



ARGOSY PROPERTY LIMITED DIVIDEND REINVESTMENT PLAN

- ▶ This document is dated 16 November 2015 and sets out the terms and conditions of the Argosy Property Limited Dividend Reinvestment Plan ("DRP") established by Argosy Property Limited ("Company") as a means by which shareholders in the Company may elect to have fully paid shares issued to them in lieu of all or a specified part of any dividends otherwise payable to them.

Terms & Conditions

These terms and conditions (“Terms”) are issued in compliance with the Financial Markets Conduct Act 2013, which exempts the Company from the need to issue a product disclosure statement in respect of the DRP.

These Terms replace the terms and conditions of the Company’s Dividend Reinvestment Plan dated 29 February 2012 (the “Former DRP”). An election already made under the Former DRP will apply under these Terms.

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PRELIMINARY

1. These Terms constitute the terms and conditions of the DRP established by the Company.
2. The DRP will continue in operation until suspended or terminated by the Company pursuant to clause 33.

OPERATION OF THE DRP

3. By electing to participate in the DRP, a Participant elects to forgo cash dividends on shares participating in the DRP and is instead entitled to acquire fully paid shares in the Company, to the extent of their participation in the DRP (and subject to these Terms). The Company will, on the day that a Participant would have otherwise been paid a cash dividend on shares participating in the DRP, issue the number of new fully paid shares to which the Participant is entitled under the DRP. Shares issued under the DRP will be issued on these Terms, will all be subject to the same rights as each other and will rank equally in all respects with each other and with all other fully paid shares in the Company as at the date of issue.
4. The Board will determine the source of payment for the shares issued under the DRP and for this purpose may capitalise any amount available for payment of the dividend in accordance with the Constitution. Argosy's dividend policy is available on its website, www.argosy.co.nz.

PARTICIPATION

5. Participation in the DRP is optional and is open to all shareholders except to the extent that the Company excludes shareholders in jurisdictions outside New Zealand where to extend the DRP to that jurisdiction would risk breaching the laws of that jurisdiction or where it would be unduly onerous for the Company to extend the DRP to that jurisdiction. For further details please see clauses 27 and 28.
6. Shares which do not qualify for a dividend under their terms of issue, or by virtue of any of the terms of the Constitution, cannot participate in the DRP.
7. Any shares over which the Company has a lien or charge in accordance with the Constitution or otherwise, for a sum that is presently payable,

cannot participate in the DRP while the sum remains unpaid.

8. Normal cash dividend payments will be made in respect of shares not participating in the DRP.

ELECTION TO PARTICIPATE

9. Election to participate in the DRP may be made by a shareholder at any time by completing and sending to the Registrar an Election Notice in the form attached to these Terms. Following receipt by the Registrar of a correctly completed Election Notice, participation in the DRP will commence from the next Record Date (the date for determining shareholder entitlement to a dividend), subject to these Terms.
10. An Election Notice will not attach to the shares in respect of which it has been given but will be personal to the shareholder giving it. This means that participating shares will cease to participate upon transfer, and the transferee will not be eligible to participate in the DRP in relation to those shares, unless the transferee has submitted a valid Election Notice or unless the transferee is an existing shareholder who has elected full participation.
11. The Company will give shareholders a reasonable opportunity to elect to participate in the DRP.

DEGREE OF PARTICIPATION

12. Participation in the DRP may be either full or partial.

Full Participation

In choosing full participation, the Participant elects to include in the DRP all shares held now or in the future.

Partial Participation

In choosing partial participation, the Participant elects to include in the DRP EITHER:

- (a) the number of shares nominated by the Participant in the Election Notice; OR
- (b) the proportion of the Participant's shares from time to time (including any shares subsequently acquired (less shares sold from

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time to time)) nominated in the Election Notice.

13. If a Participant who has elected partial participation in respect of a nominated number of shares (rather than a nominated proportion of shares):
 - (a) ceases to hold that nominated number of shares, the Participant will be deemed to have elected full participation while that Participant holds less than the specified number of shares; or
 - (b) subsequently acquires shares, those shares will not participate in the DRP unless the Participant sends to the Registrar an appropriate Notice of Change or Withdrawal.
14. If an Election Notice does not indicate the degree of participation, or if it purports to elect both full participation and partial participation at the same time, it will be deemed to be an application for full participation provided it is otherwise correctly completed and signed.

VARIATION AND TERMINATION OF PARTICIPATION

15. A Participant may at any time, by completing and sending to the Registrar a Notice of Change or Withdrawal in the form enclosed with these Terms:
 - (a) change the Participant's degree of participation in the DRP (subject to the requirements of the DRP); or
 - (b) terminate participation in the DRP.
16. A Notice of Change or Withdrawal takes effect from the first Record Date after the correctly completed Notice of Change or Withdrawal is received by the Registrar.
17. If a Participant who is an individual dies, his or her participation will be terminated upon receipt by the Registrar of notice in a form acceptable to the Company of that Participant's death. Receipt by the Registrar of notice of the death of one of two or more joint shareholders will not terminate participation in the DRP by the surviving shareholder(s).

EFFECT OF TRANSFER OF SHARES

18. A Participant who transfers all of their shares will be deemed to have terminated their participation in the DRP on the date the transfer of their shareholding is registered.
19. If a Participant who has elected full participation disposes of part of their shareholding without giving the Registrar notice of termination of participation, the Participant will be deemed to have terminated their participation in the DRP with respect to those shares disposed of, on the date the relevant transfer is registered.
20. Where a Participant who has elected partial participation (in respect of a nominated number of shares) transfers part of their shareholding without giving the Registrar notice of intention to vary or terminate their partial participation in the DRP, the shares transferred will be deemed to be shares which are not participating in the DRP. If the number of shares transferred is more than the number of non-participating shares held by the Participant, the transfer will be deemed to include all such non-participating shares and the balance will be attributed to participating shares.
21. Where a Participant who has elected partial participation (in respect of a nominated **proportion** of shares) transfers part of their shareholding without giving the Registrar notice of intention to vary or terminate their partial participation in the DRP, the number of participating shares held by that Participant will be reduced proportionately.

CALCULATION OF ENTITLEMENTS

22. The number of new fully paid shares to be issued to a Participant in respect of a dividend will be calculated in accordance with the following formula:

$$\frac{S \times D}{P}$$

where:

S = the number of shares held by the Participant as at the Record Date for the relevant dividend which are participating in the DRP.

D = the net amount of the dividend (expressed in cents and fractions of a cent after deduction of any New Zealand withholding tax or other taxes and excluding the amount of any imputation credits attached to that dividend) to which the Participant is entitled in respect of each participating share.

P = the price equal to the weighted average of the prices at which shares in the Company are sold through NZX during the period of seven calendar days commencing on the ex date (being the day that is two business days before the Record Date for the relevant dividend), or if no sale occurs during that period, the net asset value per share on the basis of the Company's most recently audited financial statements, and in each case less such discount (if any) of up to 5% of the weighted average price or net asset value per share (as the case may be), as the Board may determine from time to time.

23. Where the number of new shares calculated in accordance with the preceding formula includes a fraction which is exactly one half or greater, the number will be rounded up to the nearest whole number. Otherwise the number will be rounded down to the nearest whole number and any residual balance of dividend entitlement arising from such rounding will be forgone by the Participant and will become an asset of the Company.

STATEMENTS TO PARTICIPANTS

24. The Registrar will send to each Participant, as soon as practicable after each dividend payment date, a statement detailing in respect of that Participant:
- the number of participating shares held as at the Record Date for the relevant dividend;
 - the amount of the cash dividend in respect of those participating shares which has been applied towards subscribing for new fully paid shares;
 - the number and issue price of new shares allotted to the Participant in respect of the relevant dividend;
 - the amount of cash dividend paid in respect of non-participating shares (if applicable);
 - the amount of any taxation deductions;
 - the amount of any imputation or other taxation credits; and
 - such other information (if any) as the Board considers necessary.

INFORMATION NOT PUBLICLY AVAILABLE

25. At the time the price of the new shares is set in accordance with clause 22, the Company must not have any information that is not publicly available that would, or would be likely to, have a material adverse effect on the realisable price of the shares if the information were publicly available.

COSTS TO PARTICIPANTS

26. No brokerage, commissions or other transaction costs will be payable by Participants under the DRP.

OVERSEAS UNITHOLDERS

27. The Company is entitled to decline to accept or disregard any Election Notice or Notice of Change or Withdrawal lodged by any shareholder resident or otherwise subject to the laws of a jurisdiction outside New Zealand if by extending the DRP to that jurisdiction, the Company would risk breaching the laws of that jurisdiction or if it would be unduly onerous for the Company to extend the DRP to that jurisdiction.
28. The Company is entitled to suspend or terminate the participation of any Participant who ceases to be a resident of New Zealand until such time as it can assess the legal requirements of the jurisdiction to which the Participant has moved to determine whether by extending the DRP to that jurisdiction, the Company would risk breaching the laws of that jurisdiction or whether it would be unduly onerous for the Company to extend the DRP to that jurisdiction.

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BOARD'S DISCRETION

29. The Board may at any time in its sole discretion determine that:
- (a) participation in the DRP will not apply to the whole or a part of any dividend, in which event Participants may not apply any dividend or the balance of any dividend (as the case may be) towards subscribing for shares under the DRP;
 - (b) an Election Notice shall cease to be of any effect; and/or
 - (c) in the event of any subdivision, consolidation, or other rearrangement or reconstruction of shares, an Election Notice will be deemed to be an Election Notice in respect of the shares as subdivided, consolidated or otherwise rearranged or reconstructed unless the Election Notice is subsequently changed or withdrawn by the Participant.

VARIATION OF THE DRP

30. The Company may at any time vary the terms of the DRP as it thinks fit, provided that the variation does not:
- (a) remove or vary a right to receive shares under the DRP that has already accrued by reason of the payment of the relevant dividend; or
 - (b) impose on a Participant any obligation to pay money.

The Company will describe any such variation in an announcement to NZX and is not required to send notice of any variation to shareholders.

31. Neither a determination by the Board of a rate of discount for the purposes of clause 22, nor a suspension or termination (in whole or in part) of the DRP pursuant to clause 33, amounts to a variation of the DRP.
32. If the DRP is varied, then an Election Notice shall be deemed to be an Election Notice under the DRP as varied unless such Election Notice is subsequently changed or withdrawn by the Participant.

SUSPENSION AND TERMINATION OF THE DRP

33. The Company may at any time suspend the operation of the DRP, either for a fixed period or until further notice. The Company will announce any suspension or subsequent reinstatement to NZX. The Company may at any time terminate the DRP by announcement to NZX. The Company is not required to provide notice to any shareholder of any suspension, reinstatement or termination of the DRP.
34. If the DRP is suspended or terminated then elections made under the DRP will cease to have effect and the shares will revert to their previous character in relation to dividends (in the case of a suspension, until the Company lifts the suspension or the Participant withdraws from the DRP, whichever first occurs).

TAXATION

35. Neither the Company, nor any of its officers, employees or advisers:
- (a) takes responsibility for the taxation liability of Participants or the tax consequences of any election made by any shareholder; or
 - (b) accepts responsibility for the accuracy or correctness of any information as to tax liability.
36. Specific taxation advice should be sought by shareholders.

NZX QUOTATION

37. The shares to be issued under the DRP have been accepted for listing by the NZX and will be quoted upon completion of allotment procedures. However, NZX accepts no responsibility for any statement in this booklet.

ANNUAL REPORT AND FINANCIAL STATEMENTS

38. Copies of the Company's most recent annual report and most recent financial statements complying with the Financial Reporting Act 2013 (and any auditor's report on those financial statements) are available to shareholders free of charge upon request from:

Argosy Property Limited
 Unit A, Level 1
 39 Market Place
 Auckland 1010
 PO Box 90214, Victoria Street West
 Auckland 1142

Telephone: (09) 304 3400
 Toll Free: 0800 653 653
 Facsimile: (09) 302 0996
 E-mail: service@argosy.co.nz

39. An electronic copy of these documents can be downloaded from Argosy's website at www.argosy.co.nz.

NOTICES

40. Unless the DRP otherwise requires, a notice or other communication to be given to the Company under or for the purposes of the DRP shall be in writing and shall be given by sending or delivering it to the Registrar at the following address:

Computershare Investor Services Limited
 Level 2, 159 Hurstmere Road
 Takapuna
 Auckland 0622
 Private Bag 92119
 Victoria Street West
 Auckland 1142

Telephone: (09) 488 8777
 Email: enquiry@computershare.co.nz

41. Unless the DRP otherwise requires, a notice or other communication to be given by the Company under or for the purposes of the DRP shall be in writing and shall be given in any manner provided in the Constitution for the giving of notices to shareholders.

GOVERNING LAW

42. The DRP shall be governed by and construed in accordance with the laws of New Zealand.

DEFINITIONS

43. In these Terms, unless the context otherwise requires, the following terms have the following meanings:

Board means the board of directors of the Company.

Constitution means the constitution of the Company.

Company means Argosy Property Limited.

DRP means the Argosy Property Limited Dividend Reinvestment Plan established by the Company under the Constitution and on these Terms, as amended from time to time.

Election Notice means the Election Notice accompanying these Terms.

Notice of Change or Withdrawal means the Notice of Change or Withdrawal accompanying these Terms.

NZX means NZX Limited.

Participant means an eligible shareholder who has correctly completed (and has not withdrawn) an Election Notice and delivered the Election Notice to the Registrar.

Record Date means 5pm on the date fixed by the Board to determine shareholder entitlements to a dividend.

Registrar means Computershare Investor Services Limited.

share means an ordinary share in the Company.

shareholder means a person registered as the holder of a share on the Company's share register.

Terms mean the terms and conditions of the DRP contained in this document, as amended from time to time.

www.argosy.co.nz

