

Executive and Employee Incentive Plan

AHALife Holdings Limited

(ACN 006 908 701)



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1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In these Rules, unless the contrary intention appears:

Applicable Laws means any one, several or all of the following as the context requires:

- (a) Corporations Act;
- (b) Corporations Regulations;
- (c) any other laws;
- (d) the Listing Rules;
- (e) the Constitution; and
- (f) any guidance note, regulatory guide, policy statement, class order, declaration, guideline, or other policy or procedure pursuant to the provisions of which either ASIC or ASX is authorised or entitled to regulate, implement or enforce, either directly or indirectly, the provisions of any of the foregoing statutes, regulations, rules, deeds or agreements or any conduct or proposed conduct of any person pursuant to any of the above mentioned statutes, regulations, rules, deeds or agreements.

Associated Body Corporate means any:

- (a) related body corporate of the Company; and
- (b) entity designated by the Board to be an associated body corporate for the purposes of these Rules.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 691 or, as the context requires, the financial market operated by it.

Board means all or some of the Directors acting as a board.

Business Day means a day that is each of the following:

- (a) a Business Day within the meaning given in the Listing Rules; and
- (b) a day that banks are open for business in Perth, Western Australia and Sydney, New South Wales.

Change of Control Event means where:

- (a) a court orders a meeting to be held in relation to a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies;
- (b) any person becomes bound or entitled to acquire shares in the Company under:
 - (i) section 411 of the Corporations Act (upon a scheme of arrangement being approved); or
 - (ii) Chapter 6A of the Corporations Act (compulsory acquisition following a Takeover Bid);

- (c) a Takeover Bid or other offer is made to acquire more than 75% of the voting shares of the Company and has become unconditional;
- (d) the Company passes a resolution for voluntary winding up;
- (e) an order is made for the compulsory winding up of the Company; or
- (f) a person or a group of associated persons obtains a relevant interest in sufficient Shares to give it or them the ability, in a general meeting, to replace all or a majority of the Board.

Company means AHAlife Holdings Limited ACN 006 908 701.

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

Corporations Act means *Corporations Act 2001* (Cth).

Corporations Regulations means any and all regulations made under the Corporations Act.

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

Incentive Securities means any one of or combination of securities that may be issued to Participants under these Rules, which includes:

- (a) options, which are rights to acquire a Share upon payment of an exercise price, which can contain vesting conditions, which must first be satisfied before the opportunity to exercise the options arises;
- (b) performance rights, which are rights to receive a Share for no cash payment at a pre-determined ratio, provided that vesting conditions have been satisfied;
- (c) performance shares, which is a beneficial interest in a Share with limited rights, which converts to a fully paid ordinary share, provided that appropriate vesting conditions (as approved by ASX) have been satisfied;
- (d) deferred share awards, which are Shares issued to Participants, whom via their election (as applicable) or at the Board's discretion, in lieu of any wages, salaries, in fees or other remuneration; and
- (e) loan shares, which are limited recourse shares acquired via a loan where some or all of the issue price is funded by way of a loan (which will be documented on terms as determined by the Board, with the relevant loan shares secured by the Company) made to the Participant by the Company to enable the Participant to acquire Shares in the Company.

Listing Rules means the official listing rules of ASX.

Participant means a full-time or part-time employee or a Director of the Company, or an Associated Body Corporate or a person engaged by the Company as a consultant, who is invited by the Board to hold Incentive Securities under the terms of these Rules and is issued Incentive Securities under these Rules.

Rules means these rules as altered or added to from time to time and a reference to a provision of these rules is a reference to that provision as altered or added to from time to time, and for the avoidance of doubt, includes the Incentive Securities.

Share means an ordinary share in the capital of the Company.

1.2 Interpretation

For the purposes of these Rules, unless the contrary intention appears:

- (a) the singular includes the plural and vice-versa;
- (b) words denoting a gender include all genders;
- (c) if a word or phrase is defined cognate words and phrases have corresponding definitions;
- (d) a reference to a related body corporate of the Company is a reference to a body corporate that is so related within the meaning of the Corporations Act;
- (e) a reference to these Rules includes all schedules, attachments and annexures to them; and
- (f) a reference to a statute, ordinance, code or other law includes regulations and other statutory instruments under it and consolidations, amendments, re-enactments or replacements or any of them.

2 GRANT OF INCENTIVE SECURITIES

The Board in its absolute discretion, subject to Applicable Laws, may from time to time issue Incentive Securities to Participants having regard, in each case, to all or any of the following matters as determined by the Board:

- (a) the position held by the proposed Participant with the Company or with an Associated Body Corporate;
- (b) the length of the period of service of the proposed Participant with the Company or with an Associated Body Corporate;
- (c) the contribution to the Company or to an Associated Body Corporate that has been made by the proposed Participant;
- (d) the potential contribution of the proposed Participant to the Company or to an Associated Body Corporate;
- (e) the remuneration or fee of the proposed Participant for services rendered to the Company or an Associated Body Corporate;
- (f) whether the proposed Participant has met any performance criteria set by the Board; and
- (g) any other matters that the Board considers to be relevant.

3 TERMS OF INCENTIVE SECURITIES

3.1 Board discretion

- (a) The Board in its absolute discretion will determine the terms of the Incentive Securities (such as issue price, exercise price, vesting conditions, performance hurdles, loan terms and restriction periods) issued under these Rules, which may be waived or varied by the Board on a case by case basis.
- (b) Any power or discretion which is conferred on the Board under these Rules may be exercised in the interests and for the benefit of the Company, and is not subject to any fiduciary or other obligation to any other person.
- (c) In the event of a Change of Control Event, the Board in its absolute discretion may waive or accelerate unsatisfied vesting conditions in relation to some or all of the Incentive Securities. Furthermore, if a takeover bid is made to acquire all of the issued

Shares of the Company, Participants may accept the takeover bid in respect of any Shares which they hold notwithstanding the restriction period in respect of those Shares has not expired.

3.2 Issue of Incentive Securities to Directors or other related parties

Incentive Securities may only be issued to a Director or related party of the Company pursuant to these Rules, if the issue complies with the requirements (if any) of the Corporations Act and the Listing Rules.

3.3 Cancellation of Incentive Securities

The Board in its absolute discretion may cancel the Incentive Securities issued to Participants at any time including upon cessation of employment of a Participant or the death, bankruptcy or winding-up of a Participant.

3.4 Variation to capital structure

If prior to the vesting, exercise or conversion of Incentive Securities (as the case may be), the Company undergoes a reorganisation of capital (other than by way of a bonus issue or issue of cash), the terms of all existing Incentive Securities will be changed to the extent necessary to comply with the Listing Rules and the Corporations Act.

4 LIMITS ON NUMBER OF INCENTIVE SECURITIES THAT CAN BE ISSUED

An offer of Incentive Securities under these Rules must not be made if the aggregate number of the following will exceed 5% of the issued Shares as on that date when the issue is proposed to take place:

- (a) the number of Shares which are the subject of the offer of the Incentive Securities;
- (b) the total number of Shares which are the subject of any outstanding offers of Incentive Securities;
- (c) the total number of Shares issued during the previous 3 years under these Rules or any other employee share scheme; and
- (d) the total number of Shares which would be issued under all outstanding Incentive Securities that have been granted but which have not yet been exercised, converted, terminated or expired.

For the purposes of this 5% limit, the limit does not count an offer to a person situated outside Australia, an offer that did not need disclosure because of section 708 of the Corporations Act, or an offer made under a disclosure document (such as a prospectus) as defined in the Corporations Act.

5 LIMITATION OF AMENDMENTS TO THESE RULES

The Board must not amend these Rules in a way which materially prejudices or which reduces the rights of the Participant other than an amendment primarily:

- (a) for the purpose of complying, or enabling compliance, with or conforming to legislation applicable to the Company, an Associated Body Corporate or these Rules or a requirement, policy or practice of the Australian Securities and Investments Commission, ASX or other regulatory body governing or regulating the maintenance or operation of these Rules or like plans;
- (b) to correct any manifest error or mistake; or
- (c) to take into consideration possible adverse tax implications in respect of these Rules arising from, amongst others, adverse tax rulings from the Commissioner of Taxation,

changes to tax legislation or changes in the interpretation of tax legislation by a court of competent jurisdiction.

6 SUSPENSION OR TERMINATION OF THESE RULES

The Board may suspend or terminate these Rules at any time, in which case the Company shall not make any further grants of Incentive Securities under these Rules during the suspended or terminated period. However, during that period the Board shall otherwise continue to administer these Rules in accordance with these Rules in respect of all Incentive Securities which have already been granted until all Incentive Securities have been exercised, expired or repaid (as the case may be).

7 OVERRIDING RESTRICTIONS ON ISSUE, EXERCISE AND VARIATION

Regardless of anything else in these Rules, Incentive Securities may not be offered, issued, exercised or varied if to do so:

- (a) would contravene any Applicable Laws; or
- (b) would contravene the local laws of, or the rules or requirements of any regulatory or statutory body in, a Participant's country of residence or in the opinion of the Board compliance with those local laws, rules or requirements would be impractical or result in any unnecessary or unreasonable expense in the circumstances.

8 ADMINISTRATION OF THESE RULES

8.1 Delegation

- (a) These Rules shall be in all respects administered under the directions of the Board or a committee of the Board.
- (b) The Board or committee of the Board may appoint, for the proper administration and management of these Rules, such secretary or executives or staff or other persons as it considers desirable and may delegate to those persons such powers and authorities as may be necessary or desirable for the administration and management of these Rules.

8.2 Procedures

Subject to these Rules, the Board may make such regulations and establish such procedures for the administration and management of these Rules as it considers appropriate.

8.3 Holding Statements

Each Participant shall be issued with a holding statement stating the number of any Incentive Securities held by that Participant:

- (a) on the date of issue of any Incentive Securities; and
- (b) within 10 Business Days of the exercise or conversion of any Incentive Securities (as the case may be).

8.4 Disputes

If any disagreement or dispute with respect to the interpretation of these Rules or the terms of the granting of the Incentive Securities arises, such disagreement or dispute shall be referred to the Board and the decision of the Board shall, in the absence of manifest error, be final and binding upon all parties.

8.5 Exercise of discretion

The Board may, subject to any express provision in these Rules, the Listing Rules or the Corporations Act to the contrary:

- (a) do any act, matter or thing or make any decision, determination or resolution; or
- (b) conditionally or unconditionally give or withhold any consent or approval,

as contemplated by these Rules in its absolute uncontrolled and unexaminable discretion and is not obliged to give reasons for so doing.

9 NOTICES

Notices under these Rules may be handed to the person concerned or posted by ordinary prepaid post to the person's last known address or given in such manner as the Board from time to time determines.

10 COMPANY'S RIGHTS NOT WAIVED

10.1 Participation does not affect the right of the Company in respect of the Participants

- (a) The Company's right to terminate or vary the terms of employment or engagement of any Participant shall not be prejudiced in any way by any Participant holding Incentive Securities, or anything contained in these Rules.
- (b) Further, holding Incentive Securities, the rights or benefits of a Participant under these Rules or the inability or restricted ability of a Participant to exercise or convert Incentive Securities (as the case may be), or to hold all of the Incentive Securities, shall not be used as grounds for granting or increasing damages in any action brought by any Participant against the Company whether in respect of any alleged wrongful dismissal or otherwise.

10.2 No representation as to the price of Shares

- (a) None of the Company, its Directors, officers or employees represents that the Company's Share price will attain, maintain or exceed any price.
- (b) A Participant who chooses to exercise or convert any Incentive Securities, or hold any Incentive Securities does so at their own risk in that they may suffer financial detriment if the Company's Share price falls.

11 TAX

The Company is not responsible for any tax which may become payable by a Participant in connection with the Rules.

12 GOVERNING LAW

These Rules shall in all respects be governed by and shall be construed in accordance with the laws of New South Wales.

13 SEVERANCE

If any provision in these Rules is void, voidable by any party or illegal, it shall be read down so as to be valid and enforceable or, if it cannot be so read down, the provision (or where possible, the offending words) shall be severed from these Rules without affecting the validity, legality or enforceability of the remaining provisions (or parts of those provisions) of these Rules, which shall continue in full force and effect.