

# Employee Share and Option Plan

## UIL Energy Ltd ACN 153 352 160

### 1. Definitions and interpretation

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- 1.1 In this Plan, unless the context otherwise requires, the following terms and expressions have the following meanings:

**Acceptance Date** has the meaning ascribed to that term in clause 3.2(e).

**Acceptance Form** means a form for the acceptance of offers made to Eligible Employees in such form as the Board may approve from time to time.

**Acknowledgement** means the form of acknowledgement from time to time approved by the Board for the purposes of clause 15.

**Associated Body Corporate** shall have the meaning ascribed to it in ASIC Class Order [03/184] as amended from time to time.

**ASX** means the ASX Limited.

**Auditor** means the auditor of the Company.

**Board** means the board of directors of the Company.

**Business Day** means a day on which ASX is open for business.

**Class Order** means an instrument issued by ASIC providing for relief from any provision of the Corporations Act as amended from time to time.

**Company** means UIL Energy Ltd ACN 153 352 160.

**Controllable Event** means cessation of employment other than by an Uncontrollable Event.

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

**Current Market Price** means:

- (a) if the Company is listed on ASX, the price published by the ASX as the final price for the previous day on which the Shares were traded on the ASX; and
- (b) otherwise, the market value determined by the Auditor.

**Eligible Employee** means any full-time or part-time continuing employee of the Company or an associated body corporate of the Company who is employed at the time of the offer of the Securities or is a director of the Company or of an associated body corporate of the Company and is determined by the Board from time to time in their absolute discretion to be eligible for participation under this Plan.

**Employee Option** means an Option that is allotted to a Participant under this Plan.

**Employee Share** means a Share that is allotted to a Participant under this Plan.

**Exercise Price** means the price to be determined by the Board at its sole discretion.

**Financial Year** means the financial year adopted by the Company for the purpose of making up the profit and loss account and balance sheet of the Company pursuant to the Corporations Act.

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**Issue Date** means the date on which the Securities are issued to Participants.

**Issue Price** means the price payable by a Participant which shall at the time of issue be determined by the Board at its sole discretion.

**Listing Rules** means the Listing Rules of the ASX as they apply to the Company.

**Offer** means an offer to take up Securities pursuant to clauses 3 and 4.

**Option** means an option to subscribe for a Share.

**Option Commencement Date** means the date to be determined by the Board prior to the issuance of the relevant Options.

**Option Period** means in respect of an Option, the period commencing on the Option Commencement Date and (unless the Board determines a shorter period) expiring on the earlier of:

- (c) the Eligible Employee ceasing to be employed by the Company or an associated body corporate of the Company due to fraud or dishonesty.

**Participant** means an Eligible Employee who accepts an offer from the Board to participate in this Plan.

**Performance Hurdle** means criterion, condition or other requirement that must be satisfied.

**Plan** means this Employee Share and Option Plan.

**Prospectus** has the meaning ascribed to that term in the Corporations Act.

**Restricted Option** means an Employee Option issued pursuant to this Plan that is subject to the restrictions contemplated in clause 20.

**Restricted Share** means an Employee Share issued pursuant to this Plan that is subject to the restrictions contemplated in clause 18.

**Securities** means collectively a Share and Option and **Security** has a corresponding meaning.

**Share** means fully paid ordinary shares in the capital of the Company.

**Terms of Allotment** means, in relation to a Security:

- (a) the terms and conditions of this Plan;
- (b) the Acknowledgement required under clause 15;
- (c) each restriction and other condition prescribed by the Board in relation to the Security; and
- (d) each statement setting out particulars in relation to the Security under clause 16.

**Uncontrollable Event** means:

- (a) death, serious injury, disability or illness which renders the Participant incapable of continuing their employment with the Company;
- (b) forced early retirement, retrenchment or redundancy; or

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- (c) such other circumstances which results in a Participant leaving the employment of the Company and which the Board determines is an Uncontrollable Event.

**Unrestricted Option** means an Employee Option that is no longer subject to the restrictions imposed by the Board pursuant to clause 20.

**Unrestricted Share** means an Employee Share that is no longer subject to the restriction imposed by the Board pursuant to clause 18.

1.2 In this Plan, unless the context otherwise requires:

- (a) a reference to any legislation includes an amendment, consolidation, re-enactment or replacement of it, and any subordinate legislation;
- (b) a reference to rules or to an agreement or document is to the rules, agreement or document as amended or replaced;
- (c) the singular includes the plural and vice versa;
- (d) a reference to any gender includes all genders;
- (e) if an expression is defined, another part of speech and grammatical form of the expression have a corresponding meaning; and
- (f) headings and references to headings are for ease of reference only and do not affect interpretation.

## 2. Operation of Plan

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- 2.1 Subject to clauses 2.2 and 2.3, the Board may at any time decide that this Plan should be operated in respect of any Financial Year and the Board may determine at its discretion the total number of Securities to be offered to each Eligible Employee and the Issue Price at which the Securities are offered.
- 2.2 The total number of Securities which may be offered by the Company under this Plan shall not at any time exceed 5% of the Company's total issued Shares in that class at that time of the offer when aggregated with:
  - (a) the number of Shares in the same class which would be issued on the basis that each outstanding offer with respect to Shares or Options under any employee share option scheme of the Company were accepted and exercised; and
  - (b) the number of Shares in the same class issued during the previous 5 years pursuant to:
    - (1) this Plan to an Eligible Employee; or
    - (2) any employee share option scheme of the Company,but excluding for the purposes of the calculation, any offer made, or Option acquired or Share issued by way of or as a result of:
    - (3) any offer to a person situated at the time of receipt of the offer referred to in paragraph 2.2(a) and 2.2(b) (**Relevant Offer**) outside of this jurisdiction; or
    - (4) an offer that did not require disclosure to investors because of Section 708 of the Corporations Act; or

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- (5) an offer that did not require the giving of a product disclosure statement because of Section 1012D of the Corporations Act); or
- (6) an offer made under a disclosure document or product disclosure statement within the meaning of those terms in the Corporations Act

2.3 The Board may only offer to issue Securities pursuant to this Plan:

- (a) if the Company has issued a Prospectus pursuant to which the Company offers to issue Securities pursuant to this Plan; or
- (b) where Shares have been quoted on the ASX throughout the twelve (12) month period immediately before the Offer without suspension for more than a total of two (2) trading days during that period; or
- (c) if the Company is otherwise authorised or permitted to do so pursuant to Section 708 of the Corporations Act or a Class Order and the offer and issue of those Securities is in accordance with the Corporations Act or the relevant Class Order as the case may be.

## 3. Offer of Shares

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3.1 The Board shall offer such number of Shares to such Eligible Employees as determined in accordance with clause 2 subject to the terms and conditions of this Plan for the time being.

3.2 Such Offer shall be in writing and shall specify:

- (a) the name and address of the Eligible Employee to whom the Offer is made;
- (b) the number of Shares being offered;
- (c) the Issue Price of the Shares on offer;
- (d) the date of the Offer;
- (e) the date, being not more than forty-five (45) days after the date of the Offer by which the Offer must be accepted (**Acceptance Date**);
- (f) any Performance Hurdle applying to the Offer; and
- (g) any other terms and conditions attaching to the Offer including, without limitation, whether any restrictions contemplated in clause 18 of this Plan shall be imposed on the Shares being offered.

3.3 The Offer shall be accompanied by an Acceptance Form, the terms and conditions of this Plan and a summary of this Plan.

3.4 An Offer to an Eligible Employee is personal to that employee and is not assignable.

## 4. Offer of Options

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4.1 The Board shall offer such number of Options to such Eligible Employees as determined in accordance with clause 2, subject to the terms and conditions of this Plan for the time being.

4.2 Such Offer shall be in writing and specify:

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- (a) the name and address of the Eligible Employee to whom the Offer is made;
  - (b) the number of Options being offered;
  - (c) the Option Period;
  - (d) the Exercise Price;
  - (e) any other terms and conditions attaching to the Offer including, without limitation, the requirement that the Shares being traded on ASX must trade at a price equal to or in excess of a price set by the Board;
  - (f) the date of the Offer;
  - (g) the date, being not more than 45 days after the date of the Offer by which the Offer must be accepted (**Acceptance Date**);
  - (h) any Performance Hurdle applying to the Offer; and
  - (i) any other terms and conditions attaching to the Offer including, without limitation, whether any restrictions contemplated in clause 20 of this Plan shall be imposed on the Options being offered.
- 4.3 The Offer shall be accompanied by an Acceptance Form, the terms and conditions of this Plan and a summary of this Plan.
- 4.4 An Offer to an Eligible Employee is personal to that employee and is not assignable.

## 5. Undertakings

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- 5.1 At any time from the date of an Offer until the Acceptance Date of that Offer, the Company undertakes, within 3 Business Days of a written request to the Company from a Participant to do so, to provide information as to:
- (a) the Current Market Price of Shares;
  - (b) where the Issue Price is to be worked out in the future under a formula, the price were that formula applied at the date of the Offer,
- to the Participant in writing.
- 5.2 In the event that the Company is not listed on the ASX and makes an Offer for the issue of Options in reliance on a Class Order, to the extent required by the Class Order only, the Company undertakes:
- (a) that throughout the period during which Options acquired may be exercised, the Company will have available a current prospectus in relation to the Shares the subject of those Options, which complies with the requirements of the Corporations Act; or
  - (b) that, unless at the time of the exercise of the Options the Shares the subject of the Options will be in the same class as securities which have been quoted on the financial market operated by the ASX or an approved foreign market throughout the 12 month period immediately preceding the exercise date of the Option without suspension for more than a total of 2 trading days during that period, the Company will have a prospectus available in relation to the Shares the subject of the Options which complies with the requirements of the Corporations Act.

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- 5.3 In the event that clause 5.2(b) applies, the Offer must contain a warning to the effect that the Option holder cannot exercise the Options being offered unless either a current prospectus is available to them or the Shares the subject of the Option are in the same class as securities which have been quoted on the financial market operated by the ASX or an approved foreign market throughout the 12 month period immediately preceding the exercise date of the Option without suspension of more than a total of 2 trading days during that period.

## 6. Acceptance of Offer

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- 6.1 An Eligible Employee may accept the Offer by:
- (a) delivering to the Company the completed Acceptance Form by the Acceptance Date; and
  - (b) paying the Issue Price applicable to the Offer in cleared funds.
- 6.2 An Offer which is not accepted by the Participant by the Acceptance Date shall lapse.
- 6.3 No brokerage, commission, stamp duty or other transaction costs will be payable by Eligible Employees in respect of any allotment of Securities under this Plan.
- 6.4 All Securities allotted under this Plan shall rank pari passu in all respects with the Securities of the same class for the time being on issue with the exception of:
- (a) any rights attaching to other Securities by virtue of entitlements arising from a record date prior to the date of the allotment in respect of those Securities; and
  - (b) the restrictions applying by virtue of clauses 18 and 20.

## 7. Lapse of Options

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An Option lapses, to the extent it has not been exercised, on the earlier to occur of:

- (a) the expiry of the Option Period;
- (b) if a Participant's employment with the Company ceases because of an Uncontrollable Event, the last day of any period specified in clause 8; and
- (c) if a Participant's employment with the Company ceases because of a Controllable Event, the last day of any period specified in clause 9.

## 8. Cessation of employment - Uncontrollable Event

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If a Participant's employment with the Company because of an Uncontrollable Event:

- (a) the Board in its absolute discretion may determine to reduce, vary or waive any Performance Hurdle that has not been satisfied as at the date of the Uncontrollable Event so that the Options subject to the Performance Hurdle may be exercised;
- (b) the Participant may at any time prior to the first of the following to occur of:
  - (1) the expiry of the Option Period; or

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- (2) 12 months (or such other period as the Board shall, in its absolute discretion, determine) from the date on which the Participant ceased that employment,  
  
exercise all Options not subject to Performance Hurdles (including any Options that have vested under clause 8(a)), and
- (c) all of the Options held by the Participant that have not been exercised in accordance with clause 8(b) or are not capable of being exercised will automatically lapse.

## 9. Cessation of employment - Controllable Event

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If a Participant's employment with the Company ceases because of a Controllable Event:

- (a) unless otherwise determined by the Board all Options subject to Performance Hurdles that have not been satisfied as at the date of the Controllable Event will lapse;
- (b) the Participant may, at any time prior to the first to occur of:
  - (1) the expiry of the Option Period; and
  - (2) 3 months (or such other period as the Board shall, in its absolute discretion, determine) from the date on which the Participant ceased that employment,  
  
exercise all Options not subject to Performance Hurdles (including any Options that have vested under clause 9(a)); and
- (c) all of the Options held by the Participant that have not been exercised in accordance with clause 9(b) will automatically lapse.

## 10. Exercise of Options

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- 10.1 A Participant may at any time during the Option Period (but not after an Option has lapsed and subject to clause 10.2) exercise all or any of the Options held by him or her by lodging with the Company:
  - (a) a written notice of exercise of option specifying the number of Shares in respect of which Options are being exercised (**Option Exercise Notice**); and
  - (b) payment to the Company by way of a cheque, electronic transfer or such other method of payment approved by the Board for the Exercise Price multiplied by the number of Shares in respect of which Options are being exercised on a Business Day within the earlier of 30 days of delivery of the Option Exercise Notice or the Business Day prior to the expiry of the Option Period.
- 10.2 Options must be exercised so as to result in the allotment of a marketable parcel within the meaning of the Listing Rules **provided that** where the number of Options held by a Participant has been adjusted from time to time in accordance with the terms and conditions of this Plan, the Options shall be exercised by the Participant so as to result in as near as possible a marketable parcel of Shares being created.
- 10.3 Upon receipt of the Option Exercise Notice and the payment referred to in clause 10.1, the Board shall allot to the Participant the Shares to which the Participant is entitled subject to the provisions of the constitution of the Company.

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- 10.4 Upon allotment of Shares pursuant to the exercise of Options, the Company shall, if listed on the ASX, use its best endeavours to have such Shares quoted and listed on the Official List of the ASX.

## 11. Additional Issues of Securities and Dividends

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- 11.1 Option holders do not have any right to participate in new issues of securities in the Company made to shareholders generally. The Company will, where required pursuant to the Listing Rules, provide Option holders with notice prior to the books record date (to determine entitlements to any new issue of securities made to shareholders generally) to exercise the Options, in accordance with the requirements of the Listing Rules.
- 11.2 The Option holder does not participate in any dividends unless the Options are exercised and the resultant Shares of the Company are issued prior to the record date to determine entitlements to the dividend.

## 12. Bonus Issue

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- 12.1 If there is a bonus issue to the holders of Shares in the Company, the number of Shares over which the Option is exercisable may be increased by the number of Shares which the Option holder would have received if the Option had been exercised before the record date for the bonus issue.

## 13. Adjustment for Rights Issue

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- 13.1 If, during the life of any Option, there is a pro rata issue (except a bonus issue) then the subscription price applicable to each Share then comprised in the Option may be reduced according to the following formula:

$$O' = O - \frac{E [P - (S + D)]}{N + 1}$$

where

$O'$  = the new exercise price of the Option

$O$  = the old exercise price of the Option

$E$  = the number of underlying securities into which one Option is exercisable

$P$  = if the Company is listed on the ASX, the average market price per Share (weighted by reference to volume) of the underlying Shares during the five (5) trading days ending on the day before the ex rights date or ex entitlements date; or

if the Company is not listed on the ASX, the market value determined by the auditor of the Company.

$S$  = the subscription price for a security under the pro-rata issue

$D$  = the dividend due but not yet paid on existing underlying securities (except those to be issued under the pro-rata issue)

$N$  = the number of securities with rights or entitlements that must be held to receive a right to one new security



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## 14. Rights of Participants

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14.1 In addition to the rights set out in clauses 11 and 13, the Board may, subject to and in accordance with any relevant Listing Rule, vary:

- (a) the number of Options to which a Participant is entitled under this Plan;
- (b) the Exercise Price; or
- (c) both the number of Options and the Exercise Price,

to make such adjustments to the entitlements of Participants as the Board may regard as appropriate following any reduction or restructuring of the capital of the Company **provided always** that:

- (d) in the event of a reorganisation (including consolidation, sub-division, reduction or return) of the issued capital of the Company, the rights of an Option holder will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of a reorganisation, but with the intention that such reorganisation will not result in any benefits being conferred on Participants which are not conferred on holders of Shares; and
- (e) subject to the provisions with respect to rounding of entitlements as sanctioned by the meeting of the holders of Shares approving the reorganisation of capital, in all other respects the terms for the exercise of Options shall remain unchanged.

## 15. Eligibility and acknowledgement for Securities

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- 15.1 The Board may in its absolute discretion determine that an employee who otherwise would be eligible to acquire Securities under this Plan is nonetheless not eligible.
- 15.2 An employee shall not be eligible to acquire Securities under this Plan at any time if he or she has been given notice of dismissal for misconduct from the employment by virtue of which he or she would, but for this clause 15.2, be eligible to acquire Securities (or has given notice of resignation from employment in order to avoid such dismissal).
- 15.3 The Board may, at such time as it determines, issue Securities under this Plan to each Eligible Employee, subject to the Eligible Employee providing, or having provided to the Company, a valid Acknowledgement that the Eligible Employee agrees to be bound by the Terms of Allotment and by the constitution of the Company.
- 15.4 An Acknowledgment required under this clause 15 must be in the form from time to time approved by the Board and must state any restrictions or other conditions relating to the Securities as determined by the Board.
- 15.5 The Board may at any time in its absolute discretion determine that an existing Acknowledgment provided by an Eligible Employee under this clause 15 ceases to be of effect and that a new Acknowledgment must be provided by the Eligible Employee if that Eligible Employee wishes to participate in any future issue under this Plan.

## 16. Statement of allotment, interest in Securities

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- 16.1 As soon as reasonably practicable after the allotment of Securities, the Company shall cause a statement to be provided to each Eligible Employee setting out particulars of the Securities allotted to that Eligible Employee.

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- 16.2 Each Participant has full legal and beneficial ownership of the Securities allotted to that Participant but any dealings with those Securities by the Participant are restricted as provided in this Plan.

## 17. Certificates: non-certification

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- 17.1 The Company is not required to issue Share certificates or Option certificates, and is entitled to retain custody of any Share certificates or Option certificates issued, in respect of Employee Shares or Employee Options as long as those Shares are Restricted Shares or those Options are Restricted Options.
- 17.2 If any Employee Shares or Employee Options are uncertificated, the Company is authorised to implement any procedure it deems appropriate to restrict the Participant from dealing with the Shares or Options (as the case may be) for as long as those Shares are Restricted Shares or Options are Restricted Options.

## 18. Restriction on disposal of Shares

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- 18.1 The Board, at its discretion may Offer and issue Restricted Shares under this Plan upon the terms and conditions it sees fit, including without limitation, the length of and any exceptions to such restriction imposed. If the Board offers and issues Restricted Shares the following provisions shall apply:
- (a) Shares allotted under this Plan may not be dealt with (meaning for the purposes of this Plan, disposed of, transferred, encumbered or otherwise dealt with on such terms and with such exceptions as the Directors see fit) by a Participant at any time whilst those Shares are Restricted;
  - (b) the Company will not apply for listing of Restricted Shares on ASX; and
  - (c) if the Participant deals with or attempts to deal with an Employee Share in breach of clause 18.1(a), to the extent permitted by law, the Board shall be entitled to refuse to register any transfer of a Restricted Share.

## 19. Unrestricted Shares

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- 19.1 Upon an Employee Share becoming an Unrestricted Share, all restrictions on dealing with the Share provided or pursuant to this Plan shall lapse.
- 19.2 As soon as practicable after a Share becomes an Unrestricted Share, the Company shall:
- (a) cause the removal of any restriction imposed on dealing with the Share under clause 18.1(a);
  - (b) cause a statement of holding to be sent to the Participant to whom the Share is allotted; and
  - (c) if the Company is listed on the ASX, at the expense of the Company, forthwith apply to ASX for quoting of the Unrestricted Share on ASX.

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## 20. Restriction on disposal of Options

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- 20.1 The Board, at its discretion may offer and issue Restricted Options under this Plan upon the terms and conditions it sees fit, including, without limitation, the length of and any exceptions to such restriction imposed. If the Board offers and issues Restricted Options the following provisions shall apply:
- (a) Options allotted under this Plan may not be dealt with (meaning for the purposes of this Plan disposed of, transferred, encumbered or otherwise dealt with on such terms and with such exceptions as the Directors see fit) by a Participant at any time until they become Unrestricted Options.
  - (b) The Company will not apply for listing of Restricted Options on ASX.
  - (c) If the Participant deals with or attempts to deal with an Employee Option in breach of clause 20.1(a) to the extent permitted by law, the Board shall be entitled to refuse to register any transfer of a Restricted Option.

## 21. Unrestricted Options

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- 21.1 Upon an Employee Option becoming an Unrestricted Option, all restrictions on dealing with the Option provided or pursuant to this Plan shall lapse.
- 21.2 As soon as practical after an Option becomes an Unrestricted Option, the Company shall:
- (a) cause the removal of any restriction imposed on dealing with the Option under clause 20.1(a); and
  - (b) cause a statement of holding to be sent to the Participant to whom the Option is allotted.
- 21.3 Following an Option becoming an Unrestricted Option the Board may, if provided for in the terms and conditions attaching to the Option, at the expense of the Company, apply for those Unrestricted Options to be quoted on ASX if the Board forms the view, acting reasonably, that the Unrestricted Options meet the quotation requirements set out in the Listing Rules.

## 22. Exercise of Restricted Option

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- 22.1 For the avoidance of doubt, in the event that a Participant exercises a Restricted Option in accordance with this Plan, the resulting Shares allotted as a consequence of exercise of the relevant Option shall be deemed to be Restricted Shares pursuant to clause 18 (**Relevant Restricted Shares**).
- 22.2 The Relevant Restricted Shares shall remain Restricted Shares for the purpose of this Plan until the expiration of the restriction period imposed on the exercised Restricted Option.
- 22.3 Upon the Relevant Restricted Shares becoming Unrestricted Shares in accordance with clause 22.2, the provisions of clause 19.1 and clause 19.2 shall apply.

## 23. Administration of Plan

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- 23.1 The Board administers this Plan and may:

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- (a) determine appropriate procedures for the administration of this Plan consistent with the Terms of Allotment; and
  - (b) delegate to any one or more persons for such period and on such conditions as it may determine, the exercise of any of its powers or discretions arising under this Plan.
- 23.2 Except as otherwise expressly provided in this Plan, the Board has absolute and unfettered discretion in the exercise of any of its powers or discretions pursuant to this Plan and to act or refrain from acting under or in connection with this Plan.
- 23.3 The Board may, in relation to any Employee Share or Employee Option, waive in whole or in part, on terms it considers appropriate, any of the Terms of Allotment.
- 23.4 If there is any dispute or disagreement as to the interpretation of this Plan or the Terms of Allotment of any Security, the decision of the Board is final and binding upon all persons.

## 24. Amendments to this Plan

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- 24.1 Subject to clause 24.2 and the Listing Rules, the Board may by resolution amend (meaning, for the purposes of this clause 24, amend, add to, revoke or replace) this Plan (including this clause 24) or any of the Terms of Allotment of an Employee Share or an Employee Option.
- 24.2 The Board may not amend this Plan if the amendment would materially reduce the rights of a Participant in respect of an Employee Share or an Employee Option allotted before the date of the amendment, unless the amendment is introduced primarily:
- (a) for the purpose of complying with any State or Commonwealth legislation that affects this Plan;
  - (b) to correct a manifest error;
  - (c) to address possible adverse tax implications in respect of this Plan arising from, amongst others:
    - (1) a ruling of any relevant taxation authority;
    - (2) a change to tax legislation (including an official announcement by any relevant taxation authority); or
    - (3) changes in the interpretation of tax legislation by a court or tribunal of competent jurisdiction; or
  - (d) to enable the Company to comply with its constitution, the Corporations Act, other legislation or the Listing Rules.
- 24.3 As soon as reasonably practicable after making any amendment under clause 24, the Board, by written notice, will inform each Participant affected.

## 25. Terms of employment not affected

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- 25.1 The Terms of Allotment of this Plan do not:
- (a) form part of any contract of employment or any arrangement in respect of any such employment, between a Participant and the Company; or

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- (b) constitute a related condition or collateral arrangement to any such contract of employment or arrangement,

and participation in this Plan does not in any way affect the rights and obligations of a Participant under the terms of his or her employment or arrangement.

- 25.2 The terms of a Participant's employment or arrangement with the Company do not in any way affect the rights and obligations of a Participant under this Plan.
- 25.3 A Participant has no right to compensation or damages from the Company in respect of any loss of future rights under this Plan as a consequence of termination of the Participant's employment or arrangement.

## 26. Notices

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- 26.1 A notice (meaning for the purposes of this clause 26, notice, application, permission or other communication) under this Plan may be given in writing, addressed to the person to whom it is given, and is taken to be given and received if sent in accordance with clauses 26.2, 26.3 and 26.4.
- 26.2 For the purposes of clause 26.1, a notice is duly given and received by the Company if sent to the Company by pre-paid mail or by facsimile or other electronic communication, to an address at which it is actually received by:
  - (a) the person who is, from time to time, designated by the Board as the person to whom the notice should be sent or by whom it should be received, and whose name or title and address are notified to the sender; or
  - (b) if no other person is designated by the Board for this purpose, the secretary of the Company.
- 26.3 For the purposes of clause 26.1, a notice is duly given and received by a natural person (other than a person designated as the person to whom the notice should be sent in order to be received by the Company) if sent to:
  - (a) the person's last known mailing address or the person's last known facsimile or other electronic communication address; or
  - (b) in the case of an Eligible Employee or a Participant, to the last known mailing, facsimile or other electronic communication address of the place of business at which the person performs the whole or substantially the whole of his or her office or employment.
- 26.4 A notice given under clause 26.1 to a person being a natural person, is duly given even if the person is then deceased (and whether or not the Company has notice of his or her death), unless the legal personal representative of the person has established title to the satisfaction of the Company and supplied to the Company an address to which documents should be sent.
- 26.5 A notice sent in accordance with clause 26.1 is treated as given and received in the case of:
  - (a) a notice sent to the Company, at the time it is actually received by the secretary or other person designated by the Board as the person to whom it should be sent or by whom it should be received;
  - (b) any other notice sent by prepaid mail, forty eight (48) hours after it was put into the post properly stamped; and

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- (c) any other notice sent by facsimile or other electronic communication, at the time of transmission.

## **27. Constitution, Listing Rules and governing law**

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- 27.1 This Plan and its Terms of Allotment are subject to the Company's constitution and the Listing Rules.
- 27.2 This Plan is governed by the laws in force in Queensland and the Commonwealth of Australia.

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## Summary of terms and conditions of the Plan

1. The Plan is to extend to Eligible Employees of UIL Energy Ltd ACN 153 352 160 (**the Company**) or an associated body corporate of the Company as the Board may in its discretion determine.
2. The total number of Shares to be issued by the Company to Eligible Employees in respect of which either Shares or Options have been issued under the Plan shall not at any time exceed five percent (5%) of the Company's total issued ordinary Share capital in that class at that time when aggregated with:
  - (a) the number of Shares in the same class which would be issued with each outstanding offer with respect to Shares or Options under any share option scheme of the Company accepted and exercised; and
  - (b) the number of Shares in the same class issued during the previous five (5) years pursuant to:
    - (1) the Plan to an Eligible Employee; or
    - (2) any employee share option scheme of the Company,but excluding for the purposes of the calculation, any offer made, or Option acquired or Share issued by way of or as a result of:
    - (3) any offer to a person situated at the time of receipt of the offer referred to in paragraph 27.2(a) and 27.2(b) outside of this jurisdiction; or
    - (4) an offer that did not require disclosure to investors because of Section 708 of the *Corporations Act 2001* (Cth); or
    - (5) an offer that did not require the giving of a product disclosure statement because of Section 1012D of the *Corporations Act 2001* (Cth); or
    - (6) an offer made under a disclosure document or product disclosure statement within the meaning of those terms in the *Corporations Act 2001* (Cth).
3. The Shares are to be issued at a price determined by the Board.
4. The Options are to be issued for no consideration.
5. The exercise price of an Option is to be determined by the Board at its sole discretion.
6. The Option Commencement Date will be any such date or dates with respect to the Options or tranches of Options (as the case may be) as may be determined by the Board prior to the issuance of the relevant Options.
7. The Option Period commences on the Option Commencement Date and ends on the earlier of:
  - (a) the expiration of such period nominated by the Board at its sole discretion at the time of the grant of the Option but being not less than 2 years; or
  - (b) the Business Day after the expiration of three months, or any longer period which the Board may determine, after the Eligible Employee ceases to be employed by the Company or an associated body corporate of the Company; or

# Employee Share and Option Plan

- (c) the Eligible Employee ceasing to be employed by the Company or an associated body corporate of the Company due to fraud or dishonesty;
- 8. Eligibility to participate is determined by the Board. Eligibility is restricted to Eligible Employees of the Company or an associated body corporate of the Company. The Board is entitled to determine:
  - (a) subject to paragraph 2, the total number of Shares and Options to be offered in any 1 year to Eligible Employees;
  - (b) the Eligible Employees to whom offers will be made; and
  - (c) the terms and conditions of any Shares and Options granted, subject to the Plan.
- 9. Participants do not participate in dividends or in bonus issues unless the Options are exercised.
- 10. Option holders do not have any right to participate in new issues of securities in the Company made to shareholders generally. The Company will, where required pursuant to the ASX Listing Rules, provide Option holders with notice prior to the books record date (to determine entitlements to any new issue of securities made to shareholders generally) to exercise the Options, in accordance with the requirements of the ASX Listing Rules
- 11. In the event of a pro rata issue (except a bonus issue) made by the Company during the term of the Options the Company may adjust the exercise price for the Options in accordance with the formula in clause 13 of the Plan Terms.
- 12. The Board has the right to vary the entitlements of participants to take account of the effect of capital reorganisations, bonus issues or rights issues.
- 13. The terms of the Options shall only be changed if holders (whose votes are not to be disregarded) of Shares in the Company approve of such a change. However, the terms of the Options shall not be changed to reduce the Exercise Price, increase the number of Options or change any period for exercise of the Options.
- 14. The Board may impose as a condition of any offer of Shares and Options under the Plan any restrictions on the transfer or encumbrance of such Shares and Options as it determines.
- 15. The Board may vary the Plan.
- 16. The Plan is separate to and does not in any way form part of, vary or otherwise affect the rights and obligations of a participant under the terms of his or her employment or arrangement.
- 17. At any time from the date of an Offer until the Acceptance Date of that Offer, the Board undertakes that it shall provide information as to:
  - (a) the Current Market Price of the Shares; and
  - (b) the acquisition price of the Shares or Options offered where this is calculated by reference to a formula, as at the date of the Offer,

to any Participant by mail (or such other form of notification as agreed by the Company and the Participant) within 3 Business Days of a written request to the Company from that Participant to do so.