

17 September 2020

WEBCENTRAL GROUP LIMITED (ASX: WCG)

## RECOMMENDED TAKEOVER BID BY 5GN AND REVISED WEB.COM PROPOSAL

Webcentral Group Limited (**Webcentral**) (ASX: WCG) refers to its ASX announcements dated 15 and 16 September 2020. The Webcentral Board has been assessing:

- a proposal from Web.com Group, Inc. (**Web.com**) to increase the consideration payable under the scheme of arrangement announced by Webcentral on 13 July 2020 under which Web.com proposed to acquire all of the shares in Webcentral (**Web.com Scheme**), to \$0.155 per Webcentral share (**Web.com Counterproposal**); and
- a proposal from 5G Networks Limited (**5GN**) (ASX: 5GN) to acquire up to all of the shares in Webcentral pursuant to a conditional off-market takeover bid, for consideration of 1 5GN share for every 12 Webcentral shares (**5GN Proposal**),

in order to determine whether the Web.com Counterproposal would provide an equivalent or superior outcome for Webcentral shareholders as a whole compared with the 5GN Proposal.

### REVISED WEB.COM PROPOSAL

Webcentral has today received a further proposal from Web.com to increase the consideration payable under the Web.com Scheme to \$0.18 per Webcentral share (**Revised Web.com Proposal**).

### RECOMMENDED 5GN OFF-MARKET TAKEOVER BID

Webcentral today announces that:

- the Webcentral Board has determined that neither the Web.com Counterproposal nor the Revised Web.com Proposal (with the revised consideration of \$0.18 per Webcentral share) would provide an equivalent or superior outcome for Webcentral shareholders as a whole compared with the 5GN Proposal;
- the Webcentral Board has determined that the 5GN Proposal is a Superior Proposal<sup>1</sup> to the Web.com Counterproposal and the Revised Web.com Proposal, notwithstanding the increased headline cash offer of \$0.18 by Web.com; and
- Webcentral has entered into a bid implementation deed (**BID**) with 5GN dated 17 September 2020, a copy of which is attached to this announcement.<sup>2</sup>

<sup>1</sup> As defined in the scheme implementation deed attached to Webcentral's ASX announcement on 13 July 2020.

<sup>2</sup> In coming to this conclusion the Webcentral Board has taken into account all terms and conditions and other aspects of both proposals, including, but not limited to, timing considerations, conditions precedent, the value and types of consideration, the level of certainty as to the funding required for each proposal, the identity, reputation and financial condition of Web.com and

Notwithstanding the higher headline cash offer of \$0.18 by Web.com under the Revised Web.com Proposal, the 5GN Proposal provides Webcentral shareholders:

- ongoing exposure to potential improvement in the performance of Webcentral after a period of underperformance and a declining share price for Webcentral;
- value from any potential benefits of scale and potential synergies of the combined group made up of 5GN and Webcentral;
- opportunity to gain exposure to potential growth in the 5GN business;
- the ability to participate in any turnaround of Webcentral; and
- less completion risk and higher execution certainty as compared to the Web.com Scheme.

5GN has agreed in the BID that it will offer to acquire all the Webcentral shares in which it does not presently hold a relevant interest by way of a conditional off-market takeover bid (**5GN Offer**).

In light of the above, the Web.com Scheme will no longer proceed.

### **5GN OFFER HIGHLIGHTS**

- **Opportunity to participate in future of both businesses:** Unlike the Web.com Scheme, the 5GN Offer provides Webcentral shareholders the opportunity to participate in a larger and more diversified business with potential benefits of scale, potential synergies and greater liquidity. 5GN has stated that it has a proven track-record of completing and successfully integrating acquisitions and that it has demonstrated a strong track record in turnaround expertise. In this regard, the Webcentral directors note the potential synergies following a combination of Webcentral and 5GN's businesses of between \$3 million and \$7 million per annum as referred to by 5GN in its ASX announcement dated 7 September 2020.<sup>3</sup> Webcentral shareholders who accept the 5GN Offer will participate in any benefits arising from 5GN's lower leveraged capital structure, the potential turnaround opportunity at Webcentral and 5GN's expertise and its asset base, as mentioned by 5GN in its investor presentation released on the ASX on 4 September 2020.
- **Less completion risk:** The 50.1% minimum acceptance condition under the 5GN Offer represents a lower approval threshold than under the Web.com Scheme. The Web.com Scheme would have required approval from a majority in number of Webcentral shareholders present and voting at the scheme meeting and by at least 75% of the votes cast at the scheme meeting.<sup>4</sup> In other words, there would have been additional completion risk associated with the Web.com Scheme which, given Webcentral's difficult financial situation, was an important consideration for the Webcentral directors. In this regard, 5GN (which has a relevant interest in approximately 10.07% of the Webcentral shares) confirmed to Webcentral that it would have voted, or procured the vote of, all the Webcentral shares in

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5GN and other matters affecting the probability of each proposal being completed and the outcome for Webcentral Shareholders.

<sup>3</sup> These potential synergy numbers were prepared by 5GN. Neither Webcentral nor any of its directors, officers, employees or advisers assumes any responsibility for the accuracy or achievability of such numbers.

<sup>4</sup> In each case, voting either in person or by proxy or representative.

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which it has a relevant interest against the Web.com Scheme even if the consideration had been increased to \$0.155 per Webcentral share. 5GN has also confirmed to Webcentral that it would have voted, or procured the vote of, all the Webcentral shares in which it has a relevant interest against the Web.com Scheme even if the consideration had been increased to \$0.18 per Webcentral share.

- **Implied value:** Under the terms of the 5GN Offer, Webcentral shareholders will be offered 1 5GN share for every 12 Webcentral shares (**Offer Consideration**).<sup>5</sup> The Offer Consideration represents approximately:

- \$0.16 per Webcentral share, and implies an equity value of Webcentral of approximately \$19.5 million based on the 30-day VWAP of 5GN shares to 16 September 2020 of \$1.92 per 5GN share; and
- \$0.153 per Webcentral share, and implies an equity value of Webcentral of approximately \$18.7 million based on the 8-day (all trading days following 5GN's \$27.5m placement) VWAP of 5GN shares to 16 September 2020 of \$1.83 per 5GN share.

The value of a 5GN share has the potential to change over time as a result of a variety of factors, including 5GN's future financial performance, 5GN's ability to realise the potential synergies referred to above and general economic conditions.<sup>6</sup>

- **Attractive premium to undisturbed share price:** The Offer Consideration represents a significant premium to Webcentral's undisturbed share price prior to the announcement of the Web.com Scheme on 13 July 2020, which closed at \$0.064 per Webcentral share on the last trading day prior to the announcement of the Web.com Scheme. The Offer Consideration represents a:
  - 131.8% premium to Webcentral's undisturbed share price based on the closing price of 5GN shares on 16 September 2020 of \$1.78 per 5GN share;
  - 149.8% premium to Webcentral's undisturbed share price based on the 30-day volume weighted average price (**VWAP**) of 5GN shares to 16 September 2020 of \$1.92 per 5GN share; and
  - 107.4% premium to Webcentral's undisturbed share price based on the 90-day VWAP of 5GN shares to 16 September 2020 of \$1.59 per 5GN share.
- **Limited conditionality:** The 5GN Offer is subject to a limited number of conditions, the full details of which are set out in the BID. The 5GN Offer is not subject to any regulatory or shareholder approvals, financing or due diligence. The bid conditions in summary are:
  - 5GN obtaining a relevant interest in at least 50.1% of Webcentral shares (the "50.1% minimum acceptance condition");<sup>7</sup>

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<sup>5</sup> Fractional entitlements will be rounded down. Certain foreign Webcentral shareholders and Webcentral shareholders who would otherwise be issued less than a marketable parcel of 5GN shares will have the 5GN shares that would otherwise have been issued to them sold by a nominee who will remit the net proceeds of sale to them. Further details of these arrangements will be contained in 5GN's bidder's statement.

<sup>6</sup> Shareholders are cautioned that there can be no assurance as to what 5GN's share price will do in the future: it could rise or fall compared to its current trading levels. Many of the factors that will affect 5GN's future share price will be beyond its control. Certain risk factors were noted in 5GN's investor presentation released to the ASX on 4 September 2020.

- no prescribed occurrences occurring; and
- no material adverse change occurring with respect to Webcentral.

The conditions are set out in schedule 2 of the BID.

- **Wholly unconditional at 50.1%:** 5GN has committed in the BID to declare the 5GN Offer wholly unconditional as soon as possible (and in any event within one business day) after 5GN obtains a relevant interest in at least 50.1% of all Webcentral shares, unless any bid condition has been breached prior to the date on which 5GN obtains such a relevant interest. The 5GN Offer therefore offers greater transaction certainty than the Web.com Scheme.
- **Repayment of debt facilities:** 5GN will provide funding to Webcentral to enable Webcentral to repay its existing financiers in full (if 5GN acquires a relevant interest in at least 50.1% of the Webcentral shares and the 5GN Offer becomes or is declared wholly unconditional).<sup>8</sup>
- **Reimbursement fee loan:** 5GN has also agreed to provide an unsecured loan of \$500,000 to Webcentral to be used by Webcentral to pay Web.com the Reimbursement Fee (as defined in the scheme implementation deed attached to Webcentral's ASX announcement on 13 July 2020).

## **WEBCENTRAL BOARD RECOMMENDATION**

The Webcentral Board has carefully considered the 5GN Offer and unanimously recommends that Webcentral shareholders accept the 5GN Offer, in the absence of a Superior Proposal (as defined in the BID).

The Webcentral Directors, who collectively have a relevant interest in approximately 19% of the total number of Webcentral shares on issue, intend to accept, or procure acceptance of, the 5GN Offer, in respect of all those Webcentral shares, in the absence of a Superior Proposal.

Webcentral Chair Andrew Reitzer said, *"The 5G Offer provides Webcentral shareholders with potential to participate in the significant turnaround opportunity presented by 5GN, where 5GN is proposing to use its expertise and asset base to add significant value. The combined group will offer a more appropriate leverage position and funding flexibility to support organic growth and possible future acquisition opportunities than what is presently available to Webcentral."*

## **DETAILS OF THE BID IMPLEMENTATION DEED**

Further details of the terms and conditions of the 5GN Offer are set out in the BID, a copy of which is attached to this announcement.

As well as setting out the bid conditions in full, among other things, the BID contains customary exclusivity provisions including a "no shop", "no talk" (subject to a fiduciary out), notification of approaches right for 5GN (subject to a fiduciary out) and a matching right for 5GN. A reimbursement

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<sup>7</sup> 5GN already has a relevant interest in approximately 10.07% of Webcentral shares, which count towards satisfying the 50.1% minimum acceptance condition. The Webcentral Directors, who collectively have a relevant interest in approximately 19% of the total number of Webcentral shares on issue, intend to accept, or procure acceptance of, the 5GN Offer, in respect of all those Webcentral shares, in the absence of a Superior Proposal.

<sup>8</sup> Further details of the proposed refinancing arrangements will be set out in Webcentral's target's statement.

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fee of \$200,000 may also be payable by Webcentral to 5GN in certain circumstances set out in the BID.

### **OVERVIEW OF 5G NETWORKS**

5GN is a licenced telecommunications carrier operating across Australia and international markets and currently owns and operates its own nationwide high-speed 100Gb data network with points of presence in all major Australian capital cities in addition to high speed international connectivity to Japan, New Zealand, Singapore and USA. 5GN has commenced the rollout of fibre in 5 Australian capital cities to connect 80 data centres.

In addition, 5GN offers managed cloud and infrastructure hosting through its 5GN cloud platforms and the 4 owned and operated data centres, which have a combined rack capacity of more than 800 and over 8MW of power. Our 5GN data centres are connected to secure 100Gb networks across Adelaide, Melbourne, and Sydney.

### **TIMETABLE AND NEXT STEPS**

Webcentral shareholders do not currently need to take any action in relation to the 5GN Offer.

Detailed information relating to the 5GN Offer, including how to accept the 5GN Offer, will be set out in 5GN's Bidder's Statement, which is expected to be lodged with ASX and ASIC shortly and dispatched to Webcentral shareholders shortly thereafter. Webcentral's Target's Statement will subsequently be dispatched to Webcentral shareholders in due course.

Webcentral shareholders are encouraged to read both the Bidder's Statement and Target's Statement in full, when available, before deciding whether to accept the 5GN Offer.

### **ADVISERS**

Macquarie Capital (Australia) Limited, Herbert Smith Freehills and Deloitte Financial Advisory Pty Ltd are advising Webcentral.

### **FURTHER INFORMATION**

Please contact Ms Emma Jewell of Red Agency for any media enquiries or Mr Andrew Reitzer for any investor queries.

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E: emma.jewell@redhavas.com

Andrew Reitzer  
Chairman  
0417 275 806

The release of this announcement to the ASX was authorised by the Webcentral Board of directors.

**No investment advice or offer**

This announcement has been prepared without reference to the investment objectives, financial and taxation situation or particular needs of any Webcentral shareholder or any other person. Nothing in this announcement constitutes, or should be taken as, financial product advice. The Webcentral directors strongly encourage Webcentral shareholders to seek independent financial and taxation advice before making any investment decision or determining what (if anything) to do in response to this announcement. If any investor is in doubt as to the course they should follow, they should consult an independent and appropriately licensed and authorised professional adviser.

This announcement does not constitute or contain an offer to Webcentral shareholders, or a solicitation of an offer from Webcentral shareholders, in any jurisdiction.

**Forward looking statements**

Some of the statements in this announcement may be in the nature of forward looking statements. Forward looking statements or statements of intent in relation to future events in this announcement should not be taken to be forecasts or predictions that those events will occur. Forward looking statements generally may be identified by the use of forward looking words such as 'believe', 'aim', 'expect', 'anticipate', 'intending', 'foreseeing', 'likely', 'should', 'planned', 'may', 'estimate', 'potential', or other similar words. Similarly, statements that describe the objectives, plans, goals, intentions or expectations of Webcentral or 5GN or any of their respective subsidiaries are or may be forward looking statements. You should be aware that such statements are only opinions and are subject to inherent risks and uncertainties.

Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement and deviations are both normal and to be expected. None of Webcentral or any of its subsidiaries, or any officers, directors, employees or advisers of any of them or any person named in, or involved in the preparation of, this announcement, makes any representation or warranty (either express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement. Accordingly, you are cautioned not to place undue reliance on those statements.

Any forward looking statements in this announcement reflect views held only at the date of this announcement. Subject to any continuing obligations under the Listing Rules or the Corporations Act, Webcentral and each of its subsidiaries and the officers, directors, employees and advisers of each of them disclaim any obligation or undertaking to provide any updates or revisions to any forward looking statements to reflect (a) any change in expectations in relation to such statements; or (b) any change in events, conditions or circumstances on which any such statement is based.

**About Webcentral Group Ltd**

Webcentral Group Ltd is Australia's largest full-service digital services partner for small and medium businesses - fuelling the growth of local businesses from inception to acceleration.

Since its founding in 1996, Webcentral Group Ltd (previously Melbourne IT Group and Arq Group) has helped fuel the digital success of more than one million Australian small to medium businesses. With roots in domain name and hosting, Webcentral Group Ltd are the small and medium business digital growth solution experts helping businesses get online, improve their online performance, and protect their online presence.

Webcentral Group Ltd consists of the brands Netregistry, WME, Melbourne IT, and Domainz. The Webcentral Group Ltd Enterprise division was divested March 2020.

Attachment

Bid implementation deed



HERBERT  
SMITH  
FREEHILLS

Deed

## Bid implementation deed

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Webcentral Group Limited

5G Networks Limited





# Contents

## Table of contents

<b>1</b>	<b>Definitions and interpretation</b>	<b>4</b>
1.1	Definitions .....	4
1.2	Interpretation .....	4
1.3	Deed components .....	4
<b>2</b>	<b>The Takeover Bid</b>	<b>5</b>
2.1	Public announcement .....	5
2.2	Making the Takeover Bid .....	5
2.3	Webcentral Directors' recommendation and acceptance .....	5
<b>3</b>	<b>Facilitating the Offer</b>	<b>6</b>
3.1	General obligations .....	6
3.2	Bidder's Statement and Target's Statement .....	7
3.3	Dispatch of Offers .....	7
3.4	Conduct of Webcentral during Offer Period .....	7
3.5	Bid Conditions .....	11
3.6	Board appointments .....	11
3.7	Excluded information .....	12
3.8	Access to information .....	12
3.9	Integration committee .....	13
<b>4</b>	<b>Takeover Bid – variation and waiver</b>	<b>15</b>
4.1	Variation .....	15
4.2	Waiver of Bid Conditions and extension .....	15
<b>5</b>	<b>Representation and warranties</b>	<b>15</b>
5.1	5GN's representations and warranties .....	15
5.2	5GN's indemnity .....	16
5.3	Webcentral's representations and warranties .....	16
5.4	Webcentral's indemnity .....	17
5.5	Survival of representations and warranties .....	17
5.6	Survival of indemnities .....	17
5.7	No representation or reliance .....	18
<b>6</b>	<b>Releases</b>	<b>18</b>
6.1	Webcentral and Webcentral directors and officers .....	18
6.2	5GN and 5GN directors and officers .....	18
6.3	Deeds of indemnity and insurance .....	19
<b>7</b>	<b>Exclusivity</b>	<b>20</b>
7.1	No shop and no talk .....	20
7.2	Notification of approaches .....	21
7.3	Fiduciary exception .....	22
7.4	Matching right .....	22
7.5	Compliance with law .....	23
7.6	Usual provision of information .....	24



## Contents

<b>8</b>	<b>Reimbursement Fees</b>	<b>24</b>
8.1	Background to Reimbursement Fees .....	24
8.2	Reimbursement Fee triggers .....	24
8.3	Reverse Reimbursement Fee .....	25
8.4	Payment of Reimbursement Fees .....	25
8.5	Basis of Reimbursement Fees .....	26
8.6	Compliance with law .....	26
8.7	Reimbursement Fees payable only once .....	27
8.8	Other Claims .....	27
8.9	No Reimbursement Fees if Takeover Bid implemented .....	27
<b>9</b>	<b>Termination</b>	<b>28</b>
9.1	Termination .....	28
9.2	Termination for breach of representations and warranties .....	29
9.3	Effect of termination .....	29
9.4	Termination .....	29
9.5	No other termination .....	30
<b>10</b>	<b>Confidentiality</b>	<b>30</b>
<b>11</b>	<b>Duty, costs and expenses</b>	<b>30</b>
11.1	Stamp duty .....	30
11.2	Costs and expenses .....	30
<b>12</b>	<b>GST</b>	<b>30</b>
<b>13</b>	<b>Notices</b>	<b>31</b>
13.1	Form of Notice .....	31
13.2	How Notice must be given and when Notice is received .....	32
13.3	Notice must not be given by electronic communication .....	33
<b>14</b>	<b>General</b>	<b>33</b>
14.1	Governing law and jurisdiction .....	33
14.2	Service of process .....	33
14.3	No merger .....	33
14.4	Invalidity and enforceability .....	33
14.5	Waiver .....	33
14.6	Variation .....	34
14.7	Assignment of rights .....	34
14.8	No third party beneficiary .....	34
14.9	Further action to be taken at each party's own expense .....	34
14.10	Entire agreement .....	34
14.11	Counterparts .....	34
14.12	Electronic execution .....	35
14.13	Relationship of the parties .....	35
14.14	Remedies cumulative .....	35
14.15	Exercise of rights .....	35

## Contents

### **Schedules**

#### **Schedule 1**

<b>Definitions and interpretation</b>	<b>37</b>
---------------------------------------	-----------

#### **Schedule 2**

<b>Agreed Bid Terms</b>	<b>47</b>
-------------------------	-----------

<b>Signing page</b>	<b>50</b>
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## Bid implementation deed

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Date ► 17 September 2020

Between the parties

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Webcentral	<b>Webcentral Group Limited</b> ABN 21 073 716 793 of Level 23, 680 George Street Sydney NSW 2000, Australia <b>(Webcentral)</b>
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5GN	<b>5G Networks Limited</b> ABN 30 163 312 025 of Level 8, 99 William Street Melbourne VIC 3000, Australia <b>(5GN)</b>
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Recitals	<ol style="list-style-type: none"><li>1 5GN is proposing to make a Takeover Bid for all the Webcentral Shares and the Webcentral Directors are proposing to recommend the Takeover Bid in the absence of a Superior Proposal.</li><li>2 The parties have agreed to implement the Takeover Bid on the terms and conditions set out in this deed.</li></ol>
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This deed witnesses as follows:

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## 1 Definitions and interpretation

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### 1.1 Definitions

The meanings of the terms used in this deed are set out in Schedule 1.

### 1.2 Interpretation

Schedule 1 contains interpretation rules for this deed.

### 1.3 Deed components

This deed includes any schedule.

## 2 The Takeover Bid

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### 2.1 Public announcement

Immediately after the execution and delivery of this deed, 5GN and Webcentral must issue public announcements concerning the Takeover Bid, each in the form agreed in writing between the parties.

### 2.2 Making the Takeover Bid

5GN agrees:

- (a) to make offers pursuant to an off-market takeover bid under Chapter 6 of the Corporations Act to acquire all the Webcentral Shares on terms and conditions that are not less favourable to Webcentral Shareholders than the terms and conditions set out in this deed (including the Agreed Bid Terms) (together, the **Offers** and each, an **Offer**); and
- (b) to publicly propose to make the Takeover Bid, in accordance with clause 2.1, immediately after this deed has been executed and delivered by all parties; and
- (c) not to apply to ASIC for consent to withdraw unaccepted Offers under the Corporations Act without Webcentral's prior written consent such consent not to be unreasonably withheld or delayed.

### 2.3 Webcentral Directors' recommendation and acceptance

- (a) Webcentral represents and warrants to 5GN that each member of the Webcentral Board in office as at the date of this deed has confirmed by way of resolution of the Webcentral Board or by separate written confirmation that (and Webcentral must use its best endeavours to procure that), subject to clause 2.3(b), that, if 5GN publicly proposes to make the Takeover Bid in accordance with clause 2.2(b), they each:
  - (1) recommend that Webcentral Shareholders accept the Offer to be made to them under the Takeover Bid; and
  - (2) intend to accept, or procure the acceptance of, the Offer in respect of all Webcentral Shares in which they have a Relevant Interest,
 in each case, in the absence of a Superior Proposal.
- (b) During the Offer Period, Webcentral must use its best endeavours to procure that the Webcentral Board collectively, and the Webcentral Board Members individually, do not adversely change, withdraw, adversely modify or adversely qualify its or his recommendation for Webcentral Shareholders to accept the Offer unless:
  - (1) Webcentral has received a Competing Proposal and the Webcentral Board determines, after all of 5GN's rights under clause 7.4 have been exhausted, that the Competing Proposal constitutes a Superior Proposal; or
  - (2) in relation to the recommendation in clause 2.3(a)(1) (but not the acceptance statement referred to in clause 2.3(a)(2)), the Webcentral Board has reasonably determined, after receiving written legal advice from its external legal advisers, that the Webcentral Board collectively, and the Webcentral Board Members individually, by virtue of the



directors' duties of the Webcentral Board Members, is required to abstain from making or withdraw its or his or her recommendation so as to not make any recommendation, because of an interest a Webcentral Board Member has in the Takeover Bid.

- (c) Webcentral must use its best endeavours to ensure that the Target's Statement and all public announcements by Webcentral in relation to the Takeover Bid contain the Webcentral Board's unanimous recommendation (set out in clause 2.3(a)(1)) and acceptance intention (set out in clause 2.3(a)(2)) which statements must not be qualified in any way other than by words to the effect of 'in the absence of a Superior Proposal' unless (but only to the extent) there has been a change of recommendation permitted by clause 2.3(b).
- (d) Despite anything to the contrary in this clause 2.3, a statement made by Webcentral or the Webcentral Board to the effect that no action should be taken by Webcentral Shareholders pending the assessment of a Competing Proposal by the Webcentral Board and its advisers shall not contravene this deed (provided that the communication in which that statement is made must not expressly include any adverse change, withdrawal, adverse modification or adverse qualification to the Webcentral Board's recommendation that Webcentral Shareholders accept the Offer to be made to them under the Takeover Bid, unless (but only to the extent) there has been a change of recommendation permitted by clause 2.3(b)).

## 3 Facilitating the Offer

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### 3.1 General obligations

- (a) 5GN must take all necessary steps, and exercise all rights and powers necessary, to make the Offers and implement the Takeover Bid as soon as possible.
- (b) Without limiting clause 3.1(a), each party agrees to use reasonable endeavours to ensure that the Bidder's Statement and Target's Statement are despatched to Webcentral Shareholders in accordance with the following timetable (**Timetable**).

Event	Date
Announcement of Takeover Bid	17 September 2020
5GN to lodge Bidder's Statement with ASIC and serve Bidder's Statement on Webcentral and ASX	18 September 2020
5GN to despatch Bidder's Statement to Webcentral Shareholders and Offer Period commences ( <b>Despatch Date</b> )	18 September 2020
Webcentral to lodge Target's Statement with ASIC and	15 days after the date of

Event	Date
serve Target's Statement on 5GN and ASX	completion of despatch of the Bidder's Statements
Webcentral to despatch Target's Statement to Webcentral Shareholders	15 days after the date of completion of despatch of the Bidder's Statements
(c)	Failure by a party to meet any timeframe or deadline in the Timetable will not constitute a breach of clause 3.1(b) to the extent that such failure is due to circumstances and matters outside the party's control or due to Webcentral taking or omitting to take any action in response to a Competing Proposal, including any change of recommendation by the Webcentral Directors.
(d)	Webcentral agrees to provide a copy of its register of members to 5GN on the same day as receipt of any written request for the same from 5GN under and in accordance with section 641 of the Corporations Act.

### 3.2 Bidder's Statement and Target's Statement

- (a) 5GN will, to the extent practicable, give Webcentral a reasonable opportunity to review an advanced draft of the Bidder's Statement before 5GN proposes to lodge the Bidder's Statement with ASIC, and will consult in good faith with Webcentral with respect to any comments Webcentral may have.
- (b) Webcentral will, to the extent practicable, give 5GN a reasonable opportunity to review an advanced draft of the Target's Statement before Webcentral proposes to lodge the Target's Statement with ASIC, and will consult in good faith with 5GN with respect to any comments 5GN may have.

### 3.3 Dispatch of Offers

Webcentral agrees that the Bidder's Statement to be sent by 5GN under item 6 of section 633(1) of the Corporations Act may be sent on a date nominated by 5GN that is earlier than the date prescribed by item 6 of section 633(1) of the Corporations Act.

### 3.4 Conduct of Webcentral during Offer Period

- (a) Subject to clause 3.4(c), from the date of this deed up to the end of the Offer Period, Webcentral must, and must cause each of its Subsidiaries to:
  - (1) conduct its current businesses and operations in the ordinary and usual course substantially consistent with the manner in which each such business and operations were conducted in the 12 months prior to the date of this deed;
  - (2) not enter into, dispose of or acquire any line of business or other activities in which the Webcentral Group is not engaged as of the date of this deed;
  - (3) ensure that no Webcentral Prescribed Occurrence occurs;

- (4) use its reasonable endeavours to avoid the occurrence of an event within its control that would constitute or would be likely to constitute a Webcentral Material Adverse Change;
  - (5) comply with all applicable laws, the Listing Rules, contracts and authorisations in all material respects;
  - (6) other than during any period in which the operation of the Committee has been suspended pursuant to clause 3.9(c)(6), not:
    - (A) enter into or make any material change to the terms of employment or engagement of (including increasing the remuneration or compensation of), any person, including an officer, director, executive or other employee, or any adviser or contractor whose total employment or other cost exceeds \$50,000 per annum; or
    - (B) enter into, materially amend or terminate any contract or commitment for a duration of over 6 months, (1) with an annual value in excess of \$75,000 per annum or (2) an annual value in excess of \$150,000 when aggregated with all such contracts or commitments the subject of similar contracts or commitments or (3) which involves the procurement of IT or telecommunications services, without the matter being considered by the Committee;
  - (7) make all reasonable efforts, and procure that each other Webcentral Group Member makes all reasonable efforts, to:
    - (A) maintain and preserve the value of the businesses and assets of the Webcentral Group;
    - (B) keep available the services of all Key Persons of the Webcentral Group; and
    - (C) maintain and preserve their relationships with Government Agencies, customers, landlords, suppliers and others having business dealings with any Webcentral Group Member; and
  - (8) make all reasonable efforts to manage the working capital of the Webcentral Group in the ordinary course of business and in substantially the same manner as it was prior to the date of this deed, except as otherwise Fairly Disclosed in any disclosure materials.
- (b) Without limiting clause 3.4(a) but subject to clause 3.4(c), Webcentral must not, and must procure that its Subsidiaries do not, from the date of this deed up to and including the end of the Offer Period, do any of the following (or agree or offer to do any of the following) and represents and warrants to 5GN that it has not in the period of 1 month prior to the date of this deed done any of the following (or authorised or agreed to do any of the following), except as has been Fairly Disclosed in any disclosure materials:
- (1) **(constitution)** make any change to its constitution;
  - (2) **(employees, remuneration and benefits):**
    - (A) enter into or make any material change to the terms of employment of (including increasing the remuneration or compensation of), any person, including an officer, director, executive or other employee, whose total employment cost exceeds \$200,000 per annum (**Key Person**), in each case



other than pursuant to rights, entitlements or contractual arrangements in effect on the date of this deed, provided that, for the avoidance of doubt, nothing in the foregoing prevents Webcentral or any of its Subsidiaries from restoring the terms and conditions of employment of any Key Person that were altered in response to the Coronavirus or COVID-19 pandemic to the terms and conditions in place immediately prior to them being changed in response to the Coronavirus or COVID-19 pandemic;

- (B) pay any of its officers, directors, executives or other employees a bonus, severance, termination or retention payment, other than pursuant to contractual arrangements in effect on the date of this deed;
- (C) subject to clause 6.3(b), take out or procure any directors' and officers' run-off insurance or similar cover;
- (D) amend the terms of any option, performance right, incentive or share plan;
- (E) accelerate the rights of any of their employees to compensation or benefits of any kind (including under any option, performance right, incentive or share plan);
- (F) terminate or encourage the resignation of a Key Person, other than for cause (acting reasonably) pursuant to contractual arrangements in effect on the date of this deed;
- (3) **(enterprise bargaining agreement)** enter into any enterprise bargaining agreement or similar collective employment agreement;
- (4) **(acquisitions and disposals)** acquire, lease or dispose of any interest in any:
  - (A) business, securities, entity or undertaking; or
  - (B) assets or real property the value of which exceeds \$150,000 individually or \$150,000 when aggregated with all such assets the subject of the transaction or series of related or similar transactions;
- (5) **(capital expenditure)** incur or enter into commitments involving capital expenditure of more than \$150,000 whether in one transaction or a series of related transactions;
- (6) **(restraint of trade)** enter into a contract or commitment restraining a member of the Webcentral Group from competing with any person or conducting activities in any market, where such restraint would on its own operate to restrain any member of the Webcentral Group following implementation of the Takeover Bid;
- (7) **(contract not on arm's length terms)** enter into any transaction or agreement on terms that are not arm's length commercial terms or are less favourable to Webcentral than arm's length terms;
- (8) **(contracts)** enter into, materially amend or terminate any:
  - (A) contract or commitment for a duration of over 2 years, an annual value in excess of \$100,000 per annum or an annual value in excess of \$200,000 when aggregated with all such

- contracts or commitments the subject of similar contracts or commitments;
- (B) Material Contract; or
  - (C) joint venture or partnership;
- (9) **(financing arrangements as lender)** provide financial accommodation to any person other than to members of the Webcentral Group (irrespective of what form of Financial Indebtedness that accommodation takes);
  - (10) **(financing arrangements as borrower or guarantor)** incur any additional Financial Indebtedness or guarantee or indemnify the obligations of any person other than a member of the Webcentral Group;
  - (11) **(security interest)** create any Security Interest over any of its assets securing in excess of \$100,000 (in aggregate);
  - (12) **(derivatives)** enter into any agreement, arrangement or transaction with respect to derivative instruments (including swaps, futures contracts, forward commitments, commodity derivatives or options) or similar instruments other than in the ordinary course of its business;
  - (13) **(legal proceedings)** settle any legal proceedings, disputed claim, investigation, arbitration or other like proceeding where the settlement amount payable by any member of the Webcentral Group exceeds \$50,000;
  - (14) **(accounting policy)** change any accounting policy applied to a party to report its financial position, other than any change in policy required by a change in accounting standards;
  - (15) **(insurance)** cancel any existing insurance policy in the name of or for the benefit of a Webcentral Group Member in respect of any material assets or material risks unless a replacement policy (on the same or substantially similar terms) has been put in place;
  - (16) **(Authorisations)** enter into, materially vary or terminate or fail to renew any material Authorisation;
  - (17) **(tax):**
    - (A) do anything that would result in a change in the Webcentral Consolidated Tax Group; or
    - (B) settle or compromise any dispute, audit or inquiry in relation to tax or duty or any tax return, other than in the ordinary course of its business;
  - (18) **(adviser arrangements)** amend any arrangements with its advisers, or appoint any new adviser, resulting in an increase in fees payable by the Webcentral Group to any existing or new adviser of \$150,000 or more (in aggregate), in respect of the Takeover Bid or a Competing Proposal, provided that this clause 3.4(b)(18) does not apply to any counsel, registry or proxy adviser or solicitation firm who is or are engaged by Webcentral in relation to the Takeover Bid; or
  - (19) **(other)** authorise or agree to do any of the matters set out above.
- (c) Nothing in clause 3.4(a) or 3.4(b) restricts the ability of Webcentral or any Webcentral Group Member to take or omit to take any action:

- (1) to reasonably and prudently respond to an emergency or disaster (including an epidemic or pandemic or the impact thereof (which impact is outside the ordinary course of business and does not result from general fluctuations in economic activity), or a situation giving rise to a risk of personal injury or damage to property);
- (2) which is expressly required, expressly permitted or expressly contemplated by this deed, the Reimbursement Fee Loan Agreement or the Loan Implementation Deed or the transactions contemplated by any of them;
- (3) which has been agreed to in writing by 5GN or requested in writing by 5GN, including anything agreed to or approved by one or more persons nominated by 5GN as directors of Webcentral pursuant to clause 3.6 below;
- (4) which is required by any applicable law, regulation, contract or by a Government Agency;
- (5) which has been Fairly Disclosed in an announcement made by Webcentral to ASX in the 12 months prior to the date of this deed; or
- (6) which is expressly required, expressly permitted or expressly contemplated by clause 7; or
- (7) on the date on which persons nominated by 5GN comprise a majority of the directors of Webcentral.

### 3.5 Bid Conditions

- (a) Subject to clause 3.5(b), each party agrees not to do, or omit to do, anything which will, or is likely to, result in any of the Bid Conditions being breached.
- (b) Nothing in this clause 3.5 prevents Webcentral or the Webcentral Board from taking, or failing to take, action where to do otherwise would, in the opinion of the Webcentral Board (determined in good faith and acting reasonably after receiving written legal advice from external lawyers), constitute a breach of the Webcentral Directors' fiduciary or statutory duties.
- (c) A reference in this clause 3.5 to a Bid Condition being breached includes a reference to the Bid Condition not being, or not being capable of being, satisfied.

### 3.6 Board appointments

- (a) As soon as reasonably practicable after the Offer has become or been declared wholly unconditional and 5GN has issued the consideration under the Offer for, and, together with its Subsidiary, 5G Network Operations Pty Ltd, becomes the registered holder of, at least 30% of all, Webcentral Shares, if requested to do so in writing by 5GN, Webcentral must use its best endeavours to procure the appointment of 2 persons nominated by 5GN as directors of Webcentral (subject to each proposed appointee having provided a consent to act as a director).
- (b) As soon as reasonably practicable after the Offer has become or been declared wholly unconditional and 5GN has issued the consideration under the Offer for, and, together with its Subsidiary, 5G Network Operations Pty Ltd, becomes the registered holder of, at least 50.1% of all, Webcentral Shares, if requested to do so in writing by 5GN, Webcentral must use its best endeavours to procure:



- (1) the appointment of persons nominated by 5GN in writing to be directors of Webcentral (subject to each proposed appointee having provided a consent to act as a director), such that a majority of the directors of Webcentral are directors nominated by 5GN in writing; and
- (2) that any persons nominated by 5GN by written notice to Webcentral resign from the Webcentral Board and the boards of the other members of the Webcentral Group, with such written notice of resignation to provide that the outgoing director:
  - (A) has no Claim outstanding against the relevant Webcentral Group Member; and
  - (B) irrevocably releases the Webcentral Group for any Claims they may have against the Webcentral Group,in each case for loss of office, remuneration or otherwise in respect of their holding of office as a director of the relevant member of the Webcentral Group.
- (c) 5GN:
  - (1) undertakes to procure that any directors of Webcentral nominated by 5GN pursuant to this clause 3.6 do not take, omit to take or agree to take, or procure that Webcentral takes, omits to take or agrees to take, any action or decision that would place Webcentral in breach of any obligation, representation or warranty under this deed; and
  - (2) acknowledges and agrees that if and to the extent Webcentral breaches this deed where such breach directly or indirectly results from a breach by 5GN of clause 3.6(c)(1), then Webcentral shall have no liability in respect of such breach and shall be taken not to have breached, or to be in breach of, this deed.

### 3.7 Excluded information

Despite clauses 3.6 and 3.8, neither 5GN nor any of its Related Persons (including any person nominated by 5GN to be a director of Webcentral under clause 3.6) is entitled to any, or copies of any, documents, records or information, access to the Webcentral Group's employees, or to be present at meetings of the board of Webcentral, where the subject matter relates to Webcentral's consideration of the Takeover Bid, the Scheme or any actual, proposed or potential Competing Proposal.

### 3.8 Access to information

From the date of this deed up to and including the end of the Offer Period, subject to clause 3.9(f), Webcentral must, and must cause each other Webcentral Group Member to provide 5GN and its Related Persons with:

- (a) reasonable access during normal business hours and on reasonable notice to information, premises and management of the Webcentral Group that 5GN reasonably requires; and
  - (b) reasonable co-operation,
- for the purpose of:
- (c) implementation of the Takeover;
  - (d) the refinancing of the Existing Debt Facilities;

- (e) determining how to best:
    - (1) integrate the Webcentral Group's business into the operations of 5GN; and
    - (2) implement plans for the carrying on of the businesses of the Webcentral Group following implementation of the Takeover; and
  - (f) any other purpose agreed in writing between Webcentral and 5GN,
- provided that:
- (g) nothing in this clause will require Webcentral to provide information concerning consideration of the Scheme, Takeover or any actual, proposed or potential Competing Proposal by the board or management of Webcentral;
  - (h) 5GN acknowledges that its rights and obligations under this clause 3.8 shall be subject to the Protocols and all applicable laws (including competition laws) and requirements of any Government Agency; and
  - (i) the operation of this clause 3.8 will be suspended from such time as:
    - (1) the Webcentral Board has made a determination in accordance with clause 7.4(a)(3) that it has received a Superior Proposal; and
    - (2) Webcentral has provided to 5GN information regarding such Superior Proposal in accordance with clause 7.4(a)(4),
 until Webcentral advises 5GN that it has determined in accordance with clause 7.4(b) that a 5GN Counterproposal (as defined in clause 7.4(b)) is a Matching or Superior Proposal (as defined in clause 7.4(b)).

### 3.9 Integration committee

- (a) The parties agree to establish a transition and integration committee (**Committee**) as soon as practicable after the date of this deed comprising the following members:
  - (1) Andrew Reitzer, who will chair the Committee;
  - (2) up to 3 nominees appointed by Webcentral (including Andrew Reitzer); and
  - (3) up to 3 nominees appointed by 5GN.
- (b) Each party must notify the other party of its nominees to the Committee as soon as practicable after the date of this deed.
- (c) Subject always to clause 3.8, from the date of this deed up to and including the end of the Offer Period, the Committee will:
  - (1) oversee implementation of the Takeover Bid;
  - (2) report on key milestones (as determined by the Committee) in connection with implementation of the Takeover Bid and the repayment and refinancing of the Existing Debt Facilities;
  - (3) seek to determine how to best:
    - (A) integrate the Webcentral Group's business into the operations of 5GN; and
    - (B) implement plans for the carrying on of the businesses of the Webcentral Group following implementation of the Takeover Bid; and

- (4) discuss material business updates relating to the Webcentral Group, including in relation to:
  - (A) gross sales and profit and loss updates;
  - (B) the 13 week cashflow forecast;
  - (C) material personnel and employee matters; and
  - (D) strategic initiatives, including such weekly progress updates as may be appropriate,

provided that:

- (5) the parties agree and acknowledge that the Committee will be a consultative body only that may make recommendations to the parties;
  - (6) the operation of clauses 3.9(c) and 3.9(d) will be suspended from such time as:
    - (A) the Webcentral Board has made a determination in accordance with clause 7.4(a)(3) that it has received a Superior Proposal; and
    - (B) Webcentral has provided to 5GN information regarding such Superior Proposal in accordance with clause 7.4(a)(4),
 until Webcentral advises 5GN that it has determined in accordance with clause 7.4(b) that a 5GN Counterproposal (as defined in clause 7.4(b)) is a Matching or Superior Proposal (as defined in clause 7.4(b));
  - (7) the parties agree and acknowledge that their rights and obligations under this clause 3.9(c) shall be subject to the Protocols and all applicable laws (including competition laws) and requirements of any Government Agency; and
  - (8) each member of the Committee must keep any and all information obtained by him or her as a result of this clause 3.9(c) confidential in accordance with the terms of the Confidentiality Agreement.
- (d) Webcentral and 5GN will use reasonable endeavours to procure that the Committee meets up to twice weekly.
  - (e) Webcentral will comply with any reasonable request by 5GN that it invite nominated additional executives to attend meetings of the Committee from time to time.
  - (f) For the avoidance of doubt, nothing in clause 3.8 or this clause 3.9 requires Webcentral (or any nominee or representative of Webcentral) to provide to 5GN (or nominee or representative of 5GN) any information:
    - (1) concerning Webcentral's directors and management's consideration of, and advice received in relation to, the Takeover Bid, the Scheme or any actual, proposed or potential Competing Proposal;
    - (2) concerning the Scheme or any actual, proposed or potential Competing Proposal, including directors' and management's consideration of, and advice received in relation to, the Scheme or any actual, proposed or potential Competing Proposal;
    - (3) concerning the Webcentral Group's business that is, in the opinion of Webcentral, commercially sensitive, including without limitation any

- specific pricing and margin information, customer details, branding or strategy or marketing initiatives; or
- (4) if to do so would (i) breach any confidentiality obligation owed to a third party or any applicable law (including privacy law) or (ii) result in a waiver of legal professional privilege (provided each party must use reasonable endeavours to facilitate the provision of such information without waiving legal professional privilege).

## 4 Takeover Bid – variation and waiver

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### 4.1 Variation

5GN may vary the terms and conditions of the Takeover Bid in any manner which is permitted by the Corporations Act, provided that the varied terms and conditions are not less favourable to Webcentral Shareholders than the terms set out in this deed (including the Agreed Bid Terms).

### 4.2 Waiver of Bid Conditions and extension

- (a) Subject to clause 4.2(b) and the Corporations Act, 5GN may declare the Takeover Bid to be free from any Bid Condition or extend the Takeover Bid at any time.
- (b) 5GN must, and must publicly commit in the announcement contemplated by clause 2.1 and in its Bidder's Statement to, declare the Offer wholly unconditional as soon as possible (and, in any event within one Business Day) after 5GN obtains a Relevant Interest in at least 50.1% of the Webcentral Shares, unless any Bid Condition has been breached prior to the date on which 5GN obtains such a Relevant Interest.

## 5 Representation and warranties

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### 5.1 5GN's representations and warranties

5GN represents and warrants to Webcentral (in its own right and separately as trustee or nominee for each of the other Webcentral Indemnified Parties), as at the date of this deed and until the end of the Offer Period, that:

- (a) **validly existing:** it is a validly existing corporation registered under the laws of its place of incorporation;
- (b) **authority:** the execution and delivery of this deed by 5GN has been properly authorised by all necessary corporate action of 5GN, and 5GN has taken or will take all necessary corporate action to authorise the performance by 5GN of this deed and the transactions contemplated by this deed;
- (c) **power:** it has full capacity, corporate power and lawful authority to execute, deliver and perform this deed and to carry out the transactions contemplated by this deed;
- (d) **deed binding:** this deed is a valid and binding obligation of 5GN, enforceable in accordance with its terms;



- (e) **capital structure:** its capital structure, including all issued securities as at the date of this deed, is as set out below and it has not issued or granted (or agreed to issue or grant) any other securities, options, warrants, performance rights or other instruments which are still outstanding and may convert into 5GN Shares (whether or not subject to conditions) other than as set out below and it is not under any obligation to issue or grant, and no person has any right to call for the issue or grant of, any 5GN Shares, options, warrants, performance rights or other securities or instruments in 5GN (whether or not subject to conditions):
- 106,869,976 5GN Shares (being 91,593,023 5GN Shares on issue immediately before the placement that was undertaken on 4 September 2020 (**Placement**) plus 15,276,953 5GN Shares issued under the Placement);
  - 5,000,000 performance rights (each capable of being converted into 1 5GN Share);
  - 8,500,000 options (ESOP) (each capable of being converted into 1 5GN Share); and
  - 200,000 options (each capable of being converted into 1 5GN Share);
- (f) **continuous disclosure:** as at the date of this deed, 5GN is in compliance with its continuous disclosure obligations under Listing Rule 3.1 and, other than for the Takeover Bid, it is not relying on the carve-out in Listing Rule 3.1A to withhold any material information from public disclosure; and
- (g) **no shareholder approval:** it does not require approval from its shareholders to undertake or complete the Takeover Bid.

## 5.2 5GN's indemnity

- (a) 5GN agrees with Webcentral (in its own right and separately as trustee or nominee for each of the other Webcentral Indemnified Parties) to indemnify Webcentral and each of the Webcentral Indemnified Parties against any claim, action, damage, loss, liability, cost, expense or payment of whatever nature and however arising that Webcentral or any of the other Webcentral Indemnified Parties suffers, incurs or is liable for arising out of any breach of any of the 5GN Representations and Warranties.
- (b) Webcentral receives and holds the benefit of clause 5.2(a) to the extent it relates to each other Webcentral Indemnified Party as trustee for each of them.

## 5.3 Webcentral's representations and warranties

Webcentral represents and warrants to 5GN (in its own right and separately as trustee or nominee for each of the other 5GN Indemnified Parties), as at the date of this deed and until the end of the Offer Period, that:

- (a) **validly existing:** it is a validly existing corporation registered under the laws of its place of incorporation;
- (b) **authority:** the execution and delivery of this deed by Webcentral has been properly authorised by all necessary corporate action of Webcentral, and Webcentral has taken or will take all necessary corporate action to authorise the performance by Webcentral of this deed and the transactions contemplated by this deed;



- (c) **power:** it has full capacity, corporate power and lawful authority to execute, deliver and perform this deed and to carry out the transactions contemplated by this deed;
- (d) **deed binding:** this deed is a valid and binding obligation of Webcentral, enforceable in accordance with its terms;
- (e) **capital structure:** its capital structure, including all issued securities as at the date of this deed, is as set out below and it has not issued or granted (or agreed to issue or grant) any other securities, options, warrants, performance rights or other instruments which are still outstanding and may convert into Webcentral Shares (whether or not subject to conditions) other than as set out below and it is not under any obligation to issue or grant, and no person has any right to call for the issue or grant of, any Webcentral Shares, options, warrants, performance rights or other securities or instruments in Webcentral (whether or not subject to conditions):
  - 122,131,124 Webcentral Shares; and
- (f) **continuous disclosure:** as at the date of this deed, Webcentral is in compliance with its continuous disclosure obligations under Listing Rule 3.1 and, other than for the Takeover Bid and the Scheme, it is not relying on the carve-out in Listing Rule 3.1A to withhold any material information from public disclosure.

#### 5.4 Webcentral's indemnity

- (a) Webcentral agrees with 5GN (in its own right and separately as trustee or nominee for each 5GN Indemnified Party) to indemnify 5GN and each of the 5GN Indemnified Parties from any claim, action, damage, loss, liability, cost, expense or payment of whatever nature and however arising that 5GN or any of the other 5GN Indemnified Parties suffers, incurs or is liable for arising out of any breach of any of the Webcentral Representations and Warranties.
- (b) 5GN receives and holds the benefit of clause 5.4(a) to the extent it relates to each other 5GN Indemnified Party as trustee for each of them.

#### 5.5 Survival of representations and warranties

Each representation and warranty made or given in clause 5.1 and clause 5.3:

- (a) is severable;
- (b) survives the termination of this deed; and
- (c) is given with the intention that liability under it is not confined to breaches that are discovered before the date of termination of this deed.

#### 5.6 Survival of indemnities

Each indemnity in this deed (including those in clauses 5.2 and 5.4):

- (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.



## 5.7 No representation or reliance

- (a) Each party acknowledges that no party (nor any person acting on its behalf) has made any representation, warranty or other inducement to it to enter into this deed, except for representations, warranties 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, warranty or other inducement by or on behalf of any other party, except for any representation, warranty or inducement expressly set out in this deed.

## 6 Releases

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### 6.1 Webcentral and Webcentral directors and officers

- (a) 5GN:
  - (1) releases its rights; and
  - (2) agrees with Webcentral that it will not make, and that on and from the Control Date, it will procure that each Webcentral Group Member does not make, any claim,  
  
against any Webcentral Indemnified Party (other than Webcentral and its Related Bodies Corporate) as at the date of this deed and from time to time in connection with:
    - (3) any breach of any representations, covenants and warranties of Webcentral or any other member of the Webcentral Group in this deed;
    - (4) any disclosures containing any statement which is false or misleading whether in content or by omission; or
    - (5) any failure to provide information,  
  
whether current or future, known or unknown, arising at common law, in equity, under statute or otherwise, except where the Webcentral Indemnified Party has engaged in wilful misconduct, wilful concealment or fraud. For the avoidance of doubt, nothing in this clause 6.1(a) limits 5GN's rights to terminate this deed under clause 9.
- (b) Clause 6.1(a) is subject to any Corporations Act restriction and will be read down accordingly.
- (c) Webcentral receives and holds the benefit of this clause 6.1 to the extent it relates to each Webcentral Indemnified Party as trustee for each of them.

### 6.2 5GN and 5GN directors and officers

- (a) Webcentral:
  - (1) releases its rights; and



- (2) agrees with 5GN that it will not make a claim,  
against any 5GN Indemnified Party (other than 5GN and its Related Bodies Corporate) as at the date of this deed and from time to time in connection with:
  - (3) any breach of any representations, covenants and warranties of 5GN or any other member of 5GN Group in this deed;
  - (4) any disclosure containing any statement which is false or misleading whether in content or by omission; or
  - (5) any failure to provide information,  
whether current or future, known or unknown, arising at common law, in equity, under statute or otherwise, except where 5GN Indemnified Party has engaged in wilful misconduct, wilful concealment or fraud. For the avoidance of doubt, nothing in this clause 6.2(a) limits Webcentral's rights to terminate this deed under clause 9.
- (b) Clause 6.2(a) is subject to any Corporations Act restriction and will be read down accordingly.
- (c) 5GN receives and holds the benefit of this clause 6.2 to the extent it relates to each 5GN Indemnified Party as trustee for each of them.

### 6.3 Deeds of indemnity and insurance

- (a) On and from the Control Date, 5GN undertakes in favour of Webcentral and each other person who is a Webcentral Indemnified Party that it will:
  - (1) for a period of seven years from the Control Date, ensure that the constitutions of Webcentral and each other Webcentral Group Member continue to contain such rules as are contained in those constitutions at the date of this deed that provide for each company to indemnify each of its directors and officers against any liability incurred by that person in his or her capacity as a director or officer of the company to any person other than a Webcentral Group Member; and
  - (2) procure that Webcentral and each Webcentral Group Member complies with any deeds of indemnity, access and insurance made by them in favour of their respective directors and officers from time to time and without limiting the foregoing, ensure that directors' and officers' run-off insurance cover for such directors and officers is maintained for a period of seven years from the retirement date of each director and officer.
- (b) 5GN acknowledges that notwithstanding any other provision of this deed, Webcentral may, on or prior to the end of the Offer Period, enter into arrangements (including paying any upfront amounts necessary to secure such arrangements) to secure directors' and officers' run-off insurance for up to such seven year period as referred to in clause 6.3(a)(2) (**D&O Policy**), and that any actions to facilitate or in connection with such D&O Policy will not be a breach of any provision of this deed, provided that:
  - (1) 5GN may during the 21 day period commencing on the date of this deed obtain a quote (or quotes) from a reputable insurer (or insurers) for a D&O Policy (**Alternative D&O Policy**) which is on the same terms, or terms that are the same in all material respects, as the D&O Policy that Webcentral was, before the date of this deed, proposing to

enter into (**Proposed D&O Policy**) and may provide a copy of the Alternative D&O Policy to the Webcentral Directors;

- (2) Webcentral will provide any information or assistance that 5GN reasonably requests in order to assist 5GN in obtaining such quotes as referred to in clause 6.3(b)(1), provided that nothing in this clause 6.3(b)(2) will require Webcentral to share any information if that would, or would be reasonably likely to, result in a waiver of legal privilege or a breach by Webcentral of any confidentiality or non-disclosure obligation or any law, regulation or order; and
- (3) if an Alternative D&O Policy is provided to the Webcentral Directors by 5GN in accordance with clause 6.3(b)(1) before the earlier of the expiry of the 21 day period referred to in clause 6.3(b)(1) and the registration of 5GN as the holder of at least 50.1% of all Webcentral Shares, the Webcentral Directors shall be entitled to consider the Proposed D&O Policy and the Alternative D&O Policy and determine in their absolute discretion whether they are satisfied with the cover proposed under, and the material terms and conditions of, the Alternative D&O Policy, and:
  - (A) if the Webcentral Directors determine and notify Webcentral in writing that they are satisfied with the Alternative D&O Policy, Webcentral must enter into arrangements (including paying any upfront amounts necessary to secure such arrangements) to secure the Alternative D&O Policy (and must pay any reasonable fees of Webcentral's broker incurred in relation to the Proposed D&O Policy); and
  - (B) if the Webcentral Directors determine and notify Webcentral in writing that they are not satisfied with the Alternative D&O Policy, Webcentral must enter into arrangements (including paying any upfront amounts necessary to secure such arrangements) to secure the Proposed D&O Policy.
- (c) The undertakings contained in clause 6.3(a) are subject to any Corporations Act restriction and will be read down accordingly.
- (d) Webcentral receives and holds the benefit of clause 6.3(a) and clause 6.3(b), to the extent it relates to the other Webcentral Indemnified Parties, as trustee for them.

## 7 Exclusivity

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### 7.1 No shop and no talk

During the Exclusivity Period, Webcentral must not, and must ensure that each of its Related Persons and Related Bodies Corporate and the Related Persons of those Related Bodies Corporate do not, directly or indirectly:

- (a) **(no shop)**
  - (1) solicit, invite, encourage or initiate any inquiry, offer, expressions of interest, proposal or discussion by any person in relation to, or which would reasonably be expected to encourage or lead to the making of, an actual, proposed or potential Competing Proposal; or

- (2) communicate to any person an intention to do anything referred to in this clause 7.1(a); or
- (b) **(no talk)** subject to clause 7.3:
  - (1) facilitate, participate in or continue any negotiations or discussions with respect to any inquiry, offer, expression of interest, proposal or discussion by any person regarding, or which would reasonably be expected to encourage or lead to the making of, an actual, proposed or potential Competing Proposal or participate in or continue any negotiations or discussions with respect to any actual, proposed or potential Competing Proposal;
  - (2) negotiate, accept or enter into, or offer or agree to negotiate, accept or enter into, any agreement, arrangement or understanding regarding an actual, proposed or potential Competing Proposal;
  - (3) disclose or otherwise provide or make available any non-public information about the business or affairs of the Webcentral Group to any Third Party in connection with such Third Party formulating, developing or finalising, or assisting in the formulation, development or finalisation of, an actual, proposed or potential Competing Proposal, or which would reasonably be expected to encourage or lead to receipt of, an actual, proposed or potential Competing Proposal (including, without limitation, providing such information for the purposes of the conduct of due diligence investigations in respect of the Webcentral Group) other than as required by law; or
  - (4) communicate to any person an intention to do any of the things referred to in the preceding paragraphs of this clause 7.1(b).

## 7.2 Notification of approaches

- (a) During the Exclusivity Period, Webcentral must as soon as possible (and in any event within 48 hours) notify 5GN in writing if it, or any of its Related Bodies Corporate or any of their respective Related Persons, becomes aware of any approach, attempt to initiate discussions or negotiations, inquiry or proposal (or an intention to do any of those things) received by Webcentral, any of its Related Bodies Corporate or any of their respective Related Persons in relation to an actual, proposed or potential Competing Proposal, whether direct or indirect, in writing or otherwise; and
- (b) a notification given under clause 7.2(a) must include:
  - (1) the material terms and conditions of the actual, proposed or potential Competing Proposal (including price and form of consideration, conditions precedent, proposed deal protection provisions and indicative timetable); and
  - (2) subject to clause 7.3, the identity of the person making the approach (and, if different, the identity of the person making or proposing the relevant Competing Proposal),

in each case to the extent known by Webcentral, Webcentral's Related Bodies Corporate or any of their respective Related Persons.

### 7.3 Fiduciary exception

Neither clause 7.1(b) nor clause 7.2 prohibits any action or inaction by Webcentral, any of its Related Bodies Corporate or any of their respective Related Persons, in relation to a bona fide actual, proposed or potential Competing Proposal if the Webcentral Board determines, acting in good faith:

- (a) after consultation with its financial adviser, that such a bona fide actual, proposed or potential Competing Proposal is a Superior Proposal or could reasonably be expected to become a Superior Proposal; and
- (b) after receiving written legal advice from its external legal advisers, that compliance with clause 7.1(b) or 7.2(b) would constitute, or would be reasonably likely to constitute, a breach of any of the fiduciary or statutory duties of the directors of Webcentral,

provided that the actual, proposed or potential Competing Proposal was not directly or indirectly brought about by, or facilitated by, a breach of this clause 7.

### 7.4 Matching right

- (a) During the Exclusivity Period, Webcentral:
  - (1) must not (and must ensure that each Webcentral Group Member does not) enter into any legally binding agreement, arrangement or understanding (whether or not in writing) pursuant to which one or more of a Third Party, Webcentral or any Related Body Corporate of Webcentral propose or proposes to undertake or give effect to an actual, proposed or potential Competing Proposal; and
  - (2) must use its best endeavours to procure that none of its directors withdraws, adversely changes or adversely modifies their recommendation in favour of the Takeover Bid, publicly recommends an actual, proposed or potential Competing Proposal (or recommends against the Takeover Bid) or make any public statement to the effect that they may do so at a future point (provided that a statement made by Webcentral or the Webcentral Board to the effect that no action should be taken by Webcentral Shareholders pending the assessment of a Competing Proposal by the Webcentral Board and its advisers shall not contravene this clause 7.4(a)(2) (but the communication in which that statement is made must not expressly include any adverse change, withdrawal, adverse modification or adverse qualification to the Webcentral Board's recommendation in favour of the Takeover Bid, unless (but only to the extent) there has been a change of recommendation permitted by clause 2.3(b)) and also subject to any change of recommendation by the Webcentral Board that is permitted by clause 2.3(b)),

unless:

  - (3) the Webcentral Board acting in good faith and in order to satisfy what the Webcentral Board Members consider to be their statutory or fiduciary duties (having received written legal advice from Webcentral's external legal advisers) determines that the Competing Proposal is a Superior Proposal;
  - (4) Webcentral has provided 5GN with the material terms and conditions of the actual, proposed or potential Competing Proposal (including price and form of consideration, conditions precedent, proposed deal



- protection provisions and indicative timetable, each to the extent known);
- (5) Webcentral has given 5GN at least 5 Business Days after the date of the provision of the information referred to in clause 7.4(a)(4) to announce or provide a 5GN Counterproposal (as defined in clause 7.4(b)); and
  - (6) either:
    - (A) 5GN has not announced or provided a 5GN Counterproposal (as defined in clause 7.4(b)) by the expiry of the 5 Business Day period referred to in clause 7.4(a)(5); or
    - (B) 5GN has announced or provided a 5GN Counterproposal (as defined in clause 7.4(b)) by the expiry of the 5 Business Day period referred to in clause 7.4(a)(5), and the Webcentral Board has reviewed the 5GN Counterproposal in accordance with clause 7.4(b) and concluded that the 5GN Counterproposal does not constitute a Matching or Superior Proposal (as defined in clause 7.4(b)).
  - (b) If 5GN announces or provides proposed amendments to the Agreed Bid Terms or a new proposal (**5GN Counterproposal**) by the expiry of the 5 Business Day period referred to in clause 7.4(a)(5), Webcentral must procure that the Webcentral Board considers the 5GN Counterproposal and if the Webcentral Board, acting reasonably and in good faith, determines that the 5GN Counterproposal would provide an equivalent or superior outcome for Webcentral Shareholders as a whole compared with the Competing Proposal (**Matching or Superior Proposal**), taking into account all of the terms and conditions of the 5GN Counterproposal, then:
    - (1) Webcentral and 5GN must use their best endeavours to agree the amendments to this deed that are reasonably necessary to reflect the 5GN Counterproposal and to implement the 5GN Counterproposal, in each case as soon as reasonably practicable; and
    - (2) Webcentral must use its best endeavours to procure that each Webcentral Board Member continues to recommend the Takeover Bid (as modified by the 5GN Counterproposal) to Webcentral Shareholders, subject to any change of recommendation by the Webcentral Board that is permitted by clause 2.3(b).
  - (c) For the purposes of this clause 7.4, each successive material modification of any Competing Proposal or potential Competing Proposal will constitute a new Competing Proposal or potential Competing Proposal, and the procedures set out in this clause 7.4 must again be followed prior to any member of the Webcentral Group entering into any agreement, arrangement, understanding or commitment to give effect to such Competing Proposal or potential Competing Proposal.

## 7.5 Compliance with law

- (a) If it is finally determined by a court, or the Takeovers Panel, that the agreement by the parties under this clause 7 or any part of it:
  - (1) constituted, or constitutes, or would constitute, a breach of the fiduciary or statutory duties of the directors of Webcentral;

- (2) constituted, or constitutes, or would constitute, 'unacceptable circumstances' within the meaning of the Corporations Act; or
  - (3) was, or is, or would be, unlawful for any other reason,
- then, to that extent (and only to that extent) Webcentral will not be obliged to comply with that provision of this clause 7.
- (b) The parties must not make or cause or permit to be made, any application to a court or the Takeovers Panel for or in relation to a determination referred to in this clause 7.5.

## 7.6 Usual provision of information

Nothing in this clause 7 prevents Webcentral from:

- (a) providing any information to its Related Persons;
- (b) providing any information to any Government Agency;
- (c) providing any information required to be provided by any applicable law, including to satisfy its obligations under the Listing Rules or to any Government Agency;
- (d) providing any information to its auditors, customers, financiers, joint venturers and suppliers acting in that capacity in the ordinary course of business; and

making presentations to, or responding to enquiries from, brokers, portfolio investors, analysts and other third parties, and engaging with financiers and potential financiers, in the ordinary course of business or promoting the merits of the Takeover Bid.

## 8 Reimbursement Fees

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### 8.1 Background to Reimbursement Fees

- (a) 5GN and Webcentral acknowledge that, if they enter into this deed and the Takeover Bid is subsequently not implemented, each party will incur significant costs, including those set out in clause 8.5.
- (b) In the circumstances referred to in clause 8.1(a), each party has requested from the other party that provision be made for the payments outlined in this clause 8, without which neither of them would have entered into this deed or have otherwise agreed to implement the Takeover Bid.
- (c) Each party acknowledges, having taken separate advice from its external legal advisers, that the implementation of the Takeover Bid will provide benefits to it and its shareholders such that it is appropriate for it to agree the payments referred to in this clause 8 in order to secure the other party's participation in the Takeover Bid.

### 8.2 Reimbursement Fee triggers

Subject to the remaining provisions of this clause 8, Webcentral must pay the Reimbursement Fee to 5GN in accordance with clause 8.4 if:

- (a) during the Exclusivity Period, any Webcentral Board Member:



- (1) withdraws or adversely changes or adversely qualifies his recommendation in favour of the Takeover Bid;
- (2) fails to recommend the Takeover Bid in the manner described in clause 2.3(a)(1); or
- (3) recommends that Webcentral Shareholders accept or vote in favour of, or otherwise supports or endorses, a Competing Proposal of any kind that is announced (whether or not such proposal is stated to be subject to any pre-conditions) during the Exclusivity Period,

in each case unless:

- (4) there has been a failure of a Bid Condition, other than as a result of a breach by Webcentral of clause 3.5 (to the extent applicable to the relevant Bid Condition); or
- (5) Webcentral is entitled to terminate this deed pursuant to clauses 9.1(a) or 9.2(b), and has given the appropriate termination notice to 5GN,

provided that, for the avoidance of doubt, a statement made by Webcentral or the Webcentral Board to the effect that no action should be taken by Webcentral Shareholders pending the assessment of a Competing Proposal by the Webcentral Board and its advisers will not require Webcentral to pay the Reimbursement Fee to 5GN (provided that the communication in which that statement is made must not expressly include any adverse change, withdrawal, adverse modification or adverse qualification to the Webcentral Board's recommendation in favour of the Takeover Bid, unless (but only to the extent) there has been a change of recommendation permitted by clause 2.3(b));

- (b) a Competing Proposal of any kind is announced during the Exclusivity Period (whether or not such proposal is stated to be subject to any pre-conditions) and, within 12 months of the date of such announcement, the Third Party or any one or more Associates of that Third Party completes a Competing Proposal of a kind referred to in any of paragraphs 2, 3 or 4 of the definition of Competing Proposal; or
- (c) 5GN has terminated this deed pursuant to clause 9.1(a)(1) or 9.2(a).

### 8.3 Reverse Reimbursement Fee

Subject to the remaining provisions of this clause 8, 5GN must pay the Reverse Reimbursement Fee to Webcentral in accordance with clause 8.4 if Webcentral has terminated this deed pursuant to clause 9.1(a)(1), 9.1(c)(2) or 9.2(b).

### 8.4 Payment of Reimbursement Fees

- (a) A demand by a party for payment of the Reimbursement Fee under clause 8.2, or Reverse Reimbursement Fee under clause 8.3 (as applicable) must:
  - (1) be in writing;
  - (2) be made after the occurrence of the event in that clause giving rise to the right to payment and termination of this deed;
  - (3) state the circumstances which give rise to the demand; and
  - (4) nominate an account in the name of to the party for payment of the Reimbursement Fee or Reverse Reimbursement Fee (as applicable).

- (b) Webcentral must pay the Reimbursement Fee into the account nominated by 5GN, without set-off or withholding, within 10 Business Days after receiving a demand for payment where 5GN is entitled under clause 8.2 to the Reimbursement Fee.
- (c) 5GN must pay the Reverse Reimbursement Fee into the account nominated by Webcentral, without set-off or withholding, within 10 Business Days after receiving a demand for payment where Webcentral is entitled under clause 8.3 to the Reverse Reimbursement Fee.

## 8.5 Basis of Reimbursement Fees

The payment by a party under clause 8.2 or clause 8.3 (as applicable) is an amount to compensate the other party for the costs and expenses including the following:

- (a) fees for legal, financial and other professional advice in planning and implementing the Takeover Bid (excluding success fees);
- (b) reasonable opportunity costs incurred in engaging in the Takeover Bid or in not engaging in other alternative acquisitions or strategic initiatives;
- (c) costs of its management and directors' time in planning and implementing the Takeover Bid; and
- (d) out of pocket expenses incurred by a party and its employees, advisers and agents in planning and implementing the Takeover Bid;

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 Reimbursement Fee and Reverse Reimbursement Fee is a genuine and reasonable pre-estimate of those costs.

## 8.6 Compliance with law

- (a) This clause 8 does not impose an obligation on a party to pay the Reimbursement Fee or Reverse Reimbursement Fee (as applicable) to the extent (and only to the extent) that the obligation to pay the Reimbursement Fee or Reverse Reimbursement Fee (as applicable):

- (1) is declared by the Takeovers Panel to constitute 'unacceptable circumstances'; or
- (2) is determined to be unenforceable or unlawful (including by virtue of it being a breach of the fiduciary or statutory duties of the Webcentral Board Members or 5GN Board Members) by a court or regulatory body,

provided that all proper avenues of appeal and review, judicial and otherwise, have been exhausted, and the party who received the Reimbursement Fee or Reverse Reimbursement Fee will refund the payor within 10 Business Days any amount in excess of its obligation under this clause that has already paid to it when that declaration or determination is made. For the avoidance of doubt, any part of the Reimbursement Fee or Reverse Reimbursement Fee (as applicable) that would not constitute unacceptable circumstances or that is not unenforceable or unlawful (as applicable) must be paid by Webcentral or 5GN (as applicable).



- (b) The parties must not make or cause or permit to be made, any application to the Takeovers Panel or a court or regulatory body for or in relation to a declaration or determination referred to in clause 8.6(a).
- (c) If the Takeovers Panel or a court or regulatory body requires any modification (including requiring such a modification as a condition of consenting to or approving the Takeover Bid or as a condition of not opposing the Takeover Bid) to the Reimbursement Fee or Reverse Reimbursement Fee, including as to the amount or circumstances in which it is to be paid, then:
  - (1) the parties will accept this determination and amend this deed to that extent; and
  - (2) it will not result in a breach of this deed or termination of the transactions contemplated by it.

## **8.7 Reimbursement Fees payable only once**

- (a) Where the Reimbursement Fee becomes payable to 5GN under clause 8.2 and is actually paid to 5GN, 5GN cannot make any claim against Webcentral for payment of any subsequent reimbursement or break fee.
- (b) Where the Reverse Reimbursement Fee becomes payable to Webcentral under clause 8.3 and is actually paid to Webcentral, Webcentral cannot make any claim against 5GN for payment of any subsequent reimbursement or break fee.

## **8.8 Other Claims**

- (a) Despite anything to the contrary in this deed, the maximum aggregate amount which Webcentral is required to pay in relation to this deed (including any breach of this deed by Webcentral or any other Claim) is the amount of the Reimbursement Fee and in no event will the aggregate liability of Webcentral under or in connection with this deed or any Claim exceed the amount of the Reimbursement Fee.
- (b) Despite anything to the contrary in this deed, the maximum aggregate amount which 5GN is required to pay in relation to this deed (including any breach of this deed by 5GN or any other Claim) is the amount of the Reverse Reimbursement Fee and in no event will the aggregate liability of 5GN under or in connection with this deed or any Claim exceed the amount of the Reverse Reimbursement Fee.

## **8.9 No Reimbursement Fees if Takeover Bid implemented**

Despite anything to the contrary in this deed, the Reimbursement Fee will not be payable to 5GN if:

- (a) the Takeover Bid becomes or is declared unconditional and 5GN becomes or is the holder of a Relevant Interest in at least 50.1% of the Webcentral Shares as a result of the Takeover Bid; or
- (b) Webcentral has validly terminated this deed in accordance with clauses 9.1(a)(1), 9.1(c)(2) or 9.2(b) notwithstanding the occurrence of any event in clause 8.2,

and if the Reimbursement Fee has already been paid to 5GN it must be refunded by 5GN within 10 Business Days after the earlier of (i) the date on which 5GN acquired a Relevant Interest in at least 50.1% of the Webcentral Shares or (ii) termination of this deed in accordance with clauses 9.1(a)(1), 9.1(c)(2) or 9.2(b) (as applicable).

## 9 Termination

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### 9.1 Termination

- (a) Either party may terminate this deed by written notice to the other party:
  - (1) other than in respect of a breach of either a 5GN Representation and Warranty or a Webcentral Representation and Warranty (which are dealt with under clause 9.2), at any time before the end of the Offer Period, if the other party has materially breached this deed, the party entitled to terminate has given written notice to the party in breach of this deed setting out the relevant circumstances and stating an intention to terminate this deed, and the other party has failed to remedy the breach within 5 Business Days (or any shorter period ending at the end of the Offer Period) after the date on which the notice is given;
  - (2) if a court or Government Agency has issued an order, decree or ruling, or taken other action, that permanently restrains or prohibits the Takeover Bid, and the action is final and cannot be appealed or reviewed or the party, acting reasonably, believes that there is no realistic prospect of a successful appeal or review;
  - (3) if the Takeover Bid lapses for any reason, including non-fulfilment of a Bid Condition;
  - (4) if 5GN has not acquired (or will not acquire) a Relevant Interest in at least 50.1% of all Webcentral Shares on or before 31 December 2020;
  - (5) on or after the end of the Offer Period; or
  - (6) if 5GN withdraws the Takeover Bid with the prior written consent of Webcentral under clause 2.2(c).
- (b) 5GN may terminate this deed by written notice to Webcentral at any time before the end of the Offer Period if after the date of this deed any Webcentral Board Member:
  - (1) fails to recommend the Takeover Bid in the terms required under this deed;
  - (2) withdraws or adversely changes, adversely modifies or adversely qualifies his support of the Takeover Bid or his recommendation that Webcentral Shareholders accept the Offer; or
  - (3) makes a public statement indicating that he no longer recommends the Takeover Bid or recommends, supports or endorses another transaction (including any Competing Proposal) but excluding a statement that no action should be taken by Webcentral Shareholders pending assessment of a Competing Proposal by the Webcentral Board (provided that the communication in which that statement is made must not expressly include any adverse change, withdrawal, adverse modification or adverse qualification to the Webcentral Board's recommendation that Webcentral Shareholders accept the Offer, unless (but only to the extent) there has been a change of recommendation permitted by clause 2.3(b).
- (c) Webcentral may terminate this deed by written notice to 5GN at any time before the end of the Offer Period if:

- (1) after the date of this deed the Webcentral Board or a majority of the Webcentral Board has changed, withdrawn, modified or qualified its recommendation as permitted under clause 2.3(b)(1); or
- (2) 5GN withdraws the Takeover Bid or applies to ASIC for consent to withdraw unaccepted Offers under the Corporations Act.
- (d) This deed is terminable if agreed to in writing by 5GN and Webcentral.

## 9.2 Termination for breach of representations and warranties

- (a) 5GN may, at any time before the end of the Offer Period, terminate this deed for a breach of a Webcentral Representation and Warranty only if:
  - (1) 5GN has given written notice to Webcentral setting out the relevant circumstances and stating an intention to terminate this deed or allow the Takeover Bid to lapse;
  - (2) the relevant breach continues to exist 10 Business Days (or any shorter period ending at the end of the Offer Period) after the date on which the notice is given under clause 9.2(a)(1); and
  - (3) the relevant breach is material in the context of the Takeover Bid taken as a whole.
- (b) Webcentral may, at any time before the end of the Offer Period, terminate this deed for breach of a 5GN Representation and Warranty only if:
  - (1) Webcentral has given written notice to 5GN setting out the relevant circumstances and stating an intention to terminate this deed;
  - (2) the relevant breach continues to exist 10 Business Days (or any shorter period ending at the end of the Offer Period) after the date on which the notice is given under clause 9.2(b)(1); and
  - (3) the relevant breach is material in the context of the Takeover Bid taken as a whole.

## 9.3 Effect of termination

If this deed is terminated by a party under clauses 9.1 or 9.2:

- (a) each party will be released from its obligations under this deed, except that this clause 9.3 and clauses 1, 5, 6.1, 6.2, 6.3, 8, 10, 11, 12, 13 and 14 (except clause 14.9) which will survive termination and remain in force;
- (b) each party will retain the rights it has or may have against the other party in respect of any past breach of this deed; and
- (c) in all other respects, all future obligations of the parties under this deed will immediately terminate and be of no further force or effect, including, without limitation, any further obligations in respect of the Takeover Bid.

## 9.4 Termination

Where a party has a right to terminate this deed, that right for all purposes will be validly exercised if the party delivers a notice in writing to the other party stating that it terminates this deed and the provision under which it is terminating the deed.



## 9.5 No other termination

Neither party may terminate or rescind this deed except as permitted under clauses 9.1 or 9.2.

## 10 Confidentiality

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The parties acknowledge and agree that they continue to be bound by the Confidentiality Agreement after the date of this deed in respect of all information received by it from the other party before or after the date of this deed (provided that this deed prevails to the extent of any inconsistency with the Confidentiality Agreement). The rights and obligations of the parties under the Confidentiality Agreement survive termination of this deed.

## 11 Duty, costs and expenses

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### 11.1 Stamp duty

5GN:

- (a) must pay all stamp duties and any fines and penalties with respect to stamp duty in respect of the execution, delivery and performance of this deed; and
- (b) indemnifies Webcentral against any liability arising from its failure to comply with clause 11.1(a).

### 11.2 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, delivery and performance of this deed and the proposed, attempted or actual implementation of this deed and the Takeover Bid.

## 12 GST

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- (a) Any consideration or amount payable under this deed, including any non-monetary consideration (as reduced in accordance with clause 12(e) if required) (**Consideration**) is exclusive of GST.
- (b) If GST is or becomes payable on a Supply made under or in connection with this deed, an additional amount (**Additional Amount**) is payable by the party providing consideration for the Supply (**Recipient**) equal to the amount of GST payable on that Supply as calculated by the party making the Supply (**Supplier**) in accordance with the GST Law.
- (c) The Additional Amount payable under clause 12(b) is payable at the same time and in the same manner as the Consideration for the Supply, and the Supplier must provide the Recipient with a Tax Invoice. However, the Additional Amount is only payable on receipt of a valid Tax Invoice.



- (d) If for any reason (including the occurrence of an Adjustment Event) the amount of GST payable on a Supply (taking into account any Decreasing or Increasing Adjustments in relation to the Supply) varies from the Additional Amount payable by the Recipient under clause 12(b):
- (1) the Supplier must provide a refund or credit to the Recipient, or the Recipient must pay a further amount to the Supplier, as appropriate;
  - (2) the refund, credit or further amount (as the case may be) will be calculated by the Supplier in accordance with the GST Law; and
  - (3) the Supplier must notify the Recipient of the refund, credit or further amount within 14 days after becoming aware of the variation to the amount of GST payable. Any refund or credit must accompany such notification or the Recipient must pay any further amount within 7 days after receiving such notification, as appropriate. If there is an Adjustment Event in relation to the Supply, the requirement for the Supplier to notify the Recipient will be satisfied by the Supplier issuing to the Recipient an Adjustment Note within 14 days after becoming aware of the occurrence of the Adjustment Event.
- (e) Despite any other provision in this deed if an amount payable under or in connection with this deed (whether by way of reimbursement, indemnity or otherwise) is calculated by reference to an amount incurred by a party, whether by way of cost, expense, outlay, disbursement or otherwise (**Amount Incurred**), the amount payable must be reduced by the amount of any Input Tax Credit to which that party is entitled in respect of that Amount Incurred.
- (f) Any reference in this clause to an Input Tax Credit to which a party is entitled includes an Input Tax Credit arising from a Creditable Acquisition by that party but to which the Representative Member of a GST Group of which the party is a member is entitled.
- (g) Any term starting with a capital letter in this clause 12 that is not defined in this clause 12 has the same meaning as the term has in the *A New Tax System (Goods & Services Tax) Act 1999* (Cth).

## 13 Notices

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### 13.1 Form of Notice

A notice or other communication to a party under this deed (**Notice**) must be:

- (a) in writing and in English and signed by or on behalf of the sending party; and
- (b) addressed to that party in accordance with the details nominated below (or any alternative details nominated to the sending party by Notice).

Name	Attention	Address	Email
Webcentral	Brendan White	Level 9, 505 Little Collins Street Melbourne Victoria 3000 Australia	<a href="mailto:brendan.white@webcentralgroup.com.au">brendan.white@webcentralgroup.com.au</a>





Name	Attention	Address	Email
with a copy to: Herbert Smith Freehills	Andrew Rich Imogen White Ken Ooi	Level 33, ANZ Tower 161 Castlereagh Street Sydney NSW 2000 Australia	<a href="mailto:andrew.rich@hsf.com">andrew.rich@hsf.com</a> ; <a href="mailto:imogen.white@hsf.com">imogen.white@hsf.com</a> <a href="mailto:ken.ooi@hsf.com">ken.ooi@hsf.com</a>
5GN	Glen Dymond	Level 8, 99 William Street Melbourne Victoria 3000 Australia	<a href="mailto:gdv@5gn.com.au">gdv@5gn.com.au</a>
with a copy to: Cornwalls	Michael Wilton	Level 10, 114 William Street Melbourne Victoria 3000 Australia	<a href="mailto:m.wilton@cornwalls.com.au">m.wilton@cornwalls.com.au</a>

## 13.2 How Notice must be given and when Notice is received

- (a) A Notice must be given by one of the methods set out in the table below.
- (b) A Notice is regarded as given and received at the time set out in the table below.

However, if this means the Notice would be regarded as given and received outside the period between 9.00am and 5.00pm (addressee's time) on a Business Day (**business hours period**), then the Notice will instead be regarded as given and received at the start of the following business hours period.

Method of giving Notice	When Notice is regarded as given and received
By hand to the nominated address	When delivered to the nominated address
By pre-paid post to the nominated address	At 9.00am (addressee's time) on the second Business Day after the date of posting
By email to the nominated email address	The earlier of: <ol style="list-style-type: none"> <li>the sender's email server generating a message to the sender confirming that the email has been delivered to the sender ("delivery receipt"), or at the time that the recipient "read" the email as stated in an automated message received by the sender ("read receipt"); or</li> <li>two hours after the time the email is sent (as recorded on the device from which the email was sent) unless the sender receives an automated message that the email has not</li> </ol>





**Method of giving Notice**

**When Notice is regarded as given and received**

been delivered.

### **13.3 Notice must not be given by electronic communication**

A Notice must not be given by electronic means of communication (other than email as permitted in clause 13.2).

## **14 General**

### **14.1 Governing law and jurisdiction**

- (a) This deed is governed by the law in force in New South Wales, Australia.
- (b) Each party irrevocably submits to the exclusive jurisdiction of courts exercising jurisdiction in New South Wales, Australia and courts of appeal from them in respect of any proceedings arising out of or in connection with this deed. Each party irrevocably waives any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

### **14.2 Service of process**

Without preventing any other mode of service, any document in an action (including any writ of summons or other originating process or any third or other party notice) may be served on any party by being delivered to or left for that party at its address for service of notices under clause 13.

### **14.3 No merger**

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

### **14.4 Invalidity and enforceability**

- (a) If any provision of this deed is invalid under the law of any jurisdiction, the provision is enforceable in that jurisdiction to the extent that it is not invalid, whether it is in severable terms or not.
- (b) Clause 14.4(a) does not apply where enforcement of the provision of this deed in accordance with clause 14.4(a) would materially affect the nature or effect of the parties' obligations under this deed.

### **14.5 Waiver**

No party to this deed may rely on the words or conduct of any other party as a waiver of any right unless the waiver is in writing and signed by the party granting the waiver.



The meanings of the terms used in this clause 14.5 are set out below.

Term	Meaning
<b>conduct</b>	includes delay in the exercise of a right.
<b>Right</b>	any right arising under or in connection with this deed and includes the right to rely on this clause.
<b>Waiver</b>	includes an election between rights and remedies, and conduct which might otherwise give rise to an estoppel.

## **14.6 Variation**

A variation of any term of this deed must be in writing and signed by the parties.

## **14.7 Assignment of rights**

- (a) A party may not assign, novate, declare a trust over or otherwise transfer or deal with any of its rights or obligations under this deed without the prior written consent of the other party or as expressly provided in this deed.
- (b) A breach of clause 14.7(a) by a party shall be deemed to be a material breach for the purposes of clause 9.1(a)(1).
- (c) Clause 14.7(b) does not affect the construction of any other part of this deed.

## **14.8 No third party beneficiary**

This deed shall be binding on and inure solely to the benefit of each party to it and each of their respective permitted successors and assigns, and nothing in this deed is intended to or shall confer on any other person, other than the 5GN Indemnified Parties and the Webcentral Indemnified Parties, in each case to the extent set forth in clause 5 and clause 6, any third party beneficiary rights.

## **14.9 Further action to be taken at each party's own expense**

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

## **14.10 Entire agreement**

This deed and the Confidentiality Agreement state all the express terms agreed by the parties in respect of their subject matter. They supersede all prior discussions, negotiations, understandings and agreements in respect of their subject matter.

## **14.11 Counterparts**

This deed may be executed in any number of counterparts.



#### **14.12 Electronic execution**

A party may sign electronically a soft copy of this deed through DocuSign or other electronic means, and bind itself accordingly. That will satisfy any statutory or other requirements for it to be in writing and signed by that party. Any soft copy so signed will constitute an executed original counterpart. In addition, it is intended to print it out when so signed, so that the relevant signatures will appear in the printout, and any printout will also be an executed original counterpart.

#### **14.13 Relationship of the parties**

- (a) Nothing in this deed gives a party authority to bind any other party in any way.
- (b) Nothing in this deed imposes any fiduciary duties on a party in relation to any other party.

#### **14.14 Remedies cumulative**

Except as provided in this deed and permitted by law, the rights, powers and remedies provided in this deed are cumulative with, and not exclusive of, the rights, powers and remedies provided by law independently of this deed.

#### **14.15 Exercise of rights**

- (a) Unless expressly required by the terms of this deed, a party is not required to act reasonably in giving or withholding any consent or approval or exercising any other right, power, authority, discretion or remedy, under or in connection with this deed.
- (b) A party may (without any requirement to act reasonably) impose conditions on the grant by it of any consent or approval, or any waiver of any right, power, authority, discretion or remedy, under or in connection with this deed. Any conditions must be complied with by the party relying on the consent, approval or waiver.



## Schedules

### Table of contents

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<b>Definitions and interpretation</b>	<b>37</b>
<b>Agreed Bid Terms</b>	<b>47</b>

# Schedule 1

## Definitions and interpretation

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### 1 Definitions

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Term	Meaning
<b>5GN Group</b>	5GN and each of its Subsidiaries, and a reference to a <b>5GN Group Member</b> or a <b>member of the 5GN Group</b> is to 5GN or any of its Subsidiaries.
<b>5GN Indemnified Parties</b>	5GN, its Subsidiaries and their respective directors, officers and employees.
<b>5GN Representations and Warranties</b>	the representations and warranties of 5GN set out in clause 5.1.
<b>Agreed Bid Terms</b>	the terms and conditions of the Offer set out in Schedule 2.
<b>Announcement Date</b>	the date on which the Takeover Bid is announced in accordance with clause 2.2(b).
<b>ASIC</b>	the Australian Securities and Investments Commission.
<b>Associate</b>	has the meaning set out in section 12 of the Corporations Act as if subsection 12(1) of the Corporations Act included a reference to this deed and Webcentral was the designated body.
<b>ASX</b>	ASX Limited ABN 98 008 624 691 and, where the context requires, the financial market that it operates.
<b>Authorisation</b>	any approval, licence, authorisation, consent, authority or permit.
<b>Bid Conditions</b>	the conditions to the Offer set out in clause 3 of Schedule 2 to this deed.

Term	Meaning
<b>Bidder's Statement</b>	the bidder's statement to be prepared by 5GN in relation to the Takeover Bid in compliance with Part 6.5 of the Corporations Act.
<b>Business Day</b>	a day that is not a Saturday, Sunday or a public holiday or bank holiday in Sydney, Australia or Melbourne, Australia.
<b>Claim</b>	<p>any claim, demand, legal proceedings or cause of action (including any claim, demand, legal proceedings or cause of action:</p> <ol style="list-style-type: none"> <li>1 based in contract, including breach of warranty;</li> <li>2 based in tort, including misrepresentation or negligence;</li> <li>3 under common law or equity; or</li> <li>4 under statute, including the Australian Consumer Law (being Schedule 2 of the <i>Competition and Consumer Act 2010</i> (Cth)) or Part VI of the <i>Competition and Consumer Act 2010</i> (Cth), or like provision in any state or territory legislation),</li> </ol> <p>in any way relating to this deed or the Takeover Bid, and includes a claim, demand, legal proceedings or cause of action arising under an indemnity in this deed.</p>
<b>Competing Proposal</b>	<p>any offer, expression of interest, proposal, agreement, arrangement or transaction, which, if entered into or completed substantially in accordance with its terms, would mean a Third Party (either alone or together with one or more Associates) would:</p> <ol style="list-style-type: none"> <li>1 directly or indirectly acquire a Relevant Interest in, or have a right to acquire, a legal, beneficial or economic interest in, or control of, 15% or more of the Webcentral Shares or the share capital of any material Subsidiary of Webcentral;</li> <li>2 acquire Control of, or merge with, Webcentral or any material Subsidiary of Webcentral;</li> <li>3 directly or indirectly acquire or become the holder of, or otherwise acquire or have a right to acquire, a legal, beneficial or economic interest in, or control of, all or a material part of Webcentral's business or assets or the business or assets of the Webcentral Group;</li> <li>4 otherwise directly or indirectly acquire or merge with Webcentral or any material Subsidiary of Webcentral; or</li> <li>5 require Webcentral to abandon, or otherwise fail to proceed with, the Takeover Bid,</li> </ol> <p>whether by way of takeover bid, members' or creditors' scheme of arrangement, shareholder approved acquisition, capital reduction, buy back, sale or purchase of shares, other securities or assets, assignment of assets and liabilities, incorporated or unincorporated joint venture, dual-listed company (or other synthetic merger), deed of company arrangement, any debt for equity arrangement or other transaction or arrangement.</p>



Term	Meaning
	For the avoidance of doubt, each successive material modification or variation of any proposal, agreement, arrangement or transaction in relation to a Competing Proposal will constitute a new Competing Proposal.
<b>Confidentiality Agreement</b>	the confidentiality deed between Webcentral and 5GN dated 2 March 2020.
<b>Control</b>	has the meaning given in section 50AA of the Corporations Act.
<b>Control Date</b>	means the later to occur of: <ol style="list-style-type: none"><li>1 the date on which 5GN obtains or holds a Relevant Interest in 50.1% or more of all Webcentral Shares on issue; and</li><li>2 the date the Offer is declared unconditional.</li></ol>
<b>Corporations Act</b>	the <i>Corporations Act 2001</i> (Cth).
<b>Exclusivity Period</b>	the period from and including the date of this deed until the earlier of: <ol style="list-style-type: none"><li>1 the date of termination of this deed;</li><li>2 the end of the Offer Period; and</li><li>3 the date that is 4 months after the date of this deed.</li></ol>
<b>Existing Debt Facilities</b>	each of the: <ol style="list-style-type: none"><li>1 A\$ facilities advanced, and bank guarantees issued, pursuant to a facilities agreement originally dated 28 June 2018 between, among others, Australia and New Zealand Banking Group Limited and Webcentral (as amended from time to time including on or about 30 May 2019 and 23 December 2019); and</li><li>2 A\$ facilities advanced, and bank guarantees issued, pursuant to a facilities agreement originally dated 28 June 2018, between, among others, National Australia Bank Limited and Webcentral (as amended from time to time including on or about 30 May 2019 and 23 December 2019).</li></ol>
<b>Existing Financiers</b>	<ol style="list-style-type: none"><li>1 Australia and New Zealand Banking Group Limited; and</li><li>2 National Australia Bank Limited.</li></ol>

Term	Meaning
<b>Fairly Disclosed</b>	a reference to 'Fairly Disclosed' means disclosed to 5GN or Webcentral (as applicable) or any of its Related Persons, to a sufficient extent, and in sufficient detail, so as to enable a reasonable bidder (or one of its Related Persons) experienced in transactions similar to the Takeover Bid and experienced in a business similar to any business conducted by the Webcentral Group or the 5GN Group (respectively) to identify the nature and scope of the relevant matter, event or circumstance (including, in each case, that the potential financial effect of the relevant matter, event or circumstance was reasonably ascertainable from the information disclosed).
<b>Financial Adviser</b>	any financial adviser retained by a party from time to time in relation to the transactions contemplated by this deed.
<b>Financial Indebtedness</b>	<p>any debt or other monetary liability (whether actual or contingent) in respect of monies borrowed or raised or any financial accommodation including under or in respect of any:</p> <ol style="list-style-type: none"> <li>1 bill, bond, debenture, note or similar instrument;</li> <li>2 acceptance, endorsement or discounting arrangement;</li> <li>3 guarantee;</li> <li>4 finance or capital lease;</li> <li>5 agreement for the deferral of a purchase price or other payment in relation to the acquisition of any asset or business;</li> <li>6 agreement for the deferral of a purchase price or other payment in relation to the provision of services other than in the ordinary course of business of the Webcentral Group; or</li> <li>7 obligation to deliver goods or provide services paid for in advance by any financier.</li> </ol>
<b>Government Agency</b>	any foreign or Australian government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity (including any stock or other securities exchange), or any minister of the Crown in right of the Commonwealth of Australia or any State, and any other federal, state, provincial, or local government, whether foreign or Australian.
<b>Key Person</b>	has the meaning given in clause 3.4(b)(2)(A).
<b>Lender</b>	5G Networks Finance Pty Ltd ABN 16 605 721 024 (formerly called Cloud & Data Pty Ltd).





Term	Meaning
<b>Listing Rules</b>	the official listing rules of ASX.
<b>Loan Implementation Deed</b>	the loan implementation deed between Webcentral and 5GN entered into at or about the same time as this deed, pursuant to which Webcentral and 5GN agree to negotiate and enter into a facility agreement.
<b>Material Contract</b>	<p>any agreement, contract, deed or other agreement, right or instruments which:</p> <ol style="list-style-type: none"><li>1 generates, or is expected to generate, annual revenue for the Webcentral Group in excess of \$150,000 individually;</li><li>2 incurs, or is expected to incur, gross annual expenditure for the Webcentral Group in excess of \$150,000 individually; or</li><li>3 is a transitional services or similar agreement.</li></ol>
<b>New 5GN Shares</b>	fully paid ordinary shares in the capital of 5GN.
<b>Offer</b>	has the meaning given in clause 2.2(a).
<b>Offer Period</b>	the period that the Offer is open for acceptance.
<b>Operating Rules</b>	the official operating rules of the ASX.
<b>Protocols</b>	any competition law protocols in the form agreed in writing between the parties from time to time.
<b>Reimbursement Fee</b>	\$200,000.
<b>Reimbursement Fee Loan Agreement</b>	the reimbursement fee loan agreement between Webcentral and 5GN entered into at or about the same time as this deed, pursuant to which 5GN will provide an unsecured loan of \$500,000 to Webcentral to allow Webcentral to pay the Reimbursement Fee (as defined in the scheme implementation agreement between Webcentral and Web.com Group, Inc. dated 12 July 2020).
<b>Related Body Corporate</b>	has the meaning given in section 50 of the Corporations Act.



Term	Meaning
<b>Related Person</b>	<ol style="list-style-type: none"><li>1 in respect of a party or its Related Bodies Corporate, each director, officer, employee, adviser, agent or representative of that party or Related Body Corporate; and</li><li>2 in respect of a Financial Adviser, each director, officer, employee or contractor of that Financial Adviser.</li></ol>
<b>Relevant Interest</b>	has the meaning given in sections 608 and 609 of the Corporations Act.
<b>Reverse Reimbursement Fee</b>	\$200,000.
<b>Scheme</b>	the Webcentral scheme of arrangement involving Web.com Group, Inc. that was announced to the ASX by Webcentral on 13 July 2020.
<b>Security Interest</b>	any mortgage, charge, pledge, lien, assignment or other security interest or any other arrangement (including a right of set off or combination) entered into for the purpose of conferring a priority, including any security interest as defined.
<b>Specified Webcentral Individual</b>	each of Brendan White, Mei Loke and Brett Fenton.
<b>Subsidiary</b>	has the meaning given in Division 6 of Part 1.2 of the Corporations Act.
<b>Superior Proposal</b>	<p>a bona fide Competing Proposal:</p> <ol style="list-style-type: none"><li>1 of the kind referred to in any of paragraphs 2, 3 or 4 of the definition of Competing Proposal; and</li><li>2 not resulting from a breach by Webcentral of any of its obligations under clause 7 of this deed (it being understood that any actions by the Related Persons of Webcentral not permitted by clause 7 will be deemed to be a breach by Webcentral for the purposes hereof),</li></ol> <p>that the Webcentral Board, acting in good faith, and after receiving written legal advice from its external legal and written financial advice from its financial advisers, determines:</p> <ol style="list-style-type: none"><li>3 is reasonably capable of being valued and completed within a reasonable timeframe in accordance with its terms; and</li><li>4 would, if completed substantially in accordance with its terms, be more favourable to Webcentral Shareholders (as a whole)</li></ol>



Term	Meaning
	than the Takeover Bid (if applicable, as amended or varied following application of the matching right set out in clause 7.4), in each case taking into account all terms and conditions and other 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 Webcentral Shareholders) and of the Takeover Bid.
<b>Takeover Bid</b>	an off-market takeover bid by 5GN for the Webcentral Shares on the Agreed Bid Terms.
<b>Target's Statement</b>	the target's statement to be prepared by Webcentral in relation to the Takeover Bid in compliance with Part 6.5 of the Corporations Act.
<b>Term Sheet</b>	the term sheet agreed between the parties on or about the date of this deed and initialled for or on behalf of the parties for the purposes of identification.
<b>Third Party</b>	a person other than 5GN, its Related Bodies Corporate and its other Associates.
<b>Timetable</b>	the timetable set out in 3.1(b).
<b>Transaction</b>	the acquisition of Webcentral Shares under the Takeover Bid.
<b>Webcentral Board</b>	the board of directors of Webcentral and a <b>Webcentral Board Member</b> means any director of Webcentral comprising part of the Webcentral Board, in each case excluding any director nominated by 5GN pursuant to clause 3.6.
<b>Webcentral Director</b>	a director of Webcentral excluding any director nominated by 5GN pursuant to clause 3.6.
<b>Webcentral Group</b>	Webcentral and each of its Subsidiaries, and a reference to a <b>Webcentral Group Member</b> or a <b>member of the Webcentral Group</b> is to Webcentral or any of its Subsidiaries.



Term	Meaning
<b>Webcentral Indemnified Parties</b>	Webcentral, its Subsidiaries and their respective directors, officers and employees.
<b>Webcentral Material Adverse Change</b>	has the meaning given in paragraph 3(c) of Schedule 2.
<b>Webcentral Prescribed Occurrence</b>	each of the occurrences set out in the Bid Condition at paragraph 3(b) of Schedule 2.
<b>Webcentral Representations and Warranties</b>	the representations and warranties of Webcentral set out in clause 5.3.
<b>Webcentral Share</b>	a fully paid ordinary share in the capital of Webcentral.
<b>Webcentral Shareholder</b>	each person who is registered as the holder of a Webcentral Share in the register of members of Webcentral.

## 2 Interpretation

### 2.1 General

In this deed:

- (a) headings and bold type are for convenience only and do not affect the interpretation of this deed;
- (b) the singular includes the plural and the plural includes the singular;
- (c) words of any gender include all genders;
- (d) other parts of speech and grammatical forms of a word or phrase defined in this deed have a corresponding meaning;
- (e) a reference to a person includes any company, partnership, joint venture, association, corporation or other body corporate and any Government Agency, as well as an individual;
- (f) a reference to a clause, party, schedule, attachment or exhibit is a reference to a clause of, and a party, schedule, attachment or exhibit to this deed;
- (g) a reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or re-enactments of any of them (whether passed by the same or another Government Agency with legal power to do so);



- (h) a reference to a document (including this deed) includes all amendments or supplements to, or replacements or novations of, that document;
- (i) a reference to '\$', 'A\$' or 'dollar' is to the lawful currency of Australia;
- (j) a reference to any time is, unless otherwise indicated, a reference to that time in Sydney, Australia;
- (k) a term defined in or for the purposes of the Corporations Act, and which is not defined in clause 1.1 of this Schedule 2, has the same meaning when used in this deed;
- (l) a reference to a party to a document includes that party's successors and permitted assignees;
- (m) no provision of this deed will be construed adversely to a party because that party was responsible for the preparation of this deed or that provision;
- (n) any agreement, representation, warranty or indemnity in favour of two or more parties (including where two or more persons are included in the same defined term) is for the benefit of them jointly and severally;
- (o) a reference to a body (including an institute, association or authority), other than a party to this deed, whether statutory or not:
  - (1) which ceases to exist; or
  - (2) whose powers or functions are transferred to another body,is a reference to the body which replaces it or which substantially succeeds to its powers or functions;
- (p) a reference to an agreement other than this deed includes a deed and any legally enforceable undertaking, agreement, arrangement or understanding, whether or not in writing;
- (q) a reference to liquidation or insolvency includes appointment of an administrator, a reconstruction, winding up, dissolution, deregistration, assignment for the benefit of creditors, bankruptcy, or a scheme, compromise or arrangement with creditors (other than solely with holders of securities or derivatives), or any similar procedure or, where applicable, changes in the constitution of any partnership or Third Party, or death;
- (r) if a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;
- (s) a reference to a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;
- (t) if an act prescribed under this deed to be done by a party on or by a given day is done after 5.00pm on that day, it is taken to be done on the next day;
- (u) a reference to the Listing Rules and the Operating Rules includes any variation, consolidation or replacement of these rules and is to be taken to be subject to any waiver or exemption granted to the compliance of those rules by a party; and
- (v) a reference to something being "reasonably likely" (or to a similar expression) is a reference to that thing being more likely than not to occur when assessed objectively.

## **2.2 Interpretation of inclusive expressions**

Specifying anything in this deed after the words 'includes' or 'for example' or similar expressions does not limit what else is included.

## **2.3 Business Day**

Where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the next Business Day.

## Schedule 2

### Agreed Bid Terms

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#### 1 Consideration

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The consideration under the Offer is 1 New 5GN Share for every 12 Webcentral Shares.

The New 5GN Shares to be issued as consideration under the Takeover Bid will be duly authorised and validly issued or transferred, fully paid and free of all security interests and third party rights and will rank equally with all other 5GN shares then on issue.

#### 2 Offer Period

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The initial Offer Period shall last for at least one month and shall be subject to 5GN's right to extend the period in accordance with the Corporations Act.

#### 3 Bid Conditions

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The completion of the Takeover Bid and any contract that results from an acceptance of any Offer are subject to the fulfilment of the conditions set out below:

- (a) **minimum acceptance:** at the end of the Offer Period, 5GN has a Relevant Interest in at least 50.1% of the Webcentral Shares (on a fully diluted basis).
- (b) **no Webcentral Prescribed Occurrence:** between the Announcement Date and the date 3 Business Days after end of the Offer Period, none of the following prescribed occurrences (being the occurrences listed in section 652C of the Corporations Act) happen:
  - (1) Webcentral converting all or any of the Webcentral Shares into a larger or smaller number of shares under section 254H of the Corporations Act;
  - (2) Webcentral or a Subsidiary resolving to reduce its share capital in any way;
  - (3) Webcentral or a Subsidiary entering into a buy-back agreement or resolving to approve the terms of a buy-back agreement under subsection 257C(1) or 257D(1) of the Corporations Act;
  - (4) Webcentral or a Subsidiary making an issue of shares, or granting an option over its shares, or agreeing to make such an issue or grant such an option;
  - (5) Webcentral or a Subsidiary issuing or agreeing to issue convertible notes;



- (6) Webcentral or a Subsidiary disposing, or agreeing to dispose, of the whole, or a substantial part, of its business or property;
  - (7) Webcentral or a Subsidiary granting, or agreeing to grant, a Security Interest in the whole, or a substantial part, of its business or property, other than as contemplated by the Loan Implementation Deed;
  - (8) Webcentral or a Subsidiary resolving that it be wound up;
  - (9) the appointment of a liquidator or provisional liquidator of Webcentral or a Subsidiary;
  - (10) the making of an order by a court for the winding up of Webcentral or a Subsidiary;
  - (11) an administrator of Webcentral or a Subsidiary being appointed under section 436A, 436B or 436C of the Corporations Act;
  - (12) Webcentral or a Subsidiary executing a deed of company arrangement; or
  - (13) the appointment of a receiver, receiver and manager, other controller (as defined in the Corporations Act) or similar official in relation to the whole, or a substantial part, of the property of Webcentral or a Subsidiary.
- (c) **no Webcentral Material Adverse Change:** between the Announcement Date and the end of the Offer Period, no Webcentral Material Adverse Change occurs.

A **Webcentral Material Adverse Change** is an event, change, condition, matter, circumstance or thing occurring after the Announcement Date (**Specified Event**) which, whether individually or when aggregated with all such events, changes, conditions, matters, circumstances or things of a like kind that have occurred or are reasonably likely to occur has had or would be considered reasonably likely to have the effect of diminishing the value of:

- (1) the consolidated net assets of the Webcentral Group by at least \$3,000,000 against what it would reasonably have been expected to have been but for such Specified Event (calculated in accordance with the accounting policies and practices applied by Webcentral in respect of the financial year ended 31 December 2019); or
- (2) the revenue from the continuing operations of Webcentral's business division known as SMB Direct (core) by at least \$3,000,000 in the current financial year against what it would reasonably have been expected to have been but for such Specified Event (calculated in accordance with the accounting policies and practices applied by Webcentral in respect of the financial year ended 31 December 2019),

other than those events, changes, conditions, matters, circumstances or things:

- (3) required under, or expressly permitted by, this deed, the Reimbursement Fee Loan Agreement or the Loan Implementation Deed or the transactions contemplated by any of them;
- (4) to the extent that they were Fairly Disclosed in any disclosure materials;
- (5) agreed to in writing, or requested in writing, by 5GN;
- (6) directly relating to costs and expenses incurred by Webcentral associated with the Offer or the Scheme, including all fees payable to

- external advisers of Webcentral, in each case to the extent such cost and expense arrangements are in place on the Announcement Date;
- (7) arising as a result of any generally applicable change in law (including subordinate legislation), regulation, orders, accounting standards or governmental policy;
  - (8) arising from changes that affect the domain and hosting industry generally, provided that such changes do not have a materially disproportionate effect on Webcentral relative to other participants in that industry;
  - (9) arising from changes in economic, business, industry or political conditions that impact on Webcentral and its competitors in a similar manner (including interest rates, general economic, political or business conditions, including material adverse changes or major disruptions to, or fluctuations in, domestic or international financial markets);
  - (10) arising from any act of terrorism, outbreak or escalation of war (whether or not declared), major hostilities, civil unrest or outbreak or escalation of any disease epidemic or pandemic (including the outbreak, escalation or any impact of, or recovery from, the Coronavirus or COVID-19 pandemic);
  - (11) arising from any act of God, natural disaster, lightning, storm flood, bushfire, earthquake, explosion, cyclone, tidal wave, landslide, on or after the Announcement Date;
  - (12) that Webcentral Fairly Disclosed in an announcement made by Webcentral to ASX in the 5 years prior to the Announcement Date;
  - (13) directly relating to any write down of trade receivables in connection with any settlement of any litigation; or
  - (14) any write down of goodwill in connection with or as a result of the terms of the Takeover Bid as proposed by 5GN.



## Signing page

### Executed as a deed


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#### Webcentral

Signed sealed and delivered by  
**Webcentral Group Limited**  
by

sign here ►   
\_\_\_\_\_  
Company Secretary/Director

print name Andrew Reitzer  
\_\_\_\_\_

sign here ►   
\_\_\_\_\_  
Director

print name Andrew Macpherson  
\_\_\_\_\_

#### 5GN

Signed sealed and delivered by  
**5G Networks Limited**  
by

sign here ► \_\_\_\_\_  
Company Secretary/Director

print name \_\_\_\_\_

sign here ► \_\_\_\_\_  
Director

print name \_\_\_\_\_



## Signing page

### Executed as a deed

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#### Webcentral

Signed sealed and delivered by  
**Webcentral Group Limited**  
by

sign here ►

\_\_\_\_\_  
Company Secretary/Director

sign here ►

\_\_\_\_\_  
Director

print name

\_\_\_\_\_

print name

\_\_\_\_\_

#### 5GN

Signed sealed and delivered by  
**5G Networks Limited**  
by

sign here ►



\_\_\_\_\_  
Company Secretary

sign here ►



\_\_\_\_\_  
Director

print name

Glen Dymond

print name

Joe Demase