

Form 603Corporations Act 2001
Section 671B**Notice of initial substantial holder**

To Company Name/Scheme HOMELOANS LIMITED
ACN/ARSN 095 034 003

1. Details of substantial holder (1)

Name SOMERS LIMITED DUNCAN PAUL SAVILLE & EACH OTHER BODY CORPORATE CONTROLLED BY DUNCAN PAUL SAVILLE OR SOMERS LIMITED

ACN/ARSN (if applicable) N/A

The holder became a substantial holder on 9 August 2016

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Fully paid ordinary shares	21,039,716	21,039,716	19.90%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Somers Limited	A relevant interest in 79.04% of RESIMAC Limited is held pursuant to shares pursuant to s608(3)(a) & s608(8) due to entitlements under a call option DATED 9 August 2016 (attachment A) granted by Ingot Capital Management Pty Limited. RESIMAC Limited has a relevant interest in 19.9% of Homeloans Limited pursuant to 2 call options granted by Tico Pty Limited and Peterlyn Pty Limited.	Fully paid ordinary shares 21,039,716
Duncan Paul Saville	Pursuant to s608(3)(b)	Fully paid ordinary shares 21,039,716
Each body corporate controlled by Somers Limited	Associates of Somers Limited	Fully paid ordinary shares 21,039,716
Each body corporate controlled by Duncan Paul Saville	Associates of Duncan Paul Saville	Fully paid ordinary shares 21,039,716

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of Securities	Person entitled to be registered as holder (8)	Class and number of securities
All holders named above	Peterlyn Pty Limited	Unknown	Fully paid ordinary shares 10,519,858
All holders named above	Tico Pty Limited	Unknown	Fully paid ordinary shares 10,159,858

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)	Class and number of securities
Somers Limited	9 August 2016	US\$1.00	Fully paid ordinary shares 21,039,716

Each holder named above other than Somers Limited	9 August 2016	nil	Fully paid ordinary shares 21,039,716
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6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
EACH BODY CORPORATE CONTROLLED BY SOMERS LIMITED	s.12(2)(a)(i)
EACH BODY CORPORATE CONTROLLED BY DUNCAN PAUL SAVILLE	s.12(2)(a)(iii)

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
All holders and associates named above	34 Bermudian Rd, Hamilton, HM 11 Bermuda

Signature

print name

ALASDAIR YOUNIE

Capacity

DIRECTOR

sign here



22/08/16

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of 'associate' in section 9 of the Corporations Act 2001.
- (3) See the definition of 'relevant interest' in sections 606 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of 'relevant agreement' in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write 'unknown'.
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

"A"

This is annexure A to the Form 603 signed by Alasdair Younie dated 22 August 2016.

Call Option Deed – RESIMAC Limited Shares

Deed dated

2016

PARTIES

- 1 **INGOT CAPITAL MANAGEMENT PTY LIMITED** (incorporated and registered in Bermuda) of 34 Bermudiana Road, Hamilton HM11, Bermuda ("*Vendor*"); and
- 2 **SOMERS LIMITED** (incorporated and registered in Bermuda) of 34 Bermudiana Road, Hamilton HM11, Bermuda ("*Somers*").

BACKGROUND

- A The Vendor is the legal and beneficial owner of the Shares.
- B The Vendor has agreed to grant a call option over the Shares in favour of Somers or its nominee upon the terms and conditions contained in this Deed.
- C By letter to Somers' solicitors dated 26 October 2015, the Australian Government's Foreign Investment Review Board stated that it had no objection to Somers acquiring up to 97.8% of the shares on issue by RESIMAC within 12 months of that date, thereby increasing its interest to around 100% of the shares on issue by RESIMAC. This letter responded to several applications made on behalf of Somers, one of which was concerned the Somers acquiring the Shares from the Vendor.
- D RESIMAC has announced that it intends to merge with Homeloans, through the issue of new Homeloans shares to RESIMAC shareholders and the acquisition by Homeloans of all of the shares in RESIMAC.
- E Upon the Merger becoming effective, the number of Homeloans shares which will be issued to the holder of the Shares will result in that holder holding approximately 57% of the shares then on issue by Homeloans.

OPERATIVE PROVISIONS

1 Interpretation

1.1 Definitions

In this Deed, unless the context otherwise requires:

"*Call Option*" means the option granted by clause 3.1 for the purchase all of the Shares;

"*Completion Date*" means noon on the working day next after the Exercise Date, or such other time as the parties agree in writing;

"*Deed*" means this deed including background and schedules;

"*Exercise Date*" means the date on which a Notice of Exercise is received by the Vendor;

"*Exercise Price*" means the purchase price payable by Somers for the Shares on exercise of the Call Option, determined in accordance with clause 5;

"*FAT Act*" means the Australian Foreign Acquisitions and Takeovers Act, 1975 (Cth);

"FIRB Approval" of an acquisition means:

- (a) on order which prohibits the acquisition is not made within 40 days after notice of that acquisition is given under the FAT Act;
- (b) the Australian Commonwealth Government advises that it does not object to the acquisition the subject of a notice given under the FAT Act; or
- (c) conditions are imposed by the Australian Commonwealth Government on an acquisition the subject of a notice given under the FAT Act which are acceptable to the person giving the notice in that person's absolute discretion;

"Homeloans" means Homeloans Limited ACN 095 034 003;

"Merger" means the merger referred to in recital D;

"Nominee" means a wholly owned subsidiary of Somers which Somers nominates to the Vendor as the purchaser the Shares;

"Notice of Exercise" means the notice of exercise of the Call Option given by Somers pursuant to clause 4, the form of which is attached at Schedule 1;

"Option Period" means the date commencing on the date of this Deed and concluding on the earlier of:

- (a) 5pm Sydney, Australia time on 25 October 2016; and
- (b) 9am Sydney, Australia time on the later of:
 - (i) the date fixed by the court for the second court hearing for approval of the scheme of arrangement by which the Merger is to be implemented; and
 - (ii) such later day as, after 9am on the day referred to in paragraph (i), to which the court adjourns that second hearing or fixes for that second hearing,

or such other time as agreed by the parties in writing;

"Purchaser" means, if there is a Nominee, that Nominee or otherwise Somers;

"Security Interest" means a mortgage, charge, pledge, hypothecation, security interest, lien, guarantee or other interest securing any obligation of any person or any other agreement, notice or arrangement having a similar effect.

"Shares" means fully paid ordinary shares on issue by, and comprising 79.04% of the issued ordinary shares of, RESIMAC Limited ACN 002 997 935.

1.2 Construction of certain references

In this Deed, unless the context otherwise requires, any reference to:

a *"person"* includes any individual, natural person, company, corporation, partnership, joint venture, association (whether corporate or unincorporated), trust, organisation, government department, state or agency of a state (in each case, whether or not having separate legal personality), and includes a person's executors, administrators, successors, and assigns;

"rights" includes authorities, discretions, remedies, powers and causes of action; and

a “*working day*” means a day (other than Saturday or Sunday) on which registered banks are open for business in Bermuda) and any date which is not a working day, upon or by which anything is due to be done, will be deemed to be a reference to the next working day.

2 Conditions Precedent

- 2.1 This Deed is subject to and conditional upon the Purchaser obtaining, within the Option Period, FIRB Approval of its acquisition of the interest (as defined in the FAT Act) in Homeloans which the Purchaser will obtain if:
- (a) the Purchaser acquires the Shares;
 - (b) the Merger is implemented; and
 - (c) Homeloans shares are issued to the Purchaser in consequence of the Merger.
- 2.2 The obligations under clause 6.1 are subject to and conditional upon the Purchaser obtaining, within the Option Period, FIRB Approval of its acquisition of the interest (as defined in the FAT Act) in Homeloans which the Purchaser will obtain if:
- (a) the Purchaser acquires the Shares;
 - (b) the Merger is implemented; and
 - (c) Homeloans shares are issued to the Purchaser in consequence of the Merger.

3 Call Option

- 3.1 In consideration of the payment of US\$1.00 (receipt of which the Vendor acknowledges), the Vendor grants to Somers an option for the Purchaser to purchase all (but not some only) of the Shares on the terms set out in this Deed.
- 3.2 The Shares shall be sold by the Vender with full title and free from all liens, charges and encumbrances and with all rights attached to them at the Completion Date.

4 Exercise of option

The Call Option may be exercised only by Somers:

- (a) delivering a Notice of Exercise to the Vendor during the Option Period; and
- (b) stating and representing, in that Notice of Exercise, to the Vendor that the Purchaser has obtained all regulatory approvals (including the FIRB Approvals referred to in clauses 2.1 and 2.2) required in order for the Purchaser to acquire the Shares without contravening any law or regulation.

5 Exercise Price

- 5.1 The Exercise Price payable on the exercise of the Call Option shall be the amount per Share equal to the fair value of a Share:
- (a) as agreed in writing by the Purchaser and the Vendor ; or
 - (b) in the absence of agreement within 14 days after the Exercise Date, as determined by an independent expert agreed to by both the Purchaser and the Vendor (or, in the absence of agreement, by KPMG Bermuda).

- 5.2 The Exercise Price shall be satisfied by Somers issuing to the Vendor that number of fully paid shares in Somers which in total have a value equal to the Exercise Price. The fair value of a share in Somers for purposes of this clause shall be the amount per Somers share:
- (a) as agreed in writing by the Purchaser and the Vendor; or
 - (b) in the absence of agreement within 14 days after the Exercise Date, as determined by an independent expert agreed to by both the Purchaser and the Vendor (or, in the absence of agreement, by KPMG Bermuda).
- 5.3 Somers may instruct KPMG to determine the value referred to in one or both of clauses 5.1 and 5.2 and address such determinations to each of the Purchaser and the Vendor.

6 Completion

- 6.1 If Somers serves a Notice of Exercise, the sale and purchase of the Shares must be completed as follows;
- (a) the Vendor shall deliver to the Purchaser on the Completion Date all of the following:
 - (i) an executed transfer of the Shares in favour of the Purchaser in registrable form; and
 - (ii) all certificates and other documents of title in respect of the Shares; and
 - (b) Somers must, forthwith after:
 - (i) either:
 - (A) agreement is reached in accordance with clause 5.1(a); or
 - (B) the Exercise Price is determined in accordance with clause 5.1(b); and
 - (ii) either:
 - (A) agreement is reached in accordance with clause 5.2(a); or
 - (B) the fair value of a Somers share is determined in accordance with clause 5.2(b),

satisfy the Exercise Price by issuing to the Vendor that number of fully paid shares in Somers determined in accordance with clause 5.2.
- 6.2 The Vendor shall not, after the date of this Deed, grant any further Security Interests over the Shares, or otherwise deal with the Shares in a manner that may be prejudicial to Somers's interests under this Deed without the prior written consent of Somers (in the case of a Security Interest being granted, such consent shall not be unreasonably withheld if the particular security holder has acknowledged that it will be bound by this Deed).
- 6.3 On the date of this Deed the Vendor unconditionally warrants and represents to Somers that the matters set out in Schedule 2 are true and correct.
- 6.4 The Vendor shall be taken to have unconditionally warranted and represented to the Purchaser on the Completion Date that the matters set out in Schedule 2 are true and correct.

7 Confidentiality and publicity

- 7.1 No party may, and Somers must ensure that any Nominee does not, reveal any information concerning this Deed or its subject matter to any third party other than:
- (a) with the prior written agreement of both parties;
 - (b) as required by law, regulation or the rules of any applicable stock exchange;
 - (c) in good faith and in proper furtherance of the objects of this Deed, including applying for any regulatory approval or the like (including the FIRB Approvals referred to in clauses 2.1 and 2.2);
 - (d) to its professional advisers, bankers, financial advisers and financiers, if those persons undertake to keep the information disclosed confidential;
 - (e) to any of its employees to whom it is necessary to disclose the information if those employees undertake to keep the information confidential; or
 - (f) information already in the public domain.
- 7.2 No party may issue any press release of information concerning this Deed or its subject matter to the news media without the prior approval of the other party.

8 Notices

- 8.1 Any notice given pursuant to this Deed will be deemed to be validly given if personally delivered or posted to the address of the entity to be notified set forth below or to such other address as the entity to be notified may designate by written notice given to the each party.

Vendor's details are:

Ingot Capital Management Pty Limited
34 Bermudiana Road, Hamilton HM11
Bermuda

Somers' details are:

Somers Limited
34 Bermudiana Road, Hamilton HM11
Bermuda

Any Nominee's details are:

C/- Somers Limited
34 Bermudiana Road, Hamilton HM11
Bermuda

- 8.2 Any notice given pursuant to this Deed will be deemed to be sufficiently given:
- (a) in the case of delivery, when received;
 - (b) in the case of posting, on the fifth working day following the date of posting; and
 - (c) in the case of facsimile transmission or email, when sent,

provided that any notice personally delivered or sent by facsimile or email either after 5:00 pm on a working day or on any day that is not a working day will be deemed to have been received on the next working day.

9 General

- 9.1 This Deed contains the entire agreement between the parties with respect to its subject matter. It sets out the only conduct relied on by the parties and supersedes all earlier conduct and prior agreements and understandings between the parties in connection with its subject matter.
- 9.2 Each party must do everything (including executing agreements and documents) necessary to give full effect to this Deed and the transactions contemplated by it.
- 9.3 No exercise or failure to exercise or delay in exercising any right or remedy by any party will constitute a waiver by that party of that or any other right or remedy available to it. A variation of this Deed shall be in writing and signed by each party.
- 9.4 The agreements, obligations and warranties contained in this Deed will not merge on completion of the transactions contemplated by it but will remain in full force until satisfied.
- 9.5 No party may assign, charge, encumber or otherwise deal with any rights and obligations under this Deed, or attempt or purport to do so, without the prior consent in writing of all parties.
- 9.6 If any provision of this Deed or its application to any party or circumstance is or becomes invalid or unenforceable to any extent, the remainder of this Deed and its application will not be affected and will remain enforceable to the greatest extent permitted by law.
- 9.7 This Deed may be executed in counterpart copies each of which will be deemed an original and all of which together will constitute one and the same instrument.
- 9.8 Time will be of the essence in the performance by any party of its obligations under this Deed.
- 9.9 The rights of the parties under this Deed are cumulative and are not exclusive of any other rights and remedies available to any party.
- 9.10 This Deed will be construed and take effect as a contract made in Bermuda and will be governed by Bermuda law, and the parties submit to the non-exclusive jurisdiction of the Bermuda courts.
- 9.11 Each party shall bear its own costs in relation to the negotiation, preparation and execution of this Deed, including legal costs as between solicitor and client.

[end of text]

EXECUTED as a deed.

SIGNED for **INGOT CAPITAL
MANAGEMENT PTY LIMITED**

by its authorised signatory:

Witness

Authorised signatory's signature

Name of Witness

Authorised signatory's name

Occupation

Address

SIGNED for **SOMERS LIMITED**

by its authorised signatories:

Authorised signatory's signature

Authorised signatory's signature

Authorised signatory's name

Authorised signatory's name

Signature of witness

Signature of witness

Name of Witness

Name of Witness

Occupation of witness

Occupation of witness

Address of witness

Address of witness

Schedule 1: Notice of Exercise

To: INGOT CAPITAL MANAGEMENT PTY LIMITED

Pursuant to clause 4 of the Call Option Deed dated [*insert date*] 2016 between Ingot Capital Management Pty Limited and Somers Limited ("*Somers*"), Somers gives notice of its exercise of the Call Option (as defined in that Deed) in respect of all of the Shares (as defined in that Deed).

Somers nominates the following company, which Somers states and represents to the Vendor is a wholly owned subsidiary of Somers, as purchaser the Shares: [insert name of purchaser if other than Somers]..... If no company is named here, Somers itself shall be the purchaser of the Shares.

Somers states and represents to the Vendor that the purchaser of the Shares (determined as above) has obtained all regulatory approvals (including the FIRB Approvals referred to in clauses 2.1 and 2.2 of the Call Option Deed) required in order for that purchaser to acquire the Shares without contravening any law or regulation.

Dated 2016

.....
SOMERS LIMITED
 Per
 Name of Signatory.....

Schedule 2: Warranties

1 Capacity and authority

1.1 Capacity

The Vendor has full power and authority to enter into this Deed and to carry out the transactions provided for in this Deed, and all necessary authorisations have been received to execute, deliver and undertake this Deed.

1.2 Valid and binding

This Deed has been duly executed by the Vendor and is valid and binding upon the Vendor.

2 Ownership of the Shares

2.1 Legal and beneficial ownership

The Vendor is the legal and beneficial owner of the Shares, with full right, power and authority to transfer unencumbered beneficial ownership of the Shares to the Purchaser in accordance with this Deed.

2.2 Security interests

The Shares are free from any Security Interest whatsoever, and the Purchaser will on the Completion Date obtain good and valid title to the Shares free from any Security Interest.

2.3 Paid up

Each of the Shares has been duly allotted and is fully paid up and no money is owing in respect of them.

2.4 No options

The Vendor has not granted any options to purchase the Shares (or any of them) other than under this Deed, and no person has any right to call for the issue or transfer of the Shares (or any of them).