

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme Pacific Smiles Group Limited

ACN/ARSN 103 087 449

1. Details of substantial holder (1)

Name Pacific Smiles Group Limited ACN 103 087 449; Dentist Smiles Group Pty Ltd ACN 116 749 207; Dental Assistant Training Solutions Pty Ltd ACN 120 336 503; Pacific Medical Care Pty Ltd ACN 119 117 850; Pacific Eyes Pty Ltd ACN 121 598 963

ACN/ARSN (if applicable) As above.

The holder became a substantial holder on 21/11/2014

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary	94,826,820	94,826,820	62.39%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Pacific Smiles Group Limited	Pacific Smiles Group Limited has power over the disposal of fully paid ordinary shares that are escrowed under the escrow deeds entered into with the persons listed in Annexure A, and attached as Annexure B, which gives rise to a relevant interest under section 608(1)(c) of the <i>Corporations Act 2001</i> (Cth). Pacific Smiles Group Limited has no right to control the voting rights of these shares or to acquire these shares.	94,826,820
Dentist Smiles Group Pty Ltd	N/A	N/A
Dental Assistant Training Solutions Pty Ltd	N/A	N/A
Pacific Medical Care Pty Ltd	N/A	N/A
Pacific Eyes Pty Ltd	N/A	N/A

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
See Annexure A	See Annexure A	See Annexure A	See Annexure A

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

No consideration was paid by Pacific Smiles Group Limited. Pacific Smiles has no right to acquire the shares subject to the escrow arrangements.

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Dentist Smiles Group Pty Ltd ACN 116 749 207	Wholly-owned subsidiary of Pacific Smiles Group Limited
Dental Assistant Training Solutions Pty Ltd ACN 120 336 503	Wholly-owned subsidiary of Pacific Smiles Group Limited
Pacific Medical Care Pty Ltd ACN 119 117 850	Wholly-owned subsidiary of Pacific Smiles Group Limited
Pacific Eyes Pty Ltd ACN 121 598 963	Wholly-owned subsidiary of Pacific Smiles Group Limited

7. Addresses

The addresses of persons named in this form are as follows:

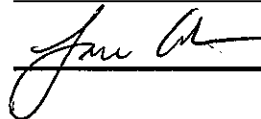
Name	Address
Pacific Smiles Group Limited	Level 1, 6 Molly Morgan Drive, Greenhills NSW 2323
Escrowed Parties	See Annexure A

Signature

print name Jane Coleman

capacity Company Secretary

sign here



date 21 / 11 / 14

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement.
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.

- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."
- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

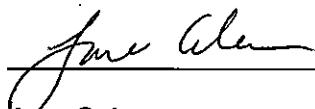
Friday, 21 November 2014

Annexure A

This is page 1 of 2 of Annexure A of Form 603 (Pacific Smiles Group Limited ACN 103 087 449) (**Pacific Smiles**) dated 21 November 2014. The relevant interests described arise between Pacific Smiles and the parties listed below under the escrow deeds described in Item 3.

Holder of Relevant Interest	Name of Escrowed Party	Class and Number of Securities Escrowed	Address
Pacific Smiles Group Limited	Bourke Family Investments Pty Ltd	1,538,462 ordinary shares	26A Flowers Drive, Catherine Hill Bay, NSW 2281
Pacific Smiles Group Limited	Alison Hughes	15,860,190 ordinary shares	16 Gosforth Grove, Lakelands NSW 2282
Pacific Smiles Group Limited	Sudemo Pty Ltd	1,811,325 ordinary shares	29 South Willards Lane, Oakhampton Heights NSW 2320
Pacific Smiles Group Limited	John Gibbs	3,337,265 ordinary shares	25 Warrane Road, Roseville Chase, NSW 2069
Pacific Smiles Group Limited	Amanda Taylor	1,647,735 ordinary shares	25 Warrane Road, Roseville Chase, NSW 2069
Pacific Smiles Group Limited	Sterling Surgical Pty Ltd	1,515,000 ordinary shares	25 Warrane Road, Roseville Chase, NSW 2069
Pacific Smiles Group Limited	Paul Robertson	337,500 ordinary shares	21 Ann Parade, New Lambton, NSW 2305
Pacific Smiles Group Limited	Robert Graham Cameron and Paula Cameron	3,363,000 ordinary shares	31 Bayswater Rd, Bolwarra, NSW 2320
Pacific Smiles Group Limited	Alexander Abrahams	29,936,010 ordinary shares	124 Maitland Vale Road, Maitland Vale, NSW 2320
Pacific Smiles Group Limited	Susan Abrahams	3,268,269 ordinary shares	124 Maitland Vale Road, Maitland Vale, NSW 2320
Pacific Smiles Group Limited	Lucinda Abrahams	15,000 ordinary shares	124 Maitland Vale Road, Maitland Vale, NSW 2320
Pacific Smiles Group Limited	Just Paddling Pty Ltd	6,089,082 ordinary shares	124 Maitland Vale Road, Maitland Vale, NSW 2320
Pacific Smiles Group Limited	Theemax Pty Ltd	300,000 ordinary shares	124 Maitland Vale Road, Maitland Vale, NSW 2320

Holder of Relevant Interest	Name of Escrowed Party	Class and Number of Securities Escrowed	Address
Pacific Smiles Group Limited	Anthony Coleman	1,400,000 ordinary shares	17 Rani Close, Speers Point, NSW 2284
Pacific Smiles Group Limited	TDM Asset Management Pty Limited	24,407,982 ordinary shares	Level 10, 66 Hunter St, Sydney NSW 2000

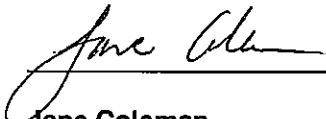


Jane Coleman
Company Secretary

Friday, 21 November 2014

Annexure B

This is page 1 of 139 of Annexure B of Form 603 (Pacific Smiles Group Limited ACN 103 087 449) (**Pacific Smiles**) dated 21 November 2014, attaching escrow deeds between Pacific Smiles and the escrowed parties.



Jane Coleman
Company Secretary

Escrow Deed

Pacific Smiles Group Limited

Alexander Abrahams and the other Holders named in item 2 of Schedule 2

Contents	Page
1 Escrow Restrictions	1
2 Warranties	2
3 Holding Lock	3
4 Permitted dealings with the Voluntary Escrow Shares	4
5 Breach	4
6 Amendment	5
7 Termination	5
8 Capacity	5
9 Company to complete Schedule 2	5
10 General	5
Schedule 1 — Dictionary	8
Schedule 2 — Details	11
Execution page	12

Date: 31/10/2014

Parties

- 1 The party named in item 1 of Schedule 2 (Company)
 - 2 The parties named in item 2 of Schedule 2 (Holders)
-

Recitals

- A The Company intends to be admitted to the official list of ASX and proposes to issue Shares pursuant to the Initial Public Offer.
- B Each Holder holds or will hold the Voluntary Escrow Shares as at the date of Listing.
- C Each Holder agrees to escrow all of the Voluntary Escrow Shares for the Escrow Period pursuant to the terms of this deed, on the basis that the Company will take the steps necessary to be admitted to the official list of ASX.

The parties agree

1 Escrow Restrictions

1.1 Voluntary Escrow Shares

Subject to clause 1.2, during the Escrow Period, the Holders must not Dispose of, or agree or offer to Dispose of, the Voluntary Escrow Shares.

1.2 Exceptions

- (a) To enable the Holders to accept an offer under a Takeover Bid in relation to the Voluntary Escrow Shares or to enable the Voluntary Escrow Shares to be transferred or cancelled as part of a merger by scheme of arrangement under Part 5.1 of the Corporations Act, the Company must remove the Holding Lock on the Voluntary Escrow Shares during the Escrow Period if any of the following conditions are met:
 - (i) in the case of a Takeover Bid, holders of at least half of the Shares that are the subject of the Takeover Bid and that are not subject to any Voluntary Escrow Deed have accepted the Takeover Bid;
 - (ii) in the case of an Off-Market Bid, if the offer is conditional, the bidder and the Holder agree in writing that the Holding Lock will be applied for each Voluntary Escrow Share that is not bought by the bidder under the off-market bid; or
 - (iii) in the case of a merger by scheme of arrangement under Part 5.1 of the Corporations Act, the Holder agrees in writing that the Holding Lock will be applied if the merger does not take effect.
- (b) During the Escrow Period, the Holders may Dispose of any of their Voluntary Escrow Shares to the extent the Disposal is required by applicable law (including an order of a governmental authority or a court of competent jurisdiction).

- (c) Notwithstanding any condition to the contrary in this deed, during the Escrow Period, a Holder may transfer (in one or more transactions) any or all Voluntary Escrow Shares to an Affiliate of that Holder provided that such Affiliate transferee agrees to be bound by the terms and conditions of this deed by entering into such further agreements or deeds as the Company may reasonably require.

1.3 Notice

If a Holder becomes aware:

- (a) that a Disposal of any Voluntary Escrow Shares has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to a Disposal of in any Voluntary Escrow Shares during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the Disposal or the matters giving rise to the Disposal, providing full details.

2 Warranties

2.1 Giving of warranties

Each of the warranties and representations in this clause 2 is given in favour of the Company, as at:

- (a) the date of this deed; and
- (b) at all times until expiry of the Escrow Period.

The warranties and representations in this clause 2 are given in respect of any and all Voluntary Escrow Shares which a Holder holds from time to time during the Escrow Period, including as a result of a permitted dealing in accordance with clause 1.2 of this deed.

2.2 Warranties of Holders

Each Holder warrants and represents the following:

- (a) Before the Escrow Period begins, it has not done, or omitted to do, any act which would breach clause 1 of this deed if it were an act or omission which would take effect during the Escrow Period.
- (b) Either:
 - (i) the Holder has no controllers (as defined in the ASX Listing Rules); or
 - (ii) any such controller who is not a party to this deed comes within an exception set out in rule 9.1.4 of the ASX Listing Rules.
- (c) The Holders hold all of the Shares set out in item 2 of Schedule 2 as at the date of this deed, and will hold from Listing all of the Voluntary Escrow Shares.
- (d) The Voluntary Escrow Shares are (or will from Completion be) free from all encumbrances and other third party interests or rights.

- (e) The Shares set out in item 2 of Schedule 2 are as at the date of this deed (and the Voluntary Escrow Shares will be as at Listing) all the securities, substantial economic interests or other interests that the Holders directly or indirectly has in the Company.
- (f) It has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder has entered into this deed as a trustee (**Trustee**), under the trust deed for the relevant trust (**Trust**)).
- (g) It has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms.
- (h) This deed constitutes legal, valid and binding obligations and, subject to any necessary stamping and registration, is enforceable in accordance with its terms.
- (i) If the Holder is a Trustee, the Trustee is the trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust.
- (j) If the Holder is a Trustee:
 - (i) the Holder has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and the Holder has not released or disposed of its equitable lien over that trust; and
 - (ii) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust.
- (k) The execution, delivery and performance by it of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation;
 - (ii) its constitution or other constituent documents (or, if the Holder is a Trustee, the trust deed for the Trust); or
 - (iii) any agreement, undertaking, encumbrance or document which is binding on that party.

2.3 Breach of warranties

A breach of any of the warranties in clause 2 is a breach of the terms of this deed.

3 Holding Lock

3.1 Agreement to Holding Lock

Subject to clause 3.2, the Holders agree to the application of a Holding Lock to the Voluntary Escrow Shares.

3.2 Application of Holding Lock

The Company will apply a Holding Lock to the Voluntary Escrow Shares as soon as practicable after registration of the Voluntary Escrow Shares on the Issuer Sponsored Subregister and may only remove the Holding Lock with respect to the Voluntary Escrow Shares if permitted under clause 3.3.

3.3 Removal of Holding Lock

- (a) Upon request by a Holder, the Company must remove the Holding Lock with respect to Voluntary Escrow Shares in order to facilitate a Disposal that is permitted under clause 1.2.
- (b) The Company must remove the Holding Lock with respect to Voluntary Escrow Shares on the Business Day after the end of the Escrow Period.
- (c) In respect of (a) and (b) above, the Company will notify ASX that the Voluntary Escrow Shares will be released from the escrow restrictions set out in this deed in respect of some or all of the Voluntary Escrow Shares, in accordance with the timing requirements set out in Listing Rule 3.10A.

4 Permitted dealings with the Voluntary Escrow Shares

Except as expressly provided for in clause 1, nothing in this deed restricts the Holders from dealing with the Voluntary Escrow Shares or exercising rights attaching to, or afforded to the Holder of, the Voluntary Escrow Shares, including without limitation by:

- (a) exercising any voting rights attaching to the Voluntary Escrow Shares;
- (b) receiving or being entitled to any dividend, return of capital or other distribution attaching to the Voluntary Escrow Shares; and
- (c) receiving or participating in any right or bonus issue in connection with the Voluntary Escrow Shares.

5 Breach

5.1 Consequences of breach

- (a) If a Holder breaches this deed, each of the following applies:
 - (i) the Company may take the steps necessary to enforce this deed, or to rectify the breach; and
 - (ii) the Company may refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the Voluntary Escrow Shares. This is in addition to other rights and remedies of the Company.
- (b) If a Holder breaches this deed, the Holders acknowledge and agree that such a breach could cause substantial commercial and financial detriment to the Company and other third parties.
- (c) The parties agree that damages would be an insufficient remedy for breach of clause 1.1 or clause 1.2 and the Holders agree that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holders'

obligations under clause 1.1 or clause 1.2 (as applicable) without proof of actual damage and without prejudice to any of its other rights or remedies.

6 Amendment

Subject to clause 9, this deed can only be amended or replaced by another deed executed by the parties.

7 Termination

This deed will terminate if Listing or Completion does not occur by 31 December 2014.

8 Capacity

8.1 Trustee

Where a Holder has entered into this deed as a trustee:

- (a) notwithstanding any other provision of this deed including any provision expressed to prevail over this clause 8.1 but subject to clause 8.1(c), the Holder enters into this deed only in its capacity as trustee of the relevant trust and in no other capacity. A liability arising under or in connection with this deed can be enforced against the Holder only to the extent which it can be satisfied out of the property of the relevant trust for which the Holder is actually indemnified for the liability. The Holder will exercise its rights of indemnification in order to satisfy its obligations under this deed;
 - (b) subject to clause 8.1(c), a party to this deed may not sue the Holder in any capacity other than as trustee in respect of the relevant trust, including seeking the appointment to the Holder of a receiver (except in relation to property of the relevant trust), a liquidator, administrator or any similar person; and
 - (c) the provisions of this clause 8.1 will not apply to any obligation or liability of the Holder to the extent that it is not satisfied because under the relevant trust deed or by operation of law, there is a reduction in the extent, or elimination of, the Holder's out of the assets of the relevant trust, or the right does not exist at all, as a result of the Holder's fraud, negligence, improper performance of duties or breach of trust.
-

9 Company to complete Schedule 2

Each party authorises the Company (or any person delegated such authority in writing by the Company) to insert in Schedule 2, after execution of this deed by each party:

- (a) the particulars of Voluntary Escrow Shares in item 5 of Schedule 2; and
 - (b) any other details necessary to complete Schedule 2.
-

10 General

10.1 Governing Law

- (a) This deed is governed by the laws of New South Wales, Australia.

- (b) Each party submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia, and any court that may hear appeals from any of those courts, for any proceedings in connection with this deed.
- (c) Each of the parties to this deed irrevocably waives:
 - (i) any objection to the venue of any proceedings on the ground that they have been brought in an inconvenient forum; and
 - (ii) any immunity from set off, suits, proceedings and execution to which it or any of its property may now or in the future be entitled under any applicable law.

10.2 Further assurances

Each party must do all things and execute all further documents required to give full effect to this deed.

10.3 Counterparts

This deed may be executed in any number of counterparts. All counterparts, taken together, constitute one instrument. A party may execute this deed by signing any counterpart.

10.4 Time of Essence

Time is of the essence to this deed.

10.5 Notice

A notice or other communication given under this deed:

- (a) must be in legible writing and in English;
- (b) must be signed by an person duly authorised by the sender; and
- (c) must be addressed to the addressee at the address, email address or facsimile number set out below or to any other address or facsimile number a party notifies to the other under this clause:
 - (i) if to the Company:

Pacific Smiles Group Limited
Level 1, 6 Molly Morgan Drive
Greenhills, NSW 2323

Attention: Jane Coleman, Company Secretary
Facsimile: 02 4930 2099
Email: jane.coleman@pacificsmiles.com.au

(ii) if to the Holders:

Address: 124 Maitland Vale Road,
Maitland Vale NSW 2320

Attention: Alexander Abrahams
Email: alex.abrahams@pacificsmiles.com.au

(d) Without limiting any other means by which a party may be able to prove that a notice has been received by another party, a notice is deemed to be received:

(i) if sent by hand, when delivered to the addressee;

(ii) if by post, five Business Days from and including the date of postage;

(iii) if by facsimile transmission, on receipt by the sender of an acknowledgment or transmission report confirming that the facsimile has been sent in full generated by the machine from which the facsimile was sent; or

(iv) if sent by email:

(A) at the time twelve hours after when the sender receives an automated message confirming delivery; or

(B) seventeen hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,

whichever happens first,

but if the delivery or receipt is on a day which is not a Business Day or is after 5.00 pm (addressee's time) it is deemed to be received at 9.00 am on the following Business Day (addressee's time).

(e) A facsimile transmission is regarded as legible unless the addressee telephones, faxes or emails the sender within 14 hours after the transmission is received or regarded as received under clause 10.5(d)(iii) and informs the sender that it is not legible.

Schedule 1 — Dictionary

1 Dictionary

The following definitions apply in this deed.

Affiliate means any other Person which directly or indirectly, through one or more intermediaries controls, or is controlled by, or is under common control with, the Holder (for the purposes of this definition, "control" (including, with correlative meanings, the terms "controlling", "controlled by" and "under common control with") as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies or activities of a Person, whether through ownership of the securities, by contract or agency or otherwise).

ASX means ASX Limited (ABN 98 008 624 691) or the financial market operated by ASX, as the context requires.

ASX Listing Rules means the listing rules of ASX.

ASX Settlement means ASX Settlement Pty Ltd (ABN 49 008 504 532).

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Sydney, New South Wales, Australia and, for the purposes of clause 10.5, also means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in the addressee's jurisdiction.

Completion means the completion of the issue and allotment of new Shares by the Company to investors under the Initial Public Offer.

Corporations Act means *Corporations Act 2001 (Cth)*.

Dispose includes:

- (a) the meaning given by the ASX Listing Rules;
- (b) in relation to:
 - (i) any Voluntary Escrow Sharesto
 - (A) sell, assign, transfer or otherwise dispose of any legal, beneficial or economic interest in the Voluntary Escrow Shares;
 - (B) encumber or grant a security interest over the Voluntary Escrow Shares;
 - (C) grant or exercise an option in respect of any Voluntary Escrow Shares;
 - (D) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of, any legal, beneficial or economic interest in, any of the Voluntary Escrow Shares; or

(E) agree to do any of those things.

Escrow Period means the period for which the Voluntary Escrow Shares are escrowed as set out in item 3 of Schedule 2.

Holding Lock has the meaning given to that term in the ASX Listing Rules.

Initial Public Offer means the proposed initial public offering of Shares.

Issuer Sponsored Subregister means the part of the Company's register for shares that is administered by the Company (and not ASX Settlement) and records uncertificated holdings of Shares.

Listing means the admission of the Company to the official list of the ASX.

Off-Market Bid has the meaning given in the Corporations Act.

Offer Price means the "Offer Price" as defined in the Prospectus.

Person means any individual, partnership, corporation, company, association, trust, joint venture, limited liability company, unincorporated organisation, entity or division.

Prospectus means the prospectus to be issued by the Company and lodged with ASIC on or about 31 October 2014.

Share means an ordinary share in the capital of the Company.

Takeover Bid has the meaning given to that term in the Corporations Act.

Trading Day has the meaning given in the ASX Listing Rules.

Voluntary Escrow Deed means a voluntary escrow deed entered into in connection with the Initial Public Offer.

Voluntary Escrow Shares means the Shares described in item 4 of Schedule 2.

2 Rules for interpreting this deed

Headings are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this deed, except where the context makes it clear that a rule is not intended to apply.

- (a) Other than as expressly provided, a term or expression starting with a capital letter which is defined in the Corporations Act, but is not defined in the Dictionary, has the meaning given to it in the Corporations Act.
- (b) A reference to:
 - (i) a legislative provision or legislation (including subordinate legislation) is to that provision or legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
 - (ii) a document (including this deed) or agreement, or a provision of a document (including this deed) or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;

- (iii) a party to this deed or to any other document or agreement includes a successor in title, permitted substitute or a permitted assign of that party;
 - (iv) a person includes any type of company or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
 - (v) anything (including a right, obligation or concept) includes each part of it.
- (c) A singular word includes the plural, and vice versa.
 - (d) The expression 'this deed' includes the agreement, arrangement, understanding or transaction recorded in this deed.

3 Multiple parties

If a party to this deed is made up of more than one person, or a term is used in this deed to refer to more than one party, then unless otherwise specified in this deed:

- (a) an obligation of those persons is several;
- (b) a right of those persons is held by each of them severally; and
- (c) any other reference to that party or term is a reference to each of those persons separately, so that (for example) a representation, warranty or undertaking relates to each of them separately.

4 Compliance with ASX Listing Rules

During the Escrow Period, and for so long as the Company is listed on the official list of the ASX:

- (a) notwithstanding anything contained in this deed, if the ASX Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the ASX Listing Rules require to be done;
- (c) if the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the ASX Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the ASX Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the ASX Listing Rules, this deed is deemed not to contain that provision to the extent of the inconsistency.

Schedule 2 — Details

1 Company name and address

Pacific Smiles Group Limited

Level 1, 6 Molly Morgan Drive, Greenhills, NSW 2323

2 Holders' details

Holder	Address/notice details of each Controller (clause 10.5)	Shares held by the Holder as at the date of this deed
Alexander Abrahams	124 Maitland Vale Road, Maitland Vale, NSW 2320	34,974,009
Just Paddling Pty Ltd, as trustee for Rosebrook Superannuation Fund	124 Maitland Vale Road, Maitland Vale, NSW 2320	6,089,082
Susan Abrahams	124 Maitland Vale Road, Maitland Vale, NSW 2320	3,631,410
Theemax Pty Ltd, as trustee for The Clunes Trust	124 Maitland Vale Road, Maitland Vale, NSW 2320	300,000
Lucinda Abrahams	124 Maitland Vale Road, Maitland Vale, NSW 2320	15,000

3 Escrow Period

The period commencing on the date of Listing and continuing until 3 Business Days following the date on which the Company's full year results for the period ending 30 June 2015 are released to ASX.

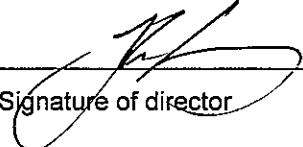
4 Particulars of Voluntary Escrow Shares

All Shares held by the Holders as at the date of Listing (other than any Shares acquired under the Initial Public Offer)

Execution page

Executed as a Deed

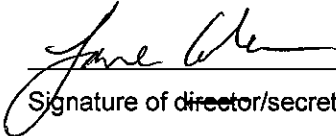
Signed and delivered by **Pacific Smiles Group Limited ACN 103 087 449** in accordance with section 127 of the *Corporations Act 2001* (Cth) and by:



Signature of director

JOHN GIBBS

Name of director (print)

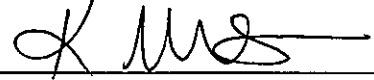


Signature of director/secretary

Jane Coleman

Name of director/secretary (print)


Signed sealed and delivered by **Alexander Abrahams** in the presence of:



Signature of witness

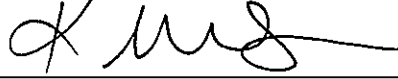
Kerryn Wilkinson.

Name of witness (print)



Signature of Alexander Abrahams

Signed sealed and delivered by **Susan Abrahams** in the presence of:



Signature of witness

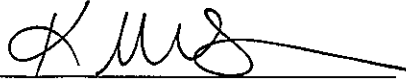
Kerryn Wilkinson.

Name of witness (print)



Signature of Susan Abrahams

Signed sealed and delivered by **Lucinda Abrahams** in the presence of:



Signature of witness

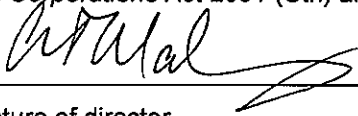
Kerryln wilkinson.

Name of witness (print)



Signature of Lucinda Abrahams

Signed and delivered by **Just Paddling Pty Ltd**
ACN 159 542 837 in accordance with section 127
of the *Corporations Act 2001* (Cth) and by:



Signature of director

A.J. ABRAHAMS.

Name of director (print)



Signature of director/secretary

S.L. ABRAHAMS

Name of director/secretary (print)

Signed and delivered by **Theemax Pty Ltd, as trustee for The Clunes Trust** in accordance with
section 127 of the *Corporations Act 2001* (Cth)
and by:



Signature of director

A.J. ABRAHAMS

Name of director (print)



Signature of director/secretary

S.L. ABRAHAMS

Name of director/secretary (print)

Escrow Deed

Pacific Smiles Group Limited

Anthony William John Coleman (as the Holder of Shares associated with Jane Coleman)

Contents	Page
1 Escrow Restrictions	1
2 Warranties	2
3 Holding Lock	3
4 Permitted dealings with the Voluntary Escrow Shares	4
5 Breach	4
6 Amendment	5
7 Termination	5
8 Capacity	5
9 Company to complete Schedule 2	5
10 General	5
Schedule 1 — Dictionary	8
Schedule 2 — Details	11
Execution page	12

Date: 31/10/2014

Parties

- 1 The party named in item 1 of Schedule 2 (Company)
 - 2 The party named in item 2 of Schedule 2 (Holder)
-

Recitals

- A The Company intends to be admitted to the official list of ASX and proposes to issue Shares pursuant to the Initial Public Offer.
- B The Holder holds or will hold the Voluntary Escrow Shares as at the date of Listing.
- C The Holder agrees to escrow all of the Voluntary Escrow Shares for the Escrow Period pursuant to the terms of this deed, on the basis that the Company will take the steps necessary to be admitted to the official list of ASX.

The parties agree

1 Escrow Restrictions

1.1 Voluntary Escrow Shares

Subject to clause 1.2, during the Escrow Period, the Holder must not Dispose of, or agree or offer to Dispose of, the Voluntary Escrow Shares.

1.2 Exceptions

- (a) To enable the Holder to accept an offer under a Takeover Bid in relation to the Voluntary Escrow Shares or to enable the Voluntary Escrow Shares to be transferred or cancelled as part of a merger by scheme of arrangement under Part 5.1 of the Corporations Act, the Company must remove the Holding Lock on the Voluntary Escrow Shares during the Escrow Period if any of the following conditions are met:
 - (i) in the case of a Takeover Bid, holders of at least half of the Shares that are the subject of the Takeover Bid and that are not subject to any Voluntary Escrow Deed have accepted the Takeover Bid;
 - (ii) in the case of an Off-Market Bid, if the offer is conditional, the bidder and the Holder agree in writing that the Holding Lock will be applied for each Voluntary Escrow Share that is not bought by the bidder under the off-market bid; or
 - (iii) in the case of a merger by scheme of arrangement under Part 5.1 of the Corporations Act, the Holder agrees in writing that the Holding Lock will be applied if the merger does not take effect.
- (b) During the Escrow Period, the Holder may Dispose of any of its Voluntary Escrow Shares to the extent the Disposal is required by applicable law (including an order of a governmental authority or a court of competent jurisdiction).
- (c) Notwithstanding any condition to the contrary in this deed, during the Escrow Period, the Holder may transfer (in one or more transactions) any or all Voluntary

Escrow Shares to an Affiliate of the Holder provided that such Affiliate transferee agrees to be bound by the terms and conditions of this deed by entering into such further agreements or deeds as the Company may reasonably require.

1.3 Notice

If the Holder becomes aware:

- (a) that a Disposal of any Voluntary Escrow Shares has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to a Disposal of in any Voluntary Escrow Shares during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the Disposal or the matters giving rise to the Disposal, providing full details.

2 Warranties

2.1 Giving of warranties

Each of the warranties and representations in this clause 2 is given in favour of the Company, as at:

- (a) the date of this deed; and
- (b) at all times until expiry of the Escrow Period.

The warranties and representations in this clause 2 are given in respect of any and all Voluntary Escrow Shares which the Holder holds from time to time during the Escrow Period, including as a result of a permitted dealing in accordance with clause 1.2 of this deed.

2.2 Warranties of Holder

The Holder warrants and represents the following:

- (a) Before the Escrow Period begins, it has not done, or omitted to do, any act which would breach clause 1 of this deed if it were an act or omission which would take effect during the Escrow Period.
- (b) Either:
 - (i) the Holder has no controllers (as defined in the ASX Listing Rules); or
 - (ii) any such controller who is not a party to this deed comes within an exception set out in rule 9.1.4 of the ASX Listing Rules.
- (c) The Holder holds the Shares set out in item 2 of Schedule 2 as at the date of this deed, and will hold from Listing all of the Voluntary Escrow Shares.
- (d) The Voluntary Escrow Shares are (or will from Completion be) free from all encumbrances and other third party interests or rights.
- (e) The Shares set out in item 2 of Schedule 2 are as at the date of this deed (and the Voluntary Escrow Shares will be as at Listing) all the securities, substantial

economic interests or other interests that the Holder directly or indirectly has in the Company.

- (f) It has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder has entered into this deed as a trustee (**Trustee**), under the trust deed for the relevant trust (**Trust**)).
- (g) It has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms.
- (h) This deed constitutes legal, valid and binding obligations and, subject to any necessary stamping and registration, is enforceable in accordance with its terms.
- (i) If the Holder is a Trustee, the Trustee is the trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust.
- (j) If the Holder is a Trustee:
 - (i) the Holder has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and the Holder has not released or disposed of its equitable lien over that trust; and
 - (ii) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust.
- (k) The execution, delivery and performance by it of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation;
 - (ii) its constitution or other constituent documents (or, if the Holder is a Trustee, the trust deed for the Trust); or
 - (iii) any agreement, undertaking, encumbrance or document which is binding on that party.

2.3 Breach of warranties

A breach of any of the warranties in clause 2 is a breach of the terms of this deed.

3 Holding Lock

3.1 Agreement to Holding Lock

Subject to clause 3.2, the Holder agrees to the application of a Holding Lock to the Voluntary Escrow Shares.

3.2 Application of Holding Lock

The Company will apply a Holding Lock to the Voluntary Escrow Shares as soon as practicable after registration of the Voluntary Escrow Shares on the Issuer Sponsored

Subregister and may only remove the Holding Lock with respect to the Voluntary Escrow Shares if permitted under clause 3.3.

3.3 Removal of Holding Lock

- (a) Upon request by a Holder, the Company must remove the Holding Lock with respect to Voluntary Escrow Shares in order to facilitate a Disposal that is permitted under clause 1.2.
- (b) The Company must remove the Holding Lock with respect to Voluntary Escrow Shares on the Business Day after the end of the Escrow Period.
- (c) In respect of (a) and (b) above, the Company will notify ASX that the Voluntary Escrow Shares will be released from the escrow restrictions set out in this deed in respect of some or all of the Voluntary Escrow Shares, in accordance with the timing requirements set out in Listing Rule 3.10A.

4 Permitted dealings with the Voluntary Escrow Shares

Except as expressly provided for in clause 1, nothing in this deed restricts the Holder from dealing with the Voluntary Escrow Shares or exercising rights attaching to, or afforded to the Holder of, the Voluntary Escrow Shares, including without limitation by:

- (a) exercising any voting rights attaching to the Voluntary Escrow Shares;
- (b) receiving or being entitled to any dividend, return of capital or other distribution attaching to the Voluntary Escrow Shares; and
- (c) receiving or participating in any right or bonus issue in connection with the Voluntary Escrow Shares.

5 Breach

5.1 Consequences of breach

- (a) If the Holder breaches this deed, each of the following applies:
 - (i) the Company may take the steps necessary to enforce this deed, or to rectify the breach; and
 - (ii) the Company may refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the Voluntary Escrow Shares. This is in addition to other rights and remedies of the Company.
- (b) If the Holder breaches this deed, the Holder acknowledges and agrees that such a breach could cause substantial commercial and financial detriment to the Company and other third parties.
- (c) The parties agree that damages would be an insufficient remedy for breach of clause 1.1 or clause 1.2 and the Holder agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's obligation under clause 1.1 or clause 1.2 (as applicable) without proof of actual damage and without prejudice to any of its other rights or remedies.

6 Amendment

Subject to clause 9, this deed can only be amended or replaced by another deed executed by the parties.

7 Termination

This deed will terminate if Listing or Completion does not occur by 31 December 2014.

8 Capacity

8.1 Trustee

If the Holder has entered into this deed as a trustee:

- (a) notwithstanding any other provision of this deed including any provision expressed to prevail over this clause 8.1 but subject to clause 8.1(c), the Holder enters into this deed only in its capacity as trustee of the relevant trust and in no other capacity. A liability arising under or in connection with this deed can be enforced against the Holder only to the extent which it can be satisfied out of the property of the relevant trust for which the Holder is actually indemnified for the liability. The Holder will exercise its rights of indemnification in order to satisfy its obligations under this deed;
 - (b) subject to clause 8.1(c), a party to this deed may not sue the Holder in any capacity other than as trustee in respect of the relevant trust, including seeking the appointment to the Holder of a receiver (except in relation to property of the relevant trust), a liquidator, administrator or any similar person; and
 - (c) the provisions of this clause 8.1 will not apply to any obligation or liability of the Holder to the extent that it is not satisfied because under the relevant trust deed or by operation of law, there is a reduction in the extent, or elimination of, the Holder's out of the assets of the relevant trust, or the right does not exist at all, as a result of the Holder's fraud, negligence, improper performance of duties or breach of trust.
-

9 Company to complete Schedule 2

Each party authorises the Company (or any person delegated such authority in writing by the Company) to insert in Schedule 2, after execution of this deed by each party:

- (a) the particulars of Voluntary Escrow Shares in item 5 of Schedule 2; and
 - (b) any other details necessary to complete Schedule 2.
-

10 General

10.1 Governing Law

- (a) This deed is governed by the laws of New South Wales, Australia.

- (b) Each party submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia, and any court that may hear appeals from any of those courts, for any proceedings in connection with this deed.
- (c) Each of the parties to this deed irrevocably waives:
 - (i) any objection to the venue of any proceedings on the ground that they have been brought in an inconvenient forum; and
 - (ii) any immunity from set off, suits, proceedings and execution to which it or any of its property may now or in the future be entitled under any applicable law.

10.2 Further assurances

Each party must do all things and execute all further documents required to give full effect to this deed.

10.3 Counterparts

This deed may be executed in any number of counterparts. All counterparts, taken together, constitute one instrument. A party may execute this deed by signing any counterpart.

10.4 Time of Essence

Time is of the essence to this deed.

10.5 Notice

A notice or other communication given under this deed:

- (a) must be in legible writing and in English;
- (b) must be signed by a person duly authorised by the sender; and
- (c) must be addressed to the addressee at the address, email address or facsimile number set out below or to any other address or facsimile number a party notifies to the other under this clause:
 - (i) if to the Company:

Pacific Smiles Group Limited
Level 1, 6 Molly Morgan Drive
Greenhills, NSW 2323

Attention: John Gibbs, Managing Director
Facsimile: 02 4930 2099
Email: john.gibbs@pacificsmiles.com.au

(ii) if to the Holder:

Address: 17 Rani Close, Speers Point, NSW 2284

Attention: Jane Coleman

Facsimile: 02 4930 2099

Email: jane.coleman@pacificsmiles.com.au

(d) Without limiting any other means by which a party may be able to prove that a notice has been received by another party, a notice is deemed to be received:

(i) if sent by hand, when delivered to the addressee;

(ii) if by post, five Business Days from and including the date of postage;

(iii) if by facsimile transmission, on receipt by the sender of an acknowledgment or transmission report confirming that the facsimile has been sent in full generated by the machine from which the facsimile was sent; or

(iv) if sent by email:

(A) at the time twelve hours after when the sender receives an automated message confirming delivery; or

(B) seventeen hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,

whichever happens first,

but if the delivery or receipt is on a day which is not a Business Day or is after 5.00 pm (addressee's time) it is deemed to be received at 9.00 am on the following Business Day (addressee's time).

(e) A facsimile transmission is regarded as legible unless the addressee telephones, faxes or emails the sender within 14 hours after the transmission is received or regarded as received under clause 10.5(d)(iii) and informs the sender that it is not legible.

Schedule 1 — Dictionary

1 Dictionary

The following definitions apply in this deed.

Affiliate means any other Person which directly or indirectly, through one or more intermediaries controls, or is controlled by, or is under common control with, the Holder (for the purposes of this definition, “control” (including, with correlative meanings, the terms “controlling”, “controlled by” and “under common control with”) as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies or activities of a Person, whether through ownership of the securities, by contract or agency or otherwise).

ASX means ASX Limited (ABN 98 008 624 691) or the financial market operated by ASX, as the context requires.

ASX Listing Rules means the listing rules of ASX.

ASX Settlement means ASX Settlement Pty Ltd (ABN 49 008 504 532).

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Sydney, New South Wales, Australia and, for the purposes of clause 10.5, also means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in the addressee's jurisdiction.

Completion means the completion of the issue and allotment of new Shares by the Company to investors under the Initial Public Offer.

Corporations Act means *Corporations Act 2001* (Cth).

Dispose includes:

- (a) the meaning given by the ASX Listing Rules;
- (b) in relation to:
 - (i) any Voluntary Escrow Sharesto
 - (A) sell, assign, transfer or otherwise dispose of any legal, beneficial or economic interest in the Voluntary Escrow Shares;
 - (B) encumber or grant a security interest over the Voluntary Escrow Shares;
 - (C) grant or exercise an option in respect of any Voluntary Escrow Shares;
 - (D) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of, any legal, beneficial or economic interest in, any of the Voluntary Escrow Shares; or

(E) agree to do any of those things.

Escrow Period means the period for which the Voluntary Escrow Shares are escrowed as set out in item 3 of Schedule 2.

Holding Lock has the meaning given to that term in the ASX Listing Rules.

Initial Public Offer means the proposed initial public offering of Shares.

Issuer Sponsored Subregister means the part of the Company's register for shares that is administered by the Company (and not ASX Settlement) and records uncertificated holdings of Shares.

Listing means the admission of the Company to the official list of the ASX.

Off-Market Bid has the meaning given in the Corporations Act.

Offer Price means the "Offer Price" as defined in the Prospectus.

Person means any individual, partnership, corporation, company, association, trust, joint venture, limited liability company, unincorporated organisation, entity or division.

Prospectus means the prospectus to be issued by the Company dated and lodged with ASIC on or about 31 October 2014.

Share means an ordinary share in the capital of the Company.

Takeover Bid has the meaning given to that term in the Corporations Act.

Trading Day has the meaning given in the ASX Listing Rules.

Voluntary Escrow Deed means a voluntary escrow deed entered into in connection with the Initial Public Offer.

Voluntary Escrow Shares means the Shares described in item 4 of Schedule 2.

2 Rules for interpreting this deed

Headings are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this deed, except where the context makes it clear that a rule is not intended to apply.

- (a) Other than as expressly provided, a term or expression starting with a capital letter which is defined in the Corporations Act, but is not defined in the Dictionary, has the meaning given to it in the Corporations Act.
- (b) A reference to:
 - (i) a legislative provision or legislation (including subordinate legislation) is to that provision or legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
 - (ii) a document (including this deed) or agreement, or a provision of a document (including this deed) or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;

- (iii) a party to this deed or to any other document or agreement includes a successor in title, permitted substitute or a permitted assign of that party;
 - (iv) a person includes any type of company or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
 - (v) anything (including a right, obligation or concept) includes each part of it.
- (c) A singular word includes the plural, and vice versa.
- (d) The expression 'this deed' includes the agreement, arrangement, understanding or transaction recorded in this deed.

3 Compliance with ASX Listing Rules

During the Escrow Period, and for so long as the Company is listed on the official list of the ASX:

- (a) notwithstanding anything contained in this deed, if the ASX Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the ASX Listing Rules require to be done;
- (c) if the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the ASX Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the ASX Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the ASX Listing Rules, this deed is deemed not to contain that provision to the extent of the inconsistency.

Schedule 2 — Details

1 Company name and address

Pacific Smiles Group Limited

Level 1, 6 Molly Morgan Drive, Greenhills, NSW 2323

2 Holder's name and address

Holder	Address/notice details of each Controller (clause 10.5)	Shares held by the Holder as at the date of this deed
Anthony William John Coleman	17 Rani Close, Speers Point, NSW 2284	1,650,000

3 Escrow Period

The period commencing on the date of Listing and continuing until 3 Business Days following the date on which the Company's full year results for the period ending 30 June 2015 are released to ASX.

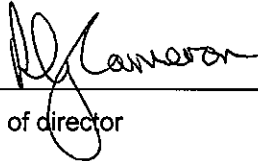
4 Particulars of Voluntary Escrow Shares

All Shares held by the Holder as at the date of Listing (other than any Shares acquired under the Initial Public Offer)

Execution page

Executed as a Deed

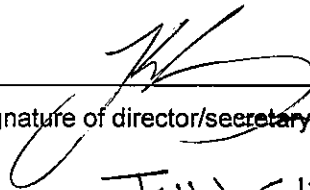
Signed and delivered by **Pacific Smiles Group Limited ACN 103 087 449** in accordance with section 127 of the *Corporations Act 2001* (Cth) and by:



Signature of director

Robert G. Cameron

Name of director (print)

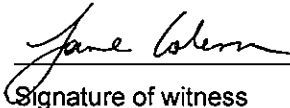


Signature of director/secretary

JOHN GIBBS

Name of director/secretary (print)

Signed sealed and delivered by **Anthony William John Coleman** in the presence of:



Signature of witness

Jane Coleman

Name of witness (print)



Signature of Anthony William John Coleman

Escrow Deed

Pacific Smiles Group Limited

John Gibbs and the other Holders named in item 2 of Schedule 2

Contents	Page
1 Escrow Restrictions	1
2 Warranties	2
3 Holding Lock	3
4 Permitted dealings with the Voluntary Escrow Shares	4
5 Breach	4
6 Amendment	5
7 Termination	5
8 Capacity	5
9 Company to complete Schedule 2	5
10 General	5
Schedule 1 — Dictionary	8
Schedule 2 — Details	11
Execution page	12

Date: 8/10/2014

Parties

- 1 The party named in item 1 of Schedule 2 (Company)
 - 2 The parties named in item 2 of Schedule 2 (Holders)
-

Recitals

- A The Company intends to be admitted to the official list of ASX and proposes to issue Shares pursuant to the Initial Public Offer.
- B The Holders hold or will hold the Voluntary Escrow Shares as at the date of Listing.
- C Each Holder agrees to escrow all of the Voluntary Escrow Shares for the Escrow Period pursuant to the terms of this deed, on the basis that the Company will take the steps necessary to be admitted to the official list of ASX.

The parties agree

1 Escrow Restrictions

1.1 Voluntary Escrow Shares

Subject to clause 1.2, during the Escrow Period, the Holders must not Dispose of, or agree or offer to Dispose of, the Voluntary Escrow Shares.

1.2 Exceptions

- (a) To enable the Holders to accept an offer under a Takeover Bid in relation to the Voluntary Escrow Shares or to enable the Voluntary Escrow Shares to be transferred or cancelled as part of a merger by scheme of arrangement under Part 5.1 of the Corporations Act, the Company must remove the Holding Lock on the Voluntary Escrow Shares during the Escrow Period if any of the following conditions are met:
 - (i) in the case of a Takeover Bid, holders of at least half of the Shares that are the subject of the Takeover Bid and that are not subject to any Voluntary Escrow Deed have accepted the Takeover Bid;
 - (ii) in the case of an Off-Market Bid, if the offer is conditional, the bidder and the Holder agree in writing that the Holding Lock will be applied for each Voluntary Escrow Share that is not bought by the bidder under the off-market bid; or
 - (iii) in the case of a merger by scheme of arrangement under Part 5.1 of the Corporations Act, the Holder agrees in writing that the Holding Lock will be applied if the merger does not take effect.
- (b) During the Escrow Period, the Holders may Dispose of any of their Voluntary Escrow Shares to the extent the Disposal is required by applicable law (including an order of a governmental authority or a court of competent jurisdiction).
- (c) Notwithstanding any condition to the contrary in this deed, during the Escrow Period, a Holder may transfer (in one or more transactions) any or all Voluntary

Escrow Shares to an Affiliate of that Holder provided that such Affiliate transferee agrees to be bound by the terms and conditions of this deed by entering into such further agreements or deeds as the Company may reasonably require.

1.3 Notice

If a Holder becomes aware:

- (a) that a Disposal of any Voluntary Escrow Shares has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to a Disposal of in any Voluntary Escrow Shares during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the Disposal or the matters giving rise to the Disposal, providing full details.

2 Warranties

2.1 Giving of warranties

Each of the warranties and representations in this clause 2 is given in favour of the Company, as at:

- (a) the date of this deed; and
- (b) at all times until expiry of the Escrow Period.

The warranties and representations in this clause 2 are given in respect of any and all Voluntary Escrow Shares which a Holder holds from time to time during the Escrow Period, including as a result of a permitted dealing in accordance with clause 1.2 of this deed.

2.2 Warranties of Holders

Each Holder warrants and represents the following:

- (a) Before the Escrow Period begins, it has not done, or omitted to do, any act which would breach clause 1 of this deed if it were an act or omission which would take effect during the Escrow Period.
- (b) Either:
 - (i) the Holder has no controllers (as defined in the ASX Listing Rules); or
 - (ii) any such controller who is not a party to this deed comes within an exception set out in rule 9.1.4 of the ASX Listing Rules.
- (c) The Holders hold all of the Shares set out in item 2 of Schedule 2 as at the date of this deed, and will hold from Listing all of the Voluntary Escrow Shares.
- (d) The Voluntary Escrow Shares are (or will from Completion be) free from all encumbrances and other third party interests or rights.
- (e) The Shares set out in item 2 of Schedule 2 are as at the date of this deed (and the Voluntary Escrow Shares will be as at Listing) all the securities, substantial

economic interests or other interests that the Holders directly or indirectly has in the Company.

- (f) It has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder has entered into this deed as a trustee (**Trustee**), under the trust deed for the relevant trust (**Trust**)).
- (g) It has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms.
- (h) This deed constitutes legal, valid and binding obligations and, subject to any necessary stamping and registration, is enforceable in accordance with its terms.
- (i) If the Holder is a Trustee, the Trustee is the trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust.
- (j) If the Holder is a Trustee:
 - (i) the Holder has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and the Holder has not released or disposed of its equitable lien over that trust; and
 - (ii) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust.
- (k) The execution, delivery and performance by it of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation;
 - (ii) its constitution or other constituent documents (or, if the Holder is a Trustee, the trust deed for the Trust); or
 - (iii) any agreement, undertaking, encumbrance or document which is binding on that party.

2.3 Breach of warranties

A breach of any of the warranties in clause 2 is a breach of the terms of this deed.

3 Holding Lock

3.1 Agreement to Holding Lock

Subject to clause 3.2, the Holders agree to the application of a Holding Lock to the Voluntary Escrow Shares.

3.2 Application of Holding Lock

The Company will apply a Holding Lock to the Voluntary Escrow Shares as soon as practicable after registration of the Voluntary Escrow Shares on the Issuer Sponsored

Subregister and may only remove the Holding Lock with respect to the Voluntary Escrow Shares if permitted under clause 3.3.

3.3 Removal of Holding Lock

- (a) Upon request by a Holder, the Company must remove the Holding Lock with respect to Voluntary Escrow Shares in order to facilitate a Disposal that is permitted under clause 1.2.
- (b) The Company must remove the Holding Lock with respect to Voluntary Escrow Shares on the Business Day after the end of the Escrow Period.
- (c) In respect of (a) and (b) above, the Company will notify ASX that the Voluntary Escrow Shares will be released from the escrow restrictions set out in this deed in respect of some or all of the Voluntary Escrow Shares, in accordance with the timing requirements set out in Listing Rule 3.10A.

4 Permitted dealings with the Voluntary Escrow Shares

Except as expressly provided for in clause 1, nothing in this deed restricts the Holders from dealing with the Voluntary Escrow Shares or exercising rights attaching to, or afforded to the Holder of, the Voluntary Escrow Shares, including without limitation by:

- (a) exercising any voting rights attaching to the Voluntary Escrow Shares;
- (b) receiving or being entitled to any dividend, return of capital or other distribution attaching to the Voluntary Escrow Shares; and
- (c) receiving or participating in any right or bonus issue in connection with the Voluntary Escrow Shares.

5 Breach

5.1 Consequences of breach

- (a) If a Holder breaches this deed, each of the following applies:
 - (i) the Company may take the steps necessary to enforce this deed, or to rectify the breach; and
 - (ii) the Company may refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the Voluntary Escrow Shares. This is in addition to other rights and remedies of the Company.
- (b) If a Holder breaches this deed, the Holders acknowledge and agree that such a breach could cause substantial commercial and financial detriment to the Company and other third parties.
- (c) The parties agree that damages would be an insufficient remedy for breach of clause 1.1 or clause 1.2 and the Holders agree that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holders' obligations under clause 1.1 or clause 1.2 (as applicable) without proof of actual damage and without prejudice to any of its other rights or remedies.

6 Amendment

Subject to clause 9, this deed can only be amended or replaced by another deed executed by the parties.

7 Termination

This deed will terminate if Listing or Completion does not occur by 31 December 2014.

8 Capacity

8.1 Trustee

Where a Holder has entered into this deed as a trustee:

- (a) notwithstanding any other provision of this deed including any provision expressed to prevail over this clause 8.1 but subject to clause 8.1(c), the Holder enters into this deed only in its capacity as trustee of the relevant trust and in no other capacity. A liability arising under or in connection with this deed can be enforced against the Holder only to the extent which it can be satisfied out of the property of the relevant trust for which the Holder is actually indemnified for the liability. The Holder will exercise its rights of indemnification in order to satisfy its obligations under this deed;
- (b) subject to clause 8.1(c), a party to this deed may not sue the Holder in any capacity other than as trustee in respect of the relevant trust, including seeking the appointment to the Holder of a receiver (except in relation to property of the relevant trust), a liquidator, administrator or any similar person; and
- (c) the provisions of this clause 8.1 will not apply to any obligation or liability of the Holder to the extent that it is not satisfied because under the relevant trust deed or by operation of law, there is a reduction in the extent, or elimination of, the Holder's out of the assets of the relevant trust, or the right does not exist at all, as a result of the Holder's fraud, negligence, improper performance of duties or breach of trust.

9 Company to complete Schedule 2

Each party authorises the Company (or any person delegated such authority in writing by the Company) to insert in Schedule 2, after execution of this deed by each party:

- (a) the particulars of Voluntary Escrow Shares in item 5 of Schedule 2; and
 - (b) any other details necessary to complete Schedule 2.
-

10 General

10.1 Governing Law

- (a) This deed is governed by the laws of New South Wales, Australia.

- (b) Each party submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia, and any court that may hear appeals from any of those courts, for any proceedings in connection with this deed.
- (c) Each of the parties to this deed irrevocably waives:
 - (i) any objection to the venue of any proceedings on the ground that they have been brought in an inconvenient forum; and
 - (ii) any immunity from set off, suits, proceedings and execution to which it or any of its property may now or in the future be entitled under any applicable law.

10.2 Further assurances

Each party must do all things and execute all further documents required to give full effect to this deed.

10.3 Counterparts

This deed may be executed in any number of counterparts. All counterparts, taken together, constitute one instrument. A party may execute this deed by signing any counterpart.

10.4 Time of Essence

Time is of the essence to this deed.

10.5 Notice

A notice or other communication given under this deed:

- (a) must be in legible writing and in English;
- (b) must be signed by an person duly authorised by the sender; and
- (c) must be addressed to the addressee at the address, email address or facsimile number set out below or to any other address or facsimile number a party notifies to the other under this clause:
 - (i) if to the Company:

Pacific Smiles Group Limited
Level 1, 6 Molly Morgan Drive
Greenhills, NSW 2323

Attention: Jane Coleman, Company Secretary
Facsimile: 02 4930 2099
Email: jane.coleman@pacificsmiles.com.au

(ii) if to the Holders:

John Gibbs

Address: 25 Warrane Road
Roseville Chase NSW 2069

Attention: John Gibbs
Facsimile: 02 4930 2099
Email: john.gibbs@pacificsmiles.com.au

(d) Without limiting any other means by which a party may be able to prove that a notice has been received by another party, a notice is deemed to be received:

(i) if sent by hand, when delivered to the addressee;

(ii) if by post, five Business Days from and including the date of postage;

(iii) if by facsimile transmission, on receipt by the sender of an acknowledgment or transmission report confirming that the facsimile has been sent in full generated by the machine from which the facsimile was sent; or

(iv) if sent by email:

(A) at the time twelve hours after when the sender receives an automated message confirming delivery; or

(B) seventeen hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,

whichever happens first,

but if the delivery or receipt is on a day which is not a Business Day or is after 5.00 pm (addressee's time) it is deemed to be received at 9.00 am on the following Business Day (addressee's time).

(e) A facsimile transmission is regarded as legible unless the addressee telephones, faxes or emails the sender within 14 hours after the transmission is received or regarded as received under clause 10.5(d)(iii) and informs the sender that it is not legible.

Schedule 1 — Dictionary

1 Dictionary

The following definitions apply in this deed.

Affiliate means any other Person which directly or indirectly, through one or more intermediaries controls, or is controlled by, or is under common control with, the Holder (for the purposes of this definition, "control" (including, with correlative meanings, the terms "controlling", "controlled by" and "under common control with") as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies or activities of a Person, whether through ownership of the securities, by contract or agency or otherwise).

ASX means ASX Limited (ABN 98 008 624 691) or the financial market operated by ASX, as the context requires.

ASX Listing Rules means the listing rules of ASX.

ASX Settlement means ASX Settlement Pty Ltd (ABN 49 008 504 532).

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Sydney, New South Wales, Australia and, for the purposes of clause 10.5, also means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in the addressee's jurisdiction.

Completion means the completion of the issue and allotment of new Shares by the Company to investors under the Initial Public Offer.

Corporations Act means *Corporations Act 2001* (Cth).

Dispose includes:

- (a) the meaning given by the ASX Listing Rules;
- (b) in relation to:
 - (i) any Voluntary Escrow Sharesto
 - (A) sell, assign, transfer or otherwise dispose of any legal, beneficial or economic interest in the Voluntary Escrow Shares;
 - (B) encumber or grant a security interest over the Voluntary Escrow Shares;
 - (C) grant or exercise an option in respect of any Voluntary Escrow Shares;
 - (D) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of, any legal, beneficial or economic interest in, any of the Voluntary Escrow Shares; or

(E) agree to do any of those things.

Escrow Period means the period for which the Voluntary Escrow Shares are escrowed as set out in item 3 of Schedule 2.

Holding Lock has the meaning given to that term in the ASX Listing Rules.

Initial Public Offer means the proposed initial public offering of Shares.

Issuer Sponsored Subregister means the part of the Company's register for shares that is administered by the Company (and not ASX Settlement) and records uncertificated holdings of Shares.

Listing means the admission of the Company to the official list of the ASX.

Off-Market Bid has the meaning given in the Corporations Act.

Offer Price means the "Offer Price" as defined in the Prospectus.

Person means any individual, partnership, corporation, company, association, trust, joint venture, limited liability company, unincorporated organisation, entity or division.

Prospectus means the prospectus to be issued by the Company and lodged with ASIC on or about 31 October 2014.

Share means an ordinary share in the capital of the Company.

Takeover Bid has the meaning given to that term in the Corporations Act.

Trading Day has the meaning given in the ASX Listing Rules.

Voluntary Escrow Deed means a voluntary escrow deed entered into in connection with the Initial Public Offer.

Voluntary Escrow Shares means the Shares described in item 4 of Schedule 2.

2 Rules for interpreting this deed

Headings are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this deed, except where the context makes it clear that a rule is not intended to apply.

- (a) Other than as expressly provided, a term or expression starting with a capital letter which is defined in the Corporations Act, but is not defined in the Dictionary, has the meaning given to it in the Corporations Act.
- (b) A reference to:
 - (i) a legislative provision or legislation (including subordinate legislation) is to that provision or legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
 - (ii) a document (including this deed) or agreement, or a provision of a document (including this deed) or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;

- (iii) a party to this deed or to any other document or agreement includes a successor in title, permitted substitute or a permitted assign of that party;
 - (iv) a person includes any type of company or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
 - (v) anything (including a right, obligation or concept) includes each part of it.
- (c) A singular word includes the plural, and vice versa.
- (d) The expression 'this deed' includes the agreement, arrangement, understanding or transaction recorded in this deed.
-

3 Multiple parties

If a party to this deed is made up of more than one person, or a term is used in this deed to refer to more than one party, then unless otherwise specified in this deed:

- (a) an obligation of those persons is several;
 - (b) a right of those persons is held by each of them severally; and
 - (c) any other reference to that party or term is a reference to each of those persons separately, so that (for example) a representation, warranty or undertaking relates to each of them separately.
-

4 Compliance with ASX Listing Rules

During the Escrow Period, and for so long as the Company is listed on the official list of the ASX:

- (a) notwithstanding anything contained in this deed, if the ASX Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the ASX Listing Rules require to be done;
- (c) if the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the ASX Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the ASX Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the ASX Listing Rules, this deed is deemed not to contain that provision to the extent of the inconsistency.

Schedule 2 — Details

1 Company name and address

Pacific Smiles Group Limited

Level 1, 6 Molly Morgan Drive, Greenhills, NSW 2323

2 Holders' name and address

Holder's name	Holder's address	Number of shares held
John Gibbs	25 Warrane Road, Roseville Chase, NSW 2069	4,951,125
Amanda Taylor	25 Warrane Road, Roseville Chase, NSW 2069	1,647,735
Sterling Surgical Pty Ltd, as trustee for the Gibbs Family Trust	25 Warrane Road, Roseville Chase, NSW 2069	1,515,000

3 Escrow Period

The period commencing on the date of Listing and continuing until 3 Business Days following the date on which the Company's full year results for the period ending 30 June 2015 are released to ASX.

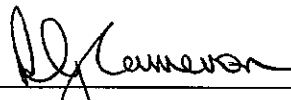
4 Particulars of Voluntary Escrow Shares

All Shares held by the Holders as at the date of Listing (other than any Shares acquired under the Initial Public Offer)

Execution page

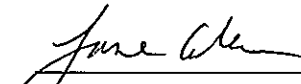
Executed as a Deed

Signed and delivered by **Pacific Smiles Group Limited ACN 103 087 449** in accordance with section 127 of the *Corporations Act 2001* (Cth) and by:



Signature of director

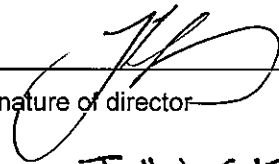
Robert G. Cameron
Name of director (print)



Signature of director/secretary

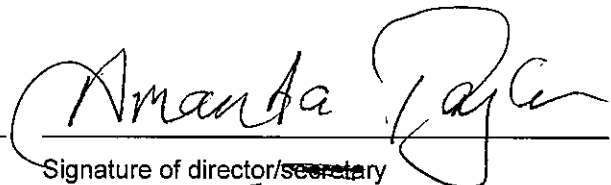
Jane Coleman
Name of director/secretary (print)

Signed and delivered by **Sterling Surgical Pty Ltd ACN 106 506 594, as trustee for The Gibbs Family Trust** in accordance with section 127 of the *Corporations Act 2001* (Cth) and by:



Signature of director

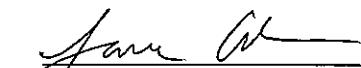
JOHN GIBBS
Name of director (print)



Signature of director/secretary

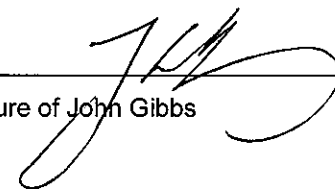
A. TAYLOR
Name of director/secretary (print)

Signed sealed and delivered by **John Gibbs** in the presence of:



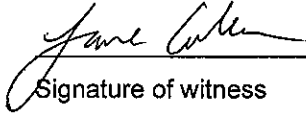
Signature of witness

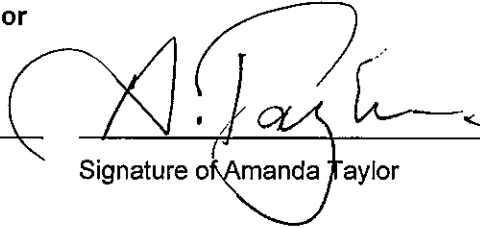
Jane Coleman
Name of witness (print)



Signature of John Gibbs

Signed sealed and delivered by **Amanda Taylor**
in the presence of:


Signature of witness


Signature of Amanda Taylor

Jane Coleman

Name of witness (print)

Escrow Deed

Pacific Smiles Group Limited

**Robert Graham Cameron and Paula Cameron, as trustees for the Cameron Family
Superannuation Plan**

Contents

	Page
1 Escrow Restrictions	1
2 Warranties	2
3 Holding Lock	3
4 Permitted dealings with the Voluntary Escrow Shares	4
5 Breach	4
6 Amendment	5
7 Termination	5
8 Capacity	5
9 Company to complete Schedule 2	5
10 General	5
Schedule 1 — Dictionary	8
Schedule 2 — Details	11
Execution page	12

Date: 3/10/2014

Parties

- 1 The party named in item 1 of Schedule 2 (Company)
 - 2 The parties named in item 2 of Schedule 2 (Holders)
-

Recitals

- A The Company intends to be admitted to the official list of ASX and proposes to issue Shares pursuant to the Initial Public Offer.
- B The Holders jointly hold or will hold the Voluntary Escrow Shares as at the date of Listing.
- C The Holders agree to escrow all of the Voluntary Escrow Shares for the Escrow Period pursuant to the terms of this deed, on the basis that the Company will take the steps necessary to be admitted to the official list of ASX.

The parties agree

1 Escrow Restrictions

1.1 Voluntary Escrow Shares

Subject to clause 1.2, during the Escrow Period, the Holders must not Dispose of, or agree or offer to Dispose of, the Voluntary Escrow Shares.

1.2 Exceptions

- (a) To enable the Holders to accept an offer under a Takeover Bid in relation to the Voluntary Escrow Shares or to enable the Voluntary Escrow Shares to be transferred or cancelled as part of a merger by scheme of arrangement under Part 5.1 of the Corporations Act, the Company must remove the Holding Lock on the Voluntary Escrow Shares during the Escrow Period if any of the following conditions are met:
 - (i) in the case of a Takeover Bid, holders of at least half of the Shares that are the subject of the Takeover Bid and that are not subject to any Voluntary Escrow Deed have accepted the Takeover Bid;
 - (ii) in the case of an Off-Market Bid, if the offer is conditional, the bidder and the Holders agree in writing that the Holding Lock will be applied for each Voluntary Escrow Share that is not bought by the bidder under the off-market bid; or
 - (iii) in the case of a merger by scheme of arrangement under Part 5.1 of the Corporations Act, the Holders agree in writing that the Holding Lock will be applied if the merger does not take effect.
- (b) During the Escrow Period, the Holders may Dispose of any of the Voluntary Escrow Shares to the extent the Disposal is required by applicable law (including an order of a governmental authority or a court of competent jurisdiction).

- (c) Notwithstanding any condition to the contrary in this deed, during the Escrow Period, the Holders may transfer (in one or more transactions) any or all Voluntary Escrow Shares to an Affiliate of a Holder provided that such Affiliate transferee agrees to be bound by the terms and conditions of this deed by entering into such further agreements or deeds as the Company may reasonably require.

1.3 Notice

If a Holder become aware:

- (a) that a Disposal of any Voluntary Escrow Shares has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to a Disposal of in any Voluntary Escrow Shares during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the Disposal or the matters giving rise to the Disposal, providing full details.

2 Warranties

2.1 Giving of warranties

Each of the warranties and representations in this clause 2 is given in favour of the Company, as at:

- (a) the date of this deed; and
- (b) at all times until expiry of the Escrow Period.

The warranties and representations in this clause 2 are given in respect of any and all Voluntary Escrow Shares which the Holders hold from time to time during the Escrow Period, including as a result of a permitted dealing in accordance with clause 1.2 of this deed.

2.2 Warranties of Holder

The Holders warrant and represents the following:

- (a) Before the Escrow Period begins, it has not done, or omitted to do, any act which would breach clause 1 of this deed if it were an act or omission which would take effect during the Escrow Period.
- (b) Either:
 - (i) the Holders have no controllers (as defined in the ASX Listing Rules); or
 - (ii) any such controller who is not a party to this deed comes within an exception set out in rule 9.1.4 of the ASX Listing Rules.
- (c) The Holders hold the Shares set out in item 2 of Schedule 2 as at the date of this deed, and will hold from Listing all of the Voluntary Escrow Shares.
- (d) The Voluntary Escrow Shares are (or will from Completion be) free from all encumbrances and other third party interests or rights.

- (e) The Shares set out in item 2 of Schedule 2 are as at the date of this deed (and the Voluntary Escrow Shares will be as at Listing) all the securities, substantial economic interests or other interests that the Holders directly or indirectly have in the Company.
- (f) They have full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including under the trust deed for the relevant trust (**Trust**), in relation to which the Holders have entered into this deed as trustees (**Trustees**)).
- (g) They have taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms.
- (h) This deed constitutes legal, valid and binding obligations and, subject to any necessary stamping and registration, is enforceable in accordance with its terms.
- (i) The Holders are Trustees of the Trust and, to the best of their knowledge and belief, there is no proposal to remove them as trustees of the Trust.
- (j) The Holders have the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and the Holders have not released or disposed of its equitable lien over that trust, and the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust.
- (k) The execution, delivery and performance by them of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation;
 - (ii) its constitution or other constituent documents or the trust deed for the Trust;
or
 - (iii) any agreement, undertaking, encumbrance or document which is binding on them.

2.3 Breach of warranties

A breach of any of the warranties in clause 2 is a breach of the terms of this deed.

3 Holding Lock

3.1 Agreement to Holding Lock

Subject to clause 3.2, the Holders agree to the application of a Holding Lock to the Voluntary Escrow Shares.

3.2 Application of Holding Lock

The Company will apply a Holding Lock to the Voluntary Escrow Shares as soon as practicable after registration of the Voluntary Escrow Shares on the Issuer Sponsored Subregister and may only remove the Holding Lock with respect to the Voluntary Escrow Shares if permitted under clause 3.3.

3.3 Removal of Holding Lock

- (a) Upon request by the Holders, the Company must remove the Holding Lock with respect to Voluntary Escrow Shares in order to facilitate a Disposal that is permitted under clause 1.2.
- (b) The Company must remove the Holding Lock with respect to Voluntary Escrow Shares on the Business Day after the end of the Escrow Period.
- (c) In respect of (a) and (b) above, the Company will notify ASX that the Voluntary Escrow Shares will be released from the escrow restrictions set out in this deed in respect of some or all of the Voluntary Escrow Shares, in accordance with the timing requirements set out in Listing Rule 3.10A.

4 Permitted dealings with the Voluntary Escrow Shares

Except as expressly provided in clause 1, nothing in this deed restricts the Holders from dealing with the Voluntary Escrow Shares or exercising rights attaching to, or afforded to the Holders of, the Voluntary Escrow Shares, including without limitation by:

- (a) exercising any voting rights attaching to the Voluntary Escrow Shares;
- (b) receiving or being entitled to any dividend, return of capital or other distribution attaching to the Voluntary Escrow Shares; and
- (c) receiving or participating in any right or bonus issue in connection with the Voluntary Escrow Shares.

5 Breach

5.1 Consequences of breach

- (a) If the Holders breach this deed, each of the following applies:
 - (i) the Company may take the steps necessary to enforce this deed, or to rectify the breach; and
 - (ii) the Company may refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the Voluntary Escrow Shares. This is in addition to other rights and remedies of the Company.
- (b) If the Holders breach this deed, the Holders acknowledges and agrees that such a breach could cause substantial commercial and financial detriment to the Company and other third parties.
- (c) The parties agree that damages would be an insufficient remedy for breach of clause 1.1 or clause 1.2 and the Holders agree that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holders' obligations under clause 1.1 or clause 1.2 (as applicable) without proof of actual damage and without prejudice to any of its other rights or remedies.

6 Amendment

Subject to clause 9, this deed can only be amended or replaced by another deed executed by the parties.

7 Termination

This deed will terminate if Listing or Completion does not occur by 31 December 2014.

8 Capacity

8.1 Trustees

- (a) Notwithstanding any other provision of this deed including any provision expressed to prevail over this clause 8.1 but subject to clause 8.1(c), the Holders enters into this deed only in their capacity as trustees of the relevant trust and in no other capacity. A liability arising under or in connection with this deed can be enforced against the Holders only to the extent which it can be satisfied out of the property of the relevant trust for which the Holders are actually indemnified for the liability. The Holders will exercise their rights of indemnification in order to satisfy its obligations under this deed.
 - (b) Subject to clause 8.1(c), a party to this deed may not sue the Holders in any capacity other than as trustees in respect of the relevant trust, including seeking the appointment to the Holders of a receiver (except in relation to property of the relevant trust), a liquidator, administrator or any similar person.
 - (c) The provisions of this clause 8.1 will not apply to any obligation or liability of the Holders to the extent that it is not satisfied because under the relevant trust deed or by operation of law, there is a reduction in the extent, or elimination of, the Holders' out of the assets of the relevant trust, or the right does not exist at all, as a result of the Holders' fraud, negligence, improper performance of duties or breach of trust.
-

9 Company to complete Schedule 2

Each party authorises the Company (or any person delegated such authority in writing by the Company) to insert in Schedule 2, after execution of this deed by each party:

- (a) the particulars of Voluntary Escrow Shares in item 5 of Schedule 2; and
 - (b) any other details necessary to complete Schedule 2.
-

10 General

10.1 Governing Law

- (a) This deed is governed by the laws of New South Wales, Australia.
- (b) Each party submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia, and any court that may hear appeals from any of those courts, for any proceedings in connection with this deed.

- (c) Each of the parties to this deed irrevocably waives:
 - (i) any objection to the venue of any proceedings on the ground that they have been brought in an inconvenient forum; and
 - (ii) any immunity from set off, suits, proceedings and execution to which it or any of its property may now or in the future be entitled under any applicable law.

10.2 Further assurances

Each party must do all things and execute all further documents required to give full effect to this deed.

10.3 Counterparts

This deed may be executed in any number of counterparts. All counterparts, taken together, constitute one instrument. A party may execute this deed by signing any counterpart.

10.4 Time of Essence

Time is of the essence to this deed.

10.5 Notice

A notice or other communication given under this deed:

- (a) must be in legible writing and in English;
- (b) must be signed by an person duly authorised by the sender; and
- (c) must be addressed to the addressee at the address, email address or facsimile number set out below or to any other address or facsimile number a party notifies to the other under this clause:

- (i) if to the Company:

Pacific Smiles Group Limited
Level 1, 6 Molly Morgan Drive
Greenhills, NSW 2323

Attention: Jane Coleman, Company Secretary
Facsimile: 02 4930 2099
Email: jane.coleman@pacificsmiles.com.au

- (ii) if to the Holders:

Robert Graham Cameron and Paula Cameron, as trustees for the Cameron Family Superannuation Plan

Address: 31 Bayswater Rd, Bolwarra, NSW 2320, Australia
Attention: Bob Cameron
Email: bolhouse@bigpond.com

- (d) Without limiting any other means by which a party may be able to prove that a notice has been received by another party, a notice is deemed to be received:
- (i) if sent by hand, when delivered to the addressee;
 - (ii) if by post, five Business Days from and including the date of postage;
 - (iii) if by facsimile transmission, on receipt by the sender of an acknowledgment or transmission report confirming that the facsimile has been sent in full generated by the machine from which the facsimile was sent; or
 - (iv) if sent by email:
 - (A) at the time twelve hours after when the sender receives an automated message confirming delivery; or
 - (B) seventeen hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,

whichever happens first,

but if the delivery or receipt is on a day which is not a Business Day or is after 5.00 pm (addressee's time) it is deemed to be received at 9.00 am on the following Business Day (addressee's time).

- (e) A facsimile transmission is regarded as legible unless the addressee telephones, faxes or emails the sender within 14 hours after the transmission is received or regarded as received under clause 10.5(d)(iii) and informs the sender that it is not legible.

Schedule 1 — Dictionary

1 Dictionary

The following definitions apply in this deed.

Affiliate means any other Person which directly or indirectly, through one or more intermediaries controls, or is controlled by, or is under common control with, the Holders (for the purposes of this definition, "control" (including, with correlative meanings, the terms "controlling", "controlled by" and "under common control with") as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies or activities of a Person, whether through ownership of the securities, by contract or agency or otherwise).

ASX means ASX Limited (ABN 98 008 624 691) or the financial market operated by ASX, as the context requires.

ASX Listing Rules means the listing rules of ASX.

ASX Settlement means ASX Settlement Pty Ltd (ABN 49 008 504 532).

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Sydney, New South Wales, Australia and, for the purposes of clause 10.5, also means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in the addressee's jurisdiction.

Completion means the completion of the issue and allotment of new Shares by the Company to investors under the Initial Public Offer.

Corporations Act means *Corporations Act 2001* (Cth).

Dispose includes:

- (a) the meaning given by the ASX Listing Rules;
 - (b) in relation to:
 - (i) any Voluntary Escrow Shares
- to
- (A) sell, assign, transfer or otherwise dispose of any legal, beneficial or economic interest in the Voluntary Escrow Shares;
 - (B) encumber or grant a security interest over the Voluntary Escrow Shares;
 - (C) grant or exercise an option in respect of any Voluntary Escrow Shares;
 - (D) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of, any legal, beneficial or economic interest in, any of the Voluntary Escrow Shares; or

(E) agree to do any of those things.

Escrow Period means the period for which the Voluntary Escrow Shares are escrowed as set out in item 3 of Schedule 2.

Holding Lock has the meaning given to that term in the ASX Listing Rules.

Initial Public Offer means the proposed initial public offering of Shares.

Issuer Sponsored Subregister means the part of the Company's register for shares that is administered by the Company (and not ASX Settlement) and records uncertificated holdings of Shares.

Listing means the admission of the Company to the official list of the ASX.

Off-Market Bid has the meaning given in the Corporations Act.

Offer Price means the "Offer Price" as defined in the Prospectus.

Person means any individual, partnership, corporation, company, association, trust, joint venture, limited liability company, unincorporated organisation, entity or division.

Prospectus means the prospectus to be issued by the Company and lodged with ASIC on or about 31 October 2014.

Share means an ordinary share in the capital of the Company.

Takeover Bid has the meaning given to that term in the Corporations Act.

Trading Day has the meaning given in the ASX Listing Rules.

Voluntary Escrow Deed means a voluntary escrow deed entered into in connection with the Initial Public Offer.

Voluntary Escrow Shares means the Shares set out in item 4 of Schedule 2.

2 Rules for interpreting this deed

Headings are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this deed, except where the context makes it clear that a rule is not intended to apply.

- (a) Other than as expressly provided, a term or expression starting with a capital letter which is defined in the Corporations Act, but is not defined in the Dictionary, has the meaning given to it in the Corporations Act.
- (b) A reference to:
 - (i) a legislative provision or legislation (including subordinate legislation) is to that provision or legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
 - (ii) a document (including this deed) or agreement, or a provision of a document (including this deed) or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;

- (iii) a party to this deed or to any other document or agreement includes a successor in title, permitted substitute or a permitted assign of that party;
 - (iv) a person includes any type of company or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
 - (v) anything (including a right, obligation or concept) includes each part of it.
- (c) A singular word includes the plural, and vice versa.
 - (d) The expression 'this deed' includes the agreement, arrangement, understanding or transaction recorded in this deed.

3 Multiple parties

If a party to this deed is made up of more than one person, or a term is used in this deed to refer to more than one party, then unless otherwise specified in this deed:

- (a) an obligation of those persons is several;
- (b) a right of those persons is held by each of them severally; and
- (c) any other reference to that party or term is a reference to each of those persons separately, so that (for example) a representation, warranty or undertaking relates to each of them separately.

4 Compliance with ASX Listing Rules

During the Escrow Period, and for so long as the Company is listed on the official list of the ASX:

- (a) notwithstanding anything contained in this deed, if the ASX Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the ASX Listing Rules require to be done;
- (c) if the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the ASX Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the ASX Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the ASX Listing Rules, this deed is deemed not to contain that provision to the extent of the inconsistency.

Schedule 2 — Details

1 Company name and address

Pacific Smiles Group Limited

Level 1, 6 Molly Morgan Drive, Greenhills, NSW 2323

2 Holders' names and addresses

Holder	Address/notice details of each Controller (clause 10.5)	Shares held by the Holder as at the date of this deed
Robert Graham Cameron and Paula Cameron, as trustees for the Cameron Family Superannuation Plan	31 Bayswater Rd, Bolwarra, NSW 2320, Australia	3,540,000

3 Escrow Period

The period commencing on the date of Listing and continuing until 3 Business Days following the date on which the Company's full year results for the period ending 30 June 2015 are released to ASX.

4 Particulars of Voluntary Escrow Shares

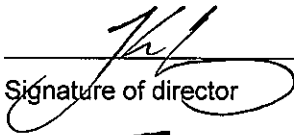
All Shares held by the Holders as at the date of Listing (other than any Shares acquired under the Initial Public Offer)

Execution page

Executed as a Deed

Each person who executes this deed on behalf of a party under a power of attorney declares that he or she is not aware of any fact or circumstance that might affect his or her authority to do so under that power of attorney

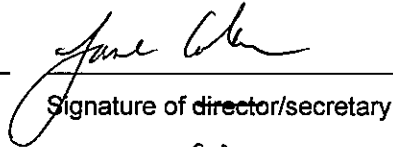
Signed and delivered by **Pacific Smiles Group Limited ACN 103 087 449** in accordance with section 127 of the *Corporations Act 2001* (Cth) and by:



Signature of director

JOHN GIBBS

Name of director (print)

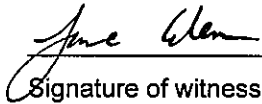


Signature of director/secretary

Jane Coleman

Name of director/secretary (print)

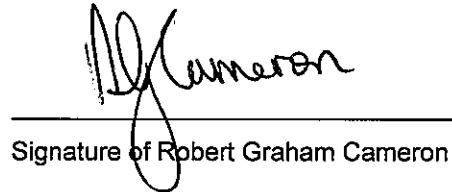
Signed sealed and delivered for **Robert Graham Cameron and Paula Cameron, as trustees for the Cameron Family Superannuation Plan** in the presence of:



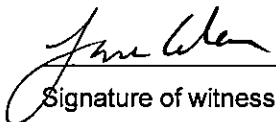
Signature of witness

Jane Coleman

Name of witness (print)



Signature of Robert Graham Cameron



Signature of witness

Jane Coleman

Name of witness (print)



Signature of Paula Cameron

Escrow Deed

Pacific Smiles Group Limited

Sudemo Pty Ltd, as trustee for the Rutherford Family Trust

Contents

	Page
1 Escrow Restrictions	1
2 Warranties	2
3 Holding Lock	3
4 Permitted dealings with the Voluntary Escrow Shares	4
5 Breach	4
6 Amendment	5
7 Termination	5
8 Capacity	5
9 Company to complete Schedule 2	5
10 General	5
Schedule 1 — Dictionary	8
Schedule 2 — Details	11
Execution page	12

Date: 21/10/2014

Parties

- 1 The party named in item 1 of Schedule 2 (Company)
 - 2 The party named in item 2 of Schedule 2 (Holder)
-

Recitals

- A The Company intends to be admitted to the official list of ASX and proposes to issue Shares pursuant to the Initial Public Offer.
- B The Holder holds or will hold the Voluntary Escrow Shares as at the date of Listing.
- C The Holder agrees to escrow all of the Voluntary Escrow Shares for the Escrow Period pursuant to the terms of this deed, on the basis that the Company will take the steps necessary to be admitted to the official list of ASX.

The parties agree

1 Escrow Restrictions

1.1 Voluntary Escrow Shares

Subject to clause 1.2, during the Escrow Period, the Holder must not Dispose of, or agree or offer to Dispose of, the Voluntary Escrow Shares.

1.2 Exceptions

- (a) To enable the Holder to accept an offer under a Takeover Bid in relation to the Voluntary Escrow Shares or to enable the Voluntary Escrow Shares to be transferred or cancelled as part of a merger by scheme of arrangement under Part 5.1 of the Corporations Act, the Company must remove the Holding Lock on the Voluntary Escrow Shares during the Escrow Period if any of the following conditions are met:
 - (i) in the case of a Takeover Bid, holders of at least half of the Shares that are the subject of the Takeover Bid and that are not subject to any Voluntary Escrow Deed have accepted the Takeover Bid;
 - (ii) in the case of an Off-Market Bid, if the offer is conditional, the bidder and the Holder agree in writing that the Holding Lock will be applied for each Voluntary Escrow Share that is not bought by the bidder under the off-market bid; or
 - (iii) in the case of a merger by scheme of arrangement under Part 5.1 of the Corporations Act, the Holder agrees in writing that the Holding Lock will be applied if the merger does not take effect.
- (b) During the Escrow Period, the Holder may Dispose of any of its Voluntary Escrow Shares to the extent the Disposal is required by applicable law (including an order of a governmental authority or a court of competent jurisdiction).
- (c) Notwithstanding any condition to the contrary in this deed, during the Escrow Period, the Holder may transfer (in one or more transactions) any or all Voluntary

Escrow Shares to an Affiliate of the Holder provided that such Affiliate transferee agrees to be bound by the terms and conditions of this deed by entering into such further agreements or deeds as the Company may reasonably require.

1.3 Notice

If the Holder becomes aware:

- (a) that a Disposal of any Voluntary Escrow Shares has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to a Disposal of in any Voluntary Escrow Shares during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the Disposal or the matters giving rise to the Disposal, providing full details.

2 Warranties

2.1 Giving of warranties

Each of the warranties and representations in this clause 2 is given in favour of the Company, as at:

- (a) the date of this deed; and
- (b) at all times until expiry of the Escrow Period.

The warranties and representations in this clause 2 are given in respect of any and all Voluntary Escrow Shares which the Holder holds from time to time during the Escrow Period, including as a result of a permitted dealing in accordance with clause 1.2 of this deed.

2.2 Warranties of Holder

The Holder warrants and represents the following:

- (a) Before the Escrow Period begins, it has not done, or omitted to do, any act which would breach clause 1 of this deed if it were an act or omission which would take effect during the Escrow Period.
- (b) Either:
 - (i) the Holder has no controllers (as defined in the ASX Listing Rules); or
 - (ii) any such controller who is not a party to this deed comes within an exception set out in rule 9.1.4 of the ASX Listing Rules.
- (c) The Holder holds the Shares set out in item 2 of Schedule 2 as at the date of this deed, and will hold from Listing all of the Voluntary Escrow Shares.
- (d) The Voluntary Escrow Shares are (or will from Completion be) free from all encumbrances and other third party interests or rights.
- (e) The Shares set out in item 2 of Schedule 2 are as at the date of this deed (and the Voluntary Escrow Shares will be as at Listing) all the securities, substantial

economic interests or other interests that the Holder directly or indirectly has in the Company.

- (f) It has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder has entered into this deed as a trustee (**Trustee**), under the trust deed for the relevant trust (**Trust**)).
- (g) It has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms.
- (h) This deed constitutes legal, valid and binding obligations and, subject to any necessary stamping and registration, is enforceable in accordance with its terms.
- (i) If the Holder is a Trustee, the Trustee is the trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust.
- (j) If the Holder is a Trustee:
 - (i) the Holder has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and the Holder has not released or disposed of its equitable lien over that trust; and
 - (ii) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust.
- (k) The execution, delivery and performance by it of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation;
 - (ii) its constitution or other constituent documents (or, if the Holder is a Trustee, the trust deed for the Trust); or
 - (iii) any agreement, undertaking, encumbrance or document which is binding on that party.

2.3 Breach of warranties

A breach of any of the warranties in clause 2 is a breach of the terms of this deed.

3 Holding Lock

3.1 Agreement to Holding Lock

Subject to clause 3.2, the Holder agrees to the application of a Holding Lock to the Voluntary Escrow Shares.

3.2 Application of Holding Lock

The Company will apply a Holding Lock to the Voluntary Escrow Shares as soon as practicable after registration of the Voluntary Escrow Shares on the Issuer Sponsored

Subregister and may only remove the Holding Lock with respect to the Voluntary Escrow Shares if permitted under clause 3.3.

3.3 Removal of Holding Lock

- (a) Upon request by a Holder, the Company must remove the Holding Lock with respect to Voluntary Escrow Shares in order to facilitate a Disposal that is permitted under clause 1.2.
- (b) The Company must remove the Holding Lock with respect to Voluntary Escrow Shares on the Business Day after the end of the Escrow Period.
- (c) In respect of (a) and (b) above, the Company will notify ASX that the Voluntary Escrow Shares will be released from the escrow restrictions set out in this deed in respect of some or all of the Voluntary Escrow Shares, in accordance with the timing requirements set out in Listing Rule 3.10A.

4 Permitted dealings with the Voluntary Escrow Shares

Except as expressly provided for in clause 1, nothing in this deed restricts the Holder from dealing with the Voluntary Escrow Shares or exercising rights attaching to, or afforded to the Holder of, the Voluntary Escrow Shares, including without limitation by:

- (a) exercising any voting rights attaching to the Voluntary Escrow Shares;
- (b) receiving or being entitled to any dividend, return of capital or other distribution attaching to the Voluntary Escrow Shares; and
- (c) receiving or participating in any right or bonus issue in connection with the Voluntary Escrow Shares.

5 Breach

5.1 Consequences of breach

- (a) If the Holder breaches this deed, each of the following applies:
 - (i) the Company may take the steps necessary to enforce this deed, or to rectify the breach; and
 - (ii) the Company may refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the Voluntary Escrow Shares. This is in addition to other rights and remedies of the Company.
- (b) If the Holder breaches this deed, the Holder acknowledges and agrees that such a breach could cause substantial commercial and financial detriment to the Company and other third parties.
- (c) The parties agree that damages would be an insufficient remedy for breach of clause 1.1 or clause 1.2 and the Holder agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's obligation under clause 1.1 or clause 1.2 (as applicable) without proof of actual damage and without prejudice to any of its other rights or remedies.

6 Amendment

Subject to clause 9, this deed can only be amended or replaced by another deed executed by the parties.

7 Termination

This deed will terminate if Listing or Completion does not occur by 31 December 2014.

8 Capacity

8.1 Trustee

- (a) Notwithstanding any other provision of this deed including any provision expressed to prevail over this clause 8.1 but subject to clause 8.1(c), the Holder enters into this deed only in its capacity as trustee of the relevant trust and in no other capacity. A liability arising under or in connection with this deed can be enforced against the Holder only to the extent which it can be satisfied out of the property of the relevant trust for which the Holder is actually indemnified for the liability. The Holder will exercise its rights of indemnification in order to satisfy its obligations under this deed;
 - (b) Subject to clause 8.1(c), a party to this deed may not sue the Holder in any capacity other than as trustee in respect of the relevant trust, including seeking the appointment to the Holder of a receiver (except in relation to property of the relevant trust), a liquidator, administrator or any similar person; and
 - (c) The provisions of this clause 8.1 will not apply to any obligation or liability of the Holder to the extent that it is not satisfied because under the relevant trust deed or by operation of law, there is a reduction in the extent, or elimination of, the Holder's out of the assets of the relevant trust, or the right does not exist at all, as a result of the Holder's fraud, negligence, improper performance of duties or breach of trust.
-

9 Company to complete Schedule 2

Each party authorises the Company (or any person delegated such authority in writing by the Company) to insert in Schedule 2, after execution of this deed by each party:

- (a) the particulars of Voluntary Escrow Shares in item 5 of Schedule 2; and
 - (b) any other details necessary to complete Schedule 2.
-

10 General

10.1 Governing Law

- (a) This deed is governed by the laws of New South Wales, Australia.
- (b) Each party submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia, and any court that may hear appeals from any of those courts, for any proceedings in connection with this deed.

- (c) Each of the parties to this deed irrevocably waives:
 - (i) any objection to the venue of any proceedings on the ground that they have been brought in an inconvenient forum; and
 - (ii) any immunity from set off, suits, proceedings and execution to which it or any of its property may now or in the future be entitled under any applicable law.

10.2 Further assurances

Each party must do all things and execute all further documents required to give full effect to this deed.

10.3 Counterparts

This deed may be executed in any number of counterparts. All counterparts, taken together, constitute one instrument. A party may execute this deed by signing any counterpart.

10.4 Time of Essence

Time is of the essence to this deed.

10.5 Notice

A notice or other communication given under this deed:

- (a) must be in legible writing and in English;
- (b) must be signed by a person duly authorised by the sender; and
- (c) must be addressed to the addressee at the address, email address or facsimile number set out below or to any other address or facsimile number a party notifies to the other under this clause:
 - (i) if to the Company:

Pacific Smiles Group Limited
Level 1, 6 Molly Morgan Drive
Greenhills, NSW 2323

Attention: Jane Coleman, Company Secretary
Facsimile: 02 4930 2099
Email: jane.coleman@pacificsmiles.com.au

(ii) if to the Holder:

Sudemo Pty Ltd, as trustee for The Rutherford Family Trust

Address: 29 South Willards Lane
Oakhampton Heights NSW 2320

Attention: Simon Rutherford
Email: srutherford@pkflawler.com.au

(d) Without limiting any other means by which a party may be able to prove that a notice has been received by another party, a notice is deemed to be received:

(i) if sent by hand, when delivered to the addressee;

(ii) if by post, five Business Days from and including the date of postage;

(iii) if by facsimile transmission, on receipt by the sender of an acknowledgment or transmission report confirming that the facsimile has been sent in full generated by the machine from which the facsimile was sent; or

(iv) if sent by email:

(A) at the time twelve hours after when the sender receives an automated message confirming delivery; or

(B) seventeen hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,

whichever happens first,

but if the delivery or receipt is on a day which is not a Business Day or is after 5.00 pm (addressee's time) it is deemed to be received at 9.00 am on the following Business Day (addressee's time).

(e) A facsimile transmission is regarded as legible unless the addressee telephones, faxes or emails the sender within 14 hours after the transmission is received or regarded as received under clause 10.5(d)(iii) and informs the sender that it is not legible.

Schedule 1 — Dictionary

1 Dictionary

The following definitions apply in this deed.

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- (a) the meaning given by the ASX Listing Rules;
 - (b) in relation to:
 - (i) any Voluntary Escrow Shares
- to
- (A) sell, assign, transfer or otherwise dispose of any legal, beneficial or economic interest in the Voluntary Escrow Shares;
 - (B) encumber or grant a security interest over the Voluntary Escrow Shares;
 - (C) grant or exercise an option in respect of any Voluntary Escrow Shares;
 - (D) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of, any legal, beneficial or economic interest in, any of the Voluntary Escrow Shares; or

(E) agree to do any of those things.

Escrow Period means the period for which the Voluntary Escrow Shares are escrowed as set out in item 3 of Schedule 2.

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Initial Public Offer means the proposed initial public offering of Shares.

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Listing means the admission of the Company to the official list of the ASX.

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Offer Price means the "Offer Price" as defined in the Prospectus.

Person means any individual, partnership, corporation, company, association, trust, joint venture, limited liability company, unincorporated organisation, entity or division.

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- (b) A reference to:
 - (i) a legislative provision or legislation (including subordinate legislation) is to that provision or legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
 - (ii) a document (including this deed) or agreement, or a provision of a document (including this deed) or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;

- (iii) a party to this deed or to any other document or agreement includes a successor in title, permitted substitute or a permitted assign of that party;
 - (iv) a person includes any type of company or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
 - (v) anything (including a right, obligation or concept) includes each part of it.
- (c) A singular word includes the plural, and vice versa.
- (d) The expression 'this deed' includes the agreement, arrangement, understanding or transaction recorded in this deed.
-

3 Multiple parties

If a party to this deed is made up of more than one person, or a term is used in this deed to refer to more than one party, then unless otherwise specified in this deed:

- (a) an obligation of those persons is several;
 - (b) a right of those persons is held by each of them severally; and
 - (c) any other reference to that party or term is a reference to each of those persons separately, so that (for example) a representation, warranty or undertaking relates to each of them separately.
-

4 Compliance with ASX Listing Rules

During the Escrow Period, and for so long as the Company is listed on the official list of the ASX:

- (a) notwithstanding anything contained in this deed, if the ASX Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the ASX Listing Rules require to be done;
- (c) if the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the ASX Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the ASX Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the ASX Listing Rules, this deed is deemed not to contain that provision to the extent of the inconsistency.

Schedule 2 — Details

1 Company name and address

Pacific Smiles Group Limited

Level 1, 6 Molly Morgan Drive, Greenhills, NSW 2323

2 Holder's name and address

Holder	Address/notice details of each Controller (clause 10.5)	Shares held by the Holder as at the date of this deed
Sudemo Pty Ltd, as trustee for The Rutherford Family Trust	29 South Willards Lane, Oakhampton Heights NSW 2320	1,811,325

3 Escrow Period

The period commencing on the date of Listing and continuing until 3 Business Days following the date on which the Company's full year results for the period ending 30 June 2015 are released to ASX.

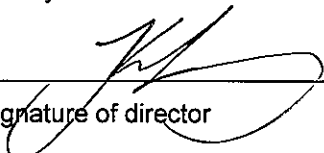
4 Particulars of Voluntary Escrow Shares

All Shares held by the Holder as at the date of Listing (other than any Shares acquired under the Initial Public Offer)

Execution page

Executed as a Deed

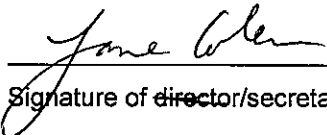
Signed and delivered by **Pacific Smiles Group Limited ACN 103 087 449** in accordance with section 127 of the *Corporations Act 2001* (Cth) and by:



Signature of director

JOHN GIBBS

Name of director (print)

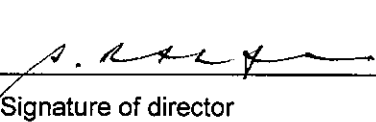


Signature of director/secretary

Jane Coleman

Name of director/secretary (print)


Signed and delivered by **Sudemo Pty Ltd ACN 074 580 313, as trustee for the Rutherford Family Trust** in accordance with section 127 of the *Corporations Act 2001* (Cth) and by:



Signature of director

SIMON RUTHERFORD

Name of director (print)



Signature of director/secretary

LEASA RUTHERFORD

Name of director/secretary (print)



LAWYERS

Escrow Deed

Pacific Smiles Group Limited

Bourke Family Investments Pty Ltd, as trustee for The Bourke Family Trust

+ SYDNEY + MELBOURNE + PERTH

www.gtlaw.com.au

Contents

	Page
1 Escrow Restrictions	1
2 Warranties	2
3 Holding Lock	3
4 Permitted dealings with the Voluntary Escrow Shares	4
5 Breach	4
6 Amendment	5
7 Termination	5
8 Capacity	5
9 Company to complete Schedule 2	5
10 General	5
Schedule 1 — Dictionary	8
Schedule 2 — Details	11
Execution page	12

Date: 31/10/2014

Parties

- 1 The party named in item 1 of Schedule 2 (Company)
 - 2 The party named in item 2 of Schedule 2 (Holder)
-

Recitals

- A The Company intends to be admitted to the official list of ASX and proposes to issue Shares pursuant to the Initial Public Offer.
- B The Holder holds or will hold the Voluntary Escrow Shares as at the date of Listing.
- C The Holder agrees to escrow all of the Voluntary Escrow Shares for the Escrow Period pursuant to the terms of this deed, on the basis that the Company will take the steps necessary to be admitted to the official list of ASX.

The parties agree

1 Escrow Restrictions

1.1 Voluntary Escrow Shares

Subject to clause 1.2, during the Escrow Period, the Holder must not Dispose of, or agree or offer to Dispose of, the Voluntary Escrow Shares.

1.2 Exceptions

- (a) To enable the Holder to accept an offer under a Takeover Bid in relation to the Voluntary Escrow Shares or to enable the Voluntary Escrow Shares to be transferred or cancelled as part of a merger by scheme of arrangement under Part 5.1 of the Corporations Act, the Company must remove the Holding Lock on the Voluntary Escrow Shares during the Escrow Period if any of the following conditions are met:
 - (i) in the case of a Takeover Bid, holders of at least half of the Shares that are the subject of the Takeover Bid and that are not subject to any Voluntary Escrow Deed have accepted the Takeover Bid;
 - (ii) in the case of an Off-Market Bid, if the offer is conditional, the bidder and the Holder agree in writing that the Holding Lock will be applied for each Voluntary Escrow Share that is not bought by the bidder under the off-market bid; or
 - (iii) in the case of a merger by scheme of arrangement under Part 5.1 of the Corporations Act, the Holder agrees in writing that the Holding Lock will be applied if the merger does not take effect.
- (b) During the Escrow Period, the Holder may Dispose of any of its Voluntary Escrow Shares to the extent the Disposal is required by applicable law (including an order of a governmental authority or a court of competent jurisdiction).
- (c) Notwithstanding any condition to the contrary in this deed, during the Escrow Period, the Holder may transfer (in one or more transactions) any or all Voluntary

Escrow Shares to an Affiliate of the Holder provided that such Affiliate transferee agrees to be bound by the terms and conditions of this deed by entering into such further agreements or deeds as the Company may reasonably require.

1.3 Notice

If the Holder becomes aware:

- (a) that a Disposal of any Voluntary Escrow Shares has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to a Disposal of in any Voluntary Escrow Shares during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the Disposal or the matters giving rise to the Disposal, providing full details.

2 Warranties

2.1 Giving of warranties

Each of the warranties and representations in this clause 2 is given in favour of the Company, as at:

- (a) the date of this deed; and
- (b) at all times until expiry of the Escrow Period.

The warranties and representations in this clause 2 are given in respect of any and all Voluntary Escrow Shares which the Holder holds from time to time during the Escrow Period, including as a result of a permitted dealing in accordance with clause 1.2 of this deed.

2.2 Warranties of Holder

The Holder warrants and represents the following:

- (a) Before the Escrow Period begins, it has not done, or omitted to do, any act which would breach clause 1 of this deed if it were an act or omission which would take effect during the Escrow Period.
- (b) Either:
 - (i) the Holder has no controllers (as defined in the ASX Listing Rules); or
 - (ii) any such controller who is not a party to this deed comes within an exception set out in rule 9.1.4 of the ASX Listing Rules.
- (c) The Voluntary Escrow Shares are (or will from Completion be) free from all encumbrances and other third party interests or rights.
- (d) The Voluntary Escrow Shares will, from Listing, be held by the Holder and will constitute all of the securities, substantial economic interests or other interests that the Holder directly or indirectly has in the Company.

- (e) It has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder has entered into this deed as a trustee (**Trustee**), under the trust deed for the relevant trust (**Trust**)).
- (f) It has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms.
- (g) This deed constitutes legal, valid and binding obligations and, subject to any necessary stamping and registration, is enforceable in accordance with its terms.
- (h) If the Holder is a Trustee, the Trustee is the trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust.
- (i) If the Holder is a Trustee:
 - (i) the Holder has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and the Holder has not released or disposed of its equitable lien over that trust; and
 - (ii) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust.
- (j) The execution, delivery and performance by it of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation;
 - (ii) its constitution or other constituent documents (or, if the Holder is a Trustee, the trust deed for the Trust); or
 - (iii) any agreement, undertaking, encumbrance or document which is binding on that party.

2.3 Breach of warranties

A breach of any of the warranties in clause 2 is a breach of the terms of this deed.

3 Holding Lock

3.1 Agreement to Holding Lock

Subject to clause 3.2, the Holder agrees to the application of a Holding Lock to the Voluntary Escrow Shares.

3.2 Application of Holding Lock

The Company will apply a Holding Lock to the Voluntary Escrow Shares as soon as practicable after registration of the Voluntary Escrow Shares on the Issuer Sponsored Subregister and may only remove the Holding Lock with respect to the Voluntary Escrow Shares if permitted under clause 3.3.

3.3 Removal of Holding Lock

- (a) Upon request by a Holder, the Company must remove the Holding Lock with respect to Voluntary Escrow Shares in order to facilitate a Disposal that is permitted under clause 1.2.
- (b) The Company must remove the Holding Lock with respect to Voluntary Escrow Shares on the Business Day after the end of the Escrow Period.
- (c) In respect of (a) and (b) above, the Company will notify ASX that the Voluntary Escrow Shares will be released from the escrow restrictions set out in this deed in respect of some or all of the Voluntary Escrow Shares, in accordance with the timing requirements set out in Listing Rule 3.10A.

4 Permitted dealings with the Voluntary Escrow Shares

Except as expressly provided for in clause 1, nothing in this deed restricts the Holder from dealing with the Voluntary Escrow Shares or exercising rights attaching to, or afforded to the Holder of, the Voluntary Escrow Shares, including without limitation by:

- (a) exercising any voting rights attaching to the Voluntary Escrow Shares;
- (b) receiving or being entitled to any dividend, return of capital or other distribution attaching to the Voluntary Escrow Shares; and
- (c) receiving or participating in any right or bonus issue in connection with the Voluntary Escrow Shares.

5 Breach

5.1 Consequences of breach

- (a) If the Holder breaches this deed, each of the following applies:
 - (i) the Company may take the steps necessary to enforce this deed, or to rectify the breach; and
 - (ii) the Company may refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the Voluntary Escrow Shares. This is in addition to other rights and remedies of the Company.
- (b) If the Holder breaches this deed, the Holder acknowledges and agrees that such a breach could cause substantial commercial and financial detriment to the Company and other third parties.
- (c) The parties agree that damages would be an insufficient remedy for breach of clause 1.1 or clause 1.2 and the Holder agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's obligation under clause 1.1 or clause 1.2 (as applicable) without proof of actual damage and without prejudice to any of its other rights or remedies.

6 Amendment

Subject to clause 9, this deed can only be amended or replaced by another deed executed by the parties.

7 Termination

This deed will terminate if Listing or Completion does not occur by 31 December 2014.

8 Capacity

8.1 Trustee

If the Holder has entered into this deed as a trustee:

- (a) notwithstanding any other provision of this deed including any provision expressed to prevail over this clause 8.1 but subject to clause 8.1(c), the Holder enters into this deed only in its capacity as trustee of the relevant trust and in no other capacity. A liability arising under or in connection with this deed can be enforced against the Holder only to the extent which it can be satisfied out of the property of the relevant trust for which the Holder is actually indemnified for the liability. The Holder will exercise its rights of indemnification in order to satisfy its obligations under this deed;
 - (b) subject to clause 8.1(c), a party to this deed may not sue the Holder in any capacity other than as trustee in respect of the relevant trust, including seeking the appointment to the Holder of a receiver (except in relation to property of the relevant trust), a liquidator, administrator or any similar person; and
 - (c) the provisions of this clause 8.1 will not apply to any obligation or liability of the Holder to the extent that it is not satisfied because under the relevant trust deed or by operation of law, there is a reduction in the extent, or elimination of, the Holder's out of the assets of the relevant trust, or the right does not exist at all, as a result of the Holder's fraud, negligence, improper performance of duties or breach of trust.
-

9 Company to complete Schedule 2

Each party authorises the Company (or any person delegated such authority in writing by the Company) to insert in Schedule 2, after execution of this deed by each party:

- (a) the particulars of Voluntary Escrow Shares in item 5 of Schedule 2; and
 - (b) any other details necessary to complete Schedule 2.
-

10 General

10.1 Governing Law

- (a) This deed is governed by the laws of New South Wales, Australia.

- (b) Each party submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia, and any court that may hear appeals from any of those courts, for any proceedings in connection with this deed.
- (c) Each of the parties to this deed irrevocably waives:
 - (i) any objection to the venue of any proceedings on the ground that they have been brought in an inconvenient forum; and
 - (ii) any immunity from set off, suits, proceedings and execution to which it or any of its property may now or in the future be entitled under any applicable law.

10.2 Further assurances

Each party must do all things and execute all further documents required to give full effect to this deed.

10.3 Counterparts

This deed may be executed in any number of counterparts. All counterparts, taken together, constitute one instrument. A party may execute this deed by signing any counterpart.

10.4 Time of Essence

Time is of the essence to this deed.

10.5 Notice

A notice or other communication given under this deed:

- (a) must be in legible writing and in English;
- (b) must be signed by an person duly authorised by the sender; and
- (c) must be addressed to the addressee at the address, email address or facsimile number set out below or to any other address or facsimile number a party notifies to the other under this clause:
 - (i) if to the Company:

Pacific Smiles Group Limited
Level 1, 6 Molly Morgan Drive
Greenhills, NSW 2323

Attention: Jane Coleman, Company Secretary
Facsimile: 02 4930 2099
Email: jane.coleman@pacificsmiles.com.au

(ii) if to the Holder:

Address: 26A Flowers Drive
Catherine Hill Bay, NSW 2281

Attention: Grant Bourke
Email: grant.bourke@bigpond.com

(d) Without limiting any other means by which a party may be able to prove that a notice has been received by another party, a notice is deemed to be received:

(i) if sent by hand, when delivered to the addressee;

(ii) if by post, five Business Days from and including the date of postage;

(iii) if by facsimile transmission, on receipt by the sender of an acknowledgment or transmission report confirming that the facsimile has been sent in full generated by the machine from which the facsimile was sent; or

(iv) if sent by email:

(A) at the time twelve hours after when the sender receives an automated message confirming delivery; or

(B) seventeen hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,

whichever happens first,

but if the delivery or receipt is on a day which is not a Business Day or is after 5.00 pm (addressee's time) it is deemed to be received at 9.00 am on the following Business Day (addressee's time).

(e) A facsimile transmission is regarded as legible unless the addressee telephones, faxes or emails the sender within 14 hours after the transmission is received or regarded as received under clause 10.5(d)(iii) and informs the sender that it is not legible.

Schedule 1 — Dictionary

1 Dictionary

The following definitions apply in this deed.

Affiliate means any other Person which directly or indirectly, through one or more intermediaries controls, or is controlled by, or is under common control with, the Holder (for the purposes of this definition, "control" (including, with correlative meanings, the terms "controlling", "controlled by" and "under common control with") as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies or activities of a Person, whether through ownership of the securities, by contract or agency or otherwise).

ASX means ASX Limited (ABN 98 008 624 691) or the financial market operated by ASX, as the context requires.

ASX Listing Rules means the listing rules of ASX.

ASX Settlement means ASX Settlement Pty Ltd (ABN 49 008 504 532).

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Sydney, New South Wales, Australia and, for the purposes of clause 10.5, also means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in the addressee's jurisdiction.

Completion means the completion of the issue and allotment of new Shares by the Company to investors under the Initial Public Offer.

Corporations Act means *Corporations Act 2001* (Cth).

Dispose includes:

- (a) the meaning given by the ASX Listing Rules;
- (b) in relation to:
 - (i) any Voluntary Escrow Shares
 - to
 - (A) sell, assign, transfer or otherwise dispose of any legal, beneficial or economic interest in the Voluntary Escrow Shares;
 - (B) encumber or grant a security interest over the Voluntary Escrow Shares;
 - (C) grant or exercise an option in respect of any Voluntary Escrow Shares;
 - (D) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of, any legal, beneficial or economic interest in, any of the Voluntary Escrow Shares; or

(E) agree to do any of those things.

Escrow Period means the period for which the Voluntary Escrow Shares are escrowed as set out in item 3 of Schedule 2.

Holding Lock has the meaning given to that term in the ASX Listing Rules.

Initial Public Offer means the proposed initial public offering of Shares.

Issuer Sponsored Subregister means the part of the Company's register for shares that is administered by the Company (and not ASX Settlement) and records uncertificated holdings of Shares.

Listing means the admission of the Company to the official list of the ASX.

Off-Market Bid has the meaning given in the Corporations Act.

Offer Price means the "Offer Price" as defined in the Prospectus.

Person means any individual, partnership, corporation, company, association, trust, joint venture, limited liability company, unincorporated organisation, entity or division.

Prospectus means the prospectus to be issued by the Company and lodged with ASIC on or about 31 October 2014.

Share means an ordinary share in the capital of the Company.

Takeover Bid has the meaning given to that term in the Corporations Act.

Trading Day has the meaning given in the ASX Listing Rules.

Voluntary Escrow Deed means a voluntary escrow deed entered into in connection with the Initial Public Offer.

Voluntary Escrow Shares means the Shares set out in item 4 of Schedule 2.

2 Rules for interpreting this deed

Headings are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this deed, except where the context makes it clear that a rule is not intended to apply.

- (a) Other than as expressly provided, a term or expression starting with a capital letter which is defined in the Corporations Act, but is not defined in the Dictionary, has the meaning given to it in the Corporations Act.
- (b) A reference to:
 - (i) a legislative provision or legislation (including subordinate legislation) is to that provision or legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
 - (ii) a document (including this deed) or agreement, or a provision of a document (including this deed) or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;

- (iii) a party to this deed or to any other document or agreement includes a successor in title, permitted substitute or a permitted assign of that party;
 - (iv) a person includes any type of company or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
 - (v) anything (including a right, obligation or concept) includes each part of it.
- (c) A singular word includes the plural, and vice versa.
- (d) The expression 'this deed' includes the agreement, arrangement, understanding or transaction recorded in this deed.

3 Compliance with ASX Listing Rules

During the Escrow Period, and for so long as the Company is listed on the official list of the ASX:

- (a) notwithstanding anything contained in this deed, if the ASX Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the ASX Listing Rules require to be done;
- (c) if the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the ASX Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the ASX Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the ASX Listing Rules, this deed is deemed not to contain that provision to the extent of the inconsistency.

Schedule 2 — Details

1 Company name and address

Pacific Smiles Group Limited

Level 1, 6 Molly Morgan Drive, Greenhills, NSW 2323

2 Holder's name and address

Bourke Family Investments Pty Ltd, as trustee for The Bourke Family Trust

26A Flowers Drive, Catherine Hill Bay, NSW 2281

3 Escrow Period

The period commencing on the date of Listing and continuing until 3 Business Days following the date on which the Company's full year results for the period ending 30 June 2015 are released to ASX.

4 Particulars of Voluntary Escrow Shares

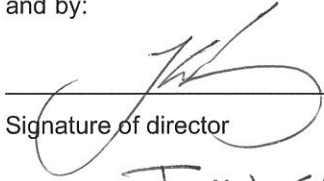
All Shares held by the Holder as at the date of Listing, which is expected to be approximately 1,500,000 Shares.

Execution page

Executed as a Deed

Signed and delivered by **Pacific Smiles Group Limited ACN 103 087 449** in accordance with section 127 of the *Corporations Act 2001* (Cth) and by:

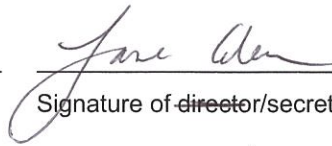
Signature of director



JOHN GIBBS

Name of director (print)

Signature of director/secretary




Jane Coleman

Name of director/secretary (print)

Signed and delivered by **Bourke Family Investments Pty Ltd, as trustee for The Bourke Family Trust** in accordance with section 127 of the *Corporations Act 2001* (Cth) and by:

Signature of director



GRANT BOURKE

Name of director (print)

Signature of director/secretary



SANDRA BOURKE

Name of director/secretary (print)

Escrow Deed

**Pacific Smiles Group Limited
TDM Asset Management Pty Ltd
The Controllers named in item 3 of Schedule 2**

Contents

	Page
1 Escrow Restrictions	1
2 Warranties	2
3 Holding Lock	4
4 Permitted dealings with the Voluntary Escrow Shares	4
5 Breach	5
6 Amendment	5
7 Termination	5
8 Capacity	5
9 Company to complete Schedule 2	6
10 General	6
Schedule 1 — Dictionary	9
Schedule 2 — Details	13
Execution page	15

Date: 21/10/2014

Parties

- 1 The party named in item 1 of Schedule 2 (Company)
- 2 The party named in item 2 of Schedule 2 (Holder)
- 3 Each party named in item 3 of Schedule 2 (Controller)

Recitals

- A The Company intends to be admitted to the official list of ASX and proposes to issue Shares pursuant to the Initial Public Offer.
- B The Holder owns, or otherwise controls or will control the Disposal of, the Voluntary Escrow Shares as at the date of Listing.
- C The Holder is controlled by the Controllers.
- D The Holder agrees to escrow all of the Voluntary Escrow Shares for the Escrow Period pursuant to, and the Controllers agree to be bound by, the terms of this deed, on the basis that the Company will take the steps necessary to be admitted to the official list of ASX.

The parties agree

1 Escrow Restrictions

1.1 Voluntary Escrow Shares

Subject to clause 1.3, during the Escrow Period, the Holder must not Dispose of, or agree or offer to Dispose of, the Voluntary Escrow Shares.

1.2 Controller Interests

Subject to clause 1.3, during the Escrow Period, the Controllers must not Dispose of, or agree or offer to Dispose of, the Controller Interests.

1.3 Exceptions

- (a) To enable the Holder to accept an offer under a Takeover Bid in relation to the Voluntary Escrow Shares or to enable the Voluntary Escrow Shares to be transferred or cancelled as part of a merger by scheme of arrangement under Part 5.1 of the Corporations Act, the Company must remove the Holding Lock on the Voluntary Escrow Shares during the Escrow Period if any of the following conditions are met:
 - (i) in the case of a Takeover Bid, holders of at least half of the Shares that are the subject of the Takeover Bid and that are not subject to any Voluntary Escrow Deed have accepted the Takeover Bid;
 - (ii) in the case of an Off-Market Bid, if the offer is conditional, the bidder and the Holder agree in writing that the Holding Lock will be applied for each Voluntary Escrow Share that is not bought by the bidder under the off-market bid; or

- (iii) in the case of a merger by scheme of arrangement under Part 5.1 of the Corporations Act, the Holder agrees in writing that the Holding Lock will be applied if the merger does not take effect.
- (b) During the Escrow Period, the Holder or Controllers may Dispose of any of its Voluntary Escrow Shares or Controller Interests (as the case may be) to the extent the Disposal is required by applicable law (including an order of a governmental authority or a court of competent jurisdiction).
- (c) Notwithstanding any condition to the contrary in this deed, during the Escrow Period, the Holder or Controller may transfer (in one or more transactions) any or all Voluntary Escrow Shares or Controller Interests (as the case may be) to an Affiliate of the Holder or Controller (as the case may be) provided that such Affiliate transferee agrees to be bound by the terms and conditions of this deed by entering into such further agreements or deeds as the Company may reasonably require.

1.4 Notice

If the Holder or a Controller becomes aware:

- (a) that a Disposal of any Voluntary Escrow Shares or Controller Interests has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to a Disposal of in any Voluntary Escrow Shares or Controller Interests during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the Disposal or the matters giving rise to the Disposal, providing full details.

2 Warranties

2.1 Giving of warranties

Each of the warranties and representations in this clause 2 is given in favour of the Company, as at:

- (a) the date of this deed; and
- (b) at all times until expiry of the Escrow Period.

The warranties and representations in this clause 2 are given in respect of any and all Voluntary Escrow Shares owned by the holder or in respect of which the Holder has the right of Disposal and the Controller has Controller Interests in from time to time during the Escrow Period, including as a result of a permitted dealing in accordance with clause 1.3 of this deed.

2.2 Warranties of Holder and Controllers

The Holder and each Controller severally with respect to itself only (and with respect only to the Voluntary Escrow Shares or Controller Interests held by it or in respect of which the Holder has a right of Disposal, as applicable) warrants and represents the following:

- (a) Before the Escrow Period begins, it has not done, or omitted to do, any act which would breach clause 1 of this deed if it were an act or omission which would take effect during the Escrow Period.

- (b) Either:
 - (i) the Holder has the controllers (as defined in the ASX Listing Rules) set out in item 3 of Schedule 2; or
 - (ii) any such controller not set out in item 3 of Schedule 2, and who is not a party to this deed, comes within an exception set out in rule 9.1.4 of the ASX Listing Rules.
- (c) As at the date of this deed, the Holder owns or has the right to Dispose of the Shares set out in item 2 of Schedule 2 (and as at Listing, the Voluntary Escrow Shares), and the Controller holds the Controller Interests set out in item 3 of Schedule 2.
- (d) The Shares set out in item 2 of Schedule and the Controller Interests are (or will from Completion be) free from all encumbrances and other third party interests or rights.
- (e) The Shares set out in item 2 of Schedule 2 are, as at the date of this deed, all the securities, substantial economic interests or other interests in the Company that the Holder directly or indirectly owns or in respect of which the Holder has the right of Disposal.
- (f) The Controller interests set out in item 6 of Schedule 2 are as at the date of this deed all the securities, substantial economic interests or other interests in the Holder or the Voluntary Escrow Shares in which the Controller has a direct or indirect interest.
- (g) It has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder or Controller has entered into this deed as a trustee (**Trustee**), under the trust deed for the relevant trust (**Trust**).
- (h) It has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms.
- (i) This deed constitutes legal, valid and binding obligations and, subject to any necessary stamping and registration, is enforceable in accordance with its terms.
- (j) If the Holder or Controller is a Trustee, the Trustee is the trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust; and
- (k) If the Holder or Controller is a Trustee:
 - (i) the Holder or Controller has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and the Holder or Controller has not released or disposed of its equitable lien over that trust; and
 - (ii) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust.

- (l) The execution, delivery and performance by it of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation;
 - (ii) its constitution or other constituent documents (or, if the Holder or Controller is a Trustee, the trust deed for the Trust); or
 - (iii) any agreement, undertaking, encumbrance or document which is binding on that party.

2.3 Breach of warranties

A breach of any of the warranties in clause 2 is a breach of the terms of this deed.

3 Holding Lock

3.1 Agreement to Holding Lock

Subject to clause 3.2, the Holders and the Controllers agree to the application of a Holding Lock to the Voluntary Escrow Shares.

3.2 Application of Holding Lock

The Company will apply a Holding Lock to the Voluntary Escrow Shares as soon as practicable after registration of the Voluntary Escrow Shares on the Issuer Sponsored Subregister and may only remove the Holding Lock with respect to the Voluntary Escrow Shares if permitted under clause 3.3.

3.3 Removal of Holding Lock

- (a) Upon request by a Holder, the Company must remove the Holding Lock with respect to Voluntary Escrow Shares in order to facilitate a Disposal that is permitted under clause 1.3.
- (b) The Company must remove the Holding Lock with respect to Voluntary Escrow Shares on the Business Day after the end of the Escrow Period.
- (c) In respect of (a) and (b) above, the Company will notify ASX that the Voluntary Escrow Shares will be released from the escrow restrictions set out in this deed in respect of some or all of the Voluntary Escrow Shares, in accordance with the timing requirements set out in Listing Rule 3.10A.

4 Permitted dealings with the Voluntary Escrow Shares

Except as expressly provided for in clause 1, nothing in this deed restricts the Holder or the Controllers from dealing with the Voluntary Escrow Shares or exercising rights attaching to, or afforded to the Holder or the Controllers of, the Voluntary Escrow Shares, including without limitation by:

- (a) exercising any voting rights attaching to the Voluntary Escrow Shares;
- (b) receiving or being entitled to any dividend, return of capital or other distribution attaching to the Voluntary Escrow Shares; and

- (c) receiving or participating in any right or bonus issue in connection with the Voluntary Escrow Shares.
-

5 Breach

5.1 Consequences of breach

- (a) If the Holder or a Controller breaches this deed, each of the following applies:
 - (i) the Company may take the steps necessary to enforce this deed, or to rectify the breach; and
 - (ii) the Company may refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the Voluntary Escrow Shares. This is in addition to other rights and remedies of the Company.
 - (b) If the Holder or Controller breach this deed, the Holder and Controller each acknowledge and agree that such a breach could cause substantial commercial and financial detriment to the Company and other third parties.
 - (c) The parties agree that damages would be an insufficient remedy for breach of clause 1.1 or clause 1.2 and each of the Holder and Controller agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder and/or Controller's obligation under clause 1.1 or clause 1.2 (as applicable) without proof of actual damage and without prejudice to any of its other rights or remedies.
-

6 Amendment

Subject to clause 9, this deed can only be amended or replaced by another deed executed by the parties.

7 Termination

This deed will terminate if Listing or Completion does not occur by 31 December 2014.

8 Capacity

8.1 Trustee

If the Holder or a Controller has entered into this deed as a trustee:

- (a) notwithstanding any other provision of this deed including any provision expressed to prevail over this clause 8.1 but subject to clause 8.1(c), the Holder or Controller (as applicable) enters into this deed only in its capacity as trustee of the relevant trust and in no other capacity. A liability arising under or in connection with this deed can be enforced against the Holder or Controller (as applicable) only to the extent which it can be satisfied out of the property of the relevant trust for which the Holder or Controller is actually indemnified for the liability. The Holder or Controller (as applicable) will exercise its rights of indemnification in order to satisfy its obligations under this deed;

- (b) subject to clause 8.1(c), a party to this deed may not sue the Holder or Controller (as applicable) in any capacity other than as trustee in respect of the relevant trust, including seeking the appointment to the Holder or Controller of a receiver (except in relation to property of the relevant trust), a liquidator, administrator or any similar person; and
- (c) the provisions of this clause 8.1 will not apply to any obligation or liability of the Holder or Controller (as applicable) to the extent that it is not satisfied because under the relevant trust deed or by operation of law, there is a reduction in the extent, or elimination of, the Holder's or Controller's right of indemnification out of the assets of the relevant trust, or the right does not exist at all, as a result of the Holder's fraud, negligence, improper performance of duties or breach of trust.

9 Company to complete Schedule 2

Each party authorises the Company (or any person delegated such authority in writing by the Company) to insert in Schedule 2, after execution of this deed by each party:

- (a) the particulars of Voluntary Escrow Shares in item 5 of Schedule 2;
- (b) the particulars of the Controller Interests in item 6 of Schedule 2; and
- (c) any other details necessary to complete Schedule 2.

10 General

10.1 Governing Law

- (a) This deed is governed by the laws of New South Wales, Australia.
- (b) Each party submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia, and any court that may hear appeals from any of those courts, for any proceedings in connection with this deed.
- (c) Each of the parties to this deed irrevocably waives:
 - (i) any objection to the venue of any proceedings on the ground that they have been brought in an inconvenient forum; and
 - (ii) any immunity from set off, suits, proceedings and execution to which it or any of its property may now or in the future be entitled under any applicable law.

10.2 Further assurances

Each party must do all things and execute all further documents required to give full effect to this deed.

10.3 Counterparts

This deed may be executed in any number of counterparts. All counterparts, taken together, constitute one instrument. A party may execute this deed by signing any counterpart.

10.4 Time of Essence

Time is of the essence to this deed.

10.5 Notice

A notice or other communication given under this deed:

- (a) must be in legible writing and in English;
- (b) must be signed by a person duly authorised by the sender; and
- (c) must be addressed to the addressee at the address, email address or facsimile number set out below or to any other address or facsimile number a party notifies to the other under this clause:

- (i) if to the Company:

Pacific Smiles Group Limited
Level 1, 6 Molly Morgan Drive
Greenhills, NSW 2323

Attention: Jane Coleman, Company Secretary
Facsimile: 02 4930 2099
Email: jane.coleman@pacificsmiles.com.au

- (ii) if to the Holder:

TDM Asset Management Pty Ltd
Level 10, 66 Hunter St
Sydney, NSW 2000

Attention: Ben Gisz, Director
Facsimile: 02 9475 4768
Email: bengisz@tdmam.com.au

- (iii) if to a Controller: as specified in item 3 of Schedule 2.

- (d) Without limiting any other means by which a party may be able to prove that a notice has been received by another party, a notice is deemed to be received:

- (i) if sent by hand, when delivered to the addressee;
- (ii) if by post, five Business Days from and including the date of postage;
- (iii) if by facsimile transmission, on receipt by the sender of an acknowledgment or transmission report confirming that the facsimile has been sent in full generated by the machine from which the facsimile was sent; or
- (iv) if sent by email:
 - (A) at the time twelve hours after when the sender receives an automated message confirming delivery; or
 - (B) seventeen hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,

whichever happens first,

but if the delivery or receipt is on a day which is not a Business Day or is after 5.00 pm (addressee's time) it is deemed to be received at 9.00 am on the following Business Day (addressee's time).

- (e) A facsimile transmission is regarded as legible unless the addressee telephones, faxes or emails the sender within 14 hours after the transmission is received or regarded as received under clause 10.5(d)(iii) and informs the sender that it is not legible.

Schedule 1 — Dictionary

1 Dictionary

The following definitions apply in this deed.

Affiliate means any other Person which directly or indirectly, through one or more intermediaries controls, or is controlled by, or is under common control with, the Holder or Controller (for the purposes of this definition, “control” (including, with correlative meanings, the terms “controlling”, “controlled by” and “under common control with”) as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies or activities of a Person, whether through ownership of the securities, by contract or agency or otherwise).

ASX means ASX Limited (ABN 98 008 624 691) or the financial market operated by ASX, as the context requires.

ASX Listing Rules means the listing rules of ASX.

ASX Settlement means ASX Settlement Pty Ltd (ABN 49 008 504 532).

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Sydney, New South Wales, Australia and, for the purposes of clause 10.5, also means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in the addressee's jurisdiction.

Completion means the completion of the issue and allotment of new Shares by the Company to investors under the Initial Public Offer.

Controller Interests means the securities, economic interest or other interests in the Voluntary Escrow Shares or the Holder, full particulars of which are set out in item 2 of Schedule 2.

Corporations Act means *Corporations Act 2001* (Cth).

Dispose includes:

- (a) the meaning given by the ASX Listing Rules;
- (b) in relation to:
 - (i) any Voluntary Escrow Shares; and
 - (i) any Controller Interests,to
 - (A) sell, assign, transfer or otherwise dispose of any legal, beneficial or economic interest in the Voluntary Escrow Shares or any Controller Interests;
 - (B) encumber or grant a security interest over the Voluntary Escrow Shares or any Controller Interests;

- (C) grant or exercise an option in respect of any Voluntary Escrow Shares or any Controller Interests;
- (D) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of, any legal, beneficial or economic interest in, any of the Voluntary Escrow Shares or any Controller Interests; or
- (E) agree to do any of those things.

Escrow Period means the period for which the Voluntary Escrow Shares are escrowed as set out in item 4 of Schedule 2.

Holding Lock has the meaning given to that term in the ASX Listing Rules.

Initial Public Offer means the proposed initial public offering of Shares.

Issuer Sponsored Subregister means the part of the Company's register for shares that is administered by the Company (and not ASX Settlement) and records uncertificated holdings of Shares.

Listing means the admission of the Company to the official list of the ASX.

Off-Market Bid has the meaning given in the Corporations Act.

Offer Price means the "Offer Price" as defined in the Prospectus.

Person means any individual, partnership, corporation, company, association, trust, joint venture, limited liability company, unincorporated organisation, entity or division.

Prospectus means the prospectus to be issued by the Company and lodged with ASIC on or about 31 October 2014.

Share means an ordinary share in the capital of the Company.

Takeover Bid has the meaning given to that term in the Corporations Act.

Trading Day has the meaning given in the ASX Listing Rules.

Voluntary Escrow Deed means a voluntary escrow deed entered into in connection with the Initial Public Offer.

Voluntary Escrow Shares means the Shares set out in item 5 of Schedule 2.

2 Rules for interpreting this deed

Headings are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this deed, except where the context makes it clear that a rule is not intended to apply.

- (a) Other than as expressly provided, a term or expression starting with a capital letter which is defined in the Corporations Act, but is not defined in the Dictionary, has the meaning given to it in the Corporations Act.

- (b) A reference to:
 - (i) a legislative provision or legislation (including subordinate legislation) is to that provision or legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
 - (ii) a document (including this deed) or agreement, or a provision of a document (including this deed) or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;
 - (iii) a party to this deed or to any other document or agreement includes a successor in title, permitted substitute or a permitted assign of that party;
 - (iv) a person includes any type of company or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
 - (v) anything (including a right, obligation or concept) includes each part of it.
- (c) A singular word includes the plural, and vice versa.
- (d) The expression 'this deed' includes the agreement, arrangement, understanding or transaction recorded in this deed.

3 Multiple parties

If a party to this deed is made up of more than one person, or a term is used in this deed to refer to more than one party, then unless otherwise specified in this deed:

- (a) an obligation of those persons is several;
- (b) a right of those persons is held by each of them severally; and
- (c) any other reference to that party or term is a reference to each of those persons separately, so that (for example) a representation, warranty or undertaking relates to each of them separately.

4 Compliance with ASX Listing Rules

During the Escrow Period, and for so long as the Company is listed on the official list of the ASX:

- (a) notwithstanding anything contained in this deed, if the ASX Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the ASX Listing Rules require to be done;
- (c) if the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the ASX Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;

- (e) if the ASX Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the ASX Listing Rules, this deed is deemed not to contain that provision to the extent of the inconsistency.

Schedule 2 — Details

1 Company name and address

Pacific Smiles Group Limited

Level 1, 6 Molly Morgan Drive, Greenhills, NSW 2323

2 Holder's details

Holder	Notice details of Holder (clause 10.5)	Holder's Interests in Shares as at the date of this deed
TDM Asset Management Pty Ltd ACN 133 246 330	Level 10, 66 Hunter St, Sydney NSW 2000	25,671,291 Shares (representing approximately 18.8% of the issued share capital in the Company)

3 Controllers' details

Controller or Controllers of the Holder	Notice details of each Controller (clause 10.5)	Particulars of Controller Interests as at the date of this deed
TDMAM Pty Limited ACN 107 851 730	Level 10, 66 Hunter St, Sydney NSW 2000	The Controller Interests specified in the side letter from the Controller to the Company dated the date of this deed.
Madleowill Investments Pty Limited ACN 140 947 584	Level 10, 66 Hunter St, Sydney NSW 2000	The Controller Interests specified in the side letter from the Controller to the Company dated the date of this deed.
Zoolander Investments Pty Limited ACN 112 486 110	Level 10, 66 Hunter St, Sydney NSW 2000	The Controller Interests specified in the side letter from the Controller to the Company dated the date of this deed.
Benjamin Gisz	100 Lawson St, Paddington, NSW 2021	The Controller Interests specified in the side letter from the Controller to the Company dated the date of this deed.
Hamish James Corlett	Unit 2, 166-172 Arden St, Coogee, NSW 2034	The Controller Interests specified in the side letter from the Controller to the Company

Controller or Controllers of the Holder	Notice details of each Controller (clause 10.5)	Particulars of Controller Interests as at the date of this deed
		dated the date of this deed.
Thomas Donald McKenzie Cowan	94 Fletcher St, Woollahra, NSW 2025	The Controller Interests specified in the side letter from the Controller to the Company dated the date of this deed.

4 Escrow Period

The period commencing on the date of Listing and continuing until 3 Business Days following the date on which the Company's full year results for the period ending 30 June 2015 are released to ASX.

5 Particulars of Voluntary Escrow Shares

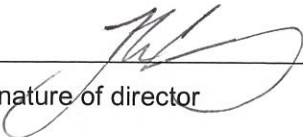
All Shares owned by the Holder and all Shares over which the Holder may exercise a right of Disposal as at the date of Listing (other than any Shares, or rights of Disposal in relation to Shares, acquired under the Initial Public Offer).

Execution page

Executed as a Deed

Each person who executes this deed on behalf of a party under a power of attorney declares that he or she is not aware of any fact or circumstance that might affect his or her authority to do so under that power of attorney

Signed sealed and delivered for **Pacific Smiles Group Limited ACN 103 087 449** by:



Signature of director



Signature of director/company secretary

JOHN GIBBS

Name of director (print)

Jane Coleman

Name of director/company secretary (print)

Signed sealed and delivered for **TDM Asset Management Pty Ltd ACN 133 246 330** by:



Signature of director

Signature of director/company secretary

BENJAMIN GISZ

Name of director (print)

Name of director/company secretary (print)

Signed sealed and delivered for **TDMAM Pty Limited ACN 107 851 730** by:

Signature of director

Signature of director/company secretary

Name of director (print)

Name of director/company secretary (print)

Signed sealed and delivered for **Madleowill Investments Pty Limited** ACN 140 947 584 by:

Signature of director

Signature of director/company secretary

Name of director (print)

Name of director/company secretary (print)

Signed sealed and delivered for **Zoolander Investments Pty Limited** ACN 112 486 110 by:



Signature of sole director



Signature of witness

BENJAMIN GISZ

Name of sole director (print)

REUBEN VAN WERKUM

Name of witness (print)

Signed sealed and delivered for **Benjamin Gisz** in the presence of:



Signature of witness



Signature of Benjamin Gisz

REUBEN VAN WERKUM

Name of witness (print)

Signed sealed and delivered for **Hamish James Corlett** in the presence of:

Signature of witness

Signature of Hamish James Corlett

Name of witness (print)

Signed sealed and delivered for **Thomas Donald
McKenzie Cowan** in the presence of:

Signature of witness

Signature of Thomas Donald McKenzie Cowan

Name of witness (print)

Execution page

Executed as a Deed

Each person who executes this deed on behalf of a party under a power of attorney declares that he or she is not aware of any fact or circumstance that might affect his or her authority to do so under that power of attorney

Signed sealed and delivered for Pacific Smiles Group Limited ACN 103 087 449 by:

Signature of director

Signature of director/company secretary

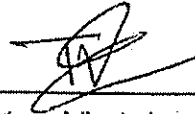
Name of director (print)

Name of director/company secretary (print)

Signed sealed and delivered for TDM Asset Management Pty Ltd ACN 133 246 330 by:



Signature of director



Signature of director/company secretary

HAMISH CORLETT

Name of director (print)

THOMAS CWAN

Name of director/company secretary (print)

Signed sealed and delivered for TDMAM Pty Limited ACN 107 851 730 by:



Signature of director



Signature of director/company secretary


THOMAS CWAN

Name of director (print)

REBECCA RUNCIE

Name of director/company secretary (print)

Signed sealed and delivered for **Madleowill Investments Pty Limited** ACN 140 947 584 by:



Signature of director

Signature of director/company secretary

HAMISH CORLETT

Name of director (print)

Name of director/company secretary (print)

Signed sealed and delivered for **Zoolander Investments Pty Limited** ACN 112 486 110 by:

Signature of director

Signature of director/company secretary

Name of director (print)

Name of director/company secretary (print)

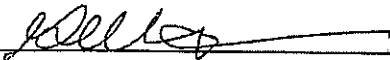
Signed sealed and delivered for **Benjamin Gisz** in the presence of:

Signature of witness

Signature of Benjamin Gisz

Name of witness (print)

Signed sealed and delivered for **Hamish James Corlett** in the presence of:



Signature of witness



Signature of Hamish James Corlett


MELANIE SELLORS

Name of witness (print)

Signed sealed and delivered for **Thomas Donald
McKenzie Cowan** in the presence of:



Signature of witness



Signature of Thomas Donald McKenzie Cowan

BEN BARZACH

Name of witness (print)

Management Escrow Deed – Side Letter

30 October 2014

Jane Coleman
Company Secretary
Pacific Smiles Group Limited
Level 1, 6 Molly Morgan Drive
Greenhills, NSW 2323

Dear Jane

I refer to the enclosed Escrow Deed entered into by TDM Asset Management Pty Limited, dated on or about the date of this Side Letter (**Escrow Deed**). The Escrow Deed relates to shares in the capital of Pacific Smiles Group Limited.

All capitalised terms used in this letter shall have the meaning given in the Escrow Deed.

For the purpose of item 3 of Schedule 2 of the Escrow Deed, I confirm the controller interests of Benjamin Gisz and Zoolander Investments Pty Limited are as set out in the table below:

Controller	Notice details of Controller (clause 10.5 of the Escrow Deed)	Particulars of Controller Interests as at the date of the Escrow Deed
Zoolander Investments Pty Limited, as trustee for The Mandalay Trust	Level 10, 66 Hunter Street Sydney NSW 2000	Zoolander Investments Pty Limited holds 33.3% of the issued share capital in TDM Asset Management Pty Ltd
Benjamin Gisz	307 Glenmore Rd, Paddington, NSW 2021	Benjamin Gisz holds 100% of the issued share capital in Zoolander Investments Pty Limited

Yours faithfully

Signed sealed and delivered by **Benjamin Gisz**
in the presence of:



Signature of witness

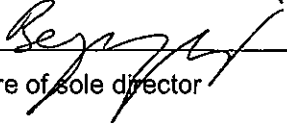


Signature of Benjamin Gisz

**REUBEN
VAN WERKUM**

Name of witness (print)

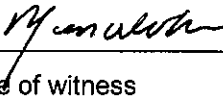
Signed sealed and delivered for **Zoolander Investments Pty Limited ACN 112 486 110, as trustee for The Mandalay Trust**
by:



Signature of sole director

BENJAMIN G152

Name of sole director (print)



Signature of witness

REUBEN VAN WERKUM

Name of witness (print)



LAWYERS

Escrow Deed

Pacific Smiles Group Limited

Alison Hughes

Contents

	Page
1 Escrow Restrictions	1
2 Warranties	2
3 Holding Lock	3
4 Permitted dealings with the Voluntary Escrow Shares	4
5 Breach	4
6 Amendment	5
7 Termination	5
8 Capacity	5
9 Company to complete Schedule 2	5
10 General	5
Schedule 1 — Dictionary	8
Schedule 2 — Details	11
Execution page	12

Date: 3/10/2014

Parties

- 1 The party named in item 1 of Schedule 2 (Company)
 - 2 The party named in item 2 of Schedule 2 (Holder)
-

Recitals

- A The Company intends to be admitted to the official list of ASX and proposes to issue Shares pursuant to the Initial Public Offer.
- B The Holder holds or will hold the Voluntary Escrow Shares as at the date of Listing.
- C The Holder agrees to escrow all of the Voluntary Escrow Shares for the Escrow Period pursuant to the terms of this deed, on the basis that the Company will take the steps necessary to be admitted to the official list of ASX.

The parties agree

1 Escrow Restrictions

1.1 Voluntary Escrow Shares

Subject to clause 1.2, during the Escrow Period, the Holder must not Dispose of, or agree or offer to Dispose of, the Voluntary Escrow Shares.

1.2 Exceptions

- (a) To enable the Holder to accept an offer under a Takeover Bid in relation to the Voluntary Escrow Shares or to enable the Voluntary Escrow Shares to be transferred or cancelled as part of a merger by scheme of arrangement under Part 5.1 of the Corporations Act, the Company must remove the Holding Lock on the Voluntary Escrow Shares during the Escrow Period if any of the following conditions are met:
 - (i) in the case of a Takeover Bid, holders of at least half of the Shares that are the subject of the Takeover Bid and that are not subject to any Voluntary Escrow Deed have accepted the Takeover Bid;
 - (ii) in the case of an Off-Market Bid, if the offer is conditional, the bidder and the Holder agree in writing that the Holding Lock will be applied for each Voluntary Escrow Share that is not bought by the bidder under the off-market bid; or
 - (iii) in the case of a merger by scheme of arrangement under Part 5.1 of the Corporations Act, the Holder agrees in writing that the Holding Lock will be applied if the merger does not take effect.
- (b) During the Escrow Period, the Holder may Dispose of any of its Voluntary Escrow Shares to the extent the Disposal is required by applicable law (including an order of a governmental authority or a court of competent jurisdiction).
- (c) Notwithstanding any condition to the contrary in this deed, during the Escrow Period, the Holder may transfer (in one or more transactions) any or all Voluntary

Escrow Shares to an Affiliate of the Holder provided that such Affiliate transferee agrees to be bound by the terms and conditions of this deed by entering into such further agreements or deeds as the Company may reasonably require.

1.3 Notice

If the Holder becomes aware:

- (a) that a Disposal of any Voluntary Escrow Shares has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to a Disposal of in any Voluntary Escrow Shares during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the Disposal or the matters giving rise to the Disposal, providing full details.

2 Warranties

2.1 Giving of warranties

Each of the warranties and representations in this clause 2 is given in favour of the Company, as at:

- (a) the date of this deed; and
- (b) at all times until expiry of the Escrow Period.

The warranties and representations in this clause 2 are given in respect of any and all Voluntary Escrow Shares which the Holder holds from time to time during the Escrow Period, including as a result of a permitted dealing in accordance with clause 1.2 of this deed.

2.2 Warranties of Holder

The Holder warrants and represents the following:

- (a) Before the Escrow Period begins, it has not done, or omitted to do, any act which would breach clause 1 of this deed if it were an act or omission which would take effect during the Escrow Period.
- (b) Either:
 - (i) the Holder has no controllers (as defined in the ASX Listing Rules); or
 - (ii) any such controller who is not a party to this deed comes within an exception set out in rule 9.1.4 of the ASX Listing Rules.
- (c) The Holder holds the Shares set out in item 2 of Schedule 2 as at the date of this deed, and will hold from Listing all of the Voluntary Escrow Shares.
- (d) The Voluntary Escrow Shares are (or will from Completion be) free from all encumbrances and other third party interests or rights.
- (e) The Shares set out in item 2 of Schedule 2 are as at the date of this deed (and the Voluntary Escrow Shares will be as at Listing) all the securities, substantial

economic interests or other interests that the Holder directly or indirectly has in the Company.

- (f) It has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder has entered into this deed as a trustee (**Trustee**), under the trust deed for the relevant trust (**Trust**)).
- (g) It has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms.
- (h) This deed constitutes legal, valid and binding obligations and, subject to any necessary stamping and registration, is enforceable in accordance with its terms.
- (i) If the Holder is a Trustee, the Trustee is the trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust.
- (j) If the Holder is a Trustee:
 - (i) the Holder has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and the Holder has not released or disposed of its equitable lien over that trust; and
 - (ii) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust.
- (k) The execution, delivery and performance by it of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation;
 - (ii) its constitution or other constituent documents (or, if the Holder is a Trustee, the trust deed for the Trust); or
 - (iii) any agreement, undertaking, encumbrance or document which is binding on that party.

2.3 Breach of warranties

A breach of any of the warranties in clause 2 is a breach of the terms of this deed.

3 Holding Lock

3.1 Agreement to Holding Lock

Subject to clause 3.2, the Holder agrees to the application of a Holding Lock to the Voluntary Escrow Shares.

3.2 Application of Holding Lock

The Company will apply a Holding Lock to the Voluntary Escrow Shares as soon as practicable after registration of the Voluntary Escrow Shares on the Issuer Sponsored

Subregister and may only remove the Holding Lock with respect to the Voluntary Escrow Shares if permitted under clause 3.3.

3.3 Removal of Holding Lock

- (a) Upon request by a Holder, the Company must remove the Holding Lock with respect to Voluntary Escrow Shares in order to facilitate a Disposal that is permitted under clause 1.2.
- (b) The Company must remove the Holding Lock with respect to Voluntary Escrow Shares on the Business Day after the end of the Escrow Period.
- (c) In respect of (a) and (b) above, the Company will notify ASX that the Voluntary Escrow Shares will be released from the escrow restrictions set out in this deed in respect of some or all of the Voluntary Escrow Shares, in accordance with the timing requirements set out in Listing Rule 3.10A.

4 Permitted dealings with the Voluntary Escrow Shares

Except as expressly provided for in clause 1, nothing in this deed restricts the Holder from dealing with the Voluntary Escrow Shares or exercising rights attaching to, or afforded to the Holder of, the Voluntary Escrow Shares, including without limitation by:

- (a) exercising any voting rights attaching to the Voluntary Escrow Shares;
- (b) receiving or being entitled to any dividend, return of capital or other distribution attaching to the Voluntary Escrow Shares; and
- (c) receiving or participating in any right or bonus issue in connection with the Voluntary Escrow Shares.

5 Breach

5.1 Consequences of breach

- (a) If the Holder breaches this deed, each of the following applies:
 - (i) the Company may take the steps necessary to enforce this deed, or to rectify the breach; and
 - (ii) the Company may refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the Voluntary Escrow Shares. This is in addition to other rights and remedies of the Company.
- (b) If the Holder breaches this deed, the Holder acknowledges and agrees that such a breach could cause substantial commercial and financial detriment to the Company and other third parties.
- (c) The parties agree that damages would be an insufficient remedy for breach of clause 1.1 or clause 1.2 and the Holder agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's obligation under clause 1.1 or clause 1.2 (as applicable) without proof of actual damage and without prejudice to any of its other rights or remedies.

6 Amendment

Subject to clause 9, this deed can only be amended or replaced by another deed executed by the parties.

7 Termination

This deed will terminate if Listing or Completion does not occur by 31 December 2014.

8 Capacity

8.1 Trustee

If the Holder has entered into this deed as a trustee:

- (a) notwithstanding any other provision of this deed including any provision expressed to prevail over this clause 8.1 but subject to clause 8.1(c), the Holder enters into this deed only in its capacity as trustee of the relevant trust and in no other capacity. A liability arising under or in connection with this deed can be enforced against the Holder only to the extent which it can be satisfied out of the property of the relevant trust for which the Holder is actually indemnified for the liability. The Holder will exercise its rights of indemnification in order to satisfy its obligations under this deed;
 - (b) subject to clause 8.1(c), a party to this deed may not sue the Holder in any capacity other than as trustee in respect of the relevant trust, including seeking the appointment to the Holder of a receiver (except in relation to property of the relevant trust), a liquidator, administrator or any similar person; and
 - (c) the provisions of this clause 8.1 will not apply to any obligation or liability of the Holder to the extent that it is not satisfied because under the relevant trust deed or by operation of law, there is a reduction in the extent, or elimination of, the Holder's out of the assets of the relevant trust, or the right does not exist at all, as a result of the Holder's fraud, negligence, improper performance of duties or breach of trust.
-

9 Company to complete Schedule 2

Each party authorises the Company (or any person delegated such authority in writing by the Company) to insert in Schedule 2, after execution of this deed by each party:

- (a) the particulars of Voluntary Escrow Shares in item 5 of Schedule 2; and
 - (b) any other details necessary to complete Schedule 2.
-

10 General

10.1 Governing Law

- (a) This deed is governed by the laws of New South Wales, Australia.

- (b) Each party submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia, and any court that may hear appeals from any of those courts, for any proceedings in connection with this deed.
- (c) Each of the parties to this deed irrevocably waives:
 - (i) any objection to the venue of any proceedings on the ground that they have been brought in an inconvenient forum; and
 - (ii) any immunity from set off, suits, proceedings and execution to which it or any of its property may now or in the future be entitled under any applicable law.

10.2 Further assurances

Each party must do all things and execute all further documents required to give full effect to this deed.

10.3 Counterparts

This deed may be executed in any number of counterparts. All counterparts, taken together, constitute one instrument. A party may execute this deed by signing any counterpart.

10.4 Time of Essence

Time is of the essence to this deed.

10.5 Notice

A notice or other communication given under this deed:

- (a) must be in legible writing and in English;
- (b) must be signed by a person duly authorised by the sender; and
- (c) must be addressed to the addressee at the address, email address or facsimile number set out below or to any other address or facsimile number a party notifies to the other under this clause:
 - (i) if to the Company:

Pacific Smiles Group Limited
Level 1, 6 Molly Morgan Drive
Greenhills, NSW 2323

Attention: Jane Coleman, Company Secretary
Facsimile: 02 4930 2099
Email: jane.coleman@pacificsmiles.com.au

(ii) if to the Holder:

Address: 16 Gosforth Grove
Lakelands NSW 2282

Attention: Alison Hughes
Facsimile: 02 4954 2313
Email: alison.hughes@pacificsmiles.com.au

(d) Without limiting any other means by which a party may be able to prove that a notice has been received by another party, a notice is deemed to be received:

(i) if sent by hand, when delivered to the addressee;

(ii) if by post, five Business Days from and including the date of postage;

(iii) if by facsimile transmission, on receipt by the sender of an acknowledgment or transmission report confirming that the facsimile has been sent in full generated by the machine from which the facsimile was sent; or

(iv) if sent by email:

(A) at the time twelve hours after when the sender receives an automated message confirming delivery; or

(B) seventeen hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,

whichever happens first,

but if the delivery or receipt is on a day which is not a Business Day or is after 5.00 pm (addressee's time) it is deemed to be received at 9.00 am on the following Business Day (addressee's time).

(e) A facsimile transmission is regarded as legible unless the addressee telephones, faxes or emails the sender within 14 hours after the transmission is received or regarded as received under clause 10.5(d)(iii) and informs the sender that it is not legible.

Schedule 1 — Dictionary

1 Dictionary

The following definitions apply in this deed.

Affiliate means any other Person which directly or indirectly, through one or more intermediaries controls, or is controlled by, or is under common control with, the Holder (for the purposes of this definition, "control" (including, with correlative meanings, the terms "controlling", "controlled by" and "under common control with") as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies or activities of a Person, whether through ownership of the securities, by contract or agency or otherwise).

ASX means ASX Limited (ABN 98 008 624 691) or the financial market operated by ASX, as the context requires.

ASX Listing Rules means the listing rules of ASX.

ASX Settlement means ASX Settlement Pty Ltd (ABN 49 008 504 532).

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Sydney, New South Wales, Australia and, for the purposes of clause 10.5, also means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in the addressee's jurisdiction.

Completion means the completion of the issue and allotment of new Shares by the Company to investors under the Initial Public Offer.

Corporations Act means *Corporations Act 2001* (Cth).

Dispose includes:

- (a) the meaning given by the ASX Listing Rules;
- (b) in relation to:
 - (i) any Voluntary Escrow Sharesto
 - (A) sell, assign, transfer or otherwise dispose of any legal, beneficial or economic interest in the Voluntary Escrow Shares;
 - (B) encumber or grant a security interest over the Voluntary Escrow Shares;
 - (C) grant or exercise an option in respect of any Voluntary Escrow Shares;
 - (D) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of, any legal, beneficial or economic interest in, any of the Voluntary Escrow Shares; or

(E) agree to do any of those things.

Escrow Period means the period for which the Voluntary Escrow Shares are escrowed as set out in item 3 of Schedule 2.

Holding Lock has the meaning given to that term in the ASX Listing Rules.

Initial Public Offer means the proposed initial public offering of Shares.

Issuer Sponsored Subregister means the part of the Company's register for shares that is administered by the Company (and not ASX Settlement) and records uncertificated holdings of Shares.

Listing means the admission of the Company to the official list of the ASX.

Off-Market Bid has the meaning given in the Corporations Act.

Offer Price means the "Offer Price" as defined in the Prospectus.

Person means any individual, partnership, corporation, company, association, trust, joint venture, limited liability company, unincorporated organisation, entity or division.

Prospectus means the prospectus to be issued by the Company and lodged with ASIC on or about 31 October 2014.

Share means an ordinary share in the capital of the Company.

Takeover Bid has the meaning given to that term in the Corporations Act.

Trading Day has the meaning given in the ASX Listing Rules.

Voluntary Escrow Deed means a voluntary escrow deed entered into in connection with the Initial Public Offer.

Voluntary Escrow Shares means the Shares set out in item 4 of Schedule 2.

2 Rules for interpreting this deed

Headings are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this deed, except where the context makes it clear that a rule is not intended to apply.

- (a) Other than as expressly provided, a term or expression starting with a capital letter which is defined in the Corporations Act, but is not defined in the Dictionary, has the meaning given to it in the Corporations Act.
- (b) A reference to:
 - (i) a legislative provision or legislation (including subordinate legislation) is to that provision or legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
 - (ii) a document (including this deed) or agreement, or a provision of a document (including this deed) or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;

- (iii) a party to this deed or to any other document or agreement includes a successor in title, permitted substitute or a permitted assign of that party;
 - (iv) a person includes any type of company or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
 - (v) anything (including a right, obligation or concept) includes each part of it.
- (c) A singular word includes the plural, and vice versa.
- (d) The expression 'this deed' includes the agreement, arrangement, understanding or transaction recorded in this deed.

3 Compliance with ASX Listing Rules

During the Escrow Period, and for so long as the Company is listed on the official list of the ASX:

- (a) notwithstanding anything contained in this deed, if the ASX Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the ASX Listing Rules require to be done;
- (c) if the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the ASX Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the ASX Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the ASX Listing Rules, this deed is deemed not to contain that provision to the extent of the inconsistency.

Schedule 2 — Details

1 Company name and address

Pacific Smiles Group Limited

Level 1, 6 Molly Morgan Drive, Greenhills, NSW 2323

2 Holder's name and address

Holder	Address (include details of each Controller (class 10/5))	Shares held by the Holder as at the date of this deed
Alison Hughes	16 Gosforth Grove Lakelands NSW 2282	17,622,435

3 Escrow Period

The period commencing on the date of Listing and continuing until 3 Business Days following the date on which the Company's full year results for the period ending 30 June 2015 are released to ASX.

4 Particulars of Voluntary Escrow Shares

All Shares held by the Holder as at the date of Listing (other than any Shares acquired under the Initial Public Offer)

Execution page

Executed as a Deed

Each person who executes this deed on behalf of a party under a power of attorney declares that he or she is not aware of any fact or circumstance that might affect his or her authority to do so under that power of attorney

Signed and delivered by **Pacific Smiles Group Limited ACN 103 087 449** in accordance with section 127 of the *Corporations Act 2001* (Cth) and by:

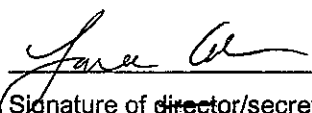
Signature of director



JOHN GIBBS

Name of director (print)

Signature of director/secretary




Jane Coleman

Name of director/secretary (print)

Signed sealed and delivered by **Alison Hughes** in the presence of:

Signature of witness



MELISSA DORN

Name of witness (print)

Signature of Alison Hughes

Escrow Deed

Pacific Smiles Group Limited

Paul Robertson

Contents		Page
1	Escrow Restrictions	1
2	Warranties	2
3	Holding Lock	3
4	Permitted dealings with the Voluntary Escrow Shares	4
5	Breach	4
6	Amendment	5
7	Termination	5
8	Capacity	5
9	Company to complete Schedule 2	5
10	General	5
	Schedule 1 — Dictionary	8
	Schedule 2 — Details	11
	Execution page	12

Date: 31/10/2014

Parties

- 1 The party named in item 1 of Schedule 2 (Company)
 - 2 The party named in item 2 of Schedule 2 (Holder)
-

Recitals

- A The Company intends to be admitted to the official list of ASX and proposes to issue Shares pursuant to the Initial Public Offer.
- B The Holder holds or will hold the Voluntary Escrow Shares as at the date of Listing.
- C The Holder agrees to escrow all of the Voluntary Escrow Shares for the Escrow Period pursuant to the terms of this deed, on the basis that the Company will take the steps necessary to be admitted to the official list of ASX.

The parties agree

1 Escrow Restrictions

1.1 Voluntary Escrow Shares

Subject to clause 1.2, during the Escrow Period, the Holder must not Dispose of, or agree or offer to Dispose of, the Voluntary Escrow Shares.

1.2 Exceptions

- (a) To enable the Holder to accept an offer under a Takeover Bid in relation to the Voluntary Escrow Shares or to enable the Voluntary Escrow Shares to be transferred or cancelled as part of a merger by scheme of arrangement under Part 5.1 of the Corporations Act, the Company must remove the Holding Lock on the Voluntary Escrow Shares during the Escrow Period if any of the following conditions are met:
 - (i) in the case of a Takeover Bid, holders of at least half of the Shares that are the subject of the Takeover Bid and that are not subject to any Voluntary Escrow Deed have accepted the Takeover Bid;
 - (ii) in the case of an Off-Market Bid, if the offer is conditional, the bidder and the Holder agree in writing that the Holding Lock will be applied for each Voluntary Escrow Share that is not bought by the bidder under the off-market bid; or
 - (iii) in the case of a merger by scheme of arrangement under Part 5.1 of the Corporations Act, the Holder agrees in writing that the Holding Lock will be applied if the merger does not take effect.
- (b) During the Escrow Period, the Holder may Dispose of any of its Voluntary Escrow Shares to the extent the Disposal is required by applicable law (including an order of a governmental authority or a court of competent jurisdiction).
- (c) Notwithstanding any condition to the contrary in this deed, during the Escrow Period, the Holder may transfer (in one or more transactions) any or all Voluntary

Escrow Shares to an Affiliate of the Holder provided that such Affiliate transferee agrees to be bound by the terms and conditions of this deed by entering into such further agreements or deeds as the Company may reasonably require.

1.3 Notice

If the Holder becomes aware:

- (a) that a Disposal of any Voluntary Escrow Shares has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to a Disposal of in any Voluntary Escrow Shares during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the Disposal or the matters giving rise to the Disposal, providing full details.

2 Warranties

2.1 Giving of warranties

Each of the warranties and representations in this clause 2 is given in favour of the Company, as at:

- (a) the date of this deed; and
- (b) at all times until expiry of the Escrow Period.

The warranties and representations in this clause 2 are given in respect of any and all Voluntary Escrow Shares which the Holder holds from time to time during the Escrow Period, including as a result of a permitted dealing in accordance with clause 1.2 of this deed.

2.2 Warranties of Holder

The Holder warrants and represents the following:

- (a) Before the Escrow Period begins, it has not done, or omitted to do, any act which would breach clause 1 of this deed if it were an act or omission which would take effect during the Escrow Period.
- (b) Either:
 - (i) the Holder has no controllers (as defined in the ASX Listing Rules); or
 - (ii) any such controller who is not a party to this deed comes within an exception set out in rule 9.1.4 of the ASX Listing Rules.
- (c) The Holder holds the Shares set out in item 2 of Schedule 2 as at the date of this deed, and will hold from Listing all of the Voluntary Escrow Shares.
- (d) The Voluntary Escrow Shares are (or will from Completion be) free from all encumbrances and other third party interests or rights.
- (e) The Shares set out in item 2 of Schedule 2 are as at the date of this deed (and the Voluntary Escrow Shares will be as at Listing) all the securities, substantial

economic interests or other interests that the Holder directly or indirectly has in the Company.

- (f) It has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder has entered into this deed as a trustee (**Trustee**), under the trust deed for the relevant trust (**Trust**)).
- (g) It has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms.
- (h) This deed constitutes legal, valid and binding obligations and, subject to any necessary stamping and registration, is enforceable in accordance with its terms.
- (i) If the Holder is a Trustee, the Trustee is the trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust.
- (j) If the Holder is a Trustee:
 - (i) the Holder has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and the Holder has not released or disposed of its equitable lien over that trust; and
 - (ii) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust.
- (k) The execution, delivery and performance by it of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation;
 - (ii) its constitution or other constituent documents (or, if the Holder is a Trustee, the trust deed for the Trust); or
 - (iii) any agreement, undertaking, encumbrance or document which is binding on that party.

2.3 Breach of warranties

A breach of any of the warranties in clause 2 is a breach of the terms of this deed.

3 Holding Lock

3.1 Agreement to Holding Lock

Subject to clause 3.2, the Holder agrees to the application of a Holding Lock to the Voluntary Escrow Shares.

3.2 Application of Holding Lock

The Company will apply a Holding Lock to the Voluntary Escrow Shares as soon as practicable after registration of the Voluntary Escrow Shares on the Issuer Sponsored

Subregister and may only remove the Holding Lock with respect to the Voluntary Escrow Shares if permitted under clause 3.3.

3.3 Removal of Holding Lock

- (a) Upon request by a Holder, the Company must remove the Holding Lock with respect to Voluntary Escrow Shares in order to facilitate a Disposal that is permitted under clause 1.2.
- (b) The Company must remove the Holding Lock with respect to Voluntary Escrow Shares on the Business Day after the end of the Escrow Period.
- (c) In respect of (a) and (b) above, the Company will notify ASX that the Voluntary Escrow Shares will be released from the escrow restrictions set out in this deed in respect of some or all of the Voluntary Escrow Shares, in accordance with the timing requirements set out in Listing Rule 3.10A.

4 Permitted dealings with the Voluntary Escrow Shares

Except as expressly provided for in clause 1, nothing in this deed restricts the Holder from dealing with the Voluntary Escrow Shares or exercising rights attaching to, or afforded to the Holder of, the Voluntary Escrow Shares, including without limitation by:

- (a) exercising any voting rights attaching to the Voluntary Escrow Shares;
- (b) receiving or being entitled to any dividend, return of capital or other distribution attaching to the Voluntary Escrow Shares; and
- (c) receiving or participating in any right or bonus issue in connection with the Voluntary Escrow Shares.

5 Breach

5.1 Consequences of breach

- (a) If the Holder breaches this deed, each of the following applies:
 - (i) the Company may take the steps necessary to enforce this deed, or to rectify the breach; and
 - (ii) the Company may refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the Voluntary Escrow Shares. This is in addition to other rights and remedies of the Company.
- (b) If the Holder breaches this deed, the Holder acknowledges and agrees that such a breach could cause substantial commercial and financial detriment to the Company and other third parties.
- (c) The parties agree that damages would be an insufficient remedy for breach of clause 1.1 or clause 1.2 and the Holder agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's obligation under clause 1.1 or clause 1.2 (as applicable) without proof of actual damage and without prejudice to any of its other rights or remedies.

6 Amendment

Subject to clause 9, this deed can only be amended or replaced by another deed executed by the parties.

7 Termination

This deed will terminate if Listing or Completion does not occur by 31 December 2014.

8 Capacity

8.1 Trustee

If the Holder has entered into this deed as a trustee:

- (a) notwithstanding any other provision of this deed including any provision expressed to prevail over this clause 8.1 but subject to clause 8.1(c), the Holder enters into this deed only in its capacity as trustee of the relevant trust and in no other capacity. A liability arising under or in connection with this deed can be enforced against the Holder only to the extent which it can be satisfied out of the property of the relevant trust for which the Holder is actually indemnified for the liability. The Holder will exercise its rights of indemnification in order to satisfy its obligations under this deed;
- (b) subject to clause 8.1(c), a party to this deed may not sue the Holder in any capacity other than as trustee in respect of the relevant trust, including seeking the appointment to the Holder of a receiver (except in relation to property of the relevant trust), a liquidator, administrator or any similar person; and
- (c) the provisions of this clause 8.1 will not apply to any obligation or liability of the Holder to the extent that it is not satisfied because under the relevant trust deed or by operation of law, there is a reduction in the extent, or elimination of, the Holder's out of the assets of the relevant trust, or the right does not exist at all, as a result of the Holder's fraud, negligence, improper performance of duties or breach of trust.

9 Company to complete Schedule 2

Each party authorises the Company (or any person delegated such authority in writing by the Company) to insert in Schedule 2, after execution of this deed by each party:

- (a) the particulars of Voluntary Escrow Shares in item 5 of Schedule 2; and
- (b) any other details necessary to complete Schedule 2.

10 General

10.1 Governing Law

- (a) This deed is governed by the laws of New South Wales, Australia.

- (b) Each party submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia, and any court that may hear appeals from any of those courts, for any proceedings in connection with this deed.
- (c) Each of the parties to this deed irrevocably waives:
 - (i) any objection to the venue of any proceedings on the ground that they have been brought in an inconvenient forum; and
 - (ii) any immunity from set off, suits, proceedings and execution to which it or any of its property may now or in the future be entitled under any applicable law.

10.2 Further assurances

Each party must do all things and execute all further documents required to give full effect to this deed.

10.3 Counterparts

This deed may be executed in any number of counterparts. All counterparts, taken together, constitute one instrument. A party may execute this deed by signing any counterpart.

10.4 Time of Essence

Time is of the essence to this deed.

10.5 Notice

A notice or other communication given under this deed:

- (a) must be in legible writing and in English;
- (b) must be signed by a person duly authorised by the sender; and
- (c) must be addressed to the addressee at the address, email address or facsimile number set out below or to any other address or facsimile number a party notifies to the other under this clause:
 - (i) if to the Company:

Pacific Smiles Group Limited
Level 1, 6 Molly Morgan Drive
Greenhills, NSW 2323

Attention: Jane Coleman, Company Secretary
Facsimile: 02 4930 2099
Email: jane.coleman@pacificsmiles.com.au

(ii) if to the Holder:

Address: [Insert]

Attention: Paul Robertson

Facsimile: [Insert]

Email: [Insert]

(d) Without limiting any other means by which a party may be able to prove that a notice has been received by another party, a notice is deemed to be received:

(i) if sent by hand, when delivered to the addressee;

(ii) if by post, five Business Days from and including the date of postage;

(iii) if by facsimile transmission, on receipt by the sender of an acknowledgment or transmission report confirming that the facsimile has been sent in full generated by the machine from which the facsimile was sent; or

(iv) if sent by email:

(A) at the time twelve hours after when the sender receives an automated message confirming delivery; or

(B) seventeen hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,

whichever happens first,

but if the delivery or receipt is on a day which is not a Business Day or is after 5.00 pm (addressee's time) it is deemed to be received at 9.00 am on the following Business Day (addressee's time).

(e) A facsimile transmission is regarded as legible unless the addressee telephones, faxes or emails the sender within 14 hours after the transmission is received or regarded as received under clause 10.5(d)(iii) and informs the sender that it is not legible.

Schedule 1 — Dictionary

1 Dictionary

The following definitions apply in this deed.

Affiliate means any other Person which directly or indirectly, through one or more intermediaries controls, or is controlled by, or is under common control with, the Holder (for the purposes of this definition, "control" (including, with correlative meanings, the terms "controlling", "controlled by" and "under common control with") as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies or activities of a Person, whether through ownership of the securities, by contract or agency or otherwise).

ASX means ASX Limited (ABN 98 008 624 691) or the financial market operated by ASX, as the context requires.

ASX Listing Rules means the listing rules of ASX.

ASX Settlement means ASX Settlement Pty Ltd (ABN 49 008 504 532).

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Sydney, New South Wales, Australia and, for the purposes of clause 10.5, also means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in the addressee's jurisdiction.

Completion means the completion of the issue and allotment of new Shares by the Company to investors under the Initial Public Offer.

Corporations Act means *Corporations Act 2001* (Cth).

Dispose includes:

- (a) the meaning given by the ASX Listing Rules;
- (b) in relation to:
 - (i) any Voluntary Escrow Sharesto
 - (A) sell, assign, transfer or otherwise dispose of any legal, beneficial or economic interest in the Voluntary Escrow Shares;
 - (B) encumber or grant a security interest over the Voluntary Escrow Shares;
 - (C) grant or exercise an option in respect of any Voluntary Escrow Shares;
 - (D) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of, any legal, beneficial or economic interest in, any of the Voluntary Escrow Shares; or

(E) agree to do any of those things.

Escrow Period means the period for which the Voluntary Escrow Shares are escrowed as set out in item 3 of Schedule 2.

Holding Lock has the meaning given to that term in the ASX Listing Rules.

Initial Public Offer means the proposed initial public offering of Shares.

Issuer Sponsored Subregister means the part of the Company's register for shares that is administered by the Company (and not ASX Settlement) and records uncertificated holdings of Shares.

Listing means the admission of the Company to the official list of the ASX.

Off-Market Bid has the meaning given in the Corporations Act.

Offer Price means the "Offer Price" as defined in the Prospectus.

Person means any individual, partnership, corporation, company, association, trust, joint venture, limited liability company, unincorporated organisation, entity or division.

Prospectus means the prospectus to be issued by the Company and lodged with ASIC on or about 31 October 2014.

Share means an ordinary share in the capital of the Company.

Takeover Bid has the meaning given to that term in the Corporations Act.

Trading Day has the meaning given in the ASX Listing Rules.

Voluntary Escrow Deed means a voluntary escrow deed entered into in connection with the Initial Public Offer.

Voluntary Escrow Shares means the Shares set out in item 4 of Schedule 2.

2 Rules for interpreting this deed

Headings are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this deed, except where the context makes it clear that a rule is not intended to apply.

- (a) Other than as expressly provided, a term or expression starting with a capital letter which is defined in the Corporations Act, but is not defined in the Dictionary, has the meaning given to it in the Corporations Act.
- (b) A reference to:
 - (i) a legislative provision or legislation (including subordinate legislation) is to that provision or legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
 - (ii) a document (including this deed) or agreement, or a provision of a document (including this deed) or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;

- (iii) a party to this deed or to any other document or agreement includes a successor in title, permitted substitute or a permitted assign of that party;
 - (iv) a person includes any type of company or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
 - (v) anything (including a right, obligation or concept) includes each part of it.
- (c) A singular word includes the plural, and vice versa.
- (d) The expression 'this deed' includes the agreement, arrangement, understanding or transaction recorded in this deed.
-

3 Compliance with ASX Listing Rules

During the Escrow Period, and for so long as the Company is listed on the official list of the ASX:

- (a) notwithstanding anything contained in this deed, if the ASX Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the ASX Listing Rules require to be done;
- (c) if the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the ASX Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the ASX Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the ASX Listing Rules, this deed is deemed not to contain that provision to the extent of the inconsistency.

Schedule 2 — Details

1 Company name and address

Pacific Smiles Group Limited

Level 1, 6 Molly Morgan Drive, Greenhills, NSW 2323

2 Holder's name and address

Holder	Address or other details of each Controller (Clause 10.5)	Shares held by the Holder as at the date of this deed
Paul Robertson	[Address]	675,000

3 Escrow Period

The period commencing on the date of Listing and continuing until 3 Business Days following the date on which the Company's full year results for the period ending 30 June 2015 are released to ASX.


4 Particulars of Voluntary Escrow Shares

All Shares held by the Holder as at the date of Listing (other than any Shares acquired under the Initial Public Offer)

Execution page

Executed as a Deed

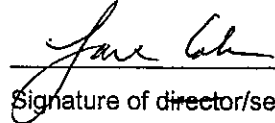
Signed and delivered by **Pacific Smiles Group Limited ACN 103 087 449** in accordance with section 127 of the *Corporations Act 2001* (Cth) and by:



Signature of director

JOHN GIBBS

Name of director (print)

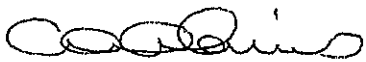


Signature of director/secretary

Jane Coleman

Name of director/secretary (print)


Signed sealed and delivered by **Paul Robertson** in the presence of:



Signature of witness

Gail Lewis

Name of witness (print)



Signature of Paul Robertson