



DeltaSBD Limited
ACN 127 894 893
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Campbelltown NSW 2560 Australia
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www.deltasbd.com.au

Long Term Incentive Plan

Principles and Guidelines: Key Personnel Loyalty Agreement

Ratified by Remuneration Committee 25/8/10

Purpose : To implement a long term incentive plan for key personnel.

Date : Effective from 1 July 2010.

Ratified by Board: On 26 August 2010

- ✓ The Board of Directors ("The Board") of Delta SBD Limited ("DSBD") wants to recognise the commitment and efforts of key personnel for their contribution to the success of the business and in growing the Company.
- ✓ Delta SBD will be implementing a Long Term Incentive plan (LTI) with the following objectives:
 - The retention of key personnel.
 - Enhance employee involvement and focus.
 - Wealth creation and distribution among the key personnel.
 - Focus key personnel on the achievement of Divisional and Group targets

The board has delegated their authority to the CEO to determine the key personnel to whom the LTI will apply. The LTI scheme will only apply to the nominated individual and will not be linked to the position.

*This document refers to old share structure
The new share structure has a conversion factor
dividing by .32583049
1000,000 shares in old structure = 325,830 shares in
new structure.*

Current Offer – September 2010

1. Triggers

A. If listed on ASX:

Phase 1

On 1/7/2013 (Phase 1 Execution Date) the key personnel will receive the equivalent of 75% of their current salary package (excluding bonus) in gross value in the form of shares. The value of a share will be at the value used for the Employee Share Plan Scheme offer in June 2010 (24.4 cents)

Phase 2

Subject to the achievement of phase 1 the LTI will progress to phase 2. On 1/7/2015 (Phase 2 Execution Date) the key personnel will receive the equivalent of an additional 50% of their current salary package (excluding bonus) in gross value in the form of shares. The value of a share will be the market value as at 1 July 2013.

The definition of current salary package for Phase 1 includes Base Salary, Superannuation and vehicle value as at 26/8/2010, but excludes any Short Term Incentive payment

For example purposes

If the salary package (including the above) is \$266,666 as at 26/8/2010 then 75% of \$266,666 = \$200,000. At a share price of 24.4 cents in accordance with Employee Share plan issue of 30/6/2010 = 819,672 shares.

The employee above will therefore receive 819,672 shares on 1/7/13. The value of the shares will of course be subject to market fluctuations. For example, 819,672 shares at 50 cents = \$409,836, or 819,672 shares at 20 cents = \$163,934.

The intent is that the key personal will share in the benefits, risks and burdens as a result of both company performance and market conditions.

If at any time there is a restructuring of the DeltaSBD share structure, the number of shares to be allocated will be adjusted as per all other DeltaSBD share holders

B. If not listed on ASX by 1/7/13:

Phase 1

On 1/7/2013 the key personnel will receive the equivalent of 75% of their current salary package (excluding bonus) in gross value in cash, pre tax. (salary as of 26/08/10)

Phase 2

Subject to completion of phase 1 the key personnel will progress to phase 2. On 1/7/2015 the key personnel will receive the equivalent of an additional 50% of their current salary package (excluding bonus) in gross value in cash. (pre tax) (salary as of 26/08/10)

2. Standard Conditions:

The following Standard Conditions apply:

- Offer must be accepted by the Key Employee within 28 days
- Key Employee must be an employee of DeltaSBD (or associated company) at the Execution Date to receive the LTI.
- If the Key Employee is an employee of Delta SBD (or associated company) and either retires (must be over 60 years of age), dies or is totally and permanently disabled in the 12 months prior to the Execution date, then at the sole discretion of the DeltaSBD Board, a prorated allocation of shares or payment may occur.
- The share allocation or payment will be to the Key Employee only.
- The Key Employee must keep the offer confidential.

Future Offers – Post September 2010

The above principles shall apply to future offers. The Execution Date shall be 3 and 5 years from the offer date.

The methodology used to determine the share value shall be that used for the most recent Employee Share Purchase Scheme.

Mr Bizzaca.

For the CEO, Mr Stephen Bizzaca, the following is applicable in lieu of the above terms::

Two years after listing on the ASX, Mr Bizzaca will receive the equivalent of 75% of his current salary package (excluding bonus) as at 26/8/2010 in gross value in the form of shares in the Company (salary as of 26/08/10)

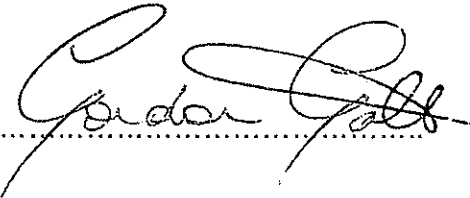
As per example above the shares will be valued at 24.4 cents per share and Mr Bizzaca will be subject to market fluctuations until his entitlement, 2 years from listing date. .

Taxation Issues

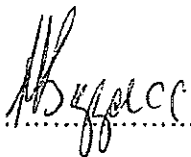
In satisfying the Australian Tax legislation, tax issues remain the responsibility of the Employee. The above amounts will be the Gross amount payable however it is the company's intent that where possible the use of the Employee Share Plan Trust (ESP)(Trinity Management) be utilised subject to tax legislation and tax ruling expiry date. Reference should be made to clause 8.1 of the DeltaSBD Limited Employee Share Trust Handbook Applicable from 30 June 2010 Updated 14 July 2010.

In summary if the ESP tax benefits is not available at completion of phase 1 and / or phase 2 then the employee will be entitled to the after PAYG tax value of shares in the company. That is, the same tax effect as if cash paid to employee.

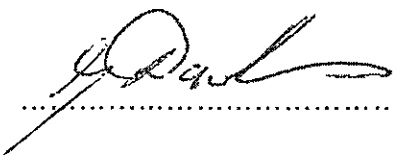
All other standard conditions as contained in Section 2 above will also apply.
I, Gordon Galt, the undersigned, agree to the above Long Term Incentive Plan


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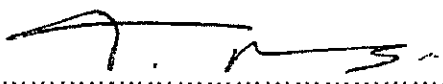
I, Stephen Bizzaca, the undersigned, agree to the above Long Term Incentive Plan


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I, Glyn Dawkins, the undersigned, agree to the above Long Term Incentive Plan


.....

I, Tony De Santis, the undersigned, agree to the above Long Term Incentive Plan


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Draft Letter to Key Personnel

Mr XYZ,
Address

Long Term Incentive Plan - Key Personnel Loyalty Agreements

The Board of Directors ("Board") of Delta SBD Limited ("DSBD") would like to recognise the commitment and efforts of key personnel for their contribution to the success of the business and in growing the Company.

In recognition of this, DSBD will be implementing a Long Term Incentive Plan (LTI) with the following objectives:

- The retention of key personnel.
- Enhance employee involvement and focus.
- Wealth creation and distribution among the key personnel.
- Focus key personnel on the achievement of Divisional and Group targets

Please refer to the attached the Term Sheet on how the LTI plan will work.

Confidential information

You must maintain the confidentiality of this information, which means that you may not disclose it to external parties or other employees of DeltaSBD. The obligation of confidentiality continues to apply after the date of cessation of employment.

Any discussion in relation to this matter should be done only with the CEO or the CFO.

Please execute below and return completed form direct to Tony McFadden CFO
tony.mcfadden@deltasbd.com.au .

Regards

Steve Bizzaca (CEO)

I Mrhereby accept the terms and conditions of the LTI plan and agree to comply with the confidentiality agreement as per above.

Employee Signature Dated

Long Term Incentive Plan Term Sheet

Key Person: Mr XXX

Key Person Salary Package at 26/08/2010: \$XXXXXX

Triggers

If listed on ASX:

Phase 1

On 1/7/2013 the key person will receive the equivalent of 75% of their current salary package (excluding bonus) in gross value in the form of shares. The value of a share will be at the value used for the Employee Share Plan Scheme offer in June 2010 (24.4 cents).

The number of shares issued at 1/07/2013 will be XXXXXXXXX

Phase 2

Subject to completion of phase 1 the key person will progress to phase 2. On 1/7/2015 the key person will receive the equivalent of an additional 50% of their current salary package (excluding bonus) in gross value in the form of shares. The value of a share will be the market value as at 1 July 2013.

The definition of current salary package is the salary package of key person including superannuation and vehicle value as at 26/8/2010 for Phase 1, but excluding bonus and Short Term Incentive payment

The intent is that the key person will share in the benefits, risks and burdens as a result of market conditions.

If at any time there is a restructuring of DeltaSBD share structure, the number of shares to be allocated will be adjusted as per all other DeltaSBD share holders

If not listed on ASX by 1/7/13:

Phase 1

On 1/7/2013 the key person will receive the equivalent of 75% of their current salary package (excluding bonus) in gross value in cash, pre tax.

Phase 2

Subject to completion of phase 1 the key person will progress to phase 2. On 1/7/2015 the key person will receive the equivalent of an additional 50% of their current salary package (excluding bonus) in gross value in cash. (pre tax)

3. Standard Conditions:

The following Standard Conditions apply:

- Offer must be accepted by the Key Employee within 28 days
- Key Employee must be an employee of DeltaSBD (or associated company) at the Execution Date to receive the LTI.
- If the Key Employee is an employee of Delta SBD (or associated company) and either retires (must over 60 years of age), dies or is totally and permanently disabled in the 12 months prior to the Execution date, then at the sole discretion of the DeltaSBD Board, a prorated allocation of shares or payment may occur.
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- The Key Employee must keep the offer confidential.