

CurveBeam AI Limited (ABN 32 140 706 618)

Omnibus Incentive Plan Rules

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Omnibus Incentive Plan Rules

Date **11 May 2023**

CurveBeam AI Limited (ABN 32 140 706 618)

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Recitals

- A** The Company has established the Plan to:
- (a) assist in the reward, retention and motivation of Eligible Persons;
 - (b) align Eligible Persons' interests with those of the Company's Shareholders; and
 - (c) encourage behaviour that supports the Group's short and long-term financial soundness and objectives, as well as the risk management framework of the Group.
- B** Awards issued under the Plan are subject to these Rules.

1 Introduction

1.1 Commencement and Term of Plan

The Plan will commence on the date determined by the Board and will continue until terminated by the Board.

1.2 Advice

- (a) There are legal and tax consequences associated with participation in the Plan. Eligible Persons and Participants must ensure that they understand these consequences before submitting an Application.
- (b) Each person who completes and returns an Application to the Company acknowledges and agrees that the Group and its officers and employees make no representation or warranty concerning, and have given no advice in relation to, the financial benefit or taxation consequences of participating in the Plan.
- (c) Participants are advised that any advice given by the Group and its officers, employees and representatives is general advice only and does not take account of their particular circumstances. Participants should consider obtaining their own financial product advice from an independent person who, in respect of Australian residents is licensed by ASIC to give such advice.

1.3 Inconsistency

To the extent of any inconsistency between this Plan, any Participation Letter and any Application:

- (a) a Participation Letter takes priority over this Plan unless a provision of this Plan is expressed to be incapable of modification;
- (b) a Participation Letter takes priority over any Application; and
- (c) this Plan takes priority over any Application.

Any modifications to the terms of any Application are not binding on the Company unless the Company expressly agrees to those modifications in writing.

1.4 Operation of Subdivision 83A-C of the Tax Act

Unless the Board determines otherwise, Subdivision 83A-C of the Tax Act applies to the Rights and Options granted under this Plan to Eligible Persons resident in Australia.

2 Definitions and interpretation

2.1 Definitions

In these Rules, unless the contrary intention appears, the following terms have the meanings given below:

Application means an application for one or more Awards which has been completed by an Eligible Person in accordance with Rule 4.1.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691) or the Australian Securities Exchange, as the context requires.

Award means:

- (a) an Option;
- (b) a Right;
- (c) a Share; or
- (d) a Cash Award,

(as applicable), or such other instrument that the Board determines, granted under these Rules in the absolute discretion of the Board and as specified in a Participation Letter.

Board means:

- (a) all or some of the directors of the Company acting as a board;
- (b) a committee of the Board; or
- (c) a delegate of the Board.

Business Day means a day on which banks are open for general banking business in Sydney, Australia, excluding Saturdays, Sundays or public holidays in Melbourne, Australia.

Cash Award means an Award specified by the relevant Participation Letter to be a 'Cash Award'.

A Change of Control occurs:

- (a) when a person (together with its Related Bodies Corporate) becomes, or will become, entitled to be registered as the holder of more than 50% of the Share Capital of the Company;
- (b) when a Takeover Bid is made and a person obtains voting power (as that term is defined in the Corporations Act) of more than 50% and the Takeover Bid has become unconditional;
- (c) when a court has sanctioned a compromise or arrangement (other than for the purpose of, or in connection with, a scheme for the reconstruction of the Company); or
- (d) upon the sale of all or substantially all of the business and assets of the Group.

Change of Control Notice means a notice issued pursuant to Rule 12.2.

Claim means any claim, action, proceeding or demand, however it arises and whether it is present or future, fixed or unascertained, actual or contingent.

Company means CurveBeam AI Limited (ABN 32 140 706 618).

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

Controller has the meaning given in section 9 of the Corporations Act.

Corporations Act means the *Corporations Act 2001* (Cth), as in force from time to time.

Deal, when used in relation to an item of property or a right or obligation, includes sell, offer for sale, transfer, assign or grant or allow to exist any Encumbrance, trust, option or other right in relation to the whole or any part of the item of property, right or obligation (as applicable), provided however that **Deal** does not include the holding of Shares by the trustee of the Trust on behalf of a Participant, and **Dealt with** and **Dealing** have a corresponding meaning.

Director means a director of the Company from time to time.

Dispose means, in respect of an Award, to:

- (a) sell, assign, transfer, convey, grant an option over, grant or allow an Encumbrance or security interest over;
- (b) enter into any swap arrangement, any derivative arrangements or other similar arrangement involving a transfer of credit and/or market risk from a transferee to a transferor;
- (c) approve any scheme of arrangement or other capital reorganisation, the completion of which would result in any of the matters described in paragraphs (a) to (b) above occurring; or
- (d) otherwise dispose of a legal or beneficial interest in the Award,

(and **Disposal** has a corresponding meaning).

Eligible Person means:

- (a) any person who is an employee, officer, contractor or director of any Group Entity (or who is otherwise a 'primary participant' within the definition of 'ESS participant' in section 1100L of the Corporations Act); or
- (b) such other person as determined by the Board from time to time.

Encumbrance means any security for the payment of money or performance of obligations including a mortgage, lien, charge, pledge, trust, power, preferential right, interest or arrangement, restrictive or positive covenant or any agreement to create any of them or allow them to exist.

Engagement means:

- (a) employment by any Group Entity; or
- (b) engagement as a director or other service provider of any Group Entity, (and Engaged has a corresponding meaning).

ESS Interest has the meaning given in section 1100M of the Corporations Act.

Exercise Condition means, in relation to an Award, a condition which must be satisfied or waived before that Award can be exercised, as set out in the relevant Participation Letter.

Exercise Price means the price payable (if any) by the Participant to exercise the Award as set out in the relevant Participation Letter (and which may be nil).

Expiry Date means, in relation to an Award, the 'expiry date' which is specified for that Award in the Participation Letter (if any), and in the case of Options must be no later than 10 years after the date that the Options are granted.

Government Agency means any government, governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity whether foreign, federal, state, territorial or local.

Group means:

- (a) the Company and the Company's Subsidiaries from time to time; and
- (b) any other entity declared by the Board to be a member of the Group.

Group Entity means any entity within the Group.

Holding Lock has the meaning given to “Holding Lock” in the Listing Rules.

Insolvency Event means:

- (a) for a body corporate, the happening of one or more of the following events:
 - (i) except for the purpose of a solvent reconstruction or amalgamation which has the prior written consent of the body corporate's board:
 - (A) process is filed in a court seeking an order that it be wound up or that a Controller be appointed to it, unless the application is withdrawn, struck out or dismissed within seven days of it being filed; or
 - (B) an order is made that it be wound up or that a Controller be appointed to it; or
 - (C) a resolution that it be wound up is passed or proposed;
 - (ii) a liquidator, provisional liquidator, Controller or any similar official is appointed to, or takes possession or control of it;
 - (iii) an administrator is appointed to it, a resolution that an administrator be appointed to it is passed or proposed or any other steps are taken to appoint an administrator to it;
 - (iv) it enters into, or resolves to enter into, an arrangement, compromise or composition with any of, or any class of, its creditors or members, or an assignment for the benefit of any of, or any class of, its creditors, or process is filed in a court seeking approval of any such arrangement, compromise or composition;
 - (v) a reorganisation, moratorium, deed of company arrangement or other administration involving one or more of its creditors is proposed or effected;
 - (vi) any action is taken by ASIC with a view to its deregistration or its dissolution, or an application is successfully made to ASIC resulting in such action being taken;
 - (vii) it is insolvent within the meaning of section 95A of the Corporations Act, states that it is unable to pay its debts or it is presumed to be insolvent under any applicable law;
 - (viii) as a result of the operation of section 459F(1) of the Corporations Act, it is taken to have failed to comply with a statutory demand;
 - (ix) it stops or suspends or threatens to stop or suspend the payment of all or a class of its debts or the conduct of all or a substantial part of its business;
 - (x) any event or circumstance set out in section 461 of the Corporations Act occurs in relation to it; or
 - (xi) anything having a substantially similar effect to any of the events specified in paragraphs (i) to (x) inclusive happens to it under the law of any jurisdiction; or
- (b) in relation to an individual, the happening of one or more of the following events:

- (i) the person has committed an act of bankruptcy as defined in section 40 of the *Bankruptcy Act 1966* (Cth);
- (ii) the person has a bankruptcy notice issued against the person;
- (iii) the person presents a debtor's petition against themselves (whether or not it results in a sequestration order);
- (iv) the person has a sequestration order issued against them by a Court;
- (v) the person has executed, or taken steps to execute, a Part IX debt agreement in accordance with the *Bankruptcy Act 1966* (Cth);
- (vi) the person has executed, or taken steps to execute, a Part X insolvency agreement in accordance with the *Bankruptcy Act 1966* (Cth);
- (vii) a receiver or a trustee for creditors or in bankruptcy is appointed to any of the person's property;
- (viii) a garnishee notice is given concerning any money that the person is said to be owed;
- (ix) the person proposes or enters into an arrangement or composition with, or an assignment for the benefit of, any of the person's creditors;
- (x) the person proposes or effects a moratorium involving any of the person's creditors;
- (xi) the person stops or suspends, or threatens to stop or suspend, the payment of all or a class of its debts or the conduct of all or a substantial part of its business;
- (xii) the person is unable to pay all of the person's debts as they fall due or is presumed to be insolvent under any applicable law;
- (xiii) the person becomes an 'insolvent under administration' as defined in section 9 Corporations Act;
- (xiv) anything having a substantially similar effect to any of the events specified in paragraphs (i) to (xiii) inclusive of this definition happens to the person under the law of any jurisdiction; or
- (xv) the person is imprisoned for a period of greater than one month or becomes incapable of managing his or her own affairs.

Issue Price means the price of an Award (if any) as determined in accordance with Rule 4.3.

Listing Rules means the official Listing Rules of ASX and any other rules of ASX which apply to an entity while it is a listed entity (or the rules of any other recognised stock exchange (if applicable), each as amended or replaced from time to time, except to the extent of any express written waiver by ASX (or any other recognised stock exchange (if applicable))).

Malus Event means where a Relevant Person is found to have:

- (a) engaged in serious misconduct or fraud;
- (b) wilfully or materially committed a breach of his or her obligations to any Group Entity;
or
- (c) acted, or failed to act, in a way that may result in any Group Entity:

- (i) incurring a significant unexpected financial loss, impairment charge, cost or provisions;
- (ii) suffering a significant deterioration in the Group Entity's reputation;
- (iii) breaching a significant legal or regulatory requirement relevant to that Group Entity; or
- (iv) making a material financial misstatement.

Nominated Party has the meaning given in Rule 4.7(a).

Offer for Monetary Consideration means an invitation by the Company for the issue, sale or transfer of an Award (other than a Cash Award) where either or both of the following apply:

- (a) the Awards are offered for issue or sale in return for monetary consideration and the Awards will be acquired by the Participant who pays for the Award; or
- (b) the Awards are Options or Rights and monetary consideration is to be provided on the exercise of the Options or Rights, as applicable.

Option means an entitlement to receive a Share or, in certain circumstances, to a cash payment, subject to satisfaction of applicable conditions (including any Vesting Condition) and compliance with the applicable exercise procedure (including payment of any applicable Exercise Price or compliance with any cashless exercise arrangement).

Optionholder means a holder of an Option.

Participant means:

- (a) an Eligible Person who has been issued a Participation Letter and has returned a corresponding Application to the Company which has been accepted by the Company pursuant to Rule 4.4; and
- (b) a Nominated Party or other person who holds Awards on behalf of, at the nomination of, or by transfer from, an Eligible Person who has been issued a Participation Letter and has returned a corresponding Application to the Company which has been accepted by the Company pursuant to Rule 4.4.

Participation Letter means an invitation to take up Awards from the Company pursuant to Rule 3.1 and in accordance with Rule 3.3.

Permitted Transferee means, in respect of a Participant or Eligible Person:

- (a) that person's spouse;
- (b) that person's biological or legally adopted child of at least 18 years of age;
- (c) a trustee or trustees of a trust set up wholly for the benefit of one or more Participant, Eligible Persons or a person mentioned in paragraphs (a) or (b) (but not including the Trust);
- (d) a company in which all of the issued shares are beneficially held by, and all of the voting rights are beneficially held by:
 - (i) the Participant; and/or
 - (ii) a person or persons mentioned in paragraphs (a), (b) or (c) above; or
- (e) any other person approved by the Board.

Plan means the CurveBeam AI Limited Omnibus Incentive Plan, the rules of which are set out in this document, as may be amended or restated from time to time, including the U.S. Supplement for U.S. Participants attached hereto.

Relevant Person, in respect of an Award and a Participant, means:

- (a) the person specified as the Relevant Person in the Participation Letter in respect of that Award; or
- (b) if no person is specified pursuant to paragraph (a), the Eligible Person to whom the Participation Letter in respect of that Award was originally issued.

Reorganisation Event means any one or more of the following:

- (a) a bonus issue of Shares by the Company as defined in the Listing Rules;
- (b) a pro-rata issue of Shares by the Company as defined in the Listing Rules;
- (c) a sub-division or consolidation of Shares in the Company;
- (d) a proposal where securities in the Company are exchanged for securities in a company which is proposed by the Board to become a new holding company of the Group; or
- (e) any other material and extraordinary internal reorganisation, recapitalisation, merger, reclassification or similar event with respect to the Share Capital of the Company as determined by the Board.

Restricted Share means a Share that is subject to restrictions on Dealing, Vesting Conditions and/or other restrictions or conditions.

Resulting Share means a Share issued to a Participant upon the valid exercise of an Option or Right, as applicable, in accordance with these Rules.

Right means an entitlement to a Share, subject to satisfaction of applicable conditions (including any Vesting Condition) and compliance with any applicable exercise procedure (if any).

Rules means these rules as amended from time to time.

Share means a fully paid ordinary share in the capital of the Company. A reference to a Share includes a reference to a Restricted Share.

Share Capital means all of the Shares on issue.

Shareholder means a holder of Shares in the Company from time to time.

Subsidiary has the same meaning as in Division 6 of Part 1.2 of the Corporations Act.

Takeover Bid means an off-market bid or market bid made under Chapter 6 of the Corporations Act.

Tax means any taxes, levies, imposts, charges and duties imposed by any Government Agency (including, stamp and transaction duties) together with any related interest, penalties, fines and expenses in connection with them.

Tax Act means the *Income Tax Assessment Act 1997* (Cth).

Trigger Event means in respect of a Relevant Person:

- (a) the Relevant Person suffers an Insolvency Event (without the written approval of the Board, which may be retrospective);
- (b) a Malus Event occurs in relation to the Relevant Person; or
- (c) the Relevant Person breaches the Plan.

Trust means a trust established in accordance with Rule 9.

Unvested Award means an Award which is not a Vested Award.

U.S. Participant means a Participant who is a United States citizen or United States resident as defined for purposes of Section 7701(b)(1)(A) of the United States Internal Revenue Code of 1986 (as amended from time to time) or for whom an Award is otherwise subject to taxation under the U.S. Code; provided, however, that a Participant shall be a U.S. Participant solely with respect to those affected Awards.

Vested Award means an Award which is a Vested Award pursuant to Rule 6.2.

Vesting Condition means, in relation to an Award, a condition which must be satisfied or waived before that Award becomes a Vested Award, as set out in the relevant Participation Letter.

2.2 *Interpretation*

In these Rules, unless expressed to the contrary:

- (a) terms defined in the Corporations Act have the same meaning in these Rules;
- (b) words importing:
 - (i) the singular include the plural and vice versa;
 - (ii) any gender include the other genders;
- (c) if a word or phrase is defined, cognate words and phrases have corresponding definitions;
- (d) a reference to:
 - (i) a person includes a firm, unincorporated association, corporation and a government or statutory body or authority;
 - (ii) a person includes its legal personal representatives, successors and assigns;
 - (iii) a statute, ordinance, code or other law includes regulations and other statutory instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
 - (iv) a right includes a benefit, remedy, discretion, authority or power;
 - (v) "\$" or "dollars" is a reference to the lawful currency of Australia;
 - (vi) this or any other document includes the document as varied or replaced and notwithstanding any change in the identity of the parties; and
 - (vii) any thing (including, without limitation, any amount) is a reference to the whole or any part of it and a reference to a group of things or persons is a reference to any one or more of them;

- (e) the words "includes" or "including", "for example" or "such as" when introducing a list of items do not exclude a reference to other items, whether of the same class or genus or not; and
- (f) if a period occurs from, after, until or before a day or the day of an act or event, it excludes that day.

2.3 Headings

Headings are for convenience only and do not affect the interpretation of these Rules.

2.4 Inconsistencies

Notwithstanding anything to the contrary in any Participant's terms of Engagement but subject at all times to these Rules, if there is any inconsistency between these Rules and a Participant's terms of Engagement, these Rules prevail.

3 Invitation to participate

3.1 Participation Letter

- (a) The Board may from time to time invite any Eligible Person to participate in the Plan on the terms and subject to the conditions of these Rules and on such other terms as the Board determines.
- (b) If the Board invites an Eligible Person to participate in the Plan, the Company must issue the Eligible Person with a Participation Letter.

3.2 Power to revoke Participation Letter

The Board may revoke a Participation Letter it has issued at any time until the Board formally accepts an Application in respect of the Participation Letter under Rule 4.4.

3.3 Contents of Participation Letter

Without limiting the Board's discretion, a Participation Letter should:

- (a) be in writing or in such legible electronic form as the Board determines; and
- (b) set out the particulars of the Eligible Person's proposed participation in the Plan including:
 - (i) the number and type of Awards, or the method by which the number will be calculated;
 - (ii) the Issue Price(s) of those Awards (if any); and
 - (iii) any Vesting Conditions attaching to those Awards; and
- (c) set out the date by which the Eligible Person must return the Participation Letter as a completed Application.

3.4 Board's discretion

- (a) The Board may determine in its discretion:
 - (i) whether to invite any person to participate in the Plan;
 - (ii) whether to revoke any Participation Letter or invitation made to any person to participate in the Plan;

- (iii) the timing of any Participation Letter; and
- (iv) the terms of any person's proposed participation in the Plan including the number, type and terms of the Awards.
- (b) Eligible Persons may be invited to participate in the Plan on different terms.
- (c) An Eligible Person may be issued with more than one Participation Letter, in which case each Participation Letter may contain different terms.

4 Application for and allocation of Awards

4.1 Application for Awards

Once an Eligible Person has received a Participation Letter, the Eligible Person may apply for the issue of the Awards detailed in the Participation Letter by:

- (a) validly executing the Application attached to or provided with the Participation Letter (in the form required by the Company) and returning it to the Company;
- (b) paying to the Company the Issue Price (if any) for the Awards applied for by the Eligible Person under the relevant Participation Letter; and
- (c) if required by the Constitution or the Company, executing any other documents necessary to enable the issue of the Awards to the Eligible Person and delivering them to the Company,

with those documents together referred to as an "Application".

4.2 Time limit to submit Applications

- (a) Subject to Rule 4.2(b), an Eligible Person must submit an Application pursuant to Rule 4.1 within 14 days of the date of the relevant Participation Letter or the Application will not be valid.
- (b) The Board may at its discretion extend or shorten the time for submission of an Application beyond the period referred to in Rule 4.2(a).

4.3 Issue Price

The Issue Price of an Award will be determined by the Board from time to time and described in the relevant Participation Letter, and may be nil.

4.4 Acceptance of Applications

Once an Eligible Person has complied with Rule 4.1, the Board may (but is not obliged to) accept the Application by issuing, or procuring the transfer of, the Awards detailed in the relevant Participation Letter to the Eligible Person (or if applicable, the Nominated Party).

4.5 Lapse of Applications

An Application lapses if it is not accepted in accordance with Rule 4.4 within 28 days of its receipt by the Company, unless the Board determines to extend that period.

4.6 Allocation of Awards and participation in the Plan

If the Board accepts an Application in accordance with Rule 4.4:

- (a) the Company may either (at the Board's discretion):

- (i) procure the transfer; or
 - (ii) issue,

to the Participant the number of Awards set out in the Participation Letter and Application by the Eligible Person; and
- (b) the Eligible Person (or if applicable, the Nominated Party) will be entitled to participate in the Plan as a Participant.

4.7 Right to nominate

- (a) Unless otherwise expressly permitted in the Participation Letter, an Eligible Person may only submit an Application in the Eligible Person's name and not on behalf of any other person or entity.
- (b) If an Eligible Person is permitted in the Participation Letter, the Eligible Person may nominate another person or entity (the **Nominated Party**) to be granted the Awards the subject of their Participation Letter. If such nomination is not permitted in the Participation Letter or the Board does not in its sole discretion approve the Nominated Party for the Eligible Person, the Board may reject an Application submitted in the name of that Nominated Party.
- (c) If Awards and/or Resulting Shares (as the case may be) are granted to a Nominated Party, then the Eligible Person and their Nominated Party must execute any documents required by the Company in order to receive the grant and, to the extent necessary to give effect to the intent of these Rules, the Company may continue to treat the Eligible Person as the Participant.

5 Restrictions on hedging and Dealing

5.1 Restrictions on hedging

Participants must not enter into any schemes, arrangements or transactions, including hedging arrangements, that hedge or protect the value of Awards allocated under the Plan.

5.2 Restrictions on Dealing

- (a) Where these Rules or the Participation Letter provide that any Awards and/or Resulting Shares are subject to restrictions on Dealing, the Board may implement any procedure it deems appropriate to ensure compliance by the Participant and/or a Permitted Transferee (if applicable) with that restriction on Dealing, including but not limited to imposing a Holding Lock on the Awards or Resulting Shares.
- (b) Subject to Rule 5.3 and except as provided in these Rules, Participants must not Deal with any Award or any right or obligation under the Plan unless:
 - (i) the Award is a Vested Award;
 - (ii) all Exercise Conditions applicable to that Award have been met and the Resulting Share has been issued; and
 - (iii) any restrictions on Dealing set out in the Participation Letter have ceased to have effect, unless otherwise determined by the Board.
- (c) A Participant may transfer Awards to a Permitted Transferee with the prior approval of the Board (which may be given or withheld for any reason).

5.3 General requirements for Dealing

Any Dealing with an Award or any right or obligation under the Plan must be undertaken in a form and manner approved by the Board.

5.4 Void dealings

If any Dealing with an Award or any right or obligation under the Plan, or any scheme, arrangement or transaction, breaches this Rule 5:

- (a) it will be treated as void as against the Company, the members of the Company and any Participant; and
- (b) the Company may cancel or buy-back, on terms determined by the Company, some or all of the Awards or Shares of the Participant that has breached this Rule 5, including for nil consideration.

6 Vesting of Awards

6.1 Vesting Conditions

- (a) An Award may be subject to Vesting Conditions as determined by the Board from time to time and as set out in the Participant's Participation Letter.
- (b) Vesting Conditions may be:
 - (i) based on the period of service of the Participant or the Participant's continuous Engagement until a certain date (**Service-Based Vesting Condition**);
 - (ii) based on a performance hurdle being achieved (**Performance-Based Vesting Condition**); and/or
 - (iii) based on any other matter determined by the Board.

6.2 Vested Awards

An Award is a Vested Award if:

- (a) it is not subject to any Vesting Conditions; or
- (b) it is no longer subject to any unsatisfied Vesting Conditions; or
- (c) all Vesting Conditions in respect of the Award have been satisfied as determined by the Board, or waived by the Board pursuant to these Rules.

6.3 Vesting Conditions satisfied at the discretion of the Board

Notwithstanding any other provision of these Rules, the Board may:

- (a) waive or vary any Vesting Condition; and
- (b) determine that any Vesting Condition is satisfied notwithstanding that it may not be.

A waiver or determination under Rule 6.3 may be given retrospective effect, notwithstanding that the waiver may not occur until after that time.

6.4 *Satisfaction of Service-Based Vesting Condition*

Unless otherwise specified in the relevant Participation Letter, a Service-Based Vesting Condition is satisfied if:

- (a) the Relevant Person is Engaged by a Group Entity on a continuous basis until the date specified in the relevant Participation Letter; or
- (b) the Relevant Person completes the number of years continuous Engagement (allowing for any leave to which the Relevant Person is entitled) as specified in the relevant Participation Letter; or
- (c) the Board determines that the Service-Based Vesting Condition is to be treated as satisfied notwithstanding that it may not have been.

For the purpose of Rule 6.4:

- (a) Engagement may be with one or more Group Entities and need not be continuously with any particular Group Entity, provided that the Participant is at all relevant times Engaged by at least one Group Entity; and
- (b) any approved leave taken by a Participant will be treated as forming part of that Participant's period of Engagement.

6.5 *Satisfaction of Performance-Based Vesting Condition*

A Performance-Based Vesting Condition is satisfied if, and only if:

- (a) the relevant performance hurdle specified in the Participation Letter is achieved, as determined by the Board; or
- (b) the Board determines that the Performance-Based Vesting Condition is to be treated as satisfied notwithstanding that it may not have been.

6.6 *Disputes regarding Performance-Based Vesting Conditions*

A Participant may not dispute a determination made by the Board under Rule 6.5.

7 *Exercise of Vested Awards*

7.1 *Exercise Conditions*

- (a) An Award may only be exercised if it is a Vested Award.
- (b) A Vested Award may be exercised if:
 - (i) it is not subject to any Exercise Conditions; or
 - (ii) it is no longer subject to any unsatisfied Exercise Conditions; or
 - (iii) all Exercise Conditions applicable to that Vested Award are satisfied or waived by the Company in accordance with these Rules.
- (c) If no Exercise Conditions attach to an Award, the Award may be exercised on and from the time it becomes a Vested Award.
- (d) A Participation Letter may provide for the automatic exercise of Vested Awards which have no unsatisfied Exercise Conditions.

7.2 **Waiver of Exercise Conditions**

Notwithstanding any other provision of these Rules, the Board may:

- (a) waive any Exercise Condition; and
- (b) determine that any Exercise Condition is satisfied notwithstanding that it may not be.

7.3 **Exercise of Vested Award**

Where a Vested Award is capable of being exercised in accordance with Rule 7.1, the Participant may exercise that Vested Award by:

- (a) delivering to the Company:
 - (i) a written notice substantially in the form approved by the Company, duly completed and executed by the Participant;
 - (ii) the certificate for that Vested Award (if one has been issued); and
 - (iii) such other documents as may be required by the Board or the Company under the Constitution, including documents which are required of holders of Shares even though the Participant may not yet be a holder of Shares; and
 - (b) paying the Exercise Price (if any) to (or as directed by) the Company,
- at any time prior to the Expiry Date.

7.4 **Net settlement**

On request from a Participant, the Board may elect (but is not obliged) to apply a net settlement procedure as follows in respect of Options with an Exercise Price that is not nil:

- (a) the Participant will not be required to pay the Exercise Price for the Options which are exercised; and
- (b) the number of Shares which must be issued to the Participant as a result of the Exercise is the number given by the following formula:

$$N = n - \frac{EP}{P}$$

Where:

- N = the number of Shares to be issued resulting from the exercise, rounded in accordance with Rule 20.1(a);
- n = the total number of Shares which would be issued as a result of the Exercise of the Options pursuant to Rule 7.3 if the Participant paid the Exercise Price for each Option pursuant to Rule 7.3(b);
- EP = the aggregate of the Exercise Prices for all Options Exercised by the Participant pursuant to Rule 7.3, expressed in dollars and cents;
- P = the closing price of the Shares on ASX on the date on which the Options are Exercised, expressed on a per share basis, in dollars and cents rounded down to the nearest whole cent.

7.5 Lapse and Expiry of Awards

- (a) If:
- (i) the Participant does not exercise a Vested Award under Rule 7.3 by the relevant date determined in accordance with Rule 7.3; or
 - (ii) a Vesting Condition or Exercise Condition applicable to an Award becomes incapable of being satisfied,
- that Award will (unless otherwise set out in the Participant's Participation Letter or determined by the Company) be forfeited and expire.
- (b) All rights and obligations attaching to an Award cease to be of any force or effect once the Award is forfeited and expires.
-

8 Allocation of Shares**8.1 Allocation following exercise**

Subject to Rule 7.4, on:

- (a) a Right becoming a Vested Award; or
- (b) the exercise of a Vested Award which is an Option,

the Company must, subject to the terms of the Participation Letter, either:

- (c) issue to, or procure the transfer to the Participant of, such number of Shares in respect of the Vested Award; or
- (d) pay to the Participant a cash amount of equivalent value in lieu of an allocation of Shares. For the avoidance of doubt, the Board may determine that some or all of a Participant's Rights or Options will be settled in this way.

8.2 Share ranking

Any Shares issued under the Plan pursuant to an Award will rank equally with all other Shares of the same class for the time being on issue by the Company, except as regards to any rights attaching to Shares by reference to a record date prior to the date of their issue.

8.3 Listing of Shares on ASX

If Shares of the same class as those issued pursuant to an Award are quoted on ASX, the Company will apply for quotation of Shares issued under the Plan within the period required by ASX.

8.4 Payment of cash equivalent

If a cash payment is made to a Participant in lieu of an allocation of Shares in accordance with Rule 8.1(d), the Company must:

- (a) in respect of Rights, pay to the Participant an amount in Australian dollars (or any other currency determined by the Board in its absolute discretion) calculated by multiplying the number of Shares underlying the relevant Rights that the Board determines will be settled by a cash payment by the closing price of the Shares on ASX on the date on which the Rights are settled for cash; and
- (b) in respect of Options:

- (i) refund any amount paid by the Participant to exercise those Options (if any); and
- (ii) pay to the Participant an amount in Australian dollars (or any other currency determined by the Board in its absolute discretion) calculated by multiplying the number of Shares underlying the relevant Options by the closing price of the Shares on ASX on date on which the Options were exercised, less any Exercise Price that would otherwise have been payable in respect of those Options.

9 Trust

The Board may, in its discretion, use a trust or other mechanism for the purposes of holding and/or delivering any Shares under these Rules on such terms and conditions as determined by the Board in its absolute discretion (**Trust**). For the avoidance of doubt the Board may do all things necessary for the establishment, administration, operation and funding of a Trust.

10 Cessation of employment or engagement

10.1 *Board discretion on cessation of Engagement*

- (a) If a Participant ceases to be Engaged by a Group Entity, the Board, in its discretion, may determine that some or all of a Participant's Unvested Awards, as applicable:
 - (i) lapse;
 - (ii) are forfeited;
 - (iii) Vest (immediately or subject to conditions);
 - (iv) are only exercisable for a prescribed period and will otherwise lapse; and/or
 - (v) are no longer subject to some of the restrictions (including any Vesting Condition) that previously applied.
- (b) The Board may specify in the Participant's Participation Letter how the Participant's Awards (including Vested Awards) will be treated on an Engagement ceasing. The applicable treatment may vary depending on the circumstances in which the Participant's Engagement ceases. In specifying a cessation treatment to apply to an Award, the Board may preserve some or all of its discretion under Rule 10.1.
- (c) Notwithstanding anything else in this Rule 10, where:
 - (i) a Participant ceases their employment with a Group Entity; and
 - (ii) the reason for the cessation is due to the transfer of the Participant's employment to another Group Entity or to a joint venture in which a Group Entity participates;

the Participant will be treated as though their employment did not cease and Rule 10.1(a) does not apply, unless the Board determines otherwise.

10.2 *Approved leave of absence*

Subject to applicable laws, at the discretion of the Board, a Participant who is granted an approved leave of absence and who exercises their right to return to work under any applicable award, enterprise agreement, other agreement, statute or regulation may be treated as not

having ceased to be an employee for the purposes of this Rule 10. Whether a Participant who is granted leave without pay is deemed to have ceased employment will be determined with reference to the Group's policies and any applicable laws.

10.3 Application of Part 2D.2 Division 2 of the Corporations Act

- (a) This Rule 10.3 applies to all termination payments to which Part 2D.2 Division 2 of the Corporations Act applies.
- (b) Notwithstanding any other provision of these Rules, in the absence of Shareholder approval, the Company is not required to provide, or procure the provision, of any benefit under these Rules which is not permitted by Part 2D.2 Division 2 of the Corporations Act.
- (c) Any benefits required to be provided to a Participant in accordance with these Rules will, by operation of this clause, be reduced to ensure compliance with Part 2D.2 of the Corporations Act and the provision of such reduced benefit shall constitute full satisfaction of the obligations of each member of the Group. In the event of overpayment to a Participant, the Participant must, on receiving written notice from the Board, immediately repay any monies or benefits specified in such notice to ensure compliance with Part 2D.2 of the Corporations Act.
- (d) Where Rule 10.3(b) applies, the Company may seek or not seek Shareholder approval in its discretion.

11 Compulsory divestiture, malus and clawback

11.1 Compulsory divestiture

- (a) If a Trigger Event occurs in respect of a Participant, that Participant must immediately notify the Company.
- (b) The Board may at any time make enquiries of the Participant to assess whether a Trigger Event has occurred and the Participant must promptly provide to the Board any information that they reasonably request.
- (c) If:
 - (i) a Trigger Event occurs in respect of a Participant; or
 - (ii) a Vesting Condition or Exercise Condition is not met, or ceases to be able to be met, in respect of a Participant or any of that Participant's Awards,
 then the Board may at any time:
 - (iii) in respect of Awards that are Shares:
 - (A) serve a notice (**Compulsory Transfer Notice**) in writing on the Participant requiring the Participant to sell on the date specified by the Board all or some of the Awards held by that Participant (**Compulsory Transfer Awards**) to any person nominated by the Board at the price determined under Rule 11.1(d) and the Participant must comply with such notice; or
 - (B) require the redemption, buy back or purchase by the Company, or forfeiture, of all or some of the Compulsory Transfer Awards as soon as practicable (subject to and in accordance with the provisions of the Corporations Act) at the price determined under

Rule 11.1(d). If such a redemption, buy back, purchase or forfeiture is so required, then the Participant (as well as any other parties, if required) must do all things reasonably required by the Board to give effect to the redemption, buyback or purchase, including all things required under the Corporations Act to approve or otherwise give effect to the redemption, buy back, purchase or forfeiture; and

- (iv) in respect of Awards that are Options or Rights, serve a notice in writing on the Participant that all or some of the Awards held by that Participant Award have lapsed (or will lapse).
- (d) The price for the Compulsory Transfer Awards will be the price set out in the relevant Participation Letter (unless otherwise determined by the Board), or if no price set out in the relevant Participation Letter, the price determined by the Board.
- (e) Completion of the sale redemption, buy back, purchase or forfeiture of the Compulsory Transfer Awards must occur on the date specified in the Compulsory Transfer Notice or otherwise determined by the Board.
- (f) If the Board elects to call for the transfer or lapse of less than 100% of the Participant's Awards under Rule 11.1(c), the Participant may retain the balance of the Awards pursuant to the terms of the Constitution and the Plan.

11.2 Clawback for Malus Event

- (a) Where in the reasonable opinion of the Board, a Malus Event has occurred in respect of a Participant then the Board may in its discretion clawback any or all of that Participant's Awards or Resulting Shares by:
 - (i) in relation to an Award or Resulting Share which has been sold by that Participant, requiring the Participant to pay all or part of the net proceeds of that sale to the Company, provided that any Exercise Price paid by the Participant to the Company must be paid back to the Participant; or
 - (ii) in relation to an Award or Resulting Share which has not been Disposed of by that Participant, requiring that Award or Resulting Share to lapse or be forfeited (as the case may be),

so as to ensure that no unfair benefit is obtained by the Participant as a result of such actions.
- (b) Where, in the reasonable opinion of the Board, a Participant's Award has vested as a result of a Malus Event occurring in respect of another person, then that Malus Event will have been deemed to occur in relation to that Participant and the Board may determine:
 - (i) that the relevant Award has not vested and that the Vesting Conditions applicable to that Award will be reset in the manner determined by the Board acting reasonably; or
 - (ii) that Participant's Award or Resulting Share are deemed to be forfeited,

so as to ensure that no unfair benefit is obtained by that Participant as a result of such actions of another person.

11.3 Forfeiture

- (a) Where Shares are forfeited in accordance with these Rules and the Shares are held by the Participant, the Participant is deemed to have agreed to dispose of his or her legal and/or beneficial interest (as appropriate) in such Shares for no consideration and the Shares will be transferred into the name of the Company's nominee.
- (b) Where Shares are forfeited in accordance with these Rules and the Shares are held by a trustee of a Trust, the Participant's rights in the Shares will be extinguished for no consideration and the Board may, at any time in the future, request the trustee to hold the Shares for the benefit of a different or new Participant (and, pending implementation of such request, the Shares will comprise general trust property).
- (c) Where Shares are forfeited pursuant to these Rules, the Company will repay to the Participant any Issue Price or Exercise Price paid in relation to those Shares by the Participant.

11.4 Buy-Back, cancellation, transfer and forfeiture of Awards

Without limiting any other provision of the Plan, the Board may impose conditions on an Award in a Participant's Participation Letter which entitle the Company to buy back, cancel, transfer or require the Participant to forfeit their Award.

12 Change of Control

12.1 Treatment of Awards on Change of Control Event

Unless a Participation Letter states otherwise or the Board determines that an alternative treatment should apply, where the Board expects that a Change of Control Event will occur, the Board will:

- (a) waive any Vesting Condition or Exercise Condition; and/or
- (b) determine that any Vesting Condition or Exercise Condition is satisfied.

A waiver or determination under Rule 12.1 is subject to Rule 12.4(c) unless otherwise determined by the Board.

12.2 Change of Control Notice

- (a) Prior to a Change of Control Event, the Company may provide notice of the Change of Control Event to each Participant (**Change of Control Notice**).
- (b) A Change of Control Notice must specify:
 - (i) that a Change of Control Event is expected to occur;
 - (ii) the date on which the Change of Control Event is expected or proposed to occur (if then known);
 - (iii) whether the Board has exercised its discretion under Rule 12.1, and if it has, the number of the Participant's Awards that are, or will become, Vested Awards; and
 - (iv) the date by which a Participant must notify the Company that they exercise their Awards contingent on the Change of Control Event occurring in accordance with Rule 12.3, which must be not less than 5 Business Days from the date of the Change of Control Notice.

- (c) Non-compliance with Rule 12.2(b) does not invalidate a Change of Control Notice.

12.3 Exercise of Vested Awards following a Change of Control Notice

Once a Change of Control Notice has been issued, a Participant may give notice to the Company that they exercise their Awards contingent on the Change of Control Event occurring provided that such notice by a Participant must be received by the Company not later than the date specified in the Change of Control Notice.

12.4 If Change of Control does not subsequently occur

Unless otherwise determined by the Board, if a Change of Control Notice has been given but the relevant Change of Control Event does not or will not occur (as determined by the Board):

- (a) all Change of Control Notices and other documents executed in response to any Change of Control Notice are deemed to be void and of no effect;
- (b) any monies paid to the Company in accordance with Rule 7.3 in response to any Change of Control Notice must be returned to the relevant Participant and no interest will be payable on those monies by the Company;
- (c) any Unvested Award which became a Vested Award (contingently or otherwise) in accordance with Rule 12.1 will be deemed to be an Unvested Award with the same unsatisfied Vesting Conditions and Exercise Conditions that existed prior to the issue of the Change of Control Notice;
- (d) any Award which was exercised (contingently or otherwise) in connection with a Change of Control Notice will be deemed never to have been exercised and remain on issue on the same terms as existed prior to the issue of the Change of Control Notice; and
- (e) the Change of Control Notice will be deemed to have never been given.

12.5 Notice of lapse of Change of Control Notice

If Rule 12.4 applies to a Change of Control Notice, the Company must give each Participant notice of that fact as soon as reasonably practicable.

13 Compliance with Listing Rules and laws

13.1 Compliance with Listing Rules and laws

Notwithstanding any other provision of these Rules or any term or condition of the participation of any Participant in the Plan, the Board must not issue an Award under the Plan, and no Award may be transferred or otherwise Dealt with unless:

- (a) all necessary approvals from any Government Agency in respect of the issue, transfer or Dealing have been obtained; and
- (b) the issue, transfer or Dealing complies with the Constitution, all applicable laws, regulations and rules that may govern the Company including the Corporations Act or, if the Company is Listed, the Listing Rules.

13.2 Listing Rules to take precedence

- (a) While the Company is Listed, the following applies:
 - (i) notwithstanding anything contained in this Plan, if the Listing Rules prohibit an act being done, the act must not be done;

- (ii) nothing contained in this Plan prevents an act being done that the Listing Rules require to be done;
 - (iii) if the 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);
 - (iv) if the Listing Rules require this Plan to contain a provision and it does not contain such a provision, this Plan is deemed to contain that provision;
 - (v) if the Listing Rules require this Plan not to contain a provision and it contains such a provision, this Plan is deemed not to contain that provision; and
 - (vi) if any provision of this Plan is or becomes inconsistent with the Listing Rules, this Plan is deemed not to contain that provision to the extent of the inconsistency.
- (b) The Board may amend, vary, add to, delete or modify all or any of the provisions of these Rules in any way it considers necessary to give effect to this Rule 13.2.

14 Reorganisation Event

- (a) The Plan continues to apply in full force and effect despite any Reorganisation Event.
- (b) If any Reorganisation Event occurs, the Board may, in its absolute discretion (but subject always to the Listing Rules), procure that the terms of the Plan, the Awards, and the Participation Letter are equitably varied in such a way as determined by the Board in its absolute discretion (but subject always to the Listing Rules), which neither disadvantages nor advantages that Participant nor adversely affects the rights of the other Shareholders, to account for the effect of the Reorganisation Event.
- (c) Each Participant agrees to any such variations to the Plan.
- (d) If a Reorganisation Event occurs, the Board may require that Awards are exchanged for similar securities in any new holding company. Each Participant and each Relevant Person agrees to take such steps as are reasonably required by the Board to give effect to any Reorganisation Event.

15 Adjustment of Options

15.1 Reconstructions

Subject to the Listing Rules, if at any time after the date of issue of an Option and prior to the exercise, Expiry Date or cancellation of an Option there is a reorganisation of the Shares the following provisions will apply:

- (a) **(Consolidation)** If there is a consolidation of the Shares:
 - (i) each Option must be consolidated in the same ratio as the Shares; and
 - (ii) the Exercise Price of each Option must be amended in inverse proportion to that ratio.
- (b) **(Sub-division)** If there is a sub-division of the Shares:
 - (i) each Option must be sub-divided in the same ratio as the Shares; and

- (ii) the Exercise Price of each Option must be amended in inverse proportion to that ratio.
- (c) **(Capital return)]** If there is a return of capital of the Company to holders of Shares:
 - (i) there is no change to the number of Options issued; and
 - (ii) the Exercise Price of each Option must be reduced by the same amount as the amount returned in relation to each Share, to a minimum of zero.
- (d) **(Capital reduction)** If there is a reduction in the Share capital (where no Shares are cancelled) by a cancellation of Share capital that is either lost or not represented by available assets, the number of Options and the Exercise Price of each Option does not change.
- (e) **(Equal reduction)** If there is a pro-rata cancellation of Share capital:
 - (i) the number of Options must be reduced in the same ratio as the Share capital; and
 - (ii) the Exercise Price of each Option must be amended in inverse proportion to that ratio.
- (f) **(Other cases)** If none of Rules 15.1(a) to (e) apply, the number of Options or the Exercise Price of the Options, or both, must be reorganised or amended (as appropriate) so that the Optionholder will not receive a benefit that holders of Shares do not receive.

Notwithstanding the foregoing, the rights of the Optionholder may be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

15.2 Adjustment on pro-rata issue or bonus issue

Listing Rules 6.22.2 and 6.22.3 apply to Options unless the relevant Participation Letter states otherwise.

15.3 Notification

The Company must notify each Optionholder of any adjustments made pursuant to Rule 15.1 as soon as reasonably practicable. A failure to do so will not affect the adjustment.

15.4 New issues

An Optionholder cannot participate in new issues by the Company without exercising their Options.

16 Power of attorney

16.1 Appointment

- (a) Each Participant (in its own right) irrevocably appoints the Company and each of the Directors from time to time jointly and severally as its attorney to complete and execute (under hand or under seal) such documents for and on his, her or its behalf as the attorney or attorneys (acting in good faith and in their discretion) think necessary or desirable to give effect to any of the transactions or carry out any other matters contemplated by any provision of these Rules, including without limitation Rule 11.

- (b) Each of the Participants agrees to ratify and confirm whatever the attorney or attorneys lawfully do, or cause to be done, under the appointment.
- (c) Each of the Participants agrees to indemnify the attorney or attorneys against all Claims, demands, costs, charges, expenses, outgoings, losses and liabilities arising in any way in connection with the lawful exercise of all or any of the powers and authorities under that appointment.
- (d) Each of the Participants agree to deliver to the Company and to each Director on demand any power of attorney, instrument of transfer or other document as the Company or any Director may require for the purposes of any of the transactions contemplated by these Rules, including without limitation Rule 11.

16.2 Application of moneys

If a Participant defaults in completing the transfer of any Awards or Shares pursuant to these Rules, including without limitation Rule 11:

- (a) the Company (or an independent person nominated by the Company) will hold any applicable purchase moneys on trust for the Participant (but the Company has no obligation to invest such moneys);
- (b) receipt by the Company of the purchase moneys will be good discharge of the buyer's obligation to the Participant and the buyer will not be bound to see to the application of it; and
- (c) the Company must pay the purchase moneys to the Participant (or as required by these Rules) as soon as practicable after completion of the transfer of any Awards or Shares in compliance with and pursuant to the Rules.

17 Administration of the Plan

17.1 Administration by the Board

- (a) The Plan will be administered by the Board in accordance with these Rules.
- (b) The Board may make further provisions for the operation of the Plan which are consistent with these Rules.

17.2 Board powers

The Board may:

- (a) delegate some or all of the administration of the Plan to any person or committee or sub-committee for any period and on any terms it decides to exercise of any of its powers or discretions under the Plan;
- (b) decide on appropriate procedures for administering the Plan, including the forms and notices to be issued under the Plan;
- (c) make determinations regarding questions of fact or interpretation concerning the Plan and these Rules and any dispute of any kind that arises under the Plan;
- (d) amend, add to or waive any provision of the Plan;
- (e) correct any defect, supply any omission or reconcile any inconsistency in the Plan, including (if applicable) any inconsistency between the Constitution and the Plan;

- (f) determine that any decision made, or permission given, under the Plan, is subject to further conditions decided by the Board; and
- (g) make all other administrative determinations which the Board considers necessary or desirable for the administration of the Plan.

17.3 Board's Discretion

Subject to the requirements of these Rules, the Company and the Board each have absolute and unfettered discretion:

- (a) to act or refrain from acting under these Rules or concerning the Plan; and
- (b) in exercising any power or discretion concerning the Plan or any rights under the Plan.

17.4 Limit on powers, discretions and obligations

Any power or discretion which is conferred on the Board by these Rules must be exercised in the interests, or for the benefit, of the Company, and the Board is not, in exercising any such power or discretion, under any fiduciary or other obligation to any other person.

17.5 Board decisions final and conclusive

The decisions of the Company and Board respectively as to the interpretation, effect or application of these Rules and all determinations made by the Company or Board under these Rules are final, conclusive and binding on the Participants.

17.6 Documents

The Company may from time to time require a Participant to complete and return any documents that are required by law to be completed by the Participant and any other documents which the Company considers should, for legal or taxation reasons, be completed by the Participant.

17.7 Compliance with Law

- (a) Despite any other provision of these Rules or any term or condition of the participation of any Participant in the Plan, no Award may be issued, transferred, exercised or bought-back if to do so would contravene the Corporations Act or any other law.
- (b) Without limitation to Rule 17.8, if any law requires conditions to be imposed on any remuneration of a Participant, or for that Participant's remuneration to be deferred, the Board may impose those conditions or apply that deferral to the Awards granted to the Participant (including Awards that have previously been granted). The Board may do this even if the Awards were originally granted without those conditions or deferral.

17.8 Issue cap for certain Awards

- (a) An Offer for Monetary Consideration must comply with the applicable requirements of section 1100Q of the Corporations Act unless section 1100R of the Corporations Act applies.
- (b) Without limiting Rule 17.8(a), the Company must reasonably believe, at the time of making an Offer for Monetary Consideration covered by section 1100Q of the Corporations Act, that:

- (i) the total number of Shares that are, or are covered by, ESS Interests of the Company that may be issued in respect of an Award; and
 - (ii) the total number of Shares that are, or are covered by the ESS Interests of the Company that have been issued, or may be issued, under Awards made in connection with the Plan at any time during the 3 year period ending on the day the offer under the Participation Letter is made,
- does not exceed the percentage referred to in Rule 17.8(c) of the number of those Shares actually issued by the Company (whether in connection with the Plan or otherwise) as at the start of the day the offer under the Participation Letter is made.
- (c) The percentage is:
- (i) if the Constitution specifies an issue cap percentage, that percentage; or
 - (ii) if Rule 17.8(c)(i) does not apply, the greater of:
 - (1) 5%; and
 - (2) the percentage (if any) specified by the regulations for the purposes of section 1100V(2)(b) of the Corporations Act.
- (d) For the purposes of Listing Rule 7.2 Exception 13, the maximum number of Awards (excluding Cash Awards) that may be issued under the Plan is 35,000,000, or such number as is otherwise approved by Shareholders from time to time.

17.9 Overseas Participants and sub-plans

The Board may take any action consistent with the terms of the Plan, either before or after an Award has been issued or transferred to a Participant, which the Company or the Board deems necessary or advisable to comply with any laws or regulatory requirements of a foreign country, including but not limited to, modifying or amending the terms and conditions governing any Award, or establishing any local country plans as sub-plans to this Plan. In addition, under all circumstances, the Board may make amendments to these Rules so as to conform with or take advantage of governmental requirements, statutes or regulations.

18 Amendment, suspension and termination

18.1 Amendment of these Rules

Subject to Rule 18.2, the Board in its sole discretion, may, by written instrument amend all or any of the provisions of these Rules, including this Rule 18.

18.2 Limitation on amendment

No amendment of the provisions of these Rules may materially reduce the rights or increase the obligations of any Participant in respect of their Awards or Shares held at the date of the amendment, other than an amendment introduced primarily:

- (a) for the purpose of complying with or conforming to present or future legal requirements governing or regulating the maintenance or operation of the Plan or like plans;
- (b) to correct any manifest error or mistake;
- (c) to enable contributions or other amounts paid by any Group Entity to qualify as income tax deductions for that Group Entity or any other Group Entity; or

- (d) to enable any Group Entity to comply with the Corporations Act and its constitution.

18.3 *Amendments may be retrospective*

Subject to the provisions of this Rule 18, any amendment made pursuant to Rule 18.1 may be given retrospective effect.

18.4 *Suspension and termination*

- (a) Subject to Rule 18.4(b), the Board may in its sole discretion suspend the operation of the Plan or terminate the Plan.
- (b) The suspension or termination of the Plan must not prejudice the existing rights of Participants.

19 Rights and obligations of Participants

19.1 *Participants' obligations*

Participants are bound by:

- (a) these Rules; and
- (b) the Constitution, as amended from time to time.

19.2 *Participants' rights*

Except as expressly provided in these Rules, nothing in these Rules:

- (a) confers on any person any expectation to become a Participant;
- (b) confers on any person the right to be invited to apply for, to be offered, or to receive, any Awards;
- (c) confers on any Participant the right to continue as an employee, officer or contractor of any Group Entity (as the case may be);
- (d) affects an Eligible Person's terms of Engagement with any Group Entity;
- (e) affects any rights which any Group Entity may have to terminate the Engagement of any Participant;
- (f) may be used to increase damages in any action brought against any Group Entity in respect of any termination of Engagement;
- (g) confers on an Eligible Person or a Participant person any rights to compensation or damages in consequence of the termination of their Engagement with a Group Entity for any reason whatsoever including ceasing to have rights under the Plan as a result of such termination; or
- (h) confers on a Participant the right to assign his or her actual or prospective rights under the Plan, any Awards or any Shares to any person without the consent of the Company.

19.3 *Relevant Persons' and Participants' acknowledgments*

By accepting an invitation to participate in the Plan and submitting an Application to the Company, the Participant acknowledges that:

- (a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, suspended or terminated by the Company at any time, as provided in these Rules;
- (b) participation in the Plan is voluntary and occasional and does not create any contractual or other right to future participation in the Plan, or benefits in lieu of participation in the Plan, even if participation is offered repeatedly;
- (c) all decisions with respect to future participation in the Plan, if any, will be at the sole discretion of the Board;
- (d) the rights and obligations of a Participant under the terms of his or her employment are not affected by his or her participation in the Plan and these Rules do not form part of, and will not be incorporated into, any employment agreement of a Participant and the Participant's participation in the Plan will not create a right to further employment with his or her employer;
- (e) Awards and Shares acquired pursuant to the Plan are extraordinary items that do not constitute compensation of any kind for services of any kind rendered to any Group Entity or the Participant's employer, and which are outside the scope of the Participant's employment contract, if any;
- (f) the future value of the Awards and Shares is unknown and cannot be predicted with certainty and the Shares may increase or decrease in value, even below the Issue Price; and
- (g) the Participant will have no entitlement to compensation or damages as a result of any loss or diminution in the value of Awards or Shares or any other rights acquired pursuant to the Plan, including, without limitation, as a result of the termination of the Participant's employment by any Group Entity or other affiliate for any reason whatsoever and whether or not in breach of contract, and, upon commencing participation in the Plan, the Participant will be deemed irrevocably to have waived any such entitlement as might arise.

19.4 Rights on cessation of Engagement

- (a) No person, whether a Participant or otherwise, has any Claim, right or interest in respect of the Plan or other property, whether against any Group Entity or any other person, as a consequence of cessation of that person's Engagement or otherwise, except in accordance with these Rules.
- (b) Without limiting Rules 19.3 and 19.4(a), participation in the Plan does not form part of the Participant's remuneration for the purposes of determining payments in lieu of a notice of termination of Engagement, severance payments, leave entitlements, or any other compensation payable to a Participant upon the cessation of Engagement.

19.5 Other benefits scheme calculations

No payment under the Plan will be taken into account in determining any benefits under any pension, retirement, savings, profit-sharing, group insurance, welfare or benefit plan of any Group Entity.

19.6 Participation in other schemes

Participation in the Plan does not affect, and is not affected by, participation in any other incentive or other scheme of a Group Entity unless the terms of that incentive or scheme provide otherwise.

19.7 Cessation of membership

A person ceases to be a Participant when all rights and obligations which the Participant is entitled to, or subject to, under the Plan have been satisfied or discharged in accordance with these Rules.

20 General provisions**20.1 Fractional Shares**

- (a) Where any provision of these Rules would result in the issue, buy-back or transfer of a fractional number of Awards or Shares that provision is to be construed so that:
 - (i) in the case of an issue of Shares, the number is to be rounded down to the nearest whole number; and
 - (ii) in the case of a transfer or buy-back of Shares, the number is to be rounded up to the nearest whole number,unless expressly stated otherwise.
- (b) The Board or Company may make any decisions on adjustments or rounding of fractional entitlements or Awards which it considers necessary or desirable in connection with any provision of these Rules.
- (c) The decisions of the Board or the Company respectively as to all calculations made by them under these Rules are final, conclusive and binding on the Participant and any person with any interest in any Awards in the absence of manifest error.

20.2 Notices

- (a) Any notice required to be given by the Company to a Participant or any correspondence to be made between the Company and a Participant may be given or made by the Board or its delegate on behalf of the Company.
- (b) The address for the delivery, transmission and postage of notices to a Participant is the address of the Participant indicated on the Participation Letter or such other address as the Participant may notify to the Company in writing from time to time.

20.3 Taxes

- (a) The Company is not responsible for any Taxes which may become payable by a Participant in connection with the issue, transfer or allocation of Awards or Shares, or any other Dealing by a Participant with such Awards or Shares including the payment of any cash amount. Relevant Persons and Participants are solely responsible for all such amounts.
- (b) Notwithstanding any other Rule, if the Company is required to make or deemed to make a payment to a Participant under these Rules, the Company may deduct or withhold any amount in respect of Taxes payable as a result of the payment (including by withholding Awards and Shares and selling them to raise the necessary funds at any price reasonably obtainable by the Company).

20.4 Data protection

By participating in the Plan, the Participant consents to the holding and processing of personal data and information provided by the Participant for the purposes of the Plan. These purposes include, but are not limited to:

- (a) administering and maintaining employee and Participant records;
- (b) providing information to members of the Group, registrars, brokers or third party administrators of the Plan (if any) or advisers of the Board; and
- (c) providing information to corporate advisers or potential future third party purchasers in connection with a sale of shares in a member of the Group, or the business and assets of a member of the Group.

20.5 Severability

If the whole or any part of a provision of these Rules, any Participation Letter, any Application is void, unenforceable or illegal in a jurisdiction it is severed for that jurisdiction. The remaining provisions have full force and effect and the validity or enforceability of that provision in any other jurisdiction is not affected. This Rule 20.5 has no effect if the severance alters the basic nature of these Rules, any Participation Letter or any Application, or is contrary to public policy.

20.6 Entire agreement

These Rules, any Participation Letter and any Application constitute the entire agreement between the Company and the relevant Participant about their subject matter.

20.7 Discretion in exercising rights

The Board or the Company may exercise a right or remedy or give or refuse its consent in any way it considers appropriate (including by imposing conditions), unless these Rules expressly state otherwise.

20.8 Partial exercise of rights

If the Board or the Company does not exercise a right or remedy fully or at a given time, the Board or the Company may still exercise it later.

20.9 No liability for loss

The Company is not liable for costs or loss caused by the exercise or attempted exercise of, failure to exercise, or delay in exercising a right or remedy under these Rules.

20.10 Waiver

A provision of these Rules, any Participation Letter or any Application, or a right created under any of them, may not be waived except in writing, signed by the party or parties to be bound.

20.11 Construction

No rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of, or seeks to rely on, these Rules or any part of it.

20.12 Governing law

These Rules are governed by and are to be construed in accordance with the laws of Victoria, Australia.