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Performance Rights Plan

CoAssets Limited ACN 604 341 826

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CoAssets Limited ACN 604 341 826
Performance Rights Rules

1. Introduction

1.1 Purpose

The Plan provides Eligible Employees of the Company and the Subsidiary, an opportunity to acquire an ownership interest or exposure to an ownership interest in the Company.

1.2 Commencement

The Plan takes effect from the date of resolution by the Board adopting the Plan or such other date as may be specified by the Board in that resolution.

2. Definitions and interpretation

2.1 Definitions

In these Rules:

Application means an application to acquire Performance Rights made by an Eligible Employee following receipt of an Invitation, in accordance with the terms of the Invitation and on an Application Form.

Application Form means an application form in any form as the Board may approve from time to time.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 691 and where the context permits, the Australian Securities Exchange operated by ASX Limited.

Attorney means an attorney appointed by the Participant pursuant to the power of attorney in rule 17.

Board means the board of directors of the Company from time to time.

Business Day means a day other than a Saturday, Sunday or public holiday in Sydney, New South Wales.

Certificate means, in relation to a Performance Right, the certificate or statement (in a form approved by the Board) issued to the Participant which discloses the number of Performance Rights entered in the Register in respect of the Participant.

Change of Control means:

- (a) a person acquires a relevant interest (as defined in the Corporations Act) in more than 50% of the Shares (excluding any relevant interest held by virtue of acceptances under an off-market bid unless or until the bid is or becomes unconditional);
- (b) a court approves a proposed compromise or arrangement under the Corporations Act which, when implemented, will result in a person having a relevant interest in more than 50% of the Shares.

Control Event means:

- (a) a Change of Control occurs;
- (b) a takeover bid is made to acquire Shares, offers under that takeover bid remain open for acceptance and the Board has recommended acceptance of those offers to the Company's shareholders;
- (c) subject to paragraphs (a) and (b), a takeover bid or a compromise or arrangement under the Corporations Act is made or undertaken in respect of Shares and the Board in its absolute discretion determines exercise of a Plan Right to be appropriate;
- (d) the Company passes a resolution for voluntary winding up or an order is made for the compulsory winding up of the Company.

Charity means an entity where gifts or contributions to that entity are deductible in accordance with Division 30 of the Tax Act or any charitable organisation as determined by the Board from time to time.

Class Order means an instrument made by ASIC that exempts each person in a class of persons from the Corporations Act or any part of it, or that modifies the application of the Corporations Act or any part of it in particular circumstances.

Company means CoAssets Limited ACN 604 341 826.

Condition means one or more conditions (if any) determined by the Board in its absolute discretion to apply to a Performance Right, including Performance Hurdles, as specified in an Invitation made to the relevant Eligible Employee.

Constitution means the constitution of the Company as amended from time to time.

Corporations Act means the Corporations Act 2001 (Cth).

Disposal Restrictions means the restrictions on dealing with Shares as set out in rule 7.

Eligible Employee means an Employee whom the Board determines is to receive an Invitation under the Plan.

Employee means a person who is in the full time or part-time employment of a Group Company.

Entitlements means any rights to acquire shares, options or other securities granted or issued by the Company or by any other company to shareholders of the Company.

Exercise Condition means, in relation to a Performance Right, a Condition (other than a Vesting Condition) which must be satisfied or waived before that Performance Right may be exercised.

Exercise Period means, in relation to a Performance Right, the period during which that Performance Right may, subject to these Rules, be exercised and at the end of which that Performance Right will lapse.

Exercise Price means in relation to a Performance Right, the amount payable on exercise of that Performance Right, as determined by the Board and specified in the Invitation and adjusted in accordance with rule 11. If no determination is made, the applicable Exercise Price is nil.

Group means the Company and each of its Subsidiaries.

Group Company means the Company or any of its Subsidiaries.

Holding Lock means a mechanism to prevent dealings with Shares held by a Participant under the Plan during the Restriction Period with respect to those Shares.

Invitation means an invitation by the Company to apply for Performance Rights under the Plan made in accordance with rule 3.1.

Last Employment Date means, with respect to a particular Participant, the date on which:

- (a) that Participant ceases to be an Employee for whatever reason; or
- (b) that Participant's employer (being a company other than the Company) ceases to be a Group Company.

Law means the applicable law of the jurisdiction in which an Eligible Employee is located at the time of receipt of an Invitation.

Listing Rules means the Listing Rules of NSX or ASX as the case may be.

Nominee means, in relation to an Eligible Employee who returns a duly completed Application Form in accordance with rule 4.1, a person nominated by the Eligible Employee in that Application Form and approved in writing by the Board as a person who will acquire Options, Performance Rights or Shares under the Plan.

NSX means National Stock Exchange of Australia Limited ABN 11 000 902 063.

On-Market Acquisition means the acquisition of Shares in the ordinary course of trading or otherwise on a Trading Day on the NSX or ASX as the case may be.

Participant means:

- (a) an Eligible Employee (or Eligible Employee's Nominee) whose Application to acquire Performance Rights and participate in the Plan has been accepted by the Board;
- (b) the legal personal representative of that Eligible Employee; or
- (c) if, because of the Bankruptcy Act 1966 (Cth) or equivalent legislation in any other jurisdiction, Performance Rights held under the Plan that form part of the property of an Eligible Employee, vest in the trustee of that Eligible Employee's estate, that trustee, whether or not the name of that trustee has been entered in the Register.

Performance Hurdles means the performance criteria determined by the Board from time to time and as set out or referred to in the relevant Invitation.

Performance Right means a right to acquire a Share (by transfer or issue at the election of the Company) granted under rule 5.

Plan means the CoAssets Performance Rights Plan.

Plan Right means a Performance Right granted and held under the Plan by a Participant.

Plan Share means a Share to be delivered to a Participant upon the exercise of a Plan Right.

Register means any register created and maintained by or on behalf of the Company for the purposes of identifying the holders of Performance Rights.

Restriction Period means the period if any determined by the Board under rule 7.1(a).

Retirement means the voluntary cessation of employment of a Participant with a Group Company solely by reason of that Participant having notified that Group Company of his or her intention to permanently leave the workforce and where it is reasonable for the Board to conclude in its absolute discretion that the Participant is permanently leaving the workforce.

Rules means these rules of the Plan as amended from time to time.

Security Interest means a mortgage, charge, pledge, lien or other encumbrance of any nature.

Shares means fully paid ordinary shares in the capital of the Company.

Subsidiary means a body corporate which is a subsidiary of the Company within the meaning of section 9 of the Corporations Act.

Tax means any tax, levy, excise, duty, charge, surcharge, contribution, withholding tax, impost or withholding obligation of whatever nature, whether direct or indirect, by whatever method collected or recovered, together with any fees, penalties, fines, interest or statutory charges.

Tax Act means the Income Tax Assessment Act 1936 (Cth) or the Income Tax Assessment Act 1997 (Cth) or both, as the context requires.

Total and Permanent Disablement, in relation to a Participant, means that that Participant has, in the opinion of the Board, after considering such medical and other evidence as it sees fit, become incapacitated to such an extent as to render the Participant unlikely ever to engage in any occupation with the Company or any other Group Company for which he or she is reasonably qualified by education, training or experience.

Trading Day means a day on which Shares are traded on the NSX or ASX as the case may be.

Trust Deed means a deed between the Company and the Trustee or the deed poll entered into by the Trustee for the purposes of holding money, Shares and other property on trust for Participants and other persons in accordance with the Rules and includes any amendment to that deed or deed poll.

Trustee means the person or entity nominated by the Board from time to time which may hold contributions from Group Companies and Shares on trust for the persons or classes of persons as set out in these Rules on the terms and conditions set out in these Rules and the Trust Deed.

Vested Right means an Plan Right in respect of which Vesting Conditions have been satisfied.

Vesting Condition means, in relation to a Performance Right, a Condition which must be satisfied or waived before that Performance Right becomes vested in its holder.

Year of Income means a period of 12 months ending on 30 June in any year and includes the period commencing on the date of commencement of this Plan and terminating on the next 30 June and the period ending on the date of termination of the Plan and commencing on the preceding 1 July or any other period determined by the Board in its discretion.

2.2 Interpretation

In these Rules:

(a) headings are for convenience only and do not affect the interpretation,

and unless the context otherwise requires:

(b) a word importing the singular includes the plural (and vice versa), and a word indicating a gender includes every other gender;

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- (c) if a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;
 - (d) a reference to a rule or paragraph is a reference to a rule or paragraph of these Rules, or the corresponding rule or rules of this Plan as amended from time to time;
 - (e) a statute includes its delegated legislation;
 - (f) a statute, delegated legislation, the Listing Rules or a provision of any of them includes consolidations, amendments, re-enactments and replacements;
 - (g) the Corporations Act or Listing Rules is a reference to the Corporations Act or Listing Rules in force in relation to the Company after taking into account any waiver, modification or exemption which is in force either generally or in relation to the Company;
 - (h) the word "include" or "including" is not a word of limitation;
 - (i) where the time for doing any act, matter or thing under these Rules falls on a day which is not a Business Day, it shall be done on the next succeeding Business Day; and
 - (j) unless otherwise defined in these Rules, terms which are defined in the Corporations Act bear the same meaning when used in these Rules;
 - (k) if a period of time dates from a given day or the day of an act or event, it is to be calculated exclusive of that day; and
 - (l) where an Eligible Employee's Application for Performance Rights has been accepted by the Board and that Eligible Employee has, with the approval of the Board, appointed one or more Nominees to hold Performance Rights on his or her behalf under the Plan, a reference in the Plan to a Participant's employment with a Group Company shall, in respect of a Participant who is a Nominee, be deemed to be a reference to the employment of the Eligible Employee on whose behalf the Nominee holds Performance Rights.

3. Invitation

3.1 Making of Invitations

- (a) The Board may, from time to time, at its discretion, make or cause to be made Invitations to Eligible Employees to participate in the Plan.
- (b) The Board may determine, in its discretion, the number or value of Performance Rights that may be offered to any Eligible Employee.

3.2 Form of Invitation

- (a) An Invitation may take any form and be upon the terms and subject to any restrictions determined by the Board.
- (b) The Board may amend an Invitation at any time prior to the final date for receipt of Applications specified in the Invitation.
- (c) Without limiting the Board's discretion, an Invitation may specify or include the following information:

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- (i) the date of the Invitation;
 - (ii) the Subsidiary or Group entity in which the provision of services relates;
 - (iii) the name of the Eligible Employee to, or in respect of, whom the Invitation is made;
 - (iv) the number of Performance Rights to which the Invitation relates, or how that number is calculated;
 - (v) the amount payable (if any) for the grant of the Performance Right, or how that amount is calculated;
 - (vi) the Exercise Price (if any) or how it is calculated;
 - (vii) the Exercise Period or how it is fixed;
 - (viii) the Exercise Conditions (if any)
 - (ix) the Vesting Conditions (if any);
 - (x) the time period in which to make an Application in respect of the Invitation; and
 - (xi) any other material terms and conditions required by any Law and any relevant Class Order.
- (d) An Application Form and other material for the purpose of this rule 3.2 may be in electronic form, in which case references in these Rules to completing and submitting an Application Form will, subject to the Constitution, the Law and any Class Order be taken to be satisfied by the completion and submission of information in electronic form in any manner specified in the Invitation or Application Form.

4. Application and acceptance

4.1 Application

- (a) An Eligible Employee who receives an Invitation may only make an Application by submitting a duly completed Application within the time period and as otherwise specified in the Invitation. An Application may not be made on the basis that it is subject to any terms and conditions other than those specified in the Invitation.
- (b) An Eligible Employee who submits a duly completed Application Form may nominate one or more nominees to hold Performance Rights acquired on his or her behalf, and the Board may in its absolute discretion approve the allocation of Performance Rights to any or all such nominees on behalf of that Eligible Employee, provided that:
 - (i) the Eligible Employee has stated in his or her Application Form the number of Performance Rights applied for which the Eligible Employee wishes to be held by each nominee; and
 - (ii) if Performance Rights are allocated under the Plan to a nominee approved under rule 4.1(b)(i), the nominee agrees in writing to be bound by the terms of the Invitation, the Application, these Plan Rules and the Constitution.

- (c) If an Eligible Employee nominates a nominee under rule 4.1(b):
- (i) the Board will in its absolute discretion determine whether or not it approves of the nominee, and will notify the Eligible Employee in writing of its decision within 5 Business Days of receipt of the relevant Application; and
 - (ii) if the Board rejects a proposed nominee, the Eligible Employee will be permitted to resubmit the Application, provided the relevant Application Form is submitted within the time period specified by the Board and otherwise in compliance with this Plan and any other requirements set out in the applicable Invitation.
- (d) If, on submitting the duly completed Application in accordance with rule 4.1(a), the Eligible Employee's employment or appointment with the Group has not ceased, the Employee:
- (i) irrevocably offers to acquire the Performance Rights under the Plan (as the case may be) in accordance with the Invitation;
 - (ii) agrees to be bound by the terms of the Invitation, the Application, these Plan Rules and the Constitution;
 - (iii) consents to the collection, holding, processing and exchange of his or her personal data by the Group for any purpose related to the proper administration of the Plan; and
 - (iv) subject to rule 4.1(e), becomes a Participant.
- (e) Notwithstanding any other provision of this Plan, a Participant has no right to acquire Performance Rights under the Plan until such Performance Rights are granted to the Participant in accordance with these Rules.

4.2 Acceptance

- (a) The Board may accept or reject any Application in its discretion, without assigning any reason.
- (b) If the Board determines not to accept an Application, the Company shall provide notification to that Employee that it does not wish to accept that Employee's Application, and the Invitation to that Employee, and the Application by that Employee in relation to that Invitation, shall be deemed never to have been made.

5. Grant of Performance Rights

5.1 Grant

Subject to the acceptance by the Board of the Application Form of a Participant and satisfaction of the terms of the Invitation of that Participant, each Participant, who continues to be an Employee as at the date on which Performance Rights are granted under this Plan, shall be granted such number of Performance Rights, or both, as is determined in accordance with the Invitation of that Participant.

5.2 Certificate

The Company may issue a Certificate to a Participant in respect of the Performance Rights granted to that Participant. The Company must comply with the Constitution, the Corporations

Act and the Listing Rules with respect to the issue of the Certificate.

5.3 Listing

Plan Rights will not be quoted.

6. Disposal Restrictions - Plan Rights

Without the prior approval of the Board, Plan Rights cannot be transferred by a Participant and the Participant must not dispose of or deal with (or purport to otherwise dispose or deal with) any Plan Rights of the Participant or any interest in any Plan Rights of the Participant.

7. Disposal Restrictions - Plan Shares

7.1 Restriction period

- (a) When making a grant of Performance Rights under rule 5.1, the Board may, in its discretion, determine that a restriction period will apply to some or all of the Plan Shares of a Participant and may determine the terms and conditions applying to any such restriction period.
- (b) If the Board determines a Restriction Period, Plan Shares which are subject to that Restriction Period cannot be transferred by the Participant and the Participant must not dispose of or otherwise deal with (or purport to dispose of or otherwise deal with) with those Shares.

7.2 Enforcement

- (a) The Board is entitled to prescribe, take and enforce any action, steps or arrangements as it considers necessary, desirable or appropriate to enforce or give further effect the Disposal Restrictions.
- (b) A Holding Lock may be applied by the Company to any or all Plan Shares of a Participant, as determined by the Board in its discretion, for the duration of the Restriction Period that applies to those Plan Shares.
- (c) Each Participant agrees that the Plan Shares of the Participant may be subject to a Holding Lock for the duration of the Restriction Period that applies to those Plan Shares.

7.3 Removal of Disposal Restriction

The Board may determine at any time, at its absolute discretion, that any Plan Shares are no longer subject to the provisions of rule 7.1 and will notify the Participant of such a determination.

8. Forfeiture - Plan Shares

8.1 Forfeiture condition

When making a grant of Performance Rights under rule 5, the Board may determine that some or all of the Plan Shares of a Participant are subject to the provisions of this Rule 8 for a period of up to 10 years from the date the Shares are delivered.

8.2 Forfeiture events

While Plan Shares are subject to this Rule 8, if, in the opinion of the Board, the Participant has acted fraudulently or dishonestly in their capacity as an employee of a Group Company, the Participant will, subject to this Rule 8, forfeit any right or interest in the Plan Shares.

8.3 Dealing in forfeited Shares

The Board may determine that forfeited Plan Shares are to be sold, transferred or otherwise disposed of (including being transferred by an Attorney on behalf of that Participant to the Trustee) and how any proceeds therefrom are to be applied.

8.4 Dealing in Entitlements of forfeited Shares

Pending the disposal of forfeited Plan Shares under rule 8.3, the Board will determine how any Entitlements of such Plan Shares are to be dealt with and a Participant will have no rights in respect of the proceeds from a sale or other disposal of the Entitlements and releases and will hold harmless each Group Company from and indemnify each Group Company against any claim or liability in respect thereof.

8.5 Participant to have no rights to proceeds

Except as required by law, a Participant will have no rights to the proceeds from any forfeited Plan Shares dealt with under Rule 8 and releases and will hold harmless each Group Company from and indemnify each Group Company against any claim or liability in respect thereof.

9. Exercise of Plan Rights

9.1 Manner of exercise

The exercise of any Plan Right may only be effected in a form and manner as the Board may determine.

9.2 Exercise Conditions

Subject to Rule 9.3, an Plan Right may only be exercised if:

- (a) where the Participant is an Employee at the time of exercise, the Plan Right is a Vested Right at the time of exercise;
- (b) where:
 - (i) the Participant's employment with a Group Company ceases due to his or her death, Total and Permanent Disablement, redundancy or Retirement; or
 - (ii) the Participant's employer (being a company other than the Company) ceases to be a Group Company, whether or not after the cessation the Participant remains an employee of that company,the Plan Right is a Vested Right at the Last Employment Date;
- (c) at the time of exercise:
 - (i) the Exercise Period has commenced;
 - (ii) the Plan Right has not lapsed under rule 10;

- (iii) the Exercise Price (if any) has been paid; and
- (iv) each Exercise Condition (if any) has been satisfied or waived.
- (d) where the Participant is an individual, the Participant is not bankrupt and has not committed an act of bankruptcy; and
- (e) where the Participant is deceased, the Participant's estate is not bankrupt.

9.3 Other permitted exercise

Subject to the Listing Rules, the Board may determine that a Plan Right will become a Vested Right and may be exercised, whether or not any or all applicable Exercise Conditions have been satisfied, in any period (not being later than the expiry of the Exercise Period) determined by the Board:

- (a) if a Control Event occurs; or
- (b) in any other circumstance if the Board in its absolute discretion determines.

9.4 Shares resulting from exercise

- (a) Following exercise of a Plan Right, the Company must, within such time as the Board determines, issue or transfer to the person exercising the Plan Right the number of Shares in respect of which the Plan Right has been exercised, credited as fully paid.
- (b) The Company will apply for official quotation of the Shares allotted or issued on the exercise of an Plan Right on each stock exchange on which Shares are quoted in accordance with the Listing Rules (or the equivalent to the Listing Rules, in the case of any financial market other than the NSX or ASX as the case may be).
- (c) Unless the Plan Rights terms provide otherwise, Shares issued on the exercise of an Plan Right will from their allotment date, rank equally with all other issued Shares.

10. Lapse of Plan Rights

10.1 Cessation of employment events

Unless the Exercise Period expires at an earlier date or the terms of an Invitation provides otherwise, an Plan Right of a Participant lapses, subject to rule 10.2, on the latest of:

- (a) the expiry of 12 months after the Participant's death, if death occurs before the Plan Right otherwise would lapse under this rule 10.1;
- (b) the expiry of 6 months after the Last Employment Date where the Participant ceases to be employed by a Group Company due to his or her Total and Permanent Disablement or redundancy;
- (c) the expiry of 3 month after the Last Employment Date where that Participant's employer (being a company other than the Company) ceases to be a Group Company;
- (d) the Last Employment Date where the Participant ceases to be employed by a Group Company for any other reason;
- (e) if the Board extends the time during which the Plan Right may be exercised under rule 10.3, the expiry of that time.

10.2 Fraud or Dishonesty

An unexercised Plan Right of a Participant lapses if, in the opinion of the Board, the Participant (or, where the Participant is a Nominee, the Eligible Employee on whose behalf that Nominee holds Plan Rights) has acted fraudulently or dishonestly in their capacity as an employee of a Group Company and the Board determines that such Plan Right lapses.

10.3 End of period otherwise determined by the Board

If the Board determines a further period in which an Plan Right may be exercised, the end of which must be not later than the expiry of the Exercise Period.

10.4 End of Exercise Period

If a Plan Right has not lapsed earlier in accordance with this Rule 10, it will lapse at the expiry of the Exercise Period.

10.5 Cessation of employment - interpretation

For the purposes of these Rules, a Participant will be taken not to have ceased employment with a Group Company if:

- (a) immediately after the Participant leaves the employment of that company the Participant is employed by another Group Company; or
- (b) immediately after the Participant leaves the employment of that company the Participant is employed by a joint venture entity in which a Group holds a substantial interest at the time of employment, and which has been approved by the Board as an associated company for the purposes of the Plan.

11. Capital Events

11.1 New issues

A Participant is only entitled to participate in respect of Plan Rights in a new issue of Shares or other securities to existing shareholders of the Company generally if the Participant has validly exercised the Participant's Plan Rights and become a shareholder of the Company prior to, the relevant record date for the new issue, and is then only entitled to participate in relation to Shares of which the Participant is the registered holder.

11.2 Bonus issues

If:

- (a) the Company makes a bonus issue of Shares or other securities pro rata to holders of Shares (other than an issue in lieu of dividends or by way of dividend reinvestment pursuant to any election by a holder of Shares); and
- (b) no Shares have been issued or transferred to, and registered in the name of, the Participant in respect of an Plan Right before the record date for determining entitlements to the bonus issue,

the number of Shares issued or transferred on exercise of that Plan Right will be increased by the number of bonus Shares that the Participant would have received if the Plan Right had been exercised, and Shares resulting from that exercise had been recorded in the name of the Participant, prior to the record date for the bonus issue. No change will be made as a result of the bonus issue to the Exercise Price of the Plan Right.

11.3 Rights Issues

If Shares are offered pro rata for subscription by the Company's shareholders generally by way of a rights issue, the Exercise Price of each Plan Right will be reduced in accordance with the following formula unless the Exercise Price of the Plan Right is nil:

$$NP = OP - \frac{E[P - (S + D)]}{N + 1}$$

where:

NP = the new exercise price of the Plan Right

OP = the old exercise price of the Plan Right

E = the number of Shares into which one Plan Right is exercisable

P = the average market price (as defined in the Listing Rules) per Share (weighted by volume) of Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date

S = the subscription price for a Share to be issued under the pro rata issue

D = the amount of any dividend due but not yet paid on the existing Shares (except those Shares to be issued under the pro rata issue)

N = the number of Shares with rights or entitlements that must be held to receive a right to one new Share under the pro rata issue

No change will be made as a result of the pro rata issue to the number of Shares over which the Plan Right is exercisable.

11.4 Reorganisation

If there is a reorganisation (including consolidation, sub-division, reduction or return) of the issued share capital of the Company, the number of Plan Rights to which each Participant is entitled or the Exercise Price (if any), or both, will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

12. Security Interest

A Participant must not grant any Security Interest in or over or otherwise dispose of or deal with or enter into any hedging transaction in relation to any Plan Rights or any interest therein, and any such Security Interest or disposal or dealing will not be recognised in any manner by the Company.

13. Administration of Plan

13.1 Board to administer Plan

The Board will administer the Plan and has power to:

- (a) determine appropriate procedures and documentation for the administration of the Plan consistent with these Rules;

- (b) resolve and bind the Company and the Participants absolutely regarding any question of fact, interpretation, effect or application and all calculations arising in connection with the Plan;
- (c) determine matters failing for determination under these Rules in its absolute discretion having regard to the interests of and for the benefit of the Company and the Board is not, in exercising any power or discretion, under any fiduciary or other obligation to any other person;
- (d) exercise the discretions conferred on it by these Rules or which may otherwise required in relation to the Plan;
- (e) delegate to any one or more persons (including, but not limited to, a committee of the Board) the exercise of any of its powers or discretions arising under the Plan, for any period and on any conditions as it may determine; and
- (f) appoint or engage specialist service providers for the operation and administration of the Plan.

13.2 No waiver

No failure to exercise nor any delay in exercising any right, power or remedy under these Rules operates as a waiver. A single or partial exercise of any right, power or remedy does not preclude any other or further exercise of that or any other right, power or remedy.

13.3 Suspension and termination

The Board may from time to time suspend the operation of the Plan and may at any time terminate the Plan. The suspension or termination of the Plan must not prejudice the existing rights (if any) of Participants.

14. Restrictions on the Plan

14.1 General

Notwithstanding any rule, Performance Rights may not be granted or exercised, if to do so would contravene the Listing Rules or any applicable laws or where the compliance with any applicable law would in the opinion of the Board be unduly onerous or impractical.

14.2 Issue limitations

The total number of rights to acquire unissued Shares which may be offered at any time to Eligible Employees under the Plan shall not exceed the maximum permitted under any Class Order providing relief from the prospectus provisions of the Corporations Act to ensure compliance with such Class Order.

15. Amendment of the Plan

15.1 General

Subject to Rule 15.2 and the Listing Rules, the Board may amend, add to, delete, or otherwise vary these Rules at any time in any manner it thinks fit in its absolute discretion (including an amendment which has retrospective effect).

15.2 Limitation on amendments

Any amendment of these Rules must not materially reduce the rights of Participants as they existed prior to the date of the amendment, unless the amendment is introduced primarily:

- (a) for the purpose of complying with or conforming to present or future State, Territory or Commonwealth legislation or the Listing Rules, or a requirement, policy or practice of ASIC or other foreign or Australian regulatory body;
- (b) to correct any manifest error or mistake;
- (c) to enable contributions or other amounts paid by a Group Company to the Plan to qualify as income tax deductions for that Group Company or another Group Company;
- (d) to enable the Trustee or any Group Company to reduce the amount of fringe benefits tax under the Fringe Benefits Tax Assessment Act 1986 (Cth), the amount of tax under the Tax Acts, or the amount of any other tax or impost that would otherwise be payable by the Trustee or the Group Company in relation to the Plan;
- (e) for the purpose of enabling the Participants generally (but not necessarily each Participant) to receive a more favourable taxation treatment in respect of their participation in the Plan; or
- (f) to enable the Plan or any Group Company to comply with the Corporations Act, the Listing Rules or the Constitution.

16. Rights of Participants

Nothing in these Rules:

- (a) confers on any Employee the right to become or remain an Eligible Employee or to participate in the Plan;
- (b) confers on any Eligible Employee or Participant the right to acquire Performance Rights under the Plan until granted in accordance with rule 5;
- (c) confers on any Eligible Employee or Participant the right to continue as an Employee of any Group Company;
- (d) affects any rights which a Group Company may have to terminate the employment of any Eligible Employee or Participant;
- (e) may be used to increase damages in any action brought against any Group Company in respect of any such termination of employment and a Participant shall waive any and all rights to compensation or damages in consequence of any such termination insofar as those rights arise or may arise from that Participant ceasing to have rights under the Plan as a result of such termination; and
- (f) confers any responsibility or liability on any Group Company or its directors, officers, employees, representatives or agents in respect of any taxation liabilities of the Eligible Employees or Participants.

17. Attorney

- (a) Each Participant, in consideration of being entitled to participate in the Plan as an Eligible Employee provides a power of attorney on the terms set out in this rule 17.

- (b) For valuable consideration, each Participant irrevocably appoints the Trustee and each officer of the Trustee from time to time (each an Attorney), severally as the Attorney of the Participant to:
- (i) execute and deliver any instrument of transfer or other document necessary or desirable to effect any transfer of Shares on behalf of the Participant under the Rules; and
 - (ii) do all acts or things on behalf of and in the name of the Participant which may be convenient or necessary for the purpose of giving effect to the Rules.
- (c) The Attorney may delegate his or her powers (including this power) and revoke such delegation.
- (d) An Attorney may exercise his or her power even if doing so involves a conflict of interest.
- (e) If requested by the Trustee or an Attorney, the Participant must formally approve anything that the Attorney may do under this rule 17.
- (f) The Participant indemnifies the Attorney against each claim, action, proceeding, judgement, damage, cost, loss, expense or liability incurred or suffered by or brought or made or recovered against the Attorney in connection with the exercise of any of the powers and authorities conferred by this power of attorney.
- (g) The exercise by the Attorney of the powers and authorities conferred by this power of attorney does not involve any assumption by the Attorney, or any body which he or she is a partner or employed, of personal liabilities in connection with the exercise of the powers and authorities or the consequences of doing so.
- (h) The Participant authorises the Attorney to exercise the powers and authorities conferred by this power of attorney even if it involves a conflict of duty or the Attorney (or a person they know) have a personal interest in doing so.
- (i) This power of attorney is intended to have effect as a deed.

18. General

18.1 Advice

Eligible Employees should obtain their own independent advice on the financial, taxation and other consequences to them of or relating to participation in the Plan including in relation to the acquisition of Shares under the Plan and the subsequent disposal of any or all Shares.

18.2 Methods of Share Acquisition

Shares may be acquired for the purposes of the Plan in any way lawfully permitted, including:

- (a) by way of allotment and issue of Shares by the Company to the Participant or Trustee; or
- (b) by the Company or Trustee making an On-Market Acquisition.

18.3 Acquisition of Shares by the Trustee

- (a) Subject to these Rules, the Listing Rules, the Constitution, the Trust Deed and any relevant Law or Class Order, the Trustee must comply with any direction given to it by the Board as to the operation of the Plan.
- (b) Any Group Company may pay to the Trustee contributions in each case as determined by the Board from time to time, within a reasonable time period before or after acquisition of Shares to be used for the purposes of the Plan.
- (c) Upon receipt of contributions from a Group Company, the Trustee must use such contributions to acquire, or subscribe for, Shares (and to meet any costs associated with such acquisitions) within a reasonable period for Participants in accordance with these Rules, unless the Trustee has already acquired Shares in advance of receiving the contributions in which case it may use the contributions to reimburse itself for the purchase or subscription price for the Shares and any costs associated with the acquisition.
- (d) Pending the payment of contributions to the Trustee for the purposes of acquiring Shares for a Participant, the Company shall ensure that an amount equal to the amount required for the acquisition of Shares is held in a trust account conducted by the Company solely for the purposes of the Plan.
- (e) Any surplus contributions will be applied by the Trustee towards the costs of administering the Plan or, if so directed by the Board, held for the purposes of the Trust established under the Trust Deed.
- (f) Any money held by the Trustee at the end of a Year of Income shall be applied by the Trustee, if so directed by the Board, in whole or in part for the benefit of one or more of the following beneficiaries as nominated by the Board:
 - (i) a Participant;
 - (ii) an employee share or option plan, scheme or trust established and maintained by any Group Company for the benefit of all or any Employees in which none of the Company, any body corporate which is a member of the Group or any other entity which the Company controls (within the meaning of section 50AA of the Corporations Act) has a beneficial interest;
 - (iii) a provident, superannuation or retirement fund established and maintained by any Group Company for the benefit of all or any Employees;
 - (iv) a plan, scheme or trust established and maintained by any Group Company for the benefit of all or any Employees; or
 - (v) any Charity.

18.4 Relationship of the Company, Trustee and Participants

- (a) Except when acting as an Attorney, and subject to rule 18.4(b), the Trustee acts as trustee on the terms and conditions set out in the Trust Deed and these Rules and not as an agent of the Company or of Participants.
- (b) When acquiring or arranging for the issue or allocation of Shares to a Participant and when acquiring and dealing with Shares for a Participant, but not otherwise, the

Trustee acts as trustee for the relevant Participant until such time as those Shares have been allocated to that Participant and registered in the Participant's name. All other fiduciary obligations or duties of the Trustee to any Participant that might otherwise be implied or imposed by law or equity are expressly excluded to the extent permitted by law, including without limitation any such obligation or duty arising under any statute.

- (c) The Trustee is not a trustee for the Company or, except as provided by rule 18.4(b), any Participant.
- (d) The Company does not have any entitlement to Shares or other property held by the Trustee under the terms of the Trust Deed.

18.5 Costs and Expenses

- (a) With the exception of Taxes (excluding any Taxes payable on brokerage) which are payable by a Participant, a Participant will not be liable for any costs associated with the implementation and administration of the Plan unless the Board in its discretion determines otherwise. If the Board so determines, the Board must inform the Participant by setting out details of the proposed costs in the Invitation to that Participant.
- (b) Subject to rule 18.5(a), the Company will pay all expenses, costs and charges in relation to the establishment, implementation and administration of the Plan, including all costs incurred in or associated with the allotment and issue or purchase of Shares (except for Taxes which are payable by Participants) for the purposes of the Plan.

18.6 Payments net of tax

If, when the Board or the Trustee makes or is deemed to make a payment to a Participant under these Rules, the Board or the Trustee is obliged to deduct or withhold any amount of Tax, the payment to the Participant is to be made net of the deduction or withholding.

18.7 Dispute

Any disputes or differences of any nature arising under the Plan shall be referred to the Board and its decision shall, in the absence of manifest error, be final and binding in all respects.

18.8 Notices

Any notice, instruction or direction given under or pursuant to these Rules:

- (a) may be given by personal delivery or by post or fax or e-mail:
 - (i) in the case of a company, to its registered office (or any other address notified by that company from time to time (**Notified Address**) or the fax number (if any) of that registered office (or Notified Address));
 - (ii) in the case of an individual, to their last known address, fax number, or email address; or
 - (iii) if an Employee of a Group Company, either to their last known address, fax number, or email address or to the address of the place of business at which they carry out all or most of their duties, or to a fax number or email address relating to that address;

- For personal use only
- (b) (in the case of personal delivery, post or fax) must be signed by the sender or a person duly authorised by the sender;
 - (c) (in the case of email) must be in PDF or other format that is a scanned image of the original of the communication, including a handwritten signature, be attached to an email that states that the attachment is a communication under these Rules, and the sender must keep an electronic and printed copy of the notice sent; and
 - (d) except as provided in rule 18.8(e), will be taken to have been given or made:
 - (i) in the case of personal delivery, when personally received;
 - (ii) in the case of post to an address within Australia, three days after posting;
 - (iii) in the case of post to an address outside Australia, five days after posting;
 - (iv) in the case of a fax, at the time in the place to which it is sent equivalent to the time shown on the transmission confirmation report produced by the fax machine from which it was sent which indicates that the fax was transmitted in its entirety to the fax number of the addressee;
 - (v) in the case of email complying with rule 18.8(c), on the first to occur of:
 - A. receipt by the sender of an email acknowledgement from the recipient's information system showing that the notice has been delivered to the email address stated in rule 18.8(a);
 - B. the time the notice enters an information system which is under the control of the recipient; and
 - C. the time that the notice is first opened or read by the recipient or an employee or officer of the recipient,
- but if the communication would otherwise be taken to be received on a day that is not a working day or after 5.00 pm, it is taken to be received at 9.00 am on the next working day ("working day" meaning a day that is not a Saturday, Sunday or public holiday and on which banks are open for business generally, in the place to which the communication is posted, sent or delivered);
- (e) in the case of any Application Form, that application or notice will not be taken to have been received by or on behalf of the Company:
 - (i) until it is actually received by the Company at the address nominated from time to time by the Board; or
 - (ii) if the terms of an Application Form permit it to be submitted in electronic form, until all conditions specified by the Board from time to time for submission of that Application Form have been satisfied.

18.9 Error Correction

- (a) If any Share is issued, or any Performance Right is granted, under this Plan in error or by mistake to a person who is not the intended recipient of that Share or Performance Right (**Incorrect Recipient**), then:

- For personal use only
- (i) the Incorrect Recipient shall have no right or interest, and shall be taken never to have had any right or interest, in that Share or Performance Right;
 - (ii) in the case of a Share, the Incorrect Recipient shall hold that Share absolutely for the benefit of the Trustee; and
 - (iii) in the case of a Performance Right, that Performance Right will immediately lapse.
- (b) Each Participant irrevocably appoints each officer of the Trustee as the Attorney of the Participant to execute and deliver any instrument of transfer or other document necessary or desirable to effect a transfer of that Share from the Incorrect Recipient to the Trustee. The Trustee is required to execute the instrument of transfer within a reasonable period of time.
- (c) In the event that any error or mistake has been made in relation to the number of Shares or Performance Rights the subject of:
- (i) an Invitation;
 - (ii) an inscription in any register of Participants; or
 - (iii) any notification made in the Board's discretion,
- that Invitation, inscription or notification, as the case may be, shall be null and void and of no effect to the extent of any such error or mistake and the Board may in its absolute discretion, correct such error or mistake, without the need to obtain consent from the relevant Eligible Employee or relevant Participant, by notice to the Eligible Employee or that Participant and, where appropriate, may issue an amended Invitation or notification or correct the register.
- (d) The Board will notify the relevant Participant within a reasonable period after discovering and correcting the error or mistake.

18.10 Governing Law

This Plan and the rights of Participants under its Rules are governed by the laws in force in Western Australia.