



24 March 2014

The Manager, Listings
Australian Securities Exchange
ASX Market Announcements
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Boral Limited
Level 3, 40 Mount Street
North Sydney NSW 2060
PO Box 1228
North Sydney NSW 2059

T: +61 (02) 9220 6300
F: +61 (02) 9233 6605

www.boral.com.au

Dear Sir

Dividend Reinvestment Plan (DRP) – suspension and amendments

As previously announced, following the interim dividend payable on 24 March 2014 Boral's DRP will be suspended until further notice.

We attach a copy of a letter to shareholders notifying them of changes to the terms and conditions of the DRP. The amendments will not apply for the 2014 interim dividend but will be effective for any subsequent dividends for which the DRP is re-activated.

A copy of the terms and conditions of the DRP as amended are also attached.

Yours faithfully

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

Dominic Millgate
Company Secretary



24 March 2014

Boral Limited
Level 3, 40 Mount Street
North Sydney NSW 2060
PO Box 1228
North Sydney NSW 2059

T: +61 (02) 9220 6300
F: +61 (02) 9233 6605

Dear Shareholder

www.boral.com.au

Dividend Reinvestment Plan (DRP) - suspension and amendments

As previously announced, following the interim dividend payable on 24 March 2014 Boral's DRP will be suspended until further notice.

This letter is to inform shareholders that the terms and conditions of the DRP have been amended by the Board of Directors. One month's notice of the amendments to the DRP needs to be given to participants under the terms and conditions.

The amendments notified in this letter will not apply for the 2014 interim dividend but will be effective for any subsequent dividends for which the DRP is re-activated. In addition to minor updates to terminology, the changes are as follows:

- **The last date to elect to participate in the DRP for a dividend will be the first business day after the record date for that dividend (or such other date determined by the Board).** This change is to ensure compliance with a recent change to the ASX Listing Rules, which takes effect for dividends paid from 14 April 2014.
- **Future modification, suspension or termination of the DRP may be notified by way of an ASX announcement, rather than by one month's notice to individual participants.** This will provide administration and cost savings to the Company, while still ensuring that notice is provided to shareholders in a convenient way. Modifications, suspension and termination will take effect from the date they are notified.

A copy of the revised DRP terms and conditions have been posted on the ASX market announcements platform. They can also be found on Boral's website (www.boral.com.au).

Please take this opportunity to review and, if necessary, update your bank account details via Boral's share registry at www.linkmarketservices.com.au or by completing the enclosed "Request for Direct Credit of Payments" form and returning it to Link Market Services, Locked Bag A14 Sydney South NSW 1235.

If you have any questions or require any additional information regarding the DRP, please contact Boral's share registry on 1300 730 644.

Yours faithfully

Dominic Millgate
Company Secretary



Boral Limited

ABN 13 008 421 761

All Registry communications to:
Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia
Telephone: +61 1300 730 644
Facsimile: +61 2 9287 0303
ASX Code: BLD
Email: boral@linkmarketservices.com.au
Website: www.linkmarketservices.com.au

Full Name(s) of Registered Holding

Account Designation

Registered Address

 Postcode

**Securityholder Reference Number (SRN)
Or Holder Identification Number (HIN)**

A

REQUEST FOR DIRECT CREDIT OF PAYMENTS

Please use a BLACK pen. Print CAPITAL letters inside the combed boxes below.

Insert details of the Australian or New Zealand Financial Institution, Branch and Account into which you wish to have your payments made. This request will not cancel any reinvestment plan participation (if any) unless we receive specific instructions from you. A detailed payment advice will be provided for each payment.

A direct credit request form is required for each holding.

Name(s) in which your account is held

BSB Number (Bank/State/Branch)

Account Number

Suffix (NZ domiciled only)

Name of Financial Institution

Branch Suburb/Town

B

SIGNATURE(S) OF SHAREHOLDER(S) – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary/Director (delete one)

Director/Company Secretary (delete one)

Signing Instructions: This form should be signed by the shareholder. If a joint holding, all shareholders should sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth) (or for New Zealand companies, the *Companies Act 1993*).

Date

Privacy Clause: Link Market Services Limited advises that Chapter 2C of the *Corporations Act 2001* (Cth) requires information about you as a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold shares. Information is collected to administer your shareholding and if some or all of the information is not collected then it might not be possible to administer your shareholding. Your personal information may be disclosed to the entity in which you hold shares. You can obtain access to your personal information by contacting us at the address or telephone number shown on this form. Our privacy policy is available on our website (www.linkmarketservices.com.au).

BLD DIV116



Boral Limited
ACN 008 421 761

Dividend Reinvestment Plan Terms and Conditions

The following terms and conditions apply to the Dividend Reinvestment Plan ("the **DRP**") of Boral Limited ("**Boral**").

1. The DRP

The DRP is a means by which Boral shareholders may elect to receive ordinary shares in the capital of Boral ("**Shares**") instead of cash dividends declared by Boral in respect of all or part of their shareholdings.

2. Participation

Participation in the DRP is optional and open to all holders of Boral Shares ("**Shareholders**") except those Shareholders whose addresses (as they appear in the share register of Boral) are in countries where regulations make it impracticable in the opinion of Boral for them to participate. Participation may be varied or terminated at any time in accordance with the procedures set out in paragraphs 10, 11 and 13. "**Participant**" means a Shareholder participating in the DRP.

3. Applications

Applications to participate in the DRP will be made on the appropriate Application Form and subject to the terms and conditions of the DRP current at the date of application. If a duly completed Application is received by Boral on or before the first business day following the record date for a dividend (or such other date determined by the Board to be the last date to elect to participate in the DRP for a dividend) ("**Last Election Date**"), participation in the DRP will commence with effect for that dividend. Applications received after the Last Election Date for a dividend will not be effective for that dividend but will be effective for subsequent dividends.

For the purposes of this paragraph, "business day" has the same meaning as in the ASX Listing Rules.

4. Degree of Participation

Participation in the DRP may be full or limited.

Full participation applies in respect of all of the Participant's Shares from time to time howsoever acquired.

Limited participation applies in respect of a specific number of Shares nominated by the Participant and being less than the Participant's total number of Shares. However, if, at the relevant record date for determining entitlements to payment of a dividend, the number of Shares held by the Participant is less than the nominated number then the provisions of the DRP will in respect of that dividend apply only to such lesser number of Shares.

In the event that an Application Form does not indicate the degree of participation, it will be deemed to be an application for full participation.

5. Limits on Participation

The minimum number of Shares which may participate in the DRP is 100 Shares.

The Directors may create, change or remove a maximum number of Shares which may participate in the DRP from time to time. The creation of any such maximum limit or any change to it will be announced by Boral before the record date for any dividend payment to which it relates.

6. Operation of the DRP

6.1 *Entitlement to Additional Shares*

Each dividend payment to a Participant in respect of Shares subject to the DRP will be applied by Boral on the Participant's behalf to additional Shares. However, any amount so payable on Shares which a Participant has nominated as participating in the DRP and which Boral is entitled to retain or otherwise has a charge over in accordance with the Constitution of Boral or other requirements of law will not be available for the purpose of participating in the DRP.

6.2 *Issue New Shares or Purchase Existing Shares*

The Directors in their absolute discretion will determine, with respect to the operation of the DRP for any dividend, whether to issue new Shares or to cause the purchase and transfer of existing Shares, or to apply a combination of both options, to satisfy Boral's obligations under the DRP.

If the Directors determine to cause the purchase of Shares and their transfer to Participants, the Shares may be acquired as the Directors consider appropriate. Boral, if it so chooses, may create a trust (of which Participants are the beneficiaries) to acquire the Shares and then transfer or sell such Shares to the Participants.

6.3 *Price*

Shares provided under the DRP will be at a price being the arithmetic average of the daily volume weighted average price of all Shares sold on the Australian Securities Exchange ("**ASX**") on each of the ten trading days commencing on the second trading day after the record date of Boral's share register for determining entitlements to payment of the dividend (at such discount (if any) as the Directors determine, not exceeding 7.5%) (the "**Price**").

The arithmetic average of the daily volume weighted average price per Share will be calculated excluding all off-market trades, including but not limited to transactions identified in accordance with the ASX Operating Rules as 'Special Crossings', 'Crossings' prior to the commencement of the 'Open Session State', any overseas trades or trades pursuant to the exercise of options over Shares, and any overnight crossings or other trades that Boral determines to exclude on the basis that the trades are not fairly reflective of supply and demand.

6.4 *DRP Account*

In respect of each Participant, Boral will establish and maintain a DRP Account. At the time of each dividend payment, Boral will for each Participant:

- (a) determine the amount of the dividend payable to the Participant in respect of the Participant's participating Shares and credit that amount to the Participant's DRP Account;
- (b) determine (where applicable and practicable) the Australian withholding tax in respect of that dividend, and any other sum that Boral is entitled or required to retain in respect of the participating Shares, and debit that amount from the Participant's DRP Account;

- (c) determine the maximum number of additional fully paid Shares in accordance with the entitlement formula outlined in clause 6.6 utilising the whole balance of the DRP Account, including the cash balance carried forward from previous dividend payments;
- (d) on behalf of the Participant subscribe for or otherwise acquire, in terms of the deemed direction described in clause 6.5 below, and allot or transfer that number of fully paid Shares calculated in accordance with clause 6.4(c) above and debit the Participant's DRP Account with the amount calculated as the Price multiplied by the number of allotted or transferred Shares; and
- (e) retain in the Participant's DRP Account and carry forward, without interest, any cash balance remaining to be applied in the manner set out above to be added to the next dividend unless participation in the DRP is terminated in accordance with clause 10.

6.5 Deemed Directions by Shareholder

A Shareholder who applies to participate in the DRP will, in making his or her application, be deemed to have directed Boral to apply such monies towards subscription for or other acquisition of the number of Shares as is determined by the application of the formula in clause 6.6.

6.6 Entitlement Formula

In respect of participating Shares, on each dividend payment date, subject to clause 6.7, the Directors will allot or cause to be transferred to each Participant that number of Shares determined by the application of the following formula:

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

where:

- S is the number of participating Shares held by the Participant on the relevant record date;
- D is the amount of the dividend per participating Share declared by the Directors payable on that dividend payment date, LESS any applicable Australian withholding tax in respect of that dividend, and any other sums that Boral is entitled or required to retain in respect of the participating Shares. The resultant amount being expressed in terms of cents, with fractions of cents rounded to the nearest cent;
- B is the carry forward residual (if any) in the Participant's DRP Account from previous dividends; and
- C is the Price.

Where a fraction of a Share would result from the calculation of a Participant's entitlement under this clause, the Participant's entitlement will be rounded down to the nearest whole number of Shares.

6.7 **Fractions of Shares**

Where a fraction of a Share would result from the calculation of a Participant's entitlement under clause 6.6, the value of that fraction of a Share will be carried forward in the Participant's DRP Account, without interest, to be applied towards the calculation at the time of the next dividend. The amount carried forward will be detailed in the dividend statement referred to in clause 9.

The value of a fraction of a Share will be calculated in accordance with the following formula:

$$F \times C$$

where:

F is the fraction of a Share resulting from the calculation in clause 6.6; and

C is the Price.

7. **Shares to be allotted under the DRP**

Shares to be allotted under the DRP will be allotted within the time required by the listing requirements of ASX.

Shares allotted under the DRP will, from the date of allotment, rank equally in all respects with all other fully paid Shares in Boral.

8. **Costs to Participants**

No brokerage, commissions, stamp duty or other transaction costs will be payable by a Participant in respect of the application for or allotment or acquisition of Shares under the DRP.

9. **Statements to Participants**

Boral will send to each Participant a statement as at each dividend payment providing the following details of transactions recorded in the Participant's DRP Account:

- (a) **(number)** the number of the Participant's participating Shares subject to the DRP as at the record date;
- (b) **(dividend)** the aggregate amount of the dividend(s) payable to the Participant in respect of the Participant's participating Shares;
- (c) **(allotment or transfer)** the number of Shares allotted or transferred under the DRP to the Participant on that dividend payment date and the Price at which those Shares were allotted or transferred;
- (d) **(carry forward)** the residual cash balance carried forward in the Participant's DRP Account (if any) as calculated in clause 6.7;
- (e) **(total holding)** the Participant's total holding of participating Shares after that allotment or transfer; and
- (f) **(other)** any information prescribed by Australian taxation laws.

10. Alteration and termination of participation

A Participant may at any time vary the degree of participation or may terminate participation in the DRP by giving notice to Boral.

The receipt by Boral of notice of the death of a Participant will terminate such participation in the DRP by that Participant and any other Participant with whom such Participant was a joint Participant.

Where a Participant disposes of his/her full holding, his/her participation in the DRP will terminate on the date of the last transaction registered.

11. Reduction when no notice given

When a Participant with limited participation disposes of a number of Shares, and does not notify Boral otherwise, the shares being disposed of will to the extent possible be taken to be shares not participating in the DRP.

12. DRP Account Residual

In the event of termination of participation in the DRP by a Participant, as outlined in clause 10, any residual positive balance in the Participant's DRP Account at that time will be paid by cheque or direct credit to the Participant.

Alternatively, Boral may elect to donate such residual positive balance in the Participant's DRP Account at that time to a registered charity selected by it and in such event, Participants will not be issued with a receipt in relation to such donation.

13. Modification and termination of the DRP

The DRP may be modified, suspended or terminated by the Directors at any time by giving notice to the ASX. In the case of a modification, Participants will be deemed to have accepted the modification and to participate on the changed terms unless and until they direct otherwise by notice to Boral.

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

14. ASX listing

Boral will make application for Shares allotted under the DRP to be listed for quotation on the official list of ASX.

15. Applications and Notices

Applications and notices to Boral shall be in writing (or where Boral so permits, in electronic form) and in such form as Boral may from time to time require. Such applications and notices will be effective upon their receipt by Boral subject to:

- (a) the current terms and conditions of the DRP;
- (b) in the case of applications, acceptance by Boral; and

- (c) receipt by Boral before the relevant books closing date of Boral's share register for determining entitlements to payment of a dividend, or, in the case of an Application to participate under paragraph 3, on or before the Last Election Date. Applications or notices received after such date will not be effective for that dividend but will be effective for subsequent dividends.

16. General

The DRP and its operation will be governed by the laws of the State of New South Wales. Boral reserves the right to waive strict compliance with any of the terms and conditions of the DRP.

17. Taxation

Boral takes no responsibility and assumes no liability for any taxation liabilities of Participants in the DRP. Shareholders should obtain their own taxation advice regarding participation in the DRP.