



A.B.N. 52 007 626 575

Suite 2.03, 1-11 Gordon Street, Cremorne, Victoria, 3121, Australia

NOT FOR RELEASE TO US WIRE SERVICES OR DISTRIBUTION IN THE UNITED STATES

20 July 2023

Notice under Section 708A(12C)(e) of the Corporations Act 2001 (Cth)

On Wednesday, 28 June 2023, Jervois Global Limited (ACN 007 626 575) (ASX / TSX-V: JRV) (OTC: JRVMF) (**JRV** or **Company**) announced that it had entered into a subscription agreement with Millstreet Credit Fund LP (S.I.N 27-2209764) (the **Noteholder**), pursuant to which the Company agreed to issue, in aggregate, US\$25 million of unlisted convertible notes (**Notes**) to the Noteholder. On conversion, the Notes entitle the Noteholder to be issued fully paid ordinary shares in the Company (**Shares**).

As previously announced, the Notes will be issued in two tranches:

- tranche 1 comprising US\$19.9 million of Notes (**Tranche 1 Notes**); and
- tranche 2 comprising US\$5.1 million of Notes (**Tranche 2 Notes**).

The Tranche 1 Notes have been issued today.

The Tranche 2 Notes will be issued subject to the approval of the Company's ordinary shareholders (**Shareholders**) at a general meeting to be held on or about 25 August 2023 (**Shareholder Approval**). If Shareholder Approval is not received for the Tranche 2 Notes, those Notes will not be issued. No shareholder approval was required for the issuance of the Tranche 1 Notes, because those Notes were issued within the Company's placement capacity under ASX Listing Rule 7.1.

JRV has prepared this cleansing notice (**Notice**) for the purposes of section 708A(12C)(e) of the *Corporations Act 2001* (Cth) (**Corporations Act**), as notionally inserted by *ASIC Corporations (Sale Offers: Securities Issued on Conversion of Notes) Instrument 2016/82* (**Instrument 2016/82**), so that Shares issued on conversion of the Tranche 1 Notes are freely tradeable from issue.

The terms and conditions of the Notes are set out in Annexure A – '*Terms and conditions of the Notes*' of this Notice (**Terms and Conditions**).

The Company confirms that:

- (a) the Tranche 1 Notes have been or will be issued without disclosure under Part 6D.2 of the Corporations Act;
- (b) this Notice comprises a notice under section 708A(12C)(e) of the Corporations Act in respect of the Tranche 1 Notes, as inserted by ASIC Instrument 2016/82; and
- (c) this Notice complies with section 708A(12D) of the Corporations Act as inserted by Instrument 2016/82.

No offer

This Notice does not constitute an offer of any Notes for issue or sale, or an invitation to subscribe for or purchase any Notes and is not intended to be used in connection with any such offer or invitation.

Contents of this Notice

This Notice sets out information that the Company believes investors and their professional advisers would reasonably require to make an informed assessment of the effect of the issue of the Tranche 1 Notes on the

Company and summarises the rights and liabilities attaching to the Notes and the Shares that may be issued on conversion of the Notes.

Effect of issue of the Tranche 1 Notes on the Company

The Tranche 1 Notes have been issued to the Noteholder without disclosure to investors under Part 6D.2 of the Corporations Act.

The principal effects of the issue of the Tranche 1 Notes on the Company are as follows:

- (a) the Company's cash reserves will be increased by approximately US\$19.9 million¹ (before costs associated with the issue of the Tranche 1 Notes);
- (b) the Company's indebtedness will be increased by the aggregate face value of the Tranche 1 Notes, being US\$19.9 million, plus, in each case, all capitalised and accrued interest;
- (c) each Tranche 1 Note will bear interest at the rate of 6.5% p.a.; and
- (d) if the Tranche 1 Notes are converted, the Company's indebtedness will reduce and its capital structure will change. The effect of the conversion of the Tranche 1 Notes on the Company's capital structure is shown in the table below.

The Notes are to convert into Shares at the conversion price of US\$0.0605, as may be adjusted from time to time under the Terms and Conditions. The Company notes that there is no floor price.

Conversion Price (US\$)	Shares on issue at the date of this Notice	Shares issued on conversion of the Tranche 1 Notes	Total shares on issue following conversion of the Tranche 1 Notes	Tranche 1 conversion shares as a % of total shares post conversion ²
US\$0.0605 ³	2,416,457,078	328,925,620	2,745,382,698	12.0%

Pro-forma statement of financial position

The Company's pro-forma statement of financial position as at 31 May 2023 reflecting the issue of the US\$25 million Notes and the entitlement offer announced by the Company on Wednesday, 28 June 2023, is set out on slide 20 of the investor presentation released by the Company on that date (**Investor Presentation**).

Rights and liabilities attaching to Shares that may be issued on conversion of the Notes

Each Share issued to a Noteholder upon conversion of a Note will be issued as a fully paid ordinary share in the capital of the Company and will rank equally with existing Shares on issue in the Company in all respects with effect from the date of issue of such Shares.

¹ The increase in indebtedness is shown as face value of the Notes. Amounts recorded in the Company's financial statements under International Financial Reporting Standards will differ.

² This calculation assumes all of the Tranche 1 Notes are converted and does not contemplate conversion of any accrued and capitalised interest as may be payable to the Noteholder or any other shares issued after the date of this notice and before the conversion of the Tranche 1 Notes.

³ A\$0.0905 based on AUD/USD exchange of 0.669 (25 June 2023)



A.B.N. 52 007 626 575

Suite 2.03, 1-11 Gordon Street, Cremorne, Victoria, 3121, Australia

Compliance with disclosure obligations

As a disclosing entity, the Company is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules.

Copies of documents lodged with Australian Securities and Investments Commission (**ASIC**) in relation to the Company are available to the public and may be purchased by calling the ASIC Customer Contact Centre on +61 1300 300 630, or via the ASIC Connect website and can be obtained from, or inspected at, an ASIC office. Certain of these documents can also be obtained from www.asx.com.au and the Company's website at Investors - ASX Announcements, together with other market announcements.

In addition, a copy of the following documents may be obtained free of charge by any person upon their request prior to the date of issue of the Notes to the Noteholder:

- (a) the Company's annual report most recently lodged with ASIC (being the audited consolidated annual financial report of the group for the financial year ended 31 December 2022); and
- (b) any continuous disclosure notices given by the Company after the lodgment of the Company's audited consolidated annual financial report for the financial year ended 31 December 2022 and before lodgment of this document with the ASX.

All written requests for copies of the above documents should be addressed to the Company. These documents, and all other regular reporting and disclosure documents of the Company, are also available electronically on the websites of the ASX at www.asx.com.au and the Company at Investors - ASX Announcements.

No excluded information

As at the date of, and other than as set out in, this Notice, there is no information that:

- (a) has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
- (b) is information that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (ii) the rights and liabilities attaching to the Notes and resulting Shares to be issued on conversion of the Notes.

Yours faithfully

Alwyn Davey

Company Secretary

Jervois Global Limited

Authorised for release by the Disclosure Committee of Jervois Global Limited.



A.B.N. 52 007 626 575

Suite 2.03, 1-11 Gordon Street, Cremorne, Victoria, 3121, Australia

ANNEXURE A

TERMS AND CONDITIONS OF NOTES

Convertible Note Terms

1 General terms of issue

1.1 General terms

Each Convertible Note:

- (a) has a face value equal to the Principal Amount;
- (b) bears interest under Term 5;
- (c) subject to Term 6.7, is Convertible under Term 6;
- (d) is Redeemable under Term 7;
- (e) is Transferable under Term 9; and
- (f) entitles its holder to the rights set out in, and is otherwise subject to, these Terms.

1.2 Principal Amount

The Principal Amount of each Convertible Note must be paid in full by a Noteholder on subscription for the Convertible Note in accordance with the Subscription Agreement.

1.3 Issue of Convertible Notes

The Issuer will issue a Convertible Note by registering, or procuring the registration of, the person who applied for the Convertible Note and paid the Principal Amount for that Convertible Note as the Noteholder of that Convertible Note in the Convertible Note Register.

1.4 No shareholder rights

A Convertible Note does not, prior to Conversion, confer on a Noteholder any:

- (a) beneficial entitlement to or interest in any share of any class in the capital of the Issuer;
- (b) right to vote at a meeting of Shareholders;
- (c) beneficial or other right to be paid or credited a dividend declared or determined by the Issuer or any other right to participate in a distribution of profits of the Issuer;
- (d) the right to subscribe for new securities in any capital raising undertaken by the Issuer; or

- (e) proprietary interest in any asset or cash flow of the Issuer.

1.5 Other shareholder rights

Despite Term 1.4, a Noteholder has the same rights as a Shareholder (whether under the Corporations Act, the Constitution or otherwise) in relation to receiving notices of general meetings of the Issuer, attending general meetings of the Issuer and receiving any reports or financial statements.

1.6 Property in Convertible Note

The property in a Convertible Note for which any Convertible Note Certificate is issued is to be regarded for all purposes as situated where the Convertible Note Register is located.

2 Security

2.1 Security

The Convertible Notes:

- (a) are direct, senior, unconditional and unsecured obligations of the Issuer;
- (b) rank at least equally with all other existing and future direct, senior, unconditional, unsecured and unsubordinated obligations of the Issuer (except in respect of creditors preferred by law applicable to companies generally and senior secured obligations, but only to the extent of the value of the collateral secured thereby); and
- (c) rank equally and form one class with all Convertible Notes on issue.

2.2 Payment on winding up

On a winding up of the Issuer, the Redemption Amount for a Convertible Note becomes presently due and payable to the Noteholder.

2.3 Winding up amount

A Noteholder's right to participate in a winding up of the Issuer is limited to the right to receive the Redemption Amount on each Convertible Note held.

3 Convertible Note Register

3.1 Establishment of Convertible Note Register

The Issuer must establish and maintain (or procure that the Registrar maintains) a Convertible Note Register in accordance with this Term 3 and procure that the Convertible Note Register is kept at the Registrar's registered office or in any other place selected by the Issuer with prior approval by Majority Resolution.

3.2 Appointment of Registrar

The Issuer agrees to:

- (a) act as, or to otherwise appoint a person to act as, registrar in respect of the Convertible Notes; and

- (b) if the Issuer appoints a person to act as registrar in respect of the Convertible Notes as permitted by Term 3.2(a), to procure that the Registrar maintains the Convertible Note Register in accordance with this Term 3.

3.3 Entry in Convertible Note Register

The Issuer must ensure that the following information is included in the Convertible Note Register in respect of each Convertible Note:

- (a) the name, address and email address of the Noteholder;
- (b) the Issue Date;
- (c) the Principal Amount;
- (d) details of any Conversion;
- (e) the Maturity Date;
- (f) details of any Redemption; and
- (g) the serial number of each Convertible Note Certificate issued and the date of its issue.

3.4 Joint holders

The Registrar is not bound to register more than 2 persons as joint holders of a Convertible Note and delivery of a notice or other communication to the joint holder named first in the Convertible Note Register is sufficient delivery to all joint holders.

3.5 Updates to Convertible Note Register

The Issuer must enter, or procure that the Registrar enters, in the Convertible Note Register each change to the information specified in Term 3.3.

3.6 Inspection of Convertible Note Register

The Issuer must permit, or procure that the Registrar permits, each Noteholder to inspect the Convertible Note Register on reasonable notice and during normal business hours in the place where the Convertible Note Register is kept.

3.7 Certified copies

The Issuer must (or must procure that the Registrar), if requested by a Noteholder, provide the Noteholder with a certified copy of:

- (a) the Convertible Note Register or any part of it; and
- (b) this document.

3.8 Convertible Note Register conclusive evidence

Entries in the Convertible Note Register in relation to a Convertible Note constitute conclusive evidence that the person entered as the Noteholder is the absolute owner of that Convertible Note, subject to correction for fraud or manifest error. Except as required or permitted by law, the Issuer must treat the person entered on the Convertible Note Register as the absolute owner of that Convertible Note.

4 Convertible Note Certificates

4.1 Issue of Convertible Note Certificate

The Issuer must issue a Convertible Note Certificate to each person who is:

- (a) issued a Convertible Note, on the Issue Date of that Convertible Note; and
- (b) registered in the Convertible Note Register as the holder of a Convertible Note, within 5 Business Days after the day on which the transfer of the Convertible Note took effect.

4.2 Form of Convertible Note Certificate

A Convertible Note Certificate must be:

- (a) substantially in the form set out in Schedule 2; and
- (b) executed by or on behalf of the Issuer.

4.3 Convertible Note Terms

The Convertible Note Terms are deemed to be included or endorsed on the Convertible Note Certificate.

4.4 Balance of holding

When a Noteholder Transfers, Redeems or Converts some but not all of the Convertible Notes the subject of a Convertible Note Certificate, the Issuer must issue a Convertible Note Certificate for the balance of Convertible Notes held within 5 Business Days after delivery of the original Convertible Note Certificate to the Issuer.

4.5 Joint holders

The Issuer is not bound to issue more than one Convertible Note Certificate held jointly by 2 or more persons and delivery of a Convertible Note Certificate to the joint holder named first in the Convertible Note Register is sufficient delivery to all joint holders.

4.6 Replacement of Convertible Note Certificates

If a Convertible Note Certificate is lost, stolen, defaced or destroyed, a duplicate will be issued by the Issuer within a reasonable period following a request by a Noteholder, provided:

- (a) in the case of a defaced Convertible Note Certificate, the Convertible Note Certificate is delivered to the Registrar; and
- (b) in the case of a lost, stolen or destroyed Convertible Note Certificate, if requested by the Registrar, the Noteholder provides appropriate certification (whether by way of statutory declaration or otherwise) in respect of the lost, stolen or destroyed Convertible Note Certificate on terms satisfactory to the Registrar (acting reasonably and in good faith).

5 Interest

5.1 Interest Rate

The interest rate on each Convertible Note is the percentage rate per annum equal to the Interest Rate.

5.2 Payment of Interest

- (a) The Issuer must pay interest on the Principal Amount on the last day of each Interest Period.
- (b) Any interest payable under this Term 5.2 will, on the last day of each Interest Period, at the election of the Issuer either be:
 - (i) paid in cash to the Noteholder; or
 - (ii) subject to paragraph (c), added to and deemed to form part of the Principal Amount for all purposes under this document (including for the calculation of interest on the Convertible Notes from that date).
- (c) The amount of interest payable under this Term 5.2 will be reduced by any Taxes required to be withheld in respect of interest and the Issuer will be required to pay (or add to the Principal Amount) such additional amount as will ensure that the net amount received by the Noteholder (or added to the Principal Amount) equals the full amount which would have been received by it (or added to the Principal Amount) had no such deduction or withholding been required. However, no such additional amount will be payable by the Issuer (or added to the Principal Amount) in respect of any Excluded Tax.
- (d) Interest accrues daily on the Principal Amount of each Convertible Note at the Interest Rate on the basis of a 365 day year.

5.3 Tax Credit

If the Issuer makes a Tax Payment and the Noteholder determines (acting reasonably and in good faith) that:

- (a) a Tax Credit is attributable to:
 - (i) that Tax Payment; or
 - (ii) a deduction or withholding for or on account of Tax from a payment in consequence of which that Tax Payment was required; and
- (b) a person has obtained that Tax Credit,

the Noteholder must, within 5 Business Days of such determination, notify the Issuer and pay to the Issuer the amount which the Noteholder determines (acting reasonably and in good faith) to be the value of the Tax Credit to the person that obtained that Tax Credit.

5.4 When payments cease to accrue

Interest ceases to accrue on a Convertible Note that is:

- (a) Converted, on and from the date the Convertible Note is Converted;

- (b) Redeemed, on and from the Redemption Date; or
- (c) bought-back or repurchased by the Issuer, on and from the date of completion of the buy-back or repurchase,

or as otherwise agreed in writing between the Issuer and the Noteholder.

6 Conversion

6.1 General

A Convertible Note may not be Converted into Ordinary Shares other than in accordance with this Term 6.

6.2 Noteholder's right to Convert - general

A Noteholder may, at any time after the date which is 30 days after the first Issue Date, convert some or all of its Convertible Notes, in whole or in part, into Ordinary Shares by giving the Registrar a Conversion Notice at least 2 Business Days prior to the proposed Conversion Date.

6.3 Noteholder's right to Convert - takeover

If a person, other than a Noteholder or an Associate of a Noteholder, makes a takeover bid in accordance with Chapter 6 of the Corporations Act for all of the Ordinary Shares, then before the end of the offer period for that takeover bid, a Noteholder may convert some or all of its Convertible Notes, in whole or in part, into Ordinary Shares by giving the Registrar a Conversion Notice at least 5 Business Days prior to the proposed Conversion Date.

6.4 Noteholder's right to Convert - scheme

If the Issuer publicly announces that it has entered into an implementation deed or agreement in respect of a compromise or arrangement under Part 5.1 of the Corporations Act involving the acquisition of all the Ordinary Shares, other than those held by the proposed acquirer and its Associates, then before the orders of the Court become effective in accordance with section 411(10) of the Corporations Act a Noteholder may convert some or all of its Convertible Notes, in whole or in part, into Ordinary Shares by giving the Registrar a Conversion Notice at least 5 Business Days prior to the proposed Conversion Date.

6.5 Noteholder's right to Convert - Event of Default

While an Event of Default is continuing, a Noteholder may convert some or all of its Convertible Notes, in whole or in part, into Ordinary Shares by giving the Registrar a Conversion Notice at least 5 Business Days prior to the proposed Conversion Date.

6.6 Conversion Price

For the purpose of this document, the conversion price in respect of a Convertible Note is US\$0.0605, as may be adjusted from time to time under these Convertible Note Terms ("**Conversion Price**").

6.7 Conversion precluded

- (a) Notwithstanding any other Term, Terms 6.2, 6.3, 6.4 and 6.5 do not come into effect with respect to a Convertible Note, and the Issuer is

entitled to refuse to Convert a Convertible Note, to the extent Conversion of a Convertible Note would result in:

- (i) a person acquiring a Relevant Interest in the voting shares in the Issuer in breach of section 606(1) of the Corporations Act (or any equivalent provision), in which case the Issuer must issue notice of such refusal to Convert a Convertible Note to the relevant Noteholder as soon as reasonably practicable after receiving a Conversion Notice from the relevant Noteholder (a “**Cash Settlement 606(1) Notice**”);
 - (ii) a “foreign person” (within the meaning given to that term in the FIRB Act) acquiring Ordinary Shares in breach of the FIRB Act; or
 - (iii) a person acquiring a Relevant Interest in greater than 10% of the shares in the Issuer unless the person has filed with the TSXV a Form 2A (*Personal Information Form*) and such Form 2A has been cleared by TSXV and remains current.
- (b) Nothing in this document requires the Issuer to seek shareholder approval under item 7 of section 611 of the Corporations Act in relation to any Conversion or the issue of any Convertible Notes or Ordinary Shares.

6.8 Cash settlement - section 606(1)

- (a) If Term 6.7(a)(i) applies in respect of a Convertible Note (“**Cash Settled Note**”), then the relevant Noteholder of the Cash Settled Note is deemed to elect to cash settle that Cash Settled Note (and for the avoidance of doubt, not any Convertible Note in respect of which Term 6.7(a)(i) does not apply) unless the relevant Noteholder of the Cash Settled Note issues a notice to the Issuer electing not to cash settle the Cash Settled Note and to retain the relevant Convertible Note without Conversion within 2 Business Days of the Cash Settlement 606(1) Notice being received by the Noteholder (a “**Non-Cash Settlement 606(1) Notice**”).
- (b) Unless a Non-Cash Settlement 606(1) Notice is given by a Noteholder in accordance with Term 6.8(a), the Issuer must pay to the Noteholder by no later than 10 Business Days following the date on which the Issuer provides the Cash Settlement 606(1) Notice an amount equal to the greater of:
- (i) the Outstanding Amount for the Cash Settled Note subject to the Cash Settlement 606(1) Notice; and
 - (ii) an amount in US dollars calculated by the Issuer in accordance with the following formula:

$$S \times P_n$$

where:

- (A) “**S**” means the number of Ordinary Shares determined by dividing the Outstanding Amount for the Cash Settled Note subject to the Cash Settlement 606(1) Notice by the applicable Conversion Price on the Dealing Day immediately preceding the date of the Cash Settlement 606(1) Notice; and

- (B) “P_n” means the closing price for an Ordinary Share on the Dealing Day immediately preceding the date of the Cash Settlement 606(1) Notice.

6.9 Revocation of Conversion Notice

A Conversion Notice may only be revoked with the prior consent of the Issuer.

6.10 Number of Ordinary Shares

The number of Ordinary Shares to be issued on Conversion of a Convertible Note the subject of a Conversion Notice must be determined by dividing the Outstanding Amount for that Convertible Note by the Conversion Price in effect on the Conversion Date. Any fraction of an Ordinary Share resulting from this calculation across all of the Convertible Notes held by the relevant Noteholder which are being Converted at the relevant time must be rounded up to the nearest whole Ordinary Share.

6.11 Conversion procedure

On Conversion of a Convertible Note the subject of a Conversion Notice (“Specified Conversion Note”):

- (a) the Issuer must immediately and irrevocably Redeem the Specified Conversion Note for an amount equal to the Outstanding Amount; and
- (b) the Noteholder, by operation of this Term 6.11, irrevocably directs the Issuer to, and the Issuer will, apply the Outstanding Amount payable to it in respect of the Specified Conversion Note in subscribing on behalf of the Noteholder for the number of Ordinary Shares to be issued under Term 6.10 and the Noteholder acknowledges and agrees that it has no right to payment in any other way.

6.12 Issue and Official Quotation

On the Conversion Date, the Issuer must:

- (a) issue the Ordinary Shares to which the relevant Noteholder is entitled on Conversion of the Specified Conversion Note;
- (b) apply for and use its reasonable endeavours to obtain Official Quotation of the Ordinary Shares issued to the relevant Noteholder; and
- (c) deliver to the Noteholder (or procure the delivery to the Noteholder of) the holding statement for the Ordinary Shares.

6.13 Ordinary Shares

An Ordinary Share issued on Conversion of a Specified Conversion Note:

- (a) must be issued fully paid and free from Encumbrances;
- (b) from the date of issue and subject to Term 6.14, ranks equally in all respects with Ordinary Shares then on issue; and
- (c) unless on the Issue Date of the Specified Conversion Note the Issuer issued an ‘enhanced cleansing notice’ under section 708A(12C) of the Corporations Act (as inserted by ASIC Corporations (Sale offers: Securities issued on conversion of convertible notes) Instrument 2016/82), the Issuer will give to ASX a notice which complies with

section 708A(6) of the Corporations Act on or as soon as practicable following issue of the Ordinary Share, unless if at that time the issue of a notice which complies with section 708A(6) of the Corporations Act would:

- (i) not be permitted under applicable law;
- (ii) be delayed or impeded in a way by a requirement for ASIC to grant relief from the conditions set out in section 708A of the Corporations Act; or
- (iii) not result in the Ordinary Shares to which such 708A(6) notice would relate being eligible to be freely and immediately traded on ASX,

in which case the Issuer must no later than 15 Business Days after the date of issue of the relevant Ordinary Share, lodge with ASIC a cleansing prospectus for the purposes of Chapter 6D of the Corporations Act covering the relevant Ordinary Share.

6.14 Distributions

Ordinary Shares issued on Conversion of a Specified Conversion Note participate in full for all distributions on Ordinary Shares where the record date for those distributions occurs on or after the Conversion Date.

6.15 Surrender of Convertible Note Certificates

If it has not already done so, a Noteholder must surrender and deliver the Convertible Note Certificate for each Specified Conversion Note to the Registrar as soon as reasonably practicable after the Issuer issues the Ordinary Shares to that Noteholder.

6.16 Acknowledgement

Each Noteholder agrees that on the issue to it of any Ordinary Shares under Term 6.12 it will be a Shareholder of the Issuer and will be bound by the Constitution as regards those Ordinary Shares.

6.17 Cancellation

Following completion of the procedures in Term 6.11, each Specified Conversion Note which is Converted by the Issuer will be automatically cancelled, and the Registrar must update the Convertible Note Register to reflect the Conversion of each Specified Conversion Note. Any Convertible Note Certificate for the Specified Conversion Notes will not evidence any current title to any Convertible Note and must be cancelled by the Issuer.

6.18 Conversion Warranties

- (a) On each Conversion Date, the Issuer represents and warrants to the Noteholder that will receive on that Conversion Date Ordinary Shares on Conversion of the Specified Conversion Note ("**Converting Noteholder**") that each of the statements in the Convertible Note Warranties are true and correct.
- (b) No Noteholder, other than the Converting Noteholder, may bring or commence any claim in respect of any breach of the Convertible Note Warranties.

- (c) No rights, benefits or entitlements set out in this document will arise or be exercisable as a result of, or in connection with, any breach of the Convertible Note Warranties, provided that this Term does not restrict the ability of a Converting Noteholder to bring a claim against the Issuer for breach of the Convertible Note Warranties.

7 Redemption

7.1 Mandatory Redemption - Maturity Date

Each Convertible Note that has not been:

- (a) Redeemed;
- (b) Converted; or
- (c) bought-back or repurchased by the Issuer on terms to be agreed in writing between the Issuer and the Noteholder,

must be Redeemed in full on the Maturity Date.

7.2 Redemption - Change of Control Event

- (a) If:
 - (i) an offer is made to all (or as nearly as may be practicable all) Shareholders (or all (or as nearly as may be practicable all) Shareholders other than the offeror and/or any Associate of the offeror) to acquire the whole or any part of the issued Ordinary Shares; or
 - (ii) any person proposes a compromise or arrangement approved by a Court under Part 5.1 of the Corporations Act with regard to such acquisition,

(other than as part of an Exempt Newco Scheme) and such offer, compromise or arrangement having become or been declared unconditional in all respects, and the offeror has acquired at any time during the relevant offer period a Relevant Interest in more than 50% of the Ordinary Shares in issue, or the compromise or arrangement if approved and implemented will result in a person acquiring a Relevant Interest in more than 50% of the Ordinary Shares that will be in issue after the compromise or arrangement is implemented; or

- (iii) an event occurs which has a like or similar effect, including if the Issuer consolidates with or merges into or sells or transfers all or substantially all of the Issuer's assets to any other person, unless the consolidation, merger, sale or transfer will not result in any person or persons, acting together, acquiring Control over the Issuer,

(each such event a "**Change of Control Event**"), then:

- (iv) each Noteholder ("**Change of Control Noteholder**") may by notice to the Issuer require the Issuer to Redeem some or all of its Convertible Notes, provided the notice is given within 5 Business Days after the Change of Control Trigger Date. For the purposes of such a Redemption, the Redemption Date must be:

- (A) specified by the Change of Control Noteholder in the notice given by it in accordance with this Term 7.2 (“**Noteholder Change of Control Redemption Notice**”); and
- (B) at least 10 Business Days’ after the Noteholder Change of Control Redemption Notice is received by the Issuer (or any shorter period as the Issuer may agree in writing with the Change of Control Noteholder); and
- (v) the Issuer will be deemed to have given notice to each Noteholder that all of the Convertible Notes that:
 - (A) have not been Redeemed;
 - (B) have not been Converted; or
 - (C) have not been bought-back or repurchased by the Issuer on terms to be agreed in writing between the Issuer and the Noteholder,

will be Redeemed no later than 20 Business Days’ after the Change of Control Trigger Date (or any longer period as the Issuer may agree in writing with the Majority Noteholders), provided that for the purposes of this Term 7.2(a)(v) paragraph (c)(i) of the definition of Change of Control Trigger Date must be disregarded in determining the Change of Control Trigger Date.

- (b) If a Noteholder gives a notice in accordance with this Term 7.2, then:
 - (i) any Conversion Notice given by the Noteholder prior to that time is void ab initio; and
 - (ii) notwithstanding any other Term, the Noteholder may not give a Conversion Notice.
- (c) If the Issuer is deemed to have given a notice in accordance with this Term 7.2, then notwithstanding any other Term, no Noteholder may give a Conversion Notice.

7.3 Optional Redemption by Issuer - early Redemption

- (a) If, at any time between the date which is 4 years after the first Issue Date and the Maturity Date, the closing price for an Ordinary Share on 20 Dealing Days during any 30 consecutive Dealing Days (the last of which occurs no more than 5 days before the issue of a Early Redemption Notice) is at least 60% higher than the Conversion Price on those relevant Dealing Days, on prior notice to all Noteholders the Issuer may Redeem some or all of the Convertible Notes.
- (b) Where a notice is given in accordance with Term 7.3(a) (“**Early Redemption Notice**”):
 - (i) a Noteholder will be entitled to give a Conversion Notice in the 15 Business Days after the Early Redemption Notice is given, in which case the Conversion Date will be 60 Business Days after the date of the Early Redemption Notice; and
 - (ii) each Convertible Note that is not the subject of a Conversion Note and:

- (A) has not been Redeemed;
- (B) has not been Converted; or
- (C) has not been bought-back or repurchased by the Issuer on terms to be agreed in writing between the Issuer and the Noteholder,

must be Redeemed in full on the date which is 60 Business Days after the date of the Early Redemption Notice.

7.4 Optional Redemption by Noteholder - Event of Default

- (a) The Issuer must notify each Noteholder as soon as reasonably practicable after becoming aware that an Event of Default has occurred.
- (b) At any time while an Event of Default is continuing, Noteholders that hold 25% or more of the Convertible Notes on issue ("**Exercising Noteholders**") may require the Issuer to Redeem some or all of the Convertible Notes on issue. For the purposes of such a Redemption, the Redemption Date must be:
 - (i) specified by the Exercising Noteholders in the notice given by them in accordance with this Term 7.4; and
 - (ii) at least 5 Business Days' after the date of the notice (or any shorter period as the Issuer may agree in writing with the Exercising Noteholders).

7.5 Effect of Redemption

On the date a Convertible Note ("**Redeemed Convertible Note**") is to be Redeemed:

- (a) the Redeemed Convertible Note must be redeemed by the Issuer in cash for the Redemption Amount; and
- (b) on receipt of the Redemption Amount, all other rights conferred or restrictions imposed on the Redeemed Convertible Note will no longer have effect.

8 Adjustments to Conversion Price

8.1 Reorganisation Event and Capitalisation of Profits or Reserves Event

- (a) If and whenever:
 - (i) there is a consolidation, reclassification, redesignation or subdivision in relation to the Ordinary Shares which alters the number of Ordinary Shares on issue ("**Reorganisation Event**"); or
 - (ii) the Issuer issues any Ordinary Shares credited as fully paid to the Shareholders by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve) other than where it is determined to constitute a Cash Distribution ("**Capitalisation of Profits or Reserves Event**"),

the Conversion Price must be adjusted by multiplying the Conversion Price in force immediately prior to such Reorganisation Event or Capitalisation of Profits or Reserves Event, as applicable, by the following fraction:

$$\frac{A}{B}$$

where:

- (iii) “A” means the aggregate number of Ordinary Shares on issue immediately before such Reorganisation Event or Capitalisation of Profits or Reserves Event, as applicable; and
 - (iv) “B” means the aggregate number of Ordinary Shares on issue immediately after, and as a result of, such Reorganisation Event or Capitalisation of Profits or Reserves Event, as applicable.
- (b) Such adjustment becomes effective on the date the Reorganisation Event or Capitalisation of Profits or Reserved Event, as applicable, takes effect.

8.2 Capital Distribution

- (a) If and whenever the Issuer declares, announces, makes or pays any Capital Distribution (except to the extent the Conversion Price falls to be adjusted under Term 8.1) to the Shareholders, the Conversion Price must be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

where:

- (i) “A” means the Current Market Price of one Ordinary Share on the Effective Date; and
 - (ii) “B” means the portion of the Fair Market Value of the aggregate Capital Distribution attributable to one Ordinary Share, with such portion being determined by dividing the Fair Market Value (on the Effective Date) of the aggregate Capital Distribution by the number of Ordinary Shares entitled to receive the relevant Capital Distribution (or, in the case of a purchase, redemption or buy back of Ordinary Shares by or on behalf of the Issuer, by the number of Ordinary Shares in issue immediately following such purchase, redemption or buy back, and treating as not being in issue any Ordinary Shares purchased, redeemed or bought back).
- (b) Such adjustment becomes effective on the Effective Date or, if later, the first date upon which the Fair Market Value of the relevant Capital Distribution is capable of being determined as provided herein.
- (c) In this Term 8.2:
- (i) “**Effective Date**” means the first date on which the Ordinary Shares are traded ex- the relevant Distribution on the Relevant Stock Exchange or, in the case of a purchase, redemption or buy back of Ordinary Shares, the date on which such purchase, redemption or buy back is made or in the case of a Spin-Off, the

first date on which the Ordinary Shares are traded ex- the relevant Spin-Off on the Relevant Stock Exchange;

- (ii) **“Capital Distribution”** means any Cash Distribution or Non-Cash Distribution; and
- (iii) **“Non-Cash Distribution”** means any Distribution which is not a Cash Distribution and includes a Spin-Off.

8.3 Rights issues of Ordinary Shares or options over Ordinary Shares

- (a) If and whenever any Issuer Group Member or (at the direction or request or pursuant to any arrangements with any Issuer Group Member) any other company, person or entity issues Ordinary Shares to all or substantially all Shareholders as a class by way of rights, or issue or grant to all or substantially all Shareholders as a class by way of rights, options, warrants or other rights to subscribe for or purchase or otherwise acquire any Ordinary Shares or any Securities which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or the right to otherwise acquire, any Ordinary Shares (or shall grant any such rights in respect of existing Securities so issued), the Conversion Price must be adjusted by multiplying the Conversion Price in force immediately prior to such issue or grant by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- (i) **“A”** means the number of Ordinary Shares in issue on the Effective Date;
- (ii) **“B”** means the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares issued by way of rights, or for the Securities issued by way of rights and upon exercise of rights of conversion into, or exchange or subscription for, or the right to otherwise acquire, Ordinary Shares, or for the options or warrants or other rights issued by way of rights and for the total number of Ordinary Shares deliverable on the exercise thereof, would purchase at such Current Market Price per Ordinary Share on the Effective Date; and
- (iii) **“C”** means the number of Ordinary Shares issued or, as the case may be, the maximum number of Ordinary Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights or upon conversion or exchange or exercise of rights of subscription or purchase or other rights of acquisition in respect thereof at the initial conversion, exchange, subscription, purchase or acquisition price or rate, provided that if at the first date on which the Ordinary Shares are traded ex- rights, ex- options or ex- warrants on the Relevant Stock Exchange (as used in this Term 8.3, the **“Specified Date”**) such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time, then for the purposes of this Term 8.3, **“C”** must be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date

and as if such conversion, exchange, subscription, purchase or acquisition had taken place on the Specified Date.

- (b) Such adjustment becomes effective on the Effective Date or, if later, the Dealing Day following the record date or other due date for establishment of the entitlement of Shareholders to participate in the relevant issue or grant.
- (c) In this Term 8.3, “**Effective Date**” means the first date on which the Ordinary Shares are traded ex- rights, ex- options or ex- warrants on the Relevant Stock Exchange.

8.4 Rights issues of other Securities

- (a) If and whenever any Issuer Group Member or (at the direction or request or pursuant to any arrangements with any Issuer Group Member) any other company, person or entity issues any Securities (other than Ordinary Shares or options, warrants or other rights to subscribe for or purchase or otherwise acquire Ordinary Shares or Securities which by their terms carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or rights to otherwise acquire, Ordinary Shares) to all or substantially all Shareholders as a class by way of rights or grant to all or substantially all Shareholders as a class by way of rights any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Securities (other than Ordinary Shares or options, warrants or other rights to subscribe for or purchase or otherwise acquire Ordinary Shares or Securities which by their term carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or rights to otherwise acquire, Ordinary Shares), the Conversion Price must be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

where:

- (i) “**A**” means the Current Market Price per Ordinary on the Effective Date; and
 - (ii) “**B**” means the Fair Market Value on the Effective Date of the portion of the rights attributable to one Ordinary Share.
- (b) Such adjustment shall becomes effective on the Effective Date or, if later, the Dealing Day following the record date or other due date for establishment of the entitlement of Shareholders to participate in the relevant issue or grant.
 - (c) In this Term 8.4, “**Effective Date**” means the first date on which the Ordinary Shares are traded ex- the relevant Securities or ex- rights, ex- option or ex- warrants on the Relevant Stock Exchange.

8.5 Issues at less than the Current Market Price

- (a) If and whenever the Issuer issues (otherwise than as mentioned in Term 8.3) wholly for cash or for no consideration any Ordinary Shares (other than Ordinary Shares issued on Conversion or on the exercise of any rights of conversion into, or exchange or subscription for or purchase of, or rights to otherwise acquire Ordinary Shares and other than where it is determined to constitute a Cash Distribution) or if and whenever any Issuer Group Member or (at the direction or request or pursuant to any

arrangements with any Issuer Group Member) any other company, person or entity issues or grants (otherwise than as mentioned in Term 8.3) wholly for cash or for no consideration any options, warrants or other rights to subscribe for or purchase or otherwise acquire Ordinary Shares (other than Convertible Notes), in each case at a price per Ordinary Share which is less than 95% of the Current Market Price on the date of the first public announcement of the terms of such issue or grant, the Conversion Price must be adjusted by multiplying the Conversion Price in force immediately prior to such issue or grant by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- (i) “A” means the number of Ordinary Shares in issue immediately before the issue of such Ordinary Shares or the grant of such options, warrants or rights;
- (ii) “B” means the number of Ordinary Shares which the aggregate consideration (if any) receivable for the issue of such Ordinary Shares or, as the case may be, for the Ordinary Shares to be issued or otherwise made available upon the exercise of any such options, warrants or rights, would purchase at such Current Market Price on the date of such first public announcement; and
- (iii) “C” means the number of Ordinary Shares to be issued pursuant to such issue of such Ordinary Shares or, as the case may be, the maximum number of Ordinary Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights,

provided that if at the time of issue of such Ordinary Shares or date of issue or grant of such options, warrants or rights (as used in this Term 8.5, the “Specified Date”) such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time, then for the purposes of this Term 8.5, “C” must be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase, or acquisition had taken place on the Specified Date.

- (b) Such adjustment becomes effective on the date of issue of such Stapled Securities or, as the case may be, the issue or grant of such options, warrants or rights.

8.6 Other issues at less than the Current Market Price

- (a) If and whenever any Issuer Group Member or (at the direction or request of or pursuant to any arrangements with any Issuer Group Member) any other company, person or entity (otherwise than as mentioned in Terms 8.3, 8.4 or 8.5) issues wholly for cash or for no consideration any Securities (other than the Convertible Notes), which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, purchase of, or rights to otherwise acquire, Ordinary Shares (or grant any such rights in respect of existing Securities so issued) or Securities which by their terms might be reclassified or redesignated as Ordinary Shares and the consideration per Ordinary Share receivable upon conversion, exchange, subscription, purchase,

acquisition, reclassification or redesignation is less than 95% of the Current Market Price on the date of the first public announcement of the terms of issue of such Securities (or the terms of such grant), the Conversion Price must be adjusted by multiplying the Conversion Price in force immediately prior to such issue or grant by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- (i) “A” means the number of Ordinary Shares in issue immediately before such issue or grant (but where the relevant Securities carry rights of conversion into or rights of exchange or subscription for Ordinary Shares which have been issued, purchased or acquired by any Issuer Group Member (or at the direction or request or pursuant to any arrangements with any Issuer Group Member) for the purposes of or in connection with such issue, less the number of such Ordinary Shares so issued, purchased or acquired);
- (ii) “B” means the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares to be issued or otherwise made available upon conversion or exchange or upon exercise of the right of subscription, purchase or acquisition attached to such Securities or, as the case may be, for the Ordinary Shares to be issued or to arise from any such reclassification or redesignation would purchase at such Current Market Price per Ordinary Share on the date of such first public announcement; and
- (iii) “C” means the maximum number of Ordinary Shares to be issued or otherwise made available upon conversion or exchange of such Securities or upon the exercise of such right of subscription, purchase or acquisition attached thereto at the initial conversion, exchange, subscription, purchase or acquisition price or rate or, as the case may be, the maximum number of Ordinary Shares which may be issued or arise from any such reclassification or redesignation,

provided that if at the time of issue of the relevant Securities or date of grant of such rights (as used in this Term 8.6, the “Specified Date”) such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such Securities are converted or exchanged or rights of subscription, purchase or acquisition are exercised or, as the case may be, such Securities are reclassified or redesignated or at such other time as may be provided) then for the purposes of this Term 8.6, “C” must be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase, acquisition, reclassification or, as the case may be, redesignation had taken place on the Specified Date.

- (b) Such adjustment becomes effective on the date of issue of such Securities or, as the case may be, the grant of such rights.

8.7 Modification of rights of Conversion

- (a) If and whenever there is any modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to any

Securities (other than the Convertible Notes) which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or the right to otherwise acquire, any Ordinary Shares (other than in accordance with the terms (including terms as to adjustment) applicable to such Securities upon issue) so that following such modification the consideration per Ordinary Share receivable has been reduced, the Conversion Price must be adjusted by multiplying the Conversion Price in force immediately prior to such modification by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- (i) “A” means the number of Ordinary Shares on issue on the Dealing Day immediately before such modification (but where the relevant Securities carry rights of conversion into or rights of exchange or subscription for, or purchase or acquisition of, Ordinary Shares which have been issued, purchased or acquired by, or on behalf of, the Issuer or any other Issuer Group Member (or at the direction or request or pursuant to any arrangements with the Issuer or any other Issuer Group Member) for the purposes of or in connection with such Securities, less the number of such Ordinary Shares so issued, purchased or acquired);
- (ii) “B” means the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares to be issued or otherwise made available upon conversion or exchange or upon exercise of the right of subscription, purchase or acquisition attached to the Securities so modified would purchase at such Current Market Price per Ordinary Share on the date of such first public announcement or, if lower, the existing conversion, exchange, subscription purchase or acquisition price or rate of such Securities; and
- (iii) “C” means the maximum number of Ordinary Shares which may be issued or otherwise made available upon conversion or exchange of such Securities or upon the exercise of such rights of subscription, purchase or acquisition attached thereto at the modified conversion, exchange, subscription, purchase or acquisition price or rate but giving credit in such manner as a Board considers appropriate for any previous adjustment under this Term 8.7,

provided that if at the time of such modification (as used in this Term 8.7, the “**Specified Date**”) such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such Securities are converted or exchanged or rights of subscription, purchase or acquisition are exercised or at such other time as may be provided) then for the purposes of this Term 8.7, “C” must be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on the Specified Date.

- (b) Such adjustment becomes effective on the date of modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to such Securities.

8.8 Other offers to Security holders

- (a) If and whenever the Issuer or any other Issuer Group Member or (at the direction or request of or pursuant to any arrangements with the Issuer or any other Issuer Group Member) any other person offers any Ordinary Shares or Securities in connection with which Shareholders as a class are entitled to participate in arrangements whereby such Ordinary Shares or Securities may be acquired by them (except where the Conversion Price falls to be adjusted under Terms 8.2, 8.7, 8.4, 8.3, 8.4, 8.5 or 8.6 (or, where applicable, would fall to be so adjusted if the relevant issue or grant was at less than 95% of the Current Market Price per Ordinary Share on the relevant Dealing Day)), the Conversion Price must be adjusted by multiplying the Conversion Price in force immediately before the making of such offer by the following fraction:

$$\frac{A - B}{A}$$

where:

- (i) “A” means the Current Market Price of one Ordinary Share on the date on which the terms of such offer are first publicly announced; and
- (ii) “B” means the Fair Market Value on the date of such announcement (or, if that is not a Dealing Day, the immediately preceding Dealing Day) of the portion of the relevant offer attributable to one Ordinary Share.
- (b) Such adjustment becomes effective on the first date on which the Ordinary Shares are traded ex-rights on the Relevant Stock Exchange.

8.9 Listing Rules

- (a) Notwithstanding any other provision of these Terms, the rights of the Noteholders will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of the Issuer’s capital at the time of the reorganisation.
- (b) If there are any inconsistencies between the Listing Rules and the adjustment mechanisms provided for in this Term 8, the Listing Rules will apply.

8.10 Notice of Conversion Price

- (a) The Issuer must provide written notice to each Noteholder of any adjustment to the Conversion Price made in accordance with this Term 8 within 7 Business Days after the relevant date that the adjustment becomes effective setting out:
- (i) the Conversion Price applicable as a result of the adjustment;
- (ii) the details of any calculations made to achieve that Conversion Price; and
- (iii) any supporting information reasonably considered by the Issuer to be necessary for a Noteholder to calculate the adjusted Conversion Price, including details of any Fair Market Value determination and the details of the relevant Distribution, issue, offer, compromise or arrangement giving rise to the adjustment,

(a “**Conversion Price Notice**”).

- (b) If, within 20 Business Days following provision of a Conversion Price Notice, a Noteholder requests in writing that the Issuer provide any information reasonably necessary to determine whether the calculation made was made in accordance with this Term 8 and whether the adjusted Conversion Price is true and correct in accordance with this Term 8, the Issuer must provide such information as soon as reasonably practicable.
- (c) At any time before the date which is 20 Business Days after the later of the date of a Conversion Price Notice and the date any information requested under Term 8(b) is provided, the Noteholders may resolve by a Majority Resolution to require an independent review of the Conversion Price adjustment set out in the Conversion Price Notice and, following such Majority Resolution:
 - (i) the Issuer and Noteholders will within 10 Business Days attempt to mutually agree and appoint an expert to review and determine the correct Conversion Price adjustment; and
 - (ii) if an expert is not mutually agreed and appointed within the time period provided for under Term 8.10(c)(i) (or any longer period agreed in writing between the Issuer and the Majority Noteholders), the Issuer and Noteholders will appoint the expert nominated by the Chair for the time being of the Resolution Institute (or any replacement or successor organisation) to review and determine the correct Conversion Price adjustment in accordance with, and subject to, the Resolution Institute’s Expert Determination Rules,

(the “**Independent Reviewer**”).

- (d) An Independent Reviewer must, as soon as reasonably practicable:
 - (i) review any calculation made to achieve the adjusted Conversion Price (along with all relevant supporting information); and
 - (ii) provide a determination as to whether the calculation made was made in accordance with this Term 8 and whether the adjusted Conversion Price is true and correct in accordance with this Term 8 and, if not, setting out the nature of any error and determining the correct Conversion Price adjustment in accordance with this Term 8,

and provide a copy of such determination to the Issuer and each Noteholder (an “**Independent Determination**”).

- (e) The Independent Reviewer may request that the Issuer provide any other information reasonably necessary to allow the Independent Reviewer to complete its Independent Determination and the Issuer must provide all such information as soon as reasonably practicable following request.
- (f) The costs of any Independent Determination:
 - (i) must be paid by Noteholders pro rata based on the number of Convertible Notes held by each Noteholder if the Independent Reviewer either:

- (A) determines that adjusted Conversion Price is true and correct in accordance with this Term 8; or
 - (B) determines that the adjusted Conversion Price is not true and correct in accordance with this Term 8, but the correct Conversion Price adjustment determined by the Independent Review is no more than 10% greater, or 10% less, than the adjusted Conversion Price set out in the Conversion Price Notice; or
- (ii) unless paragraph (i) applies, will be borne by the Issuer.
- (g) The Independent Reviewer will act as an expert and not as an arbitrator.

8.11 No upward adjustment

Despite any other provision of Terms 8.1 to 8.8 (inclusive), should any adjustment calculation purported to be made in accordance with Terms 8.1 to 8.8 (inclusive) result in an adjustment that increases the Conversion Price, other than in connection with a consolidation of Ordinary Shares undertaken by the Issuer in accordance with the Corporations Act, such adjustment is void and of no effect and the Conversion Price will remain as in place prior to any such purported adjustment.

9 Transfer of Convertible Notes

9.1 Transfer

- (a) A Noteholder may not Transfer all or any of the Convertible Notes that it holds unless:
- (i) the Transfer complies with these Convertible Note Terms; and
 - (ii) the Transfer:
 - (A) is to any Affiliate of any Noteholder;
 - (B) is to another Noteholder;
 - (C) occurs while an Event of Default is continuing, in which case the Transfer can be to any person;
 - (D) is to a person under or pursuant to a transaction contemplated by the definition Change of Control Event and the Change of Control Trigger Date has occurred;
 - (E) is approved in writing by the Issuer (such approval not to be unreasonably withheld, delayed or conditioned); or
 - (F) is to any Eligible Transferee; and
 - (iii) no money is payable by the Noteholder under Term 8.10(f)(i).
- (b) A Convertible Note may be Transferred in whole but not in part.

9.2 Transfer Form

The Transfer Form must be:

- (a) executed by the transferor and transferee;
- (b) lodged at with the Registrar together with proof of payment of any required Taxes or other governmental charges payable on the Transfer; and
- (c) accompanied by the Convertible Note Certificate for the Convertible Notes to be Transferred.

9.3 Recording Transfers

The Issuer must promptly upon receipt of a Transfer Form in respect of a Transfer permitted by Term 9.1, accept the Transfer Form by making, or procuring the making of, an entry in the Convertible Note Register recording the Transfer of the relevant Convertible Note.

9.4 Registration

On the entry being made in the Convertible Note Register, the Issuer and the Noteholder must recognise the transferee as the registered owner of the relevant Convertible Note and as being entitled to all rights vested in the Noteholder under this document. The transferor will for all purposes be and will be deemed to be the registered owner of the relevant Convertible Note until an entry is made in the Convertible Note Register recording the Transfer, the name and address of the transferee and the other matters required to be entered into the Convertible Note Register by the Registrar from time to time.

9.5 No transfers after Maturity Date

The Registrar must not register the Transfer of a Convertible Note on or after its Maturity Date.

9.6 No registration fee

Transfers must be entered in the Convertible Note Register without charge, provided all Taxes or other governmental charges (if any) imposed in relation to the Transfer have been paid.

10 Default

10.1 Events of Default

Each of the following is an Event of Default:

- (a) the Issuer does not make a payment to a Noteholder when required pursuant to these Convertible Note Terms unless:
 - (i) its failure to pay is caused by:
 - (A) administrative or technical error;
 - (B) a material disruption to those payment or communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made pursuant to these Convertible Note Terms where that disruption is not caused by, and is beyond the control of, the Issuer; or

- (C) the occurrence of any other event which results in a disruption (of a technical or systems-related nature) to the treasury or payments operations of the Issuer preventing the Issuer from:
 - (aa) performing its payment obligations pursuant to these Convertible Note Terms; or
 - (ab) communicating with a Noteholder in accordance with these Convertible Note Terms, and which (in either case) is not caused by, and is beyond the control of, the Issuer; and
- (ii) payment is made within 5 Business Days of its due date;
- (b) the Issuer becomes Insolvent;
- (c) in relation to any Financial Indebtedness of any Issuer Group Member greater than US\$10,000,000:
 - (i) the Financial Indebtedness is not paid when due nor within any originally applicable grace period;
 - (ii) the Financial Indebtedness is enforced or becomes due for payment, before the stated maturity of that Financial Indebtedness by reason of an event of default or review event;
 - (iii) any commitment for the Financial Indebtedness is cancelled or suspended by a creditor of that Issuer Group Member as a result of an event of default or review event (howsoever described); or
 - (iv) any creditor of any Issuer Group Member becomes entitled to declare the Financial Indebtedness due and payable prior to its specified maturity as a result of an event of default or review event (however described);
- (d) the Issuer does not comply with any other obligation under these Convertible Note Terms, and if the non-compliance can be remedied, does not remedy the non-compliance to the satisfaction of the Majority Noteholders (acting reasonably and in good faith) within 20 Business Days of notice by any Noteholder to do so;
- (e) the Issuer breaches in a material respect any representation or warranty given by it in this document, the Subscription Agreement or any subscription agreement between the Issuer and a Noteholder entered into in respect of the issue of Convertible Notes, and if the breach can be remedied, does not remedy the breach compliance to the satisfaction of the Majority Noteholders (acting reasonably and in good faith) within 20 Business Days of notice by any Noteholder to do so;
- (f) the Issuer takes any action that is designed to have the effect of terminating or indefinitely suspending its listing on ASX or the Official Quotation of the Ordinary Shares, other than where the Issuer is admitted to the official list of any other Approved Stock Exchange and its Ordinary Shares are listed, admitted to trading or quoted or dealt in that Approved Stock Exchange;
- (g) the Issuer's Ordinary Shares are suspended from public trading on ASX for a period in excess of a continuous 15 Dealing Days, other than where the Issuer is admitted to the official list of any other Approved Stock

Exchange and its Ordinary Shares are listed, admitted to trading or quoted or dealt in that Approved Stock Exchange (and are not suspended from public trading on that Approved Stock Exchange for a period in excess of a continuous 15 Dealing Days);

- (h) the Issuer receives any written notification from ASX that ASX is terminating its listing or Official Quotation of the Ordinary Shares, other than where the Issuer is admitted to the official list of any other Approved Stock Exchange and its Ordinary Shares are listed, admitted to trading or quoted or dealt in that Approved Stock Exchange;
- (i) a provision of these Convertible Note Terms is or becomes void, unenforceable or illegal in any material respect;
- (j) if all or a material part of the assets of an Issuer Group Member is compulsorily acquired by any Government Agency or an Issuer Group Member sells or divests itself of all or a material part of its assets for less than Fair Market Value because it is required to do so by a binding order from a Government Agency;
- (k) if the Issuer:
 - (i) ceases or suspends all or a material part of its business, or disposes of all or a material part of its assets, other than with the approval of Noteholders by Majority Resolution and such cessation, suspension or disposal has or could reasonably be expected to have a Material Adverse Event; or
 - (ii) undertakes a Spin-Off where the net asset value of the assets the subject of the Spin-Off are greater than US\$10,000,000, other than with the approval of Noteholders by Majority Resolution (such approval not to be unreasonably withheld, delayed or conditioned); or
- (l) a Material Adverse Event occurs.

10.2 Default Interest

- (a) If any payment under a Convertible Note is not paid or satisfied on the date when due and payable in accordance with these Convertible Note Terms, or if an Event of Default is continuing, interest accrues daily on such unpaid amount which is due and payable by the Issuer, or the Outstanding Amount in the event of an Event of Default, (including on unpaid interest):
 - (i) from and including the due date or first day on which an Event of Default has occurred, up to but excluding the date of actual payment; and
 - (ii) at the rate, subject to Term 10.2(b), equal to the sum of 2% per annum plus the Interest Rate (“**Default Interest Rate**”).

Any interest accruing under this Term 10.2 shall be immediately payable by the Issuer on demand by the relevant Noteholder.

- (b) Default interest (if unpaid) arising on an overdue amount, or on the Outstanding Amount or the Outstanding Amount in the event of an Event of Default, will be compounded at the end of each Interest Period applicable to that overdue amount or Outstanding Amount but will remain immediately due and payable.

10.3 Costs

The Issuer shall reimburse a Noteholder for so long as the Noteholder holds at least 25% of the Principal Amount of the Notes outstanding for any and all reasonable and documented fees and expenses incurred by their legal advisors in connection with:

- (a) any amendment, modification, waiver and/or, restructuring with respect to the Convertible Notes, provided that the amount of such fees and expenses are approved in writing by the Issuer (such approval not to be unreasonably withheld, delayed or conditioned); and
- (b) following the occurrence of a default or Event of Default, the enforcement of any rights or remedies of the Noteholder.

11 Covenants

Until all of the Convertible Notes have been Redeemed or Converted, the Issuer must not without prior approval by Majority Resolution:

- (a) issue any Security which ranks ahead of the Convertible Notes in any respect; or
- (b) amend the Constitution in a manner that is adverse in any material respect to the interests of the Noteholders under these Convertible Note Terms.

12 Transmission of Convertible Notes

12.1 Recognition for a deceased Noteholder

The legal personal representative of a deceased Noteholder is the only person the Issuer will recognise as having title to the Convertible Notes held by that Noteholder. For a Convertible Note held jointly by more than one person and including a deceased Noteholder, the Issuer will only recognise the surviving persons as having title to the Convertible Note.

12.2 No release

Nothing in these Convertible Note Terms releases the estate of a deceased Noteholder from any liability in respect of a Convertible Note that has been solely or jointly held by that Noteholder.

12.3 Election to register

- (a) A Representative may on providing to the Registrar such evidence as to that entitlement as the Registrar may require, elect by notice to the Registrar, either to be registered as the Noteholder of the Convertible Note or to have a person nominated by the Representative registered as the Noteholder.
- (b) If the Representative elects to be registered as the Noteholder, the Representative must give notice to the Registrar to that effect. If the Representative elects to have another person registered, the Representative must execute a Transfer Form in favour of that person.
- (c) All the provisions of these Convertible Note Terms relating to a Transfer of Convertible Notes apply to the notice or Transfer Form (as applicable) as if it were a Transfer Form executed by the Noteholder and the

Noteholder's death, bankruptcy or other event giving rise to the entitlement on transmission had not occurred.

12.4 Issuer may require election

The Issuer may give notice requiring a Representative to make the election referred to in Term 12.3 for a Convertible Note. If a valid election is not made within 20 Business Days of receipt of the notice, the Issuer may withhold payment of any amount payable on the Convertible Note until a valid election has been made.

12.5 Rights of a Representative

Where a person becomes a Representative, the rights of the Noteholder in respect of the Convertible Note cease. The Representative may, however, give a good discharge for any amount payable on the Convertible Note and subject to Terms 12.3, 12.4 and 12.6, has the rights to which the Representative would be entitled if it were the Noteholder.

12.6 Notices and a Representative

- (a) A Representative is bound by a notice or other communication in respect of the Convertible Note which, before the Representative's or other person's name is entered in the Convertible Note Register for the Convertible Note pursuant to a valid election under Term 12.3, has been properly given to the Noteholder from whom the Representative derives title.
- (b) The Issuer may give a notice or other communication to a Representative as if the Representative were the Noteholder for the Convertible Note at an address or other contact details supplied for that purpose by the Representative. Until an address or other contact details have been supplied, a notice or other communication may be given in any manner in which it could have been given if the death, bankruptcy or other event giving rise to the entitlement on transmission had not occurred.

13 Payments and calculations

13.1 Manner of payment

- (a) Any money payable on any Convertible Note (including a payment of Interest or Redemption Amount) must be paid in US dollars by:
 - (i) electronic bank transfer of cleared funds into the bank account nominated by the Noteholder in writing from time to time (or by cheque mailed to the registered address of the Noteholder if the Noteholder has failed to provide details of a bank account); or
 - (ii) any method requested by the Noteholder and approved by the Issuer.
- (b) For the purpose of making payments to any Noteholder, any fraction of a cent will be disregarded.

13.2 Payment with withholding or deduction

- (a) Subject to Terms 13.2(b) and 13.3, any money payable on any Convertible Note (including a payment of Interest or Redemption

Amount) must be paid in full without set-off or counterclaim (including without set-off or counterclaim in respect any claims the Issuer or another Issuer Group Member may have against Noteholder or any of its Affiliates), and without any withholding or deduction in respect of Tax unless such deduction is required by law or the withholding or deduction is made under or in connection with, or to ensure compliance with FATCA.

- (b) The Issuer may set-off any amount payable to a Noteholder on any Convertible Note against any amount payable by that Noteholder under Term 8.10(f)(i).

13.3 If Issuer is required to withhold or deduct

Subject to Term 5.2 and 5.3, if the Issuer is required to make any withholding or deduction for or on account of Tax imposed by any Government Agency, the Issuer:

- (a) must pay or procure the payment of the full amount of the withholding or deduction, or make or procure the making of the payment, to the appropriate Government Agency under applicable law; and
- (b) is not required to make any additional payments to the Noteholder, and will be deemed for all purposes to have paid the full amount of the payment required under this document.

13.4 FATCA

The Issuer may withhold or make deductions from payments or from the issue of Ordinary Shares to a Noteholder where it is required to do so under or in connection with FATCA, and may deal with such payment, and any Ordinary Shares in accordance with FATCA. If any withholding or deduction arises under or in connection with, or in order to ensure compliance with FATCA, the Issuer shall in advance of such withholding or deduction use commercially reasonable efforts to provide the Noteholder with notice of such intended withholding and an opportunity to provide documentation to eliminate or reduce such withholding, provided, however that in the event the Issuer is legally required to make any withholding or deduction with respect to FATCA, the Issuer will not be required to pay any additional amounts or any further amounts, and the Issuer will not be required to issue any further Ordinary Shares on account of such withholding or deduction or otherwise reimburse or compensate, or make any payment to, a Noteholder or a beneficial owner of Convertible Notes for or in respect of any such withholding or deduction. A dealing with such payment and any Ordinary Shares in accordance with FATCA satisfies the Issuer's obligations to that Noteholder to the extent of the amount of that payment or issue of Ordinary Shares.

13.5 Calculations

Any dispute over any calculations which are required to be made for the purposes of this document will be resolved by the auditors of the Issuer for the time being and will, in the absence of manifest error, be final, conclusive and binding on the Issuer and the Noteholder. For the avoidance of doubt, this Term does not apply to any dispute regarding the legal interpretation of this document, including as it relates to the method of calculation.

13.6 Mathematical conventions

Unless the contrary intention appears in these Convertible Note Terms, when undertaking any calculation under these Convertible Note Terms, customary

mathematical conventions and order of operations for the calculations must be applied.

13.7 Currency

All calculations under the Convertible Notes and these Convertible Note Terms in connection with those Convertible Notes will be made in US dollars. Where any relevant amount under these Convertible Note Terms in connection with the Convertible Notes is in a currency other than US dollars, the amount will be converted into US dollars based on the foreign exchange rate against US dollars as quoted to the Issuer by Australia and New Zealand Banking Group Limited (ACN 005 357 522), Commonwealth Bank of Australia (ACN 123 123 124), National Australia Bank Limited (ACN 004 044 937) or Westpac Banking Corporation (ACN 007 457 141) on the day on which the calculation is to be determined.

13.8 Rounding

All calculations under these Convertible Note Terms or the Convertible Notes will be determined to the nearest Australian cent or US cent in the case of the determination of an Australian dollar or US dollar (as applicable) amount and otherwise to 5 decimal places.

Convertible Note Deed Poll

Schedule 2 Convertible Note Certificate

Jervois Global Limited
(ABN 52 007 626 575)
("Issuer")

Convertible Note certificate no.

Noteholder: #insert details#
Issue Date: #insert details#
Maturity Date: As defined in the Deed Poll
Interest Rate: As defined in the Deed Poll

This is to certify that the Noteholder is the registered holder of #insert number# US\$100,000 unsecured Convertible Notes issued by the Issuer ("**Convertible Notes**") under a Convertible Note Deed Poll executed by the Issuer on #insert date# ("**Deed Poll**").

Unless the contrary intention appears, terms defined in the Deed Poll have the same meaning in this certificate.

The Convertible Notes bear interest in accordance with Convertible Note Term 5. The Convertible Notes are convertible into fully paid ordinary shares in the capital of the Issuer in accordance with Term 6. The Convertible Notes are redeemable in accordance with Convertible Note Term 7. The Convertible Notes are transferable in accordance with Convertible Note Term 9.

For value received, the Issuer promises to pay to the Noteholder the amounts payable in accordance with, and otherwise comply with the obligations contained in, the Convertible Note Terms.

By receiving this certificate, the Noteholder agrees on its own behalf, and on behalf of any person claiming through or under the Noteholder, that it is bound by the terms of (and be deemed to have entered into) the Deed Poll.

The Convertible Notes are governed by the laws of Victoria, Australia.

Dated: _____

EXECUTED by JERVOIS GLOBAL)	
LIMITED in accordance with section)	
127(1) of the <i>Corporations Act 2001</i>)	
(Cth) by authority of its directors:)	
)	
)	
.....)
Signature of director)	Signature of director/company
)	secretary*
)	*delete whichever is not applicable
)	
.....)
Name of director (block letters))	Name of director/company
)	secretary* (block letters)
)	*delete whichever is not applicable

Convertible Note Deed Poll

Schedule 3 Transfer Form

To: The Directors
Jervois Global Limited (ABN 52 007 626 575) ("**Issuer**")
Suite 2.03, 1-11 Gordon Street
Cremorne VIC 3121
AUSTRALIA

TRANSFER FORM

For Convertible Notes issued by the Issuer under a Convertible Note Deed Poll executed by the Issuer on #insert date# ("**Deed Poll**").

This is a Transfer Form for the purposes of the Deed Poll. Unless the contrary intention appears, terms defined in the Deed Poll have the same meaning in this Transfer Form.

Transferred Convertible Notes	#insert number# Convertible Notes issued under the Deed Poll
Transferor	#insert name of transferor# #insert address of transferor#
Transferee	#insert name of transferee# #insert address of transferee#
Date of transfer	/ / 20
Registration request	Please register the transfer of the Transferred Convertible Notes from the Transferor to the Transferee.

The Transferor warrants that it is the registered holder of the Transferred Convertible Notes and that it is legally authorised to transfer the Transferred Convertible Notes to the Transferee.

The Transferee agrees:

- to accept the transfer of the Transferred Convertible Notes; and
- on its own behalf, and on behalf of any person claiming through or under the Transferee, to be bound by the terms of (and be deemed to have entered into) the Deed Poll upon the Transferee being registered as the holder of the Transferred Convertible Notes.

#insert execution clauses for Transferor and Transferee#

Instructions:

1. This Transfer Form should be lodged with the Registrar.
2. In case of joint Noteholders, each Noteholder must sign. If there is insufficient space on this Transfer Form, please attach a separate page containing the name, address and signature of each Noteholder.

3. If this Transfer Form has been signed by an attorney and the relevant power of attorney has not already been produced to the Issuer, such power of attorney must be forwarded with this Transfer Form for noting and return.

Convertible Note Deed Poll

Schedule 4 Conversion Notice

To: The Directors
Jervois Global Limited (ABN 52 007 626 575) ("**Issuer**")
Suite 2.03, 1-11 Gordon Street
Cremorne VIC 3121
AUSTRALIA

CONVERSION NOTICE

For Convertible Notes issued by the Issuer under a Convertible Notes issued by the Issuer under a Convertible Note Deed Poll executed by the Issuer on #insert date# ("**Deed Poll**").

This is a Conversion Notice under the Deed Poll. Unless the contrary intention appears, terms defined in the Deed Poll have the same meaning in this Transfer Form.

I/We whose full name(s) and address(es) appear below give notice of election to convert the Convertible Notes specified below on #insert Conversion Date#:

Insert number of Convertible Notes to be Converted into fully paid Ordinary Shares

Insert number of Ordinary Shares to be issued on Conversion

I/We request that the Issuer Convert the Convertible Notes specified above and apply the proceeds payable on Conversion in the issue to me/us of the Ordinary Shares to which I/we are entitled on Conversion of the Convertible Notes.

I/We agree to accept the Ordinary Shares issued to me/us and become a member of the Issuer subject to the constitution of the Issuer.

Dated: _____

#insert execution clause for Noteholder#

Instructions:

1. In case of joint Noteholders, each Noteholder must sign. If there is insufficient space on this Conversion Notice, please attach a separate page containing the name, address and signature of each Noteholder.
2. If this Conversion Notice has been signed by an attorney and the relevant power of attorney has not already been produced to the Issuer, such power of attorney must be forwarded with this Conversion Notice for noting and return.

Convertible Note Deed Poll

Schedule 5 Meetings of Noteholders

The following are the terms which apply to meetings of Noteholders. Words and phrases which are capitalised in this Schedule 5 have the meaning set out in the glossary in Schedule 6. This Schedule 5 will be interpreted in accordance with the provisions of clause 11.

1 Meetings

1.1 Convening of meetings

The Issuer may convene and arrange to hold a meeting of Noteholders whenever it thinks fit and must do so if it receives a request in writing to do so from persons holding Convertible Notes representing at least 5% of the Convertible Notes on issue.

1.2 Postponing or cancelling a meeting

(a) The Issuer may, by notice to the Noteholders:

- (i) postpone a meeting of Noteholders to a date and time determined by the Issuer (but in any event no more than 2 Business Days from the initial meeting date);
- (ii) cancel a meeting of Noteholders; or
- (iii) change the place for a meeting of Noteholders to a place determined by the Issuer,

if the Issuer considers that the meeting has become unnecessary, or the venue would be unreasonable or impractical or a change is necessary in the interests of conducting the meeting efficiently.

(b) A meeting of Noteholders which is called at the request of one or more Noteholders may not be postponed or cancelled without the prior written consent those Noteholders that made the request.

(c) Despite paragraph 1.2(b) of this Schedule 5, the chairperson may postpone a meeting before it has started, whether or not a quorum is present, if, at the time and place appointed for the meeting, they consider that:

- (i) there is not enough room for the number of Noteholders who wish to attend the meeting; or
- (ii) a postponement is necessary in light of the behaviour of persons present or for any other reason so that the business of the meeting can be properly carried out.

(d) A postponement under 1.2(e) of this Schedule 5 is to another time, which may be on the same day as the meeting, and may be to another place or method (and the new time and place or method is taken to be the time and place or method for the meeting as if specified in the notice which called the meeting originally).

- (e) Despite paragraph 1.2(b) of this Schedule 5, if, before or during a meeting of Noteholders, any technical difficulty occurs such that the Noteholders as a whole do not have a reasonable opportunity to participate, the chairperson may:
 - (i) adjourn the meeting until the difficulty is remedied; or
 - (ii) where a quorum remains present (either at the place at which the chairperson is present or by technology contemplated by paragraph 2.8 of this Schedule 5) and able to participate, continue the meeting.

1.3 Notice of meeting

- (a) The Issuer must give the Noteholders at least 7 Business Days' notice of every meeting. In computing the period of notice, both the day on which the last notice to Noteholders is given or taken to be given and the day of the meeting convened by it are to be disregarded.
- (b) Noteholders holding at least 75% of the Convertible Notes on issue may agree in writing to convene a meeting on shorter notice.

1.4 Contents of notice

The notice must specify the place, day and hour of meeting and the general nature of the business to be transacted but it is not necessary to specify in the notice the precise terms of the resolutions to be proposed. A copy of the notice must be sent to the Issuer unless the meeting is convened by the Issuer.

1.5 Non-receipt of or defective notice

- (a) The non-receipt of notice of a meeting or cancellation or postponement of a meeting by, or the accidental omission to give notice of a meeting or cancellation or postponement of a meeting to, a Noteholder does not invalidate any resolution passed at the meeting or at a postponed meeting or the cancellation or postponement of a meeting.
- (b) A Noteholder who attends a meeting waives any objection the Noteholder may have to:
 - (i) any failure to give notice, or the giving of a defective notice, of the meeting unless at the start of the meeting the Noteholder objects to the holding of the meeting; and
 - (ii) the consideration of a particular matter which is not within the business referred to in the notice of meeting, unless the Noteholder objects to the consideration of the matter when first presented.

1.6 Circulating resolutions

- (a) Noteholders may pass a resolution without a meeting being held in if all Noteholders required to vote in favour of the resolution for it to be carried at a meeting of Noteholders sign a document containing a statement that they are in favour of the resolution set out in the document.
- (b) Separate copies of a document may be used for signing if the wording of a resolution is identical in each copy.
- (c) The resolution takes effect on the day on which they are signed by the last Noteholder.

2 Proceedings at meeting

2.1 Quorum

Subject to paragraph 2.4 of this Schedule 5, the quorum for a meeting is 2 Noteholders present in person or by attorney, proxy or duly authorised representative holding (in aggregate) Convertible Notes representing more than 50% of the Convertible Notes on issue when the meeting begins, unless there is only one Noteholder who holds all Convertible Notes on issue in which case the quorum is that Noteholder. In determining whether a quorum is present, each individual attending as an attorney, proxy or representative is to be counted, except that:

- (a) where a Noteholder has appointed more than one attorney, proxy or representative, only one is to be counted; and
- (b) where an individual is attending both as a Noteholder and as an attorney, proxy or representative, that individual is to be counted only once.

2.2 Requirement for a quorum

An item of business may not be transacted at a meeting unless a quorum is present when the meeting proceeds to consider it. If a quorum is present at the time the first item of business is transacted, it is taken to be present when the meeting proceeds to consider each subsequent item of business unless the chairperson of the meeting (on the chairperson's own motion or at the request of a Noteholder, attorney, proxy or representative who is present) declares otherwise.

2.3 If quorum not present

If within 30 minutes after the time appointed for a meeting a quorum is not present, the meeting:

- (a) if convened at the required of Noteholders, is dissolved; and
- (b) in any other case, stands adjourned to the same day in the next week and the same time and place, or to such other day, time and place as the Issuer appoints by notice to the Noteholders.

2.4 Adjourned general meeting

At a meeting adjourned under paragraph 2.3(b) of this Schedule 5, the quorum is 2 Noteholders present in person or by attorney, proxy or duly authorised representative, unless there is only one Noteholder who holds all Convertible Notes on issue in which case the quorum is that Noteholder. If a quorum is not present within 30 minutes after the time appointed for the adjourned meeting, the meeting is dissolved.

2.5 Chairperson

- (a) The Noteholders present at a meeting (in person or by attorney, proxy or representative) holding (in aggregate) Convertible Notes representing more than 50% of the Convertible Notes held by all Noteholders present at the meeting may nominate the chairperson of the meeting.
- (b) The chairperson need not be a Noteholder.

2.6 Adjournment

The chairperson may with the consent of any meeting at which a quorum is present, and must if directed by the meeting so resolving on a poll, adjourn the meeting from time to time and from place to place but no business may be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.

2.7 Minutes

Minutes of a meeting signed by the chairperson constitute conclusive evidence of the proceedings of the meeting unless proven to be incorrect.

2.8 Use of technology

Subject to any applicable law:

- (a) a meeting may be held at 2 or more venues using any technology that gives the Noteholders as a whole a reasonable opportunity to participate (which may include electronic participation facilities or technology with or without Noteholders being able to attend a physical venue or linking separate venues together by technology); and
- (b) participation in such a meeting will constitute presence as if in person at such a meeting.

3 Voting

3.1 Show of hands

- (a) At any meeting of Noteholders, a resolution put to the vote of the meeting will be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the chairperson or by one or more Noteholders present (in person or by attorney, proxy or representative) holding or representing at least 5% of the Convertible Notes on issue.
- (b) A declaration by the chairperson that a resolution has been carried or carried unanimously or by a particular majority or lost will be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

3.2 Poll

If a poll is duly demanded, it is to be taken in such manner as the chairperson may direct and the result of the poll will be deemed to be the resolution of the meeting at which the poll was demanded.

3.3 Conduct of poll

- (a) A poll demanded on the election of a chairperson or on a question of adjournment must be taken at the meeting without adjournment. A poll demanded on any other question may be taken either immediately or at such time (not being more than 30 days from the date of the meeting) and place as the chairperson may direct.
- (b) No notice need be given of a poll not taken immediately.

- (c) The demand for a poll will not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

3.4 Number of votes on a show of hands

On a show of hands, every Noteholder who being an individual is present (in person or by attorney, proxy or representative) will have one vote.

3.5 Number of votes on a poll

- (a) On a poll, every Noteholder who is present (in person or by attorney, proxy or representative) will have one vote for every Convertible Note for which it is the registered holder.
- (b) A Noteholder entitled to more than one vote need not use all its votes or cast all the votes it uses in the same way.

3.6 Joint holders

For joint registered holders of Convertible Notes, the vote of the joint holder named first in the Convertible Note Register who tenders a vote whether in person or by proxy will be accepted to the exclusion of the votes of the other joint holders.

4 Proxies

4.1 Instrument appointing proxy

The instrument appointing a proxy must be in writing under the hand of the appointor or of its attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney so authorised.

4.2 Proxy need not be Noteholder

A person appointed to act as a proxy need not be a Noteholder.

4.3 Deposit of proxy

- (a) The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a duly certified copy of that power or authority must be deposited at any place as the Issuer may in the notice convening the meeting direct or if no place is appointed then at the registered office of the Issuer last notified not less than 48 hours before the time appointed for holding the meeting or adjourned meeting (or in the case of a poll before the time appointed for taking of the poll) at which the person named in the instrument proposes to vote and in default the instrument of proxy must be treated as invalid.
- (b) The instrument appointing a proxy will be valid for 12 months from the date of its execution, unless revoked earlier by the appointor.

4.4 Form of proxy

- (a) An instrument of proxy may be in the usual common form or in any other form as the Issuer approves. The proxy will be deemed to include the right to demand or join in demanding a poll.

- (b) A proxy will, unless the contrary is stated in the proxy form, be valid as well for any adjournment of the meeting as for the meeting to which it relates and need not be witnessed.

4.5 Validity of vote

A vote given in accordance with the terms of a proxy form will be valid despite the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed or the Transfer of the Convertible Notes in respect of which the proxy is given provided that no intimation in writing of the death, insanity, revocation or transfer will have been received by the Issuer at its registered office before the commencement of the meeting or adjourned meeting at which the proxy is used.

5 Resolutions

5.1 Powers only exercisable by Majority Resolution

Without limiting the Convertible Note Terms, the following powers are only exercisable by Majority Resolution:

- (a) power to sanction the release of the Issuer from all or any part of its liability to pay any amount owing on the Convertible Notes;
- (b) power to sanction any modification or compromise or any arrangement in respect of the rights of the Noteholders against the Issuer;
- (c) power to assent to any amendment, addition or deletion of the provisions contained in this document, other than any amendment, addition or deletion within clause 9.2; and
- (d) power to give any sanction, direction or request which under any of the provisions of this document is required to be given by a Majority Resolution.

5.2 Noteholders bound

A resolution of Noteholders validly passed is binding on all Noteholders whether or not they are present at the meeting or signed any written resolution of Noteholders and each Noteholder is bound to give effect to it accordingly.

Convertible Note Deed Poll

Schedule 6 Glossary

Unless the contrary intention appears, these meanings apply in this document:

Accounting Standards means:

- (a) accounting standards as defined in the Corporations Act; and
- (b) to the extent consistent with paragraph (a), other accounting standards, principles and practices generally accepted in Australia for a business similar to the business of the Issuer, consistently applied.

Affiliate means in respect of a person (“**Primary Person**”):

- (a) a person Controlled directly or indirectly by the Primary Person;
- (b) a person Controlling directly or indirectly the Primary Person;
- (c) a person directly or indirectly Controlled by a person who Controls the Primary Person (whether alone or with another person or persons);
- (d) a person directly or indirectly under the common Control of the Primary Person and another person or persons; or
- (e) where the Primary Person is an individual:
 - (i) a trust which the Primary Person controls (either alone or with their spouse) or where all the beneficiaries are the Primary Person and/or their spouse;
 - (ii) a relative or spouse of the Primary Person; or
 - (iii) a self-managed superannuation fund for the Primary Person, the trustee of which is the Primary Person, the Primary Person and a spouse of the Primary Person, or a company controlled directly or indirectly by the Primary Person.

Approved Stock Exchange has the meaning given in the Corporations Act.

ASIC means the Australian Securities and Investments Commission.

ASIC Relief means an exemption or declaration granted by ASIC which gives relief from certain requirements of the Corporations Act.

Associate has the meaning set out in section 12 of the Corporations Act, as if section 12(1) of the Corporations Act included a reference to this document.

ASX means ASX Limited (ABN 98 008 624 691) or the market operated by it, as the context requires.

Board means the board of directors of the Issuer.

Business Day means a day on which banks are open for general banking business in Melbourne, Victoria, Australia (not being a Saturday, Sunday or public holiday in that place).

Cash Distribution means any Distribution which is to be paid or made in cash (in whatever currency).

Change of Control Event has the meaning given in Term 7.2.

Change of Control Trigger Date means, in respect of a Change of Control Event:

- (a) if the Change of Control Event involves an offer referred to in Term 7.2(i), when the offeror publicly proposes to make the offer and:
 - (i) the offer has become unconditional or subject only to a condition or conditions relating to one or more events or circumstances referred to in section 652C(1) or (2) of the Corporations Act; and
 - (ii) the relevant person has acquired a Relevant Interest in or become the holder of more than 50% of the Ordinary Shares;
- (b) if the Change of Control Event involves a compromise or arrangement approved by a Court under Part 5.1 of the Corporations Act, when the orders of the Court become effective in accordance with section 411(10) of the Corporations Act; or
- (c) in all other circumstances (to the extent the dates in (i) and (ii) below are different), either:
 - (i) the date on which the Change of Control Event occurs or is implemented; and
 - (ii) the date which is 8 Business Days after the date on which a document is signed, or a transaction or arrangement is entered into, which, if completed or implemented, would result in the Change of Control Event occurring.

Confidential Information means all information exchanged between the Issuer and one or more Noteholders, including:

- (a) information which, either orally or in writing, is designated or indicated as being the proprietary or confidential information of a party or any of its Affiliates; and
- (b) information derived or produced partly or wholly from the information including any calculation, conclusion, summary or computer modelling,

whether the information was disclosed:

- (c) orally, in writing or in electronic or machine readable form;
- (d) before, on or after the date of this document;
- (e) as a result of discussions between the parties concerning or arising out of the subscription for the Convertible Notes; or
- (f) by a party or any of its Affiliates.

Constitution means the constitution of the Issuer.

Control means, with respect to any person other than an individual, the possession, directly or indirectly, of the power to:

- (a) determine the financial or operating policies of the person;

- (b) control the membership of the board or other governing body of the person; or
- (c) control the casting of more than one half of the maximum number of votes that may be cast at a general meeting of the person,

regardless of whether the power is in writing or not, expressed or implied, formal or informal or arises by means of trusts, agreements, arrangements, understandings, practices or otherwise and, solely for the purposes of this document:

- (d) a general partner is deemed to Control a limited partnership of which it is the general partner; and
- (e) a fund advised or managed directly or indirectly by a person will also be deemed to be Controlled by such person.

Controller has the meaning given in the Corporations Act.

Conversion in relation to a Convertible Note means the conversion of the Convertible Note into Ordinary Shares under Term 6 and **Convert, Convertible, Converted** and **Converting** have corresponding meanings.

Conversion Date for a Convertible Note to be Converted as a result of a Conversion Notice being given means the date nominated for Conversion in that Conversion Notice.

Conversion Notice means a notice substantially in the form set out in Schedule 4 or in any other form approved by the Issuer.

Conversion Price has the meaning given in Term 6.6.

Convertible Note Certificate means a certificate issued by the Issuer evidencing a holding of Convertible Notes, substantially in the form set out in Schedule 2.

Convertible Note Register means the register of Noteholders maintained by the Issuer in accordance with the Convertible Note Terms.

Convertible Note Terms means the terms and conditions set out in Schedule 1.

Convertible Note Warranties means the representations and warranties set out in Schedule 7.

Convertible Notes means convertible notes issued by the Issuer, convertible into Ordinary Shares or being redeemable in accordance with the Convertible Note Terms, having the rights and being subject to the restrictions set out in the Convertible Note Terms.

Convertible Securities means securities which are convertible or exchangeable by their holder or otherwise by their terms of issue into Ordinary Shares.

Corporations Act means the *Corporations Act 2001* (Cth) and a reference to the Corporations Act or a provision of it includes as modified by applicable ASIC Relief.

Costs means costs, charges and expenses, including those incurred in connection with advisers and any legal costs on a full indemnity basis.

Current Market Price in respect of an Ordinary Share at a particular date means the average of the VWAP of an Ordinary Share on each of the 20 consecutive

Dealing Days ending on the Dealing Day immediately preceding such particular date; provided that if at any time during the said 20 consecutive Dealing-Day period the VWAP shall have been based on a price ex-Distribution (or ex-any other entitlement) and during some other part of that period the VWAP shall have been based on a price cum- Distribution (or cum-any other entitlement), then:

- (a) if the Ordinary Shares to be issued or transferred and delivered do not rank for the Distribution (or entitlement) in question, the VWAP on the dates on which the Ordinary Shares shall have been based on a price cum-Distribution (or cum-any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Distribution or entitlement per Ordinary Share as at the date of first public announcement of such Distribution (or entitlement, in any such case, determined on a gross basis and disregarding any withholding or deduction required to be made for or on account of Taxes and disregarding any associated Tax credit); or
- (b) if the Ordinary Shares to be issued or transferred and delivered do rank for the Distribution (or entitlement) in question, the VWAP on the dates on which the Ordinary Shares shall have been based on a price ex-Distribution (or ex- any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof increased by an amount equal to the Fair Market Value of any such Distribution or entitlement per Ordinary Share as at the date of first public announcement of such Distribution (or entitlement, in any such case, determined on a gross basis and disregarding any withholding or deduction required to be made for or on account of Taxes and disregarding any associated Tax credit),

and provided further that:

- (c) if on each of the said 20 Dealing Days the VWAP shall have been based on a price cum-Distribution (or cum- any other entitlement) in respect of a Distribution (or other entitlement) which has been declared or announced but the Ordinary Shares to be issued or transferred and delivered do not rank for that Distribution (or other entitlement) the VWAP on each of such dates shall for the purposes of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Distribution or other entitlement per Ordinary Share as at the date of the first public announcement of such Distribution or entitlement, in any such case, determined on a gross basis and disregarding any withholding or deduction required to be made for or on account of Taxes and disregarding any associated Tax credit; and
- (d) if the VWAP of an Ordinary Share is not available on one or more of the said 20 Dealing Days, then the average of such VWAPs which are available in that 20-Dealing-Day shall be used.

Dealing Day means a day on which the Relevant Stock Exchange or relevant stock exchange or securities market is open for business, and on which Ordinary Shares, Securities, options, warrants or other rights (as applicable) may be dealt in (other than a day on which the Relevant Stock Exchange or relevant stock exchange or securities market is scheduled to or does close prior to its regular closing time).

Default Interest Rate means has the meaning given in Term 10.2.

Details means the section of this document headed "Details".

Distribution means any dividend, capital return or other distribution to Shareholders whether of cash, assets or other property and however described and whether payable out of a share premium account, profits, retained earnings or any other capital or revenue reserve or account and including a distribution or payment to Shareholders upon or in connection with a reduction of capital (and for these purposes a distribution of assets includes an issue of Securities credited as fully or partly paid up by way of capitalisation of profits or reserves).

Duty means any stamp, transaction or registration duty or similar charge which is imposed by any fiscal Government Agency and includes any interest, fine, penalty, charge or other amount imposed by any fiscal Government Agency in respect of any of the above.

Eligible Transferee means:

- (a) a person to whom the Convertible Notes may be lawfully offered and transferred in compliance with applicable laws without lodgement, registration or other formality or filing by the Issuer with or by a Government Agency;
- (b) a sophisticated investor within the ambit of section 708(8) of the Corporations Act or a professional investor within the ambit of section 708(11) of the Corporations Act;
- (c) as and where applicable or required, a person who is:
 - (i) an “accredited investor” (within the meaning of Rule 501(a)(1), (2), (3), (7), (9) or (12) under the Securities Act);
 - (ii) a sophisticated investor, experienced in investing in private equity and debt transactions and capable of evaluating investment risks independently, both in general and with regard to all transactions and investment strategies involving a security or securities;
 - (iii) acquiring the Convertible Note only for its own account and not for the account of others; and
 - (iv) not acquiring the Convertible Note with a view to, or for offer or sale in connection with, any distribution thereof in violation of the Securities Act,

and who has completed the eligibility representations set out in Annexure A;

- (d) a person who understands that the Convertible Notes have not been registered under the Securities Act or any other applicable securities laws of any other jurisdiction, are being offered in transactions not requiring registration under the Securities Act, and unless so registered, may not be reoffered, resold or otherwise transferred except in compliance with the registration requirements of the Securities Act or any other applicable securities laws, pursuant to any exemption therefrom or in a transaction not subject thereto; and
- (e) a person who understands that the Convertible Notes are subject to the transfer restrictions set out in these Terms and under applicable securities laws and, as a result of such restrictions, may not be able to be readily offered, resold, transferred or pledged (other than in connection with ordinary course prime brokerage relationships) or otherwise disposed of.

Encumbrance means any security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, power or title retention or flawed deposit arrangement and any “security interest” as defined in sections 12(1) or (2) of the *Personal Property Securities Act 2009* (Cth) or any agreement to create any of them or allow them to exist.

equity share capital means, in relation to a company, its issued share capital excluding any part of that capital which, neither as regards dividends nor as regards capital, carries any right to participate beyond a specified amount in a distribution.

Event of Default means an event or circumstance so described in Term 10.1.

Excluded Information means Confidential Information which:

- (a) is in or becomes part of the public domain other than as a result of a breach of this document or a breach of any other obligation of confidence owed to a party or any of its Affiliates;
- (b) the party receiving the Confidential Information can prove by contemporaneous written documentation was already known to it at the time of disclosure by a party or its Affiliates (unless such knowledge arose from disclosure of information in breach of an obligation of confidentiality); or
- (c) the party receiving the Confidential Information acquires from a source other than the party disclosing the Confidential Information or any Affiliate of that party where such source is entitled to disclose it.

Excluded Tax means any FATCA Withholding Tax, as well as any of the following Taxes:

- (a) any Income Taxes;
- (b) amounts to the extent they are payable by the Issuer due to the Noteholder failing to provide the Issuer with any of its name, address, Australian business number (ABN), Australian tax file number, registration number or similar details or any relevant tax exemption or similar details if requested by the Issuer in circumstances where the Noteholder is resident of, or a has permanent establishment in, Australia; or
- (c) in a case where the Issuer receives a notice or direction under section 260-5 of Schedule 1 to the *Taxation Administration Act 1953* (Cth), section 255 of the *Income Tax Assessment Act 1936* (Cth) or any analogous provisions and has notified the Noteholder of that direction, to the extent any amounts paid or deducted from sums payable to the relevant person by the Issuer in compliance with such notice or direction.

Exempt Newco Scheme means a Newco Scheme where immediately after completion of the relevant Newco Scheme, the ordinary shares or units (or equivalent) of Newco (as defined below) are:

- (a) admitted to trading on the Relevant Stock Exchange; or
- (b) admitted to listing on such other regulated, regularly operating, recognised stock exchange or securities market as the Issuer or Newco may determine.

Fair Market Value means, on any date:

- (a) in the case of a Cash Distribution, the amount of such Cash Distribution;
- (b) in the case of any other cash amount, the amount of such cash;
- (c) in the case of the Issuer's Securities, options, warrants or other rights or assets which are publicly traded on a market of adequate liquidity (as determined by the Board (acting reasonably and in good faith)), the arithmetic mean of the daily VWAPs of such Securities, options, warrants or other rights or assets during the period of 20 Dealing Days on the relevant market commencing on such date (or, if later, the first such Dealing Day such Securities, options, warrants or other rights or assets are publicly traded or such shorter period as such Securities, options, warrants or other rights or assets are publicly traded); and
- (d) in the case of Securities, options, warrants or other rights or assets which are not publicly traded on a market of adequate liquidity (as aforesaid), an amount determined in good faith by the Board (acting reasonably and in good faith), on the basis of a commonly accepted market valuation method and taking account of such factors as are appropriate based on the valuation methodology, including the market price per Ordinary Share, the distribution yield of an Ordinary Share, the volatility of such market price, prevailing interest rates (which must be sourced from an appropriate third party), applicable economic assumptions (which must be sourced from an appropriate third party) and the terms of such Securities, options, warrants or other rights or assets, including as to the expiry date and exercise price (if any) thereof.

Such amount in the case of paragraph (a) above shall be translated into the Relevant Currency (if declared or paid or payable in a currency other than the Relevant Currency, and if the relevant Distribution is payable at the option of the Issuer or a Shareholder in any currency additional to the Relevant Currency, the relevant Distribution shall be treated as payable in the Relevant Currency) at the rate of exchange used to determine the amount payable to Shareholders who were paid or are to be paid or are entitled to be paid the Cash Distribution in the Relevant Currency; and in any other case, translated into the Relevant Currency (if expressed in a currency other than the Relevant Currency) at the Prevailing Rate on that date.

In addition, in the case of paragraphs (a) and (b), the Fair Market Value shall be determined on a gross basis and disregarding any withholding or deduction required to be made for or on account of Taxes and disregarding any associated Tax credit.

FATCA means:

- (a) sections 1471 to 1474 of the US Internal Revenue Code or any associated regulations;
- (b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in the paragraph above; or
- (c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in the paragraphs above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction.

FATCA Withholding Tax means any withholding or deduction made under or in connection with, or in order to ensure compliance with FATCA.

Financial Indebtedness means any indebtedness for or in respect of:

- (a) moneys borrowed and any debit balance at any financial institution;
- (b) any amount raised under any acceptance credit, bill acceptance or bill endorsement facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (e) any redeemable shares where the holder has the right, or the right in certain conditions, to require redemption;
- (f) any amount raised under any other transaction (including any forward sale or purchase agreement) of a type not referred to in any other paragraph of this definition having the commercial effect of a borrowing;
- (g) consideration for the acquisition of assets or services payable more than 90 days after acquisition;
- (h) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount) shall be taken into account);
- (i) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; or
- (j) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (i) (inclusive).

FIRB Act means the *Foreign Acquisitions and Takeovers Act 1975* (Cth).

Government Agency means any governmental, semi-governmental, administrative, fiscal, judicial or quasi-judicial body, department, commission, authority, tribunal, agency or entity in any part of the world.

Income Taxes means any Taxes imposed by any jurisdiction on the net income or profits of a person.

A person that is not an individual is **Insolvent** if:

- (a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act);
- (b) it is in liquidation, in provisional liquidation, under administration or wound up or has had a Controller appointed to its property;
- (c) it is subject to any arrangement (including a deed of company arrangement or scheme of arrangement), assignment, moratorium or compromise or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent);

- (d) an application or order has been made (and in the case of an application which is disputed by the person, it is not stayed, withdrawn or dismissed within 30 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, in respect of any of the things described in any of the above paragraphs;
- (e) it is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand;
- (f) it is the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act;
- (g) it is otherwise unable to pay its debts when they fall due; or
- (h) something having a substantially similar effect to any of the things described in the above paragraphs happens in connection with that person under the law of any jurisdiction.

Interest Period for a Convertible Note means:

- (a) for the first Interest Period, the period from (and including) the Issue Date to (and including) the earlier of (and including) the next Interest Record Date and the date on which the Convertible Note is Converted or Redeemed; and
- (b) for each subsequent Interest Period, the period from (and including) the day after the previous Interest Record Date to (and including) the earlier of the next Interest Record Date and the date on which the Convertible Note is Converted or Redeemed.

Interest Rate means 6.5% per annum.

Interest Record Date means 31 March, 30 June and 30 September and 31 December in each year.

Issue Date for a Convertible Note means the date of issue of the Convertible Note.

Issuer Controlled Entity means:

- (a) an entity which is a subsidiary of the Issuer within the meaning of the Corporations Act; and
- (b) any entity, whether incorporated or not, including any partnership, corporation, association, fund, scheme, body or trust, in each case, that is Controlled (whether directly or indirectly) by the Issuer or by any other Issuer Controlled Entity.

Issuer Group means the Issuer and any Issuer Controlled Entity and **Issuer Group Member** means any member of the Issuer Group.

Listing Rules means, as applicable:

- (a) the official listing rules of ASX and any other applicable rules of ASX, in each case modified to the extent of any express written waiver by ASX; or
- (b) the official listing rules of TSXV and any other applicable rules of TSXV, in each case modified to the extent of any express written waiver by TSXV.

Majority Noteholders means Noteholders that hold more than 75% of the Convertible Notes on issue.

Majority Resolution means:

- (a) a resolution in writing signed by Noteholders holding at least 75% of the Convertible Notes on issue (and the resolution in writing may be contained in one document or in several documents in like form, each signed by one or more Noteholders); or
- (b) a resolution passed at a meeting of Noteholders duly convened and held under Schedule 5 and carried by or on behalf of Noteholders holding at least 75% of the Convertible Notes held by the Noteholders who are present and vote at the meeting, whether in person, by attorney, by proxy or by representative.

Material Adverse Event means one or more events or occurrences or matters individually or in aggregate that has or could reasonably be expected to have a material adverse effect on the condition (financial or otherwise), prospects, business, assets or operations of the Issuer Group taken as a whole, other than to the extent the material adverse effect is caused or contributed to by any of the following events, occurrences or matters:

- (a) a pandemic, epidemic or disease;
- (b) the implementation of any quarantine, “shelter in place,” “stay at home”, workforce reduction, social distancing, shut down, closure, sequester or any other law, directive, guidelines, protocols or recommendations by any Government Agency, in each case in connection with, or related to in response to any pandemic, epidemic or disease;
- (c) any event, occurrence or matter required by this document;
- (d) any event, occurrence or matter approved by Majority Resolution;
- (e) changes in general economic, political or business conditions (including declared or undeclared acts of war, armed hostilities, financial market fluctuations or changes in interest rates);
- (f) any event, occurrence or matter that is cured (including by payment of money) or ceases to exist within 30 days of such event, occurrence or matter occurring; or
- (g) any change in foreign exchange rates, financial, securities, or other market conditions (including prevailing commodities prices) generally and any other changes to macroeconomic factors.

Maturity Date means, in respect of a Convertible Note, the date that is 5 years after the Issue Date for the Convertible Note.

Newco Scheme means a:

- (a) compromise or arrangement approved by a Court under Part 5.1 of the Corporations Act; or
- (b) meeting of the Shareholders,

(a “**Top Hat Restructure**”) which effects the interposition of a limited liability company (“**Newco**”) between the Shareholders immediately prior to completion of the Top Hat Restructure (the “**Existing Shareholders**”) and the Issuer, provided that:

- (c) only shares, stapled securities or units or equivalent of Newco or depositary or other receipts or certificates representing shares, stapled securities or units or equivalent of Newco are issued to Existing Shareholders;
- (d) immediately after completion of the Top Hat Restructure the only holders of shares, stapled securities, units or equivalent of Newco or, as the case may be, the only holders of depositary or other receipts or certificates representing shares, stapled securities or units or equivalent of Newco (other than a nominal holding by initial subscribers) are Existing Shareholders holding in the same proportions as immediately prior to completion of the Top Hat Restructure;
- (e) immediately after completion of the Top Hat Restructure, Newco is (or one or more wholly-owned Subsidiaries of Newco are) the only Shareholders;
- (f) all Issuer Group Members immediately prior to the Top Hat Restructure (other than Newco, if Newco is then a Subsidiary of the Issuer) are Subsidiaries of the Issuer (or of Newco) immediately after completion of the Top Hat Restructure; and
- (g) immediately after completion of the Top Hat Restructure the Issuer (or Newco) holds, directly or indirectly, the same percentage of the share capital and equity share capital of those Subsidiaries as was held by the Issuer immediately prior to the Top Hat Restructure.

Noteholder means a person whose name is recorded in the Convertible Note Register as a holder of a Convertible Note.

Official Quotation means quotation by ASX.

Ordinary Share means an ordinary share in the capital of the Issuer.

Outstanding Amount for a Convertible Note means the Principal Amount plus any and all accrued and unpaid interest on the Convertible Note. The Outstanding Amount does not include any amount which has been applied towards a Conversion or Redemption.

Prevailing Rate in respect of any pair of currencies on any calendar day means the spot rate of exchange between the relevant currencies prevailing as at or about 12.00 noon on that date as appearing on or derived from the Relevant Page. If such a rate cannot be determined as aforesaid, the Prevailing Rate shall be determined *mutatis mutandis* but with respect to the immediately preceding day on which such rate can be so determined or if such rate cannot be so determined by reference to the Relevant Page, the rate determined in such other manner as the Board (acting reasonably and in good faith) shall consider appropriate.

Principal Amount means the face value of a Convertible Note, being US\$100,000 per Convertible Note, plus any amount added to the Principal Amount of the Convertible Note under Term 5.2. The Principal Amount does not include any amount which has been applied towards a Conversion or Redemption.

Redeem means redemption under Term 7 and **Redeemed, Redeemable and Redemption** have corresponding meanings.

Redemption Amount in respect of a Convertible Note means:

- (a) if the Convertible Note is Redeemed in accordance with Term 7.1, an amount equal to the greater of:
- (i) the Outstanding Amount for the Convertible Note on the Maturity Date; and
 - (ii) an amount in US dollars calculated by the Issuer in accordance with the following formula:

$$S \times P_n$$

where:

- (A) “S” means the number of Ordinary Shares determined by dividing the Outstanding Amount for the Convertible Note on the Maturity Date by the applicable Conversion Price on the Dealing Day immediately preceding the Maturity Date; and
- (B) “P_n” means the closing price for an Ordinary Share on the Dealing Day immediately preceding the Maturity Date;

- (b) if the Convertible Note is Redeemed in accordance with Term 7.2, an amount equal to the greater of:
- (i) an amount equal to 101% of the Outstanding Amount for the Convertible Note on the Change of Control Trigger Date; and
 - (ii) an amount in US dollars calculated by the Issuer in accordance with the following formula:

$$S \times P_n$$

where:

- (A) “S” means the number of Ordinary Shares determined by dividing the Outstanding Amount for the Convertible Note on the Change of Control Trigger Date by the applicable Conversion Price on the Dealing Day immediately preceding the Change of Control Trigger Date; and
- (B) “P_n” means the closing price for an Ordinary Share on the Dealing Day immediately preceding the Change of Control Trigger Date;

- (c) if the Convertible Note is redeemed in accordance with Term 7.3, an amount equal to the greater of:
- (i) the Outstanding Amount for the Convertible Note on the day immediately preceding the date on which notice is given by the Issuer in accordance with Term 7.3(a) (“**Early Redemption Reference Date**”); and
 - (ii) an amount in US dollars calculated by the Issuer in accordance with the following formula:

$$S \times P_n$$

where:

- (A) “S” means the number of Ordinary Shares determined by dividing the Outstanding Amount for the Convertible Note on the Early Redemption Reference Date by the applicable Conversion Price on the Dealing Day immediately preceding the Early Redemption Reference Date; and
 - (B) “P_n” means the closing price for an Ordinary Share on the Dealing Day immediately preceding the Early Redemption Reference Date;
- (d) if the Convertible Note is redeemed in accordance with Term 7.4, an amount equal to the greater of:
- (i) the Outstanding Amount for the Convertible Note on the day immediately preceding the date on which notice is given by the Noteholder in accordance with Term 7.4(b) (“**EoD Redemption Reference Date**”); and
 - (ii) an amount in US dollars calculated by the Issuer in accordance with the following formula:

$$S \times P_n$$

where:

- (A) “S” means the number of Ordinary Shares determined by dividing the Outstanding Amount for the Convertible Note on the EoD Redemption Reference Date by the applicable Conversion Price on the Dealing Day immediately preceding the EoD Redemption Reference Date; and
 - (B) “P_n” means the closing price for an Ordinary Share on the Dealing Day immediately preceding the EoD Redemption Reference Date; and
- (e) in all other circumstance, the Outstanding Amount for the Convertible Note.

Redemption Date in respect of a Convertible Note means the date on which the Convertible Note is Redeemed.

Registrar means the Issuer, or if the Issuer has appointed a person to act as registrar in respect of the Convertible Notes as permitted by Term 3.2(a), that person for so as the person remains appointed to that role.

Relevant Currency means US dollars.

Relevant Interest has the meaning given in sections 608 and 609 of the Corporations Act.

Relevant Page means the relevant page on Bloomberg or such other information service provider that displays the relevant information.

Relevant Stock Exchange means ASX or if at the relevant time the Ordinary Shares are not at that time listed and admitted to trading on ASX, the principal stock exchange or securities market on which the Ordinary Shares are then listed, admitted to trading or quoted or dealt in.

Representative in respect of a Convertible Note means a person entitled by transmission to the Convertible Note.

Securities Act means the Securities Act of 1933 (US), as amended.

Security has the meaning given in section 92(3) of the Corporations Act and includes Ordinary Shares and Convertible Securities and **Securities** has a corresponding meaning.

Shareholders means the holders of Ordinary Shares.

Specified Conversion Note has the meaning given in Term 6.11.

Spin-Off means:

- (a) a distribution of Spin-Off Securities by the Issuer to Shareholders as a class; or
- (b) any issue, transfer or delivery of any property or assets (including cash or shares or securities of or in or issued or allotted by any entity) by any entity (other than the Issuer) to Shareholders as a class or, in the case of or in connection with a compromise or arrangement approved by a Court under Part 5.1 of the Corporations Act, Existing Shareholders as a class (but excluding the issue and allotment of shares, units and/or stapled securities by Newco to Existing Shareholders as a class), pursuant in each case to any arrangements with the Issuer or any other Issuer Group Member.

Spin-Off Securities means equity share capital of an entity other than the Issuer or options, warrants or other rights to subscribe for or purchase equity share capital of an entity other than the Issuer.

Subscription Agreement means the subscription agreement between the Issuer and Millstreet Credit Fund LP dated 28 June 2023 providing for subscription of the Convertible Notes.

Subsidiary has the meaning given in the Corporations Act, but as if 'body corporate' include any entity. It includes an entity required (or that would be required if that entity were a corporation) by the Accounting Standards, to be included in the consolidated financial statements of that entity. Also:

- (a) an entity is a Subsidiary of another entity if controlled by that other entity for the purposes of section 50AA of the Corporations Act;
- (b) a trust may be a Subsidiary (and a unit or other beneficial interest in the trust is to be treated as a share accordingly); and
- (c) an entity is to be treated as a Subsidiary of a trust as if that trust were a corporation.

Tax Credit means a credit against, relief or remission for, or repayment of any Tax, including for the avoidance of doubt a part credit, relief, remission or repayment against any Tax.

Tax Payment means the payment (or addition to the Principal Amount) of an additional amount by the Issuer.

Taxes means taxes, levies, imposts, charges, withholdings and duties (including stamp and transaction duties) paid, payable or assessed as being payable by any Government Agency together with any fines, penalties and interest in connection with them.

Term means a term or condition of the Convertible Note Terms.

Transfer in respect of any Security means any dealing with the Security, including a sale, assignment, transfer, conveyance, grant of an option over, grant of, creation of, or allowing a swap or other synthetic instrument over, and any other disposal, alienation, economic monetisation or realisation of the Security or of a legal or beneficial interest in the Security and **Transferrable** and **Transferred** has a corresponding meaning.

Transfer Form means a form evidencing the transfer of Convertible Notes, being substantially in the form set out in Schedule 3 or in any other form approved in writing by the Issuer.

TSXV means the TSX (Toronto Stock Exchange) Venture Exchange.

VWAP, in respect of an Ordinary Share on any Dealing Day, has the meaning given to the term 'volume weighted average price' in the Listing Rules.

Convertible Note Deed Poll

Schedule 7 Convertible Note Warranties

1. **(admission)** The Issuer is admitted to the official list of the financial markets operated by ASX or any other Approved Stock Exchange and its Ordinary Shares are listed, admitted to trading or quoted or dealt in that Approved Stock Exchange.
2. **(eligibility for quotation)** The Ordinary Shares issued on Conversion of the Specified Conversion Note will (subject to ASX approval or the approval of the relevant Approved Stock Exchange (as applicable)) be eligible under the Listing Rules and other requirements of ASX or listing rules and other requirements of the relevant Approved Stock Exchange (as applicable) for official quotation on the ASX or the relevant Approved Stock Exchange (as applicable).
3. **(Shareholder approval)** The Issuer is not required to obtain the approval of its shareholders to issue the Ordinary Shares to be issued on Conversion of the Specified Conversion Note.
4. **(incorporation)** The Issuer has been incorporated or formed in accordance with the laws of its place of incorporation or formation, is validly existing under those laws and has power and authority to own its assets and carry on its business as it is now being conducted.
5. **(Australian Land Corporation)** The Issuer is not an “Australian Land Corporation” (within the meaning given to that term in the FIRB Act).