

BuildingIQ Pty Ltd

Employee Share Option Plan Rules

1. Introduction

1.1 Name of Plan

The Plan is called the **BuildingIQ Employee Share Option Plan**.

1.2 Objects of Plan

The objects of the Plan are to:

- (a) provide an incentive for Eligible Employees to remain in their employment in the long term;
- (b) recognise the ongoing ability of Eligible Employees and their expected efforts and contribution in the long term to the performance and success of the Group; and
- (c) provide Eligible Employees with the opportunity to acquire Options, and ultimately Shares, in the Company, in accordance with these Rules.

1.3 Commencement of Plan

The Plan commences on the date determined by the Plan Committee.

2. Defined terms and interpretation

2.1 Defined terms

In these Rules, unless the context otherwise requires:

Accelerated Vesting Event means the occurrence of:

- (a) a Special Circumstance in respect of a Participant;
- (b) a circumstance set out in Rule 8.3; or
- (c) prior to the third anniversary of the Date of Grant:
 - (i) the acquisition by a person or entity (directly or indirectly) of not less than 90% of the issued shares in the Company, whether by private treaty or as a result of a takeover bid or a members' scheme of arrangement in accordance with the Applicable Laws; or
 - (ii) any other similar event as the Plan Committee may at any time determine.

Applicable Law means one or more, as the context requires of:

- (a) the Corporations Act 2001 (Cth);
- (b) Corporations Regulations;
- (c) any other applicable securities laws; and
- (d) the constitution of the Company.

ASIC means the Australian Securities and Investments Commission.

Board means all or some of the directors of the Company acting as a board or its delegate under section 198D of the *Corporations Act 2001* (Cth).

Certificate means, with respect to an Option, a certificate issued under these Rules in the form approved by the Plan Committee from time to time.

Company means BuildingIQ Pty Ltd ACN 139 759 747.

Corporations Regulations means any and all regulations made under the *Corporations Act 2001* (Cth).

Date of Grant means, with respect to an Option, the date on which the Plan Committee grants the Option to an Eligible Employee.

Director means a director of the Company.

Eligible Employee means an Employee whom the Plan Committee determines is to be issued Options under the Plan.

Employee means:

- (a) an individual whom the Plan Committee determines to be in the full-time or part-time employment of a body corporate in the Group (including any employee on parental leave, long service leave or other special leave as approved by the Plan Committee);
- (b) a director of a body corporate in the Group who holds a salaried employment or office in a body corporate in the Group;
- (c) a director of the Company;
- (d) an individual who provides services to a body corporate in the Group whom the Plan Committee determines to be an Employee for the purposes of the Plan; or
- (e) an individual otherwise in the employment of a body corporate in the Group whom the Plan Committee determines to be an Employee for the purposes of the Plan.

Exercise Conditions means the performance, vesting or other conditions (if any) determined by the Plan Committee and specified in (or attached to) a Certificate which are, subject to these Rules, required to be satisfied, reached or met before an Option can, during the Exercise Period, be exercised.

Exercise Period means the period commencing on the First Exercise Date and ending on the Last Exercise Date.

Exercise Price means the amount payable by the holder of an Option on the exercise of the Option, being the amount fixed at the time of the issue of the Option and as determined under Rule 5.3.

First Exercise Date with respect to an Option means the earlier of:

- (a) the vesting date applicable to the Option under Rule 6.3;
- (b) if no vesting date is specified in the Certificate in respect of that Option, the date 12 months after the Date of Grant; or
- (c) the date on which a Special Circumstance arises in respect of the Participant holding the Option,

or such other date or event as the Plan Committee in accordance with the Rules may substitute for that date and/or event(s).

Group means the Company and its Subsidiaries.

Last Exercise Date with respect to an Option means, unless otherwise specified in a Certificate in respect of that Option:

- (a) the date five years after the Date of Grant; or
- (b) if a Special Circumstance arises in respect of a Participant during those five years, then the date 12 months (or longer period as may be determined by the Plan Committee) after the Special Circumstance arises.

Legal Personal Representative means the executor of the will or an administrator of the estate of a deceased person, the trustee of the estate of a person under a legal disability or a person who holds an enduring power of attorney granted by another person.

Listing Rules means the listing rules of Australian Stock Exchange Ltd.

Notice of Exercise means a duly completed and executed notice of exercise of an Option by a Participant, in the form approved by the Plan Committee from time to time.

Option means an option issued to a Participant under the Plan to subscribe for a Share.

Participant means a person who holds Options issued under the Plan and includes, if a Participant dies or becomes subject to a legal disability, the Legal Personal Representative of the Participant.

Plan means the BuildingIQ Pty Ltd Employee Share Option Plan governed by these Rules.

Plan Committee means the Employee Option Plan Committee or another committee of the Board to which power to administer the Plan has been delegated or if there has been no delegation, the Board.

Redundancy means the termination or cessation of a Participant's employment or office with a body corporate in the Group as a result of redundancy, as determined by the Plan Committee.

Rules means the rules governing the operation of the Plan set out in this document, as amended from time to time.

Security Interest means a mortgage, charge, pledge, lien, encumbrance or other third party interest of any nature.

Shares means fully paid ordinary shares in the capital of the Company.

Special Circumstance means with respect to a Participant:

- (a) Total and Permanent Disablement;
- (b) Redundancy;
- (c) the death of the Participant;
- (d) any other circumstances as the Plan Committee may at any time determine (whether in relation to the Participant, a class of Participants, particular circumstances or a class of circumstances) and whether before or after the Date of Grant.

Subsidiary means:

- (a) a body corporate of which the Company is a holding company in terms of Division 6 of Part 1.2 of the *Corporations Act 2001* (Cth) that the Plan Committee has approved for participation in the Plan; or
- (b) a body corporate in which the Company has voting power of not less than 20% (determined under section 610 of the *Corporations Act 2001* (Cth)) that the Plan Committee has approved for participation in the Plan.

Tax includes any tax, levy, impost, GST, deduction, charge, rate, contribution, duty or withholding which is assessed (or deemed to be assessed), levied, imposed or made by any government or any governmental, semi-governmental or judicial entity or authority together with any interest, penalty, fine, charge, fee or other amount assessed (or deemed to be assessed), levied, imposed or made on or in respect of any or all of the foregoing.

Total and Permanent Disablement means the termination or cessation of a Participant's employment with the Company or a Subsidiary as a result of total and permanent disablement, as determined by the Plan Committee.

2.2 Interpretation

In these Rules, unless the context otherwise requires:

- (a) headings are for convenience only and do not affect the interpretation of these Rules;
- (b) reference to any legislation or a provision of any legislation includes a modification or re-enactment of the legislation or a legislative provision substituted for, and all legislation and statutory instruments and regulations issued under, the legislation;
- (c) words denoting the singular include the plural and vice versa;
- (d) words denoting a gender include the other genders;
- (e) reference to any document or agreement includes reference to that document or agreement as amended, novated, supplemented, varied or replaced from time to time;
- (f) where any word or phrase is given a defined meaning in these Rules, any part of speech or other grammatical form of that word or phrase has a corresponding meaning;
- (g) reference to a rule or paragraph is a reference to a rule or paragraph of these Rules, or the corresponding Rule or Rules of the Plan as amended from time to time; and
- (h) where an act or thing must be done on a particular day or within a particular period, that act or thing must be done before, and that period ends at, 5.00pm Perth, Australia time on the relevant day.

2.3 Primary instruments

These Rules are to be interpreted subject to the Applicable Laws.

3. Principal conditions

3.1 Options issued only to Employees

No Options may be issued to a person under the Plan unless the person remains an Employee as at the Date of Grant, or the Plan Committee determines otherwise.

3.2 Compliance with laws

No Option may be issued to, or exercised by, an Eligible Employee or Participant if to do so would contravene an Applicable Law.

4. Operation of the Plan

The Plan operates according to these Rules which bind the Company, any Subsidiary and each Participant.

5. Issue of Options

5.1 Plan Committee may determine issue

Subject to these Rules, the Plan Committee may from time to time determine that the Company will issue Options to an Eligible Employee.

5.2 Number of Options

The number of Options the subject of an issue to an Eligible Employee is as determined by the Plan Committee.

5.3 Exercise Price

Subject to any adjustment under Rule 9, the Exercise Price in respect of an Option is as determined by the Plan Committee.

5.4 Exercise Price in Australian dollars

The Exercise Price in respect of an Option must be denominated and payable in Australian dollars.

5.5 Eligible Employee becomes a Participant

On the issue of an Option to an Eligible Employee, the Eligible Employee becomes a Participant and is bound by these Rules.

5.6 Certificates

The Company must give a Participant one or more Certificates stating (or which, if applicable, attach a separate document stating):

- (a) the number of Options issued to the Participant;
- (b) the Exercise Price of those Options;
- (c) the Date of Grant of those Options;
- (d) the expected First Exercise Date of the Options;
- (e) the expected Last Exercise Date of the Options;
- (f) the Exercise Conditions (if any) attaching to the Options; and
- (g) any other specific terms and conditions applicable.

5.7 Consideration for Options

Options will be issued for consideration comprising the services that are expected to be provided by an Eligible Employee to or for the benefit of the Group, including, in respect of those Eligible Employees who are not employees of the Group, any transfer to the Group of intellectual property created by that Eligible Employee, but no further monetary or other consideration will be payable in respect of the issue of an Option.

5.8 Entitlement to underlying Shares

Subject to these Rules, each Option confers on its holder the entitlement to subscribe for and be issued one fully paid Share at the Exercise Price.

5.9 Interest in Shares

A Participant has no interest in a Share the subject of an Option held by the Participant unless and until the Share is issued to that Participant under these Rules.

6. Exercise of Options

6.1 Exercise during Exercise Period

Subject to Rules 3.2, 6.2, 6.3 and 6.4, an Option may be exercised at any time during the Exercise Period for that Option.

6.2 Exercise before Exercise Period

Subject to Rule 6.3, an Option may be exercised before the Exercise Period if permitted under Rules 8.4 or 9.4.

6.3 Vesting dates

Unless otherwise specified in a Certificate in respect of an Option, the vesting date (refer defined term of **First Exercise Date**) applicable to Options is the third anniversary of the Date of Grant of the Options.

6.4 Exercise Conditions

Subject to Rule 6.5, if the Certificate in respect of an Option specifies any Exercise Conditions, the Option may not be exercised unless and until those Exercise Conditions have been satisfied, reached or met.

6.5 Waiver of Exercise Conditions

The Plan Committee may, at its discretion, by notice to the Participant reduce or waive the Exercise Conditions attaching to Options in whole or in part at any time and in any particular case including due to Special Circumstance or another Accelerated Vesting Event.

6.6 Exercise of Options

Subject to these Rules, Options which have not lapsed may be exercised by the Participant giving to the Company:

- (a) a Notice of Exercise signed by the Participant;
- (b) the Certificate for those Options; and
- (c) a cheque payable to the Company (or another form of payment acceptable to the Board) in the amount of the product of the number of Options then being exercised by the Participant and the Exercise Price.

6.7 Issue of Shares

Subject to these Rules, on the exercise of an Option the Company must:

- (a) procure the transfer of a Share; or
- (b) issue and allot a Share,

to the Participant. The Company may, as a condition to the issue or transfer of any Share to the Participant, require the Participant to accede to a shareholders agreement or other arrangement applying to shareholders of the Company.

6.8 Clearance of Exercise Price

The Company is not obliged to issue Shares on exercise of Options until any cheque received in payment of the Exercise Price has been honoured on presentation.

6.9 Exercise all or some Options

- (a) A Participant may only exercise Options in multiples of 100 or another multiple as the Plan Committee determines unless the Participant exercises all Options covered by a Certificate able to be exercised by him or her at that time.
- (b) The exercise by a Participant of only some of the Options held by the Participant does not affect the Participant's right to exercise at a later date other Options held by the Participant (whether those other Options have the same First Exercise Date or otherwise).

6.10 Replacement Certificate

If a Participant submits a Notice of Exercise in respect of only part of the Options covered by a Certificate, the Company must issue a Certificate stating the remaining number of Options held by the Participant.

6.11 Shares rank equally

Unless otherwise provided in a Notice of Exercise, Shares issued on the exercise of Options rank equally with all existing Shares on and from the date of issue in respect of all rights issues, bonus share issues and dividends which have a record date for determining entitlements on or after the date of issue of those Shares.

7. Lapse of Options

7.1 Lapse of Options

Unless otherwise specified in the Exercise Conditions or determined otherwise by the Plan Committee, an Option lapses on the earlier of:

- (a) the Last Exercise Date;
- (b) a determination of the Plan Committee that the Option should lapse because the Participant, in the Plan Committee's opinion:
 - (i) has been dismissed or removed from office for a reason which entitles a body corporate in the Group to dismiss the Participant without notice;
 - (ii) has committed an act of fraud, defalcation or gross misconduct in relation to the affairs of that body corporate (whether or not charged with an offence); or
 - (iii) has done an act which brings the Group or any body corporate in the Group into disrepute; and
- (c) the date which is six months after the date of termination of employment of the Participant with the Group (other than due to the occurrence of a Special Circumstance).

7.2 Rights cease

If a Participant fails for any reason to exercise all the Options registered in the Participant's name before the occurrence of a circumstance set out in Rule 7.1, those Options that the Participant:

- (a) would have been entitled to exercise and that have not been exercised; and
 - (b) may have had a right or entitlement to have vested in the Participant,
- lapse and all rights of a Participant under the Plan in respect of those Options cease.

8. Dealings with Options

8.1 Options personal

Except where Options have been transferred under Rule 8.3, Options held by a Participant are personal to the Participant and may not be exercised by another person.

8.2 No unauthorised disposal

Except as permitted under Rule 8.3, a Participant must not dispose of or grant a Security Interest over or otherwise deal with an Option or an interest in an Option, and the Security Interest or disposal or dealing is not recognised in any manner by the Company.

8.3 Permitted transfer of Options and Accelerated Vesting Events

Options may be transferred, by an instrument of transfer, in the following circumstances only:

- (a) a transfer constituting the necessary transfer documents following an acceptance of an offer made under an off-market bid relating to Options;
- (b) a transfer to a bidder on the sale of the Options under Division 3 of Part 6A.1 of the *Corporations Act 2001* (Cth);
- (c) a transfer to a 100% holder on the sale of the Options under Division 2 of Part 6A.2 of the *Corporations Act 2001* (Cth);
- (d) a transfer under Part 6A.3 of the *Corporations Act 2001* (Cth) to a person entitled to acquire the Options under section 661A or 664A of the *Corporations Act 2001* (Cth); or
- (e) a transfer approved by the Board in those circumstances as may be determined by the Board.

8.4 First Exercise Date brought forward

If an Accelerated Vesting Event occurs while a Participant is employed with the Group, the Board may, at its discretion:

- (a) bring forward the First Exercise Date of all Options held by the Participant to a date determined by the Plan Committee; and
- (b) waive or vary any Exercise Conditions in regard to an Option held by the Participant in accordance with Rule 6.5.

8.5 Notice to Participants of change

If the Plan Committee determines to alter the First Exercise Date and Exercise Conditions under Rule 8.4, the Company:

- (a) must within 14 days of the alteration give notice to each Participant affected by the Accelerated Vesting Event in respect of any Options held by the Participant; and
- (b) may have to issue a replacement Certificate for the Options.

9. Participation rights, bonus issues, rights issues, reorganisations of capital and winding up

9.1 New issues

Participants are not entitled to participate in any new issue to existing holders of securities in the Company unless:

- (a) they have become entitled to exercise their Options under the Plan; and

- (b) they do so before the record date for the determination of entitlements to the new issue of securities and participate as a result of being holders of Shares.

9.2 Bonus issues

If the Company makes (whether before or during the Exercise Period) a bonus issue of Shares or other securities to existing holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and no Share has been issued in respect of an Option before the record date for determining entitlements to the bonus issue, then the number of underlying Shares over which the Option is exercisable is increased by the number of Shares which the Participant would have received if the Participant had exercised the Option prior to such record date.

9.3 Reorganisation of capital

If there is a reorganisation of capital of the Company (whether before or during the Exercise Period) then the rights of a Participant (including the number of Options to which each Participant is entitled and the Exercise Price) is changed as would be required by the Listing Rules in respect of a reorganisation of capital as if the Company was subject to the Listing Rules at the time of the reorganisation.

9.4 Winding up

If (whether before or during the Exercise Period) a resolution for a members' voluntary winding up of the Company is proposed (other than for the purpose of a reconstruction or amalgamation) the Plan Committee may, in its absolute discretion, give written notice to Participants of the proposed resolution. Subject to the Exercise Conditions, the Participants may, during the period referred to in the notice, exercise their Options if the Last Exercise Date for the Options has not expired.

9.5 Fractions of Shares

For the purposes of this Rule 9, if Options are exercised simultaneously, then the Participant may aggregate the number of Shares or fractions of Shares for which the Participant is entitled to subscribe. Fractions in the aggregate number only will be disregarded in determining the total entitlement of a Participant.

9.6 Calculations and adjustments

Any calculations or adjustments which are required to be made under this Rule 9 will be made by the Plan Committee and, in the absence of manifest error, are final and conclusive and binding on the Company and the Participant.

9.7 Notice of change

The Company must within a reasonable period give to each Participant notice of any change under Rule 9 to the Exercise Price of any Options held by the Participant or to the number of Shares which the Participant is entitled to subscribe for on exercise of an Option.

10. Administration of the Plan

10.1 Administration

The Plan is administered by the Plan Committee.

10.2 Powers of the Plan Committee

The Plan Committee has power to:

- (a) determine appropriate procedures and make regulations for the administration of the Plan which are consistent with these Rules;
- (b) resolve conclusively all questions of fact or interpretation arising in connection with the Plan;
- (c) terminate or suspend the operation of the Plan at any time, provided that the termination or suspension does not adversely affect or prejudice the rights of Participants holding Options at that time;
- (d) delegate those functions and powers it considers appropriate, for the efficient administration of the Plan, to any person or persons whom the Plan Committee reasonably believes to be capable of performing those functions and exercising those powers;
- (e) take and rely upon independent professional or expert advice in or in relation to the exercise of any of their powers or discretions under these Rules;
- (f) administer the Plan in accordance with these Rules as and to the extent provided in these Rules; and
- (g) make regulations for the operation of the Plan consistent with these Rules.

10.3 Exercise of powers or discretion

Any power or discretion which is conferred on the Plan Committee or Board by these Rules may be exercised by the Plan Committee or Board in the interests or for the benefit of the Company, and the Plan Committee or Board is not, in exercising that power or discretion, under any fiduciary or other obligation to another person.

10.4 Determinations

Where these Rules provide for a determination, decision, approval or opinion of the Plan Committee or Board, that determination, decision, approval or opinion may be made or given by the Plan Committee or Board (as applicable) in its absolute discretion.

10.5 Expenses and costs

Subject to these Rules, the Company and its Subsidiaries must pay all expenses, costs and charges incurred in the administration of the Plan in the amounts and proportions as they shall agree.

10.6 Tax

The Company is not responsible for any Tax which may become payable by a Participant in connection with the issue of Shares pursuant to an exercise of Options or another dealing by a Participant with the Options or Shares.

11. Amendment to Rules

11.1 Board may amend Rules

The Board may at any time amend any of these Rules, or waive or modify the application of any of these Rules in relation to a Participant.

11.2 Consent of Participants

If an amendment to be made under Rule 11.1 would adversely affect the rights of Participants in respect of any Options then held by them, the Board must obtain the consent of Participants who

between them hold not less than 75% of the total number of those Options held by all those Participants before making the amendment.

11.3 Eligible Employees outside Australia

The Board may make any additions, variations or modifications to the Rules, in relation to the implementation of the Plan and the specific application of the Rules, to Eligible Employees residing outside Australia.

12. Rights of Participants

12.1 No conferred rights

These Rules:

- (a) do not confer on an Employee the right to receive Options;
- (b) do not confer on a Participant the right to continue as an Employee;
- (c) do not affect any rights which the Company or a Subsidiary may have to terminate the employment of a Participant; and
- (d) may not be used to increase damages in an action brought against the Company or a Subsidiary in respect of that termination.

12.2 Voting at general meetings

Participants do not, as Participants, have any right to attend or vote at general meetings of holders of Shares.

13. Notices

Notices may be given by the Company to Participants in any manner that the Plan Committee may from time to time determine.

14. Governing law

These Rules and the rights and obligations of Participants under the Plan are governed by the law of Western Australia, and each Participant irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia.

15. Advice

Eligible Employees should obtain their own independent advice at their own expense on the financial, taxation and other consequences to them of or relating to participation in the Plan.