

20 July 2015

Ms Violetta Codreanu
ASX Limited
Company Announcements Office
Level 4, Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Violetta

My Net Fone Limited Dividend Reinvestment Plan Rules

In accordance with ASX Listing Rule 3.10.8, the Board of My Net Fone Limited is pleased to advise that the Company will activate the Dividend Reinvestment Plan (DRP) from the 2015 final dividend.

The DRP Rules are attached to this announcement.

Yours sincerely



Catherine Ly
Company Secretary

Commercial in confidence

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My Net Fone Limited
DIVIDEND REINVESTMENT PLAN RULES

MY NET FONE LIMITED

DIVIDEND REINVESTMENT PLAN RULES

The Dividend Reinvestment Plan provides eligible My Net Fone shareholders with the option to receive all or part of their dividends as additional My Net Fone shares instead of cash.

This document sets out the rules for administering the Dividend Reinvestment Plan. Participation is optional. Before making a decision, Shareholders should read these rules carefully and seek their own independent investment and taxation advice.

1. Definitions and interpretation

(a) In these Rules:

Applicable law means relevant provisions of Australian law, the Listing Rules and, in relation to any Shareholder whose registered address is outside Australia, relevant provisions of the laws of that place.

ASX means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange as the context requires.

Constitution means the constitution of MNF as varied from time to time.

Directors means the board of directors of MNF.

DRP means the My Net Fone Limited Dividend Reinvestment Plan as varied from time to time.

DRP Notice means a notice under the DRP in the form MNF requires from time to time.

Listing Rules means the ASX Listing Rules to the extent they apply to MNF, modified by any waiver granted by ASX.

MNF means My Net Fone Limited ABN 37 118 699 853.

Participant means a Shareholder who holds Shares which participate in the DRP.

Record Date means the date nominated by the Directors for the purpose of identifying which Shareholders are entitled to receive a particular dividend.

Rules means these DRP rules as varied from time to time.

Shares means fully paid ordinary shares in the capital of MNF.

Shareholder means a registered holder of Shares.

Trading Day has the same meaning given the term in the Listing Rules.

- (b) In these Rules, unless the context otherwise requires:
- the singular includes the plural and vice versa;
 - a reference to a person includes a reference to a corporation, partnership, joint venture or other legal entity;
 - headings are for convenience only and do not affect

- the interpretation of the Rules;
- if anything under these Rules requires or entitles the Directors to make a determination, the Directors may make that determination at their absolute discretion.

2. Participation in the DRP

- (a) Participation in the DRP is subject to these Rules.
- (b) Participation in the DRP is optional and not transferable.
- (c) Each Shareholder is eligible to participate in the DRP unless excluded under these Rules.
- (d) A Shareholder resident or having a registered address in a country other than Australia and New Zealand is not eligible to participate in the DRP unless the Directors determine otherwise. The Directors may determine whether to exclude such a Shareholder from the DRP.
- (e) If the Directors consider that a Shareholder's participation in the DRP or the issue of Shares to, or the holding of Shares by, a Shareholder may be unlawful, impractical, or may cause expense or difficulty of any kind, the Directors may decline to accept the Shareholder's application to participate in the DRP, or withdraw or suspend the Shareholder's participation in the DRP, or reduce or suspend the issue of Shares under the DRP to that Shareholder.
- (f) Each Shareholder is solely responsible for obtaining all government and regulatory approvals and consents which may be required for them to participate in the DRP.

3. Application to participate

A Shareholder who wishes to participate in the DRP must lodge a DRP Notice with MNF's share registry as set out in paragraph 14 of these Rules.

4. Degree of Participation

- (a) A Shareholder may choose full participation or partial participation in the DRP.
- (b) If a Shareholder chooses full participation, all Shares registered in the Participant's name from time to time (including Shares issued under the DRP and any other Shares subsequently acquired by the Participant) will participate in the DRP.
- (c) If a Shareholder chooses partial participation, only the number of Shares specified in the Shareholder's DRP Notice will participate in the DRP, except that if the number of Shares held by the Shareholder at the relevant Record Date is less than the number of Shares specified as participating in the DRP, then that lesser number of Shares will participate in the DRP for that dividend. If a Shareholder chooses partial participation, Shares subsequently acquired by the Shareholder (whether under the DRP or otherwise) will only participate in the DRP if the Shareholder lodges a DRP Notice to increase

their degree of participation in the DRP.

- (d) If the Directors consider that a DRP Notice does not clearly indicate the degree of participation in the DRP, the Shareholder will be taken to have chosen full participation.
- (e) If a Shareholder has more than one shareholding account, the Shareholder must lodge a separate DRP Notice for each shareholding account which is to participate in the DRP. Unless the Directors determine otherwise, each shareholding account of a Shareholder will be treated separately for all purposes under the DRP.
- (f) The Directors may determine a maximum number or percentage of Shares per Participant which may participate in the DRP for a particular dividend or dividends generally.
- (g) The Directors may determine a minimum number of Shares per Participant which may participate in the DRP.

5. Operation of the DRP

- (a) MNF will establish and maintain a DRP account for each shareholding account of each Participant. For each dividend payable to a Participant, MNF will:
 - determine the amount of dividend (less any withholding tax) payable in respect of the Participant's Shares participating in the DRP and credit that amount to the Participant's DRP account;
 - determine the maximum whole number of additional Shares which could be acquired under the DRP by dividing the amount in the Shareholder's DRP account by the subscription price determined under paragraph 5(b) of these Rules and rounding down to the nearest whole number;
 - allot that number of additional Shares to the Participant and debit the Participant's DRP account with the total subscription price for the additional Shares; and
 - retain in the Shareholder's DRP account any remaining cash balance rounded down to the nearest cent. Interest will not accrue or be paid in respect of DRP account balances.
- (b) The subscription price in respect of a dividend will be the average of the daily volume weighted average market price (rounded to the nearest cent) of all Shares sold via a Normal Trade on the ASX during a period of 5 Trading Days commencing 2 Trading Days after the relevant Record Date or other period commencing before or after the Record Date determined by the Directors, less a discount (if any) determined by the Directors from time to time. If the Directors consider that the price as calculated in the previous sentence does not represent fair market value, the Directors may determine the fair market value at their absolute discretion.
- (c) For the purposes of paragraph 5(b) of these Rules, Normal Trade means all trades except trades such as special crossings, overseas trades, overnight trades, trades pursuant to the exercise of options, crossings before commencement of normal trading or during the closing phase or after hours adjustment phase, or any trades which the Directors, or their nominee, determine to exclude because they are not considered to reflect normal trading in the Shares.

- (d) The subscription price determined by the Directors or their nominee in accordance with these Rules will be binding on all Participants.

6. Issue of Shares under the DRP

- (a) Shares issued under the DRP will be issued in accordance with the Listing Rules and will rank equally with other Shares.
- (b) Shares issued under the DRP will be registered in the Participant's name on the register chosen by MNF on which the Participant already holds Shares.

7. Cost to Participants

- (a) No brokerage, commission, stamp duty or other transaction costs will be payable by Participants in respect of any issue of Shares under the DRP.
- (b) MNF does not assume liability for any taxes or other charges assessed against or imposed on individual Participants.

8. DRP Statements

After each issue of Shares under the DRP, MNF will provide each Participant a statement setting out:

- the number of Shares participating in the DRP held by the Participant at the relevant Record Date;
- the amount of dividend payable to the Participant in respect of their Shares participating in the DRP;
- the number of Shares issued to the Participant under the last DRP issue;
- the subscription price of the Shares issued under the last DRP issue;
- the Participant's total holding of Shares after the issue;
- the remaining cash balance (if any) in the Participant's DRP account; and
- anything else required by law or as the Directors determine.

9. ASX Listing

MNF will apply for Shares issued under the DRP to be listed for quotation on the ASX as soon as practicable after the issue.

10. Varying or terminating participation

- (a) By lodging a DRP Notice with MNF's share registry as set out in paragraph 14 of these Rules, a Participant may at any time:
 - increase or decrease the number of their Shares participating in the DRP; or
 - terminate their participation in the DRP.
- (b) If a Shareholder increases their participation to full participation, all Shares registered in the Participant's name at the date of the DRP Notice and all Shares subsequently acquired by the Participant (whether under the DRP or otherwise) will participate in the DRP.
- (c) If after an increase or decrease a Shareholder has partial participation, only the number of Shares specified in the Shareholder's DRP Notice will participate in the DRP, except that if the number of Shares held by the Shareholder at the relevant Record Date is less than the number of Shares specified as participating in the DRP,

then that lesser number of Shares will participate in the DRP for that dividend. In the case of partial participation, Shares subsequently acquired by the Shareholder (whether under the DRP or otherwise) will not participate in the DRP.

- (d) If the Directors consider that a DRP Notice does not clearly indicate the degree of participation in the DRP, the Shareholder will be taken to have chosen full participation.
- (e) If a Participant dies, is declared bankrupt, or is wound up, their participation in the DRP will terminate when MNF's share registry receives written notice of the death, bankruptcy or winding up. The death, bankruptcy or winding up of one or more joint Participants terminates the participation in the DRP of the remaining Participant or joint Participants. Termination takes effect with respect to the next occurring Record Date.
- (f) If a Participant terminates their participation in the DRP or MNF suspends or terminates the DRP, and the Participant continues to be a Shareholder, any remaining cash balance in the Participant's DRP account at the date of termination or suspension will be added to the Participant's next dividend payment and paid in accordance with the Participant's dividend payment instructions. Otherwise, if the Participant sells their Shares before the next Record Date, or if participation in the DRP ceases because a Participant has sold all their Shares, the Participant will be taken to have directed MNF to donate any remaining cash balance in the Participant's DRP account at the date of termination to a registered charity nominated by the Directors.

11. Disposal of Shares

- (a) If only some of a Participant's Shares participate in the DRP, and the Participant disposes of some but not all of their Shares, then the Participant will be taken to have disposed first of their Shares not participating in the DRP.
- (b) If all of a Participant's Shares participate in the DRP, and the Participant disposes of some but not all of their Shares, then the remaining Shares held by them will continue to participate in the DRP.
- (c) Shares which are sold or otherwise transferred to a new owner cease to participate in the DRP on registration of the transfer.

12. Varying, suspending and terminating the DRP

- (a) The Directors may vary, suspend, recommence or terminate the DRP at any time by giving notice to Shareholders as set out in paragraph 14 of these Rules.
- (b) A variation, suspension, recommencement or termination will become effective on the date specified by the Directors in the notice.
- (c) If the DRP is varied, a Participant continues to participate in the DRP under the Rules as varied unless the Participant lodges a DRP Notice with MNF's share registry to the contrary.
- (d) During any period when the DRP is suspended, all Shares are considered to be non-participating Shares

for the purpose of any dividends.

- (e) If the Directors determine that the DRP be recommenced after any suspension, the Directors may direct that each Shareholder who was a Participant immediately before the DRP was suspended, continues to participate in the DRP when it recommences with the same level of participation as immediately before the suspension, subject to these Rules.

13. Administering the DRP

- (a) The Directors may implement and administer the DRP as they think fit.
- (b) The Directors may settle as they think fit any difficulty, anomaly or dispute which may arise in connection with the operation of the DRP, whether generally or in relation to any Shareholder or any Shares, and the determination of the Directors will be conclusive and binding on all Participants and anyone else to whom the determination relates.
- (c) The Directors may delegate to any one or more persons the exercise of any of their powers or discretions arising under the DRP, for such period and on such conditions as they may determine.

14. Applications and Notices

- (a) Applications and notices under these Rules must be in the form required by the Directors from time to time. The Directors may determine that they can be lodged online through MNF's or a third party's website.
- (b) A DRP Notice is effective for a particular dividend and all subsequent dividends on receipt by MNF's share registry subject to these Rules, subject to acceptance by MNF (if the notice is an application), and provided that it was received by MNF's share registry before 5.00 pm (Sydney time) on the first business day after the relevant Record Date, or other date determined by the Directors. If the DRP Notice is received after 5.00pm on that day, it will be effective in respect of subsequent dividends but not that dividend.
- (c) MNF may give notice under these Rules in any manner which the Directors consider appropriate, including but not limited to by notice on MNF's website, announcement to ASX or written notice mailed to Shareholders.

15. Rules binding on Shareholders

These Rules will be binding on all Shareholders at all times.

16. Applicable Law and Constitution prevail

Applicable Law and the Constitution prevail over these Rules to the extent of any conflict.

17. Governing Law

These Rules are governed by the laws of Victoria.