

Form 604
Corporations Act 2001
Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme Pro-Pac Packaging Limited

ACN/ARSN 112 971 874

1. Details of substantial holder (1)

Name Advent Partners Pty Ltd
ACN/ARSN (if applicable) 006 235 632

There was a change in the interests of the substantial holder on

03/05/2018

The previous notice was given to the company on

06/11/2017

The previous notice was dated

06/11/2017

The holder became aware on

03/05/2018

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Fully paid units	145,925,090	26.0% (based on 561,374,477 shares on issue)	86,292,672	15.0% (based on 575,284,477 ordinary shares on issue)

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of Securities affected	Person's votes affected
03/05/2018	Advent Partners Pty Ltd	Sale of 59,632,418 ordinary shares under the Amendment Deed (Voluntary Escrow Agreement) dated 17 April 2018. See Annexure A for further details.	\$22,660,318.84	59,632,418 ordinary shares	59,632,418

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
Advent Partners Pty Ltd	APC I Pty Ltd as trustee for Advent V Trust A	APC I Pty Ltd as trustee for Advent V Trust A	Relevant interest in shares that APC I Pty Ltd as trustee for the Advent V Trust A has a relevant interest under section 608(3) of the Corporations Act, as Advent Partners Pty Ltd has voting power of over 20% in APC I Pty Ltd. APC I Pty Ltd as trustee for the Advent V Trust A has a relevant interest in shares under section 608(1)(a) of the Corporations Act.	43,146,336 ordinary shares	43,146,336

Advent Partners Pty Ltd	APC II Pty Ltd as trustee for the Advent V Trust B	APC II Pty Ltd as trustee for the Advent V Trust B	Relevant interest in shares that APC II Pty Ltd as trustee for the Advent V Trust B has a relevant interest under section 608(3) of the Corporations Act, as Advent Partners Pty Ltd has voting power of over 20% in APC II Pty Ltd. APC II Pty Ltd as trustee for the Advent V Trust B has a relevant interest in shares under section 608(1)(a) of the Corporations Act.	43,146,336 ordinary shares	43,146,336
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5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

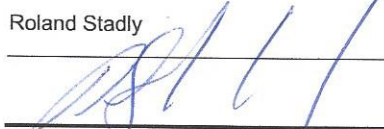
Name and ACN/ARSN (if applicable)	Nature of association
Not applicable	Not applicable

6. Addresses

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

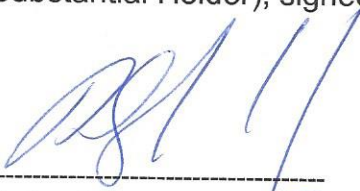
Name	Address
Advent Partners Pty Ltd	HWT Tower, Level 17, 40 City Road, Southbank VIC 3006
APC I Pty Ltd as trustee for the Advent V Trust A	HWT Tower, Level 17, 40 City Road, Southbank VIC 3006
APC II Pty Ltd as trustee for the Advent V Trust B	HWT Tower, Level 17, 40 City Road, Southbank VIC 3006

Signature

print name	Roland Stadly	capacity	Company Secretary
sign here		date	8 May 2018

Annexure A

This is Annexure 'A' of 41 pages referred to in the Form 604 (Notice of Change of Interests of Substantial Holder), signed by me and dated 8 May 2018.



Roland Stadly
Company Secretary

Amendment Deed

between

Pro-Pac Packaging Limited
ACN 112 971 874
(**Company**)

and

The parties listed in Part 1 of Schedule 1
(each a **Holder**, together the **Holders**)

This deed is made on

17 APRIL

2018

between **Pro-Pac Packaging Limited** (ACN 112 971 874) of Suite 2.02, 657 Pacific Highway, St. Leonards, NSW, 2065 (**Company**)

and The parties listed in Part 1 of Schedule 1 (each a **Holder**, together the **Holders**)

Recitals

- A Each Holder entered into a Voluntary Escrow Agreement with the Company on or about 6 November 2017.
- B Following a request from the Holders, the Company has determined it to be in the best interests of the Company and has agreed to a portion of the Escrowed Shares being released from escrow earlier than otherwise provided for in the Voluntary Escrow Agreements and placed with other parties, on the basis provided for in this deed.

Now it is covenanted and agreed as follows:

1 Definitions and Interpretation

1.1 Definitions

- (a) In this deed, unless otherwise specified or the context otherwise requires, capitalised terms have the meaning given to those terms in the Voluntary Escrow Agreements (being in substantially identical terms).

- (b) In this agreement:

Amended Voluntary Escrow Agreement means:

- (i) with respect to APC I, the amended and restated Voluntary Escrow Agreement attached to this deed as Annexure A; and
- (ii) with respect to APC II, the amended and restated Voluntary Escrow Agreement attached to this deed as Annexure B.

APC I means APC I Pty Ltd (ACN 093 313 958) in its capacity as trustee of the Advent V Trust A.

APC II means APC II Pty Ltd (ACN 092 448 372) in its capacity as trustee of the Advent V Trust B.

Arranger means Bell Potter Securities Ltd.

Condition has the meaning given to that term in clause 2.1(a).

Escrowed Shares:

- (i) with respect to APC I, has the meaning given to that term in the Voluntary Escrow Agreement to which it is a party; and
- (ii) with respect to APC II, has the meaning given to that term in the Voluntary Escrow Agreement to which it is a party.

Release Date means 3 May 2018, or such other date as agreed by the parties in writing and permitted pursuant to the ASX Listing Rules and *Corporations Act 2001* (Cth).

Released Shares means the number of Escrowed Shares to be released early from voluntary escrow pursuant to this deed, being:

- (i) with respect to APC I, 29,816,209 fully paid ordinary shares in the Company held by it; and
- (ii) with respect to APC II, 29,816,209 fully paid ordinary shares in the Company held by it.

Remaining Shares means the number of Escrowed Shares to remain in voluntary escrow pursuant to the relevant Amended Voluntary Escrow Agreements, being:

- (i) with respect to APC I, 43,146,336 fully paid ordinary shares in the Company held by it; and
- (ii) with respect to APC II, 43,146,336 fully paid ordinary shares in the Company held by it.

Voluntary Escrow Agreement means:

- (i) with respect to APC I, the Voluntary Escrow Agreement between the Company and APC II dated 6 November 2017; and
- (ii) with respect to APC II, the Voluntary Escrow Agreement between the Company and APC II dated 6 November 2017.

1.2 Interpretation

Clause 1.2 of the Voluntary Escrow Agreements applies as if set out in full herein, save that the words 'this agreement' will be read as 'this deed'.

2 Early release of Released Shares

2.1 Condition

- (a) The early release of the Released Shares from voluntary escrow pursuant to this deed is subject to the Released Shares being simultaneously transferred to transferees selected by the Arranger on the Release Date (**Condition**).
- (b) If the Condition is not satisfied on the Release Date and as provided for in clause 2.3, this deed terminates automatically and all of the Escrowed Shares will continue to be voluntarily escrowed on the basis set out in the Voluntary Escrow Agreements.

2.2 Early release

- (a) Subject to clause 2.1, on the Release Date:
 - (i) the Released Shares will be released from voluntary escrow;
 - (ii) the Company will procure that the Holding Lock is removed from the Released Shares; and
 - (iii) the Holders may only Deal with their Released Shares on the basis set out in clause 2.3.
- (b) The transactions provided for in clause 2.2(a) are interdependent and are to be carried out simultaneously.

2.3 Placement of Released Shares

On the Release Date, simultaneously with the release of the Released Shares from voluntary escrow, each Holder must transfer all of its Released Shares to transferees selected by the Arranger.

2.4 Further assurance

Each party must promptly do whatever the other party reasonably requires of it to give effect to this deed and to perform its obligations under it.

2.5 Remaining Shares

For the avoidance of doubt, the Remaining Shares will continue to be subject to voluntary escrow pursuant to the respective Amended Voluntary Escrow Agreements.

3 Amendment to Voluntary Escrow Agreement

3.1 Amendment

With effect subject to and from completion of the early release of the Released Shares from voluntary escrow pursuant to clause 2, the Voluntary Escrow Agreements are amended and restated to incorporate the changes shown in mark-up in the Amended Voluntary Escrow Agreements attached to this deed as Annexure A and Annexure B respectively.

3.2 Amendments not to affect validity, rights, obligations

- (a) The amendments to a Voluntary Escrow Agreement do not affect the validity or enforceability of that Voluntary Escrow Agreement.
- (b) Nothing in this deed:
 - (i) prejudices or adversely affects any right, power, authority, discretion or remedy which arose under or in connection with a Voluntary Escrow Agreement; or
 - (ii) discharges, releases or otherwise affects any liability or obligation which arose under or in connection with a Voluntary Escrow Agreement,

before the date on which that Voluntary Escrow Agreement is amended and restated pursuant to clause 3.1.

3.3 Confirmation

Subject to and from completion of the early release of the Released Shares from voluntary escrow pursuant to clause 2, each party is bound by the Amended Voluntary Escrow Agreement to which it is a party.

3.4 Acknowledgement

Each party acknowledges that this deed is made in accordance with each Voluntary Escrow Agreement.

4 General

Clause 7 of the Voluntary Escrow Agreements applies as if set out in full herein, save that the words 'this agreement' will be read as 'this deed'.

Schedule 1

Details

1 Holders

Name of Holder	Address of Holder
APC I Pty Ltd (ACN 093 313 958) in its capacity as trustee of the Advent V Trust A	Postal Address: HWT Tower, Level 17, 40 City Road, Southbank, VIC 3006 Facsimile: (03) 9690 9466 Email: symon@advent.com.au
APC II Pty Ltd (ACN 092 448 372) in its capacity as trustee of the Advent V Trust B	Postal Address: HWT Tower, Level 17, 40 City Road, Southbank, VIC 3006 Facsimile: (03) 9690 9466 Email: symon@advent.com.au

2 Company

Name of Company	Address of Company
Pro-Pac Packaging Limited (ACN 112 971 874)	Address: Suite 2.02, 657 Pacific Highway, St. Leonards, NSW, 2065 Attention: Mark Saus Facsimile No: (02) 8781 0599 Email address: mark.saus@ppgaust.com.au

Executed as a deed

Signed by
Pro-Pac Packaging Limited
by

sign here ► *Ahmed Fathour*
Company Secretary/Director

print name AHMED FATHOUR

sign here ► *Mark Saus*
Director Secretary

print name MARK SAUS

Signed for
APC I Pty Ltd in its capacity as trustee of the Advent V Trust A
by their attorney

sign here ► _____
Attorney

print name _____

in the presence of

sign here ► _____
Witness

print name _____

Executed as a deed

Signed by
Pro-Pac Packaging Limited
by

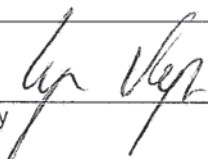
sign here ► _____
Company Secretary/Director

print name _____

sign here ► _____
Director

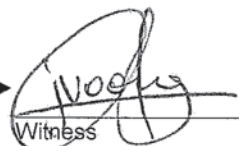
print name _____

Signed for
APC I Pty Ltd in its capacity as trustee of the Advent V Trust A
by their attorney

sign here ►  _____
Attorney

print name SYMON VEATER

in the presence of

sign here ►  _____
Witness

print name JESSICA VOONG

Signed for

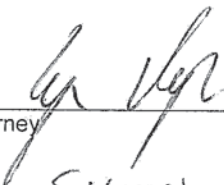
APC II Pty Ltd in its capacity as trustee of the Advent V Trust B

by their attorney

sign here ►

Attorney

print name

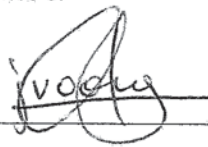

SYMON VEATER

in the presence of

sign here ►

Witness

print name


JESSICA VOONG

Annexure A

Amended Voluntary Escrow Agreement between the Company and APC I

See over page.

Amended Voluntary Escrow Agreement

between

Pro-Pac Packaging Limited
ACN 112 971 874
(**Company**)

and

The party listed in Schedule 1
(**Holder**)

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This agreement is made on

20178

between **Pro-Pac Packaging Limited** (ACN 112 971 874) of Suite 2.02, 657 Pacific Highway, St. Leonards, NSW, 2065~~147 – 151 Newton Road, Wetherill Park NSW 2164~~
(Company)

and The party listed in Schedule 1 (**Holder**)

Recitals

- A The Company is listed on the official list of the ASX.
- B The Company ~~wishes to issued~~ the Escrowed Shares to the Holder on the Issue Date.
- C If more than one person is named in Schedule 1 as the Holder, then those persons hold the shares jointly.
- D The Company and the Holder have agreed to escrow the Escrowed Shares during the Escrow Period on the terms set out in this agreement.

Now it is covenanted and agreed as follows:

1 Definitions and interpretation

1.1 Definitions

In this agreement:

2018 Results means the Company's Appendix 4E (Preliminary Final Report) for the year ended 30 June 2018.

2019 Results means the Company's Appendix 4E (Preliminary Final Report) for the year ended 30 June 2019.

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

Associate has the meaning given to that term in the Act.

ASX means ASX Limited ACN 008 624 691 or the financial market known as the Australian Securities Exchange it operates, as the context requires.

ASX Listing Rules means the listing rules of the ASX, as amended from time to time.

ASX Settlement means ASX Settlement Pty Ltd ACN 008 504 532.

Business Day means:

- (a) for the purposes of receiving a Notice, a day which is not a Saturday, Sunday, public holiday or bank holiday in the city in which the Notice is to be received; and
- (b) for any other purposes, a day on which the banks are open for business in Sydney, New South Wales other than a Saturday, Sunday or public holiday in Sydney, New South Wales.

Capital Raising means the capital raising ~~to be~~ undertaken by the Company for the purposes of raising cash to fund or partly fund the cash payment for the Company's acquisition of Integrated Packaging Group Pty Ltd.

Capital Restructure means any dividend paid by, or capital reduction effected, discount or premium at which any new shares or securities issued or share split or consolidation in respect of the shares of, the Company.

CHESS means the Clearing House Electronic Subregister System.

Completion means completion of the Company's or its subsidiary's acquisition of all of the share capital in Integrated Packaging Group Pty Ltd.

Deal has the meaning given to that term in clause 2.1.

Dispose means to sell, transfer, encumber, assign or otherwise dispose or agree to do any of those things directly or through another person by any means, including the following:

- (a) granting or exercising an option;
- (b) using an asset as collateral; and
- (c) transferring an economic interest.

EBITDA means earnings before interest, tax, depreciation and amortisation on a consolidated basis for the Company and its subsidiaries (including Integrated Packaging Group Pty Ltd and its subsidiaries), excluding any one-off or non-recurring items and calculated on the same basis and using the same policies and procedures as those applied in the preparation of the Company's audited financial statements for the year ended 30 June 2017. For the avoidance of doubt, where actual EBITDA is compared against forecast EBITDA:

- (a) the comparison must be over the same period; and
- (b) if Completion occurs later than the date assumed in arriving at the published forecast EBITDA, pro forma adjustments (reductions) to the forecast EBITDA must be agreed by the parties acting in good faith by reference to the Integrated Packaging Group Pty Ltd management accounts to ensure that the forecast only reflects expectations based on the actual date at which Completion occurred.

Escrow Period means the period commencing on the ~~date the Escrowed Shares are issued to the Holder~~ Issue Date and ending on the earliest of:

- (a) the date on which the 2019 Results are announced on ASX; and
- (b) the date which is two years after the Issue d~~Date the Escrowed Shares are issued~~.

Escrowed Shares means the number of fully paid ordinary shares in the Company as set out in Schedule 1.

Holding Lock means a facility that prevents the Escrowed Shares from being deducted from the Holder's holding, and/or entered into the holding of any other party (whether on CHESS or an issuer sponsored sub-register) pursuant to a transfer or conversion by the Holder.

Initial Price means the Reference Value divided by the total number of shares on issue immediately after Completion.

Issue Date means the date the Escrowed Shares were issued to the Holder, being 6 November 2017.

Notice means a notice, consent, approval or other communication required to be in writing under this agreement.

Reference Value means the aggregate of the:

- (a) market capitalisation of the Company immediately prior to the Capital Raising; plus
- (b) value of all shares in the Company issued to the Sellers,

each calculated using a share price of \$0.3687 (which is equal to the VWAP over the 30 Trading Days ending on the Trading Day immediately prior to the Company announcing the acquisition of Integrated Packaging Group (less the amount of any final dividend declared for the financial year ending 30 June 2017)) as the reference share price, plus the value of all equity in the Company raised pursuant to the Capital Raising (at the subscription price at which shares were issued for the purposes of the Capital Raising).

Seller means each of:

- (a) APC I Pty Ltd in its capacity as trustee of the Advent V Trust A;
- (b) APC II Pty Ltd in its capacity as trustee of the Advent V Trust B;
- (c) John Joseph Cerini;
- (d) Patsy Seow Lee Ch'ng;
- (e) Robert Bruce Archibald; and
- (f) David John Jesaveluk,

collectively the **Sellers**.

SSA means the share sale agreement between the Company and the Sellers dated 8 September 2017.

Trading Day means a 'trading day' as defined in the ASX Listing Rules.

VWAP means the average of the daily volume weighted average price of Shares traded on ASX during the period specified, but excluding any 'Crossing' transacted outside the 'Open Session State' or any 'Special Crossing' transacted at any time, each as defined in the official operating rules of ASX, or any overseas trades or trades pursuant to the exercise of options over the Company.

1.2 Interpretation

In this agreement, unless the context otherwise requires:

- (a) a reference to:
 - (i) a recital, clause, schedule or annexure is a reference to a clause of or recital, schedule or annexure to this agreement and references to this agreement include any recital, schedule or annexure;
 - (ii) any contract (including this agreement) or other instrument includes any variation or replacement of it and as it may be assigned or novated;
 - (iii) a statute, ordinance, code or other law includes subordinate legislation (including regulations) and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
 - (iv) a person or entity includes an individual, a firm, a body corporate, a trust, an unincorporated association or an authority;
 - (v) a person includes their legal personal representatives (including executors), administrators, successors, substitutes (including by way of novation) and permitted assigns;
 - (vi) an entity which has been reconstituted or merged means the body as reconstituted or merged, and to an entity which has ceased to exist where its functions have been substantially taken over by another body, means that other body;

- (vii) time is a reference to legal time in Sydney, New South Wales; and
- (viii) a reference to a day or a month means a calendar day or calendar month;
- (b) unless expressly stated, no party enters into this agreement as agent for any other person (or otherwise on their behalf or for their benefit);
- (c) the meaning of any general language is not restricted by any accompanying example, and the words 'includes', 'including', 'such as', 'for example' or similar words are not words of limitation;
- (d) headings and the table of contents are for convenience only and do not form part of this agreement or affect its interpretation; and
- (e) 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.

1.3 Compliance with ASX Listing Rules

For so long as the Company is listed on the official list of the ASX:

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

2 Voluntary escrow

2.1 Except as permitted under clause 3, and otherwise subject to this agreement, the Holder must not do any of the following during the Escrow Period:

- (a) Dispose of, or agree or offer to Dispose of, the Escrowed Shares;
- (b) create or grant, or agree or offer to create or grant, or permit to be created or granted, any security interest over any part of the Escrowed Shares; or
- (c) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of, or creating any security interest over, any part of the Escrowed Shares,

(Deal).

2.2 Holding Lock

- (a) The Company will apply a Holding Lock to the Escrowed Shares during the Escrow Period (if the securities are held on an issuer sponsored sub-register) or give notice to ASX Settlement requesting it to apply a Holding Lock (if the securities are in a CHESS holding).

- (b) Subject to clause 3, the Holder consents to:
 - (i) the Company entering the Escrowed Shares on an issuer sponsored sub-register; and
 - (ii) the application of a Holding Lock on the Escrowed Shares during the Escrow Period.
- (c) For the avoidance of doubt, the Holder also consents to the refusal of the Company and/or its share registry to process or register any paper-based transfer of the Escrowed Shares during the Escrow Period other than as permitted under clause 3.

2.3 No restrictions on voting and distributions and if required by law

For the avoidance of doubt, nothing in this agreement prohibits, restricts or otherwise limits the entitlement of the Holder as an ordinary shareholder of the Company to:

- (a) exercise, or control the exercise of, a right to vote attached to the Escrowed Shares;
- (b) receive dividends or other distributions in respect of the Escrowed Shares *pari passu* with all other holders of fully paid ordinary shares in the capital of the Company; or
- (c) deal with any or all of the Escrowed Shares if required by law to do so (including by order of a court of competent jurisdiction).

3 Exceptions to escrow restrictions

3.1 Early release

- (a) Notwithstanding any term to the contrary in this agreement, during the Escrow Period the Holder may Deal with up to 50% of its Escrowed Shares at any time after the announcement on ASX of the 2018 Results if:
 - (i) the EBITDA announced in the 2018 Results is equal to or exceeds the forecast EBITDA for the year ended 30 June 2018 announced on ASX by the Company for the purposes of the Capital Raising; and
 - (ii) the VWAP of Shares, adjusting the share price over the period to take into account the theoretical impact of any Capital Restructure, over the 30 Trading Day period ending on any Trading Day after the announcement of the 2018 Results and before all of the Escrowed Shares held by the Holder have been Dealt with exceeds the Initial Price by 20% or more.
- (b) For the purposes of clause 3.1(a)(i), the Company agrees to announce on ASX:
 - (i) a forecast EBITDA for the year ended 30 June 2018 prior to the date the Capital Raising is finalised; and
 - (ii) an actual EBITDA for the year ended 30 June 2018 as part of the 2018 Results.
- (c) Notwithstanding any term to the contrary in this agreement, during the Escrow Period the Holder may Deal with up to 100% of its Escrowed Shares at any time after the announcement of the 2018 Results on ASX if the VWAP of Shares over any 90 Trading Day period ending on a date after the announcement of the 2018 Results exceeds by 40% or more the Initial Price.

3.2 Takeovers

- (a) If a takeover offer (including a proportional takeover bid) is made in accordance with the Act for all securities in the same class as the Escrowed Shares, the Holder may

accept that offer for all or part of the Escrowed Shares or execute an irrevocable undertaking to do so, provided that:

- (i) the offer has been accepted by the holders of at least 50% of the securities in that class which are not subject to escrow;
 - (ii) (if the Takeover Offer is a conditional off-market bid) the bidder making the Takeover Offer agrees in writing that the restrictions and the Holding Lock referred to in clause 2.2 will apply to each Escrowed Share not purchased by the bidder under the takeover offer or post-takeover compulsory acquisition under the Act; and
 - (iii) if for any reason the takeover offer does not become unconditional, the Escrowed Shares must be returned to escrow for the remainder of the Escrow Period on the terms of this agreement, including the Holding Lock.
- (b) Each party acknowledges and agrees that it has not entered into this agreement to construct a defence against a takeover bid.

3.3 Scheme of arrangement

The Escrowed Shares may be Disposed of or cancelled pursuant to a compromise or arrangement under Part 5.1 of the Act provided that the Escrowed Shares become subject to the provisions of this agreement, including the Holding Lock for the remainder of the Escrow Period, if for any reason the compromise or arrangement does not take effect.

3.4 Equal access share buyback, capital return or capital reduction

Any or all of the Escrowed Shares may be Disposed of or cancelled as part of an:

- (a) equal access share buyback;
- (b) equal capital return; or
- (c) equal capital reduction,

in each case made in accordance with the Act.

3.5 Transfer to Associate

The Holder may Dispose of any or all of the Escrowed Shares to an Associate controlled by the Holder provided that:

- (a) the Holder gives the Company not less than 5 Business Days' notice of its intention to Dispose of the Escrowed Shares; and
- (b) the Holder procures that prior to any such Disposal occurring, the Associate undertakes to be bound by the provisions of this agreement by the execution of a deed of accession in a form acceptable to the Company.

3.6 Trusts

If the Holder enters into this agreement in its capacity as a trustee of a trust, the Holder, while acting in its capacity as trustee, may Dispose of the Escrowed Shares for the purpose of effecting the appointment of a new trustee or retiring an existing trustee provided that:

- (a) the Holder gives the Company not less than 5 Business Days' notice of its intention to Dispose of the Escrowed Shares, including such details as the Company may require in order to be satisfied that the Disposal complies with clause 3.6(c) of this agreement;
- (b) the Holder procures that prior to any such Disposal occurring, the new trustee undertakes to be bound by the provisions of this agreement by the execution of a deed of accession in a form acceptable to the Company; and

- (c) there is no change to the beneficial ownership of the Escrowed Shares in connection with the Disposal.

3.7 Requirement of applicable law

The Holder may Deal with any or all of the Escrowed Shares as required by applicable law (including an order of a court of competent jurisdiction).

4 Consequences of breach

4.1 Notice

If the Holder becomes aware:

- (a) that any of the Escrowed Shares has been Dealt with, or is likely to be Dealt with, during the Escrow Period; or
- (b) of any matter which is likely to give rise to any of the Escrowed Shares being Dealt with during the Escrow Period,

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

4.2 Company's rights

- (a) If the Holder breaches this agreement, the Company is entitled to:
 - (i) take all steps necessary to enforce this agreement, or to rectify the breach;
 - (ii) refuse to acknowledge, deal with, accept or register any Disposal of any of the Escrowed Shares. This is in addition to the other rights and remedies of the Company; and
 - (iii) recover damages from the Holder to the extent the Company suffers any loss as a result of that breach.
- (b) If the Holder breaches this agreement, the Holder acknowledges and agrees that such a breach could cause substantial commercial and financial detriment to the Company and other third parties.
- (c) The parties agree that damages would be an insufficient remedy for breach of clause 2.1 and the Holder agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's obligation under clause 2.1 without proof of actual damage and without prejudice to any of its other rights or remedies.

5 Termination

~~This agreement terminates automatically if Completion does not occur by 8 December 2017, unless otherwise agreed to by the parties in writing.~~

6 Warranties and undertaking

6.1 Warranties

Each party represents and warrants for the benefit of the other party to this agreement that the following is true and correct at the date of this agreement:

- (a) it has the power to enter into and perform this agreement and to perform and observe all of its terms and has obtained all necessary consents to enable it to do so (including, if the Holder has entered into this agreement as a trustee (**Trustee**), under the trust deed for the relevant trust (**Trust**));
- (b) it has duly executed this agreement and this agreement is a legal, valid and binding obligation enforceable against it in accordance with the terms of this agreement;
- (c) the entry into and performance of this agreement does not constitute a breach of any obligation (including any statutory, contractual or fiduciary obligation), or default under any agreement or undertaking, by which the party or its assets are bound;
- (d) where the party is a body corporate:
 - (i) it is a body corporate duly incorporated under laws of the jurisdiction of its incorporation; and
 - (ii) it has taken all necessary corporate action to authorise the execution and performance of this agreement;
- (e) prior to the Escrow Period, it has not done, or omitted to do, any act that would result in it Disposing of the Escrowed Shares such that it will take effect during the Escrow Period;
- (f) the Escrowed Shares are free from all Security Interests and will remain so during the Escrow Period;
- (g) immediately following Completion, the Holder will hold the Escrowed Shares;
- (h) from Completion the Escrowed Shares will be all the securities or economic interests that the Holder has directly or indirectly in the Company, other than pursuant to the SSA; and
- (i) if the Holder is a Trustee:
 - (i) the Holder has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this agreement and the right has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and Holder has not released or disposed of its equitable lien over that trust; and
 - (ii) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust.

6.25.2 Undertaking

The Holder undertakes to the Company:

- (a) to comply in all respects with this agreement; and
- (b) not to seek any waiver or variation of this agreement without the prior written consent of the Company.

6.35.3 Acknowledgment

The Holder acknowledges that a breach of any of the representations and warranties set out in this clause 56 is a breach of this agreement.

6.45.4 Survival of representations and warranties

The representations and warranties in this clause 56 survive termination of this agreement.

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7.46.1 Notices

- (a) Any Notice given to a party under this agreement is only given if it is in writing and sent in one of the following ways:
 - (i) delivered or posted to that party at its address and marked for the attention of the relevant department or officer (if any);
 - (ii) sent by electronic mail to the email address (if any); or
 - (iii) faxed to that party at its fax number and marked for the attention of the relevant department or officer (if any).
- (b) If a party gives the other party three Business Days' notice of a change of its address, email address or fax number, any Notice is only given by that other party if it is delivered, posted or faxed to the latest address or fax number.
- (c) Any Notice is to be treated as given at the following time:
 - (i) if it is hand delivered, when delivered to the recipient;
 - (ii) if it is sent by post, 3 (or, in the case of a notice or communication posted to another country, 10) Business Days after it is posted;
 - (iii) if it is sent by fax, as soon as the sender receives from the sender's fax machine a report of an error free fax transmission to the correct fax number; and
 - (iv) if it is sent by electronic mail, as soon as the sender receives from the sender's computer a report of an error free email transmission to the correct email address.
- (d) However, if any Notice is given on a day that is not a Business Day or after 5pm on a Business Day in the place of the party to whom it is sent, it is to be treated as having been given at the beginning of the next Business Day.

7.26.2 Confidentiality

The parties agree to keep confidential all information, and to not make press or other announcements or releases, relating to this agreement and the transactions contemplated by it (including the execution of documents) other than as required by law or the ASX Listing Rules.

7.36.3 Exercise of rights

A party may exercise a right, power or remedy at its discretion, and separately or concurrently with another right, power or remedy. A single or partial exercise of a right, power or remedy by a party does not prevent a further exercise of that or of any other right, power or remedy. Failure by a party to exercise or delay in exercising a right, power or remedy does not prevent its exercise.

7.46.4 No waiver

- (a) A party may not rely on the words or conduct (including a delay in the exercise, a non-exercise or a partial exercise of a right) of any other party as a waiver of any right arising under or in connection with this agreement (including a right to rely on this clause) unless the waiver is in writing and signed by the party granting the waiver.
- (b) In clause ~~6.4(a)~~7.4(a) the term "waiver" is intended to include an election between rights and remedies as well as conduct which might otherwise give rise to an estoppel.

- (c) A waiver is only effective in relation to the particular obligation or breach in respect of which it is given and is not to be taken as an implied waiver of any other obligation or breach or as an implied waiver of that obligation or breach in relation to any other occasion.

7.56.5 Assignments and transfers

A party must not assign or transfer any of its rights or obligations under this agreement without the prior written consent of each of the other party.

7.66.6 Counterparts

This agreement may consist of a number of counterparts and, if so, the counterparts taken together constitute one agreement.

7.76.7 Goods and services tax

- (a) Where a party (**Supplier**) makes a taxable supply to another party (**Recipient**), the Recipient must pay to the Supplier an additional amount equal to the GST payable by the Supplier (unless the consideration for that taxable supply is expressed to include GST). The additional amount must be paid when any consideration for the taxable supply is first paid or provided. The Supplier must provide to the Recipient a tax invoice at the time of payment.
- (b) Where a party indemnifies, reimburses or makes a contribution (**Contribution**) to the other party, and the other party can obtain an input tax credit on an acquisition associated with the Contribution, the amount of the Contribution for the first party is reduced by the amount of that input tax credit. The reduction is to be made before any increase under clause ~~6.7(a)~~~~7.7(a)~~.
- (c) Terms are used in this clause ~~6.77.7~~ have the meanings given to them in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

7.86.8 Governing law and jurisdiction

This agreement is governed by and is to be construed in accordance with the laws applicable in New South Wales, Australia. Each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia and any courts which have jurisdiction to hear appeals from any of those courts and waives any right to object to any proceedings being brought in those courts.

7.96.9 Trustee warranties

If the Holder enters into this agreement in its capacity as a trustee of a trust (**Trust**), the Holder represents and warrants to the Company as at the date of this agreement that:

- (a) the Trust has been validly created and is in existence and is solely constituted by its trust deed (**Trust Deed**), and:
 - (i) the Trust Deed is not void, voidable or otherwise unenforceable; and
 - (ii) the Trustee has not been given written notice of proceedings of any description commenced or threatened which could have a material adverse effect on the assets or financial position of the Trust or on the trusteeship of the trustee of the Trust;

- (b) it has full and valid power and authority under its Trust Deed to enter into and perform its obligations under this agreement and all necessary resolutions, consents, approvals and procedures have been obtained or duly satisfied to enter into and perform its obligations under this agreement;
- (c) this agreement binds the Holder in its capacity as trustee and is a valid and binding agreement on the Holder, enforceable in accordance with its terms; and
- (d) the Holder:
 - (i) has been validly appointed as trustee of the Trust;
 - (ii) is, unless otherwise stated, the sole trustee of the Trust; and
 - (iii) is not aware of any action which has been taken to remove or replace the Holder as the trustee or terminate or vest the Trust.

7.146.10 **Severability**

If a provision of this agreement is illegal or unenforceable in any relevant jurisdiction, it may be severed for the purposes of that jurisdiction without affecting the enforceability of the other provisions of this agreement unless severing the provision materially alters the scope and nature of this agreement or the relative commercial or financial positions of the parties, or would be contrary to public policy.

7.146.11 **Approvals and consents**

A party may give conditionally or unconditionally or withhold its approval or consent in its absolute discretion unless this agreement expressly provides otherwise.

7.146.12 **Remedies cumulative**

The rights, powers and remedies provided in this agreement are cumulative with and not exclusive of the rights, powers or remedies provided by law independently of this agreement.

7.146.13 **Specific Performance**

The parties agree that irreparable damage may occur if any of the provisions of this agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties will be entitled to an injunction or injunctions to prevent breaches of this agreement and to enforce specifically the terms and provisions of this agreement, this being in addition to any other remedy to which the parties are entitled at law or in equity.

7.146.14 **No variation**

A variation of any term of this agreement will be of no force or effect unless it is by way of deed and signed by each of the parties.

7.146.15 **Entire Agreement**

This agreement states all of the express terms agreed by the parties in respect of its subject matter. It supersedes all prior discussions, negotiations, understandings and agreements in respect of its subject matter.

Schedule 1

Details

Name of Holder	Address of Holder	Escrowed Shares of Holder
APC I Pty Ltd (ACN 093 313 958) in its capacity as trustee of the Advent V Trust A	Postal Address: HWT Tower, Level 17, 40 City Road, Southbank, VIC 3006 Facsimile: (03) 9690 9466 Email: symon@advent.com.au	43,146,336 72,962,545 ordinary shares in the Company

Name of Company	Address of Company	
Pro-Pac Packaging Limited (ACN 112 971 874)	Address: Suite 2.02, 657 Pacific Highway, St. Leonards, NSW, 2065 147 — 151 Newton Road, Wetherill Park NSW 2164 Attention: Mark Saus Facsimile No: (02) 8781 0599 Email address: mark.saus@ppgaust.com.au	

Executed as an agreement

Signed by
Pro-Pac Packaging Limited
by

sign here ▶ _____
Company Secretary/Director

print name _____

sign here ▶ _____
Director

print name _____

Signed for
APC I Pty Ltd in its capacity as trustee of the Advent V Trust A
by their attorney

sign here ▶ _____
Attorney

print name _____

in the presence of

sign here ▶ _____
Witness

print name _____

Annexure B

Amended Voluntary Escrow Agreement between the Company and APC II

See over page.

Amended Voluntary Escrow Agreement

between

Pro-Pac Packaging Limited
ACN 112 971 874
(**Company**)

and

The party listed in Schedule 1
(**Holder**)

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This agreement is made on

2018~~7~~

between **Pro-Pac Packaging Limited** (ACN 112 971 874) of Suite 2.02, 657 Pacific Highway, St. Leonards, NSW, 2065~~147 – 151 Newton Road, Wetherill Park NSW 2164~~
(Company)

and The party listed in Schedule 1 (**Holder**)

Recitals

- A. The Company is listed on the official list of the ASX.
- B. The Company ~~wishes to~~ issued the Escrowed Shares to the Holder on the Issue Date.
- C. If more than one person is named in Schedule 1 as the Holder, then those persons hold the shares jointly.
- D. The Company and the Holder have agreed to escrow the Escrowed Shares during the Escrow Period on the terms set out in this agreement.

Now it is covenanted and agreed as follows:

1 Definitions and interpretation

1.1 Definitions

In this agreement:

2018 Results means the Company's Appendix 4E (Preliminary Final Report) for the year ended 30 June 2018.

2019 Results means the Company's Appendix 4E (Preliminary Final Report) for the year ended 30 June 2019.

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

Associate has the meaning given to that term in the Act.

ASX means ASX Limited ACN 008 624 691 or the financial market known as the Australian Securities Exchange it operates, as the context requires.

ASX Listing Rules means the listing rules of the ASX, as amended from time to time.

ASX Settlement means ASX Settlement Pty Ltd ACN 008 504 532.

Business Day means:

- (a) for the purposes of receiving a Notice, a day which is not a Saturday, Sunday, public holiday or bank holiday in the city in which the Notice is to be received; and
- (b) for any other purposes, a day on which the banks are open for business in Sydney, New South Wales other than a Saturday, Sunday or public holiday in Sydney, New South Wales.

Capital Raising means the capital raising ~~to be~~ undertaken by the Company for the purposes of raising cash to fund or partly fund the cash payment for the Company's acquisition of Integrated Packaging Group Pty Ltd.

Capital Restructure means any dividend paid by, or capital reduction effected, discount or premium at which any new shares or securities issued or share split or consolidation in respect of the shares of, the Company.

CHESS means the Clearing House Electronic Subregister System.

Completion means completion of the Company's or its subsidiary's acquisition of all of the share capital in Integrated Packaging Group Pty Ltd.

Deal has the meaning given to that term in clause 2.1.

Dispose means to sell, transfer, encumber, assign or otherwise dispose or agree to do any of those things directly or through another person by any means, including the following:

- (a) granting or exercising an option;
- (b) using an asset as collateral; and
- (c) transferring an economic interest.

EBITDA means earnings before interest, tax, depreciation and amortisation on a consolidated basis for the Company and its subsidiaries (including Integrated Packaging Group Pty Ltd and its subsidiaries), excluding any one-off or non-recurring items and calculated on the same basis and using the same policies and procedures as those applied in the preparation of the Company's audited financial statements for the year ended 30 June 2017. For the avoidance of doubt, where actual EBITDA is compared against forecast EBITDA:

- (a) the comparison must be over the same period; and
- (b) if Completion occurs later than the date assumed in arriving at the published forecast EBITDA, pro forma adjustments (reductions) to the forecast EBITDA must be agreed by the parties acting in good faith by reference to the Integrated Packaging Group Pty Ltd management accounts to ensure that the forecast only reflects expectations based on the actual date at which Completion occurred.

Escrow Period means the period commencing on the ~~date the Escrowed Shares are issued to the Holder~~ Issue Date and ending on the earliest of:

- (a) the date on which the 2019 Results are announced on ASX; and
- (b) the date which is two years after the Issue Date ~~the Escrowed Shares are issued.~~

Escrowed Shares means the number of fully paid ordinary shares in the Company as set out in Schedule 1.

Holding Lock means a facility that prevents the Escrowed Shares from being deducted from the Holder's holding, and/or entered into the holding of any other party (whether on CHESS or an issuer sponsored sub-register) pursuant to a transfer or conversion by the Holder.

Initial Price means the Reference Value divided by the total number of shares on issue immediately after Completion.

Issue Date means the date the Escrowed Shares were issued to the Holder, being 6 November 2017.

Notice means a notice, consent, approval or other communication required to be in writing under this agreement.

Reference Value means the aggregate of the:

- (a) market capitalisation of the Company immediately prior to the Capital Raising; plus
- (b) value of all shares in the Company issued to the Sellers,

each calculated using a share price of \$0.3687 (which is equal to the VWAP over the 30 Trading Days ending on the Trading Day immediately prior to the Company announcing the acquisition of Integrated Packaging Group (less the amount of any final dividend declared for the financial year ending 30 June 2017)) as the reference share price, plus the value of all equity in the Company raised pursuant to the Capital Raising (at the subscription price at which shares were issued for the purposes of the Capital Raising).

Seller means each of:

- (a) APC I Pty Ltd in its capacity as trustee of the Advent V Trust A;
- (b) APC II Pty Ltd in its capacity as trustee of the Advent V Trust B;
- (c) John Joseph Cerini;
- (d) Patsy Seow Lee Ch'ng;
- (e) Robert Bruce Archibald; and
- (f) David John Jesaveluk,

collectively the **Sellers**.

SSA means the share sale agreement between the Company and the Sellers dated 8 September 2017.

Trading Day means a 'trading day' as defined in the ASX Listing Rules.

VWAP means the average of the daily volume weighted average price of Shares traded on ASX during the period specified, but excluding any 'Crossing' transacted outside the 'Open Session State' or any 'Special Crossing' transacted at any time, each as defined in the official operating rules of ASX, or any overseas trades or trades pursuant to the exercise of options over the Company.

1.2 Interpretation

In this agreement, unless the context otherwise requires:

- (a) a reference to:
 - (i) a recital, clause, schedule or annexure is a reference to a clause of or recital, schedule or annexure to this agreement and references to this agreement include any recital, schedule or annexure;
 - (ii) any contract (including this agreement) or other instrument includes any variation or replacement of it and as it may be assigned or novated;
 - (iii) a statute, ordinance, code or other law includes subordinate legislation (including regulations) and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
 - (iv) a person or entity includes an individual, a firm, a body corporate, a trust, an unincorporated association or an authority;
 - (v) a person includes their legal personal representatives (including executors), administrators, successors, substitutes (including by way of novation) and permitted assigns;
 - (vi) an entity which has been reconstituted or merged means the body as reconstituted or merged, and to an entity which has ceased to exist where its functions have been substantially taken over by another body, means that other body;
 - (vii) time is a reference to legal time in Sydney, New South Wales; and

- (viii) a reference to a day or a month means a calendar day or calendar month;
- (b) unless expressly stated, no party enters into this agreement as agent for any other person (or otherwise on their behalf or for their benefit);
- (c) the meaning of any general language is not restricted by any accompanying example, and the words 'includes', 'including', 'such as', 'for example' or similar words are not words of limitation;
- (d) headings and the table of contents are for convenience only and do not form part of this agreement or affect its interpretation; and
- (e) 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.

1.3 Compliance with ASX Listing Rules

For so long as the Company is listed on the official list of the ASX:

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

2 Voluntary escrow

2.1 Except as permitted under clause 3, and otherwise subject to this agreement, the Holder must not do any of the following during the Escrow Period:

- (a) Dispose of, or agree or offer to Dispose of, the Escrowed Shares;
- (b) create or grant, or agree or offer to create or grant, or permit to be created or granted, any security interest over any part of the Escrowed Shares; or
- (c) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of, or creating any security interest over, any part of the Escrowed Shares,

(Deal).

2.2 Holding Lock

- (a) The Company will apply a Holding Lock to the Escrowed Shares during the Escrow Period (if the securities are held on an issuer sponsored sub-register) or give notice to ASX Settlement requesting it to apply a Holding Lock (if the securities are in a CHESS holding).
- (b) Subject to clause 3, the Holder consents to:
 - (i) the Company entering the Escrowed Shares on an issuer sponsored sub-register; and

- (ii) the application of a Holding Lock on the Escrowed Shares during the Escrow Period.
- (c) For the avoidance of doubt, the Holder also consents to the refusal of the Company and/or its share registry to process or register any paper-based transfer of the Escrowed Shares during the Escrow Period other than as permitted under clause 3.

2.3 No restrictions on voting and distributions and if required by law

For the avoidance of doubt, nothing in this agreement prohibits, restricts or otherwise limits the entitlement of the Holder as an ordinary shareholder of the Company to:

- (a) exercise, or control the exercise of, a right to vote attached to the Escrowed Shares;
- (b) receive dividends or other distributions in respect of the Escrowed Shares *pari passu* with all other holders of fully paid ordinary shares in the capital of the Company; or
- (c) deal with any or all of the Escrowed Shares if required by law to do so (including by order of a court of competent jurisdiction).

3 Exceptions to escrow restrictions

3.1 Early release

- (a) Notwithstanding any term to the contrary in this agreement, during the Escrow Period the Holder may Deal with up to 50% of its Escrowed Shares at any time after the announcement on ASX of the 2018 Results if:
 - (i) the EBITDA announced in the 2018 Results is equal to or exceeds the forecast EBITDA for the year ended 30 June 2018 announced on ASX by the Company for the purposes of the Capital Raising; and
 - (ii) the VWAP of Shares, adjusting the share price over the period to take into account the theoretical impact of any Capital Restructure, over the 30 Trading Day period ending on any Trading Day after the announcement of the 2018 Results and before all of the Escrowed Shares held by the Holder have been Dealt with exceeds the Initial Price by 20% or more.
- (b) For the purposes of clause 3.1(a)(i), the Company agrees to announce on ASX:
 - (i) a forecast EBITDA for the year ended 30 June 2018 prior to the date the Capital Raising is finalised; and
 - (ii) an actual EBITDA for the year ended 30 June 2018 as part of the 2018 Results.
- (c) Notwithstanding any term to the contrary in this agreement, during the Escrow Period the Holder may Deal with up to 100% of its Escrowed Shares at any time after the announcement of the 2018 Results on ASX if the VWAP of Shares over any 90 Trading Day period ending on a date after the announcement of the 2018 Results exceeds by 40% or more the Initial Price.

3.2 Takeovers

- (a) If a takeover offer (including a proportional takeover bid) is made in accordance with the Act for all securities in the same class as the Escrowed Shares, the Holder may accept that offer for all or part of the Escrowed Shares or execute an irrevocable undertaking to do so, provided that:
 - (i) the offer has been accepted by the holders of at least 50% of the securities in that class which are not subject to escrow;
 - (ii) (if the Takeover Offer is a conditional off-market bid) the bidder making the Takeover Offer agrees in writing that the restrictions and the Holding Lock referred

to in clause 2.2 will apply to each Escrowed Share not purchased by the bidder under the takeover offer or post-takeover compulsory acquisition under the Act; and

- (iii) if for any reason the takeover offer does not become unconditional, the Escrowed Shares must be returned to escrow for the remainder of the Escrow Period on the terms of this agreement, including the Holding Lock.

- (b) Each party acknowledges and agrees that it has not entered into this agreement to construct a defence against a takeover bid.

3.3 **Scheme of arrangement**

The Escrowed Shares may be Disposed of or cancelled pursuant to a compromise or arrangement under Part 5.1 of the Act provided that the Escrowed Shares become subject to the provisions of this agreement, including the Holding Lock for the remainder of the Escrow Period, if for any reason the compromise or arrangement does not take effect.

3.4 **Equal access share buyback, capital return or capital reduction**

Any or all of the Escrowed Shares may be Disposed of or cancelled as part of an:

- (a) equal access share buyback;
- (b) equal capital return; or
- (c) equal capital reduction,

in each case made in accordance with the Act.

3.5 **Transfer to Associate**

The Holder may Dispose of any or all of the Escrowed Shares to an Associate controlled by the Holder provided that:

- (a) the Holder gives the Company not less than 5 Business Days' notice of its intention to Dispose of the Escrowed Shares; and
- (b) the Holder procures that prior to any such Disposal occurring, the Associate undertakes to be bound by the provisions of this agreement by the execution of a deed of accession in a form acceptable to the Company.

3.6 **Trusts**

If the Holder enters into this agreement in its capacity as a trustee of a trust, the Holder, while acting in its capacity as trustee, may Dispose of the Escrowed Shares for the purpose of effecting the appointment of a new trustee or retiring an existing trustee provided that:

- (a) the Holder gives the Company not less than 5 Business Days' notice of its intention to Dispose of the Escrowed Shares, including such details as the Company may require in order to be satisfied that the Disposal complies with clause 3.6(c) of this agreement;
- (b) the Holder procures that prior to any such Disposal occurring, the new trustee undertakes to be bound by the provisions of this agreement by the execution of a deed of accession in a form acceptable to the Company; and
- (c) there is no change to the beneficial ownership of the Escrowed Shares in connection with the Disposal.

3.7 **Requirement of applicable law**

The Holder may Deal with any or all of the Escrowed Shares as required by applicable law (including an order of a court of competent jurisdiction).

4 Consequences of breach

4.1 Notice

If the Holder becomes aware:

- (a) that any of the Escrowed Shares has been Dealt with, or is likely to be Dealt with, during the Escrow Period; or
- (b) of any matter which is likely to give rise to any of the Escrowed Shares being Dealt with during the Escrow Period,

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

4.2 Company's rights

- (a) If the Holder breaches this agreement, the Company is entitled to:
 - (i) take all steps necessary to enforce this agreement, or to rectify the breach;
 - (ii) refuse to acknowledge, deal with, accept or register any Disposal of any of the Escrowed Shares. This is in addition to the other rights and remedies of the Company; and
 - (iii) recover damages from the Holder to the extent the Company suffers any loss as a result of that breach.
- (b) If the Holder breaches this agreement, the Holder acknowledges and agrees that such a breach could cause substantial commercial and financial detriment to the Company and other third parties.
- (c) The parties agree that damages would be an insufficient remedy for breach of clause 2.1 and the Holder agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's obligation under clause 2.1 without proof of actual damage and without prejudice to any of its other rights or remedies.

~~5 Termination~~

~~This agreement terminates automatically if Completion does not occur by 8 December 2017, unless otherwise agreed to by the parties in writing.~~

~~6~~5 Warranties and undertaking

~~6.15.1~~ Warranties

Each party represents and warrants for the benefit of the other party to this agreement that the following is true and correct at the date of this agreement:

- (a) it has the power to enter into and perform this agreement and to perform and observe all of its terms and has obtained all necessary consents to enable it to do so (including, if the Holder has entered into this agreement as a trustee (**Trustee**), under the trust deed for the relevant trust (**Trust**));
- (b) it has duly executed this agreement and this agreement is a legal, valid and binding obligation enforceable against it in accordance with the terms of this agreement;
- (c) the entry into and performance of this agreement does not constitute a breach of any obligation (including any statutory, contractual or fiduciary obligation), or default under any agreement or undertaking, by which the party or its assets are bound;

- (d) where the party is a body corporate:
 - (i) it is a body corporate duly incorporated under laws of the jurisdiction of its incorporation; and
 - (ii) it has taken all necessary corporate action to authorise the execution and performance of this agreement;
- (e) prior to the Escrow Period, it has not done, or omitted to do, any act that would result in it Disposing of the Escrowed Shares such that it will take effect during the Escrow Period;
- (f) the Escrowed Shares are free from all Security Interests and will remain so during the Escrow Period;
- (g) immediately following Completion, the Holder will hold the Escrowed Shares;
- (h) from Completion the Escrowed Shares will be all the securities or economic interests that the Holder has directly or indirectly in the Company, other than pursuant to the SSA; and
- (i) if the Holder is a Trustee:
 - (i) the Holder has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this agreement and the right has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and Holder has not released or disposed of its equitable lien over that trust; and
 - (ii) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust.

6-25.2 Undertaking

The Holder undertakes to the Company:

- (a) to comply in all respects with this agreement; and
- (b) not to seek any waiver or variation of this agreement without the prior written consent of the Company.

6-35.3 Acknowledgment

The Holder acknowledges that a breach of any of the representations and warranties set out in this clause 56 is a breach of this agreement.

6-45.4 Survival of representations and warranties

The representations and warranties in this clause 56 survive termination of this agreement.

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7.16.1 Notices

- (a) Any Notice given to a party under this agreement is only given if it is in writing and sent in one of the following ways:
 - (i) delivered or posted to that party at its address and marked for the attention of the relevant department or officer (if any);
 - (ii) sent by electronic mail to the email address (if any); or
 - (iii) faxed to that party at its fax number and marked for the attention of the relevant department or officer (if any).

- (b) If a party gives the other party three Business Days' notice of a change of its address, email address or fax number, any Notice is only given by that other party if it is delivered, posted or faxed to the latest address or fax number.
- (c) Any Notice is to be treated as given at the following time:
 - (i) if it is hand delivered, when delivered to the recipient;
 - (ii) if it is sent by post, 3 (or, in the case of a notice or communication posted to another country, 10) Business Days after it is posted;
 - (iii) if it is sent by fax, as soon as the sender receives from the sender's fax machine a report of an error free fax transmission to the correct fax number; and
 - (iv) if it is sent by electronic mail, as soon as the sender receives from the sender's computer a report of an error free email transmission to the correct email address.
- (d) However, if any Notice is given on a day that is not a Business Day or after 5pm on a Business Day in the place of the party to whom it is sent, it is to be treated as having been given at the beginning of the next Business Day.

7.26.2 Confidentiality

The parties agree to keep confidential all information, and to not make press or other announcements or releases, relating to this agreement and the transactions contemplated by it (including the execution of documents) other than as required by law or the ASX Listing Rules.

7.36.3 Exercise of rights

A party may exercise a right, power or remedy at its discretion, and separately or concurrently with another right, power or remedy. A single or partial exercise of a right, power or remedy by a party does not prevent a further exercise of that or of any other right, power or remedy. Failure by a party to exercise or delay in exercising a right, power or remedy does not prevent its exercise.

7.46.4 No waiver

- (a) A party may not rely on the words or conduct (including a delay in the exercise, a non-exercise or a partial exercise of a right) of any other party as a waiver of any right arising under or in connection with this agreement (including a right to rely on this clause) unless the waiver is in writing and signed by the party granting the waiver.
- (b) In clause ~~6.4(a)~~7.4(a) the term "waiver" is intended to include an election between rights and remedies as well as conduct which might otherwise give rise to an estoppel.
- (c) A waiver is only effective in relation to the particular obligation or breach in respect of which it is given and is not to be taken as an implied waiver of any other obligation or breach or as an implied waiver of that obligation or breach in relation to any other occasion.

7.56.5 Assignments and transfers

A party must not assign or transfer any of its rights or obligations under this agreement without the prior written consent of each of the other party.

7.66.6 Counterparts

This agreement may consist of a number of counterparts and, if so, the counterparts taken together constitute one agreement.

7.76.7 Goods and services tax

- (a) Where a party (**Supplier**) makes a taxable supply to another party (**Recipient**), the Recipient must pay to the Supplier an additional amount equal to the GST payable by the Supplier (unless the consideration for that taxable supply is expressed to include GST). The additional amount must be paid when any consideration for the taxable supply is first paid or provided. The Supplier must provide to the Recipient a tax invoice at the time of payment.
- (b) Where a party indemnifies, reimburses or makes a contribution (**Contribution**) to the other party, and the other party can obtain an input tax credit on an acquisition associated with the Contribution, the amount of the Contribution for the first party is reduced by the amount of that input tax credit. The reduction is to be made before any increase under clause ~~6.7(a)~~**7.7(a)**.
- (c) Terms are used in this clause ~~6.77.7~~ have the meanings given to them in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

7.86.8 Governing law and jurisdiction

This agreement is governed by and is to be construed in accordance with the laws applicable in New South Wales, Australia. Each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia and any courts which have jurisdiction to hear appeals from any of those courts and waives any right to object to any proceedings being brought in those courts.

7.96.9 Trustee warranties

If the Holder enters into this agreement in its capacity as a trustee of a trust (**Trust**), the Holder represents and warrants to the Company as at the date of this agreement that:

- (a) the Trust has been validly created and is in existence and is solely constituted by its trust deed (**Trust Deed**), and:
 - (i) the Trust Deed is not void, voidable or otherwise unenforceable; and
 - (ii) the Trustee has not been given written notice of proceedings of any description commenced or threatened which could have a material adverse effect on the assets or financial position of the Trust or on the trusteeship of the trustee of the Trust;
- (b) it has full and valid power and authority under its Trust Deed to enter into and perform its obligations under this agreement and all necessary resolutions, consents, approvals and procedures have been obtained or duly satisfied to enter into and perform its obligations under this agreement;
- (c) this agreement binds the Holder in its capacity as trustee and is a valid and binding agreement on the Holder, enforceable in accordance with its terms; and
- (d) the Holder:
 - (i) has been validly appointed as trustee of the Trust;
 - (ii) is, unless otherwise stated, the sole trustee of the Trust; and
 - (iii) is not aware of any action which has been taken to remove or replace the Holder as the trustee or terminate or vest the Trust.

7.106.10 Severability

If a provision of this agreement is illegal or unenforceable in any relevant jurisdiction, it may be severed for the purposes of that jurisdiction without affecting the enforceability of the other provisions of this agreement unless severing the provision materially alters the scope and nature

of this agreement or the relative commercial or financial positions of the parties, or would be contrary to public policy.

[7.116.11](#) **Approvals and consents**

A party may give conditionally or unconditionally or withhold its approval or consent in its absolute discretion unless this agreement expressly provides otherwise.

[7.126.12](#) **Remedies cumulative**

The rights, powers and remedies provided in this agreement are cumulative with and not exclusive of the rights, powers or remedies provided by law independently of this agreement.

[7.136.13](#) **Specific Performance**

The parties agree that irreparable damage may occur if any of the provisions of this agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties will be entitled to an injunction or injunctions to prevent breaches of this agreement and to enforce specifically the terms and provisions of this agreement, this being in addition to any other remedy to which the parties are entitled at law or in equity.

[7.146.14](#) **No variation**

A variation of any term of this agreement will be of no force or effect unless it is by way of deed and signed by each of the parties.

[7.156.15](#) **Entire Agreement**

This agreement states all of the express terms agreed by the parties in respect of its subject matter. It supersedes all prior discussions, negotiations, understandings and agreements in respect of its subject matter.

Schedule 1

Details

Name of Holder	Address of Holder	Escrowed Shares of Holder
APC II Pty Ltd (ACN 092 448 372) in its capacity as trustee of the Advent V Trust B	Postal Address: HWT Tower, Level 17, 40 City Road, Southbank, VIC 3006 Facsimile: (03) 9690 9466 Email: symon@advent.com.au	43,146,336 72,962,545 ordinary shares in the Company

Name of Company	Address of Company	
Pro-Pac Packaging Limited (ACN 112 971 874)	Address: Suite 2.02, 657 Pacific Highway, St. Leonards, NSW, 2065 147 — 151 Newton Road, Wetherill Park NSW 2164 Attention: Mark Saus Facsimile No: (02) 8781 0599 Email address: mark.saus@ppgaust.com.au	

Executed as an agreement

Signed by
Pro-Pac Packaging Limited
by

sign here ► _____
Company Secretary/Director

print name _____

sign here ► _____
Director

print name _____

Signed for
APC II Pty Ltd in its capacity as trustee of the Advent V Trust B
by their attorney

sign here ► _____
Attorney

print name _____

in the presence of

sign here ► _____
Witness

print name _____