

Disclosure of change in nature of relevant interest

Section 278, Financial Markets Conduct Act 2013

To NZX Limited
and
To ASX Limited
and
To EROAD Limited

Relevant event being disclosed: Change in nature of relevant interest

Date of relevant event: 17 September 2020

Date this disclosure made: 17 September 2020

Date last disclosure made: 15 December 2017

Substantial product holder(s) giving disclosure

Full name(s): Steven Newman and NMC Trustees Limited as trustee of the NMC Investment Trust

Summary of substantial holding

Class of quoted voting products: Ordinary shares in EROAD Limited (NZX Code: ERD) ("EROAD")

Summary for Steven Newman

For **this** disclosure,—

- (a) total number held in class: 14,505,881
- (b) total in class: 68,301,620
- (c) total percentage held in class: 21.238%

For **last** disclosure,—

- (a) total number held in class: 14,363,557
- (b) total in class: 66,116,258
- (c) total percentage held in class: 21.725%

Summary for NMC Trustees Limited as trustee of the NMC Investment Trust

For **this** disclosure,—

- (a) total number held in class: 14,379,458
- (b) total in class: 68,301,620

(c) total percentage held in class: 21.053%

For **last** disclosure,—

(a) total number held in class: 14,354,457

(b) total in class: 66,116,258

(c) total percentage held in class: 21.711%

Details of transactions and events giving rise to relevant event

Details of the transactions or other events requiring disclosure:

On or about 17 September 2020, NMC Trustees Limited as trustee of the NMC Investment Trust entered into an agreement ("**Block Trade Agreement**") with Bell Potter Securities Limited and Canaccord Genuity (Australia) Limited (together, the "**Joint Lead Managers**") pursuant to which NMC Trustees Limited agreed to sell, and the Joint Lead Managers agreed to act as brokers and joint lead managers to manage the sale of up to 1,438,000 fully paid ordinary shares in EROAD ("**Shares**").

Pursuant to the Block Trade Agreement, 1,437,945 Shares held by NMC have been allocated to investors, at a sale price of NZ\$3.90 per Share, with settlement expected to occur on 23 September 2020. As a consequence of those allocations, there is a qualification on the power of NMC Trustees Limited to dispose of, or control the disposal of, such Shares.

A copy of the Block Trade Agreement (16 pages) is **attached** to this notice.

Details after relevant event

Details for Steven Newman

Nature of relevant interest(s): Steven Newman is the holder of 20% or more of the shares in NMC Trustees Limited and has the power to control dealings and voting of shares held by NMC Trustees Limited as trustee of the NMC Investment Trust. As a consequence of the Block Trade Agreement, there is a qualification on the power of Steven Newman to dispose of, or control the disposal of, 1,437,945 of NMC Trustees Limited's Shares in EROAD.

For that relevant interest,—

(a) number held in class: 14,379,458

(b) percentage held in class: 21.053%

(c) current registered holder(s): NMC Trustees Limited

(d) registered holder(s) once transfers are registered: Unknown.

Nature of relevant interest(s): Steven Newman is the beneficial owner of Shares pursuant to EROAD's Long Term Incentive Plan.

For that relevant interest,—

- (a) number held in class: 117,323
- (b) percentage held in class: 0.172%
- (c) current registered holder(s): EROAD LTI Trustee Limited
- (d) registered holder(s) once transfers are registered: N/A.

Nature of relevant interest(s): Steven Newman has the power to control the acquisition or disposal of, and has the power to exercise or to control the exercise of, a right to vote the Shares held by Alexandra Ashley Newman, his daughter.

For that relevant interest,—

- (a) number held in class: 5,700
- (b) percentage held in class: 0.008%
- (c) current registered holder(s): Alexandra Ashley Newman
- (d) registered holder(s) once transfers are registered: N/A.

Nature of relevant interest(s): Steven Newman has the power to control the acquisition or disposal of, and has the power to exercise or to control the exercise of, a right to vote the Shares held by Henry James Newman, his son.

For that relevant interest,—

- (a) number held in class: 3,400
- (b) percentage held in class: 0.005%
- (c) current registered holder(s): Henry James Newman
- (d) registered holder(s) once transfers are registered: N/A.

Details for NMC Trustees Limited as trustee of the NMC Investment Trust

Nature of relevant interest(s): NMC Trustees Limited is the registered holder of 14,379,458 Shares (which it holds on trust for the beneficiaries of the NMC Investment Trust in its capacity as trustee of the NMC Investment Trust). As a consequence of the Block Trade Agreement, there is a qualification on the power of NMC Trustees Limited to dispose of, or control the disposal of, 1,437,945 of its Shares.

For that relevant interest,—

- (a) number held in class: 14,379,458
- (b) percentage held in class: 21.053%
- (c) current registered holder(s): NMC Trustees Limited

(d) registered holder(s) once transfers are registered: Unknown.

Additional information

Address(es) of substantial product holder(s):

91 Taylor Road, Waimauku, 0882, Auckland, New Zealand

Contact details:

Steven Newman

Phone: +64 9 927 4713

Email: steven.newman@eroad.co.nz

Nature of connection between substantial product holders: Steven Newman is the holder of 20% or more of the shares in NMC Trustees Limited and has the power to control dealings and voting of shares held by NMC Trustees Limited as trustee of the NMC Investment Trust.

Name of any other person believed to have given, or believed to be required to give, a disclosure under the Financial Markets Conduct Act 2013 in relation to the financial products to which this disclosure relates: N/A.

Disclosure has effect for purposes of directors' and senior managers' disclosure

Steven Newman is also a director of EROAD. Pursuant to section 302 of the Financial Markets Conduct Act 2013, this disclosure also constitutes disclosure by Steven Newman for the purposes of the directors' and senior managers' disclosure obligations.

Certification

I, Steven Newman, certify that, to the best of my knowledge and belief, the information contained in this disclosure is correct and that I am duly authorised to make this disclosure by all persons for whom it is made.

APPENDIX – BLOCK TRADE AGREEMENT

17 September 2020

The Board of Directors
NMC Trustees Limited as trustee of the NMC Investment Trust
c/- Henning & Associates Ltd
1st Floor, 2 Burns Ave
Takapuna, Auckland, 0622
New Zealand

Dear Directors

Block Trade Agreement - Sale of ordinary shares in EROAD Limited

1. Background

- 1.1 Bell Potter Securities Limited ACN 006 390 772 (**Bell Potter**) and Canaccord Genuity (Australia) Limited ACN 075 071 466 (**Canaccord**) are pleased to confirm their appointment by NMC Trustees Limited (New Zealand company number 1580154) (in its capacity as trustee of the NMC Investment Trust (**Trust**), the **Vendor**) to act as brokers and joint lead managers (**Joint Lead Managers**) to manage the sale of fully paid ordinary shares (**Shares**) in EROAD Limited (New Zealand company number 1036814) (**Company**) held by the Vendor as specified in Schedule 1 (**Sale Securities**) by procuring purchasers for the Sale Securities (**Sale**), on the terms and conditions set out in this letter (**Agreement**).
- 1.2 In conjunction with the Sale, the Company has appointed Bell Potter and Canaccord as joint lead managers and underwriters in connection with a placement of new Shares to raise approximately NZD\$42 million (**Offer**), pursuant to an underwriting agreement entered into among them on or about the date of this Agreement (**Offer Underwriting Agreement**). Separately from the Offer and the Sale, the Company intends to undertake an offer of Shares under a share purchase plan (**SPP**).
- 1.3 The Vendor has requested, and the Joint Lead Managers have agreed, that they will jointly and cooperatively supply services to the Vendor in performing their respective roles contemplated by this Agreement. The parties acknowledge that the Sale pricing, marketing, offer structure, process and allocation process are for the purposes of, and are reasonably necessary for, the implementation and success of the Sale and the Offer. The parties also acknowledge the Vendor's express instructions and authorisations for the Joint Lead Managers to communicate with each other (and with the Company) and to work together (including with any applicable syndicate group and with the Company) in relation to the Joint Lead Managers' roles and as otherwise required for the purpose of the Sale (including without limitation, to negotiate the terms of this Agreement) and the Offer. Notwithstanding that each Joint Lead Manager will be involved in jointly and cooperatively supplying services to the Vendor under this Agreement and to the Company under the Offer Underwriting Agreement, each Joint Lead Manager must make its own independent decisions whether to hold or sell any Shares under the Offer Underwriting Agreement, and if so, for how long and at what price.
- 1.4 This Agreement is binding on the Joint Lead Managers and the Vendor.

2. Terms of the Sale

- 2.1 The Vendor agrees to sell the Sale Securities and exclusively appoints the Joint Lead Managers to manage the Sale of the Sale Securities by procuring and nominating purchasers for the Sale

Securities on, and subject to, the terms and conditions of this Agreement. Purchasers may include the Joint Lead Managers' related bodies corporate (within the meaning of the term 'related body corporate' in sections 9 and 50 of the *Corporations Act 2001* (Cth) (**Related Bodies Corporate**)) and may be determined by the Joint Lead Managers in their discretion.

- 2.2 The sale price for each Sale Security will be the price payable per Share under the Offer (**Sale Price**). The relevant **Sale Proceeds** will be the Sale Price multiplied by the relevant number of Sale Securities in respect of which the Joint Lead Managers receive the Sale Price from Participants (as defined below) to whom Sale Securities are allocated in accordance with procedures specified by the Joint Lead Managers.

3. Conduct of the Sale

- 3.1 The parties agree to conduct the Sale in accordance with the timetable set out in Schedule 3.

The Vendor acknowledges and agrees that the Joint Lead Managers will conduct a bookbuild (**Bookbuild**) on the Bookbuild Date (as defined in the timetable) to determine demand for the Sale Securities from Participants (defined below). After conclusion of the Bookbuild, the Joint Lead Managers will advise the Company and the Vendor of the volume of demand and the Company and the Joint Lead Managers will determine and agree, in each case acting reasonably and having regard to the outcome of the Bookbuild, the prospects of success of the Offer and the Sale and the stability of the market for the Shares after completion of the Offer and the Sale, the allocation of Sale Securities to Participants (at the Sale Price), provided that no Sale Securities will be allocated to a Participant whose credit risk the Joint Lead Managers are not willing to accept (acting reasonably).

- 3.2 The Vendor and the Joint Lead Managers agree that the Sale Securities will be marketed only to investors who are (with such persons being **Participants**):

- (a) persons the Joint Lead Managers reasonably believe to be in New Zealand; and
- (b) in Australia, persons who the Joint Lead Managers consider are persons to whom an offer of Sale Securities may lawfully be made without disclosure under Part 6D.2 of the *Corporations Act 2001* (Cth) (**Corporations Act**) (as modified by any applicable regulatory instrument),

and in each case who are outside the United States, in "offshore transactions" as defined and in accordance with Regulation S under the US Securities Act of 1933 (**US Securities Act**).

- 3.3 To facilitate the Sale of the Sale Securities:

- (a) on the date of this Agreement, the Joint Lead Managers and the Vendor will take all necessary steps to open an account in the name of the Vendor in accordance with the Joint Lead Managers' usual practice; and
- (b) the Vendor will do all such other things as necessary or reasonably required by the Joint Lead Managers to enable the Joint Lead Managers to sell the Sale Securities at the Sale Price.

- 3.4 The parties acknowledge and agree that nothing in this Agreement constitutes an agreement to underwrite the Sale of the Sale Securities or guarantee that the Sale of the Sale Securities will be successful.

4. Settlement

- 4.1 The settlement date for the Offer is as set out in the Timetable (**Settlement Date**).
- 4.2 Subject to clause 4.3, settlement will commence at 10.00am on the Settlement Date and, to the extent practicable, Canaccord (**Settlement Agent**) will act as broker under (i) the listing rules of the Australian Securities Exchange (**ASX**) (as they may be waived or modified by **ASX (ASX Listing Rules)**) and (ii) the ASX Settlement Operating Rules made by ASX Settlement Pty Limited (**ASX Settlement Operating Rules**) and the provisions of the Corporations Act and ASX Listing Rules concerning the electronic share registration and transfer system as and to the extent that they apply to the Company and / or the Vendor (**CHES Rules**) and manage settlement on behalf of the Vendor on a delivery versus payment basis of settlement according to the CHES Rules (**DvP**) basis in accordance with the CHES Rules.
- 4.3 In the event that Participants notify the Joint Lead Managers of their desire for settlement to occur on NZX, settlement of the Sale Securities to be transferred to those Participants will occur by 5.00pm on the Settlement Date on a delivery versus payment basis in accordance with the procedures to be agreed between the Joint Lead Managers and the Company in consultation with the Company's share registry.
- 4.4 The Vendor must take all necessary and appropriate steps in connection with settlement as directed by the Joint Lead Managers including, but not limited to, instructing any custodian holding any of its Sale Securities to deliver such Sale Securities as directed by the Joint Lead Managers.
- 4.5 Commencing from 10.00am on the Settlement Date, the Vendor must take all necessary and appropriate steps required to be taken by it to effect the transfer of the Sale Securities to Participants to whom Sale Securities are allocated in accordance with procedures specified by the Joint Lead Managers, so that, subject to any procedures which are required to be complied with as a result of the operation of clause 4.3, no further step is required to effect the transfer on or before the Business Day after the Settlement Date other than the sending of a CHES message in respect of those Sale Securities which are being settled via DvP.
- 4.6 By 3:00 pm on the Settlement Date, the Joint Lead Managers must pay or procure the payment to the Vendor of an amount equal to the Sale Proceeds for the Vendor less the fee payable to the Joint Lead Managers pursuant to clause 5, by transfer to the Vendor's nominated account for value (in cleared funds) against delivery of the Sale Securities referable to the Sale Proceeds.

5. Fees

- 5.1 Subject to settlement occurring under clause 4, in consideration of performing their obligations under this Agreement, the Joint Lead Managers are entitled to receive a selling fee equal to 1.75% of the Sale Proceeds to be shared equally between the Joint Lead Managers (**Selling Fee**).
- 5.2 The Vendor authorises each Joint Lead Manager to deduct the Selling Fee from the Sale Proceeds.
- 5.3 All fees payable by the Vendor to the Joint Lead Managers under this Agreement and all costs, charges, expenses, damages or losses or other liabilities which the Joint Lead Managers may have incurred or paid and for which the Vendor is liable to reimburse or indemnify to the Joint Lead Managers under this Agreement, may, to the maximum extent permitted by law, be

deducted and set-off by the Joint Lead Managers from the Sale Proceeds and any other amounts payable by the Joint Lead Managers or their respective Related Bodies Corporate to the Vendor under this Agreement. The Joint Lead Managers must promptly give written notice to the Vendor of any amounts set off by the Joint Lead Managers pursuant to this clause 5.3.

6. Undertakings

6.1 The Vendor undertakes to:

- (a) not, prior to settlement on the Settlement Date, be involved in or acquiesce in any activity which breaches:
 - (i) any Applicable Laws (defined below);
 - (ii) the constitution of the Company;
 - (iii) the ASX Operating Rules or the CHESS Rules; and
 - (iv) any legally binding requirement of the Australian Securities and Investments Commission (**ASIC**), ASX, the New Zealand Financial Markets Authority (**NZFMA**) or NZX; and
- (b) not, prior to settlement on the Settlement Date:
 - (i) offer for sale or transfer any of the Sale Securities;
 - (ii) issue or grant any right or option that entitles a person to call for the transfer of Sale Securities;
 - (iii) enter into any commitment or arrangement which is or may be material in the context of the Sale or the Sale Securities;
 - (iv) otherwise enter into any agreement whereby any person may be entitled to the purchase of any Sale Securities,

other than pursuant to the Sale;
- (c) promptly notify the Joint Lead Managers of any breach of any warranty or undertaking given by it under this Agreement;

each of these undertakings being material terms of this Agreement.

7. Representations and warranties

7.1 The Vendor represents and warrants to the Joint Lead Managers that as at the date of this Agreement and at all times until and including the Settlement Date (by reference to the facts and circumstances then existing at the relevant time), each of the following statements is true and accurate and not misleading in any way:

- (a) **(body corporate)** the Vendor is a body corporate validly existing and duly established under the laws of its place of incorporation;
- (b) **(capacity and authority)** the Vendor has the full legal capacity, authority and power to enter into this Agreement and carry out the transactions contemplated by this agreement, including the sale of the Sale Securities, and no person has a conflicting right, whether contingent or otherwise, to purchase or be offered for purchase the Sale Securities, or any of them;

- (c) **(agreement effective)** this Agreement constitutes the Vendor's legal, valid and binding obligations, enforceable against it in accordance with its terms;
- (d) **(no infringement of laws or agreement)** the execution, delivery and performance of this Agreement by the Vendor will not infringe any law or regulation (including the Corporations Act, the listing rules of NZX Limited (**NZX Listing Rules**) or the ASX Listing Rules) and is not and will not result in any breach of the terms of, or constitute a default under, any instrument or agreement to which the Vendor is a party or by which it is bound under this Agreement (except to the extent, if any, that any action or omission of the Joint Lead Managers that constitutes a breach of this Agreement causes any such infringement, breach or default);
- (e) **(ownership)** the Vendor is, and will be on the Settlement Date, the registered holder and sole legal owner of the number of Sale Securities specified in Schedule 1;
- (f) **(no encumbrances)** the Vendor will transfer, under the terms of this Agreement, the full legal and beneficial ownership of the Sale Securities free and clear of all liens, charges, security interests, claims, equities and pre-emptive rights, subject to the registration of the transferee in the register of shareholders of the Company;
- (g) **(ranking of Sale Securities)** the Sale Securities rank equally with all other Shares in the Company for all dividends, distributions, rights and other benefits in accordance with the Company's constitution and may be offered for sale on the financial market operated by NZX Limited (**NZX**) and ASX without disclosure to investors under Chapter 6D or Part 7.9 of the Corporations Act, section 40 of the *Financial Markets Conduct Act 2013* (NZ) (**FMCA**) or the Financial Markets Conduct Regulations 2014 (NZ) (**FMCR**);
- (h) **(quotation of Sale Securities)** the Sale Securities are quoted on the financial market operated by the NZX;
- (i) **(compliance with laws rules and regulations)** in relation to the Sale Securities and the Sale and the performance of its obligations under this Agreement, the Vendor has complied with all applicable obligations under the Corporations Act or the FMCA, or imposed by the NZFMA or ASIC, or any material agreement binding on it, that is material in the context of the Sale and all other applicable laws, rules and regulations (together, the **Applicable Laws**);
- (j) **(misleading/deceptive conduct)** the Vendor has not engaged in, and will not engage in, conduct that is misleading or deceptive or which is likely to mislead or deceive in connection with the Sale;
- (k) **(continued compliance)** in relation to the Sale Securities and the Sale, the Vendor is subject to and will comply with the Company's constitution and all Applicable Laws;
- (l) **(no manipulation)** neither the Vendor nor any of its Affiliates has taken or will take, directly or indirectly, any action designed to, or that might reasonably be expected to, cause or result in the stabilisation or manipulation of the price of the Shares in violation of any applicable law;
- (m) **(information provided)** to the best of the Vendor's knowledge, the information provided by the Vendor to the Joint Lead Managers, in relation to the Company, is true and correct in all material respects and not misleading or deceptive whether by omission or otherwise and the Vendor has not omitted to give the Joint Lead Managers

any information known to it (other than information publicly available) which is material to the Sale;

- (n) **(Vendor will provide all information to the Joint Lead Managers)** the Vendor will provide the Joint Lead Managers with all information in respect of the Vendor and the Sale Securities which the Joint Lead Managers require to fulfil their roles under this Agreement or which may affect the likelihood of a successful Sale and/or the perception of the Sale from the point of view of Participants;
- (o) **(solvency):** the Vendor is solvent and no circumstances exist which may give rise to the Vendor ceasing to be solvent or being able to pay its debts as and when they fall due;
- (p) **(Brokers' fees and commissions)** except as disclosed to the Joint Lead Managers prior to the date of this Agreement there are no contracts, agreements or understandings between the Vendor and any person that would give rise to a valid claim against the Vendor or a Joint Lead Manager for a brokerage commission, finder's fee or other like payment in connection with the Sale Securities offered in connection with the Sale;
- (q) **(inside information)** the Vendor and/or its associates do not possess any "inside information" (as that term is defined in section 1042A of the Corporations Act or Part 5 of the FMCA) in relation to the Company or the Sale Securities (except information relating to the Sale of the Sale Securities and the Offer and information that will be disclosed in the cleansing notice and Offer documents to be released by the Company to NZX and ASX prior to the Sale and Offer opening on the Bookbuild Date) and the Sale of the Sale Securities will not result in a contravention by the Vendor and/or its associates of Division 3 of Part 7.10 of the Corporations Act or Part 5 of the FMCA;
- (r) **(valid trust)** the Trust is a validly subsisting trust. The Trust has not been terminated, nor is there any proposal or requirement to wind up, terminate, reconstitute or resettle the Trust;
- (s) **(trust power)** the Vendor has power under the Trust's constituent documents to enter into and perform its obligations under this Agreement, and nothing in those documents prevents the Vendor from entering into, or performing its obligations under, this Agreement;
- (t) **(trust authorisation)** all necessary resolutions (if any) have been, or will be, duly passed and all consents, approvals and other procedural matters have been or will be, obtained or attended to as required by the Trust's constituent documents for the entry into and performance by the Vendor of its obligations under this Agreement;
- (u) **(indemnity)** the Vendor has been or is entitled to be fully indemnified in respect of any liability arising under or in connection with the proper performance of its rights and obligations under this Agreement or the Sale out of the assets of the Trust;
- (v) **(removal of trustee)** to the best of its knowledge and belief, there is no proposal to remove the Vendor as trustee of the Trust;
- (w) **(no directed selling efforts in the United States)** none of the Vendor, any of its Affiliates, nor any person acting on behalf of any of them (other than the Company, the Joint Lead Managers, any of their respective Affiliates or any person acting on behalf of any of them, as to whom the Vendor makes no representation or warranty) has

engaged or will engage in any 'directed selling efforts' (as that term is defined in Rule 902(c) under the US Securities Act); and

- (x) **(no offer in the United States)** it acknowledges that the Sale Securities have not been, and will not be, registered under the US Securities Act, and agrees that the Sale Securities may only be offered and sold outside the United States in 'offshore transactions', as defined in and in reliance on Regulation S under the US Securities Act.

7.2 The Vendor acknowledges that the Joint Lead Managers have entered into this Agreement in reliance on the representations, warranties and undertakings given by the Vendor in this Agreement. The representations and warranties in this clause 7 continue in full force and effect notwithstanding completion of the Sale of the Sale Securities and this Agreement.

7.3 The Joint Lead Managers each represent and warrant (in respect of itself only) to each other and to the Vendor that as at the date of this Agreement and at all times until and including the Settlement Date (by reference to the facts and circumstances then existing at the relevant time), each of the following statements is true and accurate and not misleading in any way:

- (a) **(body corporate)** it is a body corporate validly existing and duly established under the laws of its place of incorporation;
- (b) **(capacity and authority)** it has the full legal capacity, authority and power to enter into this Agreement and carry out the transactions contemplated by this agreement;
- (c) **(agreement effective)** this Agreement constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms;
- (d) **(licences)** it holds all licences, permits and authorities necessary for it to fulfil its obligations under this Agreement;
- (e) **(market manipulation)** neither it nor any of its Affiliates (or any person acting on behalf of any of them) has taken, or will take, directly or indirectly, any action designed to, or that might reasonably be expected to, cause or result in the stabilisation or manipulation of the price of the Sale Securities in violation of applicable law; and
- (f) **(not in the United States)** it is not in the United States;
- (g) **(no direct selling efforts in the United States)** neither it nor any of its Affiliates or any person acting on behalf of any of them has engaged, or will engage, in any 'directed selling efforts' (as that term is defined in Rule 902(c) under the US Securities Act) with respect to the Sale Securities; and
- (h) **(no offer in the United States)** it acknowledges that the Sale Securities have not been, and will not be, registered under the US Securities Act, and agrees that the Sale Securities may only be offered or sold outside the United States in 'offshore transactions', as defined in and in reliance on Regulation S under the US Securities Act.

7.4 Each party agrees to notify the other parties promptly and in writing of any change affecting any of the above representations and warranties.

7.5 The Vendor authorises the Joint Lead Managers to notify potential purchasers of the Sale Securities that the Vendor has made the representations and warranties contained in clause

7.1 of this Agreement and also authorises the Joint Lead Managers to disclose the identity of the Vendor to potential purchasers.

7.6 For the purposes of this Agreement, "**Affiliates**" includes, in respect of any person, any other person that directly or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, such person; and "control" (including the terms "controlled by" and "under common control with") means the possession, direct or indirect, or the power to direct or cause the direction of the management, policies or activities of a person, whether through the ownership of securities, by contract or agency or otherwise.

8. Indemnity

8.1 In this clause 8:

- (a) **Bell Potter Person** means Bell Potter and its Related Bodies Corporate and their respective directors, officers, employees and advisers;
- (b) **Canaccord Person** means Canaccord and its Related Bodies Corporate and their respective directors, officers, employees and advisers;
- (c) **Claims** means a demand, claim, action or proceeding brought against a person, however arising and whether present, unascertained, immediate, future or contingent;
- (d) **Liabilities** means Claims, losses (including loss of profit or losses or costs incurred in preparation for, or involvement in connection with, any prosecution, investigation, enquiry or hearing by NZFMA, NZX, ASIC, ASX or any governmental authority or agency), damages, proceedings, liabilities, costs (including reasonable legal costs on a solicitor and own client basis and whether incurred by or awarded against the Indemnified Party) or expenses of any kind however arising, including penalties, fines and interest including those which are prospective or contingent and those the amount of which for the time being is not ascertained or ascertainable; and
- (e) **Indemnified Parties** means each Joint Lead Manager and their respective Related Bodies Corporate and their respective directors, officers, employees and advisers (as the case may be).

8.2 Subject to clause 8.7, the Vendor agrees to indemnify and hold harmless on an after-tax basis, the Indemnified Parties from and against all Liabilities that any of the Indemnified Parties may sustain or incur in connection with the Sale or as a result of the engagement of the Joint Lead Managers under this Agreement, including (but not limited to) losses incurred directly or indirectly as a result of:

- (a) the Sale of the Sale Securities;
- (b) any breach of a representation or warranty given by the Vendor in this Agreement;
- (c) a claim brought by a purchaser of any Sale Securities or any other third party against an Indemnified Party in relation to the Sale of the Sale Securities;
- (d) that Vendor failing to perform or observe any of its obligations under this Agreement or any other material obligation binding on it in relation to the Sale; or
- (e) any non-compliance by the Vendor with any Applicable Law, in relation to the Sale.

8.3 Each of the paragraphs in clause 8.2 will be construed independently and no paragraph will be limited by any implication arising from any other paragraph.

- 8.4 Any approval or consent given by a Joint Lead Manager does not waive or in any way prejudice the right of the Indemnified Party to the indemnity under this Agreement and such right survives the expiry or termination of this Agreement.
- 8.5 The indemnity in this clause 8 is given to each Joint Lead Manager in its own right and on behalf of the Indemnified Parties, and may be enforced by an Indemnified Party directly or by a Joint Lead Manager on behalf of that Indemnified Party. The Vendor acknowledges that each Joint Lead Manager holds the benefits of the indemnity on trust for itself and the other Indemnified Parties.
- 8.6 It is not necessary for an Indemnified Party to incur expense or make payment before enforcing a right of indemnity under this Agreement.
- 8.7 The indemnity in this clause 8 does not extend to an Indemnified Party to the extent (but only to the extent) that the Liability is:
- (a) finally determined by a court of competent jurisdiction to have resulted primarily from the fraud, wilful misconduct, wilful default or gross negligence of that Indemnified Party or if that Indemnified Party is a Bell Potter Person, any other Bell Potter Person and if that Indemnified Party is a Canaccord Person, any other Canaccord Person;
 - (b) a criminal penalty or fine which that Indemnified Party, or if that Indemnified Party is a Bell Potter Person, any other Bell Potter Person and if that Indemnified Party is a Canaccord Person, any other Canaccord Person, is required to pay for any contravention by it of Applicable Law; or
 - (c) any amount in respect of which this indemnity would be illegal, void or unenforceable under any Applicable Law.
- 8.8 Notwithstanding anything else in this Agreement:
- (a) no Indemnified Party is liable for any indirect or consequential loss or damage suffered or incurred by any other party, irrespective of whether any Claim for damages is made in negligence, for breach of contract or statute or otherwise; and
 - (b) under no circumstances will an Indemnified Party be required to contribute to any losses in an aggregate amount that exceeds the fees paid or payable to the Joint Lead Managers in respect of the Sale.
- 8.9 Notwithstanding anything else in this Agreement, no Claim may be made by the Vendor against any director, officer, employee, adviser or agent of the Joint Lead Managers or of any Related Body Corporate of the Joint Lead Managers (**Released Parties**), and the Vendor unconditionally and irrevocably releases and discharges each Released Party from any Claim that may be made by it to recover from any Released Party any Liability incurred or sustained by the Vendor arising directly or indirectly as a result of the participation of that Released Party in connection with the Sale, except, with respect to a Released Party, to the extent that a court of competent jurisdiction has finally determined that such Claim has resulted primarily from the fraud, wilful misconduct, wilful default or gross negligence of that Released Party.
- 8.10 The provisions of this clause 8 are in addition to any rights that an Indemnified Party may have at common law or otherwise.

9. Termination

9.1 The Joint Lead Managers may, without costs or liability, by written notice to the Vendor terminate their obligations under this Agreement at any time after they sign this Agreement and up to the transfer of the Sale Securities on the Settlement Date if;

- (a) an event occurs that entitles a Joint Lead Manager to terminate, and a Joint Lead Manager terminates, its obligations under the Offer Underwriting Agreement;
- (b) (*) the Vendor defaults in the performance of any of its obligations under this Agreement;
- (c) the Vendor defaults in its settlement obligations pursuant to this Agreement;
- (d) any aspect of the Sale is withdrawn or purported to be withdrawn by the Vendor;
- (e) (*) a representation or warranty given by the Vendor in this Agreement is not true or correct (or becomes untrue or incorrect),

provided that, in the case of an event above marked (*), the Joint Lead Managers may only terminate their obligations if, in their reasonable opinion, the circumstances or combinations thereof:

- (f) have or could reasonably be expected to have, or once disclosed will or are likely to have, a material adverse effect on:
 - (i) the outcome of the proposed Sale;
 - (ii) the Vendor's ability to transfer the Sale Securities the subject of the Sale or the ability of Participants to settle their obligations under the Sale;
 - (iii) the price at which Shares are traded on the NZX Main Board or the securities exchange operated by ASX after the Sale or the Offer (including the Settlement Date); or
- (g) would, or would be likely to give rise to a material liability for the Joint Lead Managers or their Affiliates under New Zealand, Australia or any other jurisdiction's laws; or
- (h) has given rise to or is likely to give rise to a contravention by the Joint Lead Managers or their Affiliates of any Applicable Law or the NZX Participant Rules, ASX Settlement Operating Rules or CHES Rules, or any such person being involved in such a contravention,

except in the case of paragraphs (g) and (h) above where the relevant event or matter results from a material breach of this Agreement by a Joint Lead Manager.

10. Effect of termination

- (a) In the event that a Joint Lead Manager validly terminates its obligations under this Agreement (**Terminating Joint Lead Manager**) pursuant to clause 9, it will be relieved of its obligations under this Agreement.
- (b) The exercise by a Terminating Joint Lead Manager of its rights under clause 9 does not automatically terminate the obligations of the other Joint Lead Manager (**Non-Terminating Joint Lead Manager**). Nothing in this clause 10 limits the rights of a Non-Terminating Joint Lead Manager under clause 9.

- (c) The Non-Terminating Joint Lead Manager may, in its absolute and unfettered discretion, elect by notice in writing to the Vendor within two Business Days of the Terminating Joint Lead Manager terminating its obligations under this Agreement to assume all or part of the obligations of the Terminating Joint Lead Manager. In the event that the Non-Terminating Joint Lead Manager exercises its discretion not to assume all of the Terminating Joint Lead Manager's obligations, this Agreement will automatically terminate.
- (d) If the Non-Terminating Joint Lead Manager gives notice under clause 10(c) prior to settlement that it will assume any obligations of the Terminating Joint Lead Manager under this Agreement which have not yet been performed, then, subject to the performance of its obligations in accordance with this Agreement, the Non-Terminating Joint Lead Manager, in addition to the fees to which it is entitled under clause 5.1, will also be entitled to the fees (in relation to the obligations of the Terminating Joint Lead Manager which it has assumed) that would have been payable to the Terminating Joint Lead Manager if it had not terminated its obligations, and the Terminating Joint Lead Manager will not receive any part of those fees.
- (e) Except as provided in the foregoing sentence, nothing in this clause 10 will limit the Terminating Joint Lead Manager's right to be paid the applicable fees in accordance with clause 5.1.

10.2 For the avoidance of doubt, provisions of this Agreement that are capable of having effect after termination (including those relating to the indemnification of Indemnified Parties) will survive termination of this Agreement and any rights accrued by a party prior to the date of termination will continue notwithstanding termination of this Agreement.

11. Conflict of interest

- 11.1 Each Joint Lead Manager and its respective Related Bodies Corporate may be acting or may act in the future, and the Vendor specifically consents to each Joint Lead Manager and its respective Related Bodies Corporate so acting, on behalf of other clients (including the Company) in ways which may conflict with the interests of the Vendor.
- 11.2 The Vendor acknowledges that the Joint Lead Managers do not owe any duty to disclose to the Vendor or utilise for the benefit of the Vendor any information acquired in the course of providing services to any other person, engaging in any other transaction or otherwise carrying on its business or any obligation to refrain from undertaking any other transaction or otherwise carrying on any aspect of its business.
- 11.3 Accordingly, any opinions given by the Joint Lead Managers in providing services under this Agreement are given to the extent of the knowledge of those of the Joint Lead Managers' officers and employees directly engaged in acting in relation to the Sale which has been acquired in the course of acting in relation to the Sale.
- 11.4 Notwithstanding clauses 11.2 and 11.3, as is customary, the Joint Lead Managers and their respective Related Bodies Corporate maintain appropriate rules, protocols and safeguards in regard to information management (typically called 'Chinese Walls') which are designed to preserve and protect the confidentiality of information relating to the Vendor, this Agreement and other client information contemplated above.

12. Miscellaneous

- 12.1 This Agreement is governed by the law of New Zealand and each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of New Zealand.
- 12.2 This Agreement may only be altered by a further agreement in writing signed by the Vendor and each Joint Lead Manager.
- 12.3 The Vendor agrees to pay its own costs of negotiating, executing and performing this Agreement.
- 12.4 This Agreement does not create a relationship of employment, trust, agency or partnership between the parties. The Vendor acknowledges and agrees that each Joint Lead Manager is acting solely pursuant to a contractual relationship with the Vendor on an arm's length basis and on the terms, and with the obligations and duties expressly stated in this Agreement, and not as a fiduciary to the Vendor or any other person.
- 12.5 This Agreement constitutes the entire agreement between the parties in connection with its subject matter and supersedes all previous agreements or understandings between the parties in connection with its subject matter.
- 12.6 A term or part of a term of this Agreement that is illegal or unenforceable may be severed from this Agreement and the remaining terms or parts of the term of this Agreement continue in force.
- 12.7 This Agreement may be executed in any number of counterpart or copies, with signatures appearing on different counterparts or copies, and this has the same effect as if the signatures on the counterparts or copies were on a single copy of this Agreement. Without limiting the foregoing, if any of the signatures on behalf of one party are on different counterpart or copies of this Agreement, this shall be taken to be, and have the same effect as, signatures on the same counterpart and on a single copy of this Agreement. A party who has executed a counterpart of this Agreement may exchange it with another party by emailing a pdf (portable document format) copy of, the executed counterpart to that other party.

13. Acceptance

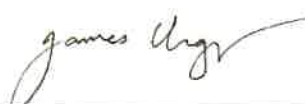
- 13.1 Please confirm your acceptance of this Agreement by signing the Agreement, where indicated in Schedule 2, and returning the enclosed duplicate copy of the Agreement to Bell Potter on return email jberman@bellpotter.com.au.
- 13.2 Once signed by all parties, this Agreement will constitute a binding agreement between the Vendor and the Joint Lead Managers.

Yours sincerely

Bell Potter Securities Limited



Anton Whitehead
Director, Corporate Finance
Bell Potter Securities Limited
Date: 17 September 2020



James Unger
Head of Corporate Finance
Bell Potter Securities Limited

For and on behalf of
Canaccord Genuity (Australia) Limited ACN 075 071 466:



Authorised Signatory

Name: Marcus Freeman
Position: Director
Date: 17 September 2020



David Barlow
Director
17 September 2020

Schedule 1

Vendor: **NMC Trustees Limited as trustee of the NMC Investment Trust**
(New Zealand company number 1580154)

Securities: Up to 1,438,000 fully paid ordinary shares in the
Company

Schedule 2

Execution by the Vendor

EXECUTED for and on behalf of **NMC Trustees Limited as trustee of the NMC Investment Trust (New Zealand company number 1580154)** by:



Signature of Director

STEVEN EDWARD NEWMAN

Name of Director (in full)



Signature of Director

COLETTE ANNE NEWMAN

Name of Director (in full)

Schedule 3 – Timetable

Event	Timing
Admission of the Company to ASX	16 September 2020
Bookbuild Date	17 September 2020
Company releases cleansing notice and Offer documents to NZX and ASX	9:00am (NZ time) 17 September 2020
Sale and Offer opens	9:30am (NZ time) 17 September 2020
Shares commence quotation on ASX	11:00am (AU time) 18 September 2020
Sale and Offer closes, trading halt lifted on NZX	10:00am (NZ time) 18 September 2020
Settlement Date	23 September 2020