

Primewest Employee Securities Option Plan

Primewest Group Limited
Primewest Property Fund

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Operative provisions

1. Definitions and interpretation

1.1 Definitions

Allocate means:

- (a) the issue of a Security to or for the benefit of;
- (b) procuring the transfer of a Security (pursuant to a purchase on-market or an off-market transfer) to or for the benefit of; or
- (c) procuring the setting aside of a Security for the benefit of, a Participant.

Application means an application by an Eligible Employee to participate in the Plan and be granted an Award.

ASIC means Australian Securities and Investment Commission.

ASX means ASX Limited ACN 008 624 691 or the financial market operated by it, as the context requires.

Award means:

- (a) an Option; or
- (b) a Performance Right;

Board means the board of directors of the Company and the RE or any committee, person or body to which the board duly delegates its powers and authorities to under this Plan

Cessation Date means in relation to a particular Participant, the date on which Cessation of Employment of that Participant occurs.

Cessation of Employment means in relation to a particular Participant:

- (a) that Participant ceases to be an Employee for whatever reason; or
- (b) that Participant's employer ceases to be a Group Entity.

Change of Control Event means:

- (a) a Takeover Bid being made for Securities in Primewest;
- (b) a court orders a meeting to be convened in relation to a compromise or arrangement for the purposes of, or in connection with:
 - (i) a scheme which would, if it becomes effective, result in any person (either alone or together with its related bodies corporate) owning all of the Securities in Primewest; or
 - (ii) a scheme for the reconstruction of Primewest or its amalgamation with any other company or companies;

- (c) any other transaction or event that in the Board's opinion is likely to result in a change of Control of Primewest.

Company means Primewest Group Limited ACN 636 344 137.

Constitutions means the constitution of the Company operating as a contract between the Company, its members and officers, as amended from time to time, and the constitution of the Trust operating as a contract between the Trust, its unitholders and officers, as amended from time to time.

Control has the meaning given in section 50AA of the Corporations Act.

Corporations Act means Corporations Act 2001 (Cth).

Dealing means in relation to an Award or a Security (as the case may be), any dealing, including but not limited to:

- (a) a sale, transfer, assignment, trust, encumbrance, option, swap, any alienation of all or any part of the rights attaching to the Award or Security;
- (b) any attempt to do any of the actions set out in paragraph (a); and
- (c) any arrangement or transaction in financial products that operates to limit the economic risk associated with holding a Security or Award.

Dealing Restriction means the restrictions on Dealing with an Award or Securities (as applicable) as set out in these Rules or an Invitation.

Dividend Equivalent Right means a right to be paid a cash amount that is ultimately determined by reference to (wholly or in part):

- (a) the amount or value of dividends paid or payable in relation to Securities over a specified period of time; or
- (b) a change in the amount or value over a specified period of time of dividends paid or payable in relation to Securities.

Eligible Employee means:

- (a) an Employee (including a director employed in an executive capacity); or
- (b) any other person who the Board determines is eligible to receive a grant of an Award under the Plan.

Employee means any person who is in full-time or part-time employment of a Group Entity.

Exercise Price means the amount payable to exercise an Option following Vesting as set out in an Invitation (as adjusted or amended in accordance with these Rules).

Financial Year means the financial year of Primewest (being at the time of adoption of these Rules a period of 12 months starting on 1 July in one year and ending on 30 June in the following year).

Group means the Company, the Trust, and their respective subsidiary entities (as that term is defined in the Corporations Act) and any other entity declared by the Board to be a member of the Group for the purposes of the Plan (and **Group Entity** means any member of the Group)

Invitation means an invitation to an Eligible Employee made by the Board under clause 2.1 to apply to participate in the Plan and apply for a grant of an Award.

Listing Rules means the official listing rules of the ASX as they apply to Primewest from time to time.

Market Value in relation to a Security means:

- (a) the VWAP of Securities over the 10 Trading Days on which sales were recorded on ASX immediately before the relevant date; or
- (b) any other calculation as determined by the Board.

Option means an option to acquire one Security (or to be paid a cash payment in lieu of one Security) in accordance with these Rules and an Invitation.

Participant means a person who has holds an Award or Security under the terms of this Plan from time to time.

Performance Right means a right to acquire one Security (or to be paid a cash payment in lieu of one Security) in accordance with these Rules and an Invitation.

Plan means this Primewest Employee Securities Option Plan as set out in these Rules.

RE means the responsibility entity of the Trust, Primewest Management Limited

Restriction Period means the period during which a Participant must not Deal with Awards or Securities Allocated on exercise or Vesting of an Award as specified in an Invitation.

Rules means the terms and conditions set out in this document as amended from time to time.

Securities Trading Policy means the policy of Primewest on Dealing in Securities of Primewest as amended or replaced from time to time.

Security means one Share stapled to one Unit, in accordance with the Constitutions and the Stapling Deed

Securityholder means a registered holder of a Security

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

Stapling Deed means the deed that sets out the terms and conditions of the stapling of the Shares and the Units and the obligations of the Company and the RE as responsible entity of the Trust in respect of the Securities

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

Tax means any tax, levy, excise, duty, charge, surcharge, contribution, withholding tax, impost or withholding obligation of whatever nature, whether direct or indirect, by whatever method collected or recovered, together with any fees, penalties, fines, interest or statutory charge.

Tax Liability means a liability of the Participant for income tax or employment taxes under any wage, withholding or other arrangements or for any other tax, social security contributions or levy or charge of a similar nature.

Trading Day means any day on which the ASX is open for trading.

Trust means Primewest Property Fund (ARSN 636 405 635)

Unit means one fully paid unit in the Trust allocated under the Plan and subject to the relevant Trading Restrictions

Unvested in respect of an Award means an Award which has not Vested.

Vest or Vesting means the process by which the holder of an Award becomes entitled to:

- (a) in the case of an Option, exercise the Option in accordance with clause 6.2; or
- (b) in the case of a Performance Right, be Allocated a Security in accordance with clause 8.1,

following all Vesting Conditions that apply to that Award being satisfied or otherwise waived by the Board.

Vesting Condition means one or more conditions which must be satisfied or circumstances which must exist before an Award Vests under these Rules.

Vesting Period means the period or periods over which the Vesting Conditions are measured or tested as specified by the Board for the purposes of a particular Award, including any period or periods over which any re-testing of Vesting Conditions occurs.

VWAP in relation to a Security mean the arithmetic average of the daily volume weighted average market price of the Securities (calculated to 2 decimal places of one cent) of all Securities sold on ASX excluding:

- (a) special crossings, overseas trades, trades pursuant to the exercise of options, overnight trades, and any other trades that are excluded from an ASX volume weighted average price calculation; and
- (b) any trades that the Board determines to exclude on the basis that the trades are not fairly reflective of natural supply and demand.

1.2 Interpretation

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

- (a) a word importing the singular includes the plural and vice versa, and a word of any gender includes the corresponding words of any other gender;
- (b) if a word or phrase is given a defined meaning in this Plan, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;
- (c) the word including or any other form of that word is not a word of limitation;
- (d) a reference to a statute includes any regulations or other instruments made under it (**delegated legislation**) and a reference to a statute or delegated legislation or a provision of either includes consolidations, amendments, re-enactments and replacements;
- (e) a reference to a clause or schedule is to a clause of or a schedule to these Rules and a reference to these Rules includes any schedule to these Rules;
- (f) an issue is not precluded from being a pro rata issue because certain holders of Securities are excluded from the issue or are allowed to subscribe for a greater

number of securities than the entitlement of those holders, pursuant to the Corporations Act or Listing Rules.

1.3 Application of Corporations Act and ASX Listing Rules

- (a) Notwithstanding any other provision of these Rules, no Award may be offered under the Plan if to do so would contravene the Corporations Act, the Listing Rules or instruments of relief issued by ASIC from time to time relating to employee incentive schemes which Primewest is relying on.
 - (b) Notwithstanding any other provision of these Rules, Awards and Securities must not be issued, acquired, transferred or otherwise dealt with under the Plan if to do so would contravene the Corporations Act or the ASX Listing Rules.
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2. Invitations

2.1 Board may make Invitations

- (a) The Board may, from time to time, in its discretion invite Eligible Employees to participate in the Plan and apply for a grant of Awards upon the terms set out in the Plan and any other terms as the Board determines.
- (b) The Board may in its discretion invite an Eligible Employee to apply for a grant of a Dividend Equivalent Right in an Invitation to apply for a grant of Award.
- (c) Without limiting clause 2.1(a), an Invitation may be expressed as an offer to the Eligible Employee to participate in the Plan and may specify the manner in which the Eligible Employee may accept that offer or the conduct of the Eligible Employee which will be treated as acceptance of that offer, including the failure of the Eligible to lodge or submit an election not to participate in the Plan in accordance with the instructions that accompany the Invitation.
- (d) Without limiting clause 2.1(a), an Invitation may be made to a person where the Invitation is conditional on the person becoming an Employee.

2.2 Form of an Invitation

- (a) An Invitation may take any form determined by the Board, including by electronic means or by way of making it available on a website and notifying the Eligible Employee recipient that it is available on the website.
- (b) An Invitation must include the following information:
 - (i) the type or types of Awards being offered;
 - (ii) the number of Awards being offered or the method by which the number will be calculated;
 - (iii) the amount (if any) that will be payable for the grant of an Award or the method by which that amount will be calculated; and
 - (iv) any Vesting Conditions or other conditions that apply to the Award, including any Vesting Period.
- (c) An Invitation for a grant of an Option or Performance Right must include the following information:

- (i) if the Award is an Option, the requirements for exercising the Option, including any Exercise Price that will be payable and the period or periods in which the Option may be exercised;
 - (ii) whether the exercise of the Option or Vesting of the Performance Right will only be satisfied by an Allocation of Securities to the Participant; and
 - (iii) the dates or circumstances in which Option or Performance Right may lapse.
- (d) An Invitation may include the following information:
 - (i) any Dealing Restrictions (including the Restriction Period); and
 - (ii) how an Award may be treated in the event that a Cessation of Employment of the Participant occurs;
 - (iii) how an Award may be treated in the event that a Change of Control Event occurs;
 - (iv) how an Award may be treated in the circumstances referred to in clause 12.1; and
 - (v) how an Award may be treated in the circumstances referred to in clause 15.1.

2.3 Terms of grant

Unless an Invitation provides otherwise:

- (a) no payment will be required for the grant of an Award; and
- (b) an Option or Performance Right does not confer on a Participant the right to participate in new issue of securities to existing holders of Securities unless:
 - (i) the Participant has become entitled to exercise the Option or the Performance Right has Vested;
 - (ii) Securities have been Allocated under the Plan in respect of that Option or Performance Right before the record date for the determination of entitlements to the new issue of securities; and
 - (iii) the Participant participates as a holder of those Allocated Securities.

3. Dividend Equivalent Rights

3.1 Board may grant

The Board may determine at the time an Invitation of Options or Performance Rights is made that the Participant will also be granted a Dividend Equivalent Right in respect of:

- (a) Options which are exercised; or
- (b) Performance Rights which Vest.

3.2 Invitation

If the Board makes a determination under clause 3.1, the Invitation for the grant of Dividend Equivalent Rights must specify:

- (a) how the amount of the Dividend Equivalent Right will be calculated; and
- (b) when the amount of the Dividend Equivalent Right will be paid.

3.3 Default rights

Unless an Invitation of Dividend Equivalent Rights provides otherwise:

- (a) the amount of the Dividend Equivalent Rights which apply to an Option or a Performance Right will be approximately equal to the amount of dividends that would have been payable to a Participant had he or she been the registered holder of the Securities which are Allocated on exercise of that Option or Vesting of that Performance Right from the first day of the Financial Year in which that Option or Performance Right is granted (excluding any dividends actually paid in respect of those Securities after their Allocation to the Participant);
- (b) the amount of the Dividend Equivalent Rights will not be grossed up or otherwise adjusted to account for any Tax consequences which would have applied if the Participant had actually been paid a dividend; and
- (c) Primewest must satisfy the entitlement of a Participant to receive a payment of a Dividend Equivalent Right which apply to an Option or a Performance Right as soon as reasonably practicable following the Allocation of Securities on exercise of that Option or Vesting of that Performance Right.

4. Applications

4.1 How an Application is made

An Application by the Eligible Employee must be made in accordance with the instructions that accompany the Invitation to which the Application relates, or in any other way the Board determines.

4.2 Board discretions regarding Applications

- (a) The Board may, at its discretion, refuse to allow the participation of a person in the Plan where that person ceases to be an Eligible Employee, or ceases to satisfy any other condition imposed by the Board, before the grant of the Award is made.
- (b) Nothing limits the Board's ability to treat the conduct of an Eligible Employee in respect of an Invitation as valid application to participate in the Plan under these Rules.

4.3 Consequences of an Application

By applying to participate in the Plan in respect of an Invitation, the Eligible Employee is deemed to have agreed to be bound by these Rules, the terms of the Invitation and the Constitution.

5. Grant of Awards

5.1 When grant occurs

If:

- (a) an Application by a Participant is accepted by the Board; or
- (b) an Invitation in the form referred to in clause 2.1(c) is made and that offer is accepted in accordance with the terms of the Invitation,

the Board will (subject to its discretion under clause 4.2) grant the Award to the Eligible Employee.

5.2 Grant in favour of the Eligible Employee

Unless the Board determines otherwise and subject to clause **Error! Reference source not found.**, an Award may not be registered in any name other than that of the Eligible Employee.

6. Vesting and Exercise

6.1 Vesting of an Option or a Performance Right

- (a) Subject to any express clause of these Rules, an Option or a Performance Right will only Vest (and in the case of an Option become exercisable) where each Vesting Condition and any additional terms specified in the Invitation for that Option or Performance Right have been satisfied or otherwise waived by the Board.
- (b) Vesting occurs upon notification from Primewest to the Participant that an Option or Performance Right has Vested pursuant to this clause 6.1.

6.2 Exercise of an Option

- (a) An Option may only be exercised if it has Vested.
- (b) The exercise of an Option may only be effected in a form and manner specified in the Invitation or as otherwise determined by the Board.
- (c) Subject to clause 8.2(b)(ii), on the exercise of an Option the Participant must pay the Exercise Price for that Option.

7. Lapsing

7.1 Lapsing of an Option

An Option will lapse upon the earliest to occur of:

- (a) 7 years after Vesting or any other date specified in the Invitation for that Option;
- (b) a date or circumstance specified in the Invitation for that Option or a provision of these Rules as when an Option lapses;
- (c) failure to meet a Vesting Condition within the Vesting Period or meet any other condition applicable to the Option within the period specified in the Invitation for that Option; or
- (d) the receipt by Primewest of a notice in writing from a Participant that the Participant has elected to surrender the Option.

7.2 Lapsing of a Performance Right

A Performance Right will lapse upon the earliest to occur of:

- (a) a date or circumstance specified in the Invitation for that Performance Right or a provision of these Rules as when a Performance Right lapses;
 - (b) failure to meet a Vesting Condition within the Vesting Period or meet any other condition applicable to the Performance Right within the period specified in the Invitation for that Performance Right; or
 - (c) the receipt by Primewest of a notice in writing from a Participant that the Participant has elected to surrender the Performance Right.
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8. Satisfaction of Options and Rights

8.1 Allocation of Securities

Subject to clause 8.2, on the exercise of an Option or Vesting of a Performance Right, Primewest must Allocate a Security to the Participant.

8.2 Cash equivalent payments

- (a) Unless the terms of an Invitation provides otherwise, the Board may determine that the exercise of an Option or the Vesting of a Performance Right will be satisfied by Primewest making a cash payment to the Participant in lieu of an Allocation of Securities. The Board may determine that some or all of a Participant's Options or Rights will be settled in this manner.
 - (b) Where the Board makes a determination under 8.2(a), Primewest must notify the Participant of the following information:
 - (i) the number of Options or Performance Rights the subject of that determination; and
 - (ii) that no Exercise Price is payable in respect of an Option the subject of that determination or that Primewest will refund any Exercise Price paid by the Participant in respect of an Option the subject of that determination.
 - (c) Where the Board makes a determination under 8.2(a), Primewest must, as soon as reasonably practicable following the exercise of an Option or the Vesting of a Performance Right, pay to the Participant an amount equivalent to the value of the exercised Options or the Vested Performance Rights the subject of that determination calculated in accordance with clause 8.2(d).
 - (d) The amount of the cash payment referred in clause 8.2(c) will be calculated by multiplying the number of Options that have been exercised or the number of Performance Rights that have Vested (as applicable) by the Market Value on the date on which the Security in respect of that Option or Performance Right would otherwise have been Allocated to a Participant, less in the case of Options, any Exercise Price of those Options specified in the Invitation which has not been paid by the Participant to Primewest.
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9. Satisfaction of Dividend Equivalent Rights

9.1 Payment

Primewest must pay the amount of a Dividend Equivalent Right on the payment date specified in the Invitation for that Dividend Equivalent Right.

10. Dealing Restrictions

10.1 Limited Dealing in Awards

A Participant must not Deal with an Award unless that Dealing:

- (a) is required by law and the Participant has provided satisfactory evidence of that requirement to the Board; and
- (b) is permitted (or is not prohibited) by Primewest's Securities Trading Policy.

10.2 Consequence of prohibited Dealing

Where, in the opinion of the Board, a Participant Deals with an in breach of clause 10.1, the Award will immediately lapse.

10.3 Allocated Securities

The Board may, at its discretion, impose a restriction on Dealing with Securities Allocated on exercise of an Option or Vesting of a Performance Right.

10.4 Enforcement of Dealing Restrictions

- (a) Primewest may implement any procedure it considers appropriate to enforce a Dealing Restriction, including the imposition of a holding lock or requiring that Securities be held in trust on behalf of a Participant.
- (b) By making an Application or accepting an Invitation, each Participant undertakes not to take any action or permit another person to take any action to remove any procedure imposed by Primewest under clause 10.4(a).

11. Cessation of Employment

11.1 Treatment of an Award

- (a) The Board may:
 - (i) specify in the terms of an Invitation; or
 - (ii) make a determination as to,

how a Participant's Awards will be treated on the occurrence of Cessation of Employment of the Participant.

- (b) The terms of an Invitation may specify that:
 - (i) that the applicable treatment under clause 11.2 is subject to the Board's power to make a determination under clause 11.1(a)(ii); or
 - (ii) subject to applicable laws, the circumstances in which a Cessation of Employment of a Participant will be treated as not having occurred for the purposes of the Plan.

11.2 Applicable treatment

- (a) The applicable treatment under clause 11.1(a) may be that some or all of the Participant's Awards:
 - (i) Vest on the Cessation Date, or on the occurrence of a specified date or circumstance, or on the satisfaction of a specified condition;
 - (ii) in the case of an Option, is only exercisable within a specified period or on the satisfaction of a specified condition;
 - (iii) lapse; or
 - (iv) are not subject to a term of the grant of the applicable Award, including a Vesting Condition or a Disposal Restriction.
 - (b) In making a determination under clause 11.1(a), the Board may have regard to any matter the Board considers relevant, including:
 - (i) the circumstances in which the Cessation of Employment of the Participant occurred;
 - (ii) the extent that the Vesting Conditions of the Award are determined or estimated by the Board to have been satisfied when tested at the Cessation Date; and
 - (iii) the proportion of the Vesting Period of the Award that has elapsed at the time of the Cessation Date.
 - (c) Notwithstanding any rule, no Group Entity is required to pay, provide, or procure the payment or provision of, any money or other benefit to the Participant which would require securityholder approval under the Corporations Act, if such relevant approval has not been obtained. Nothing in the Plan requires or will be deemed to require any Group Entity to seek the approval of their respective securityholders to enable them to perform an action in connection with an Award.
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12. Change of Employment

12.1 Transfers outside Australia

The Board may:

- (a) specify in the terms of an Invitation; or
- (b) make a determination as to,

how a Participant's Awards will be treated where a Participant is transferred to work for a Group Entity outside Australia and, as a result of that transfer:

- (c) the Participant would suffer a tax disadvantage in relation to their Awards which is demonstrated to the satisfaction of the Board;
- (d) Primewest would be restricted in its ability to Vest Awards or to Allocate Securities upon the exercise of Options or the Vesting of Performance Rights;
- (e) the Participant would become subject to restrictions on their ability to Deal with the Awards, or to hold or Deal in the Securities or the proceeds of the Securities acquired

on Vesting or exercise, because of the laws of the country to which the Participant is transferred.

12.2 Treatment of Awards

The applicable treatment under clause 12.1 may be that some or all of the Participant's Awards:

- (a) Vest on the occurrence of a specified date or circumstance, or on the satisfaction of a specified condition;
 - (b) in the case of an Option, is exercisable within a specified period or on the satisfaction of a specified condition;
 - (c) an Option or Performance Right will be satisfied by Primewest making a cash payment to the Participant in lieu of an Allocation of Securities; or
 - (d) any another manner determined by the Board or specified in an Invitation.
-

13. Control of Primewest

13.1 Board determination

- (a) Subject to clause 13.1(b), where a Change of Control Event occurs, the Board may, in its discretion, determine that:
 - (i) all or a specified number of a Participant's Unvested Awards are deemed to have Vested;
 - (ii) all or specified number of a Participant's Options may be exercised for a period specified by the Board, and if not exercised within that period, will lapse;
 - (iii) the Disposal Restrictions or any other terms which apply to the Award cease to apply; and/or
 - (iv) the Disposal Restrictions which apply to Securities Allocated on the Vesting of a Performance Right or exercise of an Option cease to apply.
- (b) The terms of an Invitation may specify a particular treatment of a Participant's Unvested Awards where a Change of Control Event occurs, and the Invitation may specify that such treatment is subject to the Board's power to make a determination under clause 13.1(a).

13.2 Consequence of determination

- (a) Where the Board makes a determination pursuant to clause 13.1(a), the Board must as soon as reasonably practicable give written notice to each Participant of the number of Awards that have Vested or may be exercised (as the case maybe).
- (b) If the Board determines under clause 13.1(a) that only some of a Participant's Unvested Awards will vest, all remaining Unvested Awards will lapse, unless the Board determines a different treatment.

13.3 Exercise or Vesting following Control

If:

- (a) a body corporate (**Acquirer**) obtains Control of Primewest as a result of a Change of Control Event; and
 - (b) Primewest, the Acquirer and the Participant agree,

a Participant may, subject to applicable laws, upon exercise of Options or Vesting of Performance Rights be provided with shares of the Acquirer or its parent in lieu of Securities:
 - (c) in such manner as the parties agree; and
 - (d) on substantially the same terms and subject to substantially the same conditions as the Securities but with appropriate adjustments to the number and kind of shares of the Acquirer.
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14. Adjustments of Awards

14.1 Adjustments circumstances

Prior to:

- (a) the Allocation of Securities upon the exercise of Options or the Vesting of Performance Rights or the making a cash payment in lieu of an Allocation of Securities to a Participant in accordance with clause 8.2; or
- (b) the payment of a Dividend Equivalent Right,

the Board may, in its discretion, determine in respect of Awards or Dividend Equivalent Rights to:

- (c) make adjustments to the terms of an Award or Dividend Equivalent Right granted to that Participant; or
- (d) grant additional Awards or Dividend Equivalent Rights to that Participant,

in order to minimise or eliminate any material advantage or disadvantage to a Participant resulting from a corporate action by Primewest or a capital reconstruction of Primewest, including a return of capital.

14.2 Permitted adjustments

The applicable adjustment under clause 14.1 may be to one or more of the following:

- (a) the number of Awards or Dividend Equivalent Rights to which each Participant is entitled;
- (b) the number of Securities to which each Participant is entitled upon exercise of Options or Vesting of Performance Rights;
- (c) the amount payable upon exercise of Options (including the Exercise Price);
- (d) the amount payable upon the Vesting of Performance Rights;
- (e) the amount payable to a Participant under a Dividend Equivalent Right.

14.3 Rights issues and entitlement offers

Without limiting clause 14.1, if Primewest makes a pro rata issue of Securities to existing holders of Securities generally by way of a rights issue or entitlement offer and no Security has been Allocated in respect of an Option before the record date for determining entitlements to the pro rata issue, the Option will be adjusted in accordance with the formula in the Listing Rules.

14.4 Bonus issues

Without limiting clause 14.1, if Primewest makes a bonus issue of Securities to existing holders of Securities (other than an issue in lieu of dividends or by way of a dividend reinvestment) involving capitalisation of reserves of distributable profits and no Securities has been Allocated in respect of an Option or Performance Right before the record date for determining entitlements to the bonus issue, the Option or Performance Right will be adjusted in accordance with the Listing Rules.

14.5 Reorganisations

Without limiting clause 14.1, if a reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of Primewest is effected, Options and Performance Rights will be adjusted in accordance with the Listing Rules.

14.6 Additional Awards or Dividend Equivalent Rights

- (a) Where additional Awards are granted to the Participant under this clause 14, such Awards will be subject to the same terms and conditions as the original Awards granted to the Participant (including any Vesting Conditions) unless the Board determines otherwise.
- (b) Where additional Dividend Equivalent Rights are granted to the Participant under this clause 14, such Dividend Equivalent Rights will be subject to the same terms and conditions as the original Dividend Equivalent Rights granted to the Participant unless the Board determines otherwise.

14.7 Notice to Participants

The Board must as soon as reasonably practicable after making any additional grants or adjustments under this clause 14, give notice in writing of the adjustment to any affected Participant.

14.8 Accumulation of adjustments

Effect will be given to this clause 14 in a manner that the effect of the successive application of this clause 14 will be cumulative, with the intention being that the adjustments that it progressively effects will reflect previous adjustments.

15. Inappropriate benefits

15.1 Inappropriate circumstances

The Board may make a determination how a Participant's Awards will be treated where, in the opinion of the Board:

- (a) an Award of Participant Vests or may Vest as a result of the fraud, dishonesty or breach of duties or obligations of any person to any Group Entity and the Award would not have otherwise Vested;
- (b) a Participant:
 - (i) has acted fraudulently or dishonestly;
 - (ii) has breached his or her duties or obligations to any Group Entity; or
 - (iii) has done an act which brings any Group Entity into disrepute;
- (c) there has been a material misstatement or omission in the financial statements of a Group Entity or an event or circumstance has occurred which will require the financial statements of a Group Entity to be restated; or
- (d) Primewest is required by or entitled under law or a policy of a Group Entity to clawback remuneration of a Participant.

15.2 Treatment of Awards

- (a) The applicable treatment under clause 15.1 may be that some or all of the Participant's:
 - (i) Unvested Awards;
 - (ii) Vested but unexercised Options;
 - (iii) Securities Allocated upon the exercise of Options or Vesting of Performance Rights;
 - (iv) Dividend Equivalent Rights.
- (b) The applicable treatment under clause 15.1 may be that the Participant must pay or repay (as the case maybe) to Primewest as a debt due to Primewest any of the following:
 - (i) a cash payment received in lieu of an Allocation of Securities pursuant to clause 8.2;
 - (ii) a cash payment made in respect of a Dividend Equivalent Right;
 - (iii) all or part of the net proceeds of sale of Securities Allocated under the Plan which have been sold;
 - (iv) dividends received in respect of a Security Allocated under the Plan.
- (c) The applicable treatment under clause 15.1 may be any other circumstance specified in an Invitation.

16. Tax

16.1 Participant responsibility

- (a) Unless otherwise required by law, no Group Entity is responsible for any Tax which may become payable by a Participant as consequence of or in connection with the Participant's participation in the Plan, including:

- (i) the grant, Vesting or exercise of an Award;
 - (ii) the Allocation of Securities; or
 - (iii) any Dealing with an Award or any Securities.
- (b) No Group Entity makes any representation that the Plan will have any particular Tax or financial consequences or that an Eligible Person or Participant will gain any Tax or financial advantage by participating in the Plan.

16.2 Withholding circumstances

If a Group Entity is obliged, or reasonably believes it may have an obligation, as a result of or in connection with:

- (a) the grant of an Award to a Participant, or the Vesting or exercise of any Award;
- (b) the payment of any cash amount to a Participant, including upon the Vesting or exercise of any Award; or
- (c) the Allocation of Securities to, or on behalf of, a Participant under the Plan,

to account for a Tax Liability, then the Participant must reimburse the Group Entity for the amount or amounts so paid or payable.

16.3 Reimbursement arrangements

If a Participant is obliged to reimburse a Group Entity for a Tax Liability in accordance with clause 16.2, the Group Entity is not obliged to grant the Awards, pay the relevant amount or Allocate the relevant Securities to the Participant unless the Group Entity is satisfied that arrangements have been made for reimbursement of the Group Entity.

17. Securities issued under the Plan

17.1 Security ranking

Any Securities issued under the Plan will rank equally in all respects with other Securities for the time being on issue by Primewest except as regards any rights attaching to such Securities by reference to a record date prior to the date of their issue.

17.2 Listing of Securities on ASX

If Securities of the same class as those issued on the Vesting or exercise of an Award are quoted on ASX, Primewest will apply for quotation of Securities issued under the Plan within the period required by the ASX Listing Rules.

18. Amendments to the Plan

18.1 Board may make amendments

- (a) Subject to clause 18.2, the Board may at any time by resolution:
 - (i) amend all or any of the provisions of the Plan; or
 - (ii) amend the terms or conditions of any Award granted under the Plan.

- (b) Notwithstanding clause 18.2, the Board may waive, amend or replace any Vesting Condition of an Award if the Board determines that the original Vesting Condition is no longer appropriate or applicable, provided that the interests of the relevant Participant are not, in the opinion of the Board, materially prejudiced or advantaged relative to the position reasonably anticipated at the time of the grant of the Award.
- (c) Any exercise by the Board of a discretion contemplated by these Rules or the terms of an Invitation will not constitute an amendment pursuant to this clause 18.

18.2 Restrictions on amendments

Subject to clause 18.3, the Board may not exercise its powers under clause 18.1(a) in a manner which adversely affects the existing rights of the Participant in respect of any granted Award or Security already Allocated except with the consent of the Participant or with approval of at least 75% of the Participants holding Awards affected by an amendment.

18.3 Permitted amendments

Clause 18.2 does not apply to an amendment which the Board considers necessary or desirable to:

- (a) comply with or to take account of a change in legislation, the Listing Rules, exchange control, or other regulatory requirement governing or regulating the maintenance or operation of the Plan or similar plans, in any jurisdiction in which invitations under the Plan have been made;
- (b) correct any manifest error or mistake; or
- (c) take into consideration possible adverse tax implications in respect of the Plan arising from adverse rulings, changes to tax legislation or changes in the interpretation of tax legislation by a court of competent jurisdiction.

18.4 Termination or Suspension of the Plan

- (a) The Board may, at any time, terminate or suspend the Plan.
- (b) The termination or suspension of the Plan will not affect any existing Awards granted under the Plan and the terms of the Plan will continue to apply to such Awards provided that, in the case of termination, all Securities Allocated under the Plan then subject to a Dealing Restriction will be released from the restriction on the date of termination or on such other date specified by the Board.

19. Relationship with Participants

19.1 Separate rights and obligations

- (a) Unless the subject of an express provision in an employment contract, the rights and obligations of any Eligible Employee under the terms of their office, employment or contract with a Group Entity are not affected by their participation in the Plan.
- (b) These Rules do not form part of, and are not incorporated into, any contract of any Participant (whether or not they are an employee of a Group Entity).
- (c) Participation in the Plan does not confer on a Participant the right to remain an Employee and does not affect any rights which a Group Entity may have to terminate the employment of a Participant.

- (d) Participation in the Plan on a particular basis for the grant of an Award does not create any right or expectation of the grant of further Awards on the same basis, or at all.

19.2 No compensation

No Participant has any right to compensation for any loss in relation to the Plan, including:

- (a) any loss or reduction of any rights or expectations under the Plan in any circumstances or for any reason (including lawful or unlawful termination of employment or the employment relationship);
- (b) any exercise of a discretion or a decision taken in relation to a grant of Awards or in relation to the Plan, or any failure to exercise a discretion under these Rules;
- (c) the operation, suspension, termination or amendments of the Plan; or
- (d) lapse of an Award.

20. Administration of the Plan

20.1 Power of the Board

- (a) The Plan will be administered by the Board.
- (b) The Board has power to:
 - (i) determine appropriate procedures for administration of the Plan consistent with these Rules;
 - (ii) appoint or engage service providers for the operation and administration of the Plan; and
 - (iii) delegate to any one or more persons for any period and on any conditions as it may determine the exercise of any of its powers or discretions arising under the Plan.
- (c) Except as otherwise expressly provided in the Plan, the Board has absolute and unfettered discretion to act or refrain from acting under or in connection with the Plan and in the exercise of any power or discretion under the Plan.

20.2 Waivers

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

20.3 Interpretation of the Plan

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

20.4 Appointment of attorney

Each Participant appoints the company secretary of Primewest (or any other officer of Primewest authorised by the Board for this purpose) as his or her attorney to do anything necessary to:

- (a) Allocate Securities to the Participant in accordance with these Rules;
- (b) execute transfers of Securities in accordance with these Rules.

20.5 Participant data

By participating in the Plan, each Participant consents to the holding and processing of personal data provided by the Participant to Primewest for all purposes relating to the operation of the Plan. These include, but are not limited to:

- (a) administering and maintaining Participants' records;
- (b) providing information to trustees of any trust, registrars, brokers or third party administrators of the Plan or to any regulatory authority where required by law;
- (c) providing information to future purchasers of Primewest or the business in which the Participant works; and
- (d) transferring information about the Participant to a country or territory outside Australia.

20.6 Overseas participants

- (a) The Board determine that additional rules apply to an Award that is granted to persons who are not a resident of Australia by attaching a schedule to these Rules.
- (b) A determination under clause 20.6(a) may specify how the rules the subject of that determination interact with these Rules.
- (c) Unless the determination under clause 20.6(a) provides otherwise, the rules the subject of the determination prevail over any other provision of these Rules to the extent of any inconsistency.

20.7 Payments

- (a) Primewest may make a payment of an amount payable pursuant to these Rules in Australian dollars or any other currency determined by the Board in its discretion. Primewest may make payments in different currencies to different Participants. The Board may determine the appropriate exchange rate and time of calculation of the amount of a payment made in a currency other than Australian dollars.
- (b) Where the Board determines that the payment under these Rules is to be made in a currency other than Australian dollars, unless the Board determines otherwise, the foreign exchange rate applied will be the average closing exchange rate listed on the Reserve Bank of Australia website of the relevant currency for the 5 days prior to the date of payment.

20.8 Connection with other plans

Participation in the Plan does not affect, and is not affected by, participation in any other incentive or other plan operated by the Group Companies unless the terms of that other plan provides otherwise or unless otherwise stated in the Invitation.

20.9 Amounts owing by a Participant

Where a Participant owes any amount or amounts to a Group Entity, including any overpayment of leave or wages or salary, or any loss suffered by a Group Entity as a result of any breach of contract, statutory duty or tort committed by the Participant, the Board may, in respect of any Awards granted to the Participant:

- (a) prevent the exercise of some or all of the Awards;
 - (b) determine that some or all of the Awards lapse; or
 - (c) reduce the number of Awards which Vest,
- to take into account of and in settlement of any such amounts.

21. Notices

21.1 Notices by Primewest

Any notice, consent or other communication under or in connection with the Plan may be given by Primewest to an Eligible Employee or Participant if:

- (a) delivered personally to the addressee or sent by prepaid post to his or her last known residential address or to the address of the place of business at which the Participant performs all or most of their duties (**Place of Business**);
- (b) sent to him or her by facsimile or email to his or her last notified fax number or email address or to fax number or email address at the Place of Business; or
- (c) posted on any intranet or website maintained by Primewest or an administrator of the Plan and accessible by that Eligible Employee or Participant.

21.2 Notices to a Group Entity

Any notice, consent or other communication under or in connection with the Plan may be given by an Eligible Employee or Participant to a Group Entity if delivered or by sending it by post or facsimile to its registered office (or any other address notified by that company from time to time for that purpose (Notified Address)) or the fax number (if any) of that registered office (or Notified Address).

21.3 Time of service

- (a) Where a notice or other communication is given by post, it is deemed to have been received:
 - (i) if sent to an address within Australia, 48 hours it is posted; or
 - (ii) if sent to an address outside Australia, 5 days after it was posted.
- (b) Where a notice or other communication is given by facsimile or email, it is deemed to have been received on completion of transmission.

22. Governing Law

The Rules and the rights of Eligible Employees and Participants under the Plan are governed by and must be construed according to the law applying in Western Australia, Australia.