



**MURRAY RIVER ORGANICS GROUP
LIMITED**

**LONG TERM INCENTIVE
PERFORMANCE RIGHTS PLAN**

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1. PURPOSE

The Long Term Incentive Performance Rights Plan is a long term incentive aimed at creating a stronger link between employee performance and reward and increasing shareholder value by enabling Eligible Persons to have a greater involvement with, and share in the future growth and profitability of, the Company.

2. DEFINITIONS AND INTERPRETATION

2.1 Definitions

In these Rules the following terms have the following meanings:

"Application Form" means an application form by which an Eligible Person or a Nominee can accept an Offer in such form as the Board may approve from time to time;

"ASIC" means Australian Securities and Investments Commission;

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

"Board" means the board of directors of the Company from time to time;

"Cessation Date" means the date on which a Participant ceases to be an employee of the Group.

"Control Event" means:

- (a) a shareholder, or a group of associated shareholders:
 - (i) becoming entitled to sufficient shares in the Company to give it or them the ability, and that ability is successfully exercised, in general meeting, to replace all or a majority of the Board; or
 - (ii) gaining the ability to control more than 50% of the voting power (as defined in the Corporations Act) in the Company;
- (b) a Court orders a meeting to be convened in relation to a proposed compromise or arrangement for the purposes of, or in connection with:
 - (i) a scheme which would, if it becomes effective, result in any person (either alone or together with its related bodies corporate) owning all of the shares in the Company; or
 - (ii) a scheme for the reconstruction of the Company or its amalgamation with any other company or companies;
- (c) members of the Company approve any compromise or arrangement referred to in paragraph (b);
- (d) any person becomes bound or entitled to acquire shares in the Company

under:

- (i) any compromise or arrangement referred to in paragraph (a) which has been approved by the Court;
- (ii) section 414 of the Corporations Act; or
- (iii) Part 6A.1 or Part 6A.2 of the Corporations Act;
- (e) a resolution is proposed to be put to shareholders proposing a voluntary winding up; or
- (f) an order is sought for the compulsory winding up of the Company;

"Company" means Murray River Organics Group Limited ACN 614 651 473;

"Constitution" means the constitution of the Company;

"Corporations Act" means the Corporations Act 2001 (Cth);

"Dealing" means in relation to a Performance Right or a Share (as the case may be), any dealing, including but not limited to:

- (a) a sale, transfer, assignment, trust, encumbrance, option, swap, any alienation of all or any part of the rights attaching to the Performance Right or Share;
- (b) any attempt to do any of the actions set out in paragraph (a); and
- (c) any hedging or dealing with a derivative instrument intended to limit the economic risk associated with holding a Share or Performance Right;

"Eligible Person" means a full time or part-time employee of the Group or a Related Body Corporate of a Group Company, or a director who holds a salaried employment or office in a Group Company or a Related Body Corporate of a Group Company[, or any person who is declared by the Board in its discretion to be eligible to receive a grant of Performance Rights under the Plan];

"Expiry Date" means the day ending at 5.00 pm Melbourne time on the date 3 years after the date of grant of the Performance Right, or such other date as determined by the Board in its absolute discretion and specified in the Offer;

"Group" means the Company and its Subsidiaries (if any) from time to time and a **"Group Company"** means any one of them;

"Law" means the laws of Australia, including, without limitation:

- (a) the Corporations Act;
- (b) the Listing Rules;
- (c) the Constitution;
- (d) the Income Tax Assessment Act 1936 (Cth);

- (e) the Income Tax Assessment Act 1997 (Cth);
- (f) any practice note, policy statement, regulatory guide, class order, ASIC instrument, declaration, guideline, policy, procedure, ruling, judicial interpretation or other guidance note made to clarify, expand or amend (a), (b), (c), (d) or (e) above; and
- (g) any other legal requirement that applies to the Plan;

"Legal Personal Representative" means the executor of the will or an administrator of the estate of a deceased person, the trustee of the estate of a person under a legal disability or a person who holds an enduring power of attorney granted by another person;

"Listing Rules" means the listing rules of the ASX as amended from time to time;

"Measurement Date" in relation to a Performance Right means the date at which Performance Conditions are to be measured to determine whether that Performance Right becomes a Vested Performance Right;

"Nominee" means, in respect of an 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 trust or trustees of a trust set up wholly for the benefit of one or more Eligible Persons or a person mentioned in subclause (a) or (b); or
- (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 Eligible Person; and/or
 - (ii) a person or persons mentioned in subclauses (a), (b) or (c) above;

"Offer" means an offer to an Eligible Person by the Board participate in the Plan in respect of a Performance Period in accordance with clause 3.1;

"On-Market Acquisition" means the acquisition of Shares in the ordinary course of trading or otherwise on a trading day on the ASX;

"Participant" means an Eligible Person or their Nominee, as the case may be, who returns a duly completed Application Form and to whom Performance Rights are granted under the Plan;

"Performance Conditions" means the conditions relating to the performance of the Group or the Relevant Person (and the manner in which those conditions will be tested) which must be satisfied, or circumstances which must exist before a Performance Right vests under these Rules;

"Performance Period" means the period set out in the Offer during which the

Performance Conditions must be met;

"Performance Right" means a right granted under clause 4.1(a) to acquire a Share on the terms set out in the Plan for the relevant Performance Period, subject to the Performance Conditions;

"Plan" means the Long Term Incentive Performance Rights Plan of the Company as set out in these Rules;

"Prohibited Period" has the meaning given to that term in the Securities Trading Policy; [*CU Note: Change made for consistency with the Securities Trading Policy*]

"Redundancy" means, in relation to an Eligible Person, a determination by the Board that the Company's need to employ a person for the particular kind of work carried out by that Eligible Person has ceased (but, for the avoidance of any doubt, does not include the dismissal of an Eligible Person for personal or disciplinary reasons or where the Eligible Person leaves the employ of the Company of his or her own accord);

"Related Body Corporate" has the meaning given in the Corporations Act;

"Relevant Person" means:

- (a) in respect of an Eligible Person, that person; and
- (b) in respect of the Nominee of an Eligible Person, that Eligible Person;

"Retirement" means, in relation to an Eligible Person, retirement by that Eligible Person from the Company at a date greater than 6 months from the grant of the Performance Right, who is age 55 or over;

"Rules" means the terms and conditions of the Plan as set out in this document as amended from time to time;

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

"Share" means a fully paid ordinary share in the capital of the Company;

"Securities Trading Policy" means the Company's share trading policy pursuant to its corporate governance system as amended from time to time and as published on the Company's website;

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

"Specified Reason" means Retirement, Total and Permanent Disablement, Redundancy or death;

"Takeover Bid" has the meaning given in section 9 of the Corporations Act;

"Takeover Event" means:

- (a) a Takeover Bid being made for Shares in the Company (and for these

purposes, a Takeover Bid will be made when a bidder serves its bidder's statement on the Company);

- (b) the Board recommending that shareholders of the Company accept any Takeover Bid for Shares in the Company; or
- (c) a Takeover Bid for Shares in the Company becoming unconditional;

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

[*CU Note: The Securities Trading Policy has "prohibited periods", rather than "trading windows"*]"**Unvested Performance Rights**" means Performance Rights which have not yet vested in accordance with the Plan; and

"Vested Performance Rights" means Performance Rights which are determined to have vested in accordance with the Plan and will be automatically exercised and Shares issued in accordance with clause 5.3.

2.2 Interpretation

Headings are for convenience only and do not affect interpretation. The following rules of interpretation apply unless the context requires otherwise.

- (a) The singular includes the plural and conversely.
- (b) A gender includes all genders.
- (c) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (d) A reference to a person includes a body corporate, an unincorporated body or other entity and conversely.
- (e) A reference to a clause is to a clause of these Rules.
- (f) A reference to any agreement or document is to that agreement or document as amended, novated, supplemented, varied or replaced from time to time, except to the extent prohibited by these Rules.
- (g) A reference to any legislation or to any provision of any legislation includes any modification or re-enactment of it, any legislative provision substituted for it and all regulations and statutory instruments issued under it.
- (h) A reference to conduct includes any omission and any statement or undertaking, whether or not in writing.
- (i) A reference to writing includes a facsimile transmission and any means of reproducing words in a tangible and permanently visible form.

- (j) Mentioning anything after include, includes or including does not limit what else might be included.

3. OFFER TO PARTICIPATE

3.1 Offers

- (a) The Board may from time to time in its absolute discretion issue or cause to be issued Offers on behalf of the Company to Eligible Persons. That Offer will be in such form as the Board determines from time to time and, without in any way limiting the Board's discretion, will include the following information:
 - (i) the date of the Offer;
 - (ii) the name of the Eligible Person to whom the Offer is made;
 - (iii) subject to clause 15.2, the number of Performance Rights being offered or the method by which the number will be calculated and which will be capable of vesting if Performance Conditions are met;
 - (iv) the Performance Conditions and Performance Period;
 - (v) the approximate Measurement Date(s) in respect of the Performance Rights;
 - (vi) the Expiry Date; and
 - (vii) the time period in which to accept the Offer by returning a duly completed Application Form.
- (b) Offers may be made by the Board on a differential basis to Eligible Persons, different classes of Eligible Persons or to Eligible Persons within the same class, as the case may be.

3.2 Application Form

- (a) An Eligible Person who receives an Offer can only participate in the Plan by returning a duly completed Application Form within the time period and as otherwise specified in the Offer.
- (b) An Eligible Person may nominate a Nominee to be granted all the Performance Rights as specified in the Offer by notice in writing to the Board. The Board may, in its absolute discretion, resolve not to allow the grant of the Performance Rights to the Nominee without giving any reason for such decision.
- (c) If an Application Form is not returned within the time specified or otherwise in accordance with the requirements set out in the Offer, the Board may nevertheless in its sole discretion treat any Application Form received from an Eligible Person (or their Nominee) as being returned in accordance with clause 3.2(a).

- (d) For the avoidance of doubt, the Board in its sole discretion can refuse to allow an Eligible Person (or their Nominee) to participate in the Plan even though a duly completed Application Form is received from the Eligible Person (or their Nominee) in accordance with clause 3.2(a).
- (e) Notwithstanding the completion of the Application Form, the Eligible Person (or their Nominee) will not hold a Performance Right or have any future right to Shares until the time the Performance Rights are granted.

3.3 Participants

Subject to clause 3.2(d), following:

- (a) receipt of a duly completed Application Form by an Eligible Person; or
- (b) the Board approving the grant of Performance Rights to Nominee and the Nominee giving the Company a duly completed Application Form,

then the Eligible Person or the Nominee, as the case may be, will be taken to have agreed to be bound by these Rules, the terms of the Offer and the Constitution and will be granted Performance Rights subject to these Rules, the terms of the Offer and the Constitution. On the grant of Performance Rights following receipt by the Company of an Application Form, an Eligible Person or the Nominee, as the case may be, becomes a Participant.

4. GRANT OF PERFORMANCE RIGHTS

4.1 Grant

- (a) As soon as practicable after the receipt of a duly completed Application Form, the Company will grant to each Participant the number of Performance Rights as set out in the Offer.
- (b) A Participant will not pay anything for the grant of Performance Rights.
- (c) An Eligible Person has no entitlement to be granted any Performance Rights unless and until such Performance Rights are granted.
- (d) None of the Performance Rights will be listed for quotation on any stock exchange.

4.2 Not transferable

Performance Rights may not be transferred, assigned or novated except:

- (a) with the approval of the Board; or
- (b) by force of law upon death to the Participant's legal personal representative or upon bankruptcy to the Participant's trustee in bankruptcy.

4.3 Dealing

- (a) Subject to clause 4.2, Participants will not Deal with any Unvested Performance Rights or any interest in them until the relevant Shares are either issued or transferred to that Participant, and any such Dealing will not be recognised in any manner by the Company.
- (b) Where a Participant purports to Deal with a Performance Right other than in accordance with clause 4.2, the Performance Right will immediately lapse or vest (as applicable).

4.4 New issues

A Performance Right does not confer on a Participant the right to participate in new issues of Shares by the Company, including by way of bonus issue, rights issue or otherwise.

4.5 Dividend and Voting Rights

A Participant has no legal or beneficial interest in a Share by virtue of holding or acquiring a Performance Right and Performance Rights will not give any right to participate in dividends or any voting rights until Shares are issued or transferred to a Participant following the vesting of Performance Rights.

5. VESTING OF PERFORMANCE RIGHTS

5.1 Performance Conditions

- (a) The Performance Conditions applicable to any Performance Period relating to Performance Rights shall be as set out in the Offer, including the Measurement Date, and shall be as determined by the Board in its absolute discretion from time to time.
- (b) Performance Rights will only become Vested Performance Rights where the Performance Conditions and any other relevant conditions as notified to the Participant have been satisfied.

5.2 Determination of number of Vested Performance Rights

- (a) Subject to 5.2(b), as soon as reasonably practicable after each Measurement Date applicable to any Performance Period, the Board shall determine in respect of each Participant as at that Measurement Date:
 - (i) whether, and to what extent, the Performance Conditions applicable up to the Measurement Date have been satisfied;
 - (ii) the number of Performance Rights (if any) that will become Vested Performance Rights as at the Measurement Date; and
 - (iii) the number of Performance Rights (if any) that will lapse as a result of the non-satisfaction of Performance Conditions as at the Measurement Date,

and shall provide written notification to each Participant as to that determination.

- (b) The Measurement Date and any determination of any vesting of the Performance Rights under clause 5.2(a) can only occur at such time which is:
 - (i) outside of a Prohibited Period; and
 - (ii) at such time as that the issue or transfer of Shares to a Participant would not be likely to lead to a breach by the Participant or the Company of the insider trading provisions in the Corporations Act or the Securities Trading Policy.
- (c) Until the Board has made a determination which is in accordance with both clauses 5.2(a) and 5.2(b) above all Performance Rights remain at all times Unvested Performance Rights.

5.3 Automatic Issue of Shares for Vested Performance Rights

Upon determination of the Vested Performance Rights in accordance with clauses 5.2 or 7.1(b) (as applicable), Shares will automatically be issued or transferred to the Participant unless the Company is in a Prohibited Period, or the Company determines in good faith that to issue or transfer the Shares may breach the Corporations Act in respect of insider trading or the Securities Trading Policy, in which case the Company will issue or transfer the Shares as soon as reasonably practicable thereafter.

5.4 Performance Rights and Trading of Shares

- (a) Unless and until Performance Rights have vested and the relevant Shares are either issued or transferred to that Participant as a result of that exercise, a Participant has no interest in those Shares.
- (b) All Shares issued or transferred to a Participant under this Plan, will, from the date of issue or transfer, rank equally with all other issued Shares. The Company will apply for official quotation of these Shares on each stock exchange on which Shares are quoted.
- (c) A Participant who wishes to trade any Shares issued or transferred under this Plan must do so in accordance with the Securities Trading Policy.

6. TIME OF LAPSE OF PERFORMANCE RIGHTS

Unless otherwise determined by the Board, a Performance Right lapses on the earlier to occur of:

- (a) where Performance Conditions have not been satisfied on the Measurement Date - the date the Board makes a determination under clause 5.2(a)(iii) that the Performance Right will lapse;
- (b) if an Eligible Person ceases to be an Eligible Person because of a Specified Reason – the date of lapse under clause 7.1(a)(ii);
- (c) if an Eligible Person ceases to be an Eligible Person for any reason other than a Specified Reason – the date of lapse either under clause 7.1(a)(i);

- (d) the day the Board makes a determination that the Performance Rights lapse under clause 8; and
- (e) the day the Board makes a determination that the Performance Rights lapse under clause 9.1.

7. CESSATION OF EMPLOYMENT OR OFFICE

7.1 Unvested Performance Rights

- (a) Subject to clause 7.1(d):
 - (i) if a Relevant Person ceases to be an Eligible Person for any reason other than a Specified Reason, any Unvested Performance Rights held by the relevant Participant will automatically lapse, unless otherwise determined by the Board within 60 days of the Cessation Date.
 - (ii) if the Relevant Person ceases to be an Eligible Person for a Specified Reason, the Board, subject to the Listing Rules, in its absolute discretion, will, within 60 days of the Cessation Date, determine the extent to which Unvested Performance Rights held by the relevant Participant will become Vested Performance Rights. *[CU Note: We note that this requires the Board to make a decision to the extent it wishes Unvested Performance Rights to vest in respect of an employee who ceases employment for a Specified Reason. An alternative formulation would be to provide that unvested Performance Rights do not vest or lapse, and continue to be measured against the Performance Conditions, unless otherwise resolved by the Board]*
- (b) Where the Board exercises its discretion under clause 7.1(a), it will provide written notice to the Relevant Person of the Performance Rights that have vested.
- (c) The Board may at the time of an Offer, provide for a different treatment on an Eligible Person ceasing employment with a Group Company than that contemplated by clause 7.1(a)(i) or 7.1(a)(ii) in which case the terms of the Offer shall prevail over clause 7.1(a)(i) or 7.1(a)(ii) to the extent of any inconsistency.
- (d) Subject to applicable laws, at the discretion of the Board, an Eligible Person 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 before the vesting of an Performance Right under the Plan will be treated for those purposes as not having ceased to be such an employee.

7.2 Secretary's Certificate

A certificate signed by the company secretary of the Company stating that a person ceased for any reason to be an Eligible Person shall (in the absence of manifest error) be conclusive for the purposes of these Rules, both as to such occurrence and the reason for such occurrence and the date of such occurrence.

7.3 Death of a Participant

Subject to clause 7.1(a)(ii), if at any time prior to the Expiry Date of any Performance Rights a Participant dies, the deceased Participant's Legal Personal Representative may:

- (a) elect to be registered as the new holder of the deceased Participant's Performance Rights; and
- (b) whether or not the deceased Participant's Legal Personal Representative becomes so registered, participate in accordance with and subject to the rules of this Plan as if they were the holder of such Performance Rights.

8. BREACH, FRAUD OR DISHONESTY

- (a) If in the opinion of the Board a Relevant Person acts fraudulently or dishonestly or is in material breach of his or her obligations to any Group Company then the Board may in its absolute discretion:
 - (iii) determine that all the Relevant Person's Unvested Performance Rights have lapsed;
 - (iv) determine that all or any Shares already allocated to the Relevant Person following vesting of Performance Rights to be forfeited (in which case the Relevant Person is deemed to have agreed to dispose of the Shares for a total aggregate consideration of A\$1.00);
 - (v) appoint an officer of the Company as his or her agent and attorney to either or both sell the Shares on the ASX or transfer them into the name of the Company's nominee; or
 - (vi) where any Shares have been sold by the Relevant Person, require the Relevant Person to pay to the Company all or part of the proceeds realised on that sale,

and the Board's decision will be final and binding.

- (b) If in the opinion of the Board, a Relevant Person's Performance Rights vest, or may vest, as a result of the fraud, dishonesty or breach of obligations of another employee of the Group or a material misstatement of the financial statements of the Group and, in the opinion of the Board, the Performance Rights would not otherwise have vested, the Board may determine that the Performance Rights have not vested and may, subject to applicable laws, in its absolute discretion determine:
 - (i) where Performance Rights have not vested or Shares have not been allocated upon vesting of Performance Rights, that the Performance Rights have not vested and reset the Performance Conditions applicable to the Performance Rights; or
 - (ii) where Shares have been allocated upon vesting of Performance

Rights, that the Shares are forfeited by the Relevant Person (as described in clause 8(a)(iv)) and may, at the discretion of the Board, reissue any number of Performance Rights to the Participant subject to new Performance Conditions in place of the forfeited Shares; or

- (iii) any other treatment in relation to Performance Rights or Shares to ensure no unfair benefit is obtained by a Relevant Person as a result of such actions of another person,

and the Board's decision will be final and binding.

[CU Note: These additions strengthen the rights of the Board in circumstances where an employee has engaged in misconduct]

9. CHANGE OF CONTROL

9.1 Vesting upon change of control

- (a) In the following circumstances:
 - (i) in the event a Takeover Bid to acquire any Shares becomes or is declared to be unconditional, irrespective of whether the takeover bid extends to Shares issued and allotted after the date of the takeover bid or not; or
 - (ii) in the event of a Control Event,

[CU Note: This is now captured by the definition of Control Event](each a "**Notification Event**"), the Board will determine an alternate Measurement Date and will, in its absolute discretion, determine the extent to which the Performance Conditions had been met at the alternate Measurement Date, and what proportion, if any, of the Unvested Performance Rights should become Vested Performance Rights. If the Board determines that only some of a Participant's Unvested Performance Rights will become Vested Performance Rights

- (b) If the Board determines that only some of a Participant's Unvested Performance Rights will become Vested Performance Rights, all Unvested Performance Rights will lapse, unless the Board otherwise determines.

9.2 Notification to Participants

Upon a Notification Event and determination occurring, the Company must, subject to the Listing Rules, as soon as reasonably practicable, issue (or procure the transfer) to that Participant of, the number of Shares in respect of which the Performance Rights have vested (as adjusted under clause 11.2, if relevant), credited as fully paid.

9.3 Effect on Shares

On the occurrence of a Takeover Event or a Control Event:

- (a) all trading restrictions in respect of Shares allocated on vesting of

Performance Rights will cease to have effect; and

- (b) where allocated Shares are held on behalf of the Participant, on receiving notice from the Company that a Takeover Event or Control Event has occurred, the Company will require the trustee to arrange for the Shares to be transferred into the name of the Participant, unless the Board determines otherwise

9.4 Acquisition of shares in Acquiring Company

If a company (**Acquiring Company**) obtains control of the Company as a result of:

- (a) a Takeover Bid;
- (b) a proposed scheme of arrangement between the Company and its members;
- (c) a selective capital reduction; or
- (d) another corporate action,

and the Company, the Acquiring Company and the Participant agree, a Participant may, upon vesting of Performance Rights be provided with shares of the Acquiring Company or its parent in lieu of Shares, on substantially the same terms and subject to substantially the same conditions as the Shares, but with appropriate adjustments to the number and kind of shares subject to the Performance Rights.

[CU Note: These changes contemplate participants being granted shares in an acquiring company in the event of a takeover]

10. ADMINISTRATION OF THE PLAN

- (a) The Plan will be administered by the Board. The Board will have power to delegate the exercise of its powers or discretions arising under the Plan to any one or more persons (including, but not restricted to, a committee or sub-committee of the Board) for such period and on such conditions as the Board may determine.
- (b) The Board may at any time appoint or engage specialist service providers for the operation and administration of the Plan.
- (c) The Board will ensure a complete register of Participants is maintained to facilitate efficient management and administration and to comply with regulatory reporting requirements.
- (d) Shares may be acquired under the Plan in any way lawfully permitted, including:
 - (i) by way of allotment and issue of new Shares by the Company to the Participant; or
 - (ii) by the Company making an On-Market Acquisition.
- (e) Where the Board is required to make a determination or is entitled to exercise discretion in respect of the Plan, that determination or discretion

shall be exercised reasonably and in good faith, unless provided otherwise.

11. CAPITAL EVENTS

11.1 Variation of Capital

If there are certain variations of the share capital of the Company including a capitalisation or rights issue, sub-division, consolidation or reduction of share capital, a demerger (in whatever form) or other distribution in specie, the Board may make such adjustments as it considers appropriate under clause 11.2 in accordance with the provisions of the Listing Rules.

11.2 Adjustments

An adjustment made under this clause will be to one of the following:

- (a) the number of Shares which may be issued or transferred upon vesting of any Performance Rights; or
- (b) where Performance Rights have become Vested Performance Rights but no Shares have been issued or transferred, the number of Shares which may be issued or transferred.

11.3 Notice of Variation

As soon as reasonably practicable after making any adjustment under clause 11.2, the Board will give notice in writing of the adjustment to any Participant affected by it.

12. RIGHTS OF PARTICIPANTS

Nothing in these Rules or participation in the Plan:

- (a) confers on any Eligible Person or Participant the right to continue as an employee or officer of any Group Company;
- (b) confers on any Eligible Person the right to become or remain an Eligible Person or Participant or to participate under the Plan on the same basis, or at all, in any future year;
- (c) will be taken into account in determining an Eligible Person's salary or remuneration for the purposes of superannuation or other pension arrangements;
- (d) affects the rights and obligations of any Eligible Person or Participant under the terms of their office or employment with any Group Company;
- (e) affects any rights which a Group Company may have to terminate the employment or office of an Eligible Person or Participant or will be taken into account in determining an Eligible Person or Participant's termination or severance pay;
- (f) confers on any Eligible Person or Participant any right to compensation for any loss in relation to the Plan;

- (g) may be used to increase damages in any action brought against any Group Company in respect of any such termination; and
- (h) confers any responsibility or liability on any Group Company or its directors, officers, employees, representatives or agents in respect of any taxation liabilities of the Eligible Person or Participant.

13. LIABILITY

The Group Companies and their respective directors and officers are not liable for anything done or omitted to be done by such person or any other person with respect to:

- (a) the price, time, quantity or other conditions and circumstances of the acquisition, custody or sale of Shares;
- (b) any fluctuations in the market price of Shares; and
- (c) anything done in connection with the Plan,

except for the dishonesty, fraud or wilful default of such person.

14. AMENDMENT, TERMINATION AND SUSPENSION

- (a) Subject to clause 14(b), the Board may at any time and from time to time by resolution alter the Plan (including these Rules).
- (b) Any amendment to the Plan is subject to any restrictions or procedural requirements relating to the amendment of the rules of an employee incentive scheme imposed by the Listing Rules.
- (c) The Board may at any time, and at its complete discretion, suspend or terminate the Plan without notice to Participants and without any liability whatsoever on any Group Company. The suspension or termination of the Plan will not affect any existing grants of Performance Rights already made under the Plan and the terms of the Plan will continue to apply to such grants.
- (d) No action may be taken under this clause 14 that would prejudicially affect the existing rights of Participants in respect of Awards already granted under these Rules.

15. GENERAL

15.1 Law, Listing Rules and the Constitution

The Plan and all offers and issues of Performance Rights under the Plan are subject to the Law, the Listing Rules and the Constitution, each as in force from time to time.

15.2 Issue limitations

- (a) Notwithstanding any other provision of these Rules, no Performance Right or Share may be offered under the Plan if to do so would contravene the

Corporations Act, the Listing Rules or instruments of relief issued by ASIC from time to time relating to employee share schemes which the Company is relying on. *[CU Note: Changes has been made to preserve flexibility (e.g. if ASIC repeals / amends existing class order relief)]*

- (b) Notwithstanding any other provision of these Rules, every provision set out in an exemption from, or modification to, the provisions of the Corporations Act granted from time to time by ASIC in respect of the Plan that is required to be included in these Rules in order for the exemption or modification to have effect is deemed to be contained in these Rules.

15.3 Termination Benefit

If the aggregate of any amounts payable to a Participant pursuant to these Rules upon termination (**Termination Benefit**) would, at the time for payment, exceed the amount which is permitted pursuant to the Corporations Act to be paid to the Participant (without shareholder approval) or is not the subject of any other applicable exemption, then the Termination Benefit will be reduced to the greatest amount which may then be payable and that reduced amount must be paid by the Company to the Participant.

15.4 Costs and Expenses

The Company will pay all expenses, costs and charges in relation to the establishment, implementation and administration of the Plan, including all costs incurred in or associated with the issue or purchase of Shares (except for taxes which are payable by Participants for the Performance Rights) for the purposes of the Plan. Each Group Company will, if required by the Board, reimburse the Company for any such costs and charges to the extent that they relate to its employees officers or former employees or officers.

15.5 Withholding

- (a) If any person (not being the Participant) is obliged or reasonably believe it may have an obligation as a result of or in connection with the grant or vesting, of any Performance Rights or allocations of Shares to, or on behalf of, a Participant on the vesting of a Performance Right to account for income tax or employment taxes under any wage, withholding or other arrangements or for any other tax, social security contributions or levy or charge of a similar nature, then that person is entitled to be reimbursed by the Participant for the amounts so paid or payable.
- (b) Where clause 15.5(a) applies, the Company is not obliged to pay the relevant amount or issue or transfer the relevant Shares to the Participant, unless the relevant person is satisfied that arrangements have been made for reimbursement. Those arrangements may include, without limitation, the sale, on behalf of the Participant, of Shares issued or transferred or otherwise to be issued or transferred to the Participant and, where this happens, the Participant will also reimburse the costs of any such sale (e.g. stamp duty, brokerage, etc.).

15.6 Data protection

By returning an Application Form and participating in the Plan, each Participant consents to the holding and processing of personal data provided by the Participant to

any Group Company for all purposes relating to the operation of the Plan. These include, but are not limited to:

- (a) administering and maintaining Participants' records;
- (b) providing information to trustees of any employee benefit trust, registrars, brokers or third party administrators of the Plan;
- (c) providing information to future purchasers of the Company or the business in which the Participant works;
- (d) transferring information about the Participant to a country or territory outside Australia.

15.7 Error in Allocation

If any Performance Right is provided under this Plan in error or by mistake to a person ("**Mistaken Recipient**") who is not the intended recipient, the Mistaken Recipient shall have no right or interest, and shall be taken never to have had any right or interest, in that Performance Right and those Performance Rights will immediately lapse.

15.8 Dispute

Any disputes or differences of any nature arising under the Plan or in relation to any Performance Rights granted under it will be referred to the Board and its decision will be final and binding in all respects.

15.9 Notices

Any notice or other communication under or in connection with the Plan may be given by personal delivery or by sending it by post or fax or email, in the case of a company to its registered office (or any other address notified by that company from time to time ("**Notified Address**")) or the fax number (if any) of that registered office (or Notified Address), and in the case of an individual to their last known address, fax number, email address or, if they are a director or employee of a Group Company, either to their last known address, fax number or to the address of the place of business at which they carry out all or most of their duties, or to the fax number or email address relating to that address.

15.10 Governing Law

- (a) This Plan and the rights of Eligible Persons and Participants under the Plan are governed by the laws in force in the State of Victoria, Australia.
- (b) Each Participant and the Company irrevocably and unconditionally submit to the non-exclusive jurisdiction of the Courts of Victoria, the Commonwealth of Australia and Court entitled to hear appeals from those Courts.