



FEATURES OF THE ADTRANS DIVIDEND REINVESTMENT PLAN

Under the Adtrans Dividend Reinvestment Plan (DRP), you can choose to reinvest your dividends in the Company to acquire additional shares at a 2.5% discount to the prevailing market price (detailed below). The DRP provides a convenient and cost effective way to increase your investment.

Features of the DRP include:

- Participation is entirely voluntary and you can choose to reinvest all, part or none of your dividend in the DRP
- You do not have to appoint a broker and you will not pay fees, brokerage or other transaction costs for shares allocated to you under the DRP
- You can choose to join, withdraw or vary your participation in the DRP at any time. However, your Notice of Election or Variation must be received by 5pm Adelaide time on the next dividend record date to be active for the next dividend
- Shares issued under the DRP will rank equally with existing shares
- DRP statements outlining the dividend calculation and the details of your participation will be despatched on the payment date
- Your tax position with respect to the dividend will be the same whether or not you elect to participate in the DRP

Participation in the DRP

Participation in the DRP is entirely voluntary. You can choose to participate by completing a Notice of Election and lodging it with the Company's Share Registry. Forms can be obtained by contacting the Share Registry on 1300 556 161 or via www.computershare.com/investor.

Eligibility

Adtrans shareholders who have a registered address in Australia are eligible to participate in the DRP, unless they hold shares on behalf of another person who resides outside Australia. Shareholders in other jurisdictions may also be eligible in some circumstances. Please see the Plan Rules for further information about eligibility.

Price calculation

Shares issued under the DRP will be issued at a discount of 2.5% (or as otherwise determined by the Board of Directors from time to time) to the weighted average market price of Adtrans shares sold on the ASX during the five trading days up to and including the relevant dividend record date.

Degree of participation

You can choose to have less than your full shareholding participating in the DRP (partial participation). If you choose partial participation, the dividend on the shares which do not participate in the DRP will be paid in the normal way.

Receiving shares

The number of DRP Shares you receive will be calculated by multiplying the number of participating shares you hold at the dividend record date by the relevant dividend, deducting any withholding tax (if applicable), adding any carried forward residual cash balance (if applicable), and then dividing this amount by the issue price. The calculation will be rounded down to the nearest whole number of shares.

All participants in the DRP will be sent a statement after each allocation of DRP Shares. This statement will include:

- The number of participating shares you held at the dividend Record Date
- The amount of the dividend payment
- The issue price of the DRP Shares
- The number of DRP Shares issued to you and the amount of any residual cash balance.

Treatment of DRP Shares for subsequent dividend payments

If you choose to participate fully in the DRP, all shares held by you at each dividend record date will be treated as participating in the DRP, including any previously acquired DRP Shares or other shares. If you choose partial participation, only the number of shares you have specified will be treated as participating in the DRP.

Residual balances

Generally, when there is a residual balance following the calculation of the issue price and the number of DRP Shares you receive, it will be carried forward and added to your next dividend payment entitlement.

Multiple Adtrans shareholdings

You will need to complete a separate Notice of Election for each of your shareholdings. For example, you may have issuer sponsored holdings and CHESSE holdings. To make it easier to manage your shareholdings, you may want to combine your shareholdings. Please contact the Share Registry for more information.

Changes and terminations of the DRP

Adtrans may vary the Plan Rules or suspend or terminate the DRP at any time. If this occurs, Adtrans will make a public announcement and information will be available at www.adtrans.com.au.

Changing DRP participation

You can change your participation or withdraw from the DRP by completing a Notice of Variation and lodging it with the Share Registry.

Your Notice of Variation must be received by no later than 5pm Adelaide time on the next dividend record date to be active for the next dividend.

Selling DRP Shares

Shares acquired through the DRP can be sold at any time after they are issued to you and quoted on the ASX.

If you sell shares between a dividend record date and dividend payment date, your dividend payment in respect of participating shares will still be reinvested in the DRP. However, if you sell shares before the dividend record date, you will not receive shares under the DRP or any other payment on the dividend payment date in respect of those shares that you have sold.

Taxation

Dividends reinvested into shares are usually treated the same as cash dividends for Australian tax purposes. Adtrans cannot advise on the taxation implications of participating in the DRP. If you have any questions regarding taxation implications, please consult your accountant or professional adviser.

Enquiries

If you have further enquiries about how the DRP operates and how you can participate, please contact the Company's Share Registry at:

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