

Urbanise.com Limited
ACN 095 768 086

Employee Share Option Plan
Terms and Conditions

1 The Share Option Plan

- 1.1 The Company has implemented a plan to enable Employees to acquire Options subject to these terms and conditions.
- 1.2 The number of Options that may be issued under this plan must not exceed the level set out in clause 13.

2 Definitions and Interpretations

- 2.1 In these Terms and Conditions unless the contrary appears:
 - 2.1.1 "Board" means the board of directors of the Company.
 - 2.1.2 "Change of Control" means if Company's equity register changes such that any one shareholder of the Company acquires more than 60% of the fully diluted capital of the Company.
 - 2.1.3 "Company" means Urbanise.com Limited (ABN 70 095 768 086).
 - 2.1.4 "Employee" means a person who is either a full time or a part time Employee of the Company and in receipt of a salary from the Company.
 - 2.1.5 "Exercise Price" means the price paid by the Option Holder to exercise the Option as determined under clause 5.5.
 - 2.1.6 "Issue Price" means the price paid for an Option as determined under clause 5.5.
 - 2.1.7 "Listing Rules" means the listing rules of the Australian Securities Exchange, as amended from time to time.
 - 2.1.8 "Option" bears the meaning ascribed in clause 5.2 of these Terms and Conditions.
 - 2.1.9 "Option Holder" means a person holding an Option issued pursuant to these Terms and Conditions.
 - 2.1.10 "Qualifying Period" means the period of employment enabling an Employee to participate in the Option plan referred to clause 0 of these Terms and Conditions.
 - 2.1.11 "Share" means a fully paid ordinary share in the capital of the Company.
 - 2.1.12 "Terms of Issue" means the terms and conditions attached to an Offer as determined by the Board in its sole discretion from time to time.
 - 2.1.13 "Vesting Date" means the date on which an Option becomes exercisable as set out in the Terms of Issue.
- 2.2 In these Terms and Conditions unless the context otherwise requires:
 - 2.2.1 Words importing the singular include the plural and vice versa.
 - 2.2.2 Words importing one gender include the other genders.
 - 2.2.3 A reference to a clause is a reference to a clause in these terms and conditions.
 - 2.2.4 A reference to writing includes all means of reproducing words in a tangible and permanently visible form.
 - 2.2.5 The headings do not affect interpretation.
 - 2.2.6 This plan is subject to the Listing Rules.

3 Eligibility Qualifying Period

All Employees shall be eligible to participate in the Option plan after one continuous year of employment. Both full time and part time Employees are eligible.

4 Offer of Options

- 4.1 After the qualifying period the Company may as determined in the absolute discretion of the Board offer Options to any Employee in any one year based on such criteria as described in clause 4.3 and on such terms of issue as the Board may determine from time to time.
- 4.2 The Company may as determined in the absolute discretion of the Board offer bonus Options to any Employee in any one year based on such criteria and on such terms of issue as the Board may determine from time to time.
- 4.3 The Board may consider the following criteria in determining the number and terms of issue of Options:
 - 4.3.1 Employee individual performance against individual performance indicators as assessed and reported by management to the Board
 - 4.3.2 Overall Company performance against milestones as assessed by the Board.
- 4.4 The Options will not be quoted on the ASX.

5 Options and Issue of Options

- 5.1 An offer of Options will be made by letter enclosing an application form (**Offer Letter**) and also enclosing a copy of these Terms and Conditions.
- 5.2 Each Option will enable the holder to acquire upon exercise one Share at the Exercise Price specified in the Offer Letter during the time available for exercise and subject to the conditions of exercise.
- 5.3 If an Employee wishes to subscribe for Options he or she must complete the application form issued together with the Offer Letter. The Employee must specify the number of Options to be acquired and must return the form to the Company together with payment of the Issue Price.
- 5.4 Unless otherwise provided in these Terms and Conditions the Issue Price paid for the Options is non-refundable.
- 5.5 The Issue Price and the Exercise Price will be specified in the Offer Letter.
- 5.6 Subject to clause 5.7, the Exercise Price will be determined by the Board in its absolute discretion.
- 5.7 In no circumstances may the Exercise Price be less than AUS\$0.20.

6 Conditions as to Exercise of Option

- 6.1 An Option may not be exercised until it is vested.
- 6.2 Vesting conditions will be determined by the Board and stipulated in the Offer Letter.
- 6.3 Once an Option becomes exercisable it shall remain open to be exercised for a period of five years thereafter. Failure to exercise within this period will mean that the Option lapses absolutely.
- 6.4 In the event that an Option Holder has their employment terminated then:
 - 6.4.1 If the employment is terminated by the Company for misconduct by the Option Holder or because of a breach by the Option Holder of the conditions of employment then the Options will lapse immediately;
 - 6.4.2 If the employment is terminated for reasons other than misconduct or breach the Options lapse at the expiration of three months from the date of termination. Upon such Options lapsing, the Company shall refund the Issue Price to the Option Holder.

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6.4.3 If the Option Holder dies the Options shall vest in the Option Holders legal personal representative and he or she or the next of kin of the Option Holder will be entitled to the benefit of the Option.

6.5 An Option may be exercised by notice in writing to be delivered to the Secretary of the Company during the period specified in clause 6.3 above together with the payment of the Exercise Price.

6.5.1 Upon receipt of a valid exercise of Options the Company will allot one Share for each Option exercised to the person exercising the Option not more than fourteen (14) days after receipt of the exercise of Option.

7 Rights of Shareholders

7.1 A Share issued following the exercise of any Option will rank equally in all respects with the Shares.

7.2 The Company must make application for quotation of Shares issued on exercise of the Options on the ASX in accordance with the Listing Rules.

8 Participation in new issues and reorganisation

8.1 Option Holders may participate in all new issues or bonus issues of Shares only to the extent that the Options held are or have been exercised. Option Holders will be given a period of at least ten (10) business days prior to and inclusive of the books closing date to determine entitlements to the issues.

8.2 Subject to clause 8.3, in the event of a reorganisation of capital (including consolidation, subdivision, reduction or return of the issued capital of the Company), the number of Options and the Exercise Price of the Options will be reconstructed in the same proportion as the issued capital of the Company is reconstructed and in a manner which will not result in any detriment to the Option Holders or any benefits which are not conferred on members of the Company (subject to the provisions with respect to rounding of entitlements as sanctioned by the meeting of members of the Company approving the reconstruction of capital) but in all other respects the terms for the exercise of the Options remain unchanged.

8.3 Any reconstruction or reorganisation of capital must comply with the Listing Rules. The rights of an Option Holder will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

9 Incapacity of Option Holder

If an Option Holder becomes insolvent or is physically or mentally incapable (as a matter of law) to deal with his or her estate then his or her trustee, administrator or other person entitled at law to deal with his or her estate may stand in the same position as the Employee with regard to the Options and these Terms and Conditions shall apply to the Options as if the trustee, administrator or such other person were the Option Holder.

10 Dealing with Options

10.1 Except as expressly provided by these Terms and Conditions an Option Holder must not sell, transfer, assign, mortgage, pledge or otherwise deal with any Options.

10.2 Employees must have regard to the Company's security trading policy when dealing with the Shares.

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11 Terms and Conditions to apply

All Options are subject to these Terms and Conditions and the submission of an application to acquire Options by an Employee shall constitute the Employee's agreement with the Company to be bound by these Terms and Conditions.

12 Amendment to Terms and Conditions

Subject to the Listing Rules, these Terms and Conditions may be amended at any time by the Company provided that such amendment shall not apply to any Options issued prior to the date of amendment unless the Option Holder agrees.

13 Limit on number of Options issued

13.1 The number of Options that may be issued under this plan, when aggregated with:

- 13.1.1 the number of Shares issued (or which might be issued pursuant to the exercise of an Option) under an Offer;
- 13.1.2 the number of Shares that would be issued if offers under this plan were accepted or if the Options over the shares were exercised; and
- 13.1.3 the number of Shares issued during the previous 5 years under any employee share scheme or employee share option plan,

but excluding:

- 13.1.4 offers made to persons who were not Australian residents at the time of the offer;
- 13.1.5 "excluded offers" or "excluded invitations" (as defined under Section 66(3) of the Corporations Act;
- 13.1.6 offers that do not need disclosure because of Section 708 of the Corporations Act; and
- 13.1.7 options over Shares where the option has expired.

must not exceed 5% of the total number of issued Shares as at the time the offer of Options is made.

14 ASIC requirements

The Company must use its reasonable endeavours to satisfy the conditions imposed by the Australian Securities and Investments Commission from time to time in a class order or exemption from or modification to the requirements of the Corporations Act 2001 relieving the Company from the obligation to lodge a prospectus when offering Options under this plan.

Name (please print) _____