



17 August 2018

PT Bayan to acquire 100% of Kangaroo at \$0.15 per share

Kangaroo Resources Limited (ASX: KRL) (**Kangaroo Resources** or the **Company**) is pleased to announce that it has entered into a binding Scheme Implementation Deed (**SID**) with its majority shareholder, PT. Bayan Resources, Tbk (**PT Bayan**). The SID provides that PT Bayan will acquire all of the issued shares in the Company that it does not already own, by way of an Australian Court approved Scheme of Arrangement, for an offer consideration of \$0.15 per share (**Proposal**).

PT Bayan currently holds approximately 56.05% of Kangaroo Resources shares. If the Scheme of Arrangement is approved and declared effective, Kangaroo Resources' shareholders other than PT Bayan (**Minority Shareholders**) will receive cash consideration of \$0.15 for each Kangaroo Resources share they own.

UNANIMOUS RECOMMENDATION

The Proposal has been considered by the directors of Kangaroo Resources who are independent from PT Bayan (**Independent Directors**). In the absence of a superior proposal and subject to an independent expert concluding that the Proposal is in the best interests of the Minority Shareholders, the Independent Directors unanimously support the Proposal and intend to recommend that Kangaroo Resources shareholders vote in favour of the Proposal. Subject to the same qualifications, the Independent Directors intend to vote, or cause the voting of any shares in which they have relevant interests, in favour of the Proposal.

The Independent Directors have appointed KPMG Corporate Finance to prepare the requisite independent expert's report in relation to the Proposal.

OFFER PRICE

The offer price of \$0.15 per Kangaroo Resources share represents a substantial premium to the historical trading price of Kangaroo Resources shares as set out below:

- 275% premium to the closing share price on 4 May 2018, being the last trading date before 8 May 2018, the date on which Kangaroo Resources announced that it was at a preliminary stage of entering into a confidentiality deed and discussions regarding a potential transaction with PT Bayan;

- 615% premium to the 3 month Volume Weighted Average Price of \$0.0297 preceding the announcement dated 8 May 2018; and
- 100% premium to Volume Weighted Average Price of \$0.075 following the 8 May 2018 announcement and up to the date of this announcement.

KEY CONDITIONS FOR IMPLEMENTATION OF THE PROPOSAL

Key conditions to the implementation of the Proposal include:

- Minority Shareholder approval (requiring approval of a majority in number of Minority Shareholders voting and approval of Minority Shareholders who represent at least 75% of the total votes cast);
- Australian Foreign Investment Review Board (**FIRB**) approval;
- The independent expert, KPMG Corporate Finance, opining that the Proposal is in the best interests of Minority Shareholders;
- Court approval; and
- No material adverse change, 'prescribed occurrence' or regulatory restraint.

The SID includes customary deal protection and exclusivity terms, including “no shop”, “no talk”, “notification”, “matching” obligations and a break fee that is payable by the Company to PT Bayan in certain circumstances.

Full details of the conditions of the Proposal are set out in the SID, a copy of which is **attached** to this announcement.

INDICATIVE TIMETABLE

Action	Date
First Court Hearing	5 October 2018
Kangaroo Resources to dispatch Scheme Documents to its shareholders	11 October 2018
Scheme Meeting	16 November 2018
Second Court Hearing	23 November 2018
Effective Date	26 November 2018
Implementation Date	6 December 2018

ADVISERS

Kangaroo Resources is being advised by legal adviser, HopgoodGanim Lawyers. Deloitte Financial Advisory Pty Limited acts as financial adviser to the Independent Directors.

PT Bayan is being advised by legal adviser Allens.

ABOUT KANGAROO

The Company's primary focus has been to create shareholder value through the development and eventual production of thermal coal from its Pakar North, Pakar South and GPK projects in East Kalimantan, Indonesia, leveraging off its contractual rights to utilise up to 30% of the available capacity at PT Bayan's infrastructure assets, principally the Tabang haul road and Senyur Port. The parties have also entered into a Strategic Agreement which provides a more formalised framework of cooperation and support to enable the parties' coal mining projects to be co-developed in order to maximise use of the infrastructure and allow both Bayan and the Company to optimise outputs and profitability from their respective projects.

ABOUT PT BAYAN

PT Bayan is an integrated coal group primarily engaged in open cut coal mining and is listed on the Indonesian Stock Exchange (IDX:BYAN). PT Bayan produces the majority of its environmentally-friendly low sulphur, sub-bituminous coal from its world-class Tabang/Pakar Project located in East Kalimantan. PT Bayan differentiates itself by integrating each of the productions stages, being mining, processing and logistics, via the ownership of processing infrastructure at each of its mines and operating a number of barging and transshipment terminals.

PT. Bayan Resources, Tbk
Kangaroo Resources Limited

Scheme Implementation Deed

Allens
Deutsche Bank Place
Corner Hunter and Phillip Streets
Sydney NSW 2000
T +61 2 9230 4000
F +61 2 9230 5333
www.allens.com.au

© Allens, Australia 2018

Contents

1	Definitions and Interpretation	4
1.1	Definitions	4
1.2	Interpretation	8
1.3	Business Day	9
1.4	Best and reasonable endeavours	9
1.5	Consents or approvals	10
1.6	Listing requirements included as law	10
2	Agreement to Proceed with Scheme	10
2.1	Kangaroo to propose the Scheme	10
2.2	Bayan to assist	10
3	Conditions Precedent and Pre-implementation Steps	10
3.1	Conditions precedent	10
3.2	Best endeavours and co-operation	11
3.3	Waiver of conditions precedent	11
3.4	Notifications	12
3.5	Failure of conditions precedent	12
3.6	Certificates in relation to conditions precedent	13
4	Transaction Steps	13
4.1	Scheme	13
4.2	Scheme Consideration	13
4.3	Provision of Scheme Consideration	14
5	Implementation	14
5.1	Kangaroo's obligations	14
5.2	Appeal process	17
5.3	Bayan's obligations	17
5.4	Appointment of directors	18
6	Conduct of business and requests for access	18
6.1	Conduct of Kangaroo business	18
6.2	Access to information and co-operation	19
7	Kangaroo IBC recommendation	20
8	Representations and Warranties	20
8.1	Bayan Representations and Warranties	20
8.2	Kangaroo Representations and Warranties	21
8.3	Timing of representations and warranties	21
8.4	Survival of representations	21
9	Indemnities and Releases	21
9.1	Kangaroo Parties	21
9.2	Bayan Parties	21
10	Public Announcements	22
10.1	Announcement of the Transaction	22
10.2	Other public announcements	22
11	Exclusivity	22
11.1	Termination of existing discussions	22
11.2	No shop restriction	22
11.3	No talk restriction	22

11.4	No due diligence	22
11.5	Notification by Kangaroo	23
11.6	Response to Competing Proposal	23
11.7	Normal provision of information	24
12	Break Fee	24
12.1	Background	24
12.2	Payment of Break Fee	24
12.3	Payment conditions	25
12.4	Timing of payment	25
12.5	Nature of payment	25
12.6	Compliance with law	25
13	Termination	25
13.1	General rights	25
13.2	Effect of termination	26
13.3	Termination by written agreement	26
14	Confidentiality	26
15	GST	26
15.1	Recovery of GST	26
15.2	Liability net of GST	26
15.3	Adjustment events	27
15.4	Survival	27
15.5	GST Amount payable in respect of Break Fee	27
15.6	Definitions	27
16	Notices	27
17	General Provisions	28
17.1	Amendment	28
17.2	Assignment	28
17.3	Costs and stamp duty	28
17.4	Counterparts	29
17.5	Entire agreement	29
17.6	Further assurances	29
17.7	Governing law and jurisdiction	29
17.8	Process Agent	29
17.9	No merger	29
17.10	No waiver	29
17.11	Severability of provisions	29
	Schedule 1 – Bayan Representations and Warranties	30
	Schedule 2 – Kangaroo Representations and Warranties	31
	Schedule 3 – Kangaroo Prescribed Occurrences	32
	Annexure A – Form of Scheme	35
1	Definitions and interpretation	35
2	Preliminary	37
3	Conditions	38
4	Implementation	38
5	Scheme Consideration	39
6	Dealings in Kangaroo Shares	40

7	Quotation of Kangaroo Shares	41
8	General Scheme Provisions	41
9	General	42
	Annexure B – Deed Poll	44
1	Definitions and interpretation	44
2	Conditions	45
3	Scheme Consideration	45
4	Warranties	45
5	Continuing Obligations	46
6	Notices	46
7	General Provisions	47
	Annexure C – Timetable	50

This Deed is made on 16 August 2018

Parties

- 1 **PT. Bayan Resources, Tbk** incorporated in Indonesia of Office 8 Building, 36th Floor, Sudirman CBD Lot 28, Jl. Jenderal Sudirman Kav. 52-53, Jakarta Selatan 12190, Indonesia (**Bayan**); and
- 2 **Kangaroo Resources Limited** (ACN 120 284 040) registered in Western Australia of Suite 9, Level 2, 389 Oxford Street, Mount Hawthorn WA 6016, Australia (**Kangaroo**).

Recitals

- A The parties have agreed that Bayan will acquire all of the Scheme Shares by means of a scheme of arrangement under Part 5.1 of the Corporations Act between Kangaroo and its shareholders.
- B Kangaroo has agreed to propose and implement the Scheme, and Bayan has agreed to assist Kangaroo to propose and implement the Scheme, on the terms of this deed.

It is agreed as follows.

1 Definitions and Interpretation

1.1 Definitions

The following definitions apply unless the context requires otherwise.

Adviser means, in relation to an entity:

- (a) a financier to the entity in connection with the Transaction; or
- (b) a financial, corporate, legal, or other expert adviser or consultant, who provides advisory or consultancy services in a professional capacity in the ordinary course of its business and has been engaged in that capacity in connection with the Transaction by the entity.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691) or, as the context requires, the financial market known as the Australian Securities Exchange operated by it.

ASX Listing Rules means the official listing rules of the ASX.

Bayan Group means Bayan and each of its related bodies corporate (excluding, at any time, Kangaroo and its subsidiaries). A reference to a **member of the Bayan Group** is a reference to Bayan or any such related body corporate.

Bayan Information means information in respect of the Bayan Group provided by Bayan or any of its Advisers to Kangaroo, or otherwise approved by Bayan in writing for inclusion in the Scheme Booklet.

Bayan Party means any member of the Bayan Group or any officer, employee or Adviser of any member of the Bayan Group.

Bayan Representation and Warranty means a representation and warranty of Bayan set out in Schedule 1.

Break Fee means \$2,250,000.

Business Day means a business day as defined in the ASX Listing Rules.

Claim means, in relation to a person, a demand, claim, action or proceeding made or brought by

or against the person, however arising and whether present, unascertained, immediate, future or contingent.

Competing Proposal means an offer, proposal, transaction or arrangement, pursuant to which a Third Party will, if the transaction or arrangement is entered into or completed:

- (a) acquire an interest in (whether directly or indirectly) or become the holder of 20% or more of the business or assets of the Kangaroo Group taken as a whole;
- (b) acquire a relevant interest in 20% or more of the Kangaroo Shares;
- (c) acquire control of Kangaroo or a subsidiary of Kangaroo within the meaning of section 50AA of the Corporations Act or otherwise acquire or merge with Kangaroo or any of its subsidiaries,

whether by way of takeover bid, scheme of arrangement, shareholder approved transaction, capital reduction or buy-back, sale or purchase of shares or assets, joint venture, dual-listed company structure (or other synthetic merger), or other transaction or arrangement.

Condition Precedent means each of the conditions set out in clause 3.1.

Confidentiality Deed means the confidentiality deed between Bayan and Kangaroo dated 15 May 2018.

Corporations Act means the Corporations Act 2001 (Cth).

Court means the Federal Court of Australia (Western Australia Registry) or such other court of competent jurisdiction under the Corporations Act agreed to in writing between the parties.

Deed Poll means a deed poll in favour of all Scheme Shareholders in the form of Annexure B (or such other form agreed to in writing between the parties).

Disclosure Letter means the letter from Kangaroo to Bayan, provided on or before the date of this Deed, which contains disclosures in respect of the Kangaroo Prescribed Occurrences and conduct of Kangaroo's business after the date of this Deed.

Effective means the coming into effect under section 411(10) of the Corporations Act of the order of the Court made under section 411(4)(b) and section 411(6) of the Corporations Act in relation to the Scheme.

Effective Date means the date on which the Scheme becomes Effective.

End Date means 1 June 2019, subject to any extension under clause 3.5.

Excluded Share means a Kangaroo Share held by any person on behalf of, or for the benefit of, Bayan or any of its related bodies corporate (which, for the avoidance of doubt, as at the date of this deed includes the Kangaroo Shares held by Bayan).

Excluded Shareholder means a holder of Excluded Shares.

Exclusivity Period means the period from and including the date of this deed to the earlier of:

- (a) the termination of this deed; and
- (b) the End Date.

FATA means the Foreign Acquisitions and Takeovers Act 1975 (Cth).

First Court Date means the first day on which an application made to the Court for orders under section 411(1) of the Corporations Act that the Scheme Meeting be convened is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard.

Government Agency means any Australian or foreign government or governmental, semi-

governmental or judicial entity or authority. It also includes any self-regulatory organisation established under statute or any securities exchange.

Implementation Date means the third Business Day after the Scheme Record Date or such other date agreed to in writing between Bayan and Kangaroo.

Independent Expert means the independent expert in respect of the Scheme appointed by Kangaroo to prepare the Independent Expert's Report.

Independent Expert's Report means a report (including any updates to such report) of the Independent Expert stating whether or not in its opinion the Scheme is in the best interests of Kangaroo Shareholders (other than Excluded Shareholders).

Insolvency Event means, in the case of any entity:

- (a) it ceases, suspends, or threatens to cease or suspend the conduct of all or a substantial part of its business or disposes of or threatens to dispose of all or a substantial part of its assets;
- (b) it stops or suspends or threatens to stop or suspend payment of all or a class of its debts;
- (c) it is, or under legislation is presumed or taken to be, insolvent (other than as the result of a failure to pay a debt or Claim the subject of a good faith dispute);
- (d) it has an administrator, controller or similar officer appointed, or any step preliminary to the appointment of such an officer is taken;
- (e) an application or an order is made, proceedings are commenced, a resolution is passed or proposed in a notice of meeting, an application to a court or other steps are taken for:
 - (i) its winding up, dissolution or administration; or
 - (ii) it entering into an arrangement, compromise or composition with, or assignment for, the benefit of its creditors or a class of them,(other than frivolous or vexatious applications, orders, proceedings, notices or steps);
 - a:
 - (iii) receiver, receiver and manager, administrative receiver or similar officer is appointed to;
 - (iv) security interest becomes enforceable or is enforced over; or
 - (v) distress, attachment or other execution is levied or enforced or applied for over, all or a substantial part of its assets; or
- (f) anything analogous to anything referred to in the above paragraphs, or which has substantially similar effect, occurs with respect to it, including under any foreign law.

Kangaroo Board means the board of directors of Kangaroo.

Kangaroo Group means Kangaroo and each of its subsidiaries. A reference to a **member of the Kangaroo Group** is a reference to Kangaroo or any such subsidiary.

Kangaroo IBC means the independent committee of the Kangaroo Board which, as at the date of this deed, consists of Damien Henderson, Trevor Butcher, Susmit Shah and Darcy Wentworth (unless a director is incapacitated or otherwise unable to act in that capacity over the course of the Scheme process).

Kangaroo Material Adverse Change means any event, occurrence or matter that individually or when aggregated with all such events, occurrences or matters:

- (a) diminishes or is reasonably likely to diminish the consolidated net assets of the Kangaroo Group by an amount equal to \$10,000,000 or more as compared to the consolidated net assets as set out in its consolidated balance sheet as at 31 December 2017;
- (b) has the result that the Kangaroo Group is unable to carry on its business in substantially the same manner as carried on as at the date of this deed, or that otherwise materially and adversely affects the prospects of the Kangaroo Group,

in each case other than an event, occurrence or matter:

- (c) required or permitted by this deed or the Scheme;
- (d) notified to ASX or fully and fairly disclosed in a document lodged with ASIC by or on behalf of Kangaroo prior to the date of this deed; or
- (e) relating to or arising from any material adverse change in general economic, regulatory or political conditions (including financial market fluctuations, changes in interest rates or changes in foreign currency exchange rates).

Kangaroo Party means any member of the Kangaroo Group or any officer, employee or Adviser of any member of the Kangaroo Group.

Kangaroo Prescribed Occurrence means any of the occurrences set out in Schedule 3, other than an occurrence:

- (a) required or permitted by this deed or the Scheme; or
- (b) notified to ASX or fully and fairly disclosed in a document lodged with ASIC by or on behalf of Kangaroo prior to the date of this deed.

Kangaroo Registry means Advanced Share Registry Limited (ABN 14 127 175 946) or any replacement provider of share registry services to Kangaroo.

Kangaroo Representation and Warranty means a representation and warranty of Kangaroo set out in Schedule 2.

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

Kangaroo Shareholder means a person who is registered as the holder of Kangaroo Shares from time to time.

Kangaroo Share Register means the register of members of Kangaroo maintained in accordance with the Corporations Act.

Order means any decree, judgment, injunction, direction, writ or other order, whether temporary, preliminary or permanent, made or given by a court of competent jurisdiction or by another Government Agency.

Recommendation has the meaning given in clause 7(a).

Relevant Interest has the meaning given in sections 608 and 609 of the Corporations Act.

Representative means, in relation to Bayan or Kangaroo:

- (a) each other member of the Bayan Group or Kangaroo Group (as applicable);
- (b) an officer of a member of the Bayan Group or Kangaroo Group (as applicable); or
- (c) an Adviser to a member of the Bayan Group or Kangaroo Group (as applicable).

Scheme means the scheme of arrangement under Part 5.1 of the Corporations Act between Kangaroo and the Scheme Shareholders in the form of Annexure A (or such other form agreed to in writing between the parties).

Scheme Booklet means the information described in clause 5.1(a) to be approved by the Court and despatched to Kangaroo Shareholders and which must include the Scheme, an explanatory statement complying with the requirements of the Corporations Act, the Independent Expert's Report, notice of the Scheme Meeting and a proxy form for the Scheme Meeting.

Scheme Consideration means, in respect of each Scheme Share, \$0.15.

Scheme Meeting means the meeting of Kangaroo Shareholders ordered by the Court to be convened under section 411(1) of the Corporations Act.

Scheme Record Date means 7pm on the fifth Business Day after the Effective Date or such other time and date agreed to in writing between the parties.

Scheme Share means a Kangaroo Share on issue as at the Scheme Record Date other than the Excluded Shares.

Scheme Shareholder means a person registered in the Kangaroo Register as the holder of one or more Scheme Shares at the Scheme Record Date.

Second Court Date means the first day on which an application made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard.

Superior Proposal means a bona fide publicly announced Competing Proposal received after the date of this deed (that has not been solicited, invited, encouraged or initiated in breach of clauses 11.2, 11.3 or 11.4) that the Kangaroo IBC determines, acting in good faith and in order to satisfy what the Kangaroo IBC considers to be its fiduciary or statutory duties (and after consulting with Kangaroo's external legal and, if appropriate, financial advisers):

- (a) is reasonably capable of being valued and implemented, taking into account all aspects of the Competing Proposal including the identity and financial capacity of the party making the proposal;
- (b) is reasonably capable of being completed on a timely basis and is not substantially more conditional than the Scheme as at the time of announcement of the Scheme; and
- (c) would, if completed substantially in accordance with its terms, be more favourable to Kangaroo Shareholders (other than the Excluded Shareholders) than the Scheme, taking into account all the terms and conditions of the Competing Proposal.

Third Party means a person other than a Bayan Party and their associates.

Timetable means the indicative timetable for the implementation of the Transaction set out in Annexure C.

Transaction means the acquisition of the Scheme Shares by Bayan through implementation of the Scheme in accordance with the terms of this deed.

Voting Intention has the meaning given in clause 7(a).

1.2 Interpretation

Headings are for convenience only and do not affect interpretation. The following rules apply unless the context requires otherwise.

- (a) The singular includes the plural, and the converse also applies.
- (b) A gender includes all genders.
- (c) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.

- (d) A reference to a person, corporation, trust, partnership, unincorporated body or other entity includes any of them.
- (e) A reference to a clause, schedule or annexure is a reference to a clause of, or schedule or annexure to, this deed.
- (f) A reference to an *agreement* or *document* (including a reference to this deed) is to the agreement or document as amended, supplemented, novated or replaced, except to the extent prohibited by this deed or that other agreement or document, and includes the recitals, schedules and annexures to that agreement or document.
- (g) A reference to a party to this deed or another agreement or document includes the party's successors, permitted substitutes and permitted assigns (and, where applicable, the party's legal personal representatives).
- (h) A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.
- (i) A reference to conduct includes an omission, statement or undertaking, whether or not in writing.
- (j) A reference to an *agreement* includes any undertaking, deed, agreement and legally enforceable arrangement, whether or not in writing, and a reference to a *document* includes an agreement (as so defined) in writing and any certificate, notice, instrument and document of any kind.
- (k) A reference to *dollars* and \$ is to Australian currency.
- (l) All references to time are to Perth, Australia time.
- (m) Mentioning anything after *includes*, *including*, *for example*, or similar expressions, does not limit what else might be included.
- (n) Nothing in this deed is to be interpreted against a party solely on the ground that the party put forward this deed or a relevant part of it.
- (o) A reference to *associate*, *control* (by an entity of another entity), *officer*, *related body corporate*, *subsidiary*, *relevant interest* or *voting power* is to that term as it is defined in the Corporations Act.

1.3 Business Day

Where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the next Business Day.

1.4 Best and reasonable endeavours

A reference to a party using or obligation on a party to use its best endeavours or reasonable endeavours or all reasonable endeavours does not oblige that party to:

- (a) pay money:
 - (i) in the form of an inducement or consideration to a third party to procure something (other than the payment of immaterial expenses or costs, including costs of advisers, to procure the relevant thing); or
 - (ii) in circumstances that are commercially onerous or unreasonable in the context of this deed;
- (b) provide other valuable consideration to or for the benefit of any person; or
- (c) agree to commercially onerous or unreasonable conditions.

1.5 Consents or approvals

If the doing of any act, matter or thing under this deed is dependent on the waiver, consent or approval of a party or is within the discretion of a party, the waiver, consent or approval may be given or the discretion may be exercised conditionally or unconditionally or withheld by the party in its absolute discretion unless expressly provided otherwise.

1.6 Listing requirements included as law

A listing rule or business rule of a securities exchange will be regarded as a *law*, and a reference to such a rule is to be taken to be subject to any waiver or exemption granted to a party.

2 Agreement to Proceed with Scheme

2.1 Kangaroo to propose the Scheme

Kangaroo agrees to propose and implement the Scheme on and subject to the terms of this deed.

2.2 Bayan to assist

Bayan agrees to assist Kangaroo to propose and implement the Scheme on and subject to the terms of this deed.

3 Conditions Precedent and Pre-implementation Steps

3.1 Conditions precedent

Subject to this clause 3, the Scheme will not become Effective, and the obligations of Bayan under clause 4.3 are not binding, unless each of the following Conditions Precedent is satisfied or waived in accordance with clauses 3.2 and 3.3:

Conditions precedent for the benefit of both parties

- (a) **(FIRB approval)** before 8am on the Second Court Date, the Treasurer of the Commonwealth of Australia (or his delegate) either:
 - (i) provides written notice that there are no objections under FATA to the Transaction, and that notice is not subject to any condition or is subject only to:
 - (A) tax-related conditions which are in the form, or substantially in the form, of those set out in Part A of Attachment A of the Australian Foreign Investment Review Board's Guidance Note 47 on 'Tax Conditions' (in the form released on 24 November 2016); or
 - (B) any other conditions that Bayan considers to be acceptable; or
 - (ii) becomes precluded by passage of time from making any order or decision under Division 2 of Part 3 of FATA in respect of the Transaction;
- (b) **(Kangaroo Shareholder approval)** Kangaroo Shareholders, excluding Excluded Shareholders, approve the Scheme by the requisite majorities under section 411(4)(a)(ii) of the Corporations Act at the Scheme Meeting;
- (c) **(Court approval)** the Court approves the Scheme in accordance with section 411(4)(b) of the Corporations Act; and
- (d) **(no restraints)** no judgment, order, degree, statute, law, ordinance, rule or regulation or other temporary restraining order, preliminary or permanent injunction, restraint or prohibition entered, enacted, promulgated, enforced or issued by any court or any Public Authority of competent jurisdiction is in effect as at 8am on the Second Court Date that

prohibits, materially restricts, makes illegal or restrains the implementation of the Scheme.

Conditions precedent for the benefit of Bayan only

- (e) **(No Kangaroo Material Adverse Change)** no Kangaroo Material Adverse Change occurs, or is discovered, announced or disclosed or otherwise becomes known to Kangaroo, between the date of this deed and 8am on the Second Court Date;
- (f) **(No Kangaroo Prescribed Occurrence)** no Kangaroo Prescribed Occurrence occurs between the date of this deed and 8am on the Second Court Date; and
- (g) **(Kangaroo Representations and Warranties)** each Kangaroo Representation and Warranty is true and correct in all material respects on the date of this deed and at 8am on the Second Court Date.

Conditions precedent for the benefit of Kangaroo only

- (h) **(Independent Expert's Report)** the Independent Expert issues its report which concludes that the Scheme is in the best interests of Scheme Shareholders before the date on which the Scheme Booklet is registered by ASIC under the Corporations Act and the Independent Expert does not change its conclusions or withdraw its report prior to 8.00 am on the Second Court Date; and
- (i) **(Bayan Representations and Warranties)** each Bayan Representation and Warranty is true and correct in all material respects on the date of this deed and at 8am on the Second Court Date.

3.2 Best endeavours and co-operation

Without prejudice to any other obligations of the parties under this deed:

- (a) Bayan must use its best endeavours to satisfy, or procure the satisfaction of, the Conditions Precedent in clauses 3.1(a) and 3.1(i);
- (b) Kangaroo must use its best endeavours to satisfy, or procure the satisfaction of, the Conditions Precedent in clauses 3.1(b), 3.1(c), 3.1(e), 3.1(f) and 3.1(g);
- (c) each party must, to the extent it is within its power to do so, use its best endeavours to satisfy, or procure the satisfaction of, the Conditions Precedent in clauses 3.1(d) and 3.1(h); and
- (d) no party will take any action that will or is likely to hinder or prevent the satisfaction of any conditions precedent, except to the extent that such action is required to be done or procured pursuant to, or is otherwise permitted by, the Transaction Documents, or is required by law.

3.3 Waiver of conditions precedent

- (a) The Conditions Precedent in clauses 3.1(a) to 3.1(d) are for the benefit of Kangaroo and Bayan, and any breach or non-satisfaction of any of those Conditions Precedent cannot be waived.
- (b) The Conditions Precedent in clauses 3.1(e) to 3.1(g) are for the sole benefit of Bayan, and any breach or non-satisfaction of those Conditions Precedent may only be waived by Bayan (in its absolute discretion) in writing.
- (c) The Conditions Precedent in clauses 3.1(h) and 3.1(i) are for the sole benefit of Kangaroo, and any breach or non-satisfaction of those Conditions Precedent may only be waived by Kangaroo (in its absolute discretion) in writing.

- (d) If a waiver by a party of a Condition Precedent is itself expressed to be conditional and the other party accepts the conditions, the terms of the conditions apply accordingly. If the other party does not accept the conditions, the relevant Condition Precedent has not been waived.
- (e) If a party waives the breach or non-satisfaction of a Condition Precedent, that waiver will not preclude it from suing the other party for any breach of this deed constituted by the same event that gave rise to the breach or non-satisfaction of the Condition Precedent.
- (f) Waiver of a breach or non-satisfaction in respect of one Condition Precedent does not constitute:
 - (i) a waiver of breach or non-satisfaction of any other Condition Precedent resulting from the same events or circumstances; or
 - (ii) a waiver of breach or non-satisfaction of that Condition Precedent resulting from any other event or circumstance.

3.4 Notifications

Each party must:

- (a) keep the other party promptly and reasonably informed of the steps it has taken and of its progress towards satisfaction of the Conditions Precedent;
- (b) promptly notify the other party in writing if it becomes aware that any Condition Precedent has been satisfied, in which case the notifying party must also provide reasonable evidence that the Condition Precedent has been satisfied; and
- (c) promptly notify the other party in writing of a failure to satisfy a Condition Precedent or of any fact or circumstance that results in that Condition Precedent becoming incapable of being satisfied or that may result in that Condition Precedent not being satisfied in accordance with its terms.

3.5 Failure of conditions precedent

- (a) If:
 - (i) there is a breach or non-satisfaction of a Condition Precedent which is not waived in accordance with this deed by the time or date specified in this deed for the satisfaction of the Condition Precedent;
 - (ii) there is an act, failure to act or occurrence which will prevent a Condition Precedent being satisfied by the time or date specified in this deed for the satisfaction of the Condition Precedent (and the breach or non-satisfaction which would otherwise occur has not already been waived in accordance with this deed); or
 - (iii) the Scheme will not become Effective by the End Date,then either party may serve a written notice on the other party, and the parties must consult in good faith with a view to determining whether:
 - (iv) the Scheme or the Transaction may proceed by way of alternative means or methods;
 - (v) to extend the relevant time or date for satisfaction of the Condition Precedent;
 - (vi) to change the First Court Date or to adjourn the application for the First Court Order to another date agreed by the parties;

- (vii) to change the Second Court Date or to adjourn the application for the Second Court Order to another date agreed by the parties; and/or
 - (viii) to extend the End Date.
- (b) If Kangaroo and Bayan are unable to reach agreement under clauses 3.5(a)(iv), 3.5(a)(v), 3.5(a)(vi), 3.5(a)(vii) or 3.5(a)(viii) within 5 Business Days after the delivery of the notice under that clause or any shorter period ending at 5pm on the day before the Second Court Date, either party may terminate this deed by notice in writing to the other party, provided that:
 - (i) the Condition Precedent to which the notice relates is for the benefit of that party (whether or not the Condition Precedent is also for the benefit of the other party); and
 - (ii) there has been no failure by that party to comply with its obligations under this deed, where that failure directly and materially contributed to the Condition Precedent to which the notice relates becoming incapable of satisfaction, or being breached or not fulfilled before the End Date,in which case clause 13.2 will have effect.

3.6 Certificates in relation to conditions precedent

- (a) On the Second Court Date each party must provide to the Court a certificate (or such other evidence as the Court may request) confirming (in respect of matters within its knowledge) whether or not as at 8am on the Second Court Date the Conditions Precedent (other than 3.1(c)) have been satisfied or waived in accordance with this deed.
- (b) Each party must provide to the other party a draft of the certificate to be provided by it pursuant to clause 3.6(a) by 5pm on the day that is two Business Days prior to the Second Court Date, and must provide to the other party on the Second Court Date a copy of the final certificate or other evidence provided to the Court.
- (c) The giving of a certificate by each of Bayan and Kangaroo under clause 3.6(a) will, in the absence of manifest error, be conclusive evidence of the satisfaction or waiver of the Conditions Precedent referred to in the certificate.

4 Transaction Steps

4.1 Scheme

- (a) Kangaroo must propose a scheme of arrangement under which:
 - (i) all of the Scheme Shares will be transferred to Bayan; and
 - (ii) the Scheme Shareholders will be entitled to receive the Scheme Consideration in accordance with the terms of this deed and the Scheme.
- (b) Kangaroo must not consent to any modification of, amendment to, or the making or imposition by the Court of any condition in respect of, the Scheme without the prior written consent of Bayan.

4.2 Scheme Consideration

- (a) Subject to the Scheme becoming Effective, each Scheme Shareholder will be entitled to receive the Scheme Consideration under the Scheme, in respect of each Scheme Share held by that Scheme Shareholder at the Scheme Record Date.
- (b) If the number of Scheme Shares held by a Scheme Shareholder as at the Scheme Record Date is such that the aggregate entitlement of the Scheme Shareholder to

Scheme Consideration includes a fractional entitlement to a cent, then the entitlement of that Scheme Shareholder must be rounded up or down, with any such fractional entitlement of less than 0.5 being rounded down to the nearest whole number of cents (as applicable), and any such fractional entitlement of 0.5 or more being rounded up to the nearest whole number of cents (as applicable).

4.3 Provision of Scheme Consideration

Bayan undertakes to Kangaroo that, in consideration of the transfer to Bayan of each Scheme Share held by a Scheme Shareholder under the terms of the Scheme it will:

- (a) accept that transfer, on the Implementation Date; and
- (b) pay or provide the Scheme Consideration for each Scheme Share in accordance with the Scheme and the Deed Poll, no later than two Business Days prior to the Implementation Date.

5 Implementation

5.1 Kangaroo's obligations

Kangaroo must take all steps reasonably necessary to propose and implement the Scheme as soon as is reasonably practicable after the date of this deed and, without limiting the foregoing, must use reasonable endeavours to ensure that each step in the Timetable is met by the date set out beside that step, including by doing each of the following:

- (a) **(Preparation of Scheme Booklet)** As soon as reasonably practicable after the date of this deed, prepare the Scheme Booklet so that it complies with all applicable laws, including the Corporations Act, ASIC Regulatory Guide 60 (and all other ASIC Regulatory Guides) and the ASX Listing Rules. The Scheme Booklet must include a statement that:
 - (i) other than the Bayan Information and the Independent Expert's Report, the Scheme Booklet has been prepared by Kangaroo and is the responsibility of Kangaroo, and that no Bayan Party assumes any responsibility for the accuracy or completeness of the Scheme Booklet (other than the Bayan Information); and
 - (ii) the Bayan Information has been prepared by Bayan and is the responsibility of Bayan, and that no Kangaroo Party assumes any responsibility for the accuracy or completeness of the Bayan Information.

The Scheme Booklet must also include the recommendation and statement required under clause 7.

- (b) **(Verification)** Undertake appropriate verification in relation to the Scheme Booklet (other than the Bayan Information).
- (c) **(Independent Expert)** Promptly appoint the Independent Expert (if the Independent Expert has not been appointed prior to the date of this Deed), and provide all assistance and information reasonably requested by the Independent Expert in connection with the preparation of the Independent Expert's Report.
- (d) **(Consultation with Bayan)** Consult with Bayan and its Representatives as to the content and presentation of the Scheme Booklet, such consultation to include:
 - (i) allowing Bayan a reasonable opportunity to review and make comments on the draft of the Scheme Booklet and the factual information to be included in the Independent Expert's Report, a reasonable time before its lodgement with ASIC;
 - (ii) considering all reasonable and timely comments made by Bayan Representatives in relation to the content of the Scheme Booklet;

- (iii) obtaining Bayan consent to the inclusion of the Bayan Information (including in respect of the form and context in which the Bayan Information appears in the Scheme Booklet);
 - (iv) providing a copy of the draft Scheme Booklet intended for lodgement with ASIC no later than two Business Days prior to the intended date for lodgement with ASIC; and
 - (v) not lodge the draft Scheme Booklet with ASIC unless Bayan has provided its consent under clause 5.3(e) which cannot be unreasonably withheld or delayed;
- (e) **(liaison with ASIC)** As soon as reasonably practicable after the date of this deed but no later than 14 days before the First Court Date, provide an advanced draft of the Scheme Booklet to ASIC for its review and approval for the purposes of section 411(2) of the Corporations Act, and to Bayan, and (to the extent reasonably practicable) keep Bayan reasonably informed of any matters raised by ASIC in relation to the Scheme Booklet, the Scheme or the Transaction generally (and of any resolution of those matters), and use best endeavours, in consultation with Bayan, to resolve any such matters (which will include allowing Bayan to participate in Kangaroo's meetings and discussions with ASIC, where Kangaroo and its Advisers deem it appropriate and reasonable to do so).
- (f) **(indication of intent)** Apply to ASIC for a letter indicating whether ASIC proposes to make submissions to the Court, or intervene to oppose the Scheme, on the First Court Date.
- (g) **(approval of Scheme Booklet)** As soon as practicable after ASIC has provided its indication of intent in accordance with paragraph (f), procure that a meeting of the Kangaroo IBC is convened for the purpose of approving the Scheme Booklet for despatch to Kangaroo Shareholders.
- (h) **(Court direction)** Apply to the Court for orders directing Kangaroo to convene the Scheme Meeting, and obtain the prior written consent of Bayan as to the content of all relevant originating process, affidavits, submissions and draft minutes of Court orders.
- (i) **(ASIC registration)** Request ASIC to register the Scheme Booklet in the form approved by the Court in accordance with section 412(6) of the Corporations Act.
- (j) **(Section 411(17)(b) statement)** Apply to ASIC for the production of a statement under section 411(17)(b) of the Corporations Act stating that ASIC has no objection to the Scheme.
- (k) **(Despatch)** Send the Scheme Booklet to Kangaroo Shareholders in accordance with all applicable laws.
- (l) **(Update Scheme Booklet)** If it becomes aware of information after the Scheme Booklet has been sent to Kangaroo Shareholders that is material for disclosure to Kangaroo Shareholders in deciding whether to approve the Scheme or that is required to be disclosed to Kangaroo Shareholders under any applicable law, as expeditiously as possible inform Kangaroo Shareholders of the information in an appropriate and timely manner, in accordance with applicable law.
- (m) **(Scheme Meeting)** Convene the Scheme Meeting to approve the Scheme (in accordance with any orders made by the Court).
- (n) **(Court approval)** Subject to all Conditions Precedent (other than that in clause 3.1(c)) being satisfied or waived in accordance with this deed, apply to the Court for orders approving the Scheme, and obtain the prior written consent, which may not be

unreasonably withheld or delayed, of Bayan as to the content of all relevant affidavits, submissions and draft minutes of Court orders.

- (o) **(Representation at Court hearings)** procure that it is represented by counsel at the Court hearings convened for the purposes of subsection 411(1) and paragraph 411(4)(b) of the Corporations Act.
- (p) **(Bayan representation at Court hearings)** allow, and not oppose, any application by Bayan for leave of the Court to be represented by counsel at the Court hearings convened for the purposes of subsection 411(1) and paragraph 411(4)(b) of the Corporations Act.
- (q) **(Court order)** Lodge with ASIC an office copy of any Court order approving the Scheme as soon as practicable after such office copy is received (or such later date as Bayan may agree in writing).
- (r) **(Implementation)** If the Scheme becomes Effective:
 - (i) procure ASX to suspend trading in Kangaroo Shares from the close of trading on the Effective Date;
 - (ii) close the Kangaroo Share Register at the Scheme Record Date to determine the identity of Scheme Shareholders and their entitlement to the Scheme Consideration;
 - (iii) subject to Bayan satisfying its obligations under clause 4.2, promptly execute proper instruments of transfer of the Scheme Shares to Bayan and register in the Kangaroo Share Register all transfers of Scheme Shares to Bayan under those instruments on the Implementation Date.
- (s) **(ASX listing)** If the Scheme becomes Effective:
 - (i) maintain Kangaroo's admission to the official list of ASX and the quotation of Kangaroo Shares on ASX up to and including the Implementation Date; and
 - (ii) apply to ASX to have Kangaroo removed from the official list of ASX with effect on and from the date of close of trading on the Business Day immediately following the Implementation Date (and not before that time).
- (t) **(Government Agency)** Keep Bayan fully informed of any material matters raised by any Government Agency with Kangaroo in relation to the Scheme (including matters raised by ASIC or ASX in relation to the Scheme Booklet) and use all reasonable endeavours to co-operate with Bayan to resolve any such matters, and generally must use its reasonable endeavours to obtain any regulatory approvals (including ASIC or ASX relief or waivers), and keep Bayan reasonably informed of progress in obtaining any such regulatory approvals and must reasonably consult with Bayan in relation to the foregoing.
- (u) **(Promote Transaction)** participate in efforts reasonably requested by Bayan to promote the merits of the Transaction, including, where reasonably requested by Bayan, meeting with key Kangaroo Shareholders.
- (v) **(Information)** provide Bayan with such information as Bayan reasonably requests, and procure that the Kangaroo Registry provides all information reasonably requested, for the purpose of understanding legal ownership of Kangaroo Shares and proxy appointments and directions received by Kangaroo prior the Scheme Meeting and soliciting votes in favour of the Scheme.

- (w) **(Compliance with laws)** do everything reasonably within its power to ensure that all transactions contemplated by this deed are effected in accordance with all applicable laws and regulations.
- (x) **(All things necessary)** do all things contemplated by or necessary to lawfully give effect to the Scheme and the orders of the Court approving the Scheme.

5.2 Appeal process

If the Court refuses to make any orders convening the Scheme Meeting or approving the Scheme, Kangaroo must appeal the Court's decision to the fullest extent possible (unless the parties agree otherwise, or an independent senior counsel of the Western Australian bar advises that, in their view, an appeal would have no reasonable prospect of success before the End Date).

5.3 Bayan's obligations

Bayan must take all steps reasonably necessary to implement the Scheme as soon as is reasonably practicable after the date of this deed and, without limiting the foregoing, must use reasonable endeavours to ensure that each step in the Timetable is met by the date set out beside that step, including by doing each of the following.

- (a) **(Bayan Information)** As soon as is reasonably practicable after the date of this deed, prepare and provide to Kangaroo the Bayan Information for inclusion in the Scheme Booklet. The Bayan Information must:
 - (i) comply with all applicable laws, including the Corporations Act, ASIC Regulatory Guide 60 (and all other ASIC Regulatory Guides) and the ASX Listing Rules relevant to the Bayan Information; and
 - (ii) not be misleading or deceptive in any material respect (whether by omission or otherwise).
- (b) **(Independent Expert information)** Provide all assistance and information reasonably requested by the Independent Expert in connection with the preparation of the Independent Expert's Report.
- (c) **(Assistance)** Provide any assistance or information reasonably requested by Kangaroo in connection with the preparation of the Scheme Booklet and any other document to be sent to Scheme Shareholders.
- (d) **(Verification)** Undertake appropriate verification in relation to the Bayan Information.
- (e) **(Confirmation of Bayan Information)** Promptly after Kangaroo requests that it does so and Bayan is satisfied as to the form and context in which the Bayan Information appears in the Scheme Booklet (acting reasonably), confirm in writing that it consents to the inclusion of the Bayan Information in the Scheme Booklet.
- (f) **(Update Bayan Information)** If at any time after the despatch of the Scheme Booklet, Bayan becomes aware:
 - (i) of new information which, were it known at the time of despatch, should have been included in any Bayan Information provided previously to Kangaroo; or
 - (ii) that any part of the Bayan Information provided previously to Kangaroo is misleading or deceptive in any material respect (whether by omission or otherwise),

it must advise Kangaroo so that Kangaroo can determine whether supplementary disclosure to Kangaroo Shareholders is required.

- (g) **(Legal representation)** procure that, if requested by Kangaroo, Bayan is represented by counsel at the First Court Hearing and the Second Court Hearing, at which, through its counsel, Bayan will undertake (if requested by the Court) to do all such things and take all such steps within its power as may be necessary to ensure the fulfilment of its obligations under the Scheme, and, to the extent that leave of the Court is required for Bayan to be represented at the First Court Hearing or the Second Court Hearing, apply for that leave.
- (h) **(Deed Poll)** Before the first Court hearing referred to in clause 5.1(d)(iii), enter into the Deed Poll and deliver it to Kangaroo.
- (i) **(Scheme Consideration)** If the Scheme becomes Effective, provide the Scheme Consideration in the manner and amount contemplated by clause 4.3 on the Implementation Date.
- (j) **(Compliance with laws)** do everything reasonably within its power to ensure that all transactions contemplated by this deed are effected in accordance with all applicable laws and regulations.

5.4 Appointment of directors

On the Implementation Date, but subject to the Scheme Consideration having been paid in full to Scheme Shareholders and receipt by Kangaroo of signed consents to act, Kangaroo must:

- (a) cause the appointment of the persons nominated by Bayan as new directors of Kangaroo and any other member of the Kangaroo Group;
- (b) take all action necessary to ensure that any director on the Kangaroo Board designated by Bayan in writing (other than the new directors of Kangaroo appointed pursuant to clause 5.4(a) or nominee directors of Bayan) resigns and releases Kangaroo from any Claims they may have against Kangaroo; and
- (c) take all action necessary to ensure that all directors on the board of a member of the Kangaroo Group (other than the new directors of Kangaroo appointed pursuant to clause 5.4(a) or nominee directors of Bayan) resign.

6 Conduct of business and requests for access

6.1 Conduct of Kangaroo business

During the period from the date of this deed up to and including the Implementation Date, Kangaroo must:

- (a) procure that the Kangaroo Group conducts its business and operations in the ordinary course and substantially consistent (subject to any applicable laws, regulations and regulatory approvals, and subject to any matters contemplated by the Disclosure Letter) with the manner in which each such business and operation has been conducted in the 12 month period prior to the date of this deed and in compliance in all material respects with all applicable laws, regulations and regulatory approvals;
- (b) ensure that all material assets of the Kangaroo Group are maintained in the normal course and consistent with past practice;
- (c) maintain the policies of insurance held by the Kangaroo Group that are in force as at the date of this deed;
- (d) ensure that no Kangaroo Prescribed Occurrence occurs between the date of this deed and 8am on the Second Court Date;
- (e) ensure that no member of the Kangaroo Group:

- (i) provides financial accommodation to any third party (irrespective of what form that financial accommodation takes), other than in connection with the sale or purchase of products by any member of the Kangaroo Group in the ordinary course of the Kangaroo Group's business;
- (ii) accepts any financial accommodation from any third party (irrespective of what form that financial accommodation takes), other than in connection with the sale or purchase of products by any member of the Kangaroo Group in the ordinary course of the Kangaroo Group's business;
- (iii) materially varies any employment agreement with a Relevant Employee or otherwise increasing remuneration, compensation or rights to benefits for a Relevant Employee;
- (iv) enters into, or resolves to enter into, a transaction with a related party of a member of the Kangaroo Group, including giving or agreeing to give a financial benefit to a related party as defined in section 228 of the Corporations Act;
- (v) enters into or materially amends any agreement or arrangement with an Adviser;
- (f) otherwise and to the extent consistent with the obligations in clauses 6.1(a) to 6.1(e), use best endeavours to preserve intact the Kangaroo Group's current business organisation and use reasonable endeavours to preserve the Kangaroo Group's relationship with Government Agencies, customers and suppliers,

except to the extent:

- (g) required or permitted by this deed or the Scheme;
- (h) notified to ASX or disclosed in a document lodged with ASIC by or on behalf of Kangaroo prior to the date of this deed; or
- (i) agreed to in writing by Bayan.

6.2 Access to information and co-operation

- (a) **(Provision of access and information)** During the period from the date of this deed up to and including the Implementation Date, Kangaroo must, and must procure each other member of the Kangaroo Group to, respond to reasonable requests from Bayan and its Representatives for information concerning the Kangaroo Group businesses and operations, and give Bayan and its Representatives reasonable access to Kangaroo's senior management team and records, and otherwise provide reasonable co-operation to Bayan and its Representatives, in each case for the purposes of:
 - (i) the implementation of the Scheme;
 - (ii) the integration of the Kangaroo Group and Bayan following the implementation of the Scheme; or
 - (iii) any other purpose that is agreed in writing between the parties.
- (b) **(Consultation with Bayan)** Without limiting clause 6.2(a), during the period from the date of this deed up to and including the Implementation Date, Kangaroo must consult with Bayan in relation to the conduct of material aspects of the Kangaroo Group's businesses and operations and consider in good faith Bayan's views in relation to the same.
- (c) **(Limits on Kangaroo obligations)** The obligations in clause 6.2(a) do not require Kangaroo to:

- (i) do anything which would interfere or be inconsistent with the proper performance by the directors and officers of each Kangaroo Group Member of their fiduciary duties;
 - (ii) provide information to Bayan concerning the Kangaroo Directors' and management's consideration of the Scheme;
 - (iii) provide any commercially sensitive or competitive information; or
 - (iv) breach an obligation of confidentiality to any person.
- (d) The parties acknowledge that all information that is provided pursuant to this clause 6.2 will be provided subject to the terms of the Confidentiality Deed.

7 Kangaroo IBC recommendation

- (a) Kangaroo represents and warrants to Bayan that each member of the Kangaroo IBC has confirmed that:
- (i) his recommendation in respect of the Scheme is that Kangaroo Shareholders (excluding Excluded Shareholders) vote in favour of the Scheme at the Scheme Meeting (**Recommendation**); and
 - (ii) he intends to vote, or cause to be voted, all Kangaroo Shares held or controlled by him in favour of the Scheme at the Scheme Meeting (**Voting Intention**),
- in each case, qualified only by words to the effect of:
- (iii) 'in the absence of a Superior Proposal'; and
 - (iv) 'subject to the Independent Expert concluding in the Independent Expert's Report (or any update or variation to that report) that the Transaction is in the best interests of Scheme Shareholders'.
- (b) Subject to clause 7(c), Kangaroo must:
- (i) use reasonable endeavours to ensure that each member of the Kangaroo IBC does not change, withdraw or modify his Recommendation or Voting Intention or make any recommendation or statement that is inconsistent with his Recommendation or Voting Intention;
 - (ii) ensure that the Scheme Booklet and any public announcement made by Kangaroo in relation to the transaction (including the statement contemplated in clause 10.1) contain statements attributed to the Kangaroo IBC that include confirmation of the Recommendation and Voting Intention.
- (c) Paragraph 7(b) will cease to apply in the following circumstances:
- (i) the Independent Expert opines either prior to the Scheme Meeting to the effect that the Scheme is not in the best interests of Kangaroo Shareholders; or
 - (ii) Kangaroo receives a Competing Proposal that constitutes a Superior Proposal, has complied with its notification obligations under clause 11.5 and Bayan's rights under clause 11.6 have been exhausted.

8 Representations and Warranties

8.1 Bayan Representations and Warranties

Bayan represents and warrants to Kangaroo (in its own right and separately as trustee or nominee for each of the other Kangaroo Parties) that each Bayan Representation and Warranty is true and correct.

8.2 Kangaroo Representations and Warranties

Kangaroo represents and warrants to Bayan (in its own right and separately as trustee or nominee for each of the other Bayan Parties) that each Kangaroo Representation and Warranty is true and correct.

8.3 Timing of representations and warranties

Unless expressed to be given at a particular time (in which case it is given at that time), each Bayan Representation and Warranty and each Kangaroo Representation and Warranty is given:

- (a) at the date of this deed;
- (b) at 8am on the Second Court Date; and
- (c) immediately prior to implementation of the Scheme.

8.4 Survival of representations

Each Bayan Representation and Warranty and Kangaroo Representation and Warranty:

- (a) is severable; and
- (b) survives the termination of this deed.

9 Indemnities and Releases

9.1 Kangaroo Parties

- (a) Kangaroo agrees with Bayan (in its own right and separately as trustee for each other Bayan Party) to indemnify the Bayan Parties against any loss suffered or incurred by reason of any breach of the Kangaroo Representations and Warranties.
- (b) Without limiting Bayan's rights under clause 12, Bayan releases its rights against, and agrees with Kangaroo that it will not make a Claim against, any Kangaroo Party other than Kangaroo in connection with:
 - (i) any breach of any representation, undertaking or warranty of Kangaroo in this deed; or
 - (ii) any disclosure made by any Kangaroo Party that contains any statement which is false or misleading whether in content or by omission,except to the extent the relevant Kangaroo Party has not acted in good faith or has engaged in wilful misconduct.

9.2 Bayan Parties

- (a) Bayan agrees with Kangaroo (in its own right and separately as trustee for each other Kangaroo Party) to indemnify the Kangaroo Parties against any loss suffered or incurred by reason of any breach of the Bayan Representations and Warranties.
- (b) Kangaroo releases its rights against, and agrees with Bayan that it will not make a Claim against, any Bayan Party other than Bayan in connection with:
 - (i) any breach of any representation, undertaking or warranty of Bayan in this deed; or
 - (ii) any disclosure made by any Bayan Party that contains any statement which is false or misleading whether in content or by omission,except to the extent that the relevant Bayan Party has not acted in good faith or has engaged in wilful misconduct.

10 Public Announcements

10.1 Announcement of the Transaction

Immediately after the execution of this deed, the parties must issue public announcements in a form previously agreed to in writing between them.

10.2 Other public announcements

Prior to making any public announcement or disclosure of or in relation to the Transaction or any other transaction the subject of this deed or the Scheme, each party must use its best endeavours, to the extent practicable and lawful, to consult with the other party as to the timing, form and content of that announcement or disclosure.

11 Exclusivity

11.1 Termination of existing discussions

Kangaroo warrants that, as at the time of execution of this deed, it is not in any negotiations or discussions, and that it has ceased any existing negotiations or discussions, in respect of any Competing Proposal (or which may reasonably be expected to lead to a Competing Proposal) with any Third Party.

11.2 No shop restriction

During the Exclusivity Period, except with the prior written consent of Bayan, Kangaroo must not, and must ensure that none of its Representatives or agents, directly or indirectly solicit, invite, encourage or initiate any Competing Proposal or any enquiries, negotiations or discussions with any Third Party in relation to, or that may reasonably be expected to lead to, a Competing Proposal, or communicate any intention to do any of those things.

11.3 No talk restriction

During the Exclusivity Period, Kangaroo must not, and must ensure that none of its Representatives or agents, enter into, continue or participate in negotiations or discussions with, or enter into any agreement or understanding with, any Third Party in relation to, or that may reasonably be expected to lead to, a Competing Proposal, even if:

- (a) the Competing Proposal was not directly or indirectly solicited, initiated, or encouraged by the Company or any of its Representatives; or
 - (b) the Competing Proposal has been publicly announced,
- unless, in circumstances where there is a Competing Proposal:
- (c) the Kangaroo IBC, acting in good faith, determines (after consulting with its external financial and legal Advisers) that the Competing Proposal is, or may reasonably be expected to lead to, a Superior Proposal having regard to the steps which the Kangaroo IBC proposes to take; and
 - (d) the Kangaroo IBC, acting in good faith, determines (after having taken advice from its external legal Advisers) that failing to respond to that Competing Proposal may constitute a breach of the Kangaroo IBC's fiduciary or statutory duties.

11.4 No due diligence

Without limiting the general nature of clause 11.3, during the Exclusivity Period, Kangaroo must not, and must ensure that its Representatives and agents do not, make available to any Third Party, or permit any Third Party, to receive any non-public information relating to any member of

the Kangaroo Group in connection with such Third Party formulating, developing or finalising a Competing Proposal, unless, in circumstances where there is a Competing Proposal:

- (a) the Kangaroo IBC, acting in good faith, determines (after consulting with its external financial Advisers and having taken advice from its external legal Advisers) that:
 - (i) the Competing Proposal is, or may reasonably be expected to lead to, a Superior Proposal having regard to the steps which the Kangaroo IBC proposes to take; and
 - (ii) failing to respond to that Competing Proposal may constitute a breach of the Kangaroo IBC's fiduciary or statutory duties; and
- (b) before Kangaroo provides such information, the Third Party has entered into a written agreement in favour of Kangaroo regarding the use and disclosure of the confidential information and that restricts the Third Party's ability to solicit the employees of any member of the Kangaroo Group.

11.5 Notification by Kangaroo

- (a) During the Exclusivity Period, Kangaroo must promptly notify Bayan if:
 - (i) it is approached (directly or indirectly) by any Third Party to engage in any activity or take any other action of a kind referred to in clause 11.3;
 - (ii) it proposes to take any action of a kind referred to in clause 11.4; or
 - (iii) it receives in writing any Competing Proposal.
- (b) A notification given under clause 11.5(a) must set out reasonable details of the relevant matter, including the identity of the Third Party that has made the approach and the material terms (including price, conditions and proposed timing) of any Competing Proposal.

11.6 Response to Competing Proposal

- (a) During the Exclusivity Period, Kangaroo:
 - (i) must not enter, and must procure that its Representatives do not, enter into any legally binding agreement, arrangement or understanding to implement a Competing Proposal; or
 - (ii) must do all things reasonably within its power to ensure that no member of the Kangaroo IBC withdraws or modifies his Recommendation or Voting Intention in relation to the Transaction or publicly recommends or endorses a Competing Proposal,unless:
 - (iii) Kangaroo has complied with its notification obligations under clause 11.5; and
 - (iv) 5 Business Days have elapsed since notification was given under clause 11.5, during which Bayan may propose an amendment to the Scheme (**Bayan Counter Proposal**).

Kangaroo's obligations under this paragraph (a) apply in respect of each new Competing Proposal and any material variation or amendment to a Competing Proposal.

- (b) If the Kangaroo IBC determines that a Bayan Counter Proposal is more favourable to Kangaroo Shareholders than the Competing Proposal, then Kangaroo and Bayan must use their best endeavours to agree the amendments to this deed necessary to reflect the Bayan Counter Proposal, and once agreed Kangaroo must procure that the Kangaroo

IBC unanimously recommends the Bayan Counter Proposal to Kangaroo Shareholders and not recommend the applicable Competing Proposal.

11.7 Normal provision of information

Nothing in this clause 11 prevents a party from:

- (a) providing information to its Representatives;
- (b) providing information to any Government Agency;
- (c) providing information to its auditors, customers, financiers, joint venturers and suppliers acting in that capacity in the ordinary course of business;
- (d) providing information required to be provided by law, including to satisfy its obligations of disclosure under the ASX Listing Rules or to any Government Agency; or
- (e) making presentations to brokers, portfolio investors, analysts and other third parties in the ordinary course of business.

12 Break Fee

12.1 Background

This clause has been agreed to in circumstances where:

- (a) Kangaroo believes the implementation of the Scheme will provide significant benefits to it and its shareholders, and acknowledges that, if Bayan enters into this deed and the Scheme is subsequently not implemented, Bayan will have incurred significant costs;
- (b) Bayan requested provision be made for the relevant payment outlined in this clause, without which it would not have entered into this deed;
- (c) The Kangaroo IBC believes that it is appropriate to agree to the payment referred to in this clause to secure Bayan's entry into this deed; and
- (d) Both parties have received separate legal advice in relation to this deed and the operation of this clause.

The parties acknowledge and agree that the costs actually incurred by Bayan under paragraph (a) will be of such nature that they cannot be accurately ascertained, but that the Break Fee is a genuine and reasonable pre-estimate of the minimum cost and loss that would actually be suffered by Bayan.

12.2 Payment of Break Fee

Subject to clause 12.3 and 12.6, Kangaroo must pay Bayan the Break Fee if:

- (a) at any time before the End Date or, if earlier, the date the deed is validly terminated under clause 13, any member of the Kangaroo IBC:
 - (i) fails to make, withdraws or adversely modifies his Recommendation or Voting Intention; or
 - (i) publicly recommends or endorses a Competing Proposal, other than in circumstances where the Independent Expert concludes that the Scheme is not in the best interests of Kangaroo Shareholders (except in circumstances where the Independent Expert reaches that conclusion as a result of a Competing Proposal having been announced or made public);
- (c) at any time before the End Date or, if earlier, the date the deed is validly terminated under clause 13, a Competing Proposal is announced by a Third Party and, within one year

after that occurring, a Third Party completes in all material respects a transaction of the kind referred to in the definition of Competing Proposal; or

- (d) Bayan validly terminates this deed under clause 13.1(a)(i).

12.3 Payment conditions

- (a) Notwithstanding the occurrence of any event under clause 12.2, no amount is payable under the clause if the Scheme becomes Effective.
- (b) Kangaroo can only ever be liable to pay the Break Fee once.

12.4 Timing of payment

If the Break Fee is payable under this clause, Kangaroo must pay the Break Fee without set-off or withholding within five Business Days of receipt of a demand for payment from Bayan.

12.5 Nature of payment

The amount payable by Kangaroo to Bayan under clause 12.2 is an amount to compensate Bayan for:

- (a) advisory costs (including costs of Advisers other than success fees);
- (b) costs of management and directors' time;
- (c) out-of-pocket expenses; and
- (d) costs incurred in pursuing the Transaction,
- incurred by Bayan.

12.6 Compliance with law

This clause 12 imposes obligations on Kangaroo only to the extent that the performance of all or part of those obligations:

- (a) do not constitute unacceptable circumstances as declared by the Australian Takeovers Panel;
- (b) do not breach the fiduciary or statutory duties of the Kangaroo Board; and
- (c) are not otherwise unlawful or held to be unenforceable by a court.

If and to the extent any of the above apply, Bayan must reimburse all or part of the Break Fee (as the case may be) within five Business Days of receipt of a demand for reimbursement from Kangaroo.

13 Termination

13.1 General rights

- (a) Either party may terminate this deed by written notice to the other at any time before 8am on the Second Court Date:
- (i) if:
- (A) the other has materially breached any provision of this deed including any Kangaroo Representation and Warranty or Bayan Representation and Warranty (as applicable);
- (B) the party wishing to terminate has given written notice to the other in a timely manner setting out the relevant circumstances and stating an intention to terminate this deed; and

- (C) the relevant circumstances continue to exist for 5 Business Days from the time the notice of intention to terminate is given (or any shorter period ending at 5pm on the Business Day before the Second Court Date); or
 - (ii) if the Court refuses to make any order directing Kangaroo to convene the Scheme Meeting, provided that both Kangaroo and Bayan have met and consulted in good faith and agreed that they do not wish to proceed with the Scheme; or
 - (iii) in the circumstances set out in, and in accordance with, clause 3.5(b).
- (b) Bayan may terminate this deed by written notice to Kangaroo at any time before 8am on the Second Court Date if the Kangaroo IBC has changed, withdrawn or adversely modified its recommendation that Kangaroo Shareholders vote in favour of the Scheme at the Scheme Meeting or has recommended or made a statement indicating that they no longer support the Scheme or that they support a Competing Proposal.
- (e) Without limiting Kangaroo's obligations under clause 7, Kangaroo may terminate this deed by written notice to Bayan at any time before 8am on the Second Court Date if a majority of the Kangaroo IBC withdraws its recommendation that Kangaroo Shareholders vote in favour of the Scheme at the Scheme Meeting, and, if required to pay the Break Fee as a result of such withdrawal, Kangaroo has paid Bayan the Break Fee.

13.2 Effect of termination

If this deed is terminated by a party under clauses 3.5(b) or 13.1, except to the extent that the termination results from a breach by a party of its obligations under this deed, this deed will be of no force or effect, without any liability or obligation on the part of any party, other than in relation to rights and obligations that accrued before termination and the provisions of this clause and of clauses 1, 8.4, 9, 10, 12, 14, 16 and 17, which will remain in force after the termination.

13.3 Termination by written agreement

The parties may terminate this deed by another written agreement between them.

14 Confidentiality

Each party agrees and acknowledges that it is bound by the terms of the Confidentiality Deed save that the terms of this deed will prevail over the Confidentiality Deed to the extent of any inconsistency.

15 GST

15.1 Recovery of GST

If GST is payable, or notionally payable, on a supply made under or in connection with this deed, the party providing the consideration for that supply must pay as additional consideration an amount equal to the amount of GST payable, or notionally payable, on that supply (the **GST Amount**). Subject to the prior receipt of a tax invoice, the GST Amount is payable at the same time that the other consideration for the supply is provided. This clause does not apply to the extent that the consideration for the supply is expressly stated to be GST inclusive or the supply is subject to reverse charge.

15.2 Liability net of GST

Where any indemnity, reimbursement or similar payment under this deed is based on any cost, expense or other liability, it may be reduced by any input tax credit entitlement, or notional input tax credit entitlement, in relation to the relevant cost, expense or other liability.

15.3 Adjustment events

If an adjustment event occurs in relation to a supply under or in connection with this deed, the GST Amount will be recalculated to reflect that adjustment and an appropriate payment will be made between the parties and the supplier shall issue an adjustment note to the recipient.

15.4 Survival

This clause will continue to apply after expiration or termination of this deed.

15.5 GST Amount payable in respect of Break Fee

For the avoidance of doubt, the parties agree and acknowledge their understanding that in the event that Kangaroo is required to pay the Break Fee to Bayan pursuant to clause 12, that payment will represent consideration for a taxable supply by Bayan such that Kangaroo will also be required to pay to Bayan an additional GST Amount pursuant to clause 15.1.

15.6 Definitions

Unless the context requires otherwise, words used in this clause that have a specific meaning in the GST law (as defined in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth)) have the same meaning in this clause.

16 Notices

Any notice, demand, consent or other communication (a **Notice**) given or made under this deed:

- (a) must be in writing and signed by a person duly authorised by the sender;
- (b) must be delivered to the intended recipient by prepaid post (if posted to an address in another country, by registered airmail) or by hand or fax to the address or fax number below or the address or fax number last notified by the intended recipient to the sender with a copy in each case sent to the email address below or the email address last notified by the intended recipient to the sender:

to Bayan:	Address:	Office 8 Building, 36 th Floor, Sudirman CBD Lot 28, Jt. Jend Sudirman Kav. 52-53, South Jakarta 12190, Republic of Indonesia
	Fax:	62 21 2935 6999
	Email:	oliver.khaw@bayan.com.sg
	Attention:	Oliver Khaw
	With a copy to:	Allens
	Address:	126 Phillip Street, Sydney NSW 2000, Australia
	Fax:	+61 2 9230 5333
	Email:	Vijay.Cugati@allens.com.au ; Chris.Blane@allens.com.au
	Attention:	Vijay Cugati and Chris Blane

to Kangaroo: Address: Level 2, Suite 9, 389 Oxford Street,
Mount Hawthorn, Western Australia
6016

Email: shahs@crcpl.com.au;
jurmanp@crcpl.com.au

Attention: Susmit Shah and Paul Jurman

- (c) will be conclusively taken to be duly given or made:
- (i) in the case of delivery in person, when delivered;
 - (ii) in the case of delivery by post, two Business Days after the date of posting (if posted to an address in the same country) or seven Business Days after the date of posting (if posted to an address in another country);
 - (iii) in the case of delivery by fax, on receipt by the sender of a transmission control report from the despatching machine showing the relevant number of pages and the correct destination fax number or name of recipient and indicating that the transmission has been made without error; and
 - (iv) in the case of delivery by email, the earlier of:
 - (A) the time that the sender receives an automated message from the intended recipient's information system confirming delivery of the email;
 - (B) the time that the email is first opened or read by the intended recipient, or an employee or officer of the intended recipient; and
 - (C) two hours after the time the email is sent (as recorded on the device from which the sender sent the email) unless the sender receives, during that two hour period, an automated message that the email has not been delivered,

but if the result is that a Notice would be taken to be given or made on a day that is not a business day in the place to which the Notice is sent or is later than 5pm (local time) it will be taken to have been duly given or made at the start of business on the next business day in that place.

17 General Provisions

17.1 Amendment

This deed may be amended only by another deed executed by all the parties.

17.2 Assignment

A party cannot assign, charge, encumber or otherwise deal with at law or in equity any of its rights or obligations under this deed, or attempt or purport to do so, without the prior consent of the other party.

17.3 Costs and stamp duty

Each party must bear its own costs arising out of the negotiation, preparation and execution of this deed. All stamp duty (including fines, penalties and interest) payable on or in connection with this deed and any instrument executed under or any transaction evidenced by this deed must be borne by Bayan.

17.4 Counterparts

This deed may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument.

17.5 Entire agreement

This deed and the Confidentiality Deed contain the entire agreement between the parties with respect to their subject matter. This deed and the Confidentiality Deed set out the only conduct relied on by the parties and supersede all earlier conduct and prior agreements and understandings between the parties in connection with their subject matter.

17.6 Further assurances

Each party must do anything necessary (including executing agreements and documents) to give full effect to this deed and the transactions contemplated by it.

17.7 Governing law and jurisdiction

This deed is governed by the laws of Western Australia. In relation to it and related non-contractual matters each party irrevocably submits to the non-exclusive jurisdiction of courts with jurisdiction there, and waives any right to object to the venue on any ground.

17.8 Process Agent

Bayan irrevocably appoints Allens of Level 4, Deutsche Bank Place, Corner of Hunter and Phillip Streets, Sydney NSW 2000, Australia, to receive on its behalf service of process issued out of the courts of Western Australia or courts exercising jurisdiction in Western Australia in relation to any dispute, claim, legal action or proceeding arising out of or in any way related to this deed and related non-contractual matters, and agrees that service of any process or documents on the agent will be sufficient service on it.

17.9 No merger

The rights and obligations of the parties will not merge on the completion of any transaction contemplated by this deed. They will survive the execution and delivery of any assignment or other document entered into for the purpose of implementing a transaction.

17.10 No waiver

A failure to exercise or a delay in exercising any right, power or remedy under this deed does not operate as a waiver. A single or partial exercise or waiver of the exercise of any right, power or remedy does not preclude any other or further exercise of that or any other right, power or remedy. A waiver is not valid or binding on the party granting that waiver unless made in writing.

17.11 Severability of provisions

Any provision of this deed that is prohibited or unenforceable in any jurisdiction is ineffective as to that jurisdiction to the extent of the prohibition or unenforceability. That does not invalidate the remaining provisions of this deed nor affect the validity or enforceability of that provision in any other jurisdiction.

Schedule 1 – Bayan Representations and Warranties

- 1 **(Status)** It is a corporation duly incorporated and validly existing under the laws of the place of its incorporation.
- 2 **(Power)** It has the power to enter into and perform its obligations under this deed to carry out the transactions contemplated by this deed.
- 3 **(Corporate authorisations)** It has taken all necessary corporate action to authorise the entry into and the performance of this deed and to carry out the transactions contemplated by this deed.
- 4 **(Deed binding)** This deed is Bayan's valid and binding obligation enforceable in accordance with its terms.
- 5 **(Transactions permitted)** The execution and performance by it of this deed and each transaction contemplated by this deed did not and will not violate any provision of:
 - (a) a law or treaty or a judgment, ruling, order or decree of a Government Agency binding on it or any of its related bodies corporate;
 - (b) its constituent documents; or
 - (c) any other document which is binding on it or its assets (or a related body corporate or its assets).
- 6 **(Solvency)** Bayan is not affected by an Insolvency Event.
- 7 **(Provision of Bayan Information)** the Bayan Information will be provided in good faith and on the understanding that Kangaroo and each of the Officers of Kangaroo will rely on that information for the purposes of preparing the Scheme Booklet and proposing the Scheme, and that the Independent Expert will rely upon that information for the purpose of preparing the Independent Expert's Report.
- 8 **(Scheme Booklet)** At the time Kangaroo commenced sending the Scheme Booklet to Kangaroo Shareholders, the Bayan Information contained in or incorporated by reference in the Scheme Booklet is true and correct in all material respects, complies with all applicable laws and does not contain any statement which is misleading or deceptive in any material respect (whether by omission or otherwise).
- 9 **(Relevant interest)** Bayan has a Relevant Interest in 1,925,000,000 Kangaroo Shares as at the date of this Deed.
- 10 **(Funding)** Bayan has the financial capacity to pay the Scheme Consideration in accordance with this Deed and the Deed Poll and does not require any shareholder, regulatory or financier approval to complete payment of the same.

Schedule 2 – Kangaroo Representations and Warranties

- 1 **(Status)** It is a corporation duly incorporated and validly existing under the laws of the place of its incorporation.
- 2 **(Power)** It has the power to enter into and perform its obligations under this deed to carry out the transactions contemplated by this deed.
- 3 **(Corporate authorisations)** It has taken all necessary corporate action to authorise the entry into and performance of this deed and to carry out the transactions contemplated by this deed.
- 4 **(Deed binding)** This deed is Kangaroo's valid and binding obligation enforceable in accordance with its terms.
- 5 **(Transactions permitted)** The execution and performance by it of this deed and each transaction contemplated by this deed did not and will not violate any provision of:
 - (a) a law or treaty or a judgment, ruling, order or decree of a Government Agency binding on it or any of its related bodies corporate;
 - (b) its constitution or other constituent documents; or
 - (c) any other document which is binding on it or its assets (or a related body corporate or its assets).
- 6 **(Capital structure)** Kangaroo has 3,434,430,012 ordinary shares, and no other securities, issued and outstanding at the date of this deed. No member of the Kangaroo Group is subject to any obligation (including any contingent obligation) to issue or have transferred to any person securities in or of it or any other member of the Kangaroo Group.
- 7 **(Continuous disclosure):**
 - (a) it has complied with its continuous disclosure obligations under the Corporations Act and ASX Listing Rule 3.1; and
 - (b) as at the date of this deed, it is not withholding any information from public disclosure in reliance on ASX Listing Rule 3.1A (other than the information in relation to any change of control proposal affecting Kangaroo).
- 8 **(Scheme Booklet)** At the time Kangaroo commenced sending the Scheme Booklet to Kangaroo Shareholders, the information contained in the Scheme Booklet (other than the Bayan Information and the Independent Expert's Report) is true and correct in all material respects, complies with all applicable laws and does not contain any statement which is misleading or deceptive in any material respect (whether by omission or otherwise).
- 9 **(Solvency)** No member of the Kangaroo Group is affected by an Insolvency Event.
- 10 **(Information for Independent Expert)** All information provided by or on behalf of Kangaroo to the Independent Expert to enable its report to be prepared will be provided in good faith and on the understanding that the Independent Expert will rely on that information for the purpose of preparing its report for inclusion in the Scheme Booklet.

Schedule 3 – Kangaroo Prescribed Occurrences

- 1 Kangaroo converting all or any of its shares into a larger or smaller number of shares.
- 2 Any member of the Kangaroo Group resolves to reduce its share capital in any way.
- 3 Any member of the Kangaroo Group:
 - (a) enters into a buy-back agreement; or
 - (b) resolves to approve the terms of a buy-back agreement under the Corporations Act.
- 4 Other than as set out in the Disclosure Letter, any member of the Kangaroo Group issues securities to a person other than to another Kangaroo Group member or grants an option over its securities other than to another Kangaroo Group member, or agrees to make such an issue or grant such an option.
- 5 Any member of the Kangaroo Group issues, or agrees to issue, convertible notes.
- 6 Kangaroo disposes, or agrees to dispose, of the whole or a substantial part of its business or property to a person who is not also a member of the Kangaroo Group.
- 7 Other than as set out in the Disclosure Letter, Kangaroo grants, or agrees to grant, a security interest in the whole or a substantial part of its business or property.
- 8 Any material member of the Kangaroo Group resolves to be wound up.
- 9 A court makes an order for the winding up of any material member of the Kangaroo Group.
- 10 Any member of the Kangaroo Group executes a deed of company arrangement.
- 11 An Insolvency Event occurs in respect of any member of the Kangaroo Group.
- 12 Other than as set out in the Disclosure Letter, a member of the Kangaroo Group:
 - (a) amending its constitution;
 - (b) entering into any agreement or understanding requiring payments, the incurring of expenditure or the foregoing of revenue by members of the Kangaroo Group in excess of \$1,000,000;
 - (c) agreeing to any variation to the terms of any agreement or understanding (including any variation made pursuant to a right or obligation in an agreement to vary or renegotiate terms of that agreement) which is material to the business, operations or financing arrangements of the Kangaroo Group;
 - (d) incurring or agreeing or committing to incur any individual capital expenditure item which is in excess of \$1,000,000; or
 - (e) waiving any third party default where the financial impact on the Kangaroo Group will be in excess of \$200,000.
- 13 A member of the Kangaroo Group providing financial accommodation other than to members of the Kangaroo Group in excess of \$200,000.
- 14 A member of the Kangaroo Group entering into any agreement with respect to derivative instruments (including swaps, futures contracts, forward commitments, commodity or currency derivatives or options) or similar instruments.
- 15 A member of the Kangaroo Group entering into a transaction with any related party of Kangaroo as defined in section 228 of the Corporations Act.
- 16 Any member of the Kangaroo Group:

- (a) issues, grants or amends the terms of, any securities, options or rights to, or accelerates the rights of, any of the directors or employees of the Kangaroo Group to compensation of benefits of any kind (including under any employee or director share, option or incentive plan or any other rights plan); or
 - (b) waives or forgives any loans made by any member of the Kangaroo Group in respect of Kangaroo Shares issued under any employee or director share, option or incentive plan other than as announced to ASX prior to the date of this deed.
- 17 Kangaroo declares, determines to pay or pays any distribution, dividend, bonus or other share of its profits or assets or agrees to return any capital to its members.

Executed and delivered as a deed

Signed Sealed and Delivered by PT. Bayan Resources, Tbk in the presence of:



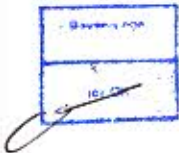
Director Signature
RUSSELL NEIL

Print Name



Director Signature
ALASTAIR McLEOD

Print Name



Executed as a deed in accordance with section 127 of the Corporations Act 2001 by Kangaroo Resources Limited:

Director Signature

Print Name

Director/Secretary Signature

Print Name

Executed and delivered as a deed

Signed Sealed and Delivered by PT. Bayan Resources, Tbk in the presence of:

Director Signature

Director Signature

Print Name

Print Name

Executed as a deed in accordance with section 127 of the *Corporations Act 2001* by **Kangaroo Resources Limited**:

Director Signature



Print Name **SUSMIT SHAH**



~~Director~~ Secretary Signature

Print Name **PAUL JORMAN**

Annexure A – Form of Scheme**Scheme of Arrangement** under Part 5.1 of the Corporations Act.

Parties	
1.	Kangaroo Resources Limited (ACN 120 284 040) registered in Western Australia of Suite 9, Level 2, 389 Oxford Street, Mount Hawthorn WA 6016, Australia (Kangaroo); and
2.	the Scheme Shareholders at the Scheme Record Date.

1 Definitions and interpretation**1.1 Definitions**

The meanings of the terms used in this scheme of arrangement are set out below.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or, as the context requires, the financial market known as the Australian Securities Exchange operated by it.

Bayan means PT. Bayan Resources, Tbk incorporated in Indonesia of Office 8 Building, 36th Floor, Sudirman CBD Lot 28, Jl. Jend Sudirman Kav. 52-53, South Jakarta 12190, Republic of Indonesia.

Bayan Group means Bayan and each of its related bodies corporate (excluding, at any time, Kangaroo and its subsidiaries to the extent that Kangaroo and its subsidiaries are subsidiaries of Bayan at that time). A reference to a **member of the Bayan Group** is a reference to Bayan or any such related body corporate.

Business Day means a business day as defined in the ASX Listing Rules.

CHES means the clearing house electronic subregister system of share transfers operated by ASX Settlement Pty Limited (ABN 49 008 504 532).

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

Court means the Federal Court of Australia or such other court of competent jurisdiction under the Corporations Act agreed to in writing between the parties.

Court Order means the order of the Court approving this scheme under section 411(4)(b) of the Corporations Act.

Deed Poll means the deed poll dated 11 July 2018 executed by Bayan in favour of the Scheme Shareholders.

Effective means the coming into effect under section 411(10) of the Corporations Act of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to this scheme.

Effective Date means the date on which this scheme becomes Effective.

End Date means the 'End Date' determined in accordance with the Scheme Implementation Deed.

Excluded Share means a Kangaroo Share held by any person on behalf of, or for the benefit of, Bayan or any of its related bodies corporate (which, for the avoidance of doubt, as at the date of this deed includes the Kangaroo Shares held by Bayan).

Excluded Shareholder means a holder of Excluded Shares.

Implementation Date means the third Business Day after the Scheme Record Date or such other date agreed to in writing between the parties.

Kangaroo Registry means Advanced Share Registry Limited (ABN 14 127 175 946) or any replacement provider of share registry services to Kangaroo.

Kangaroo Share means a fully paid ordinary share in Kangaroo.

Kangaroo Shareholders means each person who is registered as the holder of Kangaroo Shares from time to time.

Kangaroo Share Register means the register of members of Kangaroo maintained in accordance with the Corporations Act.

Marketable Parcel means a marketable parcel as defined by the ASX Operating Rules.

Registered Address means, in relation to a Kangaroo Shareholder, the address shown in the Kangaroo Share Register.

Related Entity has the meaning given in the Corporations Act.

Scheme Consideration, in respect of a Scheme Shareholder, means \$0.15 per Scheme Share held by that Scheme Shareholder.

Scheme Implementation Deed means the Scheme Implementation Deed dated 11 2018 between Bayan and Kangaroo.

Scheme Meeting means the meeting of Kangaroo Shareholders ordered by the Court to be convened under section 411(1) of the Corporations Act.

Scheme Record Date means 7pm on the fifth Business Day after the Effective Date or such other time and date agreed to in writing between the parties.

Scheme Shares means the Kangaroo Shares on issue as at the Scheme Record Date other than the Excluded Shares.

Scheme Shareholder means a person registered in the Kangaroo Register as the holder of one or more Scheme Shares at the Scheme Record Date.

Second Court Date means the first day on which an application made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard.

Trust Account means an Australian dollar denominated trust account operated by the Trustee, to be held on trust for the Scheme Shareholders, except that any interest on the amounts deposited (less bank fees and other charges) will be to Bayan's account.

Trustee means Kangaroo as trustee for the Scheme Shareholders.

1.2 Interpretation

Headings are for convenience only and do not affect interpretation. The following rules apply unless the context requires otherwise.

- (a) The singular includes the plural, and the converse also applies.
- (b) A gender includes all genders.
- (c) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.

- (d) A reference to a person, corporation, trust, partnership, unincorporated body or other entity includes any of them.
- (e) A reference to a clause or schedule is a reference to a clause of or schedule to this deed.
- (f) A reference to an *agreement* or *document* (including a reference to this scheme) is to the agreement or document as amended, supplemented, novated or replaced, except to the extent prohibited by this deed or that other agreement or document, and includes the recitals, schedules and annexures to that agreement or document.
- (g) A reference to a party to this deed or another agreement or document includes the party's successors, permitted substitutes and permitted assigns (and, where applicable, the party's legal personal representatives).
- (h) A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.
- (i) A reference to conduct includes an omission, statement or undertaking, whether or not in writing.
- (j) A reference to an *agreement* includes any undertaking, deed, agreement and legally enforceable arrangement, whether or not in writing, and a reference to a *document* includes an agreement (as so defined) in writing and any certificate, notice, instrument and document of any kind.
- (k) A reference to *dollars* and \$ is to Australian currency.
- (l) All references to time are to Sydney, Australia time.
- (m) Mentioning anything after *includes*, *including*, *for example*, or similar expressions, does not limit what else might be included.
- (n) Nothing in this deed is to be interpreted against a party solely on the ground that the party put forward this deed or a relevant part of it.
- (o) A reference to *associate*, *control* (by an entity of another entity), *officer*, *related body corporate*, *relevant interest*, *subsidiary* or *voting power* is to that term as it is defined in the Corporations Act.

1.3 Business Day

Where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the next Business Day.

1.4 Listing requirements included as law

A listing rule or business rule of a financial market will be regarded as a *law*, and a reference to such a rule is to be taken to be subject to any waiver or exemption granted to a party.

2 Preliminary

2.1 Kangaroo

- (a) Kangaroo is a public company limited by shares, registered in Western Australia and admitted to the official list of ASX.
- (b) Kangaroo Shares are officially quoted on ASX. At [] 2018, 3,434,430,012 Kangaroo Shares were on issue.

2.2 Consequence of this scheme becoming Effective

If this scheme becomes Effective:

- (a) it will override the constitution of Kangaroo, to the extent of any inconsistency;
- (b) Bayan must (pursuant to its obligations under the Deed Poll) pay or procure payment of the Scheme Consideration in the manner contemplated by clause 5 below; and
- (c) all the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares, will be transferred to Bayan, and Kangaroo will enter Bayan in the Kangaroo Share Register as the holder of the Scheme Shares with the result that Kangaroo will become a wholly-owned subsidiary of Bayan.

3 Conditions

- (a) This scheme is conditional on:
 - (i) all the conditions precedent in clause 3.1 of the Scheme Implementation Deed (other than the condition in clause 3.1(c)) having been satisfied or waived in accordance with the terms of the Scheme Implementation Deed by 8am on the Second Court Date;
 - (ii) such other conditions imposed by the Court under section 411(6) of the Corporations Act, as are acceptable to the parties, having been satisfied; and
 - (iii) neither the Scheme Implementation Deed nor the Deed Poll having been terminated in accordance with their terms as at 8.00 am on the Second Court Date;
- (b) The satisfaction of the conditions referred to in clause 3(a) is a condition precedent to the operation of clauses 4 and 5.
- (c) This scheme will lapse and be of no further force or effect if:
 - (i) the Effective Date does not occur on or before the End Date or any later date as the Court, with the consent of the parties, may order; or
 - (ii) the Scheme Implementation Deed is terminated before implementation of this scheme on the Implementation Date.

4 Implementation

4.1 Lodgement of Court orders

Kangaroo must lodge with ASIC office copies of any Court orders under section 411 of the Corporations Act approving this scheme by 5pm on the Business Day the Court approves this scheme or by 5pm on the Business Day on which the Court orders are entered and made available to Kangaroo, whichever is the later.

4.2 Transfer of Scheme Shares

On the Implementation Date:

- (a) subject to the payment of the Scheme Consideration to the Trust Account, the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares at the Implementation Date, will be transferred to Bayan, without the need for any further act by any Scheme Shareholder (other than acts performed by Kangaroo or its officers as agent and attorney of the Scheme Shareholders under clause 8.5 or otherwise) by:
 - (i) Kangaroo delivering to Bayan a duly completed and executed share transfer form to transfer all the Scheme Shares to Bayan; and

- (ii) Bayan duly executing such transfer form and delivering it to Kangaroo for registration; and
- (b) immediately after receipt of the transfer form in accordance with paragraph (a)(ii), Kangaroo must enter the name of Bayan in the Kangaroo Share Register in respect of the Scheme Shares.

5 Scheme Consideration

5.1 Amount of Scheme Consideration

Subject to clause 5.2, each Scheme Shareholder is entitled to receive the Scheme Consideration in respect of each Scheme Share held by that Scheme Shareholder.

5.2 Joint holders

In the case of Scheme Shares held in joint names, the relevant Scheme Consideration is payable to and must be sent to the holder whose name appears first in the Kangaroo Share Register at the Scheme Record Date or where the joint holders have nominated a bank account under clause 5.3(d)(ii), the amount must be deposited directly to the nominated bank account of the joint holders.

5.3 Scheme Consideration

- (a) Bayan must (pursuant to its obligations under the Deed Poll) before 5pm on the date that is two Business Days prior to the Implementation Date pay or procure payment to the Trust Account of an amount at least equal to the aggregate amount of Scheme Consideration.
- (b) As soon as practicable following implementation of this Scheme on the Implementation Date and subject to Bayan having complied with clause 5.3(a), the Trustee must pay from the Trust Account to each Scheme Shareholder such amount of cash as is due to that Scheme Shareholder (as determined by paragraph (c), if relevant) as Scheme Consideration in respect of that Scheme Shareholder's Scheme Shares.
- (c) If the number of Scheme Shares held by a Scheme Shareholder as at the Scheme Record Date is such that the aggregate entitlement of the Scheme Shareholder to Scheme Consideration includes a fractional entitlement to a cent, then the entitlement of that Scheme Shareholder must be rounded up or down, with any such fractional entitlement of less than 0.5 being rounded down to the nearest whole number of cents (as applicable), and any such fractional entitlement of 0.5 or more being rounded up to the nearest whole number of cents (as applicable).
- (d) The amounts referred to in paragraph (b) must be paid by the Trustee doing any of the following at its election:
 - (i) sending (or procuring the Kangaroo Registry to send) it to the Scheme Shareholder's Registered Address by cheque in Australian currency drawn out of the Trust Account or alternatively by electronic funds transfer from the Trust Account; or
 - (ii) depositing (or procuring the Kangaroo Registry to deposit) it into an account with any Australian ADI (as defined in the Corporations Act) notified to Kangaroo (or the Kangaroo Registry) by an appropriate authority from the Scheme Shareholders.

- (e) If there is any surplus in the amount held by the Trustee in the Trust Account, that surplus must be paid by the Trustee to Bayan following the satisfaction of the Trustee's obligations under this clause.
- (f) If any amount is required under any Australian law or by any Australian government or any Australian governmental, semi-governmental or judicial entity or authority to be:
 - (i) withheld from an amount payable under paragraph (c) and paid to that entity or authority; or
 - (ii) retained by the Trustee out of an amount payable under paragraph (c),its payment or retention by the Trustee (or the Kangaroo Registry) will constitute the full discharge of the Trustee's obligations under this clause 5.3 with respect to the amount so paid or retained until it is no longer required to be retained.

6 Dealings in Kangaroo Shares

- (a) To establish the identity of the Scheme Shareholders, dealings in Kangaroo Shares will only be recognised if:
 - (i) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Kangaroo Share Register as the holder of the relevant Kangaroo Shares on or before the Scheme Record Date; and
 - (ii) in all other cases, registrable transmission applications or transfers in respect of those dealings are received on or before the Scheme Record Date at the place where the Kangaroo Share Register is kept.
- (b) Kangaroo must register registrable transmission applications or transfers of the kind referred to in clause 6(a) on the Scheme Record Date (provided that for the avoidance of doubt nothing in this clause 6(b) requires Kangaroo to register a transfer that would result in a Kangaroo Shareholder holding a parcel of Kangaroo Shares that is less than a Marketable Parcel).
- (c) Kangaroo will not accept for registration or recognise for any purpose any transmission application or transfer in respect of Kangaroo Shares received after the Scheme Record Date.
- (d) For the purpose of determining entitlements to the Scheme Consideration, Kangaroo must maintain the Kangaroo Share Register in accordance with the provisions of this clause until the Scheme Consideration has been paid to the Scheme Shareholders. The Kangaroo Share Register in this form will solely determine entitlements to the Scheme Consideration.
- (e) From the Scheme Record Date until registration of Bayan in respect of all Scheme Shares under clause 4, no Kangaroo Shareholder may deal with Kangaroo Shares in any way except as set out in this scheme and any attempt to do so will have no effect.
- (f) All statements of holding for Kangaroo Shares will cease to have effect from the Scheme Record Date as documents of title in respect of those shares (other than statements of holding in favour of any member of the Bayan Group and its successors in title). As from the Scheme Record Date, each entry current at that date on the Kangaroo Share Register (other than entries in respect of any member of the Bayan Group and its successors in title) will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of the Kangaroo Shares relating to that entry.
- (g) As soon as possible after the Scheme Record Date and in any event at least two Business Days before the Implementation Date, Kangaroo will ensure that details of the

names, Registered Addresses and holdings of Kangaroo Shares for each Scheme Shareholder are available to Bayan in the form Bayan reasonably requires.

7 Quotation of Kangaroo Shares

- (a) It is expected that suspension of trading on ASX in Kangaroo Shares will occur from the close of trading on the day Kangaroo notifies ASX that the Court has approved this scheme under section 411(4)(b) of the Corporations Act.
- (b) On a date after the Implementation Date, Kangaroo will apply:
 - (i) for termination of the official quotation of Kangaroo Shares on ASX; and
 - (ii) to have itself removed from the official list of ASX.
- (c) Kangaroo must do everything it can to ensure that such termination of official quotation and removal from the official list of ASX does not occur before the Implementation Date, and occurs no earlier than the Business Day after the date on which all transfers of the Scheme Shares to Bayan have been duly registered by Kangaroo in accordance with the Scheme.

8 General Scheme Provisions

8.1 Consent

If the Court proposes to approve this scheme subject to any alterations or conditions, Kangaroo may, by its counsel or solicitors, consent on behalf of all persons concerned to those alterations or conditions to which Bayan has consented in writing.

8.2 Agreement of Scheme Shareholders

- (a) Scheme Shareholders agree to the transfer of their Kangaroo Shares in accordance with the Scheme and agree to the variation, cancellation or modification of the rights attached to their Kangaroo Shares constituted by or resulting from this scheme.
- (b) Each of the Scheme Shareholders acknowledges that this scheme binds Kangaroo and all Scheme Shareholders (including those who do not attend the Scheme Meeting or do not vote at that meeting or vote against this scheme at that Scheme Meeting).

8.3 Warranties by Scheme Shareholders

Each Scheme Shareholder is deemed to have warranted to Kangaroo, in its own right and for the benefit of Bayan that:

- (a) all of its Kangaroo Shares which are transferred to Bayan under this scheme will, on the date on which they are transferred to Bayan, be free from all mortgages, charges, liens, encumbrances and interests of third parties of any kind;
- (b) all of its Kangaroo Shares which are transferred to Bayan under this scheme will, on the date on which they are transferred to Bayan, be fully paid; and
- (c) it has full power and capacity to sell and to transfer its Kangaroo Shares to Bayan.

8.4 Beneficial entitlement to Kangaroo Shares

From the Implementation Date, Bayan will be beneficially entitled to the Kangaroo Shares transferred to it under this scheme pending registration by Kangaroo of Bayan in the Kangaroo Share Register as the holder of the Kangaroo Shares.

8.5 Authority given to Kangaroo

- (a) Scheme Shareholders will be deemed to have authorised Kangaroo to do and execute all acts, matters, things and documents on the part of each Scheme Shareholder necessary to implement the scheme, including executing, as agent and attorney of each Scheme Shareholder, a share transfer or transfers in relation to Scheme Shares as contemplated by clause 4.2.
- (b) Each Scheme Shareholder, without the need for any further act, irrevocably appoints Kangaroo and all of its directors, secretaries and officers (jointly and severally) as its attorney and agent for the purpose of executing any document necessary to give effect to this scheme including, a proper instrument of transfer of its Scheme Shares for the purposes of section 1071B of the Corporations Act which may be a master transfer of all the Scheme Shares.

8.6 Appointment of sole proxy

Upon this scheme becoming Effective and until Kangaroo registers Bayan as the holder of all Kangaroo Shares in the Kangaroo Share Register, each Scheme Shareholder:

- (a) is deemed to have irrevocably appointed Bayan as its attorney and agent (and directed Bayan in such capacity) to appoint an officer or agent nominated by Bayan as its sole proxy and, where applicable, corporate representative to attend shareholders' meetings of Kangaroo, exercise the votes attaching to the Scheme Shares registered in its name and sign any Kangaroo Shareholders' resolutions, and no Scheme Shareholder may attend or vote at any of those meetings or sign or vote on any resolutions (whether in person, by proxy or by corporate representative) other than as pursuant to this clause 8.6(a); and
- (b) must take all other actions in the capacity of a registered holder of Scheme Shares as Bayan reasonably directs.

9 General

9.1 Stamp duty

Bayan must (pursuant to its obligations under the Deed Poll) pay all stamp duty payable in connection with the transfer of the Scheme Shares to Bayan.

9.2 Definition of 'sending'

For the purposes of clause 5 the expressions 'sending' means, in relation to each Scheme Shareholder:

- (a) sending by ordinary pre-paid post or courier to the Registered Address of that Scheme Shareholder as at the Scheme Record Date; or
- (b) delivery to the Registered Address of that Scheme Shareholder as at the Scheme Record Date by any other means at no cost to the recipient.

9.3 Notices

- (a) If a notice, transfer, transmission application, direction or other communication referred to in this document is sent by post to Kangaroo, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at the place where Kangaroo's Share Registry is kept.

- (b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such a notice by any Shareholder may not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

9.4 Governing law and jurisdiction

This scheme is governed by the laws of Western Australia. In relation to it and related non-contractual matters each party irrevocably submits to the non-exclusive jurisdiction of courts with jurisdiction there.

9.5 Further assurances

Kangaroo must do anything necessary (including executing agreements and documents) to give full effect to this scheme and the transactions contemplated by it.

Annexure B – Deed Poll**Date****Deed Poll** by

1. **PT. Bayan Resources, Tbk** incorporated in Indonesia of Office 8 Building, 36th Floor, Sudirman CBD Lot 28, Jl. Jend Sudirman Kav. 52-53, South Jakarta 12190 (*Bayan*)

in favour of the **Scheme Shareholders**.**Recitals**

- | | |
|---|---|
| A | On [] 2018, Bayan and Kangaroo entered into the Scheme Implementation Deed to provide for the implementation of the Scheme. |
| B | The effect of the Scheme will be to transfer all Scheme Shares to Bayan in return for the Scheme Consideration. |
| C | Bayan enters this deed poll to covenant in favour of Scheme Shareholders to pay or procure payment of the Scheme Consideration in accordance with the Scheme. |

It is declared as follows.**1 Definitions and interpretation****1.1 Definitions**

The following definitions apply unless the context requires otherwise.

Scheme Implementation Deed means the scheme implementation deed dated [] 2018 between Bayan and Kangaroo.

Trustee means Kangaroo as trustee for the Scheme Shareholders.

1.2 Terms defined in Scheme Implementation Deed

Words defined in the Scheme Implementation Deed and not in this deed poll have the same meaning in this deed poll as in the Scheme Implementation Deed unless the context requires otherwise.

1.3 Incorporation by reference

The provisions of clauses 1.2, 1.3, 1.4, 1.5 and 1.6 of the Scheme Implementation Deed form part of this deed poll as if set out at length in this deed poll but with 'deed poll' substituted for 'deed' and with any reference to 'party' being taken to include the Scheme Shareholders.

1.4 Nature of this deed poll

Bayan acknowledges that this deed poll may be relied on and enforced by any Scheme Shareholder in accordance with its terms even though the Scheme Shareholders are not a party to it.

2 Conditions

2.1 Conditions

Bayan's obligations under clause 3 are subject to all Conditions Precedent to the Scheme being satisfied or waived.

2.2 Termination

Bayan's obligations under this deed poll will automatically terminate and this deed poll will be of no further force or effect if:

- (a) the Scheme Implementation Deed is terminated in accordance with its terms; or
 - (b) the Scheme is not Effective by the End Date,
- unless Kangaroo and Bayan otherwise agree.

2.3 Consequences of termination

If this deed poll terminates under clause 2.2, in addition and without prejudice to any other rights, powers or remedies available to them:

- (a) Bayan is released from their obligations to further perform this deed poll; and
- (b) Scheme Shareholders retain the rights they have against Bayan in respect of any breach of this deed poll which occurred before it terminated.

3 Scheme Consideration

- (a) Subject to clause 2, Bayan undertakes in favour of each Scheme Shareholder to provide or procure the provision of the Scheme Consideration to each Scheme Shareholder in accordance with the terms of the Scheme.
- (b) The obligations of Bayan to provide the Scheme Consideration under paragraph (a) will be satisfied if, on or before 5pm on the date that is two Business Day's prior to the Implementation Date, it:
 - (i) pays or procures payment of an amount at least equal to the aggregate amount of the Scheme Consideration payable to Scheme Shareholders under the Scheme by depositing in cleared funds in an Australian dollar denominated trust account operated by Kangaroo, on trust for the Scheme Shareholders, except that any interest on the amount deposited (less bank fees and other charges) will be to Bayan's account; and
 - (ii) provides Kangaroo with written confirmation of that payment.

4 Warranties

Bayan represents and warrants to each Scheme Shareholder that:

- (a) **(status)** it is a corporation duly incorporated and validly existing under the laws of the place of its incorporation;
- (b) **(power)** it has the power to enter into and perform its obligations under this deed poll and to carry out the transactions contemplated by this deed poll;
- (c) **(corporate authorisations)** it has taken all necessary corporate action to authorise the entry into and performance of this deed poll and to carry out the transactions contemplated by this deed poll;
- (d) **(documents binding)** this deed poll is its valid and binding obligation enforceable in accordance with its terms;

- (e) **(transactions permitted)** the execution and performance by it of this deed poll and each transaction contemplated by this deed poll did not and will not violate in any respect a provision of:
 - (i) a law or treaty or a judgment, ruling, order or decree of a Governmental Agency binding on it;
 - (ii) its constitution or other constituent documents; or
 - (iii) any other document which is binding on it or its assets; and
- (f) **(solvency)** it is solvent and no resolutions have been passed nor has any other step been taken or legal action or proceedings commenced or threatened against it for its winding up or dissolution or for the appointment of a liquidator, receiver, administrator or similar officer over any or all of its assets.

5 Continuing Obligations

This deed poll is irrevocable and, subject to clause 2, remains in full force and effect until Bayan has fully performed its obligations under it.

6 Notices

Any notice, demand or other communication (a **Notice**) to Bayan in respect of this deed poll:

- (a) must be in writing and signed by the sender or a person duly authorised by it;
- (b) must be delivered to the intended recipient by prepaid post (if posted to an address in another country, by registered airmail) or by hand or fax to the address or fax number below:

Address: Office 8 Building, 36th Floor, Sudirman CBD Lot 28, Jl. Jend Sudirman Kav. 52-53, South Jakarta 12190, Republic of Indonesia

Fax: 62 21 2935 6999

Email: oliver.khaw@bayan.com.sg

Attention: Oliver Khaw

With a copy to: Allens

Address: 126 Phillip Street, Sydney NSW 2000, Australia

Fax: +61 2 9230 5333

Email: Vijay.Cugati@allens.com.au; Chris.Blane@allens.com.au

Attention: Vijay Cugati and Chris Blane

- (c) will be conclusively taken to be duly given or made:
 - (i) in the case of delivery in person, when delivered;
 - (ii) in the case of delivery by post, two Business Days after the date of posting (if posted to an address in the same country) or seven Business Days after the date of posting (if posted to an address in another country);
 - (iii) in the case of delivery by fax, on receipt by the sender of a transmission control report from the despatching machine showing the relevant number of pages and the correct destination fax number or name of recipient and indicating the transaction has not been made without error; and
 - (iv) in the case of delivery by email, the earlier of:

- (A) the time that the sender receives an automated message from the intended recipient's information system confirming delivery of the email;
- (B) the time that the email is first opened or read by the intended recipient, or an employee or officer of the intended recipient; and
- (C) two hours after the time the email is sent (as recorded on the device from which the sender sent the email) unless the sender receives, during that two hour period, an automated message that the email has not been delivered,

but if the result is that a Notice would be taken to be given or made on a day that is not a business day in the place to which the Notice is sent or is later than 5pm (local time) it will be taken to have been duly given or made at the start of business on the next business day in that place.

7 General Provisions

7.1 Amendment

This deed poll may be amended only by another deed poll entered into by Bayan and then only if the amendment is agreed to by Kangaroo in writing and the Court indicates that the amendment would not itself preclude approval of the Scheme.

7.2 Assignment

The rights of each Scheme Shareholder under this deed poll are personal and cannot be assigned, charged, encumbered or otherwise dealt with at law or in equity without the prior written consent of Bayan.

7.3 Counterparts

This deed poll may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument.

7.4 Cumulative rights

The rights, powers and remedies of Bayan and each Scheme Shareholder under this deed poll are cumulative and do not exclude any other rights, powers or remedies provided by law independently of this deed poll.

7.5 Governing law and jurisdiction

This deed poll is governed by the laws of Western Australia. In relation to it and related non-contractual matters Bayan irrevocably submit to the non-exclusive jurisdiction of courts with jurisdiction there, and waives any right to object to the venue on any ground.

7.6 Further assurances

Bayan must do anything necessary (including executing agreements and documents) to give full effect to this deed and the transactions contemplated by it.

7.7 No waiver

If a Scheme Shareholder does not exercise a right arising from a breach of this deed poll at a given time, it may, unless it has waived that right in writing, exercise the right at a later point in time.

7.8 Stamp duty

Bayan must:

- (a) pay or procure the payment of all stamp duty (including fines, penalties and interest) in respect of the Scheme and this deed poll, the Scheme Implementation Deed, the performance of this deed poll, the Scheme Implementation Deed and each transaction effected by or made under the Scheme, this deed poll and the Scheme Implementation Deed; and
- (b) indemnify each Scheme Shareholder against any liability arising from failure to comply with clause 7.8(a).

Executed and delivered as a deed poll

Signed Sealed and Delivered by **PT Bayan Resources, Tbk** in the presence of:

Director Signature

Director Signature

Print Name

Print name

Signature of Witness

Print Name

Annexure C – Timetable

Event	Date
Kangaroo submits draft Scheme Booklet to ASIC	17 September 2018
First Court hearing	5 October 2018
Kangaroo sends Scheme Booklet to Kangaroo Shareholders	11 October 2018
Scheme Meeting	16 November 2018
Second Court hearing	23 November 2018
Effective Date	26 November 2018
Scheme Record Date	3 December 2018
Implementation Date	6 December 2018