

**Form 603**  
Corporations Act 2001  
Section 671B

**Notice of initial substantial holder**

To Company Name/Scheme Pacific Star Network Limited (PNW)

ACN/ARSN 009 221 630

**1. Details of substantial holder (1)**

Name PNW

ACN/ARSN (if applicable) 009 221 630

The holder became a substantial holder on 29/03/2018

**2. Details of voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Fully paid ordinary shares (Shares)	141,401,581	141,401,581	71.18%

**3. Details of relevant interests**

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
PNW	Power to control the disposal of the Shares under Escrow Deeds entered into with shareholders on 29/03/2018 ( <b>Escrow Deeds</b> ). A template of the Escrow Deeds used for each participant in the placement completed on 29/30/18 and each recipient of Shares issued as consideration for the acquisition of Crocmedia Pty Ltd is attached as <b>Annexure A</b> .	127,533,733 Shares
Craig Hutchison Media Pty Ltd and Craig Francis Hutchison	Holder and controller of Shares the subject of an Escrow Deed.	49,410,736 Shares
Viburnum Funds Pty Ltd	Holder and controller of Shares the subject of an Escrow Deed.	46,851,198 Shares
Walsal Nominees, Chase Properties & Development Pty Ltd, Melissa Rothfield Productions Pty Ltd, M&K Rothfield Investments Pty Ltd, John Rothfield, Mark Rothfield, Katherine Rothfield and Melissa Rothfield	Holders and controllers of Shares the subject of an Escrow Deed.	26,969,619 Shares
James Swanwick, Chris and Leisa Giannopoulos, Maxipop Pty Ltd, Jodie Simm, Trevisim Pty Ltd, Amanda Henderson, Allan Wyatt Guest, William Guest, Lords Furniture Pty Ltd and Wyatt Nominees Pty Ltd,	Holders and controllers of Shares the subject of Escrow Deeds.	15,167,328 Shares
Cowoso Capital Pty Ltd and Andrew Moffat	Holder and controller of Shares the subject of an Escrow Deed.	3,002,700 Shares

**4. Details of present registered holders**

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
PNW	The shareholders holding the Shares referred to in paragraph	The shareholders holding the Shares referred to in	141,401,581 Shares

Holders and controllers named in paragraph 3 above.	3 above.	paragraph 3 above.	
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**5. Consideration**

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
PNW and holders and controllers of Shares	29/03/2018		Agreement to enter into Escrow Deeds	141,401,581 Shares

**6. Associates**

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Holders and controllers named in paragraph 3 above.	PNW is an associate of the Holders and controllers as they have entered into Escrow Deeds with PNW, which are relevant agreements.

**7. Addresses**

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

Name	Address
PNW	473 Swan Street, Richmond, Victoria

**Signature**

print name Jodie Simm

capacity Secretary

sign here



date 11-4-18

**DIRECTIONS**

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
  - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.

- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."
- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

# This is Annexure A of 14 pages referred to in Form 603 Notice of Initial Substantial Holder

print name Jodie Simm

capacity Secretary

sign here



date 11-4-18

## Deed dated

Escrow Deed for Consideration Shares

**Parties** **Pacific Star Network Limited** ACN 009 221 630  
of 473 Swan Street, Richmond VIC 3121  
(Company)

Each **Holder** listed in Item 2 of the Schedule

Each **Controller** listed in Item 3 of the Schedule

## Introduction

- A The Holder owns shares in Crocmedia.
- B The Company has agreed to acquire the Holder's shares in Crocmedia and will issue Shares to the Holder in consideration of the transfer.
- C The Holder has agreed that it will not deal with the Escrowed Securities during the Escrow Period except as set out in this Deed.
- D The Controller controls the Holder.

## It is agreed

### 1 DEFINITIONS AND INTERPRETATION

#### 1.1 Definitions

In this Deed:

- (1) **Associate** has the meaning given in section 12 of the Corporations Act;
- (2) **ASX Settlement** means ASX Settlement Pty Limited;
- (3) **ASX** means ASX Limited or the Australian Securities Exchange currently operated by ASX Limited, as the case may require;
- (4) **ASX Listing Rules** means the official listing rules of the ASX;
- (5) **Business Day** means a day that is not a Saturday, Sunday or any other day which is a public holiday or a bank holiday in the place where an act is to be performed or a payment is to be made;
- (6) **Change of Control Event** means, in relation to an entity, an event the occurrence of which has the effect that:
  - (a) if a person Controlled the entity prior to the time the event occurred, the person ceased to Control the entity or another person obtained Control of the entity;
  - (b) if no person Controlled the entity prior to the time the event occurred, a person obtained Control of the entity; or
  - (c) if the entity is owned or Controlled by a group or consortium of persons, or if the group or consortium could Control the entity were they to act collectively, there is any material change in the composition of the group or consortium;

- (7) **CHESS** has the meaning given in the ASX Listing Rules;
- (8) **Control** means has the meaning given in section 50AA of the Corporations Act;
- (9) **Controller Interests** means the securities, substantial economic interest or other interests in the Escrowed Securities and each intermediate entity through which that interest occurs, full particulars of which are set out in Item 3 of the Schedule;
- (10) **Corporations Act** means the *Corporations Act 2001* (Cth);
- (11) **Crocmedia** means Crocmedia Pty Ltd ACN 129 637 378;
- (12) **Deed** means this document, including any schedule or annexure to it;
- (13) **Dispose** includes to:
- (a) directly or indirectly sell, transfer or otherwise create, dispose or alienate any entitlement to or legal, beneficial or equitable interest or right in, or in respect of, any Escrowed Security or Escrowed Securities; or
  - (b) grant an option that if exercised (whether such exercise is subject to conditions or not), requires a person to do anything stated in sub-paragraph (a) above;
- (14) **Escrow Period** means the period set out in Item 1 of the Schedule;
- (15) **Escrowed Securities** means the securities set out in Item 2 of the Schedule and any securities attaching to or arising out of those securities including as a result of a bonus issue, dividend or other distribution, or a share split or other reconstruction of capital;
- (16) **Finally Adjudicated** means where there has been a judgment or decree which is not appealable or reviewable, whether through the lapse of time or the exhaustion of all permissible avenues for appeal, rehearing or review by any court of competent jurisdiction;
- (17) **First Escrow Period** has the meaning given in Item 1 of the Schedule;
- (18) **Resolved Claim** means any Subject Claim that has been:
- (a) agreed as being payable by the Holder; or
  - (b) Finally Adjudicated as being payable by the Holder;
- (19) **Sale Notice** has the meaning given in clause 5.6(1);
- (20) **Sale Period** means the period of 60 days commencing on the date on which a Subject Claim in relation to the Holder, becomes a Resolved Claim;
- (21) **Scheme of Arrangement** means a scheme of arrangement between the Company and its members and/or creditors under Part 5.1 of the Corporations Act pursuant to which a person and its Associates will acquire a Relevant Interest in 50% or more of the issued ordinary capital of the Company;
- (22) **Security Interest** means:
- (a) a mortgage, charge, hypothecation, assignment by way of security, pledge, lien, title retention arrangement, set-off arrangement, flawed asset arrangement or other arrangement having the same or equivalent commercial effect as a grant of security; or
  - (b) any agreement to create or give rise to any interest or arrangement of the type referred to in clause 1.1(22)(a);
- (23) **Share Purchase Agreement** between PNW and the Holder and other parties, dated 5 January 2018 in respect of the sale of all the shares in Crocmedia to PNW;
- (24) **Shares** means fully paid ordinary shares in the Company; and
- (25) **Subject Claim** means a "Subject Claim" (as that term is defined in the Share Purchase Agreement) made by PNW against the Holder;
- (26) **Wholly-owned Subsidiary** has the meaning given by section 9 of the Corporations Act.

## 1.2 Interpretation

- (1) Reference to:
- (a) one gender includes the others;
  - (b) the singular includes the plural and the plural includes the singular;

- (c) a person includes a body corporate;
  - (d) a party includes the party's executors, administrators, successors and permitted assigns;
  - (e) a statute, regulation or a provision of any of them includes:
    - (i) any amendment or replacement of it; and
    - (ii) another regulation or other statutory instrument made under it; or made under it as amended or replaced; and
  - (f) dollars means Australian dollars unless otherwise stated.
- (2) "Including" and similar expressions are not words of limitation.
- (3) Where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning.
- (4) Headings and any table of contents or index are for convenience only and do not form part of this Deed or affect its interpretation.
- (5) A provision of this Deed must not be construed to the disadvantage of a party merely because that party was responsible for the preparation of the Deed or the inclusion of the provision in the Deed.
- (6) If an act must be done on a specified day which is not a Business Day, it must be done instead on the next Business Day.

### 1.3 Parties

- (1) If a party consists of more than 1 person, this Deed binds each of them separately and any 2 or more of them jointly.
- (2) An obligation, representation or warranty in favour of more than 1 person is for the benefit of them separately and jointly.

## 2 ESCROW RESTRICTIONS – HOLDER

- 2.1 Subject to clause 5, during the Escrow Period, the Holder must not do any of the following except with the prior written consent of the Company (which may be given or withheld in its absolute discretion):
- (1) Dispose of, or agree or offer to Dispose of, the Escrowed Securities;
  - (2) create, or agree or offer to create, any Security Interest in the Escrowed Securities, except as permitted under this Deed; or
  - (3) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of the Escrowed Securities.
- 2.2 Nothing in this Deed (including without limitation clauses 2.1 and 3.1), affects or in any way restricts any right in respect of voting attached to the Escrowed Securities, including without limitation any voting rights exercisable pursuant to the Controller Interests.

## 3 ESCROW RESTRICTIONS AND GUARANTEE – CONTROLLER

- 3.1 Subject to clause 5, during the Escrow Period, the Controller must not do any of the following except with the prior written consent of the Company (which may be given or withheld in its absolute discretion):
- (1) Dispose of, or agree or offer to Dispose of, the Controller Interests;
  - (2) create, or agree or offer to create, any Security Interest in the Controller Interests; or
  - (3) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of the Controller Interests.
- 3.2 The Controller guarantees to the Company the prompt performance by the Holder of all of the obligations of the Holder contained or implied in this Deed.

## 4 HOLDING LOCK

- 4.1 The Holder agrees that the Company may apply a holding lock to the Escrowed Securities during the Escrow Period (if the securities are on the issuer sponsor subregister) or give notice to ASX Settlement requesting it to apply a holding lock (if the securities are on the CHESSE subregister).
- 4.2 The Company must take all steps necessary to ensure the Escrowed Securities or the Escrowed Securities the subject of a Sale Notice or a direction by the Holder under clause 5.6(1) (as applicable) are released from any holding lock by the next Business Day after the end of the Escrow Period or the date of the Sale Notice (as applicable).

## 5 PERMITTED ACTIONS

### 5.1 Takeover Bid

- (1) If:
  - (a) a takeover bid (as defined in the Corporations Act) is made in respect of all Shares; and
  - (b) the holders of at least 50% of the Shares in respect of which the takeover bid is made that are not subject to escrow have accepted the offer made under the takeover bid,
- (c) then the restrictions in clauses 2 and 3 do not apply in relation to the offer made under that takeover bid and the Holder may accept the offer for some or all of the Escrowed Securities pursuant to that takeover bid. The Company must release any holding lock over the Escrowed Securities to permit the transfer under the takeover bid to be effected.
- (2) Notwithstanding paragraph (1) above, if the takeover bid does not become unconditional, the restrictions on disposal and dealing imposed by clauses 2 and 3 continue to apply to the Escrowed Securities.

### 5.2 Merger by way of Scheme of Arrangement

- (1) The Holder may do anything required to enable the Escrowed Securities to be cancelled or transferred as part of a merger by way of Scheme of Arrangement and the Company must promptly release any holding lock over the Escrowed Securities to allow the Holder to do such things.
- (2) Notwithstanding paragraph (1) above, if the Scheme of Arrangement does not take effect, the restrictions on disposal and dealing imposed by clauses 2 and 3 continue to apply to the Escrowed Securities.

### 5.3 Disposal to Transferees

- (1) Escrowed Securities may be transferred to:
  - (2) a Wholly-owned Subsidiary of the Holder;
  - (3) in the case of a Holder that is an individual, any spouse, son or daughter of the Holder, or son or daughter of the Holder's spouse (**Immediate Family Member**)
  - (4) a trust or superannuation fund in relation to which the Holder or, in the case of a Holder that is an individual, their Immediate Family Member is the beneficiary,
- (5) (each a **Transferee**), provided that the Holder and the Transferee enter into a deed with the Company:
  - (a) on the same terms as this Deed prior to that transfer with the Transferee in the capacity of the Holder and the Holder in a capacity as a Controller; and
  - (b) that provides that if the Transferee ceases to be a Transferee (as defined in this clause), it will immediately transfer any Escrowed Securities it holds back to the Holder.

### 5.4 Disposal required by applicable laws

Notwithstanding any other term of this Deed, Escrowed Securities may be cancelled or transferred if required by applicable laws, including pursuant to an order of an Australian federal or state court of competent jurisdiction.

### 5.5 Disposal in connection with action under the Corporations Act

Notwithstanding any other term of this Deed, Escrowed Securities may be cancelled or transferred in connection with an equal access share buyback or capital return or capital reduction made in accordance with the Corporations Act.

### 5.6 Disposal to satisfy Resolved Claims

- (1) During the First Escrow Period, the Holder may, at any time during the Sale Period, give written notice to PNW of its intention to sell such number of Escrowed Securities as is necessary to satisfy its obligations under a Resolved Claim (with evidence of a Resolved Claim attached) (**Sale Notice**).
- (2) If the Holder has given a Sale Notice,
  - (a) the Company must take all steps necessary to ensure the Escrowed Securities the subject of a Sale Notice are released from any holding lock for the purpose of enabling the Holder to Dispose of the Escrowed Securities during the Sale Period; and
  - (b) the Holder may during the Sale Period, Dispose of Escrowed Securities provided that the Holder accounts to PNW for the proceeds of the Disposal after deduction of expenses until the amount payable by the Holder in respect of the Resolved Claim is satisfied in full, whether from the proceeds of the Disposals, other payments in immediately available funds made to PNW by the Holder or on its behalf or any agreed set off between the Holder and PNW, after which clauses 2 and 4 will continue to apply to the balance of the Escrowed Securities.

## **6 WARRANTIES**

### **6.1 Each of the Holder and the Controller warrant that:**

- (1) the Holder is an individual, or is duly incorporated or registered under the laws of the jurisdiction of its incorporation or registration and is in good standing;
- (2) the Holder has the power to enter into this Deed and perform and observe all of the obligations contained in it;
- (3) the Holder either has no Controller, or the Controller Controls the Holder;
- (4) the Holder is the registered owner of the Escrowed Securities set out in Item 2 of the Schedule;
- (5) the Controller Interests (if any) are as set out in Item 3 of the Schedule; and
- (6) there are no Security Interests in the Escrowed Securities or the Controller Interests.

## **7 CONSEQUENCES OF BREACHING THIS DEED**

7.1 If it appears to the Company (acting reasonably) that the Holder or a Controller is likely to breach this Deed, the Company may take any steps it considers necessary to prevent the breach, or to enforce this Deed.

7.2 If the Holder or a Controller breaches this Deed, each of the following applies:

- (1) the Company may take any steps it considers necessary to enforce the Deed, or to rectify the breach;
- (2) the Company may refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the Escrowed Securities. This is in addition to other rights and remedies of the Company; and
- (3) the Holder of the Escrowed Securities ceases to be entitled to any dividends, distributions or voting rights while the breach continues.

7.3 If it appears to the Holder (acting reasonably) that the Company is likely to breach this Deed, the Holder may take any steps it considers necessary to prevent the breach, rectify the breach or to enforce this Deed.

## **8 NOTIFICATION OF CHANGE OF CONTROL EVENT**

8.1 The Holder must notify the Company as soon as practicable of the occurrence or impending occurrence of a Change of Control Event in relation to the Holder, and seek the Company's consent to that event.

## **9 FURTHER ASSURANCE**

9.1 Each party must promptly at its own cost do all things (including executing all documents) necessary or desirable to give full effect to this Deed.

## **10 ENTIRE UNDERSTANDING**

10.1 This Deed:

- (1) is the entire agreement and understanding between the parties on everything connected with the subject matter of this Deed; and
- (2) supersedes any prior agreement or understanding on anything connected with that subject matter.

## **11 VARIATION**

11.1 An amendment or variation to this Deed is not effective unless it is in writing and signed by the parties.

## **12 WAIVER**

12.1 A party's failure or delay to exercise a power or right does not operate as a waiver of that power or right.

12.2 The exercise of a power or right does not preclude either its exercise in the future or the exercise of any other power or right.

12.3 A waiver is not effective unless it is in writing.

12.4 Waiver of a power or right is effective only in respect of the specific instance to which it relates and for the specific purpose for which it is given.



## **13 COSTS AND OUTLAYS**

13.1 Each party must pay its own costs and outlays connected with the negotiation, preparation and execution of this Deed.

## **14 NOTICES**

14.1 A notice or other communication connected with this Deed (Notice) has no legal effect unless it is in writing.

14.2 In addition to any other method of service provided by law, the Notice may be:

- (1) sent by prepaid priority post to the address of the addressee set out in this Deed or subsequently notified;
- (2) sent by email to the email address of the addressee set out in clause 14.4 or subsequently notified; or
- (3) delivered at the address of the addressee set out in this Deed or subsequently notified.

14.3 If the Notice is sent or delivered in a manner provided by clause 14.2, it must be treated as given to and received by the party to which it is addressed:

- (1) if sent by post, on the 3<sup>rd</sup> Business Day (at the address to which it is posted) after posting;
- (2) if sent by email before 5pm on a Business Day at the place of receipt, at the time and on the day it is sent (unless the sender receives a notification that the email has not been received by the recipient) and otherwise on the next Business Day at the place of receipt; or
- (3) if otherwise delivered before 5pm on a Business Day at the place of delivery, upon delivery, and otherwise on the next Business Day at the place of delivery.

14.4 **Notice details:**

- (1) The Company's email address is [ssweeney@sen.com.au](mailto:ssweeney@sen.com.au).
- (2) The Holder's email address is set out in Item 1 of the Schedule.
- (3) The Controller's email address is set out in Item 3 of the Schedule.

14.5 Any Notice by a party may be given and may be signed by its solicitor.

## **15 GOVERNING LAW AND JURISDICTION**

15.1 The law of Victoria governs this Deed.

15.2 The parties submit to the non-exclusive jurisdiction of the courts of Victoria and the Federal Court of Australia.

## **16 EXCHANGE OF COUNTERPARTS BY EMAIL**

16.1 (1) This Deed may be executed in any number of counterparts.

(2) All counterparts together constitute one deed.

(3) A party may execute this Deed by signing any counterpart.

16.2 This Deed is binding on a party on the exchange with any other party of a counterpart executed by that party. A copy of an original executed counterpart sent by email:

- (1) must be treated as an original counterpart;
- (2) is sufficient evidence of the execution of the original; and
- (3) may be produced in evidence for all purposes in place of the original.

16.3 A party which has executed a counterpart of this Deed or its solicitor may exchange it with another party by sending a copy of that original executed counterpart by email to that other party or its solicitor and if requested by that other party or its solicitor must promptly deliver that original by hand or post. Failure to make that delivery does not affect the validity of this Deed.

## Schedule

Item 1 **Escrow Period**

Item 2 **Holder**

Holder	Notice details	Escrowed Securities

Item 3 **Controller Interests**

Holder	Controller (if applicable)	Notice details	Interest

**Executed** as a deed and delivered on the date shown on the first page.

## COMPANY

Executed by **Pacific Star Network Limited**  
ACN 009 221 630 in accordance with  
section 127 of the *Corporations Act 2001*:

.....  
Director/company secretary

.....  
Director

.....  
Name of director/company secretary  
(BLOCK LETTERS)

.....  
Name of director  
(BLOCK LETTERS)

## HOLDERS

[execution blocks]

## CONTROLLERS

[execution blocks]

# Escrow Deed for Placement Shares

## Deed dated

**Parties**      **Pacific Star Network Limited** ACN 009 221 630  
of 473 Swan Street, Richmond VIC 3121  
(**Company**)

Each **Holder** listed in Item 2 of the Schedule

Each **Controller** listed in Item 3 of the Schedule

## Introduction

- E**      The Holder has agreed to subscribe to Shares as a part of the Institutional Placement.
- F**      The Company has agreed issue Shares to the Holder as a participant in the Institutional Placement.
- G**      The Holder has agreed that it will not deal with the Escrowed Securities during the Escrow Period except as set out in this Deed.
- H**      The Controller controls the Holder.

## It is agreed

### 1      DEFINITIONS AND INTERPRETATION

#### 1.1      Definitions

In this Deed:

- (1)      **Associate** has the meaning given in section 12 of the Corporations Act;
- (2)      **ASX Settlement** means ASX Settlement Pty Limited;
- (3)      **ASX** means ASX Limited or the Australian Securities Exchange currently operated by ASX Limited, as the case may require;
- (4)      **ASX Listing Rules** means the official listing rules of the ASX;
- (5)      **Business Day** means a day that is not a Saturday, Sunday or any other day which is a public holiday or a bank holiday in the place where an act is to be performed or a payment is to be made;
- (6)      **Change of Control Event** means, in relation to an entity, an event the occurrence of which has the effect that:
  - (a)      if a person Controlled the entity prior to the time the event occurred, the person ceased to Control the entity or another person obtained Control of the entity;
  - (b)      if no person Controlled the entity prior to the time the event occurred, a person obtained Control of the entity; or
  - (c)      if the entity is owned or Controlled by a group or consortium of persons, or if the group or consortium could Control the entity were they to act collectively, there is any material change in the composition of the group or consortium;
- (7)      **CHESS** has the meaning given in the ASX Listing Rules;
- (8)      **Control** means has the meaning given in section 50AA of the Corporations Act;
- (9)      **Controller Interests** means the securities, substantial economic interest or other interests in the Escrowed Securities and each intermediate entity through which that interest occurs, full particulars of which are set out in Item 3 of the Schedule;
- (10)      **Corporations Act** means the *Corporations Act 2001* (Cth);

- (11) **Deed** means this document, including any schedule or annexure to it;
- (12) **Dispose** includes to:
- (a) directly or indirectly sell, transfer or otherwise create, dispose or alienate any entitlement to or legal, beneficial or equitable interest or right in, or in respect of, any Escrowed Security or Escrowed Securities; or
  - (b) grant an option that if exercised (whether such exercise is subject to conditions or not), requires a person to do anything stated in sub-paragraph (a) above;
- (13) **Escrow Period** means the period set out in Item 1 of the Schedule;
- (14) **Escrowed Securities** means the securities set out in Item 2 of the Schedule and any securities attaching to or arising out of those securities including as a result of a bonus issue, dividend or other distribution, or a share split or other reconstruction of capital;
- (15) **Institutional Placement** means the offer of new shares by the Company to sophisticated and institutional investors;
- (16) **Scheme of Arrangement** means a scheme of arrangement between the Company and its members and/or creditors under Part 5.1 of the Corporations Act pursuant to which a person and its Associates will acquire a Relevant Interest in 50% or more of the issued ordinary capital of the Company;
- (17) **Security Interest** means:
- (a) a mortgage, charge, hypothecation, assignment by way of security, pledge, lien, title retention arrangement, set-off arrangement, flawed asset arrangement or other arrangement having the same or equivalent commercial effect as a grant of security; or
  - (b) any agreement to create or give rise to any interest or arrangement of the type referred to in clause 1.1(22)(a);
- (18) **Shares** means fully paid ordinary shares in the Company; and
- (19) **Wholly-owned Subsidiary** has the meaning given by section 9 of the Corporations Act.

## 1.2 Interpretation

- (1) Reference to:
- (a) one gender includes the others;
  - (b) the singular includes the plural and the plural includes the singular;
  - (c) a person includes a body corporate;
  - (d) a party includes the party's executors, administrators, successors and permitted assigns;
  - (e) a statute, regulation or a provision of any of them includes:
    - (i) any amendment or replacement of it; and
    - (ii) another regulation or other statutory instrument made under it; or made under it as amended or replaced; and
  - (f) dollars means Australian dollars unless otherwise stated.
- (2) "Including" and similar expressions are not words of limitation.
- (3) Where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning.
- (4) Headings and any table of contents or index are for convenience only and do not form part of this Deed or affect its interpretation.
- (5) A provision of this Deed must not be construed to the disadvantage of a party merely because that party was responsible for the preparation of the Deed or the inclusion of the provision in the Deed.
- (6) If an act must be done on a specified day which is not a Business Day, it must be done instead on the next Business Day.

## 1.3 Parties

- (1) If a party consists of more than 1 person, this Deed binds each of them separately and any 2 or more of them jointly.
- (2) An obligation, representation or warranty in favour of more than 1 person is for the benefit of them separately and jointly.

## **2 ESCROW RESTRICTIONS – HOLDER**

- 2.1 Subject to clauses 2.2 and 5, during the Escrow Period, the Holder must not do any of the following except with the prior written consent of the Company (which may be given or withheld in its absolute discretion):
- (1) Dispose of, or agree or offer to Dispose of, the Escrowed Securities;
  - (2) create, or agree or offer to create, any Security Interest in the Escrowed Securities, except as permitted under this Deed; or
  - (3) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of the Escrowed Securities.
- 2.2 Nothing in this Deed (including without limitation clauses 2.1 and 3.1), affects or in any way restricts any right in respect of voting attached to the Escrowed Securities, including without limitation any voting rights exercisable pursuant to the Controller Interests.

## **3 ESCROW RESTRICTIONS AND GUARANTEE – CONTROLLER**

- 3.1 Subject to clause 2.2, during the Escrow Period, the Controller must not do any of the following except with the prior written consent of the Company (which may be given or withheld in its absolute discretion):
- (1) Dispose of, or agree or offer to Dispose of, the Controller Interests;
  - (2) create, or agree or offer to create, any Security Interest in the Controller Interests; or
  - (3) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of the Controller Interests.
- 3.2 The Controller guarantees to the Company the prompt performance by the Holder of all of the obligations of the Holder contained or implied in this Deed.

## **4 HOLDING LOCK**

- 4.1 The Holder agrees that the Company may apply a holding lock to the Escrowed Securities during the Escrow Period (if the securities are on the issuer sponsor subregister) or give notice to ASX Settlement requesting it to apply a holding lock (if the securities are on the CHESS subregister).
- 4.2 The Company must take all steps necessary to ensure the Escrowed Securities are released from any holding lock by the next Business Day after the end of the Escrow Period.

## **5 PERMITTED ACTIONS**

### **5.1 Takeover Bid**

- (1) If:
  - (a) a takeover bid (as defined in the Corporations Act) is made in respect of all Shares; and
  - (b) the holders of at least 50% of the Shares in respect of which the takeover bid is made that are not subject to escrow have accepted the offer made under the takeover bid,
- (c) then the restrictions in clauses 2 and 3 do not apply in relation to the offer made under that takeover bid and the Holder may accept the offer for some or all of the Escrowed Securities pursuant to that takeover bid. The Company must release any holding lock over the Escrowed Securities to permit the transfer under the takeover bid to be effected.
- (2) Notwithstanding paragraph (1) above, if the takeover bid does not become unconditional, the restrictions on disposal and dealing imposed by clauses 2 and 3 continue to apply to the Escrowed Securities.

### **5.2 Merger by way of Scheme of Arrangement**

- (1) The Holder may do anything required to enable the Escrowed Securities to be cancelled or transferred as part of a merger by way of Scheme of Arrangement and the Company must promptly release any holding lock over the Escrowed Securities to allow the Holder to do such things.
- (2) Notwithstanding paragraph (1) above, if the Scheme of Arrangement does not take effect, the restrictions on disposal and dealing imposed by clauses 2 and 3 continue to apply to the Escrowed Securities.

### **5.3 Disposal to Transferees**

- (1) Escrowed Securities may be transferred to:
  - (2) a Wholly-owned Subsidiary of the Holder;
  - (3) in the case of a Holder that is an individual, any spouse, son or daughter of the Holder, or son or daughter of the Holder's spouse (**Immediate Family Member**)

- (4) a trust or superannuation fund in relation to which the Holder or, in the case of a Holder that is an individual, their Immediate Family Member is the beneficiary,
  - (a) (each a **Transferee**), provided that the Holder and the Transferee enter into a deed with the Company;
  - (b) on the same terms as this Deed prior to that transfer with the Transferee in the capacity of the Holder and the Holder in a capacity as a Controller; and
  - (c) that provides that if the Transferee ceases to be a Transferee (as defined in this clause), it will immediately transfer any Escrowed Securities it holds back to the Holder.

#### **5.4 Disposal required by applicable laws**

Notwithstanding any other term of this Deed, Escrowed Securities may be cancelled or transferred if required by applicable laws, including pursuant to an order of an Australian federal or state court of competent jurisdiction.

#### **5.5 Disposal in connection with action under the Corporations Act**

Notwithstanding any other term of this Deed, Escrowed Securities may be cancelled or transferred in connection with an equal access share buyback or capital return or capital reduction made in accordance with the Corporations Act.

### **6 WARRANTIES**

#### **6.1 Each of the Holder and the Controller warrant that:**

- (1) the Holder is an individual, or is duly incorporated or registered under the laws of the jurisdiction of its incorporation or registration and is in good standing;
- (2) the Holder has the power to enter into this Deed and perform and observe all of the obligations contained in it;
- (3) the Holder either has no Controller, or the Controller Controls the Holder;
- (4) the Holder is the registered owner of the Escrowed Securities set out in Item 2 of the Schedule;
- (5) the Controller Interests (if any) are as set out in Item 3 of the Schedule; and
- (6) there are no Security Interests in the Escrowed Securities or the Controller Interests.

### **7 CONSEQUENCES OF BREACHING THIS DEED**

7.1 If it appears to the Company (acting reasonably) that the Holder or a Controller is likely to breach this Deed, the Company may take any steps it considers necessary to prevent the breach, or to enforce the Deed.

7.2 If the Holder or a Controller breaches this Deed, each of the following applies:

- (1) the Company may take any steps it considers necessary to enforce the Deed, or to rectify the breach;
- (2) the Company may refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the Escrowed Securities. This is in addition to other rights and remedies of the Company; and
- (3) the Holder of the Escrowed Securities ceases to be entitled to any dividends, distributions or voting rights while the breach continues.

### **8 NOTIFICATION OF CHANGE OF CONTROL EVENT**

8.1 The Holder must notify the Company as soon as practicable of the occurrence or impending occurrence of a Change of Control Event in relation to the Holder, and seek the Company's consent to that event.

### **9 FURTHER ASSURANCE**

9.1 Each party must promptly at its own cost do all things (including executing all documents) necessary or desirable to give full effect to this Deed.

### **10 ENTIRE UNDERSTANDING**

10.1 This Deed:

- (1) is the entire agreement and understanding between the parties on everything connected with the subject matter of this Deed; and
- (2) supersedes any prior agreement or understanding on anything connected with that subject matter.

## **11 VARIATION**

11.1 An amendment or variation to this Deed is not effective unless it is in writing and signed by the parties.

## **12 WAIVER**

12.1 A party's failure or delay to exercise a power or right does not operate as a waiver of that power or right.

12.2 The exercise of a power or right does not preclude either its exercise in the future or the exercise of any other power or right.

12.3 A waiver is not effective unless it is in writing.

12.4 Waiver of a power or right is effective only in respect of the specific instance to which it relates and for the specific purpose for which it is given.

## **13 COSTS AND OUTLAYS**

13.1 Each party must pay its own costs and outlays connected with the negotiation, preparation and execution of this Deed.

## **14 NOTICES**

14.1 A notice or other communication connected with this Deed (Notice) has no legal effect unless it is in writing.

14.2 In addition to any other method of service provided by law, the Notice may be:

- (1) sent by prepaid priority post to the address of the addressee set out in this Deed or subsequently notified;
- (2) sent by email to the email address of the addressee set out in clause 14.4 or subsequently notified; or
- (3) delivered at the address of the addressee set out in this Deed or subsequently notified.

14.3 If the Notice is sent or delivered in a manner provided by clause 14.2, it must be treated as given to and received by the party to which it is addressed:

- (1) if sent by post, on the 3<sup>rd</sup> Business Day (at the address to which it is posted) after posting;
- (2) if sent by email before 5pm on a Business Day at the place of receipt, at the time and on the day it is sent (unless the sender receives a notification that the email has not been received by the recipient) and otherwise on the next Business Day at the place of receipt; or
- (3) if otherwise delivered before 5pm on a Business Day at the place of delivery, upon delivery, and otherwise on the next Business Day at the place of delivery.

14.4 Notice details:

- (1) The Company's email address is ssweeney@sen.com.au.
- (2) The Holder's email address is set out in Item 1 of the Schedule.
- (3) The Controller's email address is set out in Item 3 of the Schedule.

14.5 Any Notice by a party may be given and may be signed by its solicitor.

## **15 GOVERNING LAW AND JURISDICTION**

15.1 The law of Victoria governs this Deed.

15.2 The parties submit to the non-exclusive jurisdiction of the courts of Victoria and the Federal Court of Australia.

## **16 EXCHANGE OF COUNTERPARTS BY EMAIL**

16.1 (1) This Deed may be executed in any number of counterparts.

(2) All counterparts together constitute one deed.

(3) A party may execute this Deed by signing any counterpart.

16.2 This Deed is binding on a party on the exchange with any other party of a counterpart executed by that party. A copy of an original executed counterpart sent by email:

- (1) must be treated as an original counterpart;
- (2) is sufficient evidence of the execution of the original; and
- (3) may be produced in evidence for all purposes in place of the original.

16.3 A party which has executed a counterpart of this Deed or its solicitor may exchange it with another party by sending a copy of that original executed counterpart by email to that other party or its solicitor and if requested by that other party or its solicitor must promptly deliver that original by hand or post. Failure to make that delivery does not affect the validity of this Deed.



## Schedule

Item 4 **Escrow Period**

12 months, commencing on the date of issue of the Escrowed Securities.

Item 5 **Holder**

Holder	Notice details	Escrowed Securities

Item 6 **Controller Interests**

Holder	Controller (if applicable)	Notice details	Interest

**Executed** as a deed and delivered on the date shown on the first page.

### COMPANY

Executed by **Pacific Star Network Limited**  
ACN 009 221 630 in accordance with  
section 127 of the *Corporations Act 2001*:

.....  
Director/company secretary

.....  
Director

.....  
Name of director/company secretary  
(BLOCK LETTERS)

.....  
Name of director  
(BLOCK LETTERS)

### HOLDERS

[execution blocks]

### CONTROLLERS

[execution blocks]