



ASX ANNOUNCEMENT

Damstra Holdings to Acquire Vault Intelligence

8 July 2020: Vault Intelligence Limited (Vault) (ASX: VLT) and Damstra Holdings Limited (Damstra) (ASX: DTC) are pleased to announce that they have entered into a Scheme Implementation Deed under which it is proposed that Damstra will acquire 100% of the equity interests in Vault by way of a scheme of arrangement (**Scheme**) that is subject to Vault shareholder approval and court approval in accordance with Part 5.1 of the Australian Corporations Act 2001 (Cth).

Damstra is a global provider of integrated workplace management solutions with a market capitalisation of circa \$188m.

Under the Scheme, the acquisition consideration payable by Damstra will be 100% scrip for the acquisition of approximately 128m Vault shares and 10.2m unlisted options. Vault shareholders will receive 1 Damstra ordinary share per 2.9 Vault ordinary shares (**Scheme Consideration**) and Vault will become a wholly-owned subsidiary of Damstra.

The Scheme Consideration values Vault's issued ordinary shares at approximately A\$58.8m (based on the closing market price of Damstra shares immediately before the date of this announcement).

Vault Directors Unanimous Recommendation

Each of Vault's Directors considers the Scheme to be in the best interests of Vault's shareholders and unanimously recommend that Vault's shareholders vote in favour of the Scheme. This is subject to no superior proposal emerging and an independent expert determining that the Scheme is in the best interests of Vault's shareholders.

Subject to the same qualifications, each Vault Director intends to vote the Vault shares held or controlled by them in favour of the proposed Scheme.

Vault Chairman, Ross Jenkins, said:

"The Scheme provides an attractive outcome for Vault shareholders, employees and customers. Vault shareholders will continue to have exposure to the Vault product suite and will become part of a larger company which provides improved future growth and opportunities."

“The Board believes the premium pricing is a good measure of where Vault currently is as a business. Strategic synergies between Vault and Damstra at a product and customer level will also provide immediate opportunities for the combined group and, importantly, Vault will be able to access Damstra’s developing overseas sales pipeline.”

Strategic Rationale

Vault's Directors believe this is a compelling offer for Vault shareholders for the following reasons:

- **Attractive Premium**
 - Based on the closing prices of Vault Shares and Damstra Shares on 6 July 2020 the implied value (\$1.345 divided by 2.9 = \$0.464) of the offer represents:
 - 36.5% premium to the closing price of A\$0.34 per Vault Share
 - 60% premium to the 30 Day Volume Weighted Average Price (VWAP) of A\$0.26 per Vault Share
- **Superior Growth Opportunities**
 - Vault has developed an exceptional product but is a relatively small company with limited resources
 - Through the Scheme, Vault will become part of Damstra and be able to utilise Damstra’s scale and channels to seek to accelerate sales and revenue growth
- **Greater Resources and Reach**
 - Damstra currently has in excess of 130+ staff, is well resourced, financed and is profitable
 - Damstra has a significant reach and presence in verticals and customers relevant for the sale and expansion of Vault products and in particular Vault Solo
 - Damstra has established and expanded into the US and EU markets with customers and this will provide an excellent launching pad for Vault products
- **Combined Synergies**
 - Significant savings are expected to be made in merging and combining resources, functions and processes of approximately \$4m
 - Combining IP, skillsets and expertise to innovate and develop current product ranges and embrace emerging technology
 - Provides front running product capability for emerging technology in the Workforce Management sector
- **Long Term Sustainable Growth**
 - Increased financial scale and market relevance
 - Anticipate eligibility and growth associated with entry into S&P/ASX 200 Information Technology (Sector)

Vault Managing Director, David Moylan, said:

“We are very excited to propose the Scheme to shareholders; it is a highly attractive deal at a substantial premium that will allow the Company to continue on its growth trajectory. Becoming a part of Damstra will allow us to tap into their extensive client base and this opens up a significant opportunity to cross-sell Vault’s products to existing Damstra customers. Additionally,

the combining of the two entities firmly places Damstra at the forefront of emerging technology for managing and protecting workforces.

“Vault will become a valuable arm of Damstra’s business and expand its comprehensive solutions offerings. Vault’s management team remains committed to delivering value for shareholders and will continue working within Damstra to realise and accelerate the potential of Vault’s workforce performance products.

“Existing Vault customers can have confidence that the merged companies are well financed, will have access to the high quality Damstra product suite, and will continue to develop innovative and class leading solutions for risk management.”

Damstra Holdings Chairman, Johannes Risseeuw, said:

“The merger of these two world class workplace management solution providers represents a compelling opportunity for both sets of shareholders. The combination enables us to fast track our respective growth plans, cross sell products and continue innovative product design to deliver for our customers.”

“The merger also provides material operating, financial, and strategic synergies, while we see a seamless integration of the two R&D teams to ensure continued expansion of product design and delivery.”

“Damstra’s vision is to build a great global technology success story and is excited to have the Vault product suite and team become an integral part of achieving this.”

Details of the Scheme Implementation Deed

The Scheme Implementation Deed (SID) entered into between Damstra and Vault contains customary terms and conditions on which Vault and Damstra will implement the Scheme including the approval of Vault shareholders and court approval. Other key terms of the SID include:

- A number of other conditions precedent including that no material adverse event (as defined in the SID) and no prescribed occurrence (as also defined) has occurred in relation to Damstra or Vault;
- certain exclusivity provisions commencing on 8 July 2020, including no shop restrictions, no talk restrictions, no due diligence and a matching right, and;
- the SID also details the circumstances under which a break fee may be payable by either party.

Full details of the conditions to the Scheme and other agreed terms are set out in the SID, a copy of which is attached to this announcement.

Revenue Performance and FY21 Guidance

- Preliminary Unaudited Total Revenue FY20 ~\$4.7m
- Guidance Total Revenue FY21 \$8.0m, representing an increase of 70%

Indicative Timetable and Next Steps

A scheme booklet containing information relating to the Scheme, reasons for the Vault Directors' unanimous recommendation, an Independent Expert's Report and details of the Scheme meeting is expected to be sent to Vault Intelligence's shareholders by 1 September 2020.

Shareholders will then have the opportunity to vote on the Scheme at a court convened shareholder meeting, expected to be held 2 October 2020.

Subject to shareholder approval being obtained by the requisite majorities and the other conditions of the Scheme being satisfied, the Scheme is expected to be implemented on 22 October 2020.

Set out below is an indicative timetable for the Scheme

Event	Expected Date
First court hearing	28 August
Dispatch of Scheme Booklet to Vault Intelligence Shareholders	1 September
Scheme meeting	2 October
Second court hearing	7 October
Effective date	8 October
Record date	15 October
Implementation date	22 October

***Note** - Vault shareholders do not need to take any action at this point in time.

Advisers

Vault is being advised by James Lonie, HWL Ebsworth as legal counsel.

Damstra is being advised by Alex Kauye, Gilbert & Tobin as legal counsel.

This Announcement was authorised by the Board of Vault Intelligence Limited.

Ends.

For More Information

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About Vault Intelligence

Vault Intelligence Limited (ASX: VLT) is an online/SaaS business specialising in the development of workforce performance technologies to deliver significant productivity benefits to organisations, whilst managing the risk, safety, security and protection of their workers.

Vault Technology empowers modern businesses with two enterprise leading platforms (Vault Enterprise and Vault Solo), which are enhanced through mobility and IoT wearables to deliver tangible benefits in workforce performance and protection.

Further information on how Vault technology can assist in managing, protecting and improving the efficiency of your workforce can be found at www.vaultintel.com.

For more information visit: www.vaultintel.com

About Damstra Holdings

Damstra is an Australian-based provider of integrated workplace management solutions to multiple industry segments across the globe. The Company develops, sells and implements integrated hardware and software-as-a-service (SaaS) solutions in industries where compliance and safety are of utmost importance. These solutions assist Damstra's clients to better track, manage and protect their staff, contractors and their organisations, and to reduce the risks associated with worker health, safety and regulatory compliance.

The Company has been operating since 2002 and has grown from providing an Australian mining contractor management solution to an integrated workplace management solution provider with a growing client base in international markets.

For more information visit: www.damstratechnology.com

Cautionary Statement Regarding Forward-Looking Statements

This announcement may contain forward looking statements which involve a number of risks and uncertainties. These forward looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. Unless expressly stated, the Company does not provide any forecast regarding revenues that may be derived from a particular customer contract, as such revenues are generally dependent upon the extent of the usage of the Company's product suite. Any forward looking statements are made as at the date of this announcement and the Company disclaims any intent or obligation to update publicly such forward looking statements, whether as a result of new information, future events or results or otherwise.

Scheme implementation deed

Vault Intelligence Limited

Damstra Holdings Limited

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Parties

- 1 **Damstra Holdings Limited (ACN 610 571 607)** of Level 1, 38 Garden Street, South Yarra Victoria 3141 (**Damstra**)
 - 2 **Vault Intelligence Limited (ACN 145 040 857)** of Level 18, 1 Nicholson Street, East Melbourne, VIC, 3002 (**Vault**)
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Background

- A The parties have agreed that Vault will convene a meeting of Scheme Shareholders to consider approving the acquisition of Vault by Damstra by means of a scheme of arrangement under Part 5.1 of the Corporations Act between Vault and the Scheme Shareholders.
- B Damstra and Vault have agreed to implement the Scheme on and subject to the terms of this deed.

The parties agree

1 Defined terms and interpretation

1.1 Defined terms

A term or expression which is defined in the dictionary in Schedule 1 has the meaning given to it in the dictionary.

1.2 Interpretation

The interpretation clause in Schedule 1 sets out rules of interpretation for this deed.

2 Agreement to proceed with Transaction

2.1 Vault to propose Scheme

- (a) Vault agrees to propose and implement the Scheme on and subject to the terms of this deed.
- (b) Vault must not consent to any modification of, or amendment to, the Scheme, or to the making or imposition by the Court of any condition in respect of the Scheme, without the prior written consent of Damstra.
- (c) Damstra agrees to assist Vault in proposing and implementing the Scheme on and subject to the terms of this deed.

2.2 Scheme Consideration

- (a) Each Scheme Shareholder will be entitled to receive the Scheme Consideration in respect of each of their Scheme Shares, on and subject to the terms of the Scheme.
- (b) Subject to clause 2.2(c) and the Scheme becoming Effective, Damstra undertakes and warrants to Vault (in Vault's own right and separately as trustee for each of the

Scheme Shareholders) that, in consideration of the transfer to Damstra of all Scheme Shares pursuant to the terms of the Scheme, on the Implementation Date Damstra will:

- (i) accept that transfer; and
 - (ii) provide to each Scheme Shareholder the Scheme Consideration for each Scheme Share held by that Scheme Shareholder in accordance with the terms of this deed and the Scheme.
- (c) Damstra will not issue any New Damstra Shares to Ineligible Foreign Shareholders, and instead will issue the New Damstra Shares that would otherwise have been issued to the Ineligible Foreign Shareholders to a nominee appointed by Damstra. Damstra must appoint the nominee at least 10 Business Days prior to the Scheme Meeting and such appointment must require the nominee to sell those New Damstra Shares on-market in accordance with the process set out in the Scheme and to remit the proceeds from that sale (after deducting any selling costs and taxes) to Vault. Vault must then remit the proceeds it receives to Ineligible Foreign Shareholders in accordance with their respective entitlements.
- (d) Where the calculation of the number of New Damstra Shares to be issued to a particular Scheme Shareholder would result in the Scheme Shareholder becoming entitled to a fraction of a New Damstra Share, the fractional entitlement will be rounded down to the nearest whole number of New Damstra Shares.

2.3 New Damstra Shares

Damstra covenants in favour of Vault (in its own right and separately as trustee and nominee for each of the Scheme Shareholders) that:

- (a) the New Damstra Shares issued as Scheme Consideration will, on their issue, rank equally in all respects with all other Damstra Shares on issue at the Implementation Date; and
- (b) on issue, each New Damstra Share will be fully paid and free from any encumbrance.

2.4 Vault Board recommendation

- (a) Vault represents and warrants to Damstra that, as at the date of this deed, each Vault Director has confirmed by resolution of the Vault Board that he or she will make the recommendation referred to in clause 2.4(b)(i) and the statement referred to in clause 2.4(b)(ii).
- (b) Subject to clause 2.4(c), Vault must ensure that the Scheme Booklet and the announcement referred to in clause 11.1 state that each Vault Director:
 - (i) recommends that Vault Shareholders vote in favour of the resolution to approve the Scheme; and
 - (ii) intends to vote, or cause to be voted, all Vault Shares which they own or control in favour of the resolution to approve the Scheme,

which statements must not be qualified in any way other than by words to the effect of one or both of:

- (iii) 'in the absence of a Superior Proposal'; and

- (iv) 'subject to the Independent Expert concluding that the Scheme is in the best interests of Vault Shareholders and not changing that conclusion'.
 - (c) Vault must ensure that each Vault Director does not change, withdraw, qualify or modify their recommendation or voting intention as set out in clause 2.4(b), or make a public statement or take any action that is inconsistent with such recommendation or voting intention, unless:
 - (i) Vault receives a Superior Proposal in respect of which all of the requirements in clause 6.7(a) are satisfied; or
 - (ii) the Independent Expert concludes, or changes its previous conclusion so as to conclude, that the Scheme is not in the best interests of Vault Shareholders.
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3 Conditions precedent

3.1 Conditions

Subject to this clause 3, the Scheme will not become Effective until and unless the following Conditions are satisfied or waived in accordance with clause 3.3:

- (a) **Independent Expert:** The Independent Expert concludes in the Independent Expert's Report that the Scheme is in the best interests of Vault Shareholders (and does not change that conclusion before 8:00am on the Second Court Date).
- (b) **Court approval:** The Court approves the Scheme in accordance with section 411(4)(b) of the Corporations Act.
- (c) **Shareholder approval:** Vault Shareholders approve the Scheme at the Scheme Meeting by the requisite majorities under section 411(4)(a) of the Corporations Act.
- (d) **ASX quotation:** ASX approves the official quotation of the New Damstra Shares on ASX by 8:00am on the Second Court Date, subject to any conditions that ASX may reasonably require, including customary pre-quotation conditions and conditions relating to the Scheme becoming Effective.
- (e) **Restraints:** No restraining order, injunction or other order that would prevent the Scheme from becoming Effective or being implemented is made by a court of competent jurisdiction or Governmental Agency is in effect as at 8:00am on the Second Court Date.
- (f) **Vault Prescribed Occurrence:** No Vault Prescribed Occurrence occurs between the date of this deed and 8:00am on the Second Court Date.
- (g) **Damstra Prescribed Occurrence:** No Damstra Prescribed Occurrence occurs between the date of this deed and 8:00am on the Second Court Date.
- (h) **Vault Material Adverse Event:** No Vault Material Adverse Event occurs between the date of this deed and 8:00am on the Second Court Date.
- (i) **Damstra Material Adverse Event:** No Damstra Material Adverse Event occurs between the date of this deed and 8:00am on the Second Court Date.
- (j) **Vault Options:** Before 8:00am on the Second Court Date each holder of Vault Options has entered into a binding agreement with Vault and Damstra to deal with

their Vault Options on terms acceptable to Vault and Damstra (each acting reasonably), such that no Vault Options are in existence from the Implementation Date.

3.2 Reasonable endeavours

- (a) Vault must, to the extent within its power to do so, use reasonable endeavours to procure that the Conditions in clauses 3.1(f) (*Vault Prescribed Occurrence*), 3.1(h) (*Vault Material Adverse Event*) and 3.1(j) (*Vault Options*) are satisfied.
- (b) Damstra must, to the extent within its power to do so, use reasonable endeavours to ensure that the Conditions in clauses 3.1(d) (*ASX quotation*), 3.1(g) (*Damstra Prescribed Occurrence*) and 3.1(i) (*Damstra Material Adverse Event*) are satisfied.
- (c) Each of Vault and Damstra must, to the extent within its power to do so, use reasonable endeavours to procure that:
 - (i) the Conditions in clauses 3.1(a) (*Independent Expert*), 3.1(b) (*Court approval*), 3.1(c) (*Shareholder approval*) and 3.1(e) (*Restraints*) are satisfied as soon as practicable after the date of this deed; and
 - (ii) there is no occurrence or non-occurrence within its control or the control of any of its Subsidiaries that would prevent any of those Conditions being satisfied.

3.3 Waiver of Conditions

- (a) The Conditions in clauses 3.1(b) (*Court approval*) and 3.1(c) (*Shareholder approval*) cannot be waived.
- (b) The Conditions in clauses 3.1(a) (*Independent Expert*), 3.1(d) (*ASX quotation*) and 3.1(e) (*Restraints*) are for the benefit of Damstra and Vault and may only be waived by written agreement between Damstra and Vault.
- (c) The Conditions in clauses 3.1(f) (*Vault Prescribed Occurrence*), 3.1(h) (*Vault Material Adverse Event*) and 3.1(j) (*Vault Options*) are for the sole benefit of Damstra and may only be waived by Damstra in writing.
- (d) The Conditions in clauses 3.1(g) (*Damstra Prescribed Occurrence*) and 3.1(i) (*Damstra Material Adverse Event*) are for the sole benefit of Vault and may only be waived by Vault in writing.
- (e) Waiver of breach or non-fulfilment of a Condition does not constitute:
 - (i) a waiver of breach or non-fulfilment of any other Condition resulting from the same event; or
 - (ii) a waiver of breach or non-fulfilment of that Condition resulting from any other event.

3.4 Failure of Condition

- (a) If:
 - (i) there is a breach or non-fulfilment of a Condition that has not been waived in accordance with clause 3.3;

- (ii) a Condition becomes incapable of satisfaction and the breach or non-fulfilment of that Condition that has occurred, or would otherwise occur, has not been waived in accordance with clause 3.3; or
 - (iii) the Scheme has not become Effective by the End Date,
- then either Vault or Damstra may give the other written notice (**Consultation Notice**) within 5 Business Days of the relevant event in clause 3.4(a)(i), 3.4(a)(ii) or 3.4(a)(iii) (as applicable).
- (b) If Vault or Damstra gives a Consultation Notice, then Vault and Damstra must promptly consult in good faith to determine whether they can reach agreement with respect to:
 - (i) an extension of the time for satisfaction of the relevant Condition or an extension of the End Date (or both); or
 - (ii) the Transaction proceeding by way of alternative means or methods.
 - (c) If Vault and Damstra have not reached agreement under clause 3.4(b) within 5 Business Days after a Consultation Notice is given or if neither of them gives a Consultation Notice in accordance with clause 3.4(a), then either of them may terminate this deed by giving written notice to the other, provided that a party may only exercise such termination right if the relevant event in clause 3.4(a)(i), 3.4(a)(ii) or 3.4(a)(iii) (as applicable) did not arise due to a breach of this deed by that party.

3.5 Certain notices

If a party becomes aware:

- (a) that any Condition has been satisfied; or
- (b) of any fact, matter or circumstance that has resulted, will result or is reasonably likely to result in:
 - (i) a Condition becoming incapable of satisfaction or otherwise not being satisfied in accordance with its terms;
 - (ii) a breach of a Warranty provided by that party under this deed or such a Warranty ceasing to be true and correct in all material respects; or
 - (iii) a material breach of this deed by that party,

it must promptly notify the other party in writing and provide such evidence or details as may be reasonably requested by the other party.

4 Implementation steps and Scheme Booklet

4.1 Vault obligations

Vault must take all steps reasonably necessary to implement the Scheme in accordance with the Timetable and otherwise on and subject to the terms of this deed, and must consult with Damstra on a regular basis about its progress in satisfying its obligations under this clause 4.1. Without limiting the foregoing, Vault must:

- (a) **Independent Expert:** promptly after the date of this deed, appoint the Independent Expert and provide all assistance and information reasonably requested by the Independent Expert in connection with the preparation of the Independent Expert's Report;
- (b) **Combined Group information:** prepare and promptly share with Damstra any information regarding the Vault Group that the parties reasonably require in order to prepare the information regarding the Combined Group for inclusion in the Scheme Booklet, and jointly (with Damstra) prepare the pro forma financial information for inclusion in the Scheme Booklet;
- (c) **preparation of Scheme Booklet:**
 - (i) prepare the Scheme Booklet (other than the Damstra Information and the Independent Expert's Report) in accordance with all applicable laws, including the Corporations Act and Corporations Regulations, ASIC Regulatory Guide 60, Takeovers Panel guidance notes and the Listing Rules; and
 - (ii) provide Damstra with drafts of the Scheme Booklet (including factual accuracy drafts of the Independent Expert's Report) in a timely manner, allow Damstra a reasonable period to review and comment on the drafts, and consider in good faith any comments provided by or on behalf of Damstra;
- (d) **lodgement of Scheme Booklet:**
 - (i) provide an advanced draft of the Scheme Booklet to ASIC for its review for the purposes of section 411(2) of the Corporations Act, provided that such draft must not be provided to ASIC without Damstra's prior written consent in respect of the Damstra Information; and
 - (ii) keep Damstra reasonably informed of any material issues raised by ASIC in relation to the Scheme Booklet and any steps proposed to be taken to address such issues, and to the extent that such issues relate to Damstra Information, Vault must not take any steps to address such issues without Damstra's prior written consent;
- (e) **approval of Scheme Booklet:** procure that a meeting of the Vault Board (or a sub-committee thereof) is convened to approve the despatch of the Scheme Booklet to Vault Shareholders, subject to orders of the Court under section 411(1) of the Corporations Act;
- (f) **no objection statement:** apply to ASIC for:
 - (i) a letter stating that ASIC does not intend to appear at the First Court Hearing; and
 - (ii) a statement under section 411(17)(b) of the Corporations Act stating that ASIC has no objection to the Scheme;
- (g) **First Court Hearing:** apply to the Court for orders under section 411(1) of the Corporations Act directing Vault to convene the Scheme Meeting;
- (h) **approval and registration of Scheme Booklet:** request that ASIC register the Scheme Booklet in accordance with section 412(6) of the Corporations Act;

- (i) **despatch:** as soon as reasonably practicable following registration of the Scheme Booklet by ASIC, despatch the Scheme Booklet to Vault Shareholders;
- (j) **supplementary disclosure:** if, after despatch of the Scheme Booklet, Vault becomes aware:
 - (i) that information included in the Scheme Booklet is or has become misleading or deceptive in any material respect (whether by omission or otherwise); or
 - (ii) of information that is required to be disclosed to Vault Shareholders under any applicable law, ASIC published policy, Takeovers Panel guidance note or Listing Rule but was not included in the Scheme Booklet,

promptly consult with Damstra and make any supplementary disclosure to Vault Shareholders that Vault considers reasonably necessary in the circumstances, provided that the form and content of such disclosure must be approved in advance by Damstra;

- (k) **Scheme Meeting:** convene and hold the Scheme Meeting to approve the Scheme in accordance with the orders made by the Court at the First Court Hearing;
- (l) **Conditions Certificate:** at the Second Court Hearing, provide to the Court (through its counsel) a certificate confirming (in respect of matters within its knowledge) whether or not the Conditions (other than the Condition in clause 3.1(b)) have been satisfied or waived in accordance with clause 3, a draft of which must be provided to Damstra by 5:00pm on the date that is 2 Business Days prior to the Second Court Date;
- (m) **Second Court Hearing:** subject to the Conditions (other than the Condition in clause 3.1(b)) being satisfied or waived in accordance with clause 3, apply to the Court for orders under section 411(4)(b) of the Corporations Act approving the Scheme;
- (n) **Court Documents:** prepare the Court Documents, provide drafts of those documents to Damstra and consider in good faith any comments provided by or on behalf of Damstra;
- (o) **Damstra representation at Court Hearings:** allow, and not oppose, any application by Damstra for leave of the Court to be represented by counsel at a Court Hearing;
- (p) **Lodgement of Court order:** for the purposes of section 411(10) of the Corporations Act, lodge with ASIC an office copy of the orders made by the Court under section 411(4)(b) of the Corporations Act before 5:00pm on the Business Day immediately following the day on which it receives such office copy;
- (q) **Scheme Consideration:** if the Scheme becomes Effective, finalise and close the Share Register as at the Record Date, and determine entitlements to the Scheme Consideration, in accordance with the Scheme;
- (r) **provision of information to Damstra:** following despatch of the Scheme Booklet to Vault Shareholders, provide Damstra with such information as Damstra reasonably requests in relation to Vault Shareholders in a form reasonably requested by Damstra from time to time. Without limiting the foregoing, Vault must provide, or procure the provision of, a complete copy of its Share Register as at the Record Date (which must include the name, registered address and registered

holding of each Scheme Shareholder at the Record Date) to Damstra, within one Business Day after the Record Date;

- (s) **transfer and registration:** if the Scheme becomes Effective and subject to Damstra having issued the Scheme Consideration in accordance with the Deed Poll:
 - (i) execute, on behalf of Scheme Shareholders, instruments of transfer and effect the transfer of all the Scheme Shares to Damstra; and
 - (ii) register all transfers of the Scheme Shares to Damstra on the Implementation Date;
- (t) **quotation of Vault Shares and ASX listing:** apply to ASX to have:
 - (i) trading in Vault Shares suspended from the close of trading on the Effective Date; and
 - (ii) Vault removed from the official list of ASX, and quotation of Vault Shares on ASX terminated, by the close of trading on the trading day immediately following the Implementation Date;
- (u) **promotion of Transaction:** participate in efforts reasonably requested by Damstra to promote the merits of the Transaction, including:
 - (i) meeting with key Vault Shareholders and communicating with employees, partners, customers and suppliers in a manner which is supportive of the Scheme; and
 - (ii) providing Damstra with such information and assistance as Damstra reasonably requests to enable it to promote the merits of the Transaction; and
- (v) **compliance with laws:** do everything reasonably within its power to ensure that the Transaction is effected in accordance with the terms of this deed and applicable laws.

4.2 Damstra obligations

Damstra must take all steps reasonably necessary to implement the Scheme in accordance with the Timetable and otherwise on and subject to the terms of this deed, and must consult with Vault on a regular basis about its progress in satisfying its obligations under this clause 4.2. Without limiting the foregoing, Damstra must:

- (a) **prepare Damstra Information:** as soon as practicable after the date of this deed:
 - (i) prepare the Damstra Information for inclusion in the Scheme Booklet in accordance with all applicable laws, including the Corporations Act and Corporations Regulations, ASIC Regulatory Guide 60, Takeovers Panel guidance notes and the Listing Rules; and
 - (ii) provide Vault with drafts of the Damstra Information in a timely manner, allow Vault a reasonable period to review and consider in good faith any comments provided by or on behalf of Vault;
- (b) **final form of Damstra Information:** provide to Vault the Damstra Information in a form appropriate for inclusion in the Scheme Booklet;

- (c) **assistance with Scheme Booklet and Court Documents:** provide any assistance or information reasonably requested by Vault or its Representatives in connection with the preparation of the Scheme Booklet (including any supplementary disclosure to Vault Shareholders) or any Court Documents;
- (d) **Independent Expert's Report:** provide any assistance or information reasonably requested by Vault or its Representatives, or by the Independent Expert, in connection with the preparation of the Independent Expert's Report;
- (e) **Combined Group information:** jointly (with Vault) prepare the pro forma financial information for inclusion in the Scheme Booklet;
- (f) **consent to Damstra Information:** promptly after Vault requests that it does so (and in any case prior to 5:00pm on the Business Day prior to the First Court Date), confirm in writing to Vault that it consents to the inclusion of the Damstra Information in the Scheme Booklet, in the form and context in which the Damstra Information appears;
- (g) **Update Damstra Information:** promptly notify Vault in writing if it becomes aware:
 - (i) of information which should have been but was not included in the Damstra Information; or
 - (ii) that the Damstra Information is or has become misleading or deceptive in any material respect (whether by omission or otherwise), or otherwise does not comply with applicable laws, ASIC Regulatory Guide 60, Takeovers Panel guidance notes and the Listing Rules;
- (h) **Deed Poll:** before 5:00pm on the Business Day before the First Court Date, execute the Deed Poll and deliver the executed Deed Poll to Vault;
- (i) **Representation:** apply for leave of the Court to be, and if granted be, represented by counsel at the Court Hearings;
- (j) **Conditions Certificate:** before 8:00am on the Second Court Date, provide to Vault for provision to the Court at the Second Court Hearing a certificate confirming (in respect of matters within its knowledge) whether or not the Conditions (other than the Condition in clause 3.1(b)) have been satisfied or waived in accordance with clause 3, a draft of which must be provided to Vault by 5:00pm on the date 2 Business Days before the Second Court Date;
- (k) **Scheme Consideration:** if the Scheme becomes Effective, provide the Scheme Consideration in accordance with this deed and the Deed Poll;
- (l) **share transfer:** if the Scheme becomes Effective, accept a transfer of the Scheme Shares in accordance with this deed and the Deed Poll; and
- (m) **compliance with laws:** do everything reasonably within its power to ensure that the Transaction is effected in accordance with the terms of this deed and applicable laws.

4.3 Scheme Booklet

- (a) If Damstra and Vault are unable to agree on the form or content of a particular part of the Scheme Booklet (other than the Independent Expert's Report), then:
 - (i) if the relevant part of the Scheme Booklet is Damstra Information, Vault will make such amendments to that part of the Scheme Booklet as required by Damstra (acting reasonably); and
 - (ii) if the relevant part of the Scheme Booklet is Vault Information, Vault (acting reasonably) will decide the form and content of that part of the Scheme Booklet.
- (b) Damstra and Vault agree that the Scheme Booklet will contain a responsibility statement to the effect that:
 - (i) Vault is responsible for the Vault Information contained in the Scheme Booklet, and none of Damstra or its Subsidiaries or their respective directors, officers, employees or advisors assumes any responsibility or liability for the accuracy or completeness of the Vault Information;
 - (ii) Damstra is responsible for the Damstra Information contained in the Scheme Booklet, and none of Vault or its Subsidiaries or their respective directors, officers, employees or advisors assumes any responsibility or liability for the accuracy or completeness of the Damstra Information; and
 - (iii) the Independent Expert is responsible for the Independent Expert's Report, and none of Damstra or its Subsidiaries or their respective directors, officers or employees, nor Vault or its Subsidiaries or their respective directors, officers or employees, assumes any responsibility or liability for the accuracy or completeness of the Independent Expert's Report.
- (c) Vault must undertake appropriate verification processes in relation to the Vault Information included in the Scheme Booklet and Damstra must undertake appropriate verification processes in relation to the Damstra Information included in the Scheme Booklet.

5 Conduct of business and transitional matters

5.1 Conduct of business

- (a) Subject to clause 5.1(c), from the date of this deed up to and including the Implementation Date, each of Vault and Damstra must, and must cause each of its Subsidiaries to:
 - (i) conduct its business and operations in the ordinary course and in a manner generally consistent with the manner in which such business and operations were conducted in the 12 months prior to the date of this deed; and
 - (ii) make all reasonable efforts to:
 - (A) maintain and preserve the value of their businesses and assets;
 - (B) retain the services of all key employees; and

- (c) maintain and preserve their relationships with customers, suppliers, landlords and others with whom they have material business dealings.
- (b) Without limiting clause 5.1(a), but subject to clause 5.1(c), on and from the date of this deed up to and including the Implementation Date, Vault must not, and must procure that no other member of the Vault Group:
 - (i) declares, pays or distributes any dividend, bonus or other share of its profits or assets or returns any capital to its members other than by a Subsidiary to Vault;
 - (ii) makes any change to its constitution;
 - (iii) acquires, leases or disposes of any securities, business or assets having a value in excess of \$400,000, other than to or from another member of the Vault Group;
 - (iv) makes a commitment to, or incurs, capital expenditure of more than \$400,000 in one transaction or a series of related transactions;
 - (v) incurs any financial indebtedness by way of new borrowings other than from another member of the Vault Group excluding any agreement relating to deferred payment terms and any equipment loans, hire purchase arrangements, leases or similar arrangements;
 - (vi) provides financial accommodation other than to members of the Vault Group (irrespective of what form of financial indebtedness that accommodation takes but excluding any agreement relating to deferred payment terms);
 - (vii) enters into any transaction or agreement that continues beyond the Implementation Date on terms that are not arm's length commercial terms;
 - (viii) terminates the employment, consulting, severance or similar agreement or arrangement with any person, including an officer, director, executive or other employee, whose total employment cost exceeds \$200,000 per annum (**Vault Key Employee**);
 - (ix) materially varies the terms of employment of any Vault Key Employee;
 - (x) employs any person having a total annual employment cost of more than \$200,000;
 - (xi) accelerates the rights of any of their employees to compensation or benefits excluding in relation to any Vault Options as envisaged by clause 3.1(j);
 - (xii) materially varies or waives any material rights under or terminates any Vault Material Contract or enters into any agreement, contract, deed or arrangement referred to in paragraphs (b) or (c) of the definition of Vault Material Contract in Schedule 1;
 - (xiii) settles any legal proceedings, claim, investigation, mediation, arbitration or other like proceeding where the settlement amount exceeds \$300,000;
 - (xiv) settles or compromises any dispute, audit or inquiry in relation to tax or duty or amends any tax return, other than in the ordinary course of its business;

- (xv) enters into any guarantee or indemnity on behalf of any person or provides security for the obligations of any person except for another member of the Vault Group or in the ordinary course of business;
 - (xvi) materially changes any accounting policy applied by it to report its financial position other than any change in policy required by a change in accounting standards or law; or
 - (xvii) agrees to do any of the matters set out in clauses 5.1(b)(i) to 5.1(b)(xvi) (inclusive).
- (c) Nothing in clause 5.1(a) or 5.1(b) restricts any member of the Vault Group or Damstra Group from doing or not doing (or agreeing to do or not do) anything which:
- (i) is required by any applicable law or Government Agency;
 - (ii) is required or permitted by this deed, the Scheme or the Deed Poll;
 - (iii) is a reasonable and prudent response to any emergency or disaster (including a situation giving rise to a risk of personal injury or damage to property);
 - (iv) has been Fairly Disclosed in the Vault Disclosure Materials or Damstra Disclosure Materials (as applicable); or
 - (v) has been consented to in writing by the other party.

5.2 Access

- (a) Vault must provide Damstra with reasonable access during normal business hours to information, premises and the executive management team of Vault where Damstra reasonably requests such access for the sole purpose of:
- (i) implementation of the Scheme;
 - (ii) integration planning; or
 - (iii) any other purposes agreed with Vault in writing,
- provided that Vault will not be required to provide access under clause 5.2(a) to the extent that doing so would, in the reasonable opinion of Vault:
- (iv) cause unreasonable disruption to the Vault Group's business;
 - (v) result in any member of the Vault Group breaching any applicable law or requirement of any Government Agency;
 - (vi) relate to commercially sensitive information that may be adverse to Vault's business interests to the extent that Damstra and Vault are competitors;
 - (vii) would result in the disclosure of the consideration of the Vault Board or management of Damstra's proposal; or
 - (viii) result in a waiver of legal professional privilege (provided Vault must use reasonable endeavours to facilitate the provision of such information without waiving legal professional privilege).

- (b) Any information provided by Vault pursuant to clause 5.2(a) will be subject to the Confidentiality Deed.

5.3 Change of control

As soon as practicable after the date of this deed, the parties must:

- (a) seek to identify any change of control or similar provisions, or any consent, approval or notification requirements, in any Vault Material Contracts or Authorisation to which a member of the Vault Group is party which may be triggered by, or otherwise require some action in connection with, the implementation of the Transaction (**Change of Control Requirements**); and
- (b) use all reasonable endeavours and cooperate in good faith to satisfy the Change of Control Requirements on terms acceptable to both parties (each acting reasonably).

5.4 Transition Committee

- (a) On and from the date of this deed, Vault and Damstra agree to establish a committee (**Transition Committee**) comprising:
 - (i) 2 nominees appointed by Vault; and
 - (ii) 2 nominees appointed by Damstra.
- (b) Each party must notify the other party of its nominees to the Transition Committee as soon as practicable after the date of this deed.
- (c) The role of the Transition Committee will be to act as a forum for discussion and planning, but not decision making, in relation to overseeing the progress of the Transaction in accordance with this deed and assisting with the eventual transition of the control of Vault to Damstra upon the Scheme becoming Effective.
- (d) Without limiting clause 5.4(b), from the date of this deed up to and including the Implementation Date, the Transition Committee will:
 - (i) oversee implementation of the Scheme;
 - (ii) report on key milestones (as determined by the Transition Committee) in connection with implementation of the Scheme; and
 - (iii) seek to determine how to best:
 - (A) integrate the Vault Group's business into the operations of Damstra; and
 - (B) implement plans for the carrying on of the business of the Vault Group following implementation of the Scheme.
- (e) Any information provided to Representatives of Damstra under this clause 5.4 will be subject to the Confidentiality Deed.
- (f) The Transition Committee will meet at least fortnightly or on such shorter timeframes as Vault and Damstra may agree. Meetings may be held via telephone.

- (g) The members of the Transition Committee may agree to invite other persons to attend meetings of the Transition Committee from time to time (including the parties' respective legal and financial advisers).
- (h) Nothing in this clause 5.4:
 - (i) requires Vault to act at the direction of Damstra or imposes any obligation on Vault to conduct the business of the Vault Group in accordance with any direction or representation made by Damstra; or
 - (ii) requires any party to act or participate in any forum to the extent that doing so is contrary to law or the requirements of any Government Agency.

5.5 Board composition

- (a) Vault must procure that, with effect on and from the Implementation Date:
 - (i) those persons nominated by Damstra are appointed to the Vault Board and/or the boards of other members of the Vault Group, subject to:
 - (A) such persons having duly signed consents to act as a director of the relevant member(s) of the Vault Group; and
 - (B) such consents to act having been provided to Vault before the Effective Date; and
 - (ii) those persons nominated by Damstra resign as directors of Vault and/or other members of the Vault Group.
- (b) Any nomination by Damstra under clause 5.5(a)(i) or 5.5(a)(ii) must be made by written notice to Vault, and such notice must be given before the Effective Date.
- (c) Nothing in clause 5.5(a) requires any director of a member of the Vault Group to forego any rights he or she may have under any deed of access and indemnity or policy of directors' and officers' insurance.

5.6 D&O insurance

Each party acknowledges that Vault may, prior to the Implementation Date, in consultation with Damstra, enter into arm's length term arrangements to secure and place a directors' and officers' run-off insurance policy in respect of any current or former director or officer of any member of the Vault Group that applies for no more than a 7 year period following the Implementation Date.

6 Exclusivity

6.1 No existing discussions

Vault represents and warrants to Damstra that, as at the date of this deed, it and its Representatives:

- (a) are not a party to any agreement, arrangement or understanding with a Third Party entered into for the purpose of facilitating a Competing Proposal;

- (b) are not participating in any discussions or negotiations, and have terminated any existing discussions or negotiations, in relation to a Competing Proposal, or which could reasonably be expected to lead to a Competing Proposal; and
- (c) have ceased to provide or make available any non-public information in relation to the Vault Group to any Third Party where such information was provided for the purpose of facilitating, or could reasonably be expected to lead to, a Competing Proposal, and have enforced all rights to call for the immediate return and/or destruction of that non-public information.

6.2 No-shop

During the Exclusivity Period, Vault must not, and must procure that its Representatives do not, directly or indirectly:

- (a) solicit, encourage, initiate or invite any inquiry, discussion, offer, expressions of interest or proposal in relation to, or which may reasonably be expected to encourage or lead to the making of, an actual, proposed or potential Competing Proposal; or
- (b) communicate to any person any intention to do any of the things referred to in clause 6.2(a).

6.3 No-talk

Subject to clause 6.6, during the Exclusivity Period, Vault must not, and must procure that its Representatives do not, directly or indirectly:

- (a) enter into, continue or participate in any discussions or negotiations with respect to any inquiry, expression of interest, offer, proposal or discussion by any person to make, or which may reasonably be expected to lead to, a Competing Proposal or participate in or continue any negotiations or discussions with respect to any actual, proposed or potential Competing Proposal;
- (b) negotiate, accept or enter into, or offer or agree to negotiate, accept or enter into, any agreement, arrangement or understanding in relation to (or which may reasonably be expected to lead to) a Competing Proposal; or
- (c) communicate to any person any intention to do any of the things referred to in clause 6.3(a) or 6.3(b).

6.4 No due diligence

Subject to clause 6.6, during the Exclusivity Period, Vault must not, and must procure that its Representatives do not, directly or indirectly:

- (a) solicit, invite, initiate, facilitate or encourage any person (other than Damstra and its Representatives) to undertake due diligence investigations in respect of Vault, its Subsidiaries or any of their respective businesses and operations, in connection with or which may reasonably be expected to lead to a Competing Proposal; or
- (b) make available to any person (other than Damstra and its Representatives) or permit any such person to receive, any non-public information relating to Vault, its Subsidiaries or any of their respective businesses and operations, in connection with or which may reasonably be expected to a Competing Proposal.

6.5 Notification obligation

- (a) During the Exclusivity Period, Vault must notify Damstra in writing within 24 hours of:
 - (i) any approach, inquiry or proposal made by any person to Vault, any of its Subsidiaries or any of their respective Representatives in relation to an actual, proposed or potential Competing Proposal; and
 - (ii) any request made by any person to Vault, any of its Subsidiaries or any of their respective Representatives for any information relating to Vault, its Subsidiaries or any of their respective businesses and operations in connection with or which could reasonably be expected to lead to a Competing Proposal,(each, a **Notifiable Proposal**).
- (b) A notice given under clause 6.5(a) must set out the material terms of the Notifiable Proposal to the extent known by Vault, including:
 - (i) the identity of the person who made the Notifiable Proposal; and
 - (ii) the material terms and conditions (including price, conditions precedent, break fee and proposed timetable) of any actual, proposed or potential Competing Proposal.
- (c) During the Exclusivity Period, Vault must also notify Damstra in writing as soon as possible after becoming aware of any material developments in relation to any actual, proposed or potential Competing Proposal, including in respect of any of the information previously notified to Damstra pursuant to this clause 6.5.

6.6 Fiduciary exception

Clauses 6.3 and 6.4 do not apply to the extent that they restrict Vault or any Vault Director from taking or not taking any action with respect to a written Competing Proposal where the Vault Board, acting in good faith, determines:

- (a) that the Competing Proposal is a Superior Proposal; and
- (b) after receiving written advice from its external legal adviser, that failing to respond to the Competing Proposal would, or could reasonably be considered to, constitute a breach of the Vault Directors' fiduciary or statutory duties,

provided that the Competing Proposal was not directly or indirectly brought about by, or facilitated by, a breach of this clause 6.

6.7 Matching right

- (a) Vault must:
 - (i) not, and must procure that each of its Subsidiaries do not, enter into any agreement, arrangement or understanding (whether or not in writing) in relation to a Competing Proposal; and
 - (ii) procure that no Vault Director changes, withdraws or adversely modifies his or her recommendation or voting intention in favour of the Scheme, or publicly recommends, supports or endorses a Competing Proposal,

unless all of the following requirements are satisfied:

- (iii) the Competing Proposal is a Superior Proposal;
 - (iv) Vault has provided Damstra in writing with the material terms and conditions of the Competing Proposal, including the identity of the Third Party making the Competing Proposal, the price, conditions precedent, proposed timing of the proposal, funding arrangements and break fee;
 - (v) Vault has given Damstra at least 5 Business Days after the provision of all of the information referred to in clause 6.7(a)(iv) to announce or provide a proposal to amend the terms of the Transaction or announce or propose to Vault any other form of transaction (each a **Damstra Counterproposal**); and
 - (vi) Damstra has not announced or provided to Vault a Damstra Counterproposal by the expiry of the 5 Business Day period referred to in clause 6.7(a)(v) that the Vault Board determines, acting reasonably and in good faith, would be reasonably likely to produce an outcome for Vault Shareholders that is at least as favourable to them as a whole as compared to the outcome that would be produced by the Competing Proposal.
- (b) Vault acknowledges and agrees that each successive material modification of any Competing Proposal will constitute a new Competing Proposal for the purposes of the requirements under this clause 6.7 and accordingly Vault must comply with clause 6.7(a) in respect of any such new Competing Proposal.
- (c) If Damstra makes a Damstra Counterproposal before the deadline specified in clause 6.7(a)(v) and the Vault Board determines that such Damstra Counterproposal would produce an outcome for Vault Shareholders that is at least as favourable to them as the outcome that would be produced by the Competing Proposal, then:
- (i) Damstra and Vault must each use reasonable endeavours to agree any necessary amendments to this deed, the Scheme and the Deed Poll and to agree any other documentation required to implement the Damstra Counterproposal as soon as reasonably practicable; and
 - (ii) Vault must procure that the Vault Board unanimously recommends the Damstra Counterproposal to Vault Shareholders and does not recommend, support or endorse the applicable Competing Proposal.

7 Break Fees

7.1 Background

This clause 7 has been agreed to in circumstances where:

- (a) each party believes it and its shareholders will derive significant benefits from the implementation of the Scheme;
- (b) each party has incurred and will further incur significant costs in connection with the Scheme, which will include significant opportunity costs if the Scheme is not implemented;

- (c) each party has requested that provision be made for the payment outlined in clause 7.2 or 7.3 (as applicable), and neither of them would have entered into this deed had such provision not been made;
- (d) each party believes that:
 - (i) it is reasonable and appropriate to agree to pay the Break Fee or the Reverse Break Fee (as applicable) to secure the other party's entry into this deed; and
 - (ii) each of the Break Fee and Reverse Break Fee represents a genuine and reasonable estimate of costs that would be incurred by either party (as applicable) if the Scheme is not implemented; and
- (e) each party has received separate legal advice in relation to this deed and the operation of this clause 7.

7.2 Payment of Break Fee

Subject to clauses 7.5 and 7.6, Vault must pay Damstra the Break Fee, without set-off or withholding and within 10 Business Days after receipt of a written demand from Damstra, if any of the following events occur:

- (a) before the Second Court Date, a Vault Director:
 - (i) changes or modifies or withdraws his or her recommendation that Vault Shareholders vote in favour of the resolution to approve the Scheme, or takes any other action that is inconsistent with such recommendation;
 - (ii) states that he or she will or may not vote (or cause to be voted) all Vault Shares he or she owns or controls in favour of the resolution to approve the Scheme; or
 - (iii) recommends, supports or endorses a Competing Proposal,

other than in circumstances where the Independent Expert has concluded that the Scheme is not or is no longer in the best interests of Vault Shareholders, except where that conclusion is due (in whole or in part) to the existence of a Competing Proposal;
- (b) Damstra terminates this deed in accordance with clause 10.1(b); or
- (c) a Competing Proposal is announced or made before the Second Court Date, and, within 12 months after such announcement or Competing Proposal being made, the Third Party or one or more Associates of that Third Party:
 - (i) acquires a Relevant Interest or voting power in all or a majority of the Vault Shares, or acquires all or a majority of the Vault Group's business or assets or otherwise acquires Control of Vault; or
 - (ii) enters into any agreement with Vault to undertake or implement a transaction involving any acquisition of a kind referred to in clause 7.2(c)(i).

7.3 Payment of Reverse Break Fee

Subject to clauses 7.5 and 7.6, Damstra must pay Vault the Reverse Break Fee, without set-off or withholding and within 10 Business Days after receipt of a written demand from

Vault, if Vault validly terminates this deed in accordance with clause 10.1(b), unless, prior to Vault giving Damstra notice in accordance with clause 10.1(b), Damstra has given notice to Vault in accordance with clause 10.1(b) and the relevant circumstances set out in such notice have not been remedied in accordance with clause 10.1(b)(iii).

7.4 Nature of payment

The payment by a party under clauses 7.2 or 7.3 is an amount to compensate the other party for the following costs and expenses:

- (a) external advisory costs (excluding success fees);
- (b) internal costs such as costs of management and directors' time, risk management costs and capital costs;
- (c) out-of-pocket expenses; and
- (d) opportunity costs incurred in pursuing the Transaction or in not pursuing other alternative acquisitions or strategic initiatives which otherwise could have been developed,

and the parties agree that:

- (e) the costs actually incurred by each party will be of such a nature that they cannot all be accurately ascertained; and
- (f) each of the Break Fee and Reverse Break Fee is a genuine and reasonable pre-estimate of those costs to either party.

7.5 Qualifications to Break Fee and Reverse Break Fee

- (a) No amount is payable by Vault or Damstra under this clause 7 if the Scheme becomes Effective.
- (b) If it is finally determined following the exhaustion of all reasonable avenues of appeal to the Takeovers Panel or a court that all or any part of the Break Fee or Reverse Break required to be paid under 7.2 or 7.3 (as applicable) (**Break Fee Impugned Amount**):
 - (i) constitutes or would constitute unacceptable circumstances as declared by the Takeovers Panel;
 - (ii) involves a breach of the fiduciary or statutory duties of any Vault Director or Damstra Director (as applicable); or
 - (iii) is unlawful,then the requirement to pay the Break Fee or Reverse Break Fee (as applicable) does not apply to the extent of the Break Fee Impugned Amount.
- (c) If the Break Fee or Reverse Break Fee has been paid by Vault or Damstra (as applicable) and clause 7.5(a) or 7.5(b) applies, the party who received such amount must reimburse all or the relevant part of that amount (as the case may be) within 10 Business Days after receipt of a written demand for reimbursement from the payor.

7.6 Other claims

- (a) Notwithstanding any other provision of this deed:
 - (i) the maximum aggregate amount which Vault may be required to pay in relation to this deed (including any breach of this deed by Vault) is the Break Fee, and in no event will the aggregate liability of Vault under or in connection with this deed exceed the Break Fee, other than in relation to a wilful or intentional breach by Vault of this deed (where this clause 7.6(a)(i) will not operate to limit Vault's liability); and
 - (ii) where the Break Fee is paid to Damstra in accordance with clause 7.2, neither Damstra nor any of its Subsidiaries may make any claim against Vault or any other Vault Indemnified Party under or in connection with this deed which relates to the event that gave rise to the right to make a demand under clause 7.2, unless the claim arises from a wilful or intentional breach by Vault of this deed.
- (b) Notwithstanding any other provision of this deed:
 - (i) the maximum aggregate amount which Damstra may be required to pay in relation to this deed and the Scheme (including any breach of this deed by Damstra) is the Reverse Break Fee, and in no event will the aggregate liability of Damstra under or in connection with this deed exceed the Reverse Break Fee, other than in relation to a wilful or intentional breach by Damstra of this deed (where this clause 7.6(b)(i) will not operate to limit Damstra's liability); and
 - (ii) if the Reverse Break Fee is paid to Vault in accordance with clause 7.3, neither Vault nor any of its Subsidiaries may make any claim (of whatsoever nature) against Damstra or any other Damstra Indemnified Party under or in connection with this deed or the Scheme.

8 Warranties

8.1 Vault Warranties

Vault represents and warrants to Damstra each of the Vault Warranties is true and correct.

8.2 Vault's indemnity

Vault agrees to indemnify Damstra against any claim, action, damage, loss, liability, cost, expense or payment of whatever nature and however arising that Damstra or any of the other Damstra Indemnified Parties suffers, incurs or is liable for arising out of any breach of any of the Vault Warranties.

8.3 Damstra Warranties

Damstra represents and warrants to Vault each of the Damstra Warranties is true and correct.

8.4 Damstra's indemnity

Damstra agrees to indemnify Vault against any claim, action, damage, loss, liability, cost, expense or payment of whatever nature and however arising that Vault or any of the

other Vault Indemnified Parties suffers, incurs or is liable for arising out of any breach of any of the Damstra Warranties.

8.5 Qualifications on Warranties

- (a) The Warranties and the indemnities in clauses 8.2 and 8.4 are each subject to matters that:
 - (i) are required or permitted by this deed or the Scheme;
 - (ii) have been Fairly Disclosed in the Vault Disclosure Materials or Damstra Disclosure Materials (as applicable); or
 - (iii) are within the actual knowledge of Damstra or Vault (as applicable) as at the date of this deed, which for these purposes will be taken to include and be limited to facts, matters and circumstances of which the Damstra Specified Persons or Vault Specified Persons (as applicable) are actually aware as at the date of this deed.
- (b) Any Vault Warranties that are subject to the awareness, knowledge or belief of Vault are given by reference to those facts, matters or circumstances which a Vault Specified Person is actually aware or ought reasonably to be aware as at the date of this deed.
- (c) Any Damstra Warranties that are subject to the awareness, knowledge or belief of Damstra are given by reference to those facts, matters or circumstances which a Damstra Specified Person is actually aware or ought reasonably to be aware as at the date of this deed.

8.6 Survival of Warranties

Each Warranty:

- (a) is severable;
- (b) survives the termination of this deed; and
- (c) subject to this deed, is given with the intent that liability thereunder will not be confined to breaches which are discovered prior to the date of termination of this deed.

8.7 Survival of indemnities

Each indemnity in this deed (including those in clauses 8.2 and 8.4):

- (a) is severable;
- (b) is a continuing obligation;
- (c) constitutes a separate and independent obligation of the party giving the indemnity from any other obligations of that party under this deed; and
- (d) survives the termination of this deed.

8.8 Timing of Warranties

Each Warranty is given:

- (a) at the date of this deed;
- (b) at the date the Scheme Booklet is despatched to Vault Shareholders; and
- (c) at 8:00am on the Second Court Date,

unless such Warranty is expressed to be given at a particular time, in which case it is given at that time.

9 Releases

9.1 Release of Vault Indemnified Parties

- (a) Subject to clause 9.1(b), Damstra releases any and all rights that it has or may have or that may otherwise accrue to it after the date of this deed, and agrees with Vault that it will not make any claim (of whatsoever nature), against any Vault Indemnified Party (other than Vault) as at the date of this deed in connection with:
 - (i) any breach of any covenant, representation or warranty given by Vault under this deed;
 - (ii) any disclosures or information provided in connection with this deed or the Scheme containing any statement which is false or misleading (whether by omission or otherwise); or
 - (iii) any failure to provide information in connection with this document or Scheme,

except where such Vault Indemnified Party has engaged in fraud or wilful misconduct.

- (b) The releases in clause 9.1(a) are subject to any restriction imposed by law and will be read down to the extent that any such restriction applies.
- (c) Vault receives and holds the benefit of clause 9.1(a) as trustee for each other Vault Indemnified Parties.

9.2 Release of Damstra Indemnified Parties

- (a) Subject to clause 9.1(b), Vault releases any and all rights that it has or may have or that may otherwise accrue to it after the date of this deed, and agrees with Damstra that it will not make any claim (of whatsoever nature), against any Damstra Indemnified Party (other than Damstra) as at the date of this deed in connection with:
 - (i) any breach of any covenant, representation or warranty given by Damstra under this deed;
 - (ii) any disclosures or information provided in connection with this deed or the Scheme containing any statement which is false or misleading (whether by omission or otherwise); or
 - (iii) any failure to provide information in connection with this document or Scheme,

except where such Damstra Indemnified Party has engaged in fraud or wilful misconduct.

- (b) The releases in clause 9.2(a) are subject to any restriction imposed by law and will be read down to the extent that any such restriction applies.
- (c) Damstra receives and holds the benefit of clause 9.2(a) as trustee for each other Damstra Indemnified Parties.

10 Termination

10.1 Termination by Vault or Damstra

- (a) Vault or Damstra may terminate this deed at any time before 8:00am on the Second Court Date in accordance with clause 3.4.
- (b) Vault or Damstra may terminate this deed at any time before 8:00am on the Second Court Date if:
 - (i) Damstra (where Vault is the terminating party) or Vault (where Damstra is the terminating party) commits a material breach of this deed (including the Warranties);
 - (ii) the terminating party has given written notice to the other parties setting out the relevant circumstances and stating an intention to terminate this deed; and
 - (iii) the relevant circumstances have not been remedied to the reasonable satisfaction of the terminating party within 10 Business Days from the date such notice is given (or any shorter period ending at 5:00pm on the Business Day immediately before the Second Court Date).
- (c) Termination under this clause 10.1(b) will take effect at the expiry of the period referred to in clause 10.1(b)(iii).

10.2 Termination by Damstra

Damstra may terminate this deed by notice in writing to Vault at any time before 8:00am on the Second Court Date if a Vault Director:

- (a) publicly withdraws, modifies or changes his or her recommendation that Vault Shareholders vote in favour of the resolution to approve the Scheme;
- (b) makes any public statement that is inconsistent with his or her recommendation of the Scheme; or
- (c) recommends, endorses or supports a Competing Proposal.

10.3 Termination by Vault

Vault may terminate this deed by notice in writing to Damstra at any time before 8:00am on the Second Court Date if all or a majority of Vault Directors withdraw or change their recommendation in either of the circumstances permitted by clauses 2.4(c)(i) or 2.4(c)(ii), and Vault has paid the Break Fee to Damstra (if required to do so under clause 7).

10.4 Effect of termination

If this deed is terminated in accordance with this clause 10, this deed will cease to have force and effect without any liability or obligation on the part of any party, except that:

- (a) this clause 10 and clauses 1, 7, 8, 9 and 12 through 15 (inclusive) will survive termination; and
- (b) each party will retain any rights and remedies that accrued prior to termination, including any rights and remedies in respect of any past breach of this deed or (if applicable) in respect of the breach giving rise to termination.

11 Public announcements

11.1 Public announcement on execution

Immediately after execution of this deed, each of Vault and Damstra must issue a public announcement in a form agreed in writing between the parties.

11.2 Required disclosure

Where a party is required by applicable law or the Listing Rules to make any announcement or to make any disclosure in connection with the Transaction or any other transaction the subject of this deed or the Scheme, it must use all reasonable endeavours, to the extent practicable in the circumstances, to consult with the other parties prior to making the relevant disclosure and take account of any reasonable comments received from the other parties in relation to the form and content of the announcement or disclosure.

12 Confidentiality

- (a) Vault acknowledge and agree that they continue to be bound by the Confidentiality Deed, provided that:
 - (i) this deed prevails to the extent of any inconsistency with the Confidentiality Deed; and
 - (ii) notwithstanding any provision of this deed or the Confidentiality Deed, Vault will not be required to consult with Damstra in relation to any public announcement relating to termination of this deed or any Competing Proposal.
- (b) The rights and obligations of the parties under the Confidentiality Deed survive termination of this deed.

13 Duty, costs and expenses

13.1 Stamp duty

Damstra:

- (a) must pay all stamp duties and any related fines and penalties in respect of this deed or the Scheme or any transaction effected or steps taken under this deed or the Scheme; and

- (b) indemnifies Vault against any liability arising from or in connection with any failure by Damstra to comply with clause 13.1(a).

13.2 Costs and expenses

Except as otherwise provided in this deed, each party must pay its own costs and expenses in connection with the negotiation, preparation, execution and performance of this deed and the proposed, attempted or actual implementation of the Transaction.

14 GST

- (a) In this clause 14, a word or expression defined in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) has the meaning given to it in that legislation.
- (b) If a party makes a supply under or in connection with this deed in respect of which GST is payable, the consideration for the supply but for the application of this clause 14(b) (**GST exclusive consideration**) is increased by an amount (**Additional Amount**) equal to the GST exclusive consideration multiplied by the rate of GST prevailing at the time the supply is made.
- (c) If a party must reimburse or indemnify another party for a loss, cost or expense, the amount to be reimbursed or indemnified is first reduced by the amount equal to any input tax credit the other party, or the representative member of the GST group of which the other party is a member, is entitled to with respect to the loss, cost or expense, and then increased in accordance with clause 14(b) if such amount is consideration for a taxable supply made under or in connection with this deed.
- (d) A party need not make a payment of the Additional Amount until it receives a tax invoice or adjustment note (as appropriate) for the supply to which the payment relates.

15 General

15.1 Notices

- (a) A notice, consent, approval, waiver or other communication sent by a party under this deed (**Notice**) must be:
 - (i) in writing;
 - (ii) sent by an authorised representative of the sender; and
 - (iii) marked for the attention of the person named below,and must be:
 - (iv) left at, or sent by commercial courier to, the address set out below;
 - (v) sent by email to the address set out below.

Vault

Attention: Ross Jenkins
Address: Level 18, 1 Nicholson Street, East Melbourne, Victoria, 3002
Email: Ross Jenkins <rossjenkins47@gmail.com>
with a copy (for information purposes only) to jlonie@hwle.com.au

Damstra

Attention: Chris Scholtz
Address: Level 1, 38 Garden Street, South Yarra Victoria 3141
Email: C.Scholtz@damstratechnology.com
with a copy (for information purposes only) to akauye@gtlaw.com.au

- (b) Subject to clause 15.1(c), a Notice is taken to be received:
 - (i) if sent by delivery, when it is delivered;
 - (ii) if sent by post, three days after posting (or seven days after posting if sent from one country to another);
 - (iii) if sent by email:
 - (A) when the sender receives an automated message confirming delivery; or
 - (B) four hours after the time sent (as recorded on the device from which the email was sent), provided that the sender does not receive an automated message that the email has not been delivered,

whichever happens first.
- (c) If a Notice is taken to be received under clause 15.1(b):
 - (i) before 9:00am on a Business Day, it will be taken to be received at 9:00am on that Business Day; or
 - (ii) after 5:00pm on a Business Day or on a non-Business Day, it will be taken to be received at 9:00am on the next Business Day.

15.2 Governing law and jurisdiction

- (a) This deed is governed by the laws of Victoria, Australia.
- (b) Each party irrevocably submits to the non-exclusive jurisdiction of the courts of Victoria, Australia and courts competent to hear appeals from those courts.

15.3 No representation or reliance

- (a) Each party acknowledges that no party (nor any person acting on its behalf) has made any representation or other inducement to it to enter into this deed, except for representations or inducements expressly set out in this deed and (to the maximum extent permitted by law) all other representations, warranties and

conditions implied by statute or otherwise in relation to any matter relating to this deed, the circumstances surrounding the parties' entry into it and the transactions contemplated by it are expressly excluded.

- (b) Each party acknowledges and confirms that it does not enter into this deed in reliance on any representation or other inducement by or on behalf of any other person, except for any representation or inducement expressly set out in this deed.

15.4 No merger

The rights and obligations of the parties do not merge on completion of the Transaction. They survive the execution and delivery of any assignment or other document entered into for the purpose of implementing the Transaction.

15.5 Waivers and consents

- (a) Failure to exercise or enforce, a delay in exercising or enforcing, or the partial exercise or enforcement of any right, power or remedy provided by law or under this deed by any party does not in any way preclude, or operate as a waiver of, any exercise or enforcement, or further exercise or enforcement, of that or any other right, power or remedy provided by law or under this deed.
- (b) Any waiver or consent given by a party under this deed is only effective and binding on that party if it is given or confirmed in writing by that party.
- (c) No waiver of a breach of any term of this deed operates as a waiver of another breach of that term or of a breach of any other term of this deed.
- (d) Except where this deed expressly provides otherwise, where the consent of a party is required under this deed, such consent may be given or withheld in that party's absolute discretion.

15.6 Variation

This deed may only be varied by a document signed by or on behalf of Vault and the Damstra.

15.7 Assignment

A party may not assign, novate or otherwise transfer any of its rights or obligations under this deed without the prior written consent of the other parties.

15.8 Further action

Each of the parties will do all things and execute all further documents necessary to give full effect to this deed.

15.9 Entire agreement

Subject to clause 12, this deed supersedes all previous agreements, understandings, negotiations or deeds in respect of its subject matter and embodies the entire agreement between the parties.

15.10 Severability

- (a) If the whole or any part of a provision of this deed is void, unenforceable or illegal in a jurisdiction, it is severed for that jurisdiction but only to the extent that it is void,

unenforceable or illegal and provided that it will have full force and effect in any other jurisdiction.

- (b) Where a provision (or any part thereof) is severed in a jurisdiction, the remainder of this deed will have full force and effect in that (and any other) jurisdiction.
- (c) This clause 15.10 does not apply to any severance that alters the basic nature of this deed or is contrary to public policy.

15.11 Counterparts

This deed may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument.

1 Dictionary

Accounting Standards means, at any time:

- (a) the requirements of the Corporations Act about the preparation and contents of financial reports;
- (b) the accounting standards approved under the Corporations Act; and
- (c) generally accepted accounting principles, policies, practices and procedures in Australia to the extent not inconsistent with the accounting standards described in paragraph (b).

Additional Amount has the meaning given in clause 14(b).

ASIC means the Australian Securities and Investments Commission.

Associate has the meaning given in section 12 of the Corporations Act.

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

Authorisation means any approval, licence, authorisation, consent, authority or permit.

Break Fee means \$500,000.

Break Fee Impugned Amount has the meaning given in clause 7.5(b)

Business Day has the meaning given in the Listing Rules.

Change of Control Requirements has the meaning given in clause 5.3(a).

Combined Group means the combination of the Damstra Group and the Vault Group, represented by the Damstra Group as it will then be constituted if the Scheme is implemented.

Competing Proposal means any proposal or expression of interest, offer, agreement, arrangement or transaction which, if entered into or completed, would:

- (a) result in a Third Party (either alone or together with one or more Associates), directly or indirectly:
 - (i) acquiring a Relevant Interest or voting power in 20% or more of the issued share capital of Vault or any member of the Vault Group;
 - (ii) acquiring, or acquiring an economic interest in, all or a material part of the assets or business of the Vault Group (where a material part means assets representing 20% or more of the value of the Vault Group's total business or assets); or
 - (iii) otherwise acquiring Control of, or merging or amalgamating with, Vault, or acquiring a significant shareholding or economic interest in Vault or any member of the Vault Group of 20% or more by value of the total assets or business of any member of the Vault Group; or

- (b) be inconsistent with the consummation of the Transaction or result in the Transaction not being able to be implemented on the basis set out in this deed,

whether by takeover bid, scheme of arrangement or shareholder approved acquisition, capital reduction, share buy-back or repurchase, sale or purchase of shares or assets, joint venture, reverse takeover, dual-listed company structure, recapitalisation, establishment of a new holding entity for Vault or the Vault Group or other synthetic merger or any other transaction or arrangement.

Condition means a condition set out in clause 3.1.

Confidentiality Deed means the confidentiality deed between Vault and Damstra dated 22 June 2020.

Consultation Notice has the meaning given in clause 3.4(a).

Control has the meaning given in section 50AA of the Corporations Act.

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

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

Court means the Supreme Court of Victoria or such other court of competent jurisdiction under the Corporations Act as agreed in writing between Damstra and Vault.

Court Documents means the documents required for the purposes of the Court Hearings, including (as applicable) originating process, affidavits, submissions and draft minutes of Court orders.

Court Hearings means the First Court Hearing and Second Court Hearing.

Damstra Counterproposal has the meaning given in clause 6.7(a)(v).

Damstra Director means a director of Damstra.

Damstra Disclosure Materials means the written information, documents and responses disclosed or made available to Vault or its Representatives by or on behalf of Damstra before 6 July 2020 in the “Project Electric” virtual data room.

Damstra Group means Damstra and its Subsidiaries.

Damstra Indemnified Parties means Damstra and its Subsidiaries and their respective directors, officers, employees and advisers.

Damstra Information means information regarding the Damstra Group, and the Combined Group (other than the Vault Information contained in that information), provided by Damstra to Vault or its Representatives in writing for inclusion in the Scheme Booklet, being:

- (a) any letter from Damstra’s Chairman;
- (b) information about the Combined Group (but only to the extent that such information relates to the Damstra Group), Damstra, other Damstra Group members, the businesses of the Damstra Group, Damstra’s intentions for Vault and Vault’s employees;

- (c) any other information required under the Corporations Act, Corporations Regulations or RG 60 to enable the Scheme Booklet to be prepared that Vault and Damstra agree is 'Damstra Information' and that is identified in the Scheme Booklet as such.

Damstra Key Customer Contract means a contract with a customer included on the list of key customers agreed in writing by Damstra and Vault.

Damstra Material Adverse Event means:

- (a) the termination or expiry without renewal of any two or more Damstra Key Customer Contracts (or valid termination notices being given under any two or more Damstra Key Customer Contracts); or
- (b) the Damstra Group being subject to a major cyber security incident which is reasonably likely to have a material adverse effect on the business, assets, operations, performance, prospects or reputation of the Damstra Group.

Damstra Option means an unlisted option to acquire a Damstra Share.

Damstra Prescribed Occurrence means the occurrence of any of the matters set out in Schedule 5.

Damstra Share means a fully paid ordinary share in Damstra.

Damstra Specified Person means each of Johannes Risseeuw, Chris Scholtz and Kelechi Achara.

Damstra Warranties means the representations and warranties of Damstra set out in Schedule 3.

Deed Poll means the deed poll to be entered into by Damstra in the form of Attachment C.

Effective means the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Scheme.

Effective Date means the date on which the Scheme becomes Effective.

End Date means the date that is 6 months after the date of this deed or such later date as Damstra and Vault agree in writing.

Exclusivity Period means the period from the date of this deed until the earlier of:

- (a) the termination of this deed in accordance with clause 10; and
- (b) the End Date.

Fairly Disclosed means, in relation to a matter, that sufficient information about the matter is disclosed in such a way to enable a reasonable person to identify and assess the nature, scope, financial and other consequences of the relevant matter.

First Court Date means the first day on which an application made to the Court for orders under section 411(1) of the Corporations Act directing Vault to convene the Scheme Meeting is heard (or, if the application is adjourned or subject to appeal for any

reason, the day on which the adjourned application is heard), with such hearing being the **First Court Hearing**.

Government Agency means any foreign or Australian government or governmental, semi-governmental, administrative, fiscal, statutory or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any state, or any other federal, state, provincial, local or other government, whether foreign or Australian. It also includes any self-regulatory organisation established under statute or otherwise discharging substantially public or regulatory functions (including ASIC and the Takeovers Panel).

GST exclusive consideration has the meaning given in clause 14(b).

Implementation Date means the fifth Business Day after the Record Date or such other day as Damstra and Vault agree in writing.

Independent Expert means the independent expert to be appointed by Vault to prepare the Independent Expert's Report in accordance with clause 4.1(a).

Independent Expert's Report means the report prepared by the Independent Expert for inclusion in the Scheme Booklet opining on whether the Scheme is in the best interests of Vault Shareholders, and includes any update or supplement to that report.

Ineligible Foreign Shareholder means a Scheme Shareholder whose address shown in the Share Register on the Record Date is a place outside Australia and its external territories, unless Damstra (acting reasonably) determines that it is lawful and not unduly onerous or impracticable to issue that Scheme Shareholder with New Damstra Shares.

Insolvency Event means, in relation to any entity:

- (a) the entity resolving that it be wound up or a court making an order for the winding up or dissolution of the entity;
- (b) a liquidator, provisional liquidator, administrator, receiver, receiver and manager or other insolvency official being appointed to the entity or in relation to the whole, or a substantial part, of its assets;
- (c) the entity executing a deed of company arrangement;
- (d) the entity ceases, or threatens to cease to, carry on substantially all the business conducted by it as at the date of this deed;
- (e) the entity is or becomes unable to pay its debts when they fall due within the meaning of the Corporations Act (or, if appropriate, legislation of its place of incorporation);
- (f) the entity being deregistered as a company or otherwise dissolved; or
- (g) something having a substantially similar effect to any of the things described in paragraphs (a) to (f) happens in connection with the entity under the law of any foreign jurisdiction.

Listing Rules means the official listing rules of ASX.

New Damstra Share means a fully paid ordinary share in Damstra to be issued to Scheme Shareholders under the Scheme.

Notice has the meaning given in clause 15.1(a).

Notifiable Proposal has the meaning given in clause 6.5(a).

Record Date means 7:00pm on the fifth Business Day after the Effective Date of the Scheme, or such other time and date as Damstra and Vault agree in writing.

Related Body Corporate has the meaning given in section 50 of the Corporations Act.

Relevant Interest has the meaning given in sections 608 and 609 of the Corporations Act.

Representative means, in respect of a party, an employee, agent, officer, director, adviser or financier of or to that party (or of a Related Body Corporate of that party), and, in the case of advisers and financiers, includes employees, officers and agents of the adviser or financier (as applicable).

Reverse Break Fee means \$500,000.

Scheme means the scheme of arrangement under Part 5.1 of the Corporations Act between Vault and the Scheme Shareholders, the terms of which are set out in Attachment B or such other form as agreed in writing between Damstra and Vault.

Scheme Booklet means the explanatory statement in respect of the Scheme to be prepared by Vault in accordance with section 412 of the Corporations Act, which will contain (among other things) the Independent Expert's Report (or a concise version of that report), a notice of meeting in respect of the Scheme Meeting and a proxy form.

Scheme Consideration means 1 New Damstra Share for every 2.9 Scheme Shares.

Scheme Meeting means the meeting of Vault Shareholders ordered by the Court to be convened under section 411(1) of the Corporations Act.

Scheme Share means a Vault Share held by a Scheme Shareholder.

Scheme Shareholder means a Vault Shareholder as at the Record Date.

Second Court Date means the first day on which an application made to the Court for orders under section 411(4)(b) of the Corporations Act approving the Scheme is heard (or if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard), with such hearing being the **Second Court Hearing**.

Share Register means the register of Vault Shareholders maintained in accordance with the Corporations Act.

Subsidiary has the meaning given to that term in section 46 of the Corporations Act.

Superior Proposal means a bona fide written Competing Proposal relating to the acquisition of Control of Vault by a Third Party in respect of which there has been no contravention of clause 6 and which the Vault Board, acting in good faith and in order to satisfy what the Vault Board reasonably considers to be its fiduciary or statutory duties, and after taking written advice from its legal advisers, determines:

- (a) is reasonably capable of being valued and completed within a reasonable timeframe in accordance with its terms; and

- (b) would be more favourable to Vault Shareholders than the Transaction (as modified by any Damstra Counterproposal) if completed substantially in accordance with its terms,

in each case, taking into account all aspects of the Competing Proposal (including, but not limited to, timing considerations, any conditions precedent, the value and type of consideration, the level of certainty as to the funding required for the Competing Proposal, the identity, reputation and financial condition of the proponent and other matters affecting the probability of the Competing Proposal being completed and the outcome for Vault Shareholders) as compared to the Transaction (as modified by any Damstra Counterproposal).

Systems means the information technology and telecommunications systems, hardware and software owned or used by a member of the Vault Group.

Takeovers Panel means the Takeovers Panel constituted under the *Australian Securities and Investments Commission Act 2001* (Cth).

Third Party means a person other than Damstra and its Associates.

Timetable means the indicative timetable for the implementation of the Transaction set out in Attachment A.

Transaction means the acquisition of Vault by Damstra by means of the Scheme.

Transition Committee has the meaning given in clause 5.4(a).

Vault Board means the board of directors of Vault.

Vault Director means a director of Vault.

Vault Disclosure Materials means the written information, documents and responses disclosed or made available to Damstra or its Representatives by or on behalf of Vault before 6 July 2020 in the "Project Electric" virtual data room.

Vault Group means, collectively, Vault and each of its Subsidiaries (each a **Vault Group Member** or **member of the Vault Group**).

Vault Indemnified Parties means Vault and its Subsidiaries and their respective current and former directors, officers, employees and advisers.

Vault Information means all the information in the Scheme Booklet other than the Damstra Information and the Independent Expert's Report.

Vault Key Customer Contract means a contract with a customer included on the list of key customers agreed in writing by Damstra and Vault.

Vault Key Employee has the meaning given in clause 5.1(b)(viii).

Vault Material Adverse Event means:

- (a) the termination or expiry without renewal of any two or more Vault Key Customer Contracts (or valid termination notices being given under any two or more Vault Key Customer Contracts); or

- (b) the Vault Group being subject to a major cyber security incident which is reasonably likely to have a material adverse effect on the business, assets, operations, performance, prospects or reputation of the Vault Group.

Vault Material Contract means the Vault Key Customer Contracts and any other agreement, contract, deed or arrangement which:

- (a) generates, or is expected to generate, annual revenue for the Vault Group in excess of \$500,000;
- (b) incurs, or is expected to incur, gross annual expenditure for the Vault Group in excess of \$500,000; or
- (c) is, or could reasonably be considered to be, material in the context of the businesses of the Vault Group taken as a whole.

Vault Option means an unlisted option to acquire a Vault Share.

Vault Prescribed Occurrences means the occurrence of any of the matters set out in Schedule 4.

Vault Share means a fully paid ordinary share in the capital of Vault.

Vault Shareholder means a holder of one or more Vault Shares, as shown in the Share Register.

Vault Specified Person means each of Ross Jenkins, David Moylan and Todd Perkins.

Vault Warranties means the representations and warranties of Vault set out in Schedule 2.

Warranty means a Vault Warranty or Damstra Warranty (as applicable).

2 Interpretation

In this deed, the following rules of interpretation apply unless the contrary intention appears.

- (a) Headings are for convenience only and do not affect the interpretation of this deed.
- (b) The singular includes the plural and vice versa.
- (c) Words that are gender neutral or gender specific include each gender.
- (d) Where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings.
- (e) The words “include”, “including”, “such as”, “for example” and similar expressions are not words of limitation and do not limit what else might be included.
- (f) A reference to:
 - (i) a person includes a natural person, partnership, joint venture, government agency, association, corporation or other body corporate or entity (as that term is defined in section 64A of the Corporations Act);

- (ii) a thing (including a chose in action or other right) includes a part of that thing;
- (iii) a party includes its successors and permitted assigns;
- (iv) a document includes all amendments or supplements to that document;
- (v) a clause, term, party, schedule or attachment is a reference to a clause or term of, or a party, schedule or attachment to, this deed (as applicable);
- (vi) this deed includes all schedules and attachments to it;
- (vii) a law includes a constitutional provision, treaty, decree, convention, statute, regulation, ordinance, by-law, judgment, rule of common law or equity or a Listing Rule and is a reference to that law as amended, consolidated or replaced;
- (viii) an agreement (other than this deed) includes an undertaking or legally enforceable arrangement or understanding (whether or not in writing);
- (ix) a time period includes the date referred to as that on which the period begins and the date referred to as that on which the period ends; and
- (x) a monetary amount is in Australian dollars;
- (g) An agreement on the part of two or more persons binds them jointly and severally.
- (h) When the day on which something must be done is not a Business Day, that thing must be done on the following Business Day.
- (i) In determining the time of day where relevant to this deed, the time of day is:
 - (i) for the purposes of giving or receiving Notice, the time of day where the party receiving Notice is located; or
 - (ii) for any other purpose under this deed, the time of day in the place where the party required to perform an obligation is located.
- (j) No rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of this deed or any part of it.

Schedule 2 Vault Warranties

- (a) **Validly existing:** Vault is a validly existing corporation registered under the laws of its place of incorporation.
- (b) **Power:** Vault has full corporate power and lawful authority to execute, deliver and perform this deed and the Scheme.
- (c) **Corporate action:** Vault has taken the necessary corporate action to authorise the entry into this deed and has taken or will take all necessary corporate action to authorise the performance of this deed and the Scheme.
- (d) **Binding:** This deed constitutes legal, valid and binding obligations on Vault, enforceable in accordance with its terms.
- (e) **Performance:** The execution and performance by Vault of this deed and each transaction contemplated by it does not and will not violate or breach any provision of:
 - (i) any agreement, deed, writ, order or injunction, judgment, law, rule or regulation to which a Vault Group Member is party or by which it is bound; or
 - (ii) Vault's constitution.
- (f) **Capital structure:** The issued capital of Vault as at the date of this deed is:
 - (i) 127,997,024 Vault Shares; and
 - (ii) 14,340,000 Vault Options,and there are no other Vault options, performance rights, shares, warrants, convertible notes, instruments or other securities (or offers, agreements or obligations (whether or not subject to conditions) to issue or grant any of the foregoing) that may convert or be exercisable into Vault Shares.
- (g) **Vault Information:** The Vault Information included in the Scheme Booklet and any supplementary disclosure made to Vault Shareholders pursuant to clause 4.1(j) (excluding any information provided by Damstra) will be prepared in good faith and, as at the date of the Scheme Booklet or supplementary disclosure (as applicable):
 - (i) is not misleading or deceptive in any material respect (whether by omission or otherwise); and
 - (ii) complies in all material respects with the requirements of the Corporations Act and Corporations Regulations, Listing Rules, Takeovers Panel guidance notes and ASIC Regulatory Guide 60 (as applicable).
- (h) **Information provided to Independent Expert:** The information provided to the Independent Expert by Vault has been provided in good faith and on the understanding that the Independent Expert will rely on that information for the purpose of preparing the Independent Expert's Report.
- (i) **Solvency and regulatory action:** No member of the Vault Group is the subject of an Insolvency Event, nor has any regulatory action of any nature been taken that would prevent or restrict its ability to fulfil its obligations under this deed.

- (j) **Continuous disclosure:** Vault is in compliance in all material respects with its continuous disclosure obligations under Listing Rule 3.1 and, except for Damstra's proposal to acquire Vault, Vault is not withholding from disclosure to ASX any material information in reliance on Listing Rule 3.1A.
- (k) **all information:** it is not aware of any information relating to the Vault Group or its respective businesses or operations (having made reasonable enquiries) as at the date of this deed that has or could be reasonably be expected to give rise to a Vault Material Adverse Event.
- (l) **Financial information:** Vault's financial statements as disclosed to the ASX:
 - (i) comply with applicable statutory requirements and were prepared in accordance with the Corporations Act, the Accounting Standards and all other applicable laws and regulations;
 - (ii) give a true and fair view of the financial position and the assets and liabilities of the Vault Group; and
 - (iii) there has not been any event, change, effect or development which would require Vault to restate its financial statements as disclosed to the ASX.
- (m) **Vault Disclosure Materials:** The Vault Disclosure Materials were compiled and made available to Damstra and its Representatives in good faith with reasonable care and:
 - (i) all factual information that forms part of the Vault Disclosure Material is accurate in all material respects;
 - (ii) the Vault Disclosure Materials are not misleading or deceptive in any material respect when taken as a whole (including by omission); and
 - (iii) Vault has not knowingly or recklessly omitted any material information, or information which would render the information disclosed incomplete or misleading in any material respect, from the Vault Disclosure Materials.
- (n) **Compliance:** each member of the Vault Group has complied in all material respects with all Australian and foreign laws and regulations applicable to them and orders of Australian and foreign Government Agencies having jurisdiction over them and have all Authorisations necessary for them to conduct the business of the Vault Group as presently being conducted and those Authorisations are being complied with in all material respects.
- (o) **Interest:** the Vault Disclosure Materials set out full details of any company, partnership, trust, joint venture or other enterprise in which Vault or another Vault Group Member owns or otherwise holds any interest.
- (p) **no existing disputes:** no litigation, prosecution, arbitration, mediation, or other proceedings relating to the Vault Group and which is material to the business of the Vault Group is current or, as far as Vault is aware, pending or threatened or might reasonably be expected to arise as a result of current circumstances.
- (q) **Material Contracts:** each member of the Vault Group has complied in all material respects with each Vault Material Contract to which it is a party, and no member of the Vault Group is aware of any breaches of a Vault Material Contract or any intention on the part of any counterparty to a Vault Material Contract to terminate such Vault Material Contract or amend the terms of such Vault Material Contract.

- (r) **No Systems failures or breaches:** In the 12 months before the date of this deed there have been no bugs in, outages, failures, breakdowns, substandard performance or breaches of, any Systems, and Vault is not aware of any fact or matter that may cause any such bug, outage, failure, breakdown, substandard performance or breach following the Implementation Date if the Systems are used on substantially the same basis as they are used as at the date of this agreement.

Schedule 3 Damstra Warranties

- (a) **Validly existing:** Damstra is a validly existing corporation registered under the laws of its place of incorporation.
- (b) **Power:** Damstra has full corporate power and lawful authority to execute, deliver and perform this deed and the Deed Poll.
- (c) **Corporate action:** Damstra has taken all necessary corporate action to authorise the entry into this deed and has taken or will take all necessary corporate action to authorise the performance of this deed and the Deed Poll.
- (d) **Binding:** This deed constitutes legal, valid and binding obligations on Damstra, enforceable in accordance with its terms.
- (e) **Performance:** The execution and performance by Damstra of this deed and each transaction contemplated by it did not and will not violate or breach any provision of:
 - (i) any agreement, deed, writ, order or injunction, judgment, law, rule or regulation to which a Damstra Group member is party or by which it is bound; or
 - (ii) Damstra's constitution.
- (f) **Capital structure:** The issued capital of Damstra as at the date of this deed is:
 - (i) 139,482,567 Damstra Shares; and
 - (ii) 3,818,722 Damstra Options,and there are no other Damstra options, performance rights, shares, warrants, convertible notes, instruments or other securities (or offers, agreements or obligations (whether or not subject to conditions) to issue or grant any of the foregoing) that may convert or be exercisable into Damstra Shares (other than in connection with the treatment of the Vault Options as contemplated by clause 3.1(j)).
- (g) **Damstra Information:** The Damstra Information included in the Scheme Booklet, and any other information provided by Damstra pursuant to clause 4.2(g), has been prepared in good faith and, as at the date of the Scheme Booklet or the date on which such information is so provided (as applicable):
 - (i) is not misleading or deceptive in any material respect (whether by omission or otherwise); and
 - (ii) complies in all material respects with the requirements of the Corporations Act and Corporations Regulations, Listing Rules, Takeovers Panel guidance notes and ASIC Regulatory Guide 60 (as applicable).
- (h) **Information provided to Independent Expert:** The information provided to the Independent Expert by or on behalf of Damstra has been and will be provided in good faith and on the understanding that the Independent Expert will rely on that information for the purpose of preparing the Independent Expert's Report.

- (i) **Solvency and regulatory action:** No member of the Damstra Group is the subject of an Insolvency Event, nor has any regulatory action of any nature been taken that would prevent or restrict its ability to fulfil its obligations under this deed.
- (j) **Continuous disclosure:** Damstra is in compliance in all material respects with its continuous disclosure obligations under Listing Rule 3.1 and, except for Damstra's proposal to acquire Vault, Damstra is not withholding from disclosure to ASX any material information in reliance on Listing Rule 3.1A.
- (k) **all information:** it is not aware of any information relating to the Damstra Group or its respective businesses or operations (having made reasonable enquiries) as at the date of this deed that has or could be reasonably be expected to give rise to a Damstra Material Adverse Event.
- (l) **Financial information:** Damstra's financial statements as disclosed to the ASX:
 - (i) comply with applicable statutory requirements and were prepared in accordance with the Corporations Act, the Accounting Standards and all other applicable laws and regulations;
 - (ii) give a true and fair view of the financial position and the assets and liabilities of the Damstra Group; and
 - (iii) there has not been any event, change, effect or development which would require Damstra to restate its financial statements as disclosed to the ASX.
- (m) **Damstra Disclosure Materials:** The Damstra Disclosure Materials were compiled and made available to Vault and its Representatives in good faith with reasonable care and:
 - (i) all factual information that forms part of the Damstra Disclosure Material is accurate in all material respects;
 - (ii) the Damstra Disclosure Materials are not misleading or deceptive in any material respect when taken as a whole (including by omission); and
 - (iii) Damstra has not knowingly or recklessly omitted any material information, or information which would render the information disclosed incomplete or misleading in any material respect, from the Damstra Disclosure Materials.

Schedule 4 Vault Prescribed Occurrences

- (a) Vault converting all or any of its shares into a larger or smaller number of shares;
 - (b) Vault resolving to reduce its share capital in any way or reclassifying, combining, splitting or redeeming or repurchasing directly or indirectly any of its shares;
 - (c) Vault:
 - (i) entering into a buy-back agreement; or
 - (ii) resolving to approve the terms of a buy-back agreement under the Corporations Act;
 - (d) a member of the Vault Group issuing shares, or granting a performance right or an option over its shares, or agreeing to make such an issue or grant such a performance right or an option other than to a member of the Vault Group;
 - (e) any member of the Vault Group issuing, or agreeing to issue, securities convertible into shares;
 - (f) Vault declaring, paying or distributing any dividend, distribution, bonus, special payment or other share of its profits or assets;
 - (g) a member of the Vault Group disposing, or agreeing to dispose, of the whole, or a substantial part, of the Vault Group's business or property;
 - (h) a member of the Vault Group granting, or agreeing to grant, an encumbrance over the whole, or a substantial part, of the Vault Group's business or property;
 - (i) an Insolvency Event occurs in relation to a member of the Vault Group,
 - (j) a member of the Vault Group making any change to its constitution;
- but does not include any occurrence:
- (k) required or expressly permitted by this deed or the Scheme or transactions contemplated by either;
 - (l) Fairly Disclosed in the Vault Disclosure Materials, or in any documents lodged with ASX in the 5 years period prior to the date of this deed;
 - (m) required by any applicable law or by an order of a court or Government Agency (except where that requirement arises as a result of an action by a Vault Group member between the date of this deed and the Implementation Date); or
 - (n) agreed to, or requested, in writing by Damstra.

Schedule 5 Damstra Prescribed Occurrences

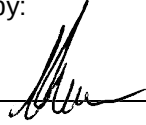
- (a) Damstra converting all or any of its shares into a larger or smaller number of shares;
 - (b) Damstra resolving to reduce its share capital in any way or reclassifying, combining, splitting or redeeming or repurchasing directly or indirectly any of its shares;
 - (c) Damstra:
 - (i) entering into a buy-back agreement; or
 - (ii) resolving to approve the terms of a buy-back agreement under the Corporations Act;
 - (d) a member of the Damstra Group issuing shares, or granting a performance right or an option over its shares, or agreeing to make such an issue or grant such a performance right or an option other than:
 - (i) on vesting or exercise of a Damstra Option on issue immediately prior to the date of this deed;
 - (ii) in connection with the treatment of the Vault Options as contemplated by clause 3.1(j); or
 - (iii) to a member of the Damstra Group;
 - (e) any member of the Damstra Group issuing, or agreeing to issue, securities convertible into shares;
 - (f) Damstra declaring, paying or distributing any dividend, distribution, bonus, special payment or other share of its profits or assets;
 - (g) a member of the Damstra Group disposing, or agreeing to dispose, of the whole, or a substantial part, of the Damstra Group's business or property;
 - (h) a member of the Damstra Group granting, or agreeing to grant, an encumbrance over the whole, or a substantial part, of the Damstra Group's business or property;
 - (i) an Insolvency Event occurs in relation to a member of the Damstra Group,
 - (j) a member of the Damstra Group making any change to its constitution;
- but does not include any occurrence:
- (k) required or expressly permitted by this deed or the Scheme or transactions contemplated by either;
 - (l) Fairly Disclosed in the Damstra Disclosure Materials, or in any documents lodged with ASX in the 5 years period prior to the date of this deed;
 - (m) required by any applicable law or by an order of a court or Government Agency (except where that requirement arises as a result of an action by a Damstra Group member between the date of this deed and the Implementation Date); or

(n) agreed to, or requested, in writing by Vault.

Execution page

Executed as a deed.

Signed, sealed and delivered by **Damstra Holdings Limited (ACN 610 571 607)** in accordance with section 127 of the *Corporations Act 2001* (Cth) and by:



Signature of director

J Risseeuw

Name of director (print)

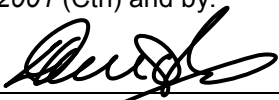


Signature of director/secretary

PC Scholtz

Name of director/secretary (print)

Signed, sealed and delivered by **Vault
Intelligence Limited (ACN 145 040 857)** in
accordance with section 127 of the *Corporations
Act 2001* (Cth) and by:



Signature of director



Name of director (print)



Signature of ~~director~~/secretary

Todd Perkinson

Name of ~~director~~/secretary (print)

Attachment A Indicative Timetable

Event	Date
Draft Scheme Booklet provided to ASIC	11 August 2020
First Court Hearing	28 August 2020
Scheme Meeting	2 October 2020
Second Court Hearing	7 October 2020
Effective Date	8 October 2020
Record Date	15 October 2020
Implementation Date	22 October 2020

Scheme of arrangement

Vault Intelligence Limited

Scheme Shareholders

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Parties

- 1 **Vault Intelligence Limited (ACN 145 040 857)** of Level 18, 1 Nicholson Street, East Melbourne, VIC, 3002 (**Vault**)
- 2 The Scheme Shareholders

The parties agree

1 Defined terms and interpretation

1.1 Defined terms

A term or expression which is defined in the dictionary in Schedule 1 has the meaning given to it in the dictionary.

1.2 Interpretation

The interpretation clause in Schedule 1 sets out rules of interpretation for this Scheme.

2 Preliminary matters

- (a) Vault is an Australian public company limited by shares and has been admitted to the official list of ASX. Vault Shares are quoted for trading on ASX.
- (b) As at the date of the Implementation Deed, Vault had on issue or had granted (as applicable):
 - (i) 127,997,024 Vault Shares; and
 - (ii) 14,340,000 Vault Options.
- (c) Damstra is an Australian public company limited by shares and has been admitted to the official list of ASX.
- (d) If this Scheme becomes Effective:
 - (i) Damstra will provide or procure the provision of the Scheme Consideration to the Scheme Shareholders in accordance with this Scheme and the Deed Poll; and
 - (ii) all of the Scheme Shares, and all of the rights and entitlements attaching to them at the Implementation Date, will be transferred to Damstra and Vault will enter the name of Damstra in the Share Register in respect of the Scheme Shares.
- (e) Damstra and Vault have entered into the Implementation Deed in respect of (among other things) the implementation of this Scheme.
- (f) This Scheme attributes actions to Damstra but does not itself impose any obligations on Damstra to perform those actions. By executing the Deed Poll, Damstra has agreed to perform the actions attributed to it under this Scheme.

3 Conditions

3.1 Conditions precedent

This Scheme is conditional on and will not become Effective until and unless the following conditions precedent are satisfied:

- (a) all the conditions in clause 3.1 of the Implementation Deed (other than the condition in the Implementation Deed relating to Court approval of this Scheme) are satisfied or waived in accordance with the terms of the Implementation Deed by 8:00am on the Second Court Date;
- (b) neither the Implementation Deed nor the Deed Poll is terminated in accordance with their terms before 8.00am on the Second Court Date;
- (c) this Scheme is approved by the Court having made orders under section 411(4)(b) of the Corporations Act, including with any alterations made or required by the Court under section 411(6) of the Corporations Act as are acceptable to Vault and Damstra;
- (d) such other conditions made or required by the Court under section 411(6) of the Corporations Act in relation to this Scheme as are acceptable to Vault and Damstra are satisfied or waived; and
- (e) the order of the Court made under section 411(4)(b) of the Corporations Act approving this Scheme becomes Effective.

3.2 Certificates

- (a) Each of Vault and Damstra will provide a certificate (or such other evidence as the Court may require) to the Court at the Second Court Hearing confirming (in respect of matters within their knowledge) whether or not the conditions precedent in clauses 3.1(a) and 3.1(b) have been satisfied or waived (but in the case of the condition precedent in clause 3.1(a) only in respect of those conditions in clause 3.1 of the Implementation Deed (other than the condition relating to Court approval of the Scheme) included for that party's benefit).
- (b) The certificates given by Vault and Damstra under clause 3.2(a) constitute conclusive evidence that the conditions precedent in clauses 3.1(a) and 3.1(b) have been satisfied or waived.

3.3 End Date

Without limiting any rights under the Implementation Deed, this Scheme will lapse and be of no further force or effect if:

- (a) the Effective Date does not occur on or before the End Date; or
- (b) the Implementation Deed or the Deed Poll is terminated in accordance with its terms,

unless Damstra and Vault otherwise agree in writing (and if required, as approved by the Court).

4 Implementation of the Scheme

4.1 Lodgement of Court orders with ASIC

Vault must lodge with ASIC an office copy of the orders made by the Court under section 411(4)(b) of the Corporations Act approving this Scheme as soon as possible and in any event before 5.00pm on the Business Day immediately following the day on which the Court approves this Scheme or 5.00pm on the Business Day on which the Court Orders are entered, whichever is the later.

4.2 Transfer of Scheme Shares

Subject to this Scheme becoming Effective, on the Implementation Date:

- (a) subject to the provision of the Scheme Consideration in the manner contemplated by clause 5, all of the Scheme Shares, together with all rights and entitlements attaching to them as at the Implementation Date, must be transferred to Damstra, without the need for any further act by any Scheme Shareholder (other than acts performed by Vault (or any of Vault's directors, officers, or secretaries) as attorney and agent for Scheme Shareholders under clause 8.5), by:
 - (i) Vault, in its capacity as the attorney and agent of the Scheme Shareholders, duly completing and executing the Scheme Transfer on behalf of the Scheme Shareholders (as transferors), and delivering it to Damstra; and
 - (ii) Damstra duly executing the Scheme Transfer (as transferee), attending to the stamping of the Scheme Transfer (if required) and delivering it to Vault for registration; and
- (b) immediately following receipt of the Scheme Transfer in accordance with clause 4.2(a)(ii), Vault must enter, or procure the entry of, the name of Damstra in the Share Register in respect of all the Scheme Shares transferred to Damstra in accordance with this Scheme.

5 Scheme Consideration

5.1 Provision of Scheme Consideration

Damstra must, subject to clauses 5.2, 5.3, 5.4 and 5.6:

- (a) on or before the Implementation Date, issue to each Scheme Shareholder such number of New Damstra Shares as that Scheme Shareholder is entitled to be issued as Scheme Consideration and procure that the name and address of the Scheme Shareholder is entered in the Damstra Register in respect of those New Damstra Shares; and
- (b) procure that on or before the date that is 10 Business Days after the Implementation Date, a share certificate or holding statement (or equivalent document) is sent to the Registered Address of each Scheme Shareholder representing the number of New Damstra Shares issued to the Scheme Shareholder pursuant to this Scheme.

5.2 Joint holders

In the case of Scheme Shares held in joint names:

- (a) the New Damstra Shares to be issued under this Scheme must be issued to and registered in the names of the joint holders;
- (b) any cheque required to be sent under this Scheme will be made payable to the joint holders and sent to either, at the sole discretion of Vault, the holder whose name appears first in the Share Register as at the Scheme Record Date or to the joint holders; and
- (c) any other document required to be sent under this Scheme will be forwarded to either, at the sole discretion of Vault, the holder whose name appears first in the Share Register as at the Scheme Record Date or to the joint holders.

5.3 Ineligible Foreign Shareholders

- (a) Damstra will be under no obligation to issue any New Damstra Shares under this Scheme to any Ineligible Foreign Shareholder and instead:
 - (i) subject to clauses 5.4 and 5.6, Damstra must, on or before the Implementation Date, issue the New Damstra Shares which would otherwise be required to be issued to the Ineligible Foreign Shareholders under this Scheme to the Sale Agent;
 - (ii) Damstra must procure that as soon as reasonably practicable after the Implementation Date, the Sale Agent, in consultation with Damstra, sells or procures the sale of all the New Damstra Shares issued to the Sale Agent pursuant to clause 5.3(a)(i) in such manner, at such price and on such other terms as the Sale Agent reasonably determines, and remits to Vault the proceeds of the sale (after deduction of any applicable brokerage, stamp duty, currency conversion costs and other costs, taxes and charges) (**Proceeds**);
 - (iii) promptly after receiving the Proceeds in respect of the sale of all of the New Damstra Shares referred to in clause 5.3(a)(i), Vault must pay, or procure the payment, to each Ineligible Foreign Shareholder, of the amount 'A' calculated in accordance with the following formula and rounded down to the nearest cent:

$$A = (B \div C) \times D$$

where

B = the number of New Damstra Shares that would otherwise have been issued to that Ineligible Foreign Shareholder had it not been an Ineligible Foreign Shareholder and which were issued to the Sale Agent;

C = the total number of New Damstra Shares which would otherwise have been issued to all Ineligible Foreign Shareholders and which were issued to the Sale Agent; and

D = the Proceeds (as defined in clause 5.3(a)(ii)).

- (b) The Ineligible Foreign Shareholders acknowledge that none of Damstra, Vault or the Sale Agent gives any assurance as to the price that will be achieved for the sale of New Damstra Shares described in clause 5.3(a) and that Damstra, Vault and the Sale Agent expressly disclaim any fiduciary duty to the Ineligible Foreign Shareholders which may arise in connection with this clause 5.3.

- (c) Vault must make or procure the making of payments to Ineligible Foreign Shareholders under clause 5.3(a) by (in the absolute discretion of Vault):
- (i) where an Ineligible Foreign Shareholder has, before the Scheme Record Date, made a valid election in accordance with the requirements of the Share Registry to receive dividend payments from Vault by electronic funds transfer to a bank account nominated by the Ineligible Foreign Shareholder, paying, or procuring the payment of, the relevant amount in Australian currency by electronic means in accordance with that election;
 - (ii) paying, or procuring the payment of, the relevant amount in Australian currency by electronic means to a bank account nominated by the Ineligible Foreign Shareholder by an appropriate authority from the Ineligible Foreign Shareholder to Vault; or
 - (iii) dispatching, or procuring the dispatch of, a cheque for the relevant amount in Australian currency to the Ineligible Foreign Shareholder by prepaid post to their Registered Address (as at the Scheme Record Date), such cheque being drawn in the name of the Ineligible Foreign Shareholder (or in the case of joint holders, in accordance with the procedures set out in clause 5.2).
- (d) If Vault receives professional advice that any withholding or other tax is required by law or by a Government Agency to be withheld from a payment to an Ineligible Foreign Shareholder, Vault is entitled to withhold the relevant amount before making the payment to the Ineligible Foreign Shareholder (and payment of the reduced amount shall be taken to be full payment of the relevant amount for the purposes of this Scheme, including clause 5.3(a)(iii)). Vault must pay any amount so withheld to the relevant taxation authorities within the time permitted by law, and, if requested in writing by the relevant Ineligible Foreign Shareholder, provide a receipt or other appropriate evidence of such payment (or procure the provision of such receipt or other evidence) to the relevant Ineligible Foreign Shareholder.
- (e) Each Ineligible Foreign Shareholder appoints Vault as its agent to receive on its behalf any financial services guide (or similar or equivalent document) or other notices (including any updates of those documents) that the Sale Agent is required to provide to Ineligible Foreign Shareholders under the Corporations Act or any other applicable law.
- (f) Payment of the amount calculated in accordance with clause 5.3(a) to an Ineligible Foreign Shareholder in accordance with this clause 5.3 satisfies in full the Ineligible Foreign Shareholder's right to Scheme Consideration.
- (g) If there is any surplus Proceeds, that surplus may be retained by Damstra following the satisfaction of Vault's obligations under this clause 5.3(a). Any interest on the Proceeds (less bank fees and other charges) will be to Damstra's account.
- (h) Where the issue of New Damstra Shares to which a Scheme Shareholder would otherwise be entitled under this Scheme would result in a breach of law or of a provision of the constitution of Damstra:
- (i) Damstra will issue the maximum possible number of New Damstra Shares to the Scheme Shareholder without giving rise to such a breach; and
 - (ii) any further New Damstra Shares to which that Scheme Shareholder is entitled, but the issue of which to the Scheme Shareholder would give rise to such a breach, will instead be issued to the Sale Agent and dealt with under the preceding provisions in this clause 5.3, as if a reference to Ineligible

Foreign Shareholders also included that Scheme Shareholder and references to that person's New Damstra Shares in that clause were limited to the New Damstra Shares issued to the Sale Agent under this clause.

5.4 Fractional entitlements and splitting

- (a) Where the calculation of the Scheme Consideration to be issued to a particular Scheme Shareholder would result in the Scheme Shareholder becoming entitled to a fraction of a cent or of a New Damstra Share, the fractional entitlement will be rounded down to the nearest whole cent or number of New Damstra Shares, as applicable.
- (b) If Damstra is of the opinion, formed reasonably, that several Scheme Shareholders, each of which holds a holding of Vault Shares which results in a fractional entitlement to New Damstra Shares have, before the Scheme Record Date, been party to a shareholding splitting or division in an attempt to obtain an advantage by reference to the rounding provided for in the calculation of each Scheme Shareholder's entitlement to the Scheme Consideration, Damstra may direct Vault to give notice to those Scheme Shareholders:
 - (ii) setting out the names and Registered Addresses of all of them;
 - (iii) stating that opinion; and
 - (iv) attributing to one of them specifically identified in the notice the Vault Shares held by all of them,

and, after the notice has been so given, the Scheme Shareholder specifically identified in the notice shall, for the purposes of this Scheme, be taken to hold all those Vault Shares and each of the other Scheme Shareholders whose names are set out in the notice shall, for the purposes of this Scheme, be taken to hold no Vault Shares.

5.5 Unclaimed monies

- (a) Vault may cancel a cheque issued under this clause 5 if the cheque:
 - (ii) is returned to Vault; or
 - (iii) has not been presented for payment within six months after the date on which the cheque was sent.
- (a) During the period of 12 months commencing on the Implementation Date, on request in writing from a Scheme Shareholder to Vault (or the Share Registry) (which request may not be made until the date which is 60 Business Days after the Implementation Date), Vault must reissue a cheque that was previously cancelled under this clause 5.5.
- (b) *The Unclaimed Money Act 1950 (ACT)* will apply in relation to any Scheme Consideration which becomes 'unclaimed money' (as defined in section 6 of the *Unclaimed Money Act 1950 (ACT)*).

5.6 Orders of a court or Government Agency

If written notice is given to Vault (or the Share Registry) or Damstra (or the Damstra Registry) of an order or direction made by a court of competent jurisdiction or by another Government Agency that:

- (a) requires consideration to be provided to a third party (either through payment of a sum or the issuance of a security) in respect of Scheme Shares held by a particular Scheme Shareholder, which would otherwise be payable or required to be issued to that Scheme Shareholder by Vault or Damstra in accordance with this clause 5, then Vault or Damstra (as applicable) shall be entitled to procure that provision of that consideration is made in accordance with that order or direction; or
- (b) prevents Vault or Damstra from providing consideration to any particular Scheme Shareholder in accordance with this clause 5, or the payment or issuance of such consideration is otherwise prohibited by applicable law, Vault or Damstra shall be entitled to (as applicable):
 - (ii) retain an amount, in Australian dollars, calculated pursuant to clause 5.3(a) in respect of that Scheme Shareholder; or
 - (iii) not to issue (or direct Damstra not to issue), or to issue to a trustee or nominee, such number of New Damstra Shares as that Scheme Shareholder would otherwise be entitled to under clause 5.1,

until such time as provision of the Scheme Consideration in accordance with this clause 5 is permitted by that (or another) order or direction or otherwise by law.

5.7 Status of New Damstra Shares

Subject to this Scheme becoming Effective, Damstra must:

- (a) issue the New Damstra Shares required to be issued by it under this Scheme on terms such that each such New Damstra Share will rank equally in all respects with each existing Damstra Share;
- (b) ensure that each such New Damstra Share is duly and validly issued in accordance with all applicable laws and Damstra's constitution, fully paid and free from any mortgage, charge, lien, encumbrance or other security interest (except for any lien arising under Damstra's constitution); and
- (c) use all reasonable endeavours to ensure that such New Damstra Shares are, from the Business Day following the date this Scheme becomes Effective (or such later date as ASX requires), quoted for trading on the ASX initially on a deferred settlement basis and thereafter on an ordinary settlement basis.

6 Dealings in Vault Shares

6.1 Determination of Scheme Shareholders

To establish the identity of the Scheme Shareholders, dealings in Vault Shares or other alterations to the Share Register will only be recognised if:

- (a) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Share Register as the holder of the relevant Vault Shares at or before the Record Date; and
- (b) in all other cases, registrable transfer or transmission applications in respect of those dealings, or valid requests in respect of other alterations, are received at or before the Record Date at the place where the Vault Register is kept,

and Vault must not accept for registration, nor recognise for any purpose (except a transfer to Damstra pursuant to this Scheme and any subsequent transfer by Damstra or its successors in title), any transfer or transmission application or other request received after the Record Date, or received prior to the Record Date but not in registrable or actionable form.

6.2 Share Register

- (a) Vault must register registrable transmission applications or transfers of Vault Shares in accordance with clause 6.1(b) at or before the Record Date, provided that nothing in this clause 6.2(a) requires Vault to register a transfer that would result in a Vault Shareholder holding a parcel of Vault Shares that is less than a 'marketable parcel' (as defined in the operating rules of ASX).
- (b) If this Scheme becomes Effective, a Scheme Shareholder (and any person claiming through that Scheme Shareholder) must not dispose of, or purport or agree to dispose of, any Scheme Shares or any interest in them after the Record Date otherwise than pursuant to this Scheme, and any attempt to do so will have no effect and Vault will be entitled to disregard any such disposal, purported disposal or agreement.
- (c) For the purpose of determining entitlements to the Scheme Consideration, Vault must maintain the Share Register in accordance with the provisions of this clause 6.2 until the Scheme Consideration has been paid to the Scheme Shareholders. The Share Register in this form will solely determine entitlements to the Scheme Consideration.
- (d) All statements of holding for Vault Shares (other than statements of holding in favour of Damstra) will cease to have effect after the Record Date as documents of title in respect of those shares and, as from that date, each entry current at that date on the Share Register (other than entries in respect of Damstra) will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of the Vault Shares relating to that entry.
- (e) As soon as possible after the Record Date, and in any event by 5:00pm on the first Business Day after the Record Date, Vault will ensure that details of the names, Registered Addresses and holdings of Vault Shares for each Scheme Shareholder as shown in the Share Register as at the Record Date are available to Damstra in the form Damstra reasonably requires.

7 Quotation of Vault Shares

- (a) Vault will apply to ASX to suspend trading in Vault Shares with effect from the close of trading on the Effective Date.
- (b) Vault must apply:
 - (i) for termination of the official quotation of Vault Shares on the ASX; and
 - (ii) to have itself removed from the official list of ASX,in each case with effect on and from the close of trading on the trading day immediately following the Implementation Date.

8 General Scheme provisions

8.1 Consent to amendments to this Scheme

If the Court proposes to approve this Scheme subject to any alterations or conditions:

- (a) Vault may by its counsel consent on behalf of all persons concerned to those alterations or conditions to which Damstra has consented; and
- (b) each Scheme Shareholder agrees to any such alterations or conditions to which counsel for Vault has consented.

8.2 Scheme Shareholders' agreements and warranties

- (a) Each Scheme Shareholder irrevocably:
 - (i) agrees to the transfer of their Scheme Shares, together with all rights and entitlements attaching to those shares, to Damstra in accordance with this Scheme;
 - (ii) agrees to the variation, cancellation or modification of the rights attached to their Scheme Shares constituted by or resulting from this Scheme;
 - (iii) agrees to, on the direction of the Damstra, destroy any share certificates relating to their Scheme Shares;
 - (iv) agrees to become a member of Damstra and to be bound by the terms of the constitution of Damstra;
 - (v) acknowledges and agrees that this Scheme binds Vault and all Scheme Shareholders (including those who did not attend the Scheme Meeting and those who did not vote, or voted against this Scheme, at the Scheme Meeting); and
 - (vi) consents to Vault and Damstra doing all things and executing all deeds, instruments, transfers or other documents as may be necessary, incidental or expedient to the implementation and performance of this Scheme,without the need for any further act by the Scheme Shareholder.
- (b) Each Scheme Shareholder is taken to have warranted to Damstra, and appointed and authorised Vault as its attorney and agent to warrant to Damstra, that:
 - (i) all their Scheme Shares (including any rights and entitlements attaching to their Scheme Shares) which are transferred under this Scheme will, at the time of transfer of them to Damstra, be fully paid and free from all:
 - (A) mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise; and
 - (B) restrictions on transfer of any kind;

- (ii) they have full power and capacity to transfer their Scheme Shares to Damstra together with any rights and entitlements attaching to those Scheme Shares; and
- (iii) as at the Record Date, they have no existing right to be issued any other Scheme Shares or any other form of Vault securities,

and Vault undertakes to give such warranties to Damstra as agent and attorney of each Scheme Shareholder.

8.3 Title to and rights in Scheme Shares

- (a) To the extent permitted by law, the Scheme Shares (including all rights and entitlements attaching to the Scheme Shares) transferred under this Scheme will, at the time of transfer of them to Damstra, vest in Damstra free from all:
 - (i) mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise; and
 - (ii) restrictions on transfer of any kind.
- (b) Immediately upon the provision of the Scheme Consideration in the manner contemplated by clause 5, Damstra will be beneficially entitled to the Scheme Shares to be transferred to it under this Scheme pending registration by Vault of Damstra in the Share Register as the holder of the Scheme Shares. Damstra's entitlement to be registered in the Share Register as the holder of the Scheme Shares arises on the Implementation Date in accordance with clause 4.2.

8.4 Appointment of sole proxy

Immediately upon the provision of the Scheme Consideration in the manner contemplated by clause 5 and until Vault registers Damstra as the holder of all Scheme Shares in the Share Register, each Scheme Shareholder:

- (a) is deemed to have appointed Damstra as attorney and agent (and directed Damstra in each such capacity) to appoint any director, officer, secretary or agent nominated by Damstra as its sole proxy and, where applicable or appropriate, corporate representative to attend shareholders' meetings, exercise the votes attaching to the Scheme Shares registered in their name and sign any shareholders' resolution or document whether in person, by proxy or by corporate representative;
- (b) must not attend or vote at any shareholders' meetings or sign any shareholders' resolutions, whether in person, by proxy or by corporate representative (other than pursuant to clause 8.4(a));
- (c) must take all other actions in the capacity of a registered holder of Scheme Shares as Damstra reasonably directs; and
- (d) acknowledges and agrees that in exercising the powers conferred by clause 8.4(a), Damstra and any director, officer, secretary or agent nominated by Damstra under that clause may act in the best interests of Damstra as the intended registered holder of the Scheme Shares.

8.5 Authority given to Vault

On and from the Effective Date, each Scheme Shareholder, without the need for any further act, irrevocably appoints Vault and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purposes of:

- (a) enforcing the Deed Poll against Damstra; and
- (b) executing any document, or doing or taking any other act, necessary, desirable or expedient to give effect to this Scheme and the transactions contemplated by it, including executing the Scheme Transfer,

and Vault accepts such appointment. Vault, as attorney and agent of each Scheme Shareholder, may sub-delegate its functions, authorities or powers under this clause 8.5 to all or any of its directors, officers or employees (jointly, severally or jointly and severally).

8.6 Instructions and elections

If not prohibited by law (and including where permitted or facilitated by relief granted by a Government Agency), all instructions, notifications or elections by a Scheme Shareholder to Vault that are binding or deemed binding between the Scheme Shareholder and Vault relating to Vault or Vault Shares, including instructions, notifications or elections relating to:

- (a) whether dividends are to be paid by cheque or into a specific bank account;
- (b) payments of dividends on Vault Shares; and
- (c) notices or other communications from Vault (including by email),

will be deemed from the Implementation Date (except to the extent determined otherwise by Damstra in its sole discretion), by reason of this Scheme, to be made by the Scheme Shareholder to Damstra and to be a binding instruction, notification or election to, and accepted by, Damstra in respect of the New Damstra Shares issued to that Scheme Shareholder until that instruction, notification or election is revoked or amended in writing addressed to Damstra at its registry.

8.7 Binding effect of this Scheme

This Scheme binds Vault and all of the Scheme Shareholders (including those who did not attend the Scheme Meeting and those who did not vote, or voted against this Scheme, at the Scheme Meeting) and, to the extent of any inconsistency, overrides the constitution of Vault.

9 General

9.1 Stamp Duty

Damstra will pay any stamp duty payable on the transfer by Scheme Shareholders of the Scheme Shares to Damstra.

9.2 Consent

Each Scheme Shareholder consents to Vault doing all things necessary or incidental to, or give full effect to, the implementation of this Scheme and the transactions contemplated by it, whether on behalf of the Scheme Shareholders, Vault or otherwise.

9.3 Notices

- (a) If a notice, transfer, transmission application, direction or other communication referred to in this Scheme is sent by post to Vault, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at Vault's registered office or at the office of the Share Registry.
- (b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such notice by a Vault Shareholder will not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

9.4 Governing law and jurisdiction

- (a) This Scheme and any dispute arising out of or in connection with the subject matters of this document is governed by the laws in force in Victoria, Australia.
- (b) Each party irrevocably:
 - (i) submits to the non-exclusive jurisdiction of the courts of Victoria, Commonwealth courts having jurisdiction in that state and the courts competent to determine appeals from those courts, with respect to any proceedings that may be brought at any time relating to this Scheme; and
 - (ii) waives any objection it may now or in the future have to the venue of any proceedings, and any claim it may now or in the future have that any proceedings have been brought in an inconvenient forum, if that venue falls within clause 9.4(b)(i).

9.5 Further action

Vault must do all things and execute all documents necessary to give full effect to this Scheme and the transactions contemplated by it.

9.6 No liability when acting in good faith

Each Scheme Shareholder agrees that none of Vault nor Damstra nor any director, officer, secretary or employee of Vault or Damstra shall be liable for anything done or omitted to be done in the performance of this Scheme or the Deed Poll in good faith.

1 Dictionary

ASIC means the Australian Securities and Investments Commission.

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

Business Day means a day that is not a Saturday, Sunday or a public holiday or bank holiday in Melbourne, Victoria.

CHESS means the Clearing House Electronic Subregister System operated by ASX Settlement Pty Limited and ASX Clear Pty Limited.

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

Court means the Supreme Court of Victoria or such other court of competent jurisdiction under the Corporations Act as the parties may agree in writing.

Damstra means Damstra Holdings Limited (ACN 610 571 607) of Level 1, 38 Garden Street, South Yarra Victoria 3141.

Damstra Register means the register of members of Damstra maintained in accordance with the Corporations Act.

Damstra Register means Computershare Investor Services Pty Limited.

Deed Poll means the deed poll dated [insert] 2020 under which, among other things, Damstra covenants in favour of Scheme Shareholders to perform all actions attributed to it under this Scheme.

Effective means the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Scheme.

Effective Date means the date on which this Scheme becomes Effective.

End Date means the date that is 6 months after the date of the Implementation Deed or such later date as Damstra and Vault agree in writing.

Government Agency means any foreign or Australian government or governmental, semi-governmental, administrative, fiscal, statutory or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any state, or any other federal, state, provincial, local or other government, whether foreign or Australian. It also includes any self-regulatory organisation established under statute or otherwise discharging substantially public or regulatory functions (including ASIC and the Takeovers Panel).

Implementation Date means the fifth Business Day after the Record Date, or such other Business Day as Damstra and Vault agree in writing.

Implementation Deed means the scheme implementation deed dated 8 July 2020 between Damstra and Vault relating to, among other things, the implementation of this Scheme.

Ineligible Foreign Shareholder means a Scheme Shareholder whose address shown in the Share Register on the Record Date is a place outside Australia and its external territories, unless Damstra (acting reasonably) determines that it is lawful and not unduly onerous or impracticable to issue that Scheme Shareholder with New Damstra Shares.

Listing Rules means the official listing rules of ASX.

New Damstra Share means a fully paid ordinary share in the capital of Damstra to be issued to Scheme Shareholders under this Scheme.

Record Date means 7.00pm on the fifth Business Day after the Effective Date of the Scheme, or such other time and date as Damstra and Vault agree in writing.

Registered Address means, in relation to a Scheme Shareholder, the address shown in the Share Register as at the Record Date.

Related Body Corporate has the meaning given in section 50 of the Corporations Act.

Sale Agent means the sale agent appointed to sell the New Damstra Shares that are to be issued under clause 5.3(a)(i) of this Scheme (and where appropriate in relation to holdings by it of securities, includes a nominee or custodian holding for it).

Share Register means the register of members of Vault maintained in accordance with the Corporations Act.

Share Registry means Link Market Services Limited.

Scheme means this scheme of arrangement under Part 5.1 of the Corporations Act between Vault and the Scheme Shareholders, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to by Damstra and Vault.

Scheme Consideration means 1 New Damstra Share for every 2.9 Scheme Shares, subject to the terms of this Scheme.

Scheme Meeting means the meeting of Vault Shareholders ordered by the Court to be convened under section 411(1) of the Corporations Act to consider and vote on this Scheme and includes any meeting convened following any adjournment or postponement of that meeting.

Scheme Share means a Vault Share held by a Scheme Shareholder.

Scheme Shareholder means a Vault Shareholder as at the Record Date.

Scheme Transfer means one or more proper instruments of transfer in respect of the Scheme Shares for the purposes of section 1071B of the Corporations Act, which may be or include a master transfer of all or part of the Scheme Shares.

Second Court Date means the first day on which an application made to the Court for orders under section 411(4)(b) of the Corporations Act approving the Scheme is heard (or if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard), with such hearing being the **Second Court Hearing**.

Vault Option means an unlisted option to acquire a Vault Share.

Vault Share means a fully paid ordinary share in the capital of Vault.

Vault Shareholder means a holder or one or more Vault Shares, as shown in the Share Register.

2 Interpretation

In this Scheme, the following rules of interpretation apply unless the contrary intention appears.

- (a) Headings are for convenience only and do not affect the interpretation of this Scheme.
- (b) The singular includes the plural and vice versa.
- (c) Words that are gender neutral or gender specific include each gender.
- (d) Where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings.
- (e) The words “include”, “including”, “such as”, “for example” and similar expressions are not words of limitation and do not limit what else might be included.
- (f) A reference to:
 - (i) a person includes a natural person, partnership, joint venture, government agency, association, corporation or other body corporate or entity (as that term is defined in section 64A of the Corporations Act);
 - (ii) a thing (including a chose in action or other right) includes a part of that thing;
 - (iii) a party includes its successors and permitted assigns;
 - (iv) a document includes all amendments or supplements to that document;
 - (v) a clause, term, party, schedule or attachment is a reference to a clause or term of, or a party, schedule or attachment to, this Scheme (as applicable);
 - (vi) this Scheme includes all schedules to it;
 - (vii) a law includes a constitutional provision, treaty, decree, convention, statute, regulation, ordinance, by-law, judgment, rule of common law or equity or a Listing Rule and is a reference to that law as amended, consolidated or replaced;
 - (viii) an agreement (other than this Scheme) includes an undertaking or legally enforceable arrangement or understanding (whether or not in writing);
 - (ix) a reference to a date or time is to that date or time in Melbourne, Victoria, Australia;
 - (x) a time period includes the date referred to as that on which the period begins and the date referred to as that on which the period ends; and
 - (xi) a monetary amount is in Australian dollars.
- (g) An agreement on the part of two or more persons binds them jointly and severally.

- (h) When the day on which something must be done is not a Business Day, that thing must be done on the following Business Day.
- (i) In determining the time of day where relevant to this Scheme, the time of day is:
 - (i) for the purposes of giving or receiving Notice, the time of day where the party receiving Notice is located; or
 - (ii) for any other purpose under this Scheme, the time of day in the place where the party required to perform an obligation is located.
- (j) No rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of this Scheme or any part of it.

Deed poll

Damstra Holdings Limited

In favour of the Scheme Shareholders

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Parties

Damstra Holdings Limited (ACN 610 571 607) of Level 1, 38 Garden Street, South Yarra Victoria 3141 (**Damstra**)

In favour of the Scheme Shareholders

Background

- A Damstra and Vault have entered into the Implementation Deed, under which Damstra has agreed to:
 - (i) enter into this deed poll; and
 - (ii) provide or procure the provision of the Scheme Consideration, in consideration for the acquisition of all of the Scheme Shares by Damstra, in accordance with the Scheme.
 - B Damstra is entering into this deed poll for the purpose of covenanting in favour of the Scheme Shareholders to undertake the actions attributed to Damstra under the Scheme.
-

1 Defined terms and interpretation

1.1 Defined terms

Unless the context otherwise requires:

- (a) **First Court Date** means the first day on which an application made to the Court for orders under section 411(1) of the Corporations Act directing Vault to convene the Scheme Meeting is heard (or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard);
- (b) **Implementation Deed** means the scheme implementation deed dated 8 July 2020 between Damstra and Vault relating to (among other things) the implementation of this Scheme;
- (c) **Scheme** means the scheme of arrangement under Part 5.1 of the Corporations Act between the Scheme Shareholders and Vault, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to in writing by Damstra and Vault;
- (d) **Vault** means Vault Intelligence Limited (ACN 145 040 857) of Level 18, 1 Nicholson Street, East Melbourne, VIC, 3002; and
- (e) terms defined in the Scheme have the same meaning when used in this deed poll.

1.2 Interpretation

Clause 2 of Schedule 1 of the Scheme applies to the interpretation of this deed poll, except that references to 'Scheme' are to be read as references to 'deed poll'.

1.3 Nature of deed poll

Damstra acknowledges and agrees that:

- (a) this deed poll may be relied on and enforced by any Scheme Shareholder in accordance with the terms of this deed poll even though the Scheme Shareholders are not party to it; and
- (b) under the Scheme, each Scheme Shareholder irrevocably appoints Vault and each of its directors, officers and secretaries (jointly and each of them severally) as its agent and attorney to enforce this deed poll against Damstra.

2 Conditions

2.1 Conditions

The obligations of Damstra under this deed poll are subject to the Scheme becoming Effective.

2.2 Termination

The obligations of Damstra under this deed poll will automatically terminate and the terms of this deed poll will be of no further force or effect if:

- (a) the Implementation Deed is terminated in accordance with its terms; or
 - (b) the Scheme does not become Effective by the End Date,
- unless Damstra and Vault otherwise agree in writing.

2.3 Consequences of termination

If this deed poll is terminated under clause 2.2:

- (a) Damstra is released from its obligations to further perform this deed poll; and
- (b) in addition and without prejudice to any other available rights, powers or remedies available to the Scheme Shareholders, each Scheme Shareholder retains the rights they have against Damstra in respect of any breach of this deed poll which occurs before it was terminated.

3 Scheme obligations

3.1 Undertaking to issue Scheme Consideration

Subject to clause 2, Damstra undertakes in favour of each Scheme Shareholder to:

- (a) provide, or procure the provision of, the Scheme Consideration to each Scheme Shareholder in accordance with the terms of the Scheme; and
- (b) undertake all other actions attributed to it under the Scheme,

in each case subject to and in accordance with the terms of the Scheme.

3.2 Shares to rank equally

Damstra covenants in favour of each Scheme Shareholder that the New Damstra Shares which are issued to each Scheme Shareholder in accordance with the Scheme will:

- (a) rank equally with all existing Damstra Shares; and

- (b) be issued fully paid and free from any mortgage, charge, lien, encumbrance or other security interest.

4 Warranties

Damstra represents and warrants in favour of each Scheme Shareholder that:

- (a) it is a corporation validly existing under the laws of its place of incorporation;
- (b) it has the corporate power to enter into and perform its obligations under this deed poll and to carry out the transactions contemplated by this deed poll;
- (c) it has taken all necessary corporate action to authorise its entry into this deed poll and has taken or will take all necessary corporate action to authorise the performance by it of this deed poll and to carry out the transactions contemplated by this deed poll;
- (d) this deed poll is valid and binding on it and is enforceable against it in accordance with the terms of this deed poll; and
- (e) this deed poll does not conflict with, or result in the breach of or default under, any provision of its constitution, or any writ, order or injunction, judgment, law, rule or regulation to which it is a party or subject or by which it is bound.

5 Continuing obligations

This deed poll is irrevocable and, subject to clause 2, remains in full force and effect until:

- (a) Damstra has fully performed its obligations under this deed poll; or
- (b) the earlier termination of this deed poll under clause 2.2.

6 General

6.1 Stamp duty

Damstra must pay any stamp duties and any related fines and penalties in respect of this deed poll, the performance of this deed poll and each transaction effected by or made under or pursuant to this deed poll.

6.2 Notices

- (a) Any notice or other communication to Damstra in connection with this deed poll must be:
 - (i) in legible writing in English;
 - (ii) signed by the person making the communication or that person's duly authorised agent; and
 - (iii) given by hand delivery, pre-paid post or email in accordance with the details set out below:

Attention: Chris Scholtz

Address: Level 1, 38 Garden Street, South Yarra Victoria 3141

Email: C.Scholtz@damstratechnology.com

with a copy (for information purposes only) to akauye@gtlaw.com.au

- (b) Subject to clause 6.2(c), any notice or other communication given in accordance with clause 6.2(a) will be deemed to have been duly given as follows:
 - (i) if delivered by hand, on delivery;
 - (ii) if sent by pre-paid post, on receipt; and
 - (iii) if sent by email:
 - (A) when the sender receives an email from the recipient confirming receipt of the email; or
 - (B) four hours after the time sent (as recorded on the device from which the email was sent), provided that the sender does not receive an automated message that the email has not been delivered,
 whichever happens first.
- (c) Any notice or other communication that, pursuant to clause 6.2(b), would be deemed to be given:
 - (i) before 9:00am on a Business Day, it will be taken to be received at 9:00am on that Business Day; or
 - (ii) after 5:00pm on a Business Day or on a non-Business Day, it will be taken to be received at 9:00am on the next Business Day,
 where references to time are to time in the place the recipient is located.

6.3 Cumulative rights

The rights, powers and remedies of Damstra and each Scheme Shareholder under this deed poll are cumulative with and do not exclude the rights, powers or remedies provided by law independently of this deed poll.

6.4 Waiver

- (a) A party waives a right under this deed poll only by written notice that it waives that right. A waiver is limited to the specific instance to which it relates and to the specific purpose for which it is given.
- (b) Failure to exercise or enforce, a delay in exercising or enforcing or the partial exercise or enforcement of:
 - (i) any right, power or remedy provided by law or under this deed poll; or
 - (ii) any right, power, authority, discretion or remedy created or arising upon default under this deed poll,
 by any party will not in any way preclude, or operate as a waiver of, any exercise or enforcement, or further exercise or enforcement, of that or any other right, power or remedy provided by law or under this deed poll.

6.5 Variation

A provision of this deed poll may not be varied unless:

- (a) if before the First Court Date, the variation is agreed to by Vault in writing; or
- (b) if on or after the First Court Date, the variation is agreed to by Vault in writing and the Court indicates that the variation would not of itself preclude approval of the Scheme,

in which event Damstra must enter into a further deed poll in favour of the Scheme Shareholders giving effect to the variation.

6.6 Governing law and jurisdiction

- (a) This deed poll is governed by the laws in force in Victoria, Australia.
- (b) Damstra irrevocably:
 - (i) submits to the non-exclusive jurisdiction of the courts of Victoria, Commonwealth courts having jurisdiction in that state and the courts competent to determine appeals from those courts, with respect to any proceedings that may be brought at any time relating to this Scheme; and
 - (ii) waives any objection it may now or in the future have to the venue of any proceedings, and any claim it may now or in the future have that any proceedings have been brought in an inconvenient forum, if that venue falls within clause 6.6(b)(i).

6.7 Assignment

- (a) The rights created by this deed poll are personal to Damstra and each Scheme Shareholder, and must not be dealt with at law or in equity without the prior written consent of Damstra.
- (b) Any purported dealing in contravention of clause 6.7(a) is invalid.

6.8 Further action

Damstra must, at its own expense, do all things and execute all documents necessary to give full effect to this deed poll and the transactions contemplated by it.

Execution page

Executed as a deed poll.

Signed, sealed and delivered by **Damstra Holdings Limited (ACN 610 571 607)** in accordance with section 127 of the *Corporations Act 2001* (Cth) by:

Signature of director

Signature of director/secretary

Name of director (print)

Name of director/secretary (print)