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Firebrick Pharma Limited

Employee Incentive Plan

Approved by the Board on 1 November 2021

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Employee Incentive Plan

Date 1 November 2021

1 Definitions and Interpretation

1.1 Definitions

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 the board of directors of the Company or a committee appointed by the Board for the purposes of the Plan.

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

Cashless Exercise Facility has the meaning given to it in **rule 6.2(a)**;

Change of Control Event means any of the following:

- (a) in the case of a Takeover Bid that is or becomes free of any defeating conditions, an offeror who previously had voting power of less than 50% in the Company obtains voting power of more than 50%;
- (b) shareholders of the Company approve a proposed compromise or arrangement for the reconstruction of the Company or its amalgamation with any other company or companies at a meeting convened by the Court pursuant to section 411(4)(a) of the Corporations Act;
- (c) any person becomes bound or entitled to acquire shares in the Company under:
 - (i) section 414 of the Corporations Act (compulsory acquisition following a scheme or contract); or
 - (ii) Chapter 6A of the Corporations Act (compulsory acquisition of securities);
- (d) a selective capital reduction is announced in respect of the Company pursuant to section 256C(2) of the Corporations Act which results in a person who previously had voting power of less than 50% in the Company obtaining voting power of more than 50%; or
- (e) in any other case, a person obtains voting power in the Company which the Board (which for the avoidance of doubt will comprise those directors immediately prior to the person acquiring that voting power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board.

Company means Firebrick Pharma Limited ACN 157 765 896.

Corporations Act means the *Corporations Act 2001* (Cth), as amended from time to time.

Disposal Restriction means a restriction on disposal or dealing in a Share to be allocated upon the exercise of an Incentive, as determined by the Board in its absolute discretion and notified to the Eligible Participant in the relevant Invitation.

Eligible Participant means a full time or part time employee (including an executive director) of a Group Company, a non-executive director of the Company and any other person who is declared by the Board to be an 'Eligible Participant' for the purposes of the Plan.

Exercise Date has the meaning given to it in **rule 2.2(c)**.

Exercise Notice means an Incentive which is an option to be issued or transferred a Share (or cash equivalent) upon and subject to the terms of the Invitation and this Plan.

Exercise Price means the amount (if any) determined by the Board as being payable by an Incentiveholder to acquire a Share upon exercise of an Incentive. If no determination is made, the applicable Exercise Price is zero.

Expiry Date means the date and time in respect of an Incentive referred to in **rule 2.2(d)**.

Grant Date in relation to an Incentive means the date on which the Incentive is granted or from which the Board determines that an Incentive takes effect (as applicable).

Group means the Company and its Related Bodies Corporate and any other entity declared by the Board to be a member of the group for the purposes of the Plan and any member of the Group is a **Group Company**.

Incentive means a right or option to acquire, whether by issue or transfer, a Share (or cash equivalent) and the corresponding obligation of the Company to provide the Share (or cash equivalent), pursuant to a binding contract made by the Company and an Eligible Participant in the manner set out in these rules and the relevant Invitation.

Incentiveholder means, in respect of an Incentive, the holder of that Incentive.

Invitation means an invitation referred to in **rule 2.1(a)**.

Listing Rules means the Official Listing Rules of the ASX and, for so long as the Shares are listed or quoted on any other stock exchange where such stock exchange requires compliance with its listing rules, the listing rules applicable to that stock exchange, each as they apply to the Company from time to time.

Market Value means:

- (a) for so long as the Company is admitted to the official list of ASX as at the relevant time for determining the Market Value, the volume weighted average price of Shares traded on the ASX over the 5 trading days period immediately preceding the date on which the Market Value is

determined; or

- (b) if the Company is not admitted to the official list of ASX as at the relevant time for determining the Market Value, the price determined by the Board.

Option means an Incentive which is an option to be issued or transferred a Share (or cash equivalent) upon and subject to the terms of the Invitation and this Plan.

Performance Right means an Incentive granted under this Plan for which the Exercise Price is zero.

Plan means the Firebrick Pharma Limited Employee Incentive Plan as set out in these rules, subject to any amendments or additions made under **rule 9**.

Related Body Corporate has the same meaning given to that term in section 50 of the Corporations Act.

Relevant Person means, in respect of an Incentive, the Eligible Participant who was invited to apply for that Incentive.

Share means a fully paid ordinary share in the capital of the Company.

Takeover Bid has the meaning given to that term in section 9 of the Corporations Act.

Termination for Cause means termination of employment of the Relevant Person due to:

- (a) fraud or dishonesty on the part of the Relevant Person;
- (b) the Relevant Person being in material breach of their obligations to any Group Company;
- (c) intentional and material misapplication of the funds of any Group Company;
- (d) any conviction of a criminal offence or where the Relevant Person is charged with an indictable offence;
- (e) any act of wilful and material malfeasance or gross negligence in the performance of duties;
- (f) the on-going refusal to perform the lawful and reasonable business directives of the Board; or
- (g) any other reason, including under applicable law or the Relevant Person's employment contract, that as determined by the Board constitutes justification for termination of employment without notice or compensation.

Vesting Condition means one or more conditions which must be satisfied or circumstances which must exist before the relevant Incentives issued under this Plan may be exercised, as determined by the Board.

Voting power has the meaning given to that term in Section 9 of the Corporations Act.

1.2 Interpretation

In this Plan, the following rules of interpretation apply unless a contrary intention appears:

- (a) headings are for convenience only and do not affect the interpretation of the Plan unless the context requires otherwise;
- (b) any reference in the Plan to any enactment or the Listing Rules includes a reference to that enactment or those Listing Rules as from time to time amended, consolidated, re-enacted or replaced and to all regulations or instructions issued under it;
- (c) any words denoting the singular include the plural and words denoting the plural include the singular;
- (d) any words denoting one gender include the other gender;
- (e) where any word or phrase is given a definite meaning in the Plan, any part of speech or other grammatical form of that word or phrase has a corresponding meaning;
- (f) a reference to a power, right or discretion being exercisable by the Board is taken to be a reference to that power, right or discretion being exercisable by a delegate of the Board; and
- (g) any reference to a power, right or discretion being exercisable by the Board is taken to be a reference to the exercise of that power, right or discretion in the Board's absolute discretion.

1.3 Income Tax Assessment Act 1997 (Cth)

For the purposes of section 83A-105(6)(b)(ii) of the *Income Tax Assessment Act 1997* (Cth), subdivision 83A-C of that Act applies to this Plan (subject to the requirements of the Act).

2 Invitation to participate

2.1 Invitation

- (a) The Board may, from time to time and at its absolute discretion, issue written invitations (**Invitation**) to Eligible Participants to apply for up to a specified number of Incentives on the terms of this Plan and on such additional terms and in such form as the Board determines.
- (b) Unless the Board otherwise determines, no payment is required for a grant of Incentives.
- (c) Unless the Board determines otherwise, no Invitations to apply for Incentives may be made if the Invitation or grant does not comply with ASIC Class Order 14/1000, any subsequent or replacement class order

or relief in respect of employee share schemes or any specific relief granted by ASIC to the Company in respect of the Plan.

2.2 Information to be provided to Eligible Participants

The Board will, together with the Invitation, advise each Eligible Participant of the following regarding the Incentives:

- (a) the method of calculation of the Exercise Price (if the Exercise Price is zero, then a statement to that effect);
- (b) the number of Incentives which the Eligible Participant is eligible to apply for and the maximum number of Shares over which each Incentive is granted;
- (c) the period or periods during which any of the Incentives may be exercised (**Exercise Date**);
- (d) the dates and times when the Incentives lapse (**Expiry Date**);
- (e) the date and time by which the application for Incentives must be received by the Company;
- (f) any applicable Vesting Conditions; and
- (g) any other relevant terms and conditions attaching to the Incentives or Shares allocated under the Plan, including any Disposal Restrictions.

2.3 Use of the term “Performance Right”

If the Board grants Incentives with an Exercise Price of zero, it is acknowledged that those Incentives may be referred to in all correspondence as “Performance Rights”.

3 Application for Incentives

3.1 Application

- (a) Following receipt of an Invitation, an Eligible Participant (or if the terms of the Invitation permit, their nominee) may apply for all or part (subject to any requirement in the Invitation to apply in multiples) of the number of Incentives specified in the Invitation. The application must be made to the Company in the manner specified in the Invitation.
- (b) By making the application, the Eligible Participant (and, if there is a nominee, the nominee) is deemed to have agreed to be bound by the terms of this Plan and the constitution of the Company (as amended from time to time).

3.2 Acceptance period

The Company must receive the application within the period for acceptance specified in the Invitation, unless otherwise determined by the Board.

3.3 Conditional contract

An application for Incentives constitutes an offer by the Eligible Participant (or their nominee) to enter into conditional contracts with the Company in the nature of the relevant Incentives.

4 Grant of Incentives

4.1 Grant

- (a) Once the Company has received and accepted a duly signed and completed application for Incentives (together with any moneys payable in respect of the grant), the Board may in its absolute discretion and only where the Relevant Person to whom the application relates remains an Eligible Participant:
 - (i) grant Incentives to the applicant, with effect from the Grant Date; or
 - (ii) procure the grant of the Incentives to the applicant by a third party, with effect from the Grant Date,upon the terms set out in the Plan and upon such additional terms and Vesting Conditions as the Board determines in its absolute discretion.
- (b) The Company will, within a reasonable period after the Grant Date of the Incentives, issue the applicant with a holding statement or a certificate evidencing the grant of the Incentives.
- (c) A grant of Incentives by the Board constitutes an acceptance of the applicant's offer to enter into conditional contracts with the Company in the nature of the relevant Incentives.

4.2 Transfer of Incentives

- (a) An Incentive granted under the Plan is not transferable except where:
 - (i) permitted by the prior written consent of the Board (which may be withheld at its sole discretion); or
 - (ii) required by force of law upon death to the Incentiveholder's legal personal representative or upon bankruptcy to the Incentiveholder's trustee in bankruptcy.
- (b) Where the Incentiveholder purports to transfer, assign, mortgage, charge or otherwise dispose of or encumber (in whole or in part) an Incentive other than in accordance with **rule 4.2(a)**, the Incentive immediately lapses.
- (c) An Incentive granted under the Plan may not be used to secure the payment of any monies.

4.3 Approvals

The Board must ensure that:

- (a) every issue of Incentives under the Plan complies with any applicable legislation and specifically ASIC Class Order 14/1000, any subsequent or replacement class order or relief in respect of employee share schemes or any specific relief granted by ASIC to the Company in respect of the Plan; and
- (b) all necessary approvals required under any applicable legislation are obtained prior to the issue of Incentives under the Plan.

4.4 Prohibition against hedging

- (a) Neither the Eligible Participant nor their nominee may enter into any scheme, arrangement or agreement (including options and derivative products) under which the Eligible Participant may alter the economic benefit to be derived from an Incentive that remains unvested or unexercised, irrespective of future changes in the market price of Shares.
- (b) Where an Eligible Participant or its nominee enters, or purports to enter, into any scheme, arrangement or agreement described in **rule 4.4(a)**, the Incentive will immediately lapse.

5 Vesting, exercise and lapse of Incentives

5.1 Exercise pre-conditions

- (a) The exercise of any Incentive granted under the Plan may only be effected by the Participant lodging with the Company, in such manner as the Board may prescribe or accept from time to time, an Exercise Notice by the Exercise Date, and will be accompanied by payment of the Exercise Price (if the Exercise Price is greater than zero) unless the Board approves the use of the Cashless Exercise Facility pursuant to **rule 6.2** or the manner of payment of the Exercise Price is otherwise provided for by the Board.
- (b) Subject to this **rule 5** and **rules 7** and **10.3**, an Incentive granted under the Plan will not vest and become capable of being exercised unless the Vesting Conditions (if any) attaching to that Incentive have been satisfied.
- (c) The decision of the Board as to the satisfaction, achievement, interpretation, effect, amend or waiver of any Vesting Conditions (or the underlying information relating to them) may be made in their absolute discretion and any such decision will be final and binding.

5.2 Cessation of employment due to Termination for Cause

Subject to the terms and conditions in the relevant Invitation and **rule 5.7**, if a Relevant Person ceases to be an employee of any Group Company, in circumstances where the cessation of employment is due to Termination for Cause, then unless the Board determines otherwise all vested (but unexercised) Incentives, and all unvested Incentives, held by or on behalf of

the Relevant Person will automatically lapse on the date of cessation of employment.

5.3 Cessation of employment due to other reasons

Subject to the terms and conditions in the relevant Invitation and **rule 5.7**, if a Relevant Person ceases to be an employee of any Group Company, in circumstances other than those referred to in **rule 5.2**, then unless the Board determines otherwise:

- (a) all unvested Incentives held by or on behalf of the Relevant Person will automatically lapse on the date of cessation of employment; and
- (b) all Incentives that have previously vested but that are unexercised (and any unvested Incentives that the Board has permitted the Relevant Person to retain pursuant to its discretion under this **rule 5.3(a)**) must be exercised within the period stipulated by the Board in accordance with **rule 5.4(a)**.

5.4 Notice of vesting and holding Incentives after cessation of employment

- (a) The Board must promptly give written notice to the relevant Incentiveholder(s) of the number (if any) of Incentives that it has determined will vest or that otherwise lapse pursuant to **rules 5.2, 5.3 or 5.4(b)** and the period in which vested Incentives must be exercised under **rule 5.3(b)**.
- (b) If an Incentiveholder continues to hold Incentives after they (or the Relevant Person) cease to be employed by a Group Company, the Board may in its absolute discretion determine that some or all of those Incentives will lapse if the Board determines in good faith that:
 - (i) the Incentiveholder (or the Relevant Person) breaches any restriction, undertaking or obligation owing to a Group Company in connection with the Incentiveholder's (or Relevant Person's) past employment or other relationship with a Group Company; or
 - (ii) there was a change in the Incentiveholder's (or Relevant Person's) circumstances since ceasing to be employed by a Group Company where in the Board's opinion it is no longer appropriate for the Incentiveholder to retain the Incentives.

5.5 When employment ceases

- (a) A Relevant Person will not be treated for the purposes of **rules 5.2 or 5.3** as ceasing to be an employee of a Group Company until such time as the Relevant Person is no longer an employee of any Group Company.
- (b) Subject to applicable laws, at the discretion of the Board, a Relevant Person who is granted an approved leave of absence and who exercises their right to return to work under any applicable award, enterprise agreement, other agreement, statute or regulation before the exercise of

an Incentive under the Plan will be treated for those purposes as not having ceased to be such an employee.

5.6 Fraudulent or dishonest actions

If, in the opinion of the Board, a Relevant Person:

- (a) acts fraudulently or dishonestly;
- (b) is in material breach of his or her obligations to any Group Company; or
- (c) engages in behaviour which in the reasonable opinion of the Board has caused or is likely to cause a long term detriment to the Company (regardless of whether that behaviour has been motivated by seeking to satisfy any applicable Vesting Conditions),

then regardless of whether or not that Relevant Person's employment with a Group Company has terminated, the Board may:

- (d) deem any unvested or vested (but unexercised) Incentives of the Relevant Person to have lapsed;
- (e) adjust the Relevant Person's current or future performance-based remuneration; and
- (f) take any other action the Board considers appropriate including requiring any benefits obtained under the Plan by the Relevant Person or its nominee be returned, repaid or cancelled or alter the outcome on them vesting.

5.7 Termination payments

If the vesting or exercise of Incentives in accordance with this **rule 5**, when aggregated with any other benefits paid or payable to the Relevant Person in connection with the cessation of their employment with any Group Company:

- (a) has not been approved by shareholders pursuant to Part 2D.2 of the Corporations Act or under Listing Rule 10.19; or
- (b) is not otherwise permitted by law,

then the number of Incentives that vest or are exercised under the relevant rule is automatically reduced to the maximum number of Incentives permitted to vest or be exercised at law and under the Listing Rules upon cessation of employment.

5.8 Lapse of an Incentive

Unless the Board determines otherwise in its absolute discretion, an unexercised Incentive will lapse upon the earliest to occur of:

- (a) the Incentive lapsing in accordance with **rule 4.2(b)**;
- (b) the Incentive lapsing in accordance with **rule 4.4(b)**;
- (c) the Incentive lapsing in accordance with a provision of this **rule 5**;
- (d) the Incentive lapsing in accordance with a provision of **rule 7**;

- (e) (subject always to any vesting of unvested Incentives in accordance with this **rule 5**) a failure to meet the Incentive's Vesting Condition in the prescribed period;
- (f) the Expiry Date; or
- (g) the 5 year anniversary of the Grant Date.

5.9 Lapse of Incentive terminates conditional contract

The lapse of an Incentive is the end of the conditional contract constituted by the Incentive.

6 Allocation of Shares

6.1 Allocation of Shares

- (a) Subject to **rules 6.1(b)** and **6.4** below, within 10 Business Days after an Incentive under the Plan that is capable of being exercised has been exercised by the Incentiveholder or his or her personal representative, the Company must issue to or procure the transfer (at its election) to the Incentiveholder or his or her personal representative (as the case may be) of the number of Shares in respect of which the Incentive has been exercised (subject to **rule 6.2** and any adjustments under **rule 8**).
- (b) The Company may, in its absolute discretion, pay to the Incentiveholder a cash amount in place of issuing or transferring some or all of the Shares referred to in **rule 6.1(a)** with the payment to be equivalent to the Market Value of the number of Shares that would otherwise have been issued or transferred on exercise of the Incentive.
- (c) The issue or transfer of a Share or payment of the cash amount referred to in **rule 6.1(b)** to the Incentiveholder or his or her personal representative (as the case may be) pursuant to the exercise of an Incentive constitutes performance by the Company of its obligations pursuant to the conditional contract constituted by the Incentive.

6.2 Cashless Exercise Facility

- (a) If an Incentiveholder wishes to exercise some or all of their vested Options, it may, subject to Board approval (which may be withheld at its absolute discretion), elect to pay the Exercise Price by using the cashless exercise facility provided for under this **rule 6.2 (Cashless Exercise Facility)**.
- (b) The Cashless Exercise Facility allows an Incentiveholder to set-off the Exercise Price against the Market Value of the number of Shares which the Incentiveholder is entitled to receive upon exercise of the Incentiveholder's vested Options. By using the Cashless Exercise Facility, the Incentiveholder will receive Shares, or the cash amount pursuant to **rule 6.1(b)**, to the value of the surplus after the Exercise Price has been set-off.

- (c) If an Incentiveholder elects to use the Cashless Exercise Facility, and its use is approved by the Board in its absolute discretion, then subject always to **rule 6.2(d)**, the Incentiveholder will be issued or transferred (at the election of the Board) that number of Shares (rounded up or down to the nearest whole number), calculated by using the following formula:

$$A = (B - C) \div D$$

where:

- A = the number of Shares to be issued or transferred (at the election of the Board) pursuant to the Cashless Exercise Facility;
- B = the aggregate total Market Value (as determined on the date the Options the subject of the Cashless Exercise Facility are exercised) of Shares that would otherwise be issued or transferred on exercise of the Options had all such Options been exercised for a cash Exercise Price;
- C = the aggregate total Exercise Price otherwise payable in respect of the vested Options exercised; and
- D = the Market value of a Share as determined on the date the Options the subject of the Cashless Exercise Facility are exercised.
- (d) If the Board determines to make a cash payment pursuant to **rule 6.1(b)** instead of issuing or transferring Shares under this **rule 6.2**, then the cash amount for purposes of this **rule 6.2** will be determined by multiplying the number of Shares determined in accordance with **rule 6.2(c)** with the Market Value of those Shares determined in accordance with **rule 6.2(c)**.
- (e) Notwithstanding any other provision of this Plan, if the Exercise Price otherwise payable in respect of the Options being exercised is the same or higher than the Market Value of Shares at the time of exercise, then an Incentiveholder will not be entitled to use the Cashless Exercise Facility.

6.3 Share ranking

All Shares allotted under the Plan will rank equally in all respects with the Shares of the same class for the time being on issue except as regards any rights attaching to such Shares by reference to a record date prior to the date of their allotment.

6.4 Listing of Shares on ASX

- (a) If Shares of the same class as those allotted under the Plan are listed on the ASX, the Company will apply to the ASX within a reasonable time after they are allotted for those Shares to be listed.
- (b) The Company will not apply for quotation of any Incentives on the ASX unless the Board determines otherwise in its absolute discretion and in accordance with the Listing Rules and all other applicable laws.

6.5 Sale of Shares

- (a) Subject to **rule 6.5(b)** and any Disposal Restrictions imposed, there will be no transfer restrictions on Shares allocated under the Plan.
- (b) Unless the Board determines otherwise in its absolute discretion, Shares allotted upon exercise of Incentives granted under the Plan must not be sold, transferred or disposed of by the holder at any time during which trading in the Company's securities is prohibited in accordance with the Company's corporate governance policies on share trading activities, as they apply from time to time.

6.6 Disposal Restrictions

- (a) The Board may in its absolute discretion impose Disposal Restrictions as part of the terms of an Invitation or allow Eligible Participants to elect to be subject to Disposal Restrictions and to nominate the period of time for which those Disposal Restrictions should apply.
- (b) The Board may implement any procedure it considers appropriate to restrict an Incentiveholder from trading in Shares while they remain subject to a Disposal Restriction, including, but not limited to, imposing a holding lock (as defined in the Listing Rules) on the Shares.
- (c) The Board may decide to lift, extend or vary any Disposal Restrictions in its absolute discretion (including where the Relevant Person's employment of a Group Company has ceased or there has been a Change of Control in the Company) and will promptly notify the Incentiveholder in writing of such a decision.
- (d) If Shares are the subject of Disposal Restrictions and the circumstances in **rule 5.2** and/or **rule 5.6** apply, then regardless of whether or not that Relevant Person's employment with a Group Company has terminated, the Board may:
 - (i) extend the Disposal Restrictions;
 - (ii) adjust the Relevant Person's current or future performance-based remuneration (including by imposing conditions on when Disposal Restrictions will be lifted); and/or
 - (iii) take any other action the Board considers appropriate including requiring any Shares the subject of the Disposal Restrictions be returned, forfeited or cancelled,

and the Incentiveholder must take all necessary steps to comply with these determinations.

7 Change of Control Events and Winding-up

7.1 Change of Control Event

- (a) If a matter, event, circumstance or transaction occurs that the Board reasonably believes may lead to a Change of Control Event, the Board

may in its absolute discretion determine the treatment and the timing of such treatment of any unvested or unexercised Incentives and must notify the Incentiveholder of any changes to the terms of the Incentives as a result of a decision under this **rule 7.1(a)**.

- (b) If a Change of Control Event occurs and the Board hasn't made a decision under **rule 7.1(a)**:
 - (i) the Board must (unless any Takeover Bid to which the Change of Control Event relates also includes an equivalent offer to the Incentiveholder to acquire all or a substantial portion of the Incentives) notify the Incentiveholder of the Change of Control Event;
 - (ii) all of the unvested Incentives automatically vest and are exercised, together with any previously vested but unexercised Incentives, on the occurrence of the Change of Control Event.

7.2 Winding up and change of main undertaking

The Board may also, in its absolute discretion, permit the vesting and exercise of Incentives (irrespective of whether the relevant Vesting Conditions have been met) during such period as the Board determines where:

- (a) the Company passes a resolution for voluntary winding up;
- (b) an order is made for the compulsory winding up of the Company; or
- (c) the Company passes a resolution in accordance with Listing Rule 11.2 to dispose of its main undertaking.

7.3 Exercise of Incentives

If a company (**Acquiring Company**) obtains control of the Company as a result of:

- (a) a Takeover Bid;
- (b) a proposed scheme of arrangement between the Company and its shareholders; or
- (c) a selective capital reduction,

and both the Company and the Acquiring Company agree, an Incentiveholder may, upon exercise of his or her Incentives, elect to acquire and the Company may provide shares of the Acquiring Company or its parent in lieu of Shares, on substantially the same terms and subject to substantially the same conditions as the Incentiveholder may exercise Incentives to acquire Shares, but with appropriate adjustments to the number and kind of shares subject to the Incentives, as well as to the Exercise Price.

8 Bonus Issues, Rights Issues, Reconstruction

8.1 Adjustment for Bonus Issue

- (a) If Shares are issued pro rata to the Company's shareholders generally by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment) involving capitalisation of reserves or distributable profits, the Incentiveholder is entitled, upon exercise of the Incentives, to receive, in addition to the Shares in respect of which the Incentives are exercised and without the payment of any further consideration, an allotment of as many additional Shares determined by the Board as would have been issued to a shareholder who, on the date for determining entitlements under the bonus issue, held Shares equal in number to the Shares in respect of which the Incentives are exercised.
- (b) Additional Shares to which the Incentiveholder becomes so entitled will, as from the time Shares are issued pursuant to the bonus issue and until those additional Shares are allotted, be regarded as Shares comprised in the relevant Incentives and in respect of which the Incentives are exercised for the purposes of subsequent applications of **rule 8.1(a)**, and any adjustments which, after the time just mentioned, are made under **rule 8.3** to the number of Shares will also be made to the additional Shares.

8.2 Rights Issue

If Shares are offered pro rata for subscription by the Company's shareholders generally by way of a rights issue during the currency of and prior to exercise of any Incentives, the Exercise Price of each Incentive (if applicable) will be adjusted in the manner determined by the Board having regard to the Listing Rules and the general principle that the Incentiveholder is not to be materially disadvantaged as a result of a corporate action (such as a capital raising or capital reconstruction).

8.3 Adjustment for reorganisation

In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company, the number of Incentives to which each Incentiveholder is entitled or the Exercise Price of the Incentives (if applicable), or both as appropriate, will be adjusted in the manner determined by the Board having regard to the Listing Rules and the general principle that the Incentiveholder is not to be materially disadvantaged as a result of a corporate action (such as a capital raising or capital reconstruction).

8.4 No other participation

Subject to **rules 8.1, 8.2 and 8.3**, during the currency of any Incentives and prior to their exercise, Incentiveholders are not entitled to participate in any new issue of securities of the Company as a result of their holding Incentives.

9 Amendments

9.1 Power to amend Plan

Subject to **rule 9.2** and the Listing Rules, the Board may at any time by resolution amend or add to (**amend**) all or any of the provisions of the Plan (including this **rule 9**), or the terms or conditions of any Incentive granted under the Plan, including Vesting Conditions.

9.2 Restrictions on amendments

Without the consent of the Incentiveholder no amendment may be made to the terms of any granted Incentive which reduces the rights of the Incentiveholder in respect of that Incentive, other than an amendment introduced primarily:

- (a) for the purpose of complying with or conforming to present or future legislation applicable to the Company or the Plan or a requirement, policy or practice of ASIC or other regulatory body governing or regulating the maintenance or operation of the Plan or like plans;
- (b) to correct any manifest error or mistake; or
- (c) to take into consideration possible adverse tax implications in respect of the Plan arising from, amongst others, adverse rulings from the Commissioner of Taxation, changes to tax legislation (including an official announcement by the Commonwealth of Australia) or changes in the interpretation of tax legislation by a court of competent jurisdiction.

9.3 Retrospective Effect

Subject to **rules 9.1** to **9.2**, any amendment made pursuant to **rule 9** may be given such retrospective effect as is specified in the written instrument or resolution by which the amendment is made.

9.4 Notice of amendment

As soon as reasonably practicable after making any amendment under **rule 9.1**, the Board will give notice in writing of that amendment to any Incentiveholder affected by the amendment.

10 Miscellaneous

10.1 Rights and obligations of Incentiveholder

- (a) The rights and obligations of any Eligible Participant under the terms of their office, employment or contract with a Group Company are not affected by their participation in, or the participation of their nominee in, the Plan. These rules will not form part of, and are not incorporated into, any contract of any Eligible Participant (whether or not they are an employee of a Group Company).
- (b) No Incentiveholder or Eligible Participant will have any rights to compensation or damages in consequence of the termination of their office, employment or other contract with a Group Company for any

reason whatsoever in so far as those rights arise or may arise from their ceasing to have rights under the Plan as a result of such termination.

- (c) Nothing in the Plan will give any Eligible Participant any right to participate in the Plan and the grant of an Incentive to an Eligible Participant or their nominee does not give that Eligible Participant or their nominee any right to the grant of a subsequent Incentive.

10.2 Power of the Board

- (a) The Plan is administered by the Board which has power to:
 - (i) determine appropriate procedures for administration of the Plan consistent with these rules; and
 - (ii) 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 the Plan.
- (b) Except as otherwise expressly provided in this Plan, the Board has absolute and unfettered discretion to act or refrain from acting under or in connection with the Plan or any Incentives under the Plan and in the exercise of any power or discretion under the Plan.

10.3 Waiver of terms and conditions

Notwithstanding any other provisions of the Plan, the Board may at any time waive in whole or in part any terms or conditions (including any Vesting Condition) in relation to any Incentives granted to any Incentiveholder.

10.4 Dispute or disagreement

In the event of any dispute or disagreement as to the interpretation of the Plan, or as to any question or right arising from or related to the Plan or to any Incentives granted under it, the decision of the Board is final and binding.

10.5 Non-Australian residents

When an Incentive is granted under the Plan to a person who is not a resident of Australia the provisions of the Plan apply subject to such alterations or additions as the Board determines having regard to any applicable or relevant laws, matters of convenience and desirability and similar factors which may have application to the Incentiveholder or to any Group Company in relation to the Incentive.

10.6 Communication

- (a) Any notice or other communication under or in connection with the Plan may be given by personal delivery or by sending the same by post or facsimile or electronic means, in the case of a company to its registered office, and in the case of an individual to the individual's last notified address, or, where an Incentiveholder is a director or employee of a Group Company, either to the Incentiveholder's last known address or to the address of the place of business at which the Incentiveholder performs the whole or substantially the whole of the duties of the Incentiveholder's office or employment.

- (b) Where a notice or other communication is given by post, it is deemed to have been received 24 hours after it was put into the post properly addressed and stamped. Where a notice or other communication is given by facsimile, it is deemed to have been received on completion of transmission. Where a notice is given by electronic transmission, the notice is taken to have been served at the time the electronic transmission is sent.

10.7 Attorney

Each Incentiveholder, in consideration of an Invitation:

- (a) irrevocably appoints the Company and any person nominated from time to time by the Company (each an **attorney**), severally, as the Incentiveholder's attorney to complete and execute any documents including applications for Shares and Share transfers and to do all acts or things on behalf of and in the name of the Incentiveholder which may be convenient or necessary for the purpose of giving effect to the provisions of this Plan;
- (b) covenants that the Incentiveholder will ratify and confirm any act or thing done pursuant to this power;
- (c) releases each Group Company and the attorney from any liability whatsoever arising from the exercise of the powers conferred by this rule; and
- (d) indemnifies and holds harmless each Group Company and the attorney in respect thereof.

10.8 ASIC relief

- (a) Notwithstanding any other provisions of the Plan, every covenant or other provisions set out in an exemption or modification granted from time to time by ASIC in respect of the Plan pursuant to its power to exempt and modify the Corporations Act and required to be included in the Plan in order for that exemption or modification to have full effect, is deemed to be contained in the Plan.
- (b) To the extent that any covenant or other provision deemed by this rule to be contained in the Plan is inconsistent with any other provision in the Plan, the deemed covenant or other provision shall prevail.

10.9 Laws governing Plan

- (a) This Plan and any Incentives issued under it are governed by the laws of Victoria and the Commonwealth of Australia.
- (b) The Company and the Incentiveholders submit to the non-exclusive jurisdiction of the courts of Victoria.