



---

# Plan Rules

*relating to the Damstra Holdings Limited Equity Incentive Plan*

---

**PricewaterhouseCoopers, ABN 52 780 433 757**  
2 Riverside Quay, SOUTHBANK VIC 3006  
GPO Box 1331, MELBOURNE VIC 3001  
T: +61 3 8603 1000, F: +61 3 8603 1999, [www.pwc.com.au/legal](http://www.pwc.com.au/legal)

Liability limited by a scheme approved under Professional Standards Legislation.

# Contents

1. Definitions and interpretation .....	2
2. Introduction .....	8
3. Eligibility and grant .....	9
4. Irrevocable power of attorney .....	11
5. Trust .....	12
6. Change of Control Event .....	12
7. Administration of the Plan .....	12
8. Restrictions on and amendments to the Plan .....	13
9. Duration .....	14
10. Miscellaneous .....	15
Schedule 1 – Terms of Awards .....	19
1. Grant of Awards .....	19
2. Terms of Awards .....	19
3. Vesting .....	20
4. Exercise of Awards .....	20
5. Delivery of Shares on Exercise of Awards or Cash Settlement .....	21
6. Forfeiture of Awards .....	22
7. Effect of Forfeiture of Awards .....	25
8. Disposal Restrictions .....	25
9. Adjustment of Awards .....	25
Schedule 2 – Terms of Tax Exempt Shares .....	27
1. Operation of the Plan as it relates to Tax Exempt Shares .....	27
2. Delivery of Tax Exempt Shares .....	27
3. Disposal Restrictions and Leavers .....	28
4. Bonus issue and rights issue .....	28

# ***Plan Rules relating to the Damstra Holdings Limited Equity Incentive Plan***

## ***1. Definitions and interpretation***

---

### **1.1 Definitions**

In these Rules, unless the context otherwise requires, the following terms and expressions will have the following meanings:

**Acquisition Price** means, in respect of a Tax Exempt Share, the acquisition price for the Tax Exempt Share as set out in the relevant Invitation.

**Ancillary Documentation** means all documentation which the Board specifies in an Invitation that an Eligible Participant must enter into and / or provide in connection with an Application.

**Application** means, in respect of an Award and/or Tax Exempt Share (as applicable), an application for the grant of that Award and/or Tax Exempt Share made by an Eligible Participant and/or the Eligible Participant's Nominated Affiliate (where applicable) in response to an Invitation.

**Application Form** means an application form containing the terms of an Application attached to, or enclosed with, an Invitation.

**Associates** has the meaning given to that term in the Corporations Act.

**ASX** means ASX Limited (ACN 008 624 691) trading as the Australian Securities Exchange or the securities exchange operated by that entity, as appropriate.

**ASX Holding Lock** has the same meaning as "Holding Lock" in Chapter 19 of the Listing Rules.

**Automatically Exercised** has the meaning given in clause 4.3(b) of Schedule 1.

**Award** means either a performance right or an option granted under these Rules to acquire a Share by one or more methods determined in the absolute discretion of the Board and as specified in an Invitation.

**Bad Leaver** means a Participant who becomes a Leaver in any of the following circumstances:

- (a) the Participant's Engagement Arrangement is terminated due to:
  - (i) the Participant's serious and wilful misconduct (including, without limitation, fraud or dishonesty);
  - (ii) the Participant's material breach of their Engagement Arrangement;
  - (iii) the Participant's gross negligence in the performance of their duties;
  - (iv) other conduct justifying termination of the Participant's Engagement Arrangement without notice, or at common law; or

- (b) the Participant is ineligible to hold his or her office for the purposes of Part 2D.6 of the Corporations Act.

**Board** means the board of directors of the Company, a committee appointed by the board of directors of the Company as constituted from time to time, or, in respect of a particular matter, any person who is provided with delegated authority by the board of directors of the Company in respect of that particular matter from time to time.

**Business Day** means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Melbourne, Australia.

**Cash Settled** has the meaning given in clause 5.1(b) of Schedule 1 and **Cash Settlement** will be construed accordingly.

**Certificate** means a certificate or notice (in each case, whether physical or electronic) evidencing the grant of an Award.

**Change of Control Event** means:

- (a) where members of the Company approve any compromise or arrangement for the purpose of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other body corporate or bodies corporate (other than a scheme that does not involve a change in the ultimate beneficial ownership of the Company), which will, upon becoming effective, result in any person (either alone or together with its associates) owning more than fifty per cent (50%) of the issued capital of the Company;
- (b) where a person (either alone or together with its Associates) becomes the legal or the beneficial owner of, or has a relevant interest in, more than fifty per cent (50%) of the issued capital of the Company;
- (c) where a person (either alone or together with its Associates) becomes entitled to acquire, hold or has an equitable interest in more than fifty per cent (50%) of the issued capital of the Company;
- (d) where a takeover bid is made to acquire more than fifty per cent (50%) of the issued capital (or such lesser number of shares that when combined with the shares that the bidder (together with its associates) already owns will amount to more than 50% of the issued capital of the Company) and the takeover bid becomes unconditional and the bidder (together with its associates) has a relevant interest in more than 50% of the issued capital of the Company;
- (e) a resolution is passed for the voluntary winding-up of the Company;
- (f) an order is made for the compulsory winding up of the Company; or
- (g) any other event determined by the Board in good faith to constitute a "Change of Control Event" for the purposes of these Rules,

but, for the avoidance of doubt, does not include any internal reorganisation of the structure, business and/or assets of the Group.

**Company** means Damstra Holdings Limited (ACN 610 571 607).

**Confirmation Notice** means, in relation to an Award, the notice (whether physical or electronic) given by or on behalf of the Company to a Participant informing him or her that all of the Exercise

Conditions have been satisfied or waived and the Award may be exercised in accordance with the terms of these Rules.

**Constitution** means the constitution of the Company.

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

**Dispose** means in relation to a Tax Exempt Share, an Award or a Resulting Share:

- (a) sell, assign, buy-back, redeem, transfer, convey, grant an option over, grant or allow a Security Interest over;
- (b) enter into any swap arrangement, any derivative arrangement or other similar arrangement over; or
- (c) otherwise directly or indirectly dispose of legal, beneficial or economic interest in,

the Tax Exempt Share, Award or Resulting Share (whichever applicable) and **Disposal** has a corresponding meaning.

**Eligible Participant** means a person who is a:

- (a) full-time, part-time or casual employee (including an executive director);
- (b) non-executive director; or
- (c) contractor or consultant,

of any Group Company who has been determined or selected by the Board from time to time.

**Engagement Arrangement** means in respect of:

- (a) an employee of a Group Company, the terms under which the relevant Group Company has employed that person;
- (a) a director of a Group Company that is not also an employee, the terms under which the relevant Group Company has appointed that director to their office; or
- (b) a contractor or consultant to a Group Company, the terms under which the relevant Group Company has engaged that contractor or consultant.

**Equity Settled** has the meaning given in clause 5.1(a) of Schedule 1.

**Exercise Condition** means, in relation to an Award, any condition to exercise of that Award as specified in the relevant Invitation.

**Exercise Notice** means a notice (whether physical or electronic) given by or on behalf of the Participant (in the form determined by the Board from time to time) to exercise an Award in accordance with clause 4.3 of Schedule 1.

**Exercise Price** means, in respect of an Award, the price to be paid by the Participant when exercising that Award as specified in the relevant Invitation. For the avoidance of doubt, the Exercise Price for an Award may be nil.

**Expiry Date** means, in relation to an Award, the 'expiry date' which is specified in the Invitation or Vesting Notice (if any), or, if no date is specified, the Business Day prior to the 15 year anniversary of the Grant Date.

**Good Leaver** means a Participant who becomes a Leaver:

- (a) who does not meet the Bad Leaver criteria; or
- (b) who meets the Bad Leaver criteria but the Board has determined in writing that they be treated as a Good Leaver.

**Grant Date** means, in relation to a Tax Exempt Share or Award (whichever applicable), the date on which that Tax Exempt Share or Award is issued, transferred or allocated to a Participant under these Rules.

**Group** means the Company and each of its Subsidiaries from time to time and **Group Company** means any one of them.

A person is **Insolvent** if:

- (a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act);
- (b) it has had a controller appointed or is in liquidation, in provisional liquidation, under administration, wound up or has had a receiver appointed to any part of its property;
- (c) it is subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the Company);
- (d) an application or order has been made (and in the case of the application, it is not stayed, withdrawn or dismissed within 30 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is likely to result in any of (a), (b) or (c) above);
- (e) it is taken (under s.459F(1) of the Corporations Act) to have failed to comply with a statutory demand);
- (f) it is subject to an event described in section 459C(2)(b) or section 585 of the Corporations Act;
- (g) it is otherwise unable to pay its debts when they fall due; or
- (h) something having a substantially similar effect to (a) to (g) happens in connection with that person under the law of any jurisdiction.

**Invitation** means an invitation to an Eligible Participant to apply for the grant of one or more Tax Exempt Shares or Awards made in accordance with clause 3.2 of these Rules.

**Leaver** means a Participant who ceases to be an employee (including executive director), officer, contractor or consultant of a Group Company but, for the avoidance of doubt, if there is a change in the entity that engages the Participant as an employee, officer, contractor or consultant from one Group Company to another Group Company, the Participant will not be considered, for the purpose of these Rules, to have ceased to be an employee (including executive director), officer, contractor or consultant of a Group Company due to that change.

**Listing Rules** means the listing rules, market rules and operating rules of a financial market in respect of which the Company's shares are quoted or are the subject of an application for quotation.

**Manually Exercised** has the meaning given in clause 4.3(a) of Schedule 1.

**Nominated Affiliate** has the meaning set out in clause 3.8(a).

**Participant** means:

- (a) an Eligible Participant who has been granted a Tax Exempt Share or Award and continues to hold that Tax Exempt Share, Award or Resulting Share (as applicable); or
- (b) where an Eligible Participant has made a nomination under clause 3.8(a):
  - (i) the Eligible Participant whose Nominated Affiliate continues to hold that Tax Exempt Share, Award or Resulting Share (as applicable); or
  - (ii) the Nominated Affiliate of the Eligible Participant who has been granted a Tax Exempt Share or Award under this Plan and continues to hold that Tax Exempt Share, Award or Resulting Share (as applicable),

as the context requires.

**Plan** means the "Damstra Holdings Limited Equity Incentive Plan", as governed by the terms of these Rules.

**Reduction Conditions** means the reduction conditions set out in section 83A-35 of the Tax Act.

**Resulting Shares** means all Shares issued, transferred or allocated to a Participant upon the valid exercise of an Award.

**Rules** means the rules of the Plan which are set out in this document.

**Securities Trading Policy** means the securities trading policy of the Company.

**Security Interest** means a mortgage, charge, pledge, lien, encumbrance or other third party interest of any nature granted to secure payment of money or the performance of an obligation.

**Share** means a fully paid share in the capital of the Company in the class specified in the relevant Invitation which related to the grant of that Share or the relevant underlying Award.

**Subsidiary** has the same meaning as in Division 6 of Part 1.2 of the Corporations Act.

**Tax** means any tax, levy, charge, franchise, impost, duty, fee, rate, deduction, compulsory loan or withholding, which is assessed, levied, imposed or collected by any government agency and includes, for the avoidance of doubt, capital gains tax, fringe benefits tax, income tax, value added tax, goods

and services tax, sales or use tax, training guarantee levy, profits tax, undistributed profits tax, payroll or employment tax, group tax, PAYG or PAYE withholding tax, land tax, import or customs duty, excise, municipal rates, and any interest, fine, penalty, charge, fee or any other amount imposed on or in respect of any of the above.

**Tax Act** means the Income Tax Assessment Act 1997 (Cth).

**Tax Exempt Share** means a Share granted under these Rules.

**TE Restricted Period** means, in relation to a Tax Exempt Share, the period from the Grant Date until the earlier of:

- (a) the date three years after the relevant Grant Date of that Tax Exempt Share or such date as may be determined by the Board in its discretion so as to satisfy the Reduction Conditions; or
- (b) the day after the date on which the relevant Participant becomes a Leaver.

**Vesting Condition** means, in relation to an Award, any condition to vesting of that Award that is set out in the Invitation for that Award.

**Vesting Notice** means, in relation to an Award, the notice (whether physical or electronic) given by or on behalf of the Company to a Participant informing him or her that all Vesting Conditions in relation to that Award have been satisfied or waived in accordance with these Rules.

## 1.2 Interpretation

In these Rules, unless otherwise stated or the contrary intention appears:

- (a) the singular includes the plural and vice versa;
- (b) a gender includes all genders;
- (c) a reference to a document, agreement, plan or rules includes that document, agreement, plan or rules as novated, altered, supplemented, replaced or amended from time to time;
- (d) headings are for convenience only and do not affect the interpretation of these Rules;
- (e) a reference to any thing (including any amount) includes any part of that thing and a reference to a group of things or persons includes each thing or person in that group;
- (f) a reference to any legislation includes any modification or replacement of it and all regulations and statutory instruments issued under it and a reference to any provision of any legislation includes any modification or substitution of it;
- (g) a reference to these Rules includes all recitals, annexures, addendums and schedules to these Rules;
- (h) a reference to a person includes a reference to the person's executors, administrators and successors or a body corporate including any person taking by way of novation and, in the case of a trustee, includes any substituted or additional trustee;



- (i) the expression “person” includes an individual, the estate of an individual, the legal personal representative of an individual, a corporation, an authority, an association or a joint venture (whether incorporated or unincorporated), a partnership, a trust and any government agency;
- (j) a monetary amount is a reference to Australian Dollars;
- (k) in these Rules any reference to include means to include without limitation;
- (l) a reference to “writing” or “written” includes any mode of representing or reproducing word in tangible and permanently visible form, and includes email;
- (m) where any word is given a defined meaning, any other part of speech or other grammatical form in respect of such word or phrase has a corresponding meaning;
- (n) any capitalised terms in these Rules that are not defined in clause 1.1 have the meaning given to them in the Corporations Act; and
- (o) a provision of these Rules which has the effect of requiring anything to be done on or by a date which is not a Business Day is to be interpreted as if it required that thing to be done on or by the immediately preceding Business Day.

### 1.3 **Inconsistencies**

Notwithstanding anything to the contrary in any Engagement Arrangement with a Participant but subject at all times to these Rules, if there is any inconsistency between these Rules and an Engagement Arrangement, these Rules prevail.

### 1.4 **Income Tax Assessment Act**

This Plan, as it relates to Awards, is a plan to which Subdivision 83A-C of Tax Act applies (subject to the conditions in that Tax Act).

## **2. *Introduction***

---

### 2.1 **Purpose**

The purpose of the Plan is to:

- (a) assist in the reward, retention and motivation of Eligible Participants; and
- (b) align the interests of Eligible Participants with shareholders of the Company.

### 2.2 **Commencement**

The Plan will commence on the date determined by the Board.

### 2.3 **Rules are binding**

The Company and each Participant are bound by these Rules.

### **3. Eligibility and grant**

---

#### **3.1 Eligibility**

The Board may from time to time determine that an Eligible Participant may participate in the Plan.

#### **3.2 Invitation**

- (a) Following determination that an Eligible Participant may participate in the Plan, the Board may make an Invitation to the Eligible Participant on any number of occasions.
- (b) An Invitation to an Eligible Participant to apply for Awards or Tax Exempt Shares may be made on such terms and conditions as the Board decides from time to time and may include:
  - (i) whether the Eligible Participant may apply for:
    - (A) Awards, in which case the terms set out in Schedule 1 of these Rules will apply to that grant of Awards; or
    - (B) Tax Exempt Shares, in which case the terms set out in Schedule 2 of these Rules will apply to that grant of Tax Exempt Shares;
  - (ii) the Grant Date;
  - (iii) if the Eligible Participant is invited to apply for Awards pursuant to Schedule 1:
    - (A) the number of Awards for which that Eligible Participant may apply;
    - (B) the amount payable (if any) for the grant of each Award or how such amount is calculated;
    - (C) whether each Award, following vesting under these Rules, needs to be Manually Exercised or whether it will be Automatically Exercised;
    - (D) any Vesting Conditions;
    - (E) the Exercise Conditions;
    - (F) any Exercise Price;
    - (G) if the Company is not listed on the ASX, whether the Company must fulfil a vested Award that has been exercised by the issue of Shares or by any means (including without limitation by way of issue or allocation);
    - (H) if the Company is listed on the ASX, whether the Company must fulfil a vested Award that has been exercised by acquiring Shares on-market (as that term is defined in the Corporations Act) or by any means (including without limitation the acquisition of Shares on-market, off-market or by way of issue or allocation);

- (I) whether the Awards, upon exercise under these Rules, must be Equity Settled or may, at the discretion of the Board, be Equity Settled or Cash Settled<sup>1</sup>; and
- (J) whether the Awards may be the subject of a cashless exercise under clause 5.4(c) of Schedule 1;
- (iv) if the Eligible Participant is invited to apply for Tax Exempt Shares pursuant to Schedule 2:
  - (A) the number of Tax Exempt Shares for which that Eligible Participant may apply;
  - (B) the Acquisition Price (if any) or how such price is to be calculated; and
  - (C) whether the Company must deliver a Tax Exempt Share by acquiring that Tax Exempt Share on-market (as that term is defined in the Corporations Act) or may deliver the Tax Exempt Share by any means (including, without limitation, the acquisition of the Tax Exempt Shares on-market, off-market or by way of issue or allocation);
- (v) any other supplementary terms and conditions considered relevant by the Board.

### **3.3 Application Form and Ancillary Documentation**

The Invitation to an Eligible Participant must be accompanied by an Application Form and the Ancillary Documentation (if any).

### **3.4 Eligible Participant agrees to be bound**

Each Eligible Participant (and, if applicable, their Nominated Affiliate) is, by submitting a completed Application Form, deemed to have agreed to be bound by:

- (a) the terms of the Invitation and the Application Form;
- (b) the Ancillary Documentation (if any);
- (c) these Rules; and
- (d) in respect of an Application Form for Tax Exempt Shares, the Constitution.

### **3.5 Who may apply**

On receipt of an Invitation, an Eligible Participant (and, if applicable, their Nominated Affiliate) may apply for the Awards or Tax Exempt Shares the subject of their Invitation by sending the completed Application Form and Ancillary Documentation to the Company (or its designated officer as set out in the Application Form) by the time and date specified in the Invitation, unless otherwise determined by the Board.

### **3.6 Acceptance of Application**

The Board may accept an Application from an Eligible Participant (and, if applicable, their Nominated Affiliate) in whole or in part. The Company may not grant an Award or a Tax Exempt Share (whichever

---

<sup>1</sup> Note to Company: If an Offer for an Award that may be Cash Settled is made other than in reliance on ASIC Class Order 14/1000, then the Company will need to consider the requirements of Parts 7.1 and 7.9 of the Corporations Act.

applicable) to an Eligible Participant (or, if applicable, their Nominated Affiliate) unless it has received:

- (a) a completed Application Form; and
- (b) all applicable Ancillary Documentation.

The Application Form and, where applicable, the Ancillary Documentation must be in the form included with the Invitation, and may not be made on the basis that it is subject to any terms and conditions other than those specified in the Invitation.

### 3.7 **When applications will not be accepted**

Unless otherwise determined by the Board, an Application will not be accepted if at the time the Company received the duly signed and completed Application Form together with all Ancillary Documentation:

- (a) the applicant is not an Eligible Participant or (where applicable) the Eligible Participant's Nominated Affiliate;
- (b) notice of termination of the applicant's Engagement Arrangement has been given (whether by the applicant or by one or more members of the Group); or
- (c) the Board has determined that the applicant is no longer eligible to participate in the Plan or does not accept an Eligible Participant's Nominated Affiliate.

### 3.8 **Right to nominate**

- (a) Unless otherwise expressly permitted in the Invitation, an Eligible Participant may only submit an Application in the Eligible Participant's name and not on behalf of any other person or entity. If an Eligible Participant is permitted in the Invitation, the Eligible Participant may nominate another person or entity (the **Nominated Affiliate**) to be granted the Awards or Tax Exempt Shares (whichever applicable) the subject of their Invitation. If such nomination is not permitted in the Invitation or the Board does not in its sole discretion approve the Nominated Affiliate for the Eligible Participant, the Board may reject an Application submitted in the name of that Nominated Affiliate.
- (b) If Tax Exempt Shares, Awards and/or Resulting Shares (as the case may be) are granted to a Nominated Affiliate, then the Eligible Participant and their Nominated Affiliate must execute any documents required by the Company in order to receive the grant and, to the extent necessary to give effect to the intent of these Rules, the Company may continue to treat the Eligible Participant as the Participant.

### 3.9 **Multiple Invitations**

The Board may invite an Eligible Participant to apply for any number of Awards or Tax Exempt Shares (whichever applicable), notwithstanding that the Eligible Participant has previously been invited to apply for Awards and/or Tax Exempt Shares (as the case may be).

## ***4. Irrevocable power of attorney***

---

In order to ensure compliance with these Rules, each Participant must, if requested by the Company,

grant an irrevocable power of attorney (in the form set out in the Invitation or such other form as determined by the Company) to any person nominated from time to time by the Board.

## **5. Trust**

---

The Board may, in its discretion, use an employee share trust or other mechanism for the purposes of holding and/or delivering any Tax Exempt Shares and/or Resulting Shares under these Rules on such terms and conditions as determined by the Board in its absolute discretion. For the avoidance of doubt the Board may do all things necessary for the establishment, administration, operation and funding of an employee share trust.

## **6. Change of Control Event**

---

### **6.1 Board discretion**

Notwithstanding any other provision of this Deed, but subject to all applicable laws, regulations and the terms of a Participant's Invitation, if:

- (a) a Change of Control Event occurs; or
- (b) the Board determines for the purpose of this Plan that such a Change of Control Event is likely to occur,

then all of the Participant's unvested Awards will be deemed to have vested on the date that the relevant action set out in (a) or (b) above occurs, unless the Board determines otherwise in its absolute discretion.

## **7. Administration of the Plan**

---

### **7.1 Board administration**

The Plan will be administered by the Board. For the avoidance of doubt, the Board may make further provisions for the operation of the Plan which are consistent with these Rules.

### **7.2 Board powers and discretions**

Any power or discretion which is conferred on the Board by these Rules may be exercised in its sole and absolute discretion. The Board does not, in exercising any power or discretion under these Rules, owe any fiduciary or other obligations to any Eligible Participant or Participant.

### **7.3 Delegation of Board powers and discretions**

Any power or discretion which is conferred on the Board by these Rules (including, without limitation, the power to invite Eligible Participants to participate in the Plan and to determine the terms and conditions of the Awards or Tax Exempt Shares) may be delegated by the Board to:

- (a) a committee consisting of such directors, other officers or employees of the Group, or any combination of such persons as the Board thinks fit;
- (b) a related body corporate of the Company; or
- (c) a third party,

for such periods and on such conditions as the Board thinks fit.

#### **7.4 Documents**

The Company may from time to time require an Eligible Participant invited to participate in the Plan or a Nominated Affiliate to complete and return such other documents as may be required by law to be completed by that Eligible Participant or Participant, or such other documents which the Company considers should, for legal, taxation and/or administrative reasons, be completed by that Eligible Participant, Participant or person in order to give effect to the intent of the Plan.

#### **7.5 Decisions final**

Every exercise of a discretion by the Board (or its delegates) and any decision by the Board (or its delegates) regarding the interpretation, effect or application of these Rules and all calculations and determination made by the Board under these Rules are final, conclusive and binding in the absence of manifest error.

### ***8. Restrictions on and amendments to the Plan***

---

#### **8.1 Compliance with applicable laws and regulations**

Notwithstanding these Rules or any terms of an Award or a Tax Exempt Share:

- (a) no Award may be offered, granted, vested or exercised, and no Resulting Share may be issued, allocated or transferred; and
- (b) no Tax Exempt Share may be offered, issued or transferred;

if to do so would contravene any applicable laws or regulations.

#### **8.2 Amendment of Plan**

- (a) Subject to clause 8.2(b), the Board may:
  - (i) at any time amend any provisions of these Rules, including (without limitation) the terms and conditions upon which any Awards or Tax Exempt Shares have been or will be granted under the Plan; and
  - (ii) determine that any amendments to these Rules be given retrospective effect, immediate effect or future effect.
- (b) No amendment to any provision of these Rules may be made if the amendment materially adversely affects the rights of any Participant as they existed before the date of the amendment, other than an amendment:
  - (i) introduced primarily:
    - (A) for the purposes of complying with or conforming to present or future legislation governing or regulating the Plan or like plans;
    - (B) to correct any manifest error or mistake or to remove any defunct references and/or clauses;

- (C) to allow the implementation of an employee share trust arrangement pursuant to clause 5;
  - (D) to enable the Plan or any member of the Group to comply with its constituent documents or any other applicable laws, regulations and rules (including the Listing Rules); and/or
  - (E) to take into consideration possible adverse taxation implications in respect of the Plan including changes to applicable taxation legislation or the interpretation of that legislation by a court of competent jurisdiction or any rulings from taxation authorities administering such legislation; or
- (ii) notified in writing to all Participants whose rights will be materially adversely affected by the amendment, and:
- (A) in respect of those Participants holding Awards whose rights will be materially adversely affected by the amendment, agreed to in writing by those Participants holding at least 75% of the Awards:
    - (1) that are on issue at the relevant time; and
    - (2) whose rights will be materially adversely affected by the amendment; and
  - (B) in respect of those Participants holding Tax Exempt Shares whose rights will be materially adversely affected by the amendment, agreed to in writing by those Participants holding at least 75% of the Tax Exempt Shares:
    - (1) that are on issue at the relevant time; and
    - (2) whose rights will be materially adversely affected by the amendment.
- (c) As soon as reasonably practicable after making any amendments to any provisions of these Rules, the Board will give notice of the amendment to each Participant affected by the amendment. Failure by the Board to notify a Participant of any amendment will not invalidate the amendment as it applies to that Participant.

### 8.3 Amendment by addendum

Subject to any other provision of these Rules, the Board may from time to time amend the terms of this Plan as they will apply in particular jurisdictions or circumstances by means of an addendum to these Rules.

## 9. *Duration*

---

### 9.1 Termination

The Plan continues in operation until the Board decides to end it.

### 9.2 Suspension

The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension.

### 9.3 **Effect of Termination / Suspension**

If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

## **10. *Miscellaneous***

---

### 10.1 **Rights of Participants**

Nothing in these Rules:

- (a) confers on any person any right or expectation to become a Participant, or the right to be invited to apply for, or be offered, or to receive any Awards or Tax Exempt Shares;
- (b) confers on any person the right to continue as an employee, officer, contractor or consultant of any member of the Group (as the case may be);
- (c) affects the rights of any member of the Group to terminate the Engagement Arrangement;
- (d) forms part of any contract of service between an Eligible Participant and any member of the Group;
- (e) may be used to increase rights of compensation or damages in any action brought against a member of the Group in respect of any termination of an Engagement Arrangement;
- (f) confers any legal or equitable right on an Eligible Participant whatsoever to take action against any member of the Group in respect of their Engagement Arrangement; or
- (g) confers on an Eligible Participant any rights to compensation or damages in consequence of the termination of their Engagement Arrangement by any member of the Group for any reason whatsoever including ceasing to have rights under the Plan as a result of such termination.

### 10.2 **Non-exclusivity**

- (a) This Plan is not the sole means by which all members of the Group intend to provide incentives to Eligible Participants. Nothing in this Plan is intended to restrict any member of the Group from remunerating or otherwise rewarding employees or officers of any member of the Group outside the Plan.
- (b) Participation in the Plan does not affect, and is not affected by, participation in any other incentive or other scheme operated by any member of the Group unless the terms of that other scheme provide otherwise.

### 10.3 **Notice**

- (a) Any notice or other communication under or concerning the Plan is validly given:
  - (i) if it is in legible writing and in English;
  - (ii) to an Eligible Participant, if delivered personally to the addressee or sent by prepaid post to the Eligible Participant's last known residential address, or sent to the Eligible Participant by email at the Eligible Participant's place of work;



- (iii) to a Participant, if delivered personally to the addressee or sent by prepaid post to the Participant's last known residential address, or sent to the Participant by email at the Participant's place of work; and
  - (iv) to the Company, if delivered or sent by prepaid post addressed to the company secretary at the Company's registered office (or any other address the Board specifies), or as otherwise notified by the Company from time to time.
- (b) Subject to clause 10.3(a), a notice or other communication will be deemed to have been served:
- (i) if delivered by hand, at the time of delivery;
  - (ii) if sent by facsimile or electronic mail, on receipt of a successful transmission notice, return receipt or such other confirmation by which the sender can reasonably verify delivery; or
  - (iii) if posted, and provided it is properly addressed and stamped, 48 hours after mailing in Australia and 7 days after mailing outside Australia.

#### 10.4 Further assurances

Each Participant must do all things reasonably necessary to give full effect to this Plan and the transactions contemplated by this Plan.

#### 10.5 Duties and taxes

- (a) The Company will be responsible for all brokerage costs payable in relation to the issue or transfer of a Resulting Share to a Participant following the exercise of an Award or the acquisition, issue or transfer of a Tax Exempt Share to a Participant under Schedule 2 of these Rules. Each Participant will be responsible for all costs associated with the disposal of a Resulting Share or Tax Exempt Share (as applicable) by that Participant.
- (b) Subject to clause 10.5(a), the Company:
  - (i) is not responsible for any duties, taxes or other government levy or impost which are or may become payable by any person other than the Company on:
    - (A) the acquisition, issue or transfer of a Tax Exempt Share, or any other dealing with a Tax Exempt Share;
    - (B) the acquisition and issue of an Award;
    - (C) the acquisition, issue or transfer of a Resulting Share or the payment of any cash on the exercise of an Award; or
    - (D) acquisition, transfer or any other dealings with a Resulting Share; and
  - (ii) may make any withholding or payment which it is required by law to make in connection with the Plan or the grant, issue, or transfer of a Tax Exempt Share, Award and/or Resulting Share or cash settlement of an Award; and
- (c) when transferring or issuing a Tax Exempt Share or a Resulting Share to a Participant under the Plan, may require the Participant to provide the Company with an amount of money which the

Board estimates is necessary to meet the Participant's liability (if any) to pay stamp duty or other taxes in respect of the transfer. Where the Company is provided with funds for that purpose, it must apply the funds in payment of the stamp duty or other tax, arrange for registration of the transfer on the Participant's behalf and return any excess funds to the Participant.

#### **10.6 No representation or warranty**

- (a) The Company makes no representation or warranty as to the value of Tax Exempt Shares, Awards or Resulting Shares, or with respect to any tax, legal or financial matters affecting any Eligible Participant or Participant in connection with the Plan.
- (b) Neither the Company, nor any of its directors, officers or employees are liable for anything done or omitted to be done by such person or any other person with respect to price, time, quantity or other conditions and circumstances of the issue or acquisition of Tax Exempt Shares, Awards or Resulting Shares hereunder, with respect of any fluctuations in the market price of Tax Exempt Shares or Resulting Shares, or in any other manner related to the Plan.

#### **10.7 Data protection**

By participating in the Plan, the Participant consents to the holding and processing of personal data provided by the Participant for the purposes of the Plan. These purposes include, but are not limited to:

- (a) administering and maintaining employee and Participant records;
- (b) providing information to Group Companies, registrars, brokers or third party administrators of the Plan (if any) or advisers to the Company; and
- (c) providing information to corporate advisers or potential future third party purchasers in connection with a sale of shares in a Group Company, or the business and assets of a Group Company.

#### **10.8 Construed against a party**

No provision or expression in these Rules is to be construed against the Company on the basis that the Company (or its advisers) was responsible for the drafting of these Rules.

#### **10.9 Rounding**

Where any calculation or adjustment to be made pursuant to these Rules produces a fraction of a cent or a fraction of a Tax Exempt Share, Award or Resulting Share, the fraction will be eliminated by rounding down to the nearest whole number.

#### **10.10 Governing law**

- (a) This Plan is governed by the laws of Victoria, Australia.
- (b) Each Participant submits to the non-exclusive jurisdiction of the courts of Victoria, Australia, and the courts competent to determine appeals from those courts, with respect to any proceedings that may be brought in connection with these Rules.

#### 10.11 **Waiver of rights**

- (a) A waiver of any right, power, authority, discretion or remedy arising upon a breach of or default under these Rules must be in writing and signed by the person granting the waiver, and may be subject to such terms and conditions as determined by the party granting the waiver.
- (b) A failure or delay in the exercise, or partial exercise, of a right, power, authority, discretion or remedy arising from a breach of or default under these Rules, does not prevent the exercise of or result in a waiver of that right, power, authority, discretion or remedy.
- (c) A person is not entitled to rely on a delay in the exercise or non-exercise of a right, power, authority, discretion or remedy arising from a breach of these Rules or default under these Rules as constituting a waiver of that right, power, authority, discretion or remedy.
- (d) A person may not rely on any conduct of another person as a defence to the exercise of a right, power, authority, discretion or remedy by that other person.
- (e) A waiver is only effective in the specific instance and for the specific purpose for which it is given and subject to any specific terms and conditions as specified in the waiver.
- (f) This clause may not itself be waived except in writing.

# ***Schedule 1 – Terms of Awards***

## **1. Grant of Awards**

---

### **1.1 Company to grant Awards**

Following receipt of both the relevant documentation under clause 3.6 of these Rules and the amount payable (if any) for the grant of the relevant Awards, the Company must, to the extent that it has accepted such Application, grant the Eligible Participant (or, if applicable, their Nominated Affiliate) the relevant number of Awards, subject at all times to the terms and conditions set out in the Invitation, these Rules and the Ancillary Documentation.

### **1.2 Certificate of Award**

Following the grant of an Award, the Company will issue to the Participant a Certificate.

## **2. Terms of Awards**

---

### **2.1 Participant's rights**

Prior to an Award being exercised a Participant is not entitled to:

- (a) notice of, or to vote or attend at, a meeting of the shareholders of the Company; and
- (b) receive any dividends declared by the Company,

by virtue of holding an Award.

### **2.2 Restriction of dealing**

A Participant may not sell, assign, transfer, grant a Security Interest over or otherwise deal with an Award that has been granted to them, unless the Board in its absolute discretion so approves or the relevant dealing is effected by force of law on death or legal incapacity to the Participant's legal personal representative. The Company may require that an Award be forfeited if a sale, assignment, transfer, dealing or grant of a Security Interest occurs or is purported to occur other than in accordance with these Rules.

### **2.3 Prohibition on hedging**

A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to an Award that has been granted to them.

### **2.4 Register of Awards**

Each Award granted under these Rules will be registered in the appropriate register of the Company.

### **2.5 Listing**

If the Company is listed on the ASX, unless determined otherwise by the Board in its absolute discretion, an Award granted under the Plan will not be quoted on the ASX or any other recognised exchange.

### **3. Vesting**

---

#### **3.1 Vesting**

An Award will vest when a Vesting Notice in respect of that Award is given or is deemed to be given to the Participant.

#### **3.2 Waiver of Vesting Condition**

A Vesting Condition for an Award may, subject to any applicable laws, regulations and, if the Company is listed on the ASX, Listing Rules, be waived by the Board by written notice to the relevant Participant and on such terms and conditions as determined by the Board and set out in that notice.

### **4. Exercise of Awards**

---

#### **4.1 Exercise Conditions**

An Award may only be exercised when all Vesting Conditions and all Exercise Conditions applicable to that Award are satisfied or have been waived by the Company under clause 4.2 of this Schedule 1, and the Company has provided a Confirmation Notice to the Participant.

#### **4.2 Waiver of Exercise Conditions**

An Exercise Condition for an Award may, subject to any applicable laws, regulations or, if the Company is listed on the ASX, Listing Rules, be waived by the Board by written notice to the relevant Participant and on such terms and conditions as determined by the Board and set out in that notice.

#### **4.3 Exercise of vested Award**

Where a Confirmation Notice has been given or deemed to be given by the Company to a Participant in relation to an Award, to exercise that Award:

- (a) the Participant must, at any time:
  - (i) that is between the date of provision (or deemed provision) of a Confirmation Notice relating to that Award and the earlier of the time specified in the Participant's Invitation (if any) and the Expiry Date; and
  - (ii) if the Company is listed on the ASX, when the Participant is permitted to trade securities under the Company's Securities Trading Policy,

deliver an Exercise Notice to (or as directed by) the Company and, subject to clause 5.4(c) of this Schedule 1, pay the Exercise Price (if any) for that Award to (or as directed by) the Company (**Manually Exercised**); or

- (b) if the Participant's Invitation requires that an Award is automatically exercised, that Award will be deemed exercised on the later of the following:
  - (i) the date of provision (or deemed provision) of the Confirmation Notice; and
  - (ii) if the Company is listed on the ASX and the Participant is not permitted to trade securities under the Company's Securities Trading Policy on such date, the first

subsequent day that the Participant is permitted to trade such securities (**Automatically Exercised**).

## ***5. Delivery of Shares on Exercise of Awards or Cash Settlement***

---

### **5.1 Issue or transfer**

As soon as practicable, after the valid exercise or deemed exercise of an Award by a Participant in accordance with clause 4.3 of this Schedule 1, the Company will:

- (a) issue, allocate or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under these Rules (**Equity Settled**); and/or
- (b) where permitted in the relevant Invitation, pay a cash amount to that Participant in accordance with clause 5.5 of this Schedule 1 (**Cash Settled**).

Where an Award may be Cash Settled or Equity Settled (rather than just Equity Settled), the Board may determine the preferred settlement mechanic in its absolute discretion. The Company will also issue a substitute Certificate for any remaining unexercised Awards of that Participant.

### **5.2 Resulting Shares to rank pari passu**

All Resulting Shares will rank pari passu in all respects with the Shares of the same class for the time being on issue except for any rights attaching to the Shares by reference to a record date prior to the date of the allotment or transfer of the Resulting Shares.

### **5.3 Listing**

This clause 5.3 of this Schedule 1 will only apply if the Company is listed on the ASX. If Resulting Shares are in the same class as Shares which are listed on the ASX, the Company will apply for quotation of the Resulting Shares issued (or any unquoted Resulting Shares transferred) within the time required by the Listing Rules after the date of allotment.

### **5.4 Exercise Price, Tax and superannuation considerations**

Without limiting the amounts which may be deducted or withheld under applicable laws, regulations or, if the Company is listed on the ASX, Listing Rules, where Awards are exercised and the Resulting Shares are to be delivered under clause 5.1 of this Schedule 1 the Company may:

- (a) require the Participant to reimburse the Company for any Tax which the Company is required to withhold or any superannuation amount which the Company is required to withhold but does not so withhold;
- (b) sell on behalf of the Participant the number of Resulting Shares required to provide the funds required to be withheld on account of Tax or a superannuation amount;
- (c) with the prior agreement of the Participant sell on behalf of the Participant the number of Resulting Shares required to provide the funds required for the Exercise Price (if any) relating to the exercised Awards; and/or
- (d) raise the amount required to be either withheld on account of Tax or a superannuation amount, or in relation to Exercise Price (if any) relating to the exercised Awards through any

combination of the methods in paragraph (a) to (c).

#### 5.5 **Cash settled**

Where the Board determines that any Awards will be Cash Settled in accordance with 5.1(b), the cash payment to be made to the Participant will be:

- (a) determined by reference to the value of the Shares which would otherwise have been granted to the Participant if the Awards has been Equity Settled and as set out in the relevant Invitation; and
- (b) less, if determined by the Board, the funds required:
  - (i) to be withheld on account of Tax or a superannuation amount; and/or
  - (ii) for the Exercise Price (if any) relating to the exercised Awards.

### **6. *Forfeiture of Awards***

---

#### 6.1 **Good Leaver**

- (a) Unless the Participant's Invitation provides otherwise, if a Participant becomes a Good Leaver:
  - (i) they will retain all of their vested Awards; and
  - (ii) all of their unvested Awards will be forfeited on a date determined by the Board, unless the Board provides express written consent that the Participant may retain any or all of their unvested Awards. If the Board determines that the Participant may retain any or all of their unvested Awards, those Awards will be subject to the terms and conditions that the Participant held those Awards prior to becoming a Good Leaver, or such other terms and conditions as the Board sees fit.
- (b) Subject to the Corporations Act and any other applicable laws, regulations and, if the Company is listed on the ASX, Listing Rules, the Board may determine that some or all of the Awards retained by a Participant are deemed to have vested<sup>2</sup>.

#### 6.2 **Bad Leaver**

- (a) If a Participant becomes a Bad Leaver, all of their vested and unvested Awards will be forfeited on a date determined by the Board, unless the Board provides express written consent that the Participant may retain any or all of their vested and/or unvested Awards. If the Board determines that the Participant may retain any or all of their vested and/or unvested Awards, those Awards will be subject to the terms and conditions that the Participant held those Awards prior to becoming a Bad Leaver, or such other terms and conditions as the Board sees fit.
- (b) Subject to the Corporations Act and any other applicable laws, regulations and, if the Company is listed on the ASX, Listing Rules, the Board may determine that some or all of the Awards retained by a Participant are deemed to have vested<sup>2</sup>.

---

<sup>2</sup> Note: The determination to accelerate the vesting of an Award in connection with a Participant's termination may be a termination payment under the Corporations Act. It is important to consider Part 2D.2 Division 2 of the Corporations Act (see clause 6.9 of this Schedule 1) in these circumstances.

### 6.3 **Failure to satisfy conditions**

Unless otherwise stated in the Invitation or determined by the Board in its absolute discretion, an Award which has not yet been exercised will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable Vesting Conditions or Exercise Conditions have not been met or cannot be met by the relevant date.

### 6.4 **Fraudulent or dishonest actions**

(a) Unless varied by prior agreement with the Board, where in the opinion of the Board, a Participant:

- (i) acts fraudulently or dishonestly in his or her involvement with the Group; or
- (ii) has committed a wilful breach of his or her obligations to any member of the Group,

then the Board may deal with, or take any other actions, in relation to their Awards or relevant Resulting Shares or the proceeds of a Cash Settlement so as to ensure that no unfair benefit is obtained by the Participant as a result of such actions, including (without limitation):

- (iii) deem any Awards or Resulting Shares of the Participant to be forfeited in any manner determined by the Board and consistent with applicable laws, regulations and, if the Company is listed on the ASX, Listing Rules; or
  - (iv) where any Resulting Shares held by the Participant as a result of the exercise of one or more Awards have been sold by the Participant require the Participant to pay all or part of the net proceeds of that sale (to the extent that they exceed the Exercise Price paid by the Participant to the Company in respect of those Resulting Shares) to the Company.
- (b) Unless varied by prior agreement with the Board, where, in the reasonable opinion of the Board, a Participant's Award vests as a result of the fraud, dishonesty or breach of obligations of another person and, in the opinion of the Board, the Award would not otherwise have vested, the Board may determine that the Award has not vested and may, subject to applicable laws, deal with, or take any other actions, in relation to the Participant's Awards or relevant Resulting Shares so as to ensure that no unfair benefit is obtained by the Participant as a result of such actions of another person, including (without limitation) determine that the relevant Award has not vested and that the Vesting Conditions applicable to that Award will be reset in the manner determined by the Board acting reasonably.

### 6.5 **Insolvency**

Unless otherwise determined by the Board or stated in the Invitation, all of a Participant's Awards (whether vested or unvested) will be forfeited on the date that the Board determines that the Participant has become Insolvent.

### 6.6 **Material breach of these Rules**

Unless otherwise determined by the Board, where the Company notifies a Participant of a material breach by that Participant of these Rules or the Participant's Invitation and the Participant is unable to remedy the breach to the satisfaction of the Board within 20 Business Days of receiving notice from the Company, the Board may require the Participant to forfeit all or part of their Awards on a date that the Board determines.



## **6.7 Change of control of Nominated Affiliate**

Unless otherwise stated in the Invitation, a Participant that is a Nominated Affiliate must obtain the written consent of the Company (acting by the Board) prior to undergoing a change of control. If prior written consent is not obtained and the Board (acting reasonably) determines that the Participant has undergone a change of control, the Board may require that all of the Participant's Awards and Resulting Shares be forfeited on the date that the Board determines.

## **6.8 Other forfeiture events**

Unless the Board otherwise determines, or as otherwise set out in these Rules;

- (a) an Award which has not yet been validly exercised in accordance with these Rules will be automatically forfeited on the Expiry Date; and
- (b) an Award held by a Participant in accordance with these Rules will also be forfeited in any other circumstances expressly set out in the Participant's Invitation.

## **6.9 Discretion**

- (a) Notwithstanding clauses 6.1 to 6.7 (inclusive) of this Schedule 1, the Board may decide (on any conditions which it thinks fit) that some or all of the Participant's Awards will not be forfeited at that time.
- (b) The Board may elect to disapply any of clauses 6.1 to 6.7 (inclusive) of this Schedule 1, or add any further forfeiture terms, to a particular grant of Awards provided that such election is expressly set out in the Invitation relating to that grant.

## **6.10 Voluntary forfeiture**

A Participant may by written notice to the Company voluntarily forfeit their Awards for no consideration.

## **6.11 Application of Part 2D.2 Division 2 of the Corporations Act**

- (a) This clause 6.11 applies to all termination payments to which Part 2D.2 Division 2 of the Corporations Act applies.
- (b) Notwithstanding any other provision of these Rules, in the absence of shareholder approval, the Company is not required to provide, or procure the provision, of any benefit under these Rules which is not permitted by Part 2D.2 Division 2 of the Corporations Act.
- (c) Any benefits required to be provided to a Participant in accordance with these Rules will, by operation of this clause, be reduced to ensure compliance with Part 2D.2 of the Corporations Act and the provision of such reduced benefit will constitute full satisfaction of the obligations of each member of the Group. In the event of overpayment to a Participant, the Participant must, on receiving written notice from the Board, immediately repay any monies or benefits specified in such notice to ensure compliance with Part 2D.2 of the Corporations Act.
- (d) Where clause 6.11(b) of this Schedule 1 applies, the Company may seek or not seek shareholder approval in its discretion.

## **7. *Effect of Forfeiture of Awards***

---

Where an Award has been forfeited in accordance with these Rules:

- (a) the Award will automatically lapse;
- (b) the Participant must sign any documents required by the Company to effect the forfeiture of that Award; and
- (c) the Company will not be liable for any damages or other amounts to the Participant in respect of that Award.

## **8. *Disposal Restrictions***

---

### **8.1 Disposal restrictions and compliance with the Securities Trading Policy**

If these Rules or a Participant's Invitation provide that any Resulting Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction, including but not limited to imposing an ASX Holding Lock (where applicable) on the Resulting Shares or using an employee share trust to hold the Resulting Shares during the relevant restriction period. Regardless of whether any restrictions have been imposed under this clause 8.1, all Participants must comply with the Securities Trading Policy (if the Company is listed on the ASX) and Constitution at all times.

### **8.2 Participant's undertaking**

For so long as a Resulting Share is subject to any disposal restrictions under this Plan, the Participant will not without the prior express written consent of the Board:

- (a) Dispose of that Resulting Share, or have a Security Interest granted over that Resulting Share; or
- (b) take any action or permit another person to take any action to remove or circumvent the disposal restrictions.

## **9. *Adjustment of Awards***

---

### **9.1 Reorganisation**

If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital), the number of Awards to which each Participant is entitled or the Exercise Price, or both as appropriate, will be adjusted as follows:

- (a) if the Company is not listed on the ASX, in the manner determined by the Board having regard to clause 9.6 of this Schedule 1; or
- (b) if the Company is listed on the ASX, in the manner specified by the Listing Rules.

### **9.2 Bonus Issue**

- (a) If Shares are issued by the Company pro rata to shareholders generally by way of bonus issue

(other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Awards is entitled, upon exercise of the Awards, to receive, in addition to the Shares in respect of which the Awards are exercised and without the payment of any further consideration, an allotment of as many additional Shares as would have been issued to a shareholder who, on the date for determining entitlements under the bonus issue, held Shares equal in number to the Shares in respect of which the Awards are exercised.

- (b) Additional Shares to which the holder of Awards becomes so entitled will, as from the time Shares are issued pursuant to the bonus issue and until those additional Shares are allotted, be regarded as Shares in respect of which the Awards are exercised for the purposes of subsequent applications of clause 9.2(b) of this Schedule 1, and any adjustments which, after the time just mentioned, are made under clause 9.1 of this Schedule 1 to the number of Shares will also be made to the additional Shares.

### 9.3 **Rights Issue**

Unless otherwise determined by the Board, a holder of Awards does not have the right to participate in a pro rata issue of Shares made by the Company or to receive or sell renounceable rights.

### 9.4 **No other participation**

Subject to clauses 9.1 to 9.3 (inclusive) of this Schedule 1, during the currency of any Awards and prior to their exercise, the holders of Awards are not entitled to participate in any new issue of Shares of the Company as a result of their holding of Awards.

### 9.5 **Rounding**

Until an Award vests, all calculations adjusting the number of Shares must be carried out to include all fractions, but when an Award vests and is settled the number of Resulting Shares must be rounded down to the next lowest whole number.

### 9.6 **Fairness in application**

In the application of this clause 9, the Board may (as far as possible (subject any applicable laws, regulations and, if the Company is listed on the ASX, Listing Rules) make whatever adjustments it deems necessary or desirable to ensure that the consequences of that application are fair as between the Participants and the holders of other securities in the Company at that time.

### 9.7 **Subject to applicable laws**

The application of this clause 9 is subject at all times to all applicable laws, regulations and, if the Company is listed on the ASX, Listing Rules.

## ***Schedule 2 – Terms of Tax Exempt Shares***

### ***1. Operation of the Plan as it relates to Tax Exempt Shares***

---

#### **1.1 Reduction Conditions**

The Company will use all reasonable endeavours to ensure that the Plan (in respect of both its terms and operation) and the Tax Exempt Shares granted under the Plan shall satisfy the Reduction Conditions.

#### **1.2 Non-Discriminatory basis**

Without limiting the foregoing, the Plan as it relates to the Tax Exempt Shares will be operated on a non-discriminatory basis within the meaning of that expression in section 83A-35(6) of the Tax Act.

#### **1.3 No risk of Forfeiture**

Participants in the Plan will face no risk of forfeiting their Tax Exempt Shares (within the meaning of that expression in section 83A-35(7) of the Tax Act) acquired under the Plan.

### ***2. Delivery of Tax Exempt Shares***

---

#### **2.1 Company to grant Tax Exempt Shares**

Following receipt of both the relevant documentation under clause 3.6 of these Rules and the Acquisition Price for the relevant Tax Exempt Shares, the Company must, to the extent that it has accepted such Application, procure that the relevant number of Tax Exempt Shares are:

- (a) acquired for and on behalf of the Eligible Participant (or, where applicable, the Eligible Participant's Nominated Affiliate);
- (b) subscribed for and on behalf of the Eligible Participant (or, where applicable, the Eligible Participant's Nominated Affiliate); or
- (c) a combination of (a) and (b) as determined by the Board,

provided that that Company can require the Tax Exempt Shares be held on an allocated basis in an employee share trust of the Company's election.

#### **2.2 Dividends**

A Participant will have an absolute and indefeasible entitlement to any dividend declared and paid or payable by the Company on any Tax Exempt Share held by or on behalf of a Participant, as at the books closing date for determining an entitlement to the dividend.

#### **2.3 Tax Exempt Shares to rank *pari passu***

All Tax Exempt Shares granted to a Participant in accordance with clause 2.1 of this Schedule 2 will rank *pari passu* in all respects with the shares of the same class of the Company for the time being on issue except to the extent that rights attach to shares of that class by reference to a record date prior to the date of issue or transfer of the Tax Exempt Shares.

## **2.4 Listing**

This clause 2.4 of this Schedule 2 will only apply if the Company is listed on the ASX. If Tax Exempt Shares granted under the Plan are the same class as those shares of the Company which are listed on the ASX, the Company will apply for quotation of the Tax Exempt Shares issued (or any unquoted Tax Exempt Shares transferred) within the time required by the Listing Rules after the date of allotment.

## **3. Disposal Restrictions and Leavers**

---

### **3.1 Participant's undertaking**

- (a) During the TE Restricted Period, unless otherwise permitted by the Board by express written notice (whether physical or electronic), the Participant will not:
  - (i) transfer, encumber or otherwise dispose of, or have a Security Interest granted over the relevant Tax Exempt Shares; or
  - (ii) take any action or permit another person to take any action to remove or circumvent the disposal restrictions over the relevant Tax Exempt Shares.
- (b) For the purpose of this clause 3.1 of Schedule 2, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction, including but not limited to imposing a Holding Lock (where applicable) on the Tax Exempt Shares and/or using an employee share trust to hold the Tax Exempt Shares during the relevant restriction period.

### **3.2 Tax Exempt Share entitlements**

For the avoidance of doubt, the imposition of disposal restrictions on a Tax Exempt Share held by a Participant will not affect or limit the rights (including the right to receive a notice of, or to vote or attend at, a meeting of the members of the Company, and to receive any dividends declared by the Company) attaching to that Tax Exempt Share during the relevant disposal restriction period.

### **3.3 Compliance with Securities Trading Policy**

Regardless of any restrictions imposed under this clause 3 of Schedule 2, all Participants must comply with the Securities Trading Policy (if the Company is listed on the ASX) and Constitution at all times.

## **4. Bonus issue and rights issue**

---

### **4.1 Bonus issue**

If fully paid shares in the capital of the Company are issued by the Company pro rata to shareholders generally by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment) and the Participants receive bonus shares in respect of Tax Exempt Shares as a result, those bonus shares are deemed to be Tax Exempt Shares for the purposes of these Rules, and subject to the same conditions as the relevant Tax Exempt Shares.

### **4.2 Rights issue**

If the Company announces a rights issue:

- (a) the Company will notify each Participant of the rights issue, and offer each Participant an opportunity to exercise equivalent pro rata rights in respect of Tax Exempt Shares;
- (b) if the Participant wants to exercise the relevant rights, they must give written direction to the Company to this effect and pay the price to the Company to acquire the rights by the time and in the manner specified in the notice referred to in clause 4.2(a) of this Schedule 2;
- (c) unless the Participant agrees otherwise, any Shares allotted to the Participant as a result of the Participant exercising such rights in accordance with this clause 4.2 will not be subject to these Rules; and
- (d) if the rights are renounceable and a Participant declines, or does not respond to, the offer made by the Company under clause 4.2(a) of this Schedule 2, the Company may sell or otherwise deal with the Participant's rights.

#### 4.3 **Fairness in application**

In the application of this clause 4 of this Schedule 2, the Board may as far as possible (subject to the Corporations Act and any other applicable laws, regulations and, if the Company is listed on the ASX, Listing Rules) and acting reasonably make whatever adjustments it deems necessary or desirable to ensure that the consequences of that application are fair as between the Participants and the holders of other securities in the Company and are in accordance with all applicable laws, regulations and, if the Company is listed on the ASX, Listing Rules.