

SKIN ELEMENTS LIMITED

Terms and Conditions of Options

(a) Entitlement

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) Exercise Price

Subject to paragraph (l), the amount payable upon exercise of each Option will be \$0.20 (Exercise Price).

(c) Expiry Date

The expiry date of the Options is 5.00pm WST on 31 October 2018 (**Expiry Date**).

The Options may be exercised at any time prior to the Expiry Date (**Exercise Period**), in whole or in part, upon payment of the exercise price per Option. Options not exercised on or before the Expiry Date will expire and cease to carry any rights or benefits.

(d) Transferable

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

(e) Quotation

The Company will apply for the quotation of the Options on the ASX. Subject to spread requirements being met, the Options will be quoted on ASX.

(f) Notice of Exercise

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified by the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by cheque or electronic funds transfer or other means of payment acceptable to the Company.

The Options may be exercised by the Option holder in whole or in part. The Notice of Exercise must state the number of Options exercised, the consequent number of Shares to be issued and the identity of the proposed allottee.

(g) Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(h) Timing and Issue of Shares on Exercise

Within 15 Business Days after the later of the following:

a) receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised; and

b) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information. If there is no such information the relevant date will be the date of receipt of a Notice of Exercise as set out in paragraph (a) above, the Company will:

c) allot and issue the Shares pursuant to the exercise of the Options;

d) give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and

e) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

(i) Shares Issues on exercise

Subject to any ASX ruling regarding Restricted Securities, Shares issued on exercise of the Options rank equally with the then issued shares of the Company

(j) Participating rights

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) Reconstructions

The rights of the holders of Options will change to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

(l) Change in exercise price

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

SKIN ELEMENTS LIMITED

Terms and Conditions of Unlisted Options

(a) Entitlement

Each Unlisted Option entitles the holder to subscribe for one Share upon exercise of the Unlisted Option.

(b) Exercise Price

Subject to paragraph (l), the amount payable upon exercise of each Unlisted Option will be \$0.30 (Exercise Price).

(c) Expiry Date

The expiry date of the Unlisted Options is 5.00pm WST on 30 November 2018 (**Expiry Date**).

The Unlisted Options may be exercised at any time prior to the Expiry Date (**Exercise Period**), in whole or in part, upon payment of the exercise price per Unlisted Option. Unlisted Options not exercised on or before the Expiry Date will expire and cease to carry any rights or benefits.

(d) Transferable

The Unlisted Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

(e) Quotation

The Company will not apply for the quotation of the Unlisted Options on the ASX.

(f) Notice of Exercise

The Unlisted Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified by the Company (**Notice of Exercise**) and payment of the Exercise Price for each Unlisted Option being exercised in Australian currency by cheque or electronic funds transfer or other means of payment acceptable to the Company.

The Unlisted Options may be exercised by the Unlisted Option holder in whole or in part. The Notice of Exercise must state the number of Unlisted Options exercised, the consequent number of Shares to be issued and the identity of the proposed allottee.

(g) Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Unlisted Option being exercised in cleared funds (**Exercise Date**).

(h) Timing and Issue of Shares on Exercise

Within 15 Business Days after the later of the following:

a) receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Unlisted Option being exercised; and

b) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information. If there is no such information the relevant date will be the date of receipt of a Notice of Exercise as set out in paragraph (a) above, the Company will:

c) allot and issue the Shares pursuant to the exercise of the Unlisted Options;

d) give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and

e) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Unlisted Options.

(i) Shares Issues on exercise

Subject to any ASX ruling regarding Restricted Securities, Shares issued on exercise of the Unlisted Options rank equally with the then issued shares of the Company

(j) Participating rights

There are no participation rights or entitlements inherent in the Unlisted Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Unlisted Options without exercising the Unlisted Options.

(k) Reconstructions

The rights of the holders of Unlisted Options will change to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

(l) Change in exercise price

An Unlisted Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Unlisted Option can be exercised.