

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

SWIFT NETWORKS GROUP LIMITED

ABN

54 006 222 395

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |  |   |
|---|--|---|
| 1 | +Class of +securities issued or to be issued   | Deferred Options<br>Class A Performance Rights<br>Class B Performance Rights<br>Share Appreciation Rights   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | Deferred Options – 258,823<br>Class A Perf Rights – 739,406<br>Class B Perf Rights – 739,406<br>Share App Rights – 739,406  |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Deferred Options, Performance Rights and Share Appreciation Rights are issued under the Employee Incentive Plan (Plan) approved by shareholders on 27 October 2017.<br><br>Each Option, Performance Right and Share Appreciation Right entitles the holder to be issued one fully paid ordinary share on satisfaction of the performance conditions.<br><br>Full terms and conditions of the Deferred Options, Performance Rights and Share Appreciation Rights are attached. |

+ See chapter 19 for defined terms.

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4	<p>Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>the date from which they do</li> <li>the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>The Deferred Options, Performance Rights and Share Appreciation Rights will not be quoted or rank equally with any class of quoted security. However, the fully paid ordinary shares issued upon conversion of the Deferred Options, Performance Rights and Share Appreciation Rights will be quoted and rank equally with all other ordinary shares then on issue in the Company.</p>
5	Issue price or consideration	<p>The Deferred Options, Performance Rights and Share Appreciation Rights were issued for nil cash consideration under the Plan</p>
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	<p>The Deferred Options, Performance Rights and Share Appreciation Rights are issued to executives as long term incentives under the Plan.</p>
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	<p>Yes</p>
6b	The date the security holder resolution under rule 7.1A was passed	<p>27 October 2017</p>
6c	Number of +securities issued without security holder approval under rule 7.1	<p>Nil</p>
6d	Number of +securities issued with security holder approval under rule 7.1A	<p>Nil</p>
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	<p>Nil</p>

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6f	Number of securities issued under an exception in rule 7.2	Deferred Options – 258,823 Class A Perf Rights – 739,406 Class B Perf Rights – 739,406 Share App Rights – 739,406	
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N/A	
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	7.1 – 14,891,935 7.1A – 11,261,290	
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	30 October 2017	
8	Number and +class of all +securities quoted on ASX ( <i>including</i> the securities in section 2 if applicable)	Number	+Class
		70,604,906	Fully paid Ordinary Shares
		407,997	Fully paid Ordinary Shares subject to voluntary restriction until 22 Nov 2017
		900,000	Fully paid Ordinary Shares subject to voluntary restriction until 31 May 2018
		2,700,000	Fully paid Ordinary Shares subject to voluntary restriction until 31 August 2018

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9	Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)	Number	+Class
		38,000,000	Fully paid ordinary shares escrowed until 1 June 2018
		16,666,667	Class A Performance Shares. Conversion to ordinary shares at 1 ordinary share for 1 performance share. Escrowed until 1 June 2018
		16,666,667	Class B Performance Shares. Conversion to ordinary shares at 1 ordinary share for 1 performance share. Escrowed until 1 June 2018
		258,823	Deferred Options: Ex \$0.00, expiry 5 Sept 2022, vesting 5 Sept 2019.
		739,406	Class A Perf Rights. Conversion to 1 ordinary share for 1 performance right. Vesting 1 July 2019.
		739,406	Class B Perf Rights. Conversion to 1 ordinary share for 1 performance right. Vesting 1 July 2019
		739,406	Share App Rights. Conversion to 1 ordinary share for 1 share appreciation right. Vesting 1 July 2019
		8,640,000	Options: Ex \$0.25, expiry 30 April 2018
		6,933,333	Options Ex \$0.15. expiry 19 May 2021, escrowed until 1 June 2018
		1,000,000	Options Ex \$0.35 expiry 31 May 2021
		1,000,000	Options Ex \$0.42 expiry 31 May 2021

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10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A
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## Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the +securities will be offered	
14	+Class of +securities to which the offer relates	
15	+Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has +security holders who will not be sent new issue documents  <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	

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|----|---|--|
| 25 | If the issue is contingent on *security holders' approval, the date of the meeting  |  |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled  |  |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders |  |
| 28 | Date rights trading will begin (if applicable)  |  |
| 29 | Date rights trading will end (if applicable)  |  |
| 30 | How do *security holders sell their entitlements <i>in full</i> through a broker?   |  |
| 31 | How do *security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?  |  |
| 32 | How do *security holders dispose of their entitlements (except by sale through a broker)?   |  |
| 33 | +Despatch date  |  |

## Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

- 34 Type of securities  
(tick one)
- (a) ☒ Securities described in Part 1
- (b) ☐ All other securities
- Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

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+ See chapter 19 for defined terms.

### Entities that have ticked box 34(a) Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over
- 37 ☐ A copy of any trust deed for the additional +securities

### Entities that have ticked box 34(b)

- 38 Number of securities for which +quotation is sought N/A
- 39 Class of +securities for which quotation is sought N/A
- 40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?
- If the additional securities do not rank equally, please state:
- the date from which they do
  - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
  - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
- N/A
- 41 Reason for request for quotation now
- Example: In the case of restricted securities, end of restriction period
- (if issued upon conversion of another security, clearly identify that other security)
- N/A

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42	Number and +class of all +securities quoted on ASX (including the securities in clause 38)	Number	+Class
		N/A	N/A

### Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
  - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
  - There is no reason why those +securities should not be granted +quotation.
  - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
  - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
  - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:  
(Company Secretary)

Date: 30 October 2017

Print name: Stephen Hewitt-Dutton

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+ See chapter 19 for defined terms.



# Appendix 3B – Annexure 1

## Calculation of placement capacity under rule 7.1 and rule 7.1A for +eligible entities

Introduced 01/08/12

### Part 1

Rule 7.1 – Issues exceeding 15% of capital	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	80,825,054
<b>Add</b> the following: <ul style="list-style-type: none"> <li>Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>Number of fully paid ordinary securities issued in that 12 month period with shareholder approval</li> <li>Number of partly paid ordinary securities that became fully paid in that 12 month period</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>Include only ordinary securities here – other classes of equity securities cannot be added</li> <li>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</li> <li>It may be useful to set out issues of securities on different dates as separate line items</li> </ul>	800,000 – Exercise of options  30,987,849
<b>Subtract</b> the number of fully paid ordinary securities cancelled during that 12 month period	Nil
<b>“A”</b>	<b>112,612,903</b>

+ See chapter 19 for defined terms.

<b>Step 2: Calculate 15% of “A”</b>	
<b>“B”</b>	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply “A” by 0.15</b>	<b>16,891,935</b>
<b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>	
<p><b>Insert</b> number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> <li>• Under an exception in rule 7.2</li> <li>• Under rule 7.1A</li> <li>• With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li>• <i>Include here (if applicable ) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	2,000,000 31/03/2017 (Options)
<b>“C”</b>	<b>2,000,000</b>
<b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>	
<p><b>“A” x 0.15</b></p> <p><i>Note: number must be same as shown in Step 2</i></p>	<b>16,891,935</b>
<p><b>Subtract “C”</b></p> <p><i>Note: number must be same as shown in Step 3</i></p>	<b>2,000,000</b>
<b>Total [“A” x 0.15] – “C”</b>	<p><b>14,891,935</b></p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p>

+ See chapter 19 for defined terms.

## Part 2

<b>Rule 7.1A – Additional placement capacity for eligible entities</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b>  <i>Note: number must be same as shown in Step 1 of Part 1</i>	112,612,903
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10  <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	11,261,290
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <b>Notes:</b> <ul style="list-style-type: none"> <li>• This applies to equity securities – not just ordinary securities</li> <li>• Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</li> <li>• Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</li> <li>• It may be useful to set out issues of securities on different dates as separate line items</li> </ul>	Nil
<b>“E”</b>	Nil

+ See chapter 19 for defined terms.

<b>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</b>	
“A” x 0.10  <i>Note: number must be same as shown in Step 2</i>	11,261,290
<b>Subtract “E”</b>  <i>Note: number must be same as shown in Step 3</i>	Nil
<b>Total</b> [“A” x 0.10] – “E”	11,261,290  <i>Note: this is the remaining placement capacity under rule 7.1A</i>

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+ See chapter 19 for defined terms.

# ANNEXURE 2

## Deferred Option Terms and Conditions

The terms and conditions of the Options are set out below.

### **a) Entitlement**

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

### **b) Vesting Date and Expiry Date**

Each Option will vest on the date 2 years from the Grant Date of the Option (Vesting Date). Each Option will expire at 5.00pm (WST) on the date 3 years from the Vesting Date of the Option (Expiry Date).

### **c) Exercise Price**

Each Option will have an exercise price equal to \$Nil (Exercise Price).

### **d) Exercise period and lapsing**

Subject to clause (i), Options may be exercised at any time after the Vesting Date and prior to the Expiry Date. After this time, any unexercised Options will automatically lapse.

### **e) Exercise Notice and payment**

Options may be exercised by notice in writing to the Company (Exercise Notice) together with payment of the Exercise Price for each Option being exercised. Any Exercise Notice for an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt. Cheques paid in connection with the exercise of Options must be in Australian currency, made payable to the Company and crossed "Not Negotiable".

### **f) Shares issued on exercise**

Shares issued on exercise of Options will rank equally in all respects with existing Shares on issue.

### **g) Quotation of Shares**

Provided that the Company is quoted on ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

### **h) Timing of issue of Shares**

Subject to clause (i), within 5 business days after the later of the following:

- i. receipt of an Exercise Notice given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised by the Company if the Company is not in possession of excluded information (as defined in section 708A(7) of the Corporations Act); and
- ii. the date the Company ceases to be in possession of excluded information with respect to the Company (if any) following the receipt of the Notice of Exercise and payment of the Exercise Price for each Option being exercised by the Company,

the Company will:

- iii. allot and issue the Shares pursuant to the exercise of the Options;
- iv. give ASX a notice that complies with section 708A(5)(e) of the Corporations Act (to the extent that it is legally able to do so); and
- v. apply for official quotation on the ASX of the Shares issued pursuant to the exercise of the Options.

**i) Shareholder and regulatory approvals**

Notwithstanding any other provision of these terms and conditions, exercise of Options into Shares will be subject to the Company obtaining all required (if any) Shareholder and regulatory approvals for the purpose of issuing the Shares to the holder. If exercise of the Options would result in any person being in contravention of section 606(1) of the Corporations Act then the exercise of each Option that would cause the contravention will be deferred until such time or times that the exercise would not result in a contravention of section 606(1) of the Corporations Act. Holders must give notification to the Company in writing if they consider that the exercise of the Options may result in the contravention of section 606(1) of the Corporations Act, failing which the Company will be entitled to assume that the exercise of the Options will not result in any person being in contravention of section 606(1) of the Corporations Act.

**j) Participation in new issues**

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. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 4 business days after the issue is announced. This is intended to give the holders of Options the opportunity to exercise their Options prior to the announced record date for determining entitlements to participate in any such issue.

**k) 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):

- i. the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the holder would have received if the holder had exercised the Option before the record date for the bonus issue; and
- ii. no change will be made to the Exercise Price.

**l) Adjustment for rights issue**

If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment to the Exercise Price.

**m) Adjustments for reorganisation**

If there is any reconstruction of the issued share capital of the Company, the rights of the holders may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

**n) Quotation**

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

**o) Transferability**

Options can only be transferred with the prior written consent of the Company (which consent may be withheld in the Company's sole discretion).

# Performance Rights Terms and Conditions

The Performance Rights entitle the holder to subscribe for Shares on the terms and conditions set out below.

## Entitlement

Each Performance Right entitles the holder of the Performance Right to be issued one fully paid ordinary share in the Company, for no cash consideration, on these terms of issue including the performance condition(s) set out below.

## No cash consideration

The Performance Rights will be granted for no cash consideration.

## Vesting

If the Board determines, in its sole discretion, that the performance conditions for a class of Performance Rights set out below have been satisfied prior to the relevant expiry date then that class of Performance Rights will vest and be exercisable into Shares on a one for one basis.

Class	Performance Condition	Vesting and Expiry Date
Class A	<ul style="list-style-type: none"><li>If the Company achieves compound annual growth in Baseline EBITDA of 268%, 50% of the Performance Rights will vest.</li><li>If the Company achieves compound annual growth in Baseline EBITDA above 268% but less than 532%, between 50% and 100% of the Performance Rights will vest, on a pro rata straight line basis.</li><li>If the Company achieves compound annual growth in Baseline EBITDA above 532%, 100% of the Performance Rights will vest.</li></ul>	Vesting 1 July 2019, subject to the satisfaction of the Vesting Conditions  Expiry 5 September 2022.
Class B	<ul style="list-style-type: none"><li>If the Company's relative total shareholder return ranking is below P50th, 0% of the Performance Rights will vest.</li><li>If the Company's relative total shareholder return ranking is P50th, 50% of the Performance Rights will vest.</li><li>If the Company's relative total shareholder return ranking is between P50th and P75th, between 50% and 100% of the Performance Rights will vest, on a pro rata straight line basis.</li><li>If the Company's relative total shareholder return ranking is P75th and above, 100% of the Performance Rights will vest.</li></ul>	Vesting 1 July 2019, subject to the satisfaction of the Vesting Conditions  Expiry 5 September 2022.

## Lapse

If a performance condition is not satisfied by the relevant expiry date, then the relevant class of Performance Rights will automatically lapse.

## Exercise

Subject to satisfaction of the vesting conditions and any required approvals being received, Performance Rights may only be exercised by notice in writing to the Company (**Exercise Notice**). Any Exercise Notice for a Performance Right received by the Company will be deemed to be a notice of the exercise of that Performance Right as at the date of receipt. No exercise price, or share issue price, is payable

by the holder and the Company must issue the number of Shares, update the share register and issue and send to the holder an updated holding statement within 5 business days after receiving the notice.

### **Shares issued on exercise**

The Share issued upon vesting will rank equally in all respects with the Company's ordinary shares and the Company will apply to the ASX for official quotation of the Shares after they are issued.

### **Shareholder and regulatory approvals**

Notwithstanding any other provision of these terms and conditions, exercise of Performance Rights into Shares will be subject to the Company obtaining all required (if any) Shareholder and regulatory approvals for the purpose of issuing the Shares to the holder. If exercise of the Performance Rights would result in any person being in contravention of section 606(1) of the Corporations Act then the exercise of each Performance Right that would cause the contravention will be deferred until such time or times that the exercise would not result in a contravention of section 606(1) of the Corporations Act. Holders must give notification to the Company in writing if they consider that the exercise of the Performance Rights may result in the contravention of section 606(1) of the Corporations Act, failing which the Company will be entitled to assume that the exercise of the Performance Rights will not result in any person being in contravention of section 606(1) of the Corporations Act.

### **Participation in new issues**

There are no participation rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights.

### **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) the number of Shares which must be issued on the exercise of an Performance Right will be increased by the number of Shares which the holder would have received if the holder had exercised the Performance Right before the record date for the bonus issue.

### **Adjustment for rights issue**

If the Company makes a rights issue of Shares pro rata to existing Shareholders there will be no adjustment to these terms and conditions.

### **Adjustments for reorganisation**

If there is any reconstruction of the issued share capital of the Company, the rights of the holders may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

### **Quotation**

The Company will not apply for quotation of the Performance Rights on ASX.

### **Transferability**

Performance Rights can only be transferred with the prior written consent of the Company, which consent may be withheld in the Company's sole discretion.

### **Compliance with laws**

If the Corporations Act, the Listing Rules or the Constitution conflicts with these terms and conditions, or these terms and conditions do not comply with the Corporations Act, the Listing Rules or the Constitution, the holder authorises the Company to do anything necessary to rectify such conflict or non-compliance, including but not limited to unilaterally amending these terms and conditions.



# Share Appreciation Rights Terms and Conditions

The Share Appreciation Rights entitle the holder to subscribe for Shares on the terms and conditions set out below.

## Entitlement

Each Share Appreciation Right entitles the holder of the Share Appreciation Right to be issued one fully paid ordinary share in the Company, for no cash consideration, on these terms of issue including the condition(s) set out below.

## No cash consideration

The Share Appreciation Rights will be granted for no cash consideration.

## Vesting

If the Board determines, in its sole discretion, that the conditions for a class of Share Appreciation Rights set out below have been satisfied prior to the relevant expiry date then that class of Share Appreciation Rights will vest and be exercisable into Shares on a one for one basis.

Share Appreciation Condition	Vesting and Expiry Date
<ul style="list-style-type: none"><li>If cumulate growth in the grant price is less than 106%, nil Share Appreciation Rights will vest.</li><li>If cumulate growth in the grant price is 106%, 50% of the Share Appreciation Rights will vest.</li><li>If cumulate growth in the grant price is above 106% but less than 170%, between 50% and 100% of the Share Appreciation Rights will vest, on a pro rata straight line basis.</li><li>If cumulate growth in the grant price is above 170%, between 100% of the Share Appreciation Rights will vest.</li></ul>	<p>Vesting 1 July 2019, subject to the satisfaction of the Vesting Conditions</p> <p>Expiry 5 September 2022.</p>

## Lapse

If a condition is not satisfied by the relevant expiry date, then the relevant class of Share Appreciation Rights will automatically lapse.

## Exercise

Subject to satisfaction of the vesting conditions and any required approvals being received, Share Appreciation Rights may only be exercised by notice in writing to the Company (**Exercise Notice**). Any Exercise Notice for a Share Appreciation Right received by the Company will be deemed to be a notice of the exercise of that Share Appreciation Right as at the date of receipt. No exercise price, or share issue price, is payable by the holder and the Company must issue the number of Shares, update the share register and issue and send to the holder an updated holding statement within 5 business days after receiving the notice.

## Shares issued on exercise

The Share issued upon vesting will rank equally in all respects with the Company's ordinary shares and the Company will apply to the ASX for official quotation of the Shares after they are issued.

## Shareholder and regulatory approvals

Notwithstanding any other provision of these terms and conditions, exercise of Share Appreciation Rights into Shares will be subject to the Company obtaining all required (if any) Shareholder and regulatory approvals for the purpose of issuing the Shares to the holder. If exercise of the Share

Appreciation Rights would result in any person being in contravention of section 606(1) of the Corporations Act then the exercise of each Share Appreciation Right that would cause the contravention will be deferred until such time or times that the exercise would not result in a contravention of section 606(1) of the Corporations Act. Holders must give notification to the Company in writing if they consider that the exercise of the Share Appreciation Rights may result in the contravention of section 606(1) of the Corporations Act, failing which the Company will be entitled to assume that the exercise of the Share Appreciation Rights will not result in any person being in contravention of section 606(1) of the Corporations Act.

#### **Participation in new issues**

There are no participation rights or entitlements inherent in the Share Appreciation Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Share Appreciation Rights.

#### **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) the number of Shares which must be issued on the exercise of an Share Appreciation Right will be increased by the number of Shares which the holder would have received if the holder had exercised the Share Appreciation Right before the record date for the bonus issue.

#### **Adjustment for rights issue**

If the Company makes a rights issue of Shares pro rata to existing Shareholders there will be no adjustment to these terms and conditions.

#### **Adjustments for reorganisation**

If there is any reconstruction of the issued share capital of the Company, the rights of the holders may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

#### **Quotation**

The Company will not apply for quotation of the Share Appreciation Rights on ASX.

#### **Transferability**

Share Appreciation Rights can only be transferred with the prior written consent of the Company, which consent may be withheld in the Company's sole discretion.

#### **Compliance with laws**

If the Corporations Act, the Listing Rules or the Constitution conflicts with these terms and conditions, or these terms and conditions do not comply with the Corporations Act, the Listing Rules or the Constitution, the holder authorises the Company to do anything necessary to rectify such conflict or non-compliance, including but not limited to unilaterally amending these terms and conditions.