Rules of the GrainCorp Limited Dividend Reinvestment Plan

Dated 30 August 1995 (incorporating amendments approved by the Directors dated 7 November 2002)

GrainCorp

Growing Solutions

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Contents

GrainCorp Limited
(ABN 60 057 186 035)

Summary of the Dividend Reinvestment Plan

Dated 30 August 1995 (incorporating amendments approved by the Directors dated 7 November 2002)

Purpose
The purpose of the DRP is to provide GrainCorp Limited shareholders with the choice of applying dividends paid or declared by the Company in subscribing for fully paid ordinary shares in the Company rather than receiving those dividends directly in cash. The DRP commenced on 30 August 1995 and was suspended in March 1997. GrainCorp intends to re-establish the DRP, with amendments, for the final dividend for 2001/2002.

Participation
A shareholder does not have to apply for participation in the DRP in respect of each dividend declared by GrainCorp. Once all or part of a shareholding has been nominated for participation in the DRP, that authority remains in force until such time as the shareholder chooses to withdraw from the DRP or vary his participation.

If a shareholder elects full participation in the DRP, then all additional shares subsequently issued in respect of that shareholding and additional shares that may have been purchased by the shareholder concerned, are successively added to the shares participating in the DRP. However, if only a portion of a shareholding participates in the DRP, then shares issued to the partly participating shareholder under the DRP are subsequently included in the DRP. Shares subsequently purchased by the partly participating shareholder are **not** included unless advised by the shareholder.

The shares issued under the DRP are ordinary shares in the capital of GrainCorp. GrainCorp has only one class of fully paid shares on issue following the simplification of its structure last year. Accordingly, the DRP has been amended so that references to participating shares are only to ordinary shares, and not to "'A' Class", "'B' Class", "partly paid" or "fully paid" shares.

Applications to participate, variation of level of participation or withdrawal from the DRP
To participate in the DRP, vary an existing participation or withdraw from the DRP at any time, a shareholder must lodge a Dividend Advice form with GrainCorp's Share Registry.

Entitlement to and issue price of DRP Shares
Shares are issued under the DRP at the **market value**. An entitlement to shares allotted under the DRP is calculated by multiplying the cash dividend per share (in Australian currency) by the number of shares respectively participating in the DRP dividend by a figure representing the **market value**. The **market value** will be calculated based on the average weighted market price of a share over the period of five days from (and including) the day the relevant dividend is declared. However, if the directors believe that this calculation does not provide a fair reflection of the market value of a share during that five day period, the directors can instruct an independent expert to determine the market value.

Under the DRP before it was suspended shares were issued at 7.5% discount to the market value. The market value was calculated based on either:

(a) the most recent 25,000 shares transferred; or

(b) if less than 25,000 shares were traded in the previous 12 months, all transfers during the previous 12 months.

Shares will not be issued under the re-established DRP at a discount to the market value given the present market price of shares. In addition, the method for calculating the market value has been amended to bring it into line with current market practice.

Costs
No brokerage, commission or stamp duty is payable on shares issued under the DRP.

Ranking of DRP Shares
Shares issued under the DRP rank equally in every respect with the existing issued fully paid ordinary shares of the Company.

DRP records
Following each dividend payment a statement detailing the allotment of shares under the DRP is sent to each participating shareholder.

Sale of shares
Shareholders participating in the DRP can sell any of their shares, including shares participating in the DRP or issued under the DRP, at any time.

Share certificates
Certificates are issued for all shares allotted under the DRP.

Taxation
Taxation of Dividends

Cash dividends applied to acquire shares under the DRP normally form part of a shareholder's assessable income.

Such dividends may also be fully or partly franked under the Australian dividend imputation system, thus usually giving rise to an imputation credit in the hands of an eligible shareholder.

Shares: capital gains tax on later sale

Shares issued under the DRP are, in general, subject to Australia's capital gains provisions when sold by the shareholder. This tax liability exists regardless of when the shares giving rise to the dividend were acquired.

For capital gains tax purposes, the cost of a share issued under the DRP to the shareholder is the cash dividend reinvested divided by the number of shares the shareholder receives.

Other amendments
As a result of changes to the corporations legislation, the DRP has been amended so that references to the "Articles of Association" are now to the "Constitution".

Rules of the GrainCorp Limited Dividend Reinvestment Plan
General terms

1 Terms and conditions

The following terms and conditions relate to GrainCorp's Dividend Reinvestment Plan, as herein defined.

Applicant means a Shareholder who applies to participate in the Plan.

Application means an application made on a Dividend Advice (or in such other written format acceptable to the Directors) to participate in the Plan.

GrainCorp means GrainCorp Limited.

Books Closing Date means in relation to a Dividend, the time and date upon which the Register is closed for the determination of entitlements to that Dividend.

Directors means the Board of Directors for the time being of GrainCorp.

Dividend means a dividend declared by the Directors with respect to Ordinary Shares.

DRP Advice means the form from time to time approved by Directors which:

(a) an applicant applies to participate in the Plan; or

(b) a Participant in the Plan applies to vary, or terminate their participation in the Plan in accordance with clause 3.

Dividend Reinvestment Plan (or "**DRP**" or "**Plan**") means the Dividend Reinvestment Plan approved by Shareholders on 30 August 1995.

Eligible Person means an Applicant who:

(a) does not have a registered address in any place in which in the opinion of the Directors, participation, or the making of an offer to participate, in the Plan is or would be unlawful or impracticable; and

(b) is not a person or a person of a class, whom the Directors in their discretion have determined not to be eligible to participate in the Plan.

Full Participant means in the case of the Plan, a Participant who for the time being participates in the Plan in respect of all the Ordinary Shares registered in their name.

Limited Participant means in the case of the Plan, a Participant who for the time being participates in the Plan in respect of some, but not all, of the Ordinary Shares registered in their name.

Ordinary Shares means Ordinary Shares in the capital of GrainCorp.

Participant means a person who is the holder of a Participating Share.

Participating Share means an Ordinary Share which has become subject to the Plan.

Market Value means:

(a) the amount which is the weighted average price for an Ordinary Share sold on ASX on the first day on which those shares are quoted ex dividend in relation to the relevant Dividend and the following four business days,

Unless the Directors believe that the calculation in paragraph (a) does not provide a fair reflection of the market value of an Ordinary Share during the period specified, in which case the market value of an Ordinary Share is:

(b) the market value of an Ordinary Share as determined by an expert independent of the Directors whose identity and instructions will be determined by the Directors.

Register means a register of members of GrainCorp.

Registry means GrainCorp's Registry, Computershare Investor Services, Level 3, 60 Carrington Street, Sydney NSW 2000, or such other persons as GrainCorp nominates from time to time.

Shareholder means a person for the time being registered as a holder of Ordinary Shares.

Words importing the singular number shall include the plural where the context so admits and vice versa, and words importing the masculine gender shall include every other gender. Headings used shall not affect interpretation of these Rules. A reference to a person includes a reference to a body corporate.

2 Taxation

GrainCorp Limited:

(a) does not assume liability for any taxes or other imposts assessed against or imposed upon a participant; and

(b) does not represent or warrant that a Participant will gain any taxation advantage or will not incur a taxation liability or disadvantage by participation in the Plan.

3 Participation, variation and termination of participation in the Plan

3.1 Applications

Subject to the specific terms and conditions relating to the Plan (including without limitation clause 7) and to clause 3.2 below, GrainCorp will admit Eligible Persons to the Plan following receipt by GrainCorp of an Application on the DRP Advice in form and substance acceptable to GrainCorp.

3.2 Discretion to refuse an application

GrainCorp shall have an absolute discretion to refuse to admit an Applicant to the Plan without giving reasons therefore, but if it shall do so it will notify the Applicant as soon as practicable thereafter. Any Ordinary Shares over which GrainCorp has a lien or charge in accordance with the Constitution of CrainCorp shall not, unless otherwise agreed between GrainCorp and the Applicant or a Participant (in the circumstances of an acquisition of Ordinary Shares referred to in clause 4) participate in the Plan.

3.3 Extent of participation

An Application may provide that participation in the Plan shall extend either to all or to a specified number of the Ordinary Shares registered in the name of the Applicant. On acceptance the Applicant will become a Full Participant or a Limited Participant in the Plan accordingly. If the Application does not specify a number of Ordinary Shares to become Participating Shares, the Application shall be deemed to be an Application for the Applicant to become a Full Participant in the Plan.

3.4 Variation to level of participation

Any Participant in the Plan may vary the level of his participation (but not the terms or conditions relating thereto) in the Plan at any time by completing and delivering to GrainCorp a DRP Advice in form and substance acceptable to GrainCorp specifying the variation which he wishes to make.

3.5 Termination of participation

Any Participant may terminate his participation in the Plan at any time by completing and delivering to GrainCorp a DRP Advice in form and substance acceptable to GrainCorp indicating his wish to terminate his participation in the Plan.

3.6 Effectiveness of variation or termination

A DRP Advice received by GrainCorp to participate or to vary the level of participation or to terminate participation in the Plan or a deemed termination under clause 3.7 below shall not be effective in respect of any Dividend for which Books Closing Date occurs prior to receipt of that DRP Advice or the date of the deemed termination.

3.7 Deemed termination of participation in certain circumstances

A participant will be deemed to have terminated participation in the Plan:

(a) upon the registration of a transfer of all his Ordinary Shares subject to that Plan;

(b) upon termination of that Plan by GrainCorp;

(c) upon receipt, in accordance with clause 7, by GrainCorp of notice of the death, bankruptcy or liquidation of that Participant; or

(d) upon the Participant ceasing to be an Eligible Person.

In this clause 3.7 reference to a Participant includes reference to joint participants, or one or more of such joint participants where the context so admits.

For the purposes of this clause 3.7, the date of termination is the date upon which any of the event referred to in (a) to (d) inclusive, occurs.

3.8 Termination of a joint participation

Participation by any joint Participants in the Plan will be terminated (other than in respect of any Dividend for which Books Closing Date has already occurred) following receipt by GrainCorp (subject to clause 7) of a notice of death of one or more of the joint Participants.

3.9 Shares may become subject to the Plan

An Ordinary Share which has ceased to be a Participating Share is not thereby precluded from subsequently becoming subject to the Plan (provided that such Plan has not been terminated) on the terms and subject to the conditions set out in these Rules as amended from time to time.

4 Acquisition of Ordinary and/or Participating Shares

Subject to clause 3.2:

(a) any further Ordinary Shares acquired (by whatever means) by a Full Participant in the Plan will automatically become Participating Shares in the Plan on being registered in the name of the full Participant;

(b) all Ordinary Shares issued to a Limited Participant pursuant to the Plan shall be deemed to become Participating Shares in that Plan;

(c) subject to the foregoing provisions of this clause 4, all other Ordinary Shares acquired by a Limited Participant shall not be included in the Plan unless the appropriate Dividend Advice is received from that Limited Participant.

5 Sale of Ordinary and/or Participating Shares

Upon the registration of a transfer of any Ordinary Shares by a Participant then, unless GrainCorp is otherwise advised in writing at its Registry, GrainCorp will be deemed to have been instructed that the shares have been transferred, in the following order:

(a) Ordinary Share not participating in the Plan; then

(b) Ordinary Shares subject to the Plan.

6 Variation, termination or suspension of the Plan

6.1 Variation, termination or suspension by the Directors

The Directors may at any time resolve to:

(a) vary the Plan and any agreement relating thereto, or

(b) terminate or suspend the operation of the Plan.

6.2 Effect of variation, termination or suspension

Any such variation, termination or suspension:

(a) shall be effective from the date of such resolution or otherwise as determined by the Directors; and

(b) shall not give rise to any liability on the part of or right of action against GrainCorp.

6.3 Notification of variation, termination or suspension

Participants in the Plan which has been varied, terminated or suspended will be notified in writing of such variation, termination or suspension.

7 DRP Advices and notices

7.1 Form of DRP Advices and notices

DRP Advices and other notices to GrainCorp shall be in writing and in such form as GrainCorp may from time to time require.

7.2 Effectiveness of DRP Advices and notices

Such DRP Advices and notices will only be effective on receipt by the Registry subject to:

(a) the rules of the Plan; and

(b) in the case of an Application, acceptance by GrainCorp.

7.3 Service of notices on Participants

The provisions of clauses 20.1 to 20.4 inclusive of the Constitution of GrainCorp shall apply to the service of notices on Participants under the Plan.

8 Allotments under the Dividend Reinvestment Plan

8.1 Allotment of Ordinary Shares

In the case of Ordinary Shares to be allotted pursuant to the Plan:

(a) such Ordinary Shares will be so allotted, and

(b) the relevant Sponsored Holding Statement will be issued to each relevant Participant following each allotment.

8.2 Registration and ranking of allotted shares

Shares allotted under the Plan:

(a) will be registered on the Register; and

(b) subject to the Constitution of GrainCorp and to these Rules, will from issue rank equally in all respects with other Ordinary Shares.

9 Costs to Participants

GrainCorp will not charge any brokerage, commission or other transaction costs in respect of an application for or the issue of shares pursuant to the Plan.

10 Governing law and jurisdiction

These Rules are governed by and shall be construed in accordance with the laws of the State of New South Wales, Australia and each Participant submits to the non-exclusive jurisdiction of the courts of that State.

11 General

GrainCorp shall not be liable or responsible to any participant for any loss or alleged loss or disadvantage suffered or incurred by such Participants as a result, directly or indirectly, of the establishment or operation of the Plan or his participation in the Plan or in relation to any advice given with respect to participation in the Plan.

12 Participation in the DRP

Subject to these Rules, participation is optional, may be either full or limited, and is open to all Eligible Persons.

13 Agreement to Participate

An agreement on the terms and subject to the conditions set out in these Rules between GrainCorp and an Applicant for participation either as a Full Participant or a Limited Participant shall be made when GrainCorp accepts an Application in respect of the DRP from the Applicant.

14 Operation of the DRP

A Dividend which is payable to a Participant in respect of Participating Shares will be applied by GrainCorp on the Participant's behalf in subscribing for additional Ordinary Shares on the terms set out in this clause:

(a) Shares to be issued under the DRP will be priced and issued at **Market Value**;

(b) in respect of Dividend payable to a Participant, GrainCorp will:

(i) determine the amount of the Dividend payable to the Participant in respect of or by reference to his Participating Shares;

(ii) determine the maximum number of the Ordinary Shares, priced in accordance with the provisions of sub-clause (a), which could be acquired by using the amount of the Dividend payable to the Participant, **rounded up** to the next whole Ordinary Share;

(iii) on behalf and in the name of the Participant, apply the total amount of the Dividend payable to the Participant to acquire the additional Ordinary Shares calculated in accordance with paragraph (ii);

(iv) allot and issue that number of additional Ordinary Shares to the Participant.

15 Plan statement

A Plan statement will be issued to each Participant following each dividend payment giving the following information:

(a) the number of his Participating Shares in the Plan at Books Closing Date;

(b) the amount per share applied to the allotment of shares under the Plan;

(c) the number of Ordinary Shares allotted under the Plan and their date of issue;

(d) the franked amount (if any) of the Dividend and the imputation tax credit (if any) attaching thereto.