

DIVIDEND RE-INVESTMENT PLAN

Buderim Ginger Limited

ACN 010 978 800



TERMS AND CONDITIONS

The following are the Terms and Conditions applicable to the Buderim Ginger Limited Dividend Re-investment Plan ("the Plan").

IMPLEMENTATION OF THE PLAN

The plan will commence upon its implementation by the Directors.

PARTICIPATION IN THE PLAN

Participation is optional.

The Plan is open to all shareholders of Buderim Ginger Limited. However, documentation associated with the Plan will not be sent to shareholders in a country where, under the laws of that country, it would be unlawful to do so.

APPLICATIONS TO PARTICIPATE

Applications to participate in the Plan are to be made on the Application Form which is approved by the Directors and signed by the shareholder. On receipt of the Application by Buderim Ginger Limited it will be effective as from the next books closing date for the determination of entitlements to dividend, and all subsequent dividends.

To participate in the first allotment under the Plan, Application Forms must be received by Buderim Ginger Limited no later than the date prescribed by the Directors, once the Plan is implemented by the Directors.

DEGREE OF PARTICIPATION

Participation in the Plan may be either full or partial.

Under full participation, the Plan will apply to all cash dividends payable on all the participant's shareholding from time to time, including shares allotted to the participant under the provisions of the Plan and other shares subsequently acquired by the participant less shares disposed of by the participant since full participation commenced.

Under partial participation, the Plan will apply to all cash dividends payable on the percentage (%) of the participant's shares nominated.

Applications in respect of a shareholder's shareholding which are duly signed but which do not indicate the degree of participation selected shall be deemed by Buderim Ginger Limited to be applicants for full participation.

If a conflict appears in the Application Form such that it is not clear whether a shareholder requires partial participation or full participation, the Directors in their absolute discretion will determine whether participation is partial or full.

If two or more Application Forms are received and for any reason there is a conflict between the Application Forms, the Directors may at their discretion reject all or any of the Application Forms.

OPERATION OF THE PLAN

Each cash dividend which is payable to a participant in respect of shares subject to the Plan and which is available for payment to the participant will upon payment be used to acquire additional fully paid shares in Buderim Ginger Limited.

In respect of each participant, Buderim Ginger Limited will establish and maintain a Plan Account and issue a Statement as at each dividend payment date reconciling the allocation of the participant's dividends to new shares issued and showing any balance owing.

Shares to be allotted under the Plan will be priced at a discount, as determined from time to time by the Directors, to:

- the weighted average market price of all Buderim Ginger Limited shares sold on the Australian Stock Exchange during the first 5 trading days which immediately follow the ceasing of "Cum Dividend" trading on the Australian Stock Exchange in relation to the dividend to be paid; or,
- if there is no trading in Buderim Ginger Limited shares on those days, the weighted average market price of all Buderim Ginger Limited shares sold on the Australian Stock Exchange on the last 5 days that trading occurred in the shares prior to the commencement of "Ex Dividend" trading, after deducting, where such prices include the amount of the declared dividend or the interim dividend paid, the amount of such dividend declared or interim dividend paid, less such amount as the Company's broker or other stockmarket adviser may recommend to take account of the effect on the market price of the Company's shares of any bonus issue, rights issue or other issues occurring after each of those prices are taken.

SHARES ALLOTTED UNDER THE PLAN

Shares will be allocated in accordance with the Listing Rules of Australian Stock Exchange Limited.

All shares allotted under the Plan will rank equally in all respects with existing fully paid ordinary shares of Buderim Ginger Limited.

The share certificates for the shares allotted under the Plan will be sent to the Shareholders following each allotment.

NEW SHARES TO PARTICIPATE IN THE PLAN

The shares allotted under the Plan will participate in the Plan in respect of future dividends. In the case of partial participation, shares allotted under the Plan will be included in the total holding of shares to determine the number of shares to participate in future issues of shares pursuant to the Plan in accordance with the nominated percentage.

NUMBER OF SHARES TO BE ALLOTTED

Shares to be allotted to shareholders participating in the Plan will be calculated by reference to the following formula:

$$S = \frac{N \times D}{MP} \times \%$$

Where:

S equals the number of shares to be allotted to the participating shareholder;

N is the number of shares equivalent to the percentage of shares that the participating shareholder has elected to form part of the Plan;

D equals the amount of dividend per share declared by the Directors;

MP equals

- the weighted average market price of all Buderim Ginger Limited shares sold on the Australian Stock Exchange during the first 5 trading days which immediately follows the last day of trading “Cum Dividend” on the Australian Stock Exchange;

or

- if there is no trading in Buderim Ginger Limited shares on those days, the weighted average market price of all Buderim Ginger Limited shares sold on the Australian Stock Exchange on the last 5 days that trading occurred in the shares prior to commencement of “Ex Dividend” trading, after deducting, where such prices include the amount of the declared dividend or the interim dividend paid, the amount of such dividend declared or interim dividend paid, less such amount as the Company’s broker or other stockmarket adviser may recommend to take account of the effect on the market price of the Company’s shares of any bonus issue, rights issue or other issues occurring after each of the prices are taken.

FRACTIONS

Where a fraction of a share results from the pricing formula used to determine the number of shares to be allotted:

- that fraction shall be rounded up to the nearest whole number only if, after such rounding up, the allotment price per share exceeds the par value of the shares at the time of such allotment; or
- in any other event, that fraction shall be rounded down to the nearest whole number and that fraction will be forgone.

ALLOTMENT PRICE LESS THAN PAR VALUE

If the application of the pricing formula would result in the allotment price of shares under the Plan being less than the par value of shares in Buderim Ginger Limited at the time of such allotment, the Plan will not apply in respect of that dividend and the dividend will be paid in cash.

STOCK EXCHANGE LISTING

Buderim Ginger Limited will promptly apply for quotation of the shares allotted under the Plan on Australian Stock Exchange Limited.

COST TO PARTICIPANTS

No stamp duty, brokerage, commission or other transaction costs are payable by participants in respect of any allotment of shares under the Plan.

VARIATION OF PARTICIPATION IN THE PLAN

A shareholder may from time to time vary his or her level of participation in the Plan, or may at any time elect to participate in, or withdraw from the Plan, by completing a Notice of Variation or Termination in the form which is approved by the Directors.

The notice of variation or termination must be received by the Company before the books closing date for the determination of entitlement to dividends.

AMENDMENT, SUSPENSION AND TERMINATION OF THE PLAN

The Directors may at any time, modify, vary, supplement or substitute all or any of these terms and conditions.

The Directors shall not be required to have any amendment to the Plan approved by Buderim Ginger Limited in general meeting. Any amendment must be consistent with the Listing Rules of Australian Stock Exchange Limited.

The Plan will continue unless suspended or terminated by the Directors.

Notice of any suspension or recommencement of the Plan after suspension or termination shall be given to shareholders as soon as practical after the Directors have decided.

ADMINISTRATION OF THE PLAN

Subject to these Terms and Conditions, the Directors will administer the Plan on such terms and conditions as they deem expedient.



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