

BEAUTIWORX LIMITED

ACN 136 488 631

REGISTERED OFFICE

C/- Minter Ellison Lawyers
Level 16, Rialto Towers
525 Collins Street
Melbourne VIC 3000

Certificate Number: 000

JURISDICTION OF INCORPORATION: VICTORIA

OPTION CERTIFICATE

OPTIONS EXPIRING AT 5.00 PM (AEST) ON 30 SEPTEMBER 2018
EXERCISABLE IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF ISSUE AT AN
EXERCISABLE PRICE OF \$0.40 PER OPTION

Date	Transaction Type	Quantity
	Allotment	

THIS IS TO CERTIFY THAT THE ABOVE NAMED IS THE REGISTERED HOLDER OF OPTIONS OVER FULLY PAID SHARES IN BEAUTIWORX LIMITED ISSUED SUBJECT TO THE ATTACHED TERMS AND CONDITIONS AND THE CONSTITUTION OF THE COMPANY.

Signed in accordance with the constitution of the Company

Director

Company Secretary

THIS CERTIFICATE MUST BE SURRENDERED TO THE COMPANY ON TRANSFER OF ANY OF THE ABOVE OPTIONS

Application Form on Exercise of Unlisted Options Expiring 30 September 2018

To the Directors, Beautiworx Limited

I/We hereby exercise

option(s) and hand you herewith my/our cheque for

being 0.40 cents per share on application for

ordinary shares in the capital of the Company.

I/We request that you allot me that number of shares and I/we agree to accept that number of shares on the terms below and the Constitution of the Company, and I/we authorise you to place my/our name on the register.

My/Our SRN/HIN (as shown on my/Issuer Sponsored holding statement or CHESS holdings statement) is

Sign Here – This section must be signed for your instructions to be executed

I/We authorise you to act in accordance with my/our instructions set out above.

Individual or Securityholder

Securityholder 2

Securityholder 3

I

Director

Director/Company Secretary

**Sole Director and
Sole Company Secretary**

Note: when signed under Power of Attorney, the attorney states that they have not received a notice of revocation. The Company or future appointed share registry needs to sight a certified copy of the Power of Attorney.

Day/Date Month Year

Performance Option Terms

1. Definitions and interpretation

1.1 Definitions

In these Performance Option Terms, unless the context otherwise requires:

Accelerated Vesting Event means:

- (a) the occurrence of a Special Circumstance in respect of [insert employee]; or
- (b) the Board determines that a Corporate Control Event constitutes an Accelerated Vesting Event.

ASX means, as the case requires, ASX Limited or the Australian Securities Exchange.

Board means all or some of the directors of the Company acting as a board or its delegate under section 198D of the Corporations Act.

Business Day means a day that is not a Saturday, Sunday, public holiday or bank holiday in Victoria.

Company means Beautiworx Limited ACN 163 488 631.

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

Corporate Control Event means the occurrence of one or more of the following events:

- (c) an offer is made for Shares pursuant to a takeover bid under Chapter 6 of the Corporations Act;
- (d) the Court orders a meeting of members (or a class of members) or creditors (or a class of creditors) under Part 5.1 of the Corporations Act for the purpose of considering a proposed compromise or arrangement relating to the Company or a compromise or arrangement proposed 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;
- (e) approval has been given by a resolution duly passed at a general meeting of the Company for an acquisition that would result in a person having voting power in the Company of more than 50%; or
- (f) any other merger, consolidation or amalgamation involving the Company occurs or is proposed where either or both of the following applies:
 - (i) the merger, consolidation or arrangement results in the holders of Shares immediately prior to the merger, consolidation or amalgamation having relevant interests, in aggregate, in 50% or less of the voting shares in the body corporate resulting from the merger, consolidation or amalgamation; or
 - (ii) the Board determines that the relevant circumstances constitute a Corporate Control Event for the purposes of these Performance Option Terms.

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

EBITDA means the consolidated amount of earnings before interest, tax, depreciation and amortisation of the Group, calculated in accordance with accounting standards approved under the

Corporations Act and its requirements about the preparation and contents of accounts and generally accepted accounting principles, policies, practices and procedures in Australia.

Employee means an individual who is in the full time, part time employment or acts in any form or capacity as a representative of a body corporate in the Group.

Expiry Date means 30 September 2018.

Group means the Company and each of its Subsidiaries.

Listing Rules means the listing rules of ASX.

Official List means the official list of ASX.

Official Quotation means quoted on the Official List.

Performance Option means a performance option which entitles the Performance Option Holder to subscribe for and be issued one fully paid ordinary new Share in the Company on the terms and conditions of these Performance Option Terms.

Performance Option Holder means a person that holds Performance Options or their nominee(s).

Performance Period means the period commencing on the date that the Performance Options are issued and ending on the Expiry Date.

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

Special Circumstance means with respect to [insert employee]:

- (a) Total and Permanent Disablement; or
- (b) the death of [insert employee].

Subsidiary means a body corporate of which the Company is a holding company in terms of Division 6 of Part 1.2 of the Corporations Act.

Total and Permanent Disablement means the termination or cessation of [insert employee]'s employment with the relevant body corporate of the Group as a result of total and permanent disablement, as determined by the Board.

Vesting Conditions means the conditions set out in clause 3, which are, subject to these Performance Option Terms, required to be satisfied, reached or met before the Performance Options become Vested Performance Options.

Vested Performance Option means a Performance Option in respect of which:

- (a) any Vesting Conditions applicable to that Performance Option have been satisfied, reached or met during the Performance Period; or
- (b) which the Board determines is to be a Vested Performance Option under clause 5.2.

1.2 Interpretation

In these Performance Option Terms, unless the context otherwise requires:

- (a) headings are for convenience only and do not affect the interpretation of these Performance Option Terms;
- (b) reference to any legislation or a provision of any legislation includes a modification or re-enactment of the legislation or a legislative provision substituted for, and all legislation and statutory instruments and regulations issued under, the legislation;

- (c) a word or expression defined in the Corporations Act has the same meaning given to it in the Corporations Act;
- (d) words denoting the singular include the plural and vice versa;
- (e) words denoting a gender include the other genders;
- (f) reference to any document or agreement includes reference to that document or agreement as amended, novated, supplemented, varied or replaced from time to time;
- (g) where any word or phrase is given a defined meaning in these Performance Option Terms, any part of speech or other grammatical form of that word or phrase has a corresponding meaning;
- (h) reference to a clause is a reference to a clause of these Performance Option Terms, or the corresponding clause of these Performance Option Terms as amended from time to time; and
- (i) where an act or thing must be done on a particular day or within a particular period, that act or thing must be done before, and that period ends at, 5.00pm Melbourne time on the relevant day.

2. Vesting of Performance Options

2.1 Vesting

- (a) A Performance Option will not vest and become a Vested Performance Option unless:
 - (i) the relevant Vesting Conditions have been satisfied, reached or met during the Performance Period; or
 - (ii) the Board determines the Performance Option is to be a Vested Performance Option under clause 5.2.
- (b) If the Vesting Conditions have not been satisfied, reached or met during the Performance Period then:
 - (i) the relevant Performance Options will be forfeited and automatically lapse; and
 - (ii) all rights of the Performance Option Holder under these Performance Option Terms in respect of those Performance Options will cease.

3. Vesting Conditions

Subject to satisfaction of the Vesting Conditions set out below, the Performance Options will vest as follows:

No	Number of Performance Options	Vesting Conditions
1	One third of the total number of Performance Options held by the Performance Option Holder	The first occurrence of a 25% or more increase in EBITDA for a financial year from the EBITDA for the year ended 30 June 2013 as recognised in the proforma financials included in the Company's prospectus prior to the Official Quotation by the Group.
2	One third of the total number of Performance Options held by the Performance Option Holder	The first occurrence of a 50% or more increase in EBITDA for a financial year from the EBITDA for the year ended 30 June 2013 as recognised in the

No	Number of Performance Options	Vesting Conditions
		<p>proforma financials included in the Company's prospectus prior to the Official Quotation by the Group.</p> <p>If this Vesting Condition is satisfied, then the Vesting Condition in Item 1 is also deemed to be satisfied.</p>
3	One third of the total number of Performance Options held by the Performance Option Holder	[insert employee] being an Employee during the period commencing on the date that the Company is admitted on the Official List or the Shares receive Official Quotation (whichever is later) and ending on 30 June 2016 , except where the employment of [insert employee] is terminated by the Group for any reason other than serious misconduct on the part of the [insert employee].

4. Exercise of Performance Options

4.1 Exercise Price

The exercise price for each Vested Performance Option (which is payable immediately on exercise) is AUD\$0.40, per new Share (**Exercise Price**).

4.2 Notice of Exercise

Subject to these Performance Option Terms, Vested Performance Options which have not lapsed under clause 6 may be exercised by the Performance Option Holder giving to the Company:

- (a) a notice of exercise signed by the Performance Option Holder; and
- (b) a cheque payable to the Company (or another form of payment acceptable to the Board) in the amount of the product of the number of Vested Performance Options then being exercised by the Performance Option Holder and the Exercise Price.

5. Accelerated Vesting Event

5.1 Corporate Control Event

If a Corporate Control Event occurs the Board may determine that this constitutes an Accelerated Vesting Event.

5.2 Waiver of variation of Vesting Conditions

If an Accelerated Vesting Event occurs while [insert employee] is an Employee, the Board may, at its discretion:

- (a) waive or vary any Vesting Conditions in regard to any Performance Options held by the Performance Option Holder; and
- (b) provide written notice to the Performance Option Holder specifying whether:
 - (i) the varied Vesting Conditions have been satisfied, reached or met or the Vesting Conditions have been waived; and
 - (ii) which Performance Options have become Vested Performance Options.

6. Lapse of Performance Options

If a Performance Option Holder fails for any reason to exercise all the Performance Options registered in the Performance Option Holder's name before the Expiry Date, those Performance Options that the Performance Option Holder would have been entitled to exercise and have not exercised will lapse and all rights of the Performance Option Holder under these Performance Option Terms in respect of those Performance Options will cease.

7. Issue of Shares

7.1 Timing of issue of Shares

On receipt by the Company of the notice of exercise under clause 4.2 and the payment of the total Exercise Price, the Company must within the time period prescribed by the Listing Rules:

- (a) issue and allot one new Share for each Vested Performance Option exercised by the Performance Option Holder;
- (b) cause to be dispatched to the Performance Option Holder the relevant acknowledgement of issue as soon as is reasonably practicable;
- (c) (if applicable) issue a new holding statement for the balance of Performance Options that remain unexercised; and
- (d) apply to ASX for the new Shares to be granted Official Quotation.

7.2 Shares issued on exercise

Shares issued on exercise of the Performance Options will rank equally with Shares on issue and will be subject to the provisions of the Constitution.

8. Participation rights, bonus issues, rights issues, reorganisations of capital and winding up

8.1 Participation rights

- (a) The Performance Options do not entitle the Performance Option Holder to vote at any meeting of shareholders.
- (b) The Performance Options do not provide any entitlement to dividends paid on Shares.
- (c) The Performance Options are not transferable by the Performance Option Holder unless approved by the Board.
- (d) A Performance Option does not confer the right to participate in new issues of capital offered to shareholders without the exercise of a Vested Performance Option. However, the Company must give the Performance Option Holder, in accordance with the Listing Rules, notice of any new issues of capital before the record date for determining entitlements to the new issue. This will give the Performance Option Holder the opportunity to exercise their Vested Performance Options prior to the date for determining entitlements to participate in any new issue.

8.2 Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (a) the number of underlying Shares over which the Performance Option is exercisable will be increased by the number of Shares which the Performance Option Holder would have

received if the Performance Option Holder had exercised all Performance Options before the record date for the bonus issue; and

(b) no change will be made to the Exercise Price.

8.3 Adjustment for rights issue

If the Company makes (whether before or during the Exercise Period) a pro-rata issue of Shares (except a bonus issue) to existing shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and no Share has been issued in respect of a Performance Option before the record date for determining entitlements to the issue, the Exercise Price of the Performance Option is reduced in accordance with the Listing Rules.

8.4 Adjustments for reorganisation

If there is any reorganisation (including consolidation, subdivision, reduction, return or cancellation) of the issued share capital of the Company, the number of Performance Options to which the Performance Option Holder is entitled and/or the Exercise Price of the Performance Options must be reorganised in accordance with the Listing Rules applying to a reorganisation at the time of the reorganisation.

8.5 Liquidation

In the event of the liquidation of the Company, all unexercised Performance Options will lapse.

8.6 Fractions of Shares

If Performance Options are exercised simultaneously, then the Performance Option Holder may aggregate the number of Shares or fractions of Shares for which the Performance Option Holder is entitled to subscribe. Fractions in the aggregate number only will be rounded up in determining the total entitlement of a Performance Option Holder.

8.7 Calculations and adjustments

Any calculations or adjustments which are required to be made under these Performance Option Terms will be made by the Company and, in the absence of manifest error, are final and conclusive and binding on the Company and the Performance Option Holder.

8.8 Notice of change

The Company must within a reasonable period give to the Performance Option Holder notice of any change under this clause 8 to the Exercise Price of any Performance Options held by the Performance Option Holder or to the number of Shares which the Performance Option Holder is entitled to subscribe for on exercise of a Performance Option.

9. Quotation

The Company will not seek Official Quotation of any Performance Options.

10. Miscellaneous

10.1 Inconsistency

To the extent that the terms and conditions of these Performance Option Terms are inconsistent with or contrary to the Listing Rules, the Listing Rules provisions will prevail and these terms and conditions are deemed to incorporate the relevant Listing Rules provisions as an amendment to these terms.

10.2 Governing law

These terms and conditions are governed by the laws of the State of Victoria. The parties submit to the non exclusive jurisdiction of the courts of Victoria.

