

### **Terms and Conditions of the Broker Options**

- (a) Each Broker Option entitles the holder to, upon exercise, be issued one Share.
- (b) The exercise price of the Options is \$0.30 each.
- (c) The expiry date of a Broker Option is 36 months from issue.
- (d) The Broker Options may be exercised at any time prior to the expiry date, in whole or in part, upon payment of the exercise price per Broker Option.
- (e) The Broker Options are freely transferable subject to any restriction or escrow arrangements imposed by the Corporations Act and the ASX Listing Rules.
- (f) The holder of a Broker Option may not exercise less than 1,667 Broker Options at any one time unless the holder has less than 1,667 Options in which event the Holder must exercise all of the Broker Options together.
- (g) The Company will provide to each Broker Option holder a notice that is to be completed when exercising the Broker Options (Notice of Exercise). Broker Options may be exercised by the Broker Option holder in whole or in part by completing the Notice of Exercise and forwarding the same to the Share Registry to be received prior to the expiry date. The Notice of Exercise must state the number of Broker Options exercised, the consequent number of Shares to be issued and the identity of the proposed subscribers. The Notice of Exercise by a Broker Option holder must be accompanied by payment in full for the relevant number of Broker Options being exercised, being an amount of the exercise price per Broker Option.
- (h) All Shares issued upon the exercise of the Broker Options will rank equally in all respects with the Company's then issued Shares. The Company must apply to the ASX in accordance with the Listing Rules for all Shares pursuant to the exercise of Broker Options to be admitted to quotation.
- (i) There are no participating rights or entitlements inherent in the Broker Options and the holders will not be entitled to participate in new issues or pro-rata issues of capital to Shareholders during the term of the Broker Options. Thereby, the Option holder has no rights to a change in:
  - (i) the exercise price of the Broker Option; or
  - (ii) period of exercise of the Broker Option; or
  - (iii) except in the event of a Bonus Issue (defined below), a change to the number of underlying securities over which the Broker Option can be exercised.
- (j) The Company will ensure, for the purposes of determining entitlements to any issue, that Broker Option holder will be notified of a proposed issue after the issue is announced. This will give Broker Option holders the opportunity to exercise their Broker Options prior to the date for determining entitlements to participate in such issues.
- (k) If from time to time on or prior to the Expiry Date the Company makes a bonus issue of securities to holders of Shares in the Company (Bonus Issue), then upon exercise of his or her Broker Options a holder will be entitled to have issued to him or her (in addition to the Shares which he or she is otherwise entitled to have issued to him or her upon such exercise) the number of securities which would have been issued to him

or her under that Bonus Issue if the Broker Options had been exercised before the record date for the Bonus Issue.

- (l) In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of the Company, all rights of the Broker Option holder shall be reconstructed (as appropriate) in accordance with the ASX Listing Rules.