

NOTICE OF CHANGE IN ISSUED SECURITIES – ISSUE OF ORDINARY SHARES AND OPTIONS TO ACQUIRE ORDINARY SHARES

Pursuant to Listing Rule 7.3.6 and Listing Rule 7.12.1

Company: Pacific Edge Limited ISIN NZPEBE0002S1

Date: 23 November 2016

Date of Issue: 23 November 2016

Issued Capital Prior To Issue (Previous Issued Capital – Listed): 381,738,061

Shares Issued Fully Paid:

- (1) 33,100 Ordinary Shares (**Shares**).
- (2) The following options issued to certain employees of the Company and its subsidiaries (**Option Holders**) to acquire up to:
 - a. 55,000 Ordinary Shares in the Company vesting immediately (**Performance Options**); and
 - b. 135,000 Ordinary Shares in the Company to vest over a period of 3 years (**Incentive Options**),

on issue and otherwise on the Terms of Issue set out below (together referred to as the **Options**).

Issued Capital Subsequent To Issue (Total Issued Capital): 381,771,161

Classes of Security Issued:

- (1) Ordinary Shares.
- (2) Options to acquire Ordinary Shares.

Issue Price:

- (1) For the Shares, non-cash consideration, being in recognition of the subscribers' performance as employees of the Company (or a subsidiary of the Company) in lieu of a bonus and in addition to the subscribers' salaries.
- (2) For the Performance Options, an issue price of NZD\$0.48 per share payable in cash on the issue of Ordinary Shares to the relevant option holder pursuant to the exercise of their Performance Options.
- (3) For the Incentive Options, an issue price of NZD\$0.48 per share payable in cash on the issue of Ordinary Shares to the relevant option holder pursuant to the exercise of their Incentive Options.

Percentage Issued: 0.000087%

Terms of Issue:

- (1) For the Shares, new ordinary shares which rank equally with other fully paid ordinary shares in the Company.
- (2) The Options are issued on the following terms:

Performance Options

- a. The Performance Options will vest upon their issue and may be exercised within a period of ten years from the date of issue.
- b. Consideration of NZD\$0.48 per share is payable in cash on the exercise of any of the Performance Options.
- c. Any shares issued pursuant to the Performance Options will rank pari passu with existing ordinary shares in the Company.

Incentive Options

- a. Subject to the continuous employment of the relevant Option Holder with either the Company or a subsidiary of the Company, one third of the Incentive Options available to the relevant Option Holder will vest in the Option Holder each year, on the first three anniversaries of their Date of Employment/Effective Date as recorded in the Schedule of the relevant Option Agreement. If the Option Holder's employment ceases then they will receive a fractional entitlement based on their length of service during the relevant year.
- b. Consideration of NZD\$0.48 per share is payable in cash on the exercise of any of the Incentive Options.
- c. Any shares issued pursuant to the Incentive Options will rank pari passu with existing ordinary shares in the Company

Reason: Pursuant to sections 42 and 49 of the Companies Act 1993 and Listing Rule 7.3.5.



Chris Gallaher
Chairman
Pacific Edge Limited