, but instead will form part of the Shares not participating in the Dividend Plan.

Limited participation

Notwithstanding the above, the Directors may at any time by written notice to Eligible Shareholders limit participation in the Plan by limiting the amount of Dividend which may be reinvested under the Plan.

APPLICATIONS TO PARTICIPATE

To apply to participate in the Plan, Eligible Shareholders must complete, sign and lodge a DRP Election Form with the Share Registry.

Alternatively, shareholders can also register for the Dividend Plan and update other details of their shareholding on the share registry's website (www.computershare.com.au).

If an Eligible Shareholder has more than one holding of Shares and wishes to participate in the DRP with respect to one or more such holding, a DRP Election Form must be lodged with respect to each separate shareholding.

ACCEPTANCE OF APPLICATIONS

The Directors may in their absolute discretion accept or refuse any DRP Election Form, without being bound to give any reason for doing so.

If the Directors refuse to accept a DRP Election Form, the Company must notify the Eligible Shareholder as soon as practicable that the DRP Election Form has been rejected.

An Eligible Shareholder's participation in the Plan will commence from the first Dividend payment after receipt of the DRP Election Form, provided it is received before the record date for that Dividend.

VARIATION OF LEVEL OF PARTICIPATION OR WITHDRAWAL

Participating shareholders may vary the level of participation or withdraw from the Dividend Plan at any time by completing a Notice of Variation and returning it to the share registry or by making the necessary amendments online on the share registry's website (www.computershare.com.au).

ENTITLEMENT

Participating shareholders will be entitled on each Dividend payment to be allotted the nearest whole number of Ordinary Shares, which the cash Dividend on Dividend Plan Shares in the shareholding account would purchase at the issue price.

ISSUE PRICE

Shares allotted under the Dividend Plan will be issued at the arithmetic average of the daily volume weighted average market price (rounded to the nearest cent) of all Shares sold through a Normal Trade on the ASX automated trading system during a period of not more than 10 trading days, as determined by the Board from time to time, commencing two trading days after the record date, or any other date as determined by the Board, in respect of the relevant Dividend, less a discount, if any, as determined by the Directors.

The weighted average market price referred to above will be calculated by the Board or another suitable person nominated by the Board, by reference to information the Board approves for the purpose from time to time. The determination by the Board of the price will be binding on all Participants.

RANKING

All Shares issued under the Plan will from the date of issue rank equally in all respects with existing Shares.

COSTS TO PARTICIPANTS

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

QUOTATION ON ASX

The Company will make application promptly after any issue of Shares under the Plan for quotation of those Shares on ASX, if other Shares of the Company are quoted at that time.

RECORDS

Shareholders participating in the Dividend Plan will receive a statement at the time of each Dividend payment showing, for each shareholding account, full details of the amount of Dividend entitlement, the issue price and the number of Shares issued.

SALE OF SHARES

Shareholders participating in the Dividend Plan may sell any of their Shares, including Shares participating in the Dividend Plan or issued or purchased at any time. Shares participating in the Dividend Plan which are transferred are automatically withdrawn from the Dividend Plan.

If a Shareholder does not notify the share registry of the Company otherwise, any Shares disposed of will, to the extent possible, be taken to be:

- (a) first, Shares which are not Dividend Plan Shares; and
- (b) secondly, Dividend Plan Shares.

If a shareholder disposes of all their Shares without giving a Notice of Variation to the share registry of the Company and is not a registered holder of any Shares when the Company's share register is next closed for payment of a Dividend, the shareholder will be deemed to have terminated participation on the date when the Company last registered a transfer of the shareholder's Shares.

TAXATION

For income tax purposes, Dividends reinvested are treated by the Australian Taxation Office in the same manner as Dividends received in cash. Any imputation credit attaching to the cash Dividend is also available to shareholders participating in the Dividend Plan with respect to income tax payable or withholding tax deductible in Australia. Shares received by shareholders under the Dividend Plan will, in general, be subject to capital gains tax in Australia on disposal. The cost base of the Shares received under the Dividend Plan will be calculated for capital gains tax purposes on the basis that the Shares are acquired at a cost equal to the cash value of the Dividend which is applied in subscribing for the Shares.

All participating shareholders are advised to make their own enquiries regarding any tax liability in respect of their shareholding.

The Company takes no responsibility for any taxation liabilities of shareholders. Specific tax advice should be obtained by the Participant if so desired.

MODIFICATION AND TERMINATION OF THE DIVIDEND PLAN

The Dividend Plan may be varied, suspended or terminated by the Directors at any time by giving shareholders written notice as provided in the rules of the Dividend Plan.

IMPORTANT NOTE

The above is only a summary of the rules of the Dividend Plan and should not be relied on in substitution for reading the rules of the Dividend Plan.

ADDITIONAL INFORMATION

A copy of the Company's most recent annual report and financial statements is available to every Eligible Shareholder free of charge by:

- (a) downloading the documents from the Company's website (www.askfunding.com.au); or
- (b) downloading the documents from the ASX website (www.asx.com.au) (the Company's ASX code is "AKF"); or
- (c) on request by contacting the Share Registry (www.computershare.com.au).

RULES OF THE DIVIDEND PLAN

1. Interpretation

The following words have these meanings in these Rules, unless the contrary intention appears:

“**ASX**” means ASX Limited (ABN 98 008 624 691), the Australian Securities Exchange or the Australian Stock Exchange as appropriate.

“**Board**” means the board of Directors of the Company from time to time.

“**Company**” means Ask Funding Limited (ACN 094 503 385).

“**Constitution**” means the constitution of the Company as amended from time to time.

“**Directors**” means the directors of the Company acting as a board or any duly appointed committee of the Board.

“**Dividend**” means a cash dividend or cash component of a dividend paid by the Company.

“**DRP Election Form**” means the application to participate in the Plan in respect of a particular shareholding account in the form that the Directors from time to time approve.

“**Eligible Shareholder**” means a person registered as the holder of Shares other than:

- (a) a person with a registered address in any place where, in the reasonable opinion of the Directors, participation or the making of an offer or invitation to participate in the Plan is unlawful or would require compliance with conditions which the Directors in their sole discretion regard as unacceptable or unduly onerous; or
- (b) a person whose participation in the Plan would otherwise, in the reasonable opinion of the Directors, be unlawful, impractical, impossible or would have an adverse effect on the regulatory approvals or licences which the Company holds or for which it intends to apply.

“**Listing Rules**” means the Listing Rules of ASX.

“**Normal Trade**” means all trades excluding special trades such as special crossings, overseas trades, option exercise trades and any other trade determined by the Board in its complete discretion to not be reflective of normal trading in Shares.

“**Notice of Variation**” means a notice in the form that the Directors from time to time approve for a Participant to increase or decrease the number of the Participant’s Plan Shares.

“**Participant**” means an Eligible Shareholder whose application to participate in the Plan in respect of a particular shareholding account has been accepted by the Directors.

“**Plan**” means the Ask Funding Limited Dividend Reinvestment Plan, the terms of which are set out in these Rules.

“**Plan Shares**” means the Shares in a particular shareholding account which are designated by a Participant as Shares the Dividend on which is to be applied in subscribing for Shares under the Plan.

“**Rules**” means the rules of the Plan as varied from time to time.

“**Shares**” means fully paid ordinary shares in the Company, and any other shares issued by the Company that the Directors decide are eligible for participation in the Plan.

“**Share Registry**” means the share registry that maintains the Share register of the Company from time to time.

Unless the contrary intention appears, a reference in these Rules to:

- (a) **(person)** the word “person” includes a corporation; and
- (b) **(singular includes plural)** the singular includes the plural and vice versa.

2. Eligibility and participation in the Plan

2.1 Eligible Shareholders

Only Eligible Shareholders may participate in the Plan.

2.2 No transfer

Participation in the Plan is optional and not transferable.

2.3 DRP Election Form

To apply to participate in the Plan, Eligible Shareholders must complete, sign and lodge a DRP Election Form with the Share Registry.

The Company may also allow Eligible Shareholders to lodge DRP Election Forms electronically, either through the Company’s website or that of an authorised third party. The availability (if any) of such a facility will be referred to on the Company’s website and announced to ASX. Any DRP Election Forms so lodged must comply with the applicable terms and conditions of the facility.

2.4 Joint holders

All joint holders of Shares must sign a single DRP Election Form for it to be valid. If one or more of the joint holders of the Shares is not an Eligible Shareholder, none of the joint holders can apply to participate in the Plan with respect to the Shares jointly held.

2.5 Multiple shareholding accounts

If an Eligible Shareholder has more than one holding of Shares and wishes to participate in the DRP with respect to one or more such holding, a DRP Election Form must be lodged with respect to each separate shareholding.

3. Degree of participation

3.1 Participation

An Eligible Shareholder who wishes to participate in the Plan must elect on the DRP Election Form the degree to which the shareholder wishes to participate in the Plan. Participation in the Plan may be:

- (a) full participation - for all the Participant’s shareholding from time to time; or
- (b) partial participation - for a specific number of Shares nominated by the Participant together with the Shares issued under the Plan and any bonus

shares issued in respect of Plan Shares. If at the record date for a Dividend, the number of Shares held by the Participant is fewer than the nominated number, then the Plan will apply only to that lesser number for that Dividend.

3.2 Limited participation

Despite Rule 3.1, the Directors may at any time by written notice to Eligible Shareholders limit participation in the Plan by limiting the amount of Dividend which may be reinvested under the Plan.

3.3 Application taken to be for full participation

A DRP Election Form received by the Company is taken to be an application for full participation in the Plan for all shareholding accounts of the Eligible Shareholder if the Eligible Shareholder does not clearly indicate:

- (a) the shareholding account to which the election form applies; or
- (b) the degree of participation in the Plan.

An Eligible Shareholder is not entitled to notice under this Rule 3.3.

4. Acceptance of applications

4.1 Director's discretion

The Directors may in their absolute discretion accept or refuse any DRP Election Form, without being bound to give any reason for doing so.

4.2 Rejection of DRP Election Form

If the Directors refuse to accept a DRP Election Form, the Company must notify the Eligible Shareholder as soon as practicable that the DRP Election Form has been rejected.

4.3 Effectiveness of DRP Election Form

Subject to Rule 4.1, an Eligible Shareholder's participation in the Plan will commence from the first Dividend payment after receipt of the DRP Election Form, provided it is received before the record date for that Dividend, and will continue until:

- (a) it is superseded by a later Notice of Variation;
- (b) termination of the Participant's participation in the Plan; or
- (c) the Plan is suspended or terminated.

4.4 Record of DRP Participation

The Company will record for each shareholding account of each Participant particulars of:

- (a) the name and address of the Participant; and
- (b) the number of Plan Shares held by the Participant from time to time.

The Company's records will be conclusive evidence of the matters so recorded.

4.5 Significance of applying

By applying to participate in the Plan in accordance with Rule 2, an applicant:

- (a) warrants to the Directors that it is an Eligible Shareholder;

- (b) authorises the Directors (and their officers or agents) to correct any error in, or omission from, the applicant's DRP Election Form or any later Notice of Variation;
- (c) acknowledges that the Company may at any time irrevocably determine that the applicant's DRP Election Form is valid, in accordance with these Rules, even if the DRP Election Form is incomplete, contains errors or is otherwise defective;
- (d) acknowledges that the Directors may reject any DRP Election Form;
- (e) acknowledges the discount (if any) applicable under Rule 5.4 may be different from one Dividend to the next; and
- (f) acknowledges that none of the Directors, the Company or the Share Registry has provided the applicant with investment advice or financial product advice and that none of the above has any obligation to provide such advice concerning its decision to apply to participate in the Plan.

5. Reinvestment of Dividends

5.1 Reinvestment

Dividends on Plan Shares will be applied by the Company on the Participant's behalf in acquiring Shares. Any Dividends on Plan Shares which the Company is entitled to retain under its Constitution or otherwise will not be available for acquiring Shares.

Any portion of a Participant's Dividends on Plan Shares:

- (a) which is deductible by the Company as withholding tax; or
- (b) which the Company is entitled or required to withhold or deduct for any reason from the Dividend payable to that Participant,

will not be applied to acquire Plan Shares.

5.2 Plan accounts

The Directors will establish and maintain a Plan account for each shareholding account of each Participant. At the time of each Dividend payment, the Directors will:

- (a) determine the Dividend payable in respect of the Plan Shares which may be reinvested under the Plan (before any deduction referred to in (b) below);
- (b) determine (where applicable) the amount to be withheld or deducted under Rule 5.1, and any other sum the Company is entitled to retain in respect of the Plan Shares;
- (c) credit the amount in (a) above and debit any amount in (b) above to the Participant's Plan account;
- (d) determine the maximum whole number of Shares which can be acquired under these Rules by dividing the amount in the Participant's Plan account by the Issue Price and rounding to the nearest whole Share with 0.5 of a Share rounded down; and
- (e) on behalf of and in the name of the Participant, subscribe for the number of Shares determined under (d) above and debit the aggregate Issue Price for those Shares against the balance in the Participant's Plan account.

5.3 Entitlement formula

The number of Shares issued to each Participant will be the whole number equal to, or when not a whole number, be rounded to the nearest whole Share with 0.5 of a Share rounded down.

The number of Shares will be calculated in accordance with the following formula:

$$\frac{D - T}{I}$$

where:

- D is the Dividend payable on the Participant's Plan Shares as at the record date for that Dividend which may be reinvested under the Plan;
- T is any withholding tax or other sum the Company is entitled to deduct or retain in relation to the Dividend or the Plan Shares; and
- I is the Issue Price.

Shares will not be issued under the Plan if the issue of such Shares would breach any provision of any applicable law.

5.4 No discount unless otherwise determined

No discount will apply for the purposes of calculating the Issue Price unless the Directors determine otherwise. If the Directors resolve from time to time to apply a discount for the purposes of calculating the Issue Price, the discount must not exceed a percentage amount determined by the Directors from time to time.

Any discount determined by the Directors in respect of the Plan for a particular Dividend may differ from any discount determined by the Directors in respect of the Plan for any other Dividend.

The discount allocated for a particular Dividend:

- (a) may be nil; and
- (b) may be varied by announcement on the Company's website and to ASX at any time, but any variation will not apply to Dividends already announced.

5.5 Statements

As soon as practicable after each issue of Shares under the Plan, the Company will send to each Participant, for each shareholding account, a statement setting out:

- (a) the number of the Participant's Plan Shares on the record date for the relevant Dividend;
- (b) the Dividend payable in respect of that Participant's Plan Shares which has been applied towards acquiring additional Shares;
- (c) if applicable, the amount of any withholding tax or other amount under Rule 5.2(b) which has been deducted or retained from the Dividend payment on the Participant's Plan Shares;
- (d) the number, issue price and issue date of additional Shares allotted to that Participant under the Plan; and
- (e) the number of Shares (including Plan Shares) in respect of which that Participant is the registered holder after the allotment.

5.6 Equal ranking

All Shares issued under the Plan will from the date of issue rank equally in all respects with existing Shares.

5.7 Allotment and despatch of statements

Shares to be issued under the Plan will be issued within the time required by the ASX and shareholder statements for the Shares will be despatched as soon as practicable after issue if so required by the Constitution.

5.8 Quotation on ASX

The Company will make application promptly after any issue of Shares under the Plan for quotation of those Shares on ASX, if other Shares of the Company are quoted at that time.

6. Variation or termination of participation

6.1 Notice of Variation

By lodging with the Company a Notice of Variation, a Participant may:

- (a) increase or decrease the number of its Plan Shares; or
- (b) terminate its participation in the Plan.

A Notice of Variation must be lodged for each shareholding account. To be effective for a future Dividend, the Notice of Variation must be received by the Company before the record date for that Dividend.

6.2 Participation taken to be terminated

If a Participant disposes of all the Participant's Shares without giving the Company a Notice of Variation and is not registered as a holder of any Shares at the record date for payment of a Dividend, the Participant is taken to have terminated participation on the last date when the Company registered a transfer of the Participant's Shares.

6.3 Part disposal and no notice

When a Participant disposes of part of the holding of Shares of that Participant, and does not notify the Company otherwise, the Shares disposed of, to the extent possible, will be taken to be:

- (a) first, Shares which are not Plan Shares; and
- (b) secondly, Plan Shares.

6.4 Termination on death or bankruptcy

If a Participant dies, participation in the Plan terminates upon receipt by the Directors of written notice of the death. If a Participant is declared bankrupt or is wound-up, participation in the Plan terminates upon receipt by the Directors of a notification of bankruptcy or winding-up from the Participant or the Participant's trustee in bankruptcy or liquidator, as the case may be. The death, bankruptcy or winding up of one or more joint holders does not automatically terminate participation provided the remaining holder or all remaining joint holders are Eligible Shareholders.

7. Modification, suspension and termination of the Plan

7.1 Directors may act

The Plan may be:

- (a) modified (including by variation of the Rules);
- (b) suspended;
- (c) recommenced; or
- (d) terminated by the Directors at any time.

7.2 Modification

If the Plan or Rules are modified, a Participant continues to participate under the Plan unless the Participant terminates its participation in the Plan by submitting a Notice of Variation in accordance with Rule 6.1 or is taken to have terminated its participation under Rule 6.2 or Rule 6.4.

7.3 Suspension

If the Plan is suspended, Participants' elections as to participation in the Plan cease to be effective and all Shares are taken not to be Plan Shares for the purpose of any Dividend declared while the Plan is suspended.

7.4 No Dividends during suspension

While the Plan is suspended, Dividends on Plan Shares will not be applied by the Directors on the Participant's behalf in acquiring Shares.

7.5 Recommencement

If the Plan is recommenced following a suspension for:

- (a) less than two consecutive Dividend payment dates, the Participant's previously suspended DRP Election Form will be reinstated and be valid and effective in accordance with these Rules for the purposes of the recommenced Plan, unless determined otherwise by the Directors and notified to Participants in accordance with Rule 7.6; or
- (b) two or more consecutive Dividend payment dates, each Participant who wishes to participate in the recommenced Plan must complete and submit a new DRP Election Form, in accordance with Rule 2.3.

7.6 Notice

Unless otherwise determined by the Directors, the Company will give notice of any:

- (a) **termination of the Plan** to Participants at least one month before the effective date of the termination;
- (b) **variation of the Plan or Rules** (other than simply an exercise of a discretion, authority or power under these Rules) to Eligible Shareholders at least one month before the effective date of the variation; and
- (c) **suspension or recommencement of the Plan** to Participants as soon as reasonably practicable before or after the effective date of the suspension or recommencement.

Notice may be provided in any manner (including, but not limited to, by public announcement, advertisements in any newspapers circulating generally in Australia, notice on the Company's website, announcement to ASX or mailed written notices) which the Directors consider appropriate to bring the termination, variation, suspension or recommencement to the notice of the Participants or Eligible Shareholders, as the case may be, having regard to the nature of the event for which notice is being given.

7.7 No liability

Any variation, suspension, recommencement or termination of the Plan will not give rise to any liability on the part of, or right of action against, the Company or its Directors, officers, employees, representatives or agents.

7.8 Omission or non-receipt of notice

The accidental omission to give notice of variation, suspension or termination to any Participant or the non-receipt of any notice by any Participant will not invalidate the variation, suspension or termination of the Plan.

8. Administration of the Plan

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

- (a) determine procedures for administration of the Plan consistent with the Rules;
- (b) 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 Plan, whether generally or in relation to any Participant or any Shares and the determination of the Directors is to be conclusive and binding on all Participants and other persons to whom the determination relates;
- (c) arrange for the Plan to be fully or partially underwritten in respect of any dividends; and
- (c) delegate to any one or more persons, for such period and on such conditions as they may determine, the exercise of any of their powers or discretions arising under the Plan.

Notwithstanding anything else in these Rules, this Plan must be administered in accordance with the Listing Rules and the Constitution.

9. Participants to be bound

Participants are at all times bound by the Rules.

10. Costs to Participants

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

11. Governing law

These Rules will be governed by and construed in accordance with the laws of Queensland.