



**NEW HOPE CORPORATION LIMITED**

**ABN: 38 010 653 844**

10 July 2024

**Notification under section 708A(12C)(e) of the Corporations Act 2001 (Cth)**

New Hope Corporation Limited (ABN 38 010 653 844) (“NHC”) (ASX Code: NHC) announced on 3 July 2024 that it had launched an offer of fully paid, unsecured, unsubordinated notes (“**Notes**”) which are convertible into fully paid ordinary shares in NHC (“**Ordinary Shares**”) or, at NHC’s election in its own discretion, an amount in cash (in each case as determined in accordance with the section of the offering circular entitled “*Terms and Conditions of the Notes*”), to raise approximately A\$300 million (“**Offer**”).

NHC gives this notice together with the attached offering circular to ASX as a notice under section 708A(12C)(e) of the Corporations Act 2001 (Cth) (“**Corporations Act**”), as notionally inserted by ASIC Corporations (Sale Offers: Securities Issued on Conversion of Convertible Notes) Instrument 2016/82 (“**ASIC Instrument 2016/82**”).

The full terms of the Notes are set out in the attached offering circular. NHC confirms that:

- (a) the Notes will be issued without disclosure to investors under Part 6D.2 of the Corporations Act;
- (b) this notice together with the attached offering circular comprises the notice under section 708A(12C)(e) of the Corporations Act, as inserted by ASIC Instrument 2016/82; and
- (c) this notice complies with section 708A(12D) of the Corporations Act as inserted by ASIC Instrument 2016/82.

**No offer**

This notice does not constitute an offer of any Notes for issue or sale, or an invitation to subscribe for or purchase any Notes, and is not intended to be used in connection with any such offer or invitation.

**Effect of the Offer on NHC**

The Notes will be debt obligations of NHC. The aggregate principal amount of the Notes to be issued is A\$300 million. The effect of the issue on NHC will be to increase the total liabilities of NHC by that amount. Please refer to the section of the offering circular entitled “*Capitalisation and Indebtedness*” which includes a proforma consolidated statement of financial position assuming the Offer occurred on 31 January 2024.

If Notes are converted and NHC issues Ordinary Shares, the impact of the conversion would be to reduce NHC’s total liabilities by the principal amount of the Notes converted. The maximum number of Ordinary Shares that may be issued as at the date of this document (prior to adjustment for customary dilutionary events) is 58,493,332 Ordinary Shares. If Notes are converted and NHC elects to satisfy and settle any such conversion in cash instead of issuing Ordinary Shares, the impact of the conversion would be to reduce NHC’s total liabilities by the principal amount of the Notes converted, and reduce NHC’s total assets by an amount equal to the Cash Settlement Amount (as defined in the section of the offering circular entitled “*Terms and Conditions of the Notes*”) in respect of Notes subject to the that election.

**Rights and liabilities attaching to Notes and Ordinary Shares**

The rights and liabilities attaching to the Notes are contained in the Terms and Conditions, which are set out in the section of the offering circular entitled “*Terms and Conditions of the Notes*”.

A summary of the rights and liabilities attaching to Ordinary Shares is contained in the section of the offering circular entitled “*Rights and Liabilities of Ordinary Shares*”. Rights and liabilities attaching to Notes and Ordinary Shares may also arise under the Corporations Act, the listing rules of the ASX (“**ASX Listing Rules**”), the Constitution and other laws.

### **Compliance with disclosure obligations**

As a disclosing entity, NHC is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules. Copies of documents lodged with ASIC in relation to NHC are available to the public and may be purchased by calling the ASIC Customer Contact Centre on +61 1300 300 630, or via the ASIC Connect website and can be obtained from, or inspected at, an ASIC office. Certain of these documents can also be obtained from [www.asx.com.au](http://www.asx.com.au), together with other market announcements.

In addition, a copy of the following documents may be obtained free of charge by any person upon their request prior to the Closing Date (as defined in the attached offering circular):

- NHC’s annual and half-year reports most recently lodged with ASIC (being the audited consolidated annual financial report of the Group for the financial year ended 31 July 2023, and the financial report for the half-year ended 31 January 2024); and
- any other continuous disclosure notices given by NHC after the lodgement of NHC’s audited consolidated annual financial report for the financial year ended 31 July 2023 and before lodgement of this document with the ASX. Those announcements are recorded below.

<b>Date</b>	<b>Announcement</b>
9/07/2024	Corrected Appendix 3B
5/07/2024	Becoming a substantial holder
4/07/2024	Appendix 3B
4/07/2024	New Hope successfully prices A\$300m convertible notes
3/07/2024	Convertible Notes Offering
1/07/2024	Change of officeholders effected
26/06/2024	Change of officeholder
3/06/2024	Notification regarding unquoted securities - NHC
20/05/2024	Quarterly Activities Report
16/04/2024	Ceasing to be a substantial holder
4/04/2024	Change in substantial holding
27/03/2024	Change of Director's Interest Notice - L Stocker
25/03/2024	Change of Director's Interest Notice - T Millner
25/03/2024	Change of Director's Interest Notice - R Millner AO
19/03/2024	2024 Half Year Results
19/03/2024	Half Year Results Presentation
19/03/2024	Dividend/Distribution - NHC

Date	Announcement
19/03/2024	Appendix 4D and Half Year Financial Report
1/03/2024	Update - Notification regarding unquoted securities - NHC
1/03/2024	Notification regarding unquoted securities - NHC
1/03/2024	Notification regarding unquoted securities - NHC
21/02/2024	New Hope Investment in Malabar Resources Update
19/02/2024	Quarterly Activities Report
7/02/2024	New Hope Increases Malabar Investment
15/12/2023	Change of Director's Interest Notice - J. McGill AO
14/12/2023	Notification regarding unquoted securities - NHC
14/12/2023	Change of Registered Office Address
23/11/2023	Annual General Meeting Results
23/11/2023	AGM Addresses and Presentation
20/11/2023	Quarterly Activities Report
16/11/2023	On-Market Buy-Back Extension
16/11/2023	Update - Notification of buy-back - NHC
13/11/2023	New Acland Coal Update
19/10/2023	Appendix 4G and Corporate Governance Statement
19/10/2023	Notice of Annual General Meeting, Proxy Form & Annual Report
25/09/2023	Change of Director's Interest Notice - T Millner
25/09/2023	Change of Director's Interest Notice - R Millner AO
22/09/2023	Change of Director's Interest Notice - S. Boulton
22/09/2023	Change of Director's Interest Notice - T. Millner
22/09/2023	Change of Director's Interest Notice - R. Millner
20/09/2023	Change of Director's Interest Notice - Ian Williams
20/09/2023	Resolutions under section 249N of the Corporations Act
19/09/2023	Notification regarding unquoted securities - NHC
19/09/2023	Bridgeport Energy 2023 Reserves and Resources Statement
19/09/2023	Presentation on Full Year 2023 Results
19/09/2023	2023 Full Year Results
19/09/2023	Dividend/Distribution - NHC
19/09/2023	Appendix 4E and Annual Financial Report 2023

Date	Announcement
19/09/2023	New Hope Group 2023 Coal Resources and Reserves

All written requests for copies of the above documents should be addressed to NHC at the address set out in the directory at the end of the offering circular. These documents, and all other regular reporting and disclosure documents of NHC, are also available electronically on the website of the ASX at [www.asx.com.au](http://www.asx.com.au).

### **Consents**

Each of the persons named in this document and the attached offering circular has consented to the inclusion of each statement it has made in the form and context in which the statement appears in this document and the offering circular (as applicable), has consented to the references to those statements in the form and context in which they are included in this document and has not withdrawn those consents as at the date of this document.

This announcement has been authorised for release to ASX by the Board of NHC.

## **DISCLAIMER**

THIS ANNOUNCEMENT IS FOR INFORMATION PURPOSES ONLY AND DOES NOT CONSTITUTE AN OFFER TO BUY, OR SOLICITATION OF AN OFFER TO SELL, ANY SECURITIES AND NO SUCH OFFER, SOLICITATION, PURCHASE OR SALE SHALL BE MADE IN THE UNITED STATES OR ANY JURISDICTION WHERE SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL.

THE SECURITIES MENTIONED IN THIS ANNOUNCEMENT HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”) AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES EXCEPT PURSUANT TO REGISTRATION OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. NO PUBLIC OFFERING OF ANY SECURITIES WILL BE MADE IN THE UNITED STATES.

Yours faithfully,

**NEW HOPE CORPORATION LIMITED**

A handwritten signature in cursive script, appearing to read 'Rinaldi', written in dark ink.

**Rebecca Rinaldi**

Chief Financial Officer

## IMPORTANT NOTICE

**NOT FOR DISTRIBUTION TO ANY PERSON OR ADDRESS IN THE UNITED STATES. THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE ADDRESSEES OUTSIDE OF THE UNITED STATES.**

**IMPORTANT:** You must read the following disclaimer before continuing. The following disclaimer applies to the attached offering circular (the “**Offering Circular**”). You are advised to read this disclaimer carefully before accessing, reading or making any other use of the Offering Circular. In accessing the Offering Circular, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access.

**Confirmation of Your Representation:** The attached Offering Circular is being sent to you at your request and by accepting the e-mail and accessing the attached Offering Circular, you shall be deemed to represent to Jefferies (Australia) Pty Ltd and Jarden Australia Pty Limited as joint bookrunners and lead managers (the “**Joint Bookrunners and Lead Managers**”) that (1) the e-mail address that you gave us and to which this e-mail has been delivered is not, and you are not located in the United States, its territories or possessions and to the extent you purchase securities defined herein you will be doing so in an “offshore transaction” (as defined under Regulation S under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”)), and (2) you consent to delivery of the attached Offering Circular and any amendments or supplements thereto by electronic transmission.

The attached Offering Circular has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of the Joint Bookrunners and Lead Managers, the Trustee (as defined in the Offering Circular) and the Agents (as defined in the Offering Circular) nor their respective affiliates, advisers, agents, representatives, employees, officers, associates and directors and each person who controls any of them or their affiliates accepts any liability or responsibility whatsoever in respect of any discrepancies between the document distributed to you in electronic format and the hard copy version.

**Restrictions:** The attached Offering Circular is being furnished in connection with an offering of securities in “offshore transactions” as defined in, and in compliance with Regulation S under the Securities Act solely for the purpose of enabling a prospective investor to consider the purchase of the securities described herein. You are reminded that the information in the attached Offering Circular is not complete and may be changed.

**NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES (THE “SECURITIES”) (AS DESCRIBED IN THE OFFERING CIRCULAR) HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD, RESOLD, TRANSFERRED OR DELIVERED, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.**

Nothing in this electronic transmission constitutes an offer to sell or a solicitation by or on behalf of either the Issuer (as defined in the attached Offering Circular) or the Joint Bookrunners and Lead Managers of an offer to subscribe for or purchase any of the securities described therein in any jurisdiction where it is unlawful to do so, and access has been limited so that it shall not constitute in the United States “directed selling efforts” (within the meaning of Regulation S under the Securities Act). If a jurisdiction requires that the offering be made by a licensed broker or dealer and any of the Joint Bookrunners and Lead Managers or their affiliates is

a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the relevant Joint Bookrunners and Lead Managers or such affiliates on behalf of the Issuer in such jurisdiction.

You are reminded that you have accessed the attached Offering Circular on the basis that you are a person into whose possession the attached Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver the attached document, electronically or otherwise, to any other person. If you have gained access to this transmission contrary to the foregoing restrictions, you are not allowed to purchase any of the Securities.

**Actions that You May Not Take:** If you receive the attached Offering Circular by e-mail, you should not reply by e-mail to this e-mail, and you may not purchase any Securities by doing so. Any reply e-mail communications, including those you generate by using the “Reply” function on your e-mail software, will be ignored or rejected.

**THE ATTACHED OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE ATTACHED DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.**

**IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED HEREIN.**

You are responsible for protecting against viruses and other destructive items. If you receive the attached document by e-mail, your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.



## New Hope Corporation Limited (ABN 38 010 653 844)

### A\$300 million 4.25 per cent. Senior Convertible Notes due 2029 Issue Price: 100 per cent.

The A\$300 million 4.25 per cent. Senior Convertible Notes due 2029 (the “**Notes**”) will be issued by New Hope Corporation Limited (the “**Issuer**”, “**Company**” or “**New Hope**”), a company incorporated under the laws of Australia and listed on the Australian Securities Exchange operated by ASX Limited (ABN 98 008 624 691) (the “**ASX**”, which shall also mean where the context requires it, the Australian Securities Exchange).

The Notes will bear interest from (and including) 12 July 2024 (the “**Closing Date**”) at the rate of 4.25 per cent. per annum calculated by reference to the outstanding principal amount thereof and payable semi-annually in arrear in equal instalments on 12 January and 12 July in each year (each an “**Interest Payment Date**”), commencing on the Interest Payment Date falling on 12 January 2025.

Subject to any applicable fiscal or other laws or regulations and as provided in the Terms and Conditions of the Notes (the “**Terms and Conditions of the Notes**” or the “**Conditions**”), each Note will, at any time during the period (the “**Initial Conversion Period**”) from (and including) 22 August 2024 (41 days after the Closing Date) (the “**Initial Conversion Period Commencement Date**”) to (and including): (1) the date falling 66 Sydney business days prior to 12 July 2029 (the “**Maturity Date**”); or (2) if such Note is to be redeemed pursuant to Condition 7(b) of the Terms and Conditions of the Notes or Condition 7(c) of the Terms and Conditions of the Notes on or prior to the date falling 5 Sydney business days following the Initial Conversion Period End Date: (a) the date falling 5 Sydney business days before the date fixed for redemption thereof pursuant to Condition 7(b) of the Terms and Conditions of the Notes or Condition 7(c) of the Terms and Conditions of the Notes, or (b) if there shall be default in making payment in respect of such Note on such date fixed for redemption, the earlier of: (A) the date on which the full amount of such payment becomes available for payment and notice of such availability has been duly given to Noteholders (as defined in the Terms and Conditions of the Notes) in accordance with Condition 17 of the Terms and Conditions of the Notes (or, if such date is not a Sydney business day, the immediately preceding Sydney business day); and (B) the date falling 66 Sydney business days prior to the Maturity Date (the “**Initial Conversion Period End Date**”), entitle the holder to require the Issuer to convert such Note (the “**Conversion Right**”) for (i) a number of Ordinary Shares, or (ii) at the Issuer’s election in its sole discretion, an amount in cash, in each case as determined in accordance with the Terms and Conditions of the Notes. Unless a Cash Settlement Election (as defined in the Terms and Conditions of the Notes) is made by the Issuer in respect of the relevant exercise of Conversion Rights (as defined in the Terms and Conditions of the Notes), the Issuer shall satisfy the exercise of the Conversion Right by delivering the number of Ordinary Shares equal to the relevant Reference Shares (as defined in the Terms and Conditions of the Notes) in accordance with the Terms and Conditions of the Notes. Upon any exercise of a Conversion Right by a Noteholder during the Initial Conversion Period, the Issuer may, in its sole discretion, make a Cash Settlement Election to satisfy and settle the exercise of such Conversion Right in respect of the relevant Notes by paying the relevant Noteholder the relevant Cash Settlement Amount in accordance with the Terms and Conditions of the Notes.

Subject to and as provided in the Terms and Conditions of the Notes, the Conversion Right in respect of a Note may be exercised, at the option of the holder thereof, and subject to any applicable fiscal or other laws or regulations and as provided in the Terms and Conditions of the Notes, at any time during the period (the “**Final Conversion Period**”) from (and including) the date falling 65 Sydney business days prior to the Maturity Date (the “**Final Conversion Period Commencement Date**”) to (and including): (1) the date falling five Sydney business days prior to the Maturity Date; or (2) if such Note is to be redeemed pursuant to Condition 7(b) of the Terms and Conditions of the Notes or Condition 7(c) of the Terms and Conditions of the Notes after the date falling 5 Sydney business days following the Initial Conversion Period End Date and prior to the Maturity Date: (a) the date falling 5 Sydney business days before the date fixed for redemption thereof pursuant to Condition 7(b) of the Terms and Conditions of the Notes or Condition 7(c) of the Terms and Conditions of the Notes, or (b) if there shall be default in making payment in



respect of such Note on such date fixed for redemption, the earlier of: (A) the date on which the full amount of such payment becomes available for payment and notice of such availability has been duly given to Noteholders in accordance with Condition 17 of the Terms and Conditions of the Notes (or, if such date is not a Sydney business day, the immediately preceding Sydney business day); and (B) the date falling 5 Sydney business days prior to the Maturity Date (the “**Final Conversion Period End Date**”). No earlier than the date falling 120 Sydney business days prior to, and no later than the date falling 5 Sydney business days immediately preceding, the Final Conversion Period Commencement Date, the Issuer will make a determination (a “**Final Conversion Period Settlement Determination**”) by giving notice to the Noteholders in accordance with the Terms and Conditions of the Notes and to the Trustee (as defined in the Terms and Conditions of the Notes) and each Conversion Agent (as defined in the Terms and Conditions of the Notes) in writing (a “**Final Conversion Period Settlement Determination Notice**”). The Final Conversion Period Settlement Determination Notice shall state whether the Issuer elects for each exercise of Conversion Rights during the Final Conversion Period to be satisfied and settled, subject to and as provided in the Terms and Conditions of the Notes and subject to any applicable fiscal or other laws or regulations and as provided in the Terms and Conditions of the Notes, by the payment of a cash amount equal to the relevant Cash Settlement Amount (as defined in the Terms and Conditions of the Notes) to the relevant Noteholder or does not make such election. The Final Conversion Period Settlement Determination shall be at the sole discretion of the Issuer and the Final Conversion Period Settlement Determination Notice shall be irrevocable.

The initial Conversion Price of the Notes is A\$6.63 per Ordinary Share and will be subject to adjustment in the manner described in the Terms and Conditions of the Notes. The closing price of the Ordinary Shares on the ASX on 3 July 2024 was A\$5.26 per Ordinary Share.

Unless previously purchased and cancelled, redeemed or converted as provided in the Terms and Conditions of the Notes, the Notes will be redeemed at 100.00 per cent. of the principal amount of the relevant Notes plus any interest accrued but unpaid to (but excluding) the relevant Redemption Date (as defined in the Terms and Conditions of the Notes) (the “**Redemption Amount**”) on the Maturity Date. The Issuer may, at any time on giving not less than 30 nor more than 60 days’ notice (an “**Optional Redemption Notice**”) to the Noteholders in accordance with Condition 17 and to the Trustee and the Principal Paying and Conversion Agent (as defined in the Terms and Conditions of the Notes) in writing (which notice shall be irrevocable), redeem all but not some only of the Notes on the date (an “**Optional Redemption Date**”) specified in the Optional Redemption Notice at the Redemption Amount, if Conversion Rights shall have been exercised and/or purchases (and corresponding cancellations) and/or redemptions shall have been effected in respect of 85.00 per cent. or more in principal amount of the Notes originally issued (which shall for this purpose include any further Notes issued pursuant to Condition 18 of the Terms and Conditions of the Notes and consolidated and forming a single series with the Notes). See Condition 7(b) of the Terms and Conditions of the Notes.

The Issuer will, at the option of the holder of any Note, redeem all or some only of such holder’s Notes on 12 July 2027 (the “**Put Option Date**”) at the Redemption Amount. See Condition 7(e) of the Terms and Conditions of the Notes.

At any time the Issuer may, having given not less than 30 nor more than 60 days’ notice (a “**Tax Redemption Notice**”) to the Noteholders in accordance with Condition 17 of the Terms and Conditions of the Notes and to the Trustee and the Principal Paying and Conversion Agent in writing (which notice shall be irrevocable), redeem (subject to and as provided under Condition 7(c) of the Terms and Conditions of the Notes) all but not some only of the Notes on the date specified in the Tax Redemption Notice at the Redemption Amount if: (i) the Issuer certifies to the Trustee immediately prior to the giving of such Tax Redemption Notice that the Issuer has or will become obliged to pay additional amounts in respect of payments on the Notes pursuant to Condition 9 of the Terms and Conditions of the Notes as a result of any change in, or amendment to, the laws or regulations of the Commonwealth of Australia or any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 4 July 2024 and (ii) the Issuer would still be obliged to pay such additional amounts after taking reasonable measures available to it, provided that no such Tax Redemption Notice shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. See Condition 7(c) of the Terms and Conditions of the Notes.

Following the occurrence of a Relevant Event (as defined in the Terms and Conditions of the Notes), the holder of each Note will have the right, at such holder’s option, to require the Issuer to redeem all or some only of that holder’s Notes on the Relevant Event Redemption Date (as defined in the Terms and Conditions of the Notes) at the Redemption Amount. See Condition 7(f) of the Terms and Conditions of the Notes.

Approval in-principle has been received from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the listing and quotation of the Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements

made or opinions expressed or reports contained in this Offering Circular. Approval in-principle from, admission to the Official List of, and the listing and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Issuer's subsidiaries, the Issuer's associated companies (if any), the Notes or the Ordinary Shares.

The Ordinary Shares are listed on the ASX and application will be sought from the ASX for quotation of any new Ordinary Shares which may be issued on exercise of the Conversion Rights at the time of issuance.

**Investing in the Notes involves certain risks. Refer to the section entitled “*Risk Factors*” for a discussion of certain factors to be considered in connection with an investment in the Notes.**

**The Notes and any Ordinary Shares to be issued upon conversion of the Notes have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”) or the securities laws of any state or other jurisdiction of the United States and, subject to certain exceptions, they may not be offered or sold within the United States. The Notes are being offered and sold solely outside the United States pursuant to Regulation S under the Securities Act (“Regulation S”). For a description of these and certain further restrictions on offers and sales of the Notes and the Ordinary Shares to be issued upon conversion of the Notes, and the distribution of this Offering Circular. Refer to the section entitled “*Subscription and Sale*”.**

The Notes will be represented by beneficial interests in a global certificate (the “**Global Certificate**”) in registered form, without interest coupons attached, which will be registered in the name of a nominee of, and shall be deposited on or about the Closing Date with, a common depository for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream**”). Beneficial interests in the Global Certificate will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream. Except as described in the Global Certificate, definitive certificates for Notes will not be issued in exchange for interests in the Global Certificate.

**Sole Global Coordinator**

**Jefferies**

**Joint Bookrunners and Lead Managers**

**Jefferies**

**Jarden**

The date of this Offering Circular is 10 July 2024

## IMPORTANT NOTICE

### GENERAL

#### About this document

This document (this “**Offering Circular**”) is issued by the Issuer. Any offering of the Issuer’s Notes is made under this Offering Circular.

This Offering Circular is being lodged on the ASX together with a notice that is being given to the ASX in accordance with the requirements of the Australian Securities and Investments Commission (“**ASIC**”) Corporations (Sale Offers: Securities Issued on Conversion of Convertible Notes) Instrument 2016/82 made under section 741 of the Corporations Act 2001 (Cth) (the “**Corporations Act**”) and which provides relief so that the Ordinary Shares may be on-sold to retail investors if a notice containing disclosure required by section 708A(12D) of the Corporations Act (as inserted by ASIC Corporations (Sale Offers: Securities Issued on Conversion of Convertible Notes) Instrument 2016/82) is released in connection with the issue of the Notes to institutional investors. Any offering of Notes within Australia is open only to selected investors who are both (A) sophisticated or professional investors as respectively referred to in sections 708(8) and 708(11) of the Corporations Act, and (B) a “wholesale client” within the meaning of section 761G of the Corporations Act.

Neither this Offering Circular nor any other disclosure document in relation to the Notes has been or will be lodged with the ASIC and this Offering Circular is not, and does not purport to be, a prospectus, product disclosure document or other disclosure document as defined in the Corporations Act.

None of ASIC or the ASX or their respective officers takes any responsibility for the contents of this Offering Circular or the merits of the investment to which this Offering Circular relates.

The Issuer does not hold an Australian financial services licence and accordingly is not licensed to provide financial product advice in respect of the Notes or the transaction described in the “*Description of the Capped Call Option Transactions*” section of this Offering Circular. Cooling-off rights do not apply to the acquisition of the Notes. **In making an investment decision, investors must rely on their own examination of the Issuer and the terms of the Notes being offered, including the merits and risks involved. The Notes have not been approved or disapproved by the United States Securities and Exchange Commission or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities approved this Offering Circular or confirmed the accuracy or determined the adequacy of the information contained in this Offering Circular. Any representation to the contrary is unlawful.**

**This Offering Circular is to be read in conjunction with all documents which are deemed to be incorporated herein by reference. Refer to the section entitled “*Incorporation by Reference*”. This Offering Circular shall be read and construed on the basis that such documents are incorporated and form part of this Offering Circular.**

The Issuer has confirmed to Jefferies (Australia) Pty Ltd and Jarden Australia Pty Limited (the “**Joint Bookrunners and Lead Managers**”) that this Offering Circular contains or incorporates by reference all information regarding the Issuer and the Issuer’s subsidiaries as a whole (collectively, the “**Group**”) and the Notes which is (in the context of the issue of the Notes) material; such information does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements herein, in the light of the circumstances under which they are made, not misleading; any statements of opinion or intentions expressed in this Offering Circular on the part of the Issuer and the Group are honestly held and are based on reasonable assumptions; and reasonable enquiries have been made to ascertain and to verify the accuracy of such information and statements. The Issuer accepts responsibility for the information contained in this Offering Circular. This Offering Circular should be read in its entirety. It contains general information only and does not

take into account the specific objectives, financial situation or needs of any investor. In the case of any doubt, investors should seek the advice of a financial or other independent and qualified professional adviser.

None of the Issuer, any member of the Group, the Joint Bookrunners and Lead Managers, GLAS Trust Company LLC (the “**Trustee**”), Conv-Ex Advisors Limited (the “**Calculation Agent**”) or the Agents (as defined in the Terms and Conditions of the Notes) or any of their respective affiliates, advisers, agents, representatives, employees, officers, associates or directors or any person who controls any of them guarantees the success of the offering of the Notes (the “**Offer**” or the “**Offering**”), or any particular rate of capital or income return on the Notes or the Ordinary Shares. Investment-type products are subject to investment risk, including possible loss of income and capital invested.

None of the Issuer, the Joint Bookrunners and Lead Managers, the Trustee, the Calculation Agent or the Agents or any of their respective affiliates, advisers, agents, representatives, employees, officers, associates or directors or any person who controls any of them is providing investors with any legal, business or tax advice in this Offering Circular. Investors should consult their own advisers to assist them in making their investment decision and to advise themselves whether they are legally permitted to purchase the Notes. Investors must comply with all laws that apply to them in any place in which they buy, offer or sell any Notes or possess this Offering Circular. Investors must also obtain any consents or approvals that they need in order to purchase the Notes. None of the Issuer, the Joint Bookrunners and Lead Managers, the Trustee, the Calculation Agent or the Agents or any of their respective affiliates, advisers, agents, representatives, employees, officers, associates or directors or any person who controls any of them is responsible for the investors’ compliance with any such legal requirements. The Issuer has not authorised the making or provision of any representation or information regarding the Issuer or the Notes other than as contained in this Offering Circular or as approved for such purpose by the Issuer. Any such representation or information should not be relied upon as having been authorised by the Issuer, the Joint Bookrunners and Lead Managers, the Trustee, the Calculation Agent or the Agents or any of their respective affiliates, advisers, agents, representatives, employees, officers, associates or directors or any person who controls any of them.

Neither the delivery of this Offering Circular nor the offering, sale or delivery of any Note shall in any circumstance create any implication that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer or the Group since the date of this Offering Circular.

Any offer, invitation or agreement made in connection with the purchase or acquisition of the Notes or pursuant to this Offering Circular shall (without liability or responsibility on the part of the Issuer, the Joint Bookrunners and Lead Managers, the Trustee, the Calculation Agent or the Agents or any of their respective affiliates, advisers, agents, representatives, employees, officers, associates or directors or any person who controls any of them) lapse and cease to have any effect if (for any reason whatsoever) the Notes are not issued by the Issuer to the Joint Bookrunners and Lead Managers.

Furthermore, no comment is made or advice is given by any of the Joint Bookrunners and Lead Managers, the Trustee, the Calculation Agent, the Agents or the Issuer or of their respective affiliates, advisers, agents, representatives, employees, officers, associates or directors or any person who controls any of them, in respect of taxation matters relating to any Notes or the legality of the purchase of Notes by an investor under applicable or similar laws. The Joint Bookrunners and Lead Managers, the Trustee, the Calculation Agent and the Agents and each of their respective affiliates, advisers, agents, representatives, employees, officers, associates and directors and each person who controls any of them do not undertake to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Notes of any information coming to the attention of the Joint Bookrunners and Lead Managers, the Trustee, the Calculation Agent or any Agent or any of their respective affiliates,

advisers, agents, representatives, employees, officers, associates or directors or any person who controls any of them.

In addition, delta hedging activity coordinated by the Sole Global Coordinator and certain derivative transactions which the Option Counterparties (as defined below) may enter into at their discretion in connection with the Capped Call Option Transactions (as defined below) could impact the market price of the Notes or the Ordinary Shares. Such transactions, together with any acquisition of Notes or Ordinary Shares by a Joint Lead Manager or either of their respective affiliates in connection with its ordinary course sale and trading, principal investing, hedging and other activities may result in that Joint Lead Manager or an Option Counterparty (as applicable) having a substantial exposure to the Company.

In connection with the Offering, in addition to acquiring Notes under the Offering, the Joint Bookrunners and Lead Managers and/or any of their affiliates may, for their own account, enter into convertible asset swaps, credit derivatives or other derivative transactions relating to the Notes and/or the underlying Ordinary Shares at the same time as the offer and sales of the Notes, Ordinary Shares and/or other secondary market transactions. As a result of such transactions, the Joint Bookrunners and Lead Managers and/or their affiliates may hold long or short positions in such Notes and/or derivatives or physical holdings in the underlying Ordinary Shares. Disclosure may not be made of any such positions. The Joint Bookrunners and Lead Managers and/or their affiliates may purchase Notes for principal investment purposes and not with a view to distribution. The amount of any such purchases will be determined at the time of pricing of the Notes and will be subject to total demand received and final allocations. Any of these transactions contemplated could impact the market price of the Notes or the Ordinary Shares.

#### **No representations or recommendations**

No person has been authorised to give any information or to make any representation other than those contained in this Offering Circular in connection with the Offering and, if given or made, such information or representations must not be relied upon as having been authorised by the Issuer, the Joint Bookrunners and Lead Managers, the Trustee, the Calculation Agent or any Agent or any of their respective affiliates, advisers, agents, representatives, employees, officers, associates or directors or any person who controls any of them. None of the Joint Bookrunners and Lead Managers, the Trustee, the Calculation Agent or the Agents or any of their respective affiliates, advisers, agents, representatives, employees, officers, associates or directors or any person who controls any of them has separately verified the information contained in or incorporated in this Offering Circular. Accordingly, no representation, warranty or undertaking, whether express or implied, is made, and no responsibility or liability is accepted, by the Joint Bookrunners and Lead Managers, the Trustee, the Calculation Agent or any Agent or any of their respective affiliates, advisers, agents, representatives, employees, officers, associates or directors or any person who controls any of them as to the accuracy or completeness of the information (including the financial information) contained or incorporated in this Offering Circular or any other information (including the financial information) provided by the Issuer or in connection with the Notes or their distribution. Nothing contained or incorporated in this Offering Circular is, or shall be relied upon as, a promise or representation by the Joint Bookrunners and Lead Managers, the Trustee, the Calculation Agent or any Agent or any of their respective affiliates, advisers, agents, representatives, employees, officers, associates or directors or any person who controls any of them.

This Offering Circular is not intended to provide the basis of any credit or other evaluation and nor should it be considered as a recommendation by the Issuer, the Joint Bookrunners and Lead Managers, the Trustee, the Calculation Agent or the Agents or any of their respective affiliates, advisers, agents, representatives, employees, officers, associates or directors or any person who controls any of them that any recipient of this Offering Circular should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Offering Circular and its purchase of Notes should be based upon such investigations as it deems necessary.

## Consents

Each of the persons named in this Offering Circular has consented to the inclusion of each statement it has made in the form and context in which the statement appears in this Offering Circular, has consented to the references to those statements in the form and context in which they are included in this Offering Circular and has not withdrawn those consents as at the date of this Offering Circular.

## Restrictions in certain jurisdictions

This Offering Circular does not constitute an offer or invitation in any place in which, or to any person to whom it would not be lawful to make such an offer or invitation.

Any purchase or acquisition of the Notes is in all respects conditional on the satisfaction of certain conditions set out in the Subscription Agreement (as defined herein) and the issue of the Notes by the Issuer to the Joint Bookrunners and Lead Managers pursuant to the Subscription Agreement.

The distribution of this Offering Circular and the offering, sale and delivery of Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on distribution of this Offering Circular and other offering material relating to the Notes. Refer to the section entitled “*Subscription and Sale*”.

The Notes and the Ordinary Shares to be issued upon conversion of the Notes have not been, and will not be, registered under the Securities Act, subject to certain exceptions, and may not be offered or sold within the United States. The Notes are being offered and sold solely outside the United States pursuant to Regulation S.

This Offering Circular is not intended to be used in connection with any offer for which disclosure is required for the purposes of Part 6D.2 or Chapter 7 of the Corporations Act and does not contain all the information that would be required if this Offering Circular was a prospectus, product disclosure document or other disclosure document as defined in the Corporations Act. Any offering of Notes in Australia is made under this Offering Circular and is open only to select investors who are both (A) sophisticated or professional investors within the meaning of sections 708(8) or 708(11) of the Corporations Act and (B) a “wholesale client” within the meaning of section 761G of the Corporations Act.

Neither the delivery of this Offering Circular nor any sale made hereunder shall, under any circumstances, constitute an offer of, or an invitation by, or on behalf of, the Issuer, the Joint Bookrunners and Lead Managers, the Trustee, the Calculation Agent or any Agent or any of their respective affiliates, advisers, agents, representatives, employees, officers, associates or directors or any person who controls any of them to subscribe for, or purchase, any of the Notes.

## Prohibition of Sales to EEA Retail Investors

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of directive 2014/65/EU (as amended “**MiFID II**”); or (ii) a customer within the meaning of directive (EU) 2016/97 (the “**IDD**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIPs Regulation.

## **Prohibition of Sales to UK Retail Investors**

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the “UK”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “EUWA”); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “FSMA”) and any rules or regulations made under the FSMA to implement IDD, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

## **Listing of the Notes on the SGX-ST**

Approval in-principle has been received from the SGX-ST for the listing and quotation of the Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in this Offering Circular. Approval in-principle from, admission to the Official List of, and the listing and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Issuer’s subsidiaries, the Issuer’s associated companies (if any), the Notes or the Ordinary Shares. The Notes will be traded on the SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in other currencies) for so long as any of the Notes are listed on the SGX-ST and the rules of the SGX-ST so require.

## **Listing of Ordinary Shares**

The Ordinary Shares of the Issuer are quoted on the ASX (ISIN: AU000000NHC7). An application will be made for quotation of the Ordinary Shares issuable upon conversion of the Notes on the ASX upon issuance.

## **Global Certificate**

The Notes will be in registered form. The Notes will be represented on issue by a Global Certificate. On or around the Closing Date, the Global Certificate will be registered in the name of a nominee of, and deposited with, a common depositary for Euroclear and Clearstream. The Global Certificate will be exchangeable, in whole or in part, for individual definitive Notes in registered form, serially numbered, in denominations of A\$200,000 and integral multiples of A\$100,000 in excess thereof (but only in the limited circumstances described in the Global Certificate).

## **Further information on the Group**

As a disclosing entity, the Issuer is subject to regular reporting and disclosure obligations under the Corporations Act and the listing rules of the ASX (the “ASX Listing Rules”). Copies of documents lodged with ASIC in relation to the Issuer are available to the public and may be purchased by calling the ASIC Customer Contact Centre on +61 1300 300 630, or via the ASIC Connect website and can be obtained from, or inspected at, an ASIC office. Certain of these documents can also be obtained from [www.asx.com.au](http://www.asx.com.au).

In addition, a copy of the following documents may be obtained free of charge by any person upon their written request (in the manner specified below) prior to the Closing Date:

- the reviewed consolidated financial statements of the Group for the half year ended 31 January 2024 and 31 January 2023;

- the audited consolidated annual financial reports of the Group for the financial years ended 31 July 2022 and 31 July 2023; and
- any other document used to notify the ASX of information relating to the Group under the continuous disclosure provisions of the ASX Listing Rules and the Corporations Act after the lodgement of the Issuer’s audited consolidated annual financial report for the financial year ended 31 July 2023 and before lodgement of this Offering Circular with the ASX.

All written requests for copies of the above documents should be addressed to the Issuer at the address set out in the directory at the end of this Offering Circular. These documents, and all other regular reporting and disclosure documents of the Issuer, are also available electronically on the websites of the ASX at [www.asx.com.au](http://www.asx.com.au).

## **Risk Factors**

Prospective purchasers of the Notes should carefully consider the risks and uncertainties described in this Offering Circular before making a decision to invest in the Notes. An investment in the Notes should be considered speculative due to various factors, including the nature of the Group’s business and operations and the business outlook for the industry in which the Group operates. Refer to the sections entitled “*Cautionary Statement Regarding Forward-Looking Statements*” and “*Risk Factors*” in this Offering Circular.

## **Definitions**

In this Offering Circular, unless otherwise defined herein or in the Terms and Conditions of the Notes, or unless the context requires otherwise, the following terms shall have the following meanings:

- “**AAS**” has the meaning given to it in the section entitled “*Risk Factors*”;
- “**AASB**” has the meaning given to it in the section entitled “*Risk Factors*”;
- “**AL19**” has the meaning given to it in the section entitled “*Business of the Group*”;
- “**ASX Settlement Operating Rules**” means the settlement operating rules of ASX Settlement Pty Limited (ABN 49 008 504 532);
- “**APC**” has the meaning given to it in the section entitled “*Business of the Group*”;
- “**AWL**” has the meaning given to it in the section entitled “*Business of the Group*”;
- “**A\$**” and “**Australian dollar**” means Australian dollars;
- “**BAC**” has the meaning given to it in the section entitled “*Business of the Group*”;
- “**Bengalla Mine**” has the meaning given to it in the section entitled “*Business of the Group*”;
- “**Board**” or “**Board of Directors**” means the board of directors of the Issuer;
- “**Bridgeport**” has the meaning given to it in the section entitled “*Business of the Group*”;
- “**CHPP**” has the meaning given to it in the section entitled “*Business of the Group*”;
- “**Coal Reserves**” has the meaning given in the JORC Code;
- “**Competent Persons**” has the meaning given in the JORC Code;
- “**COVID-19**” means the outbreak of a novel strain of coronavirus (i.e. Coronavirus Disease 2019 (COVID19));



- **“Development Consent”** means a development consent granted under the Environmental Planning and Assessment Act 1979 (NSW);
- **“Director”** means a member of the Board;
- **“DRDMW”** has the meaning given to it in the section entitled *“Business of the Group”*;
- **“ESG”** has the meaning given to it in the section entitled *“Business of the Group”*;
- **“FY”** means financial year;
- **“GHG”** has the meaning given to it in the section entitled *“Risk Factors”*;
- **“Group”** or **“New Hope Group”** means New Hope Corporation Limited (ABN 38 010 653 844) and its subsidiaries;
- **“Investor’s Currency”** has the meaning given to it in the section entitled *“Risk Factors”*;
- **“JORC Code”** means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 Edition);
- **“Malabar”** has the meaning given to it in the section entitled *“Business of the Group”*;
- **“Marketable Reserves”** means ‘Marketable Coal Reserves’ reported in accordance with the JORC Code (representing beneficiated or otherwise enhanced coal product where modifications due to mining, dilution and processing have been considered);
- **“Mt”** means millions of tonnes;
- **“Native Title Act”** has the meaning given to it in the section entitled *“Risk Factors”*;
- **“New Acland Coal”** means New Acland Coal Pty Ltd (ABN 90 081 022 380);
- **“New Acland Mine”** has the meaning given to it in *“Business of the Group”*;
- **“New Acland Stage 3 Expansion”** has the meaning given to it in the section entitled *“Risk Factors”*;
- **“Non-Executive Director”** means a Director who is not a member of the senior management team of the Issuer;
- **“North Surat Project”** has the meaning given to it in the section entitled *“Business of the Group”*;
- **“OCAA”** has the meaning given to it in the section entitled *“Business of the Group”*;
- **“Official List”** means the official list of entities that ASX has admitted to and not removed from listing;
- **“Option Counterparty”** has the meaning given to it in the section entitled *“Description of the Capped Call Option Transactions”*;
- **“PCI”** means Pulverised Coal Injection;
- **“per cent.”** means percentage;
- **“PRC”** has the meaning given to it in the section entitled *“Risk Factors”*;
- **“QBH”** has the meaning given to it in the section entitled *“Business of the Group”*;
- **“QCCL”** has the meaning give to it in the section entitled *“Business of the Group”*

- “**Recoverable Reserves**” means Coal Reserves which constitute Proved or Probable Reserves referred to in the JORC Code;
- “**Reserves**” has the meaning given to ‘Mineral Reserves’ or ‘Coal Reserves’ in the JORC Code;
- “**Resources**” has the meaning given to ‘Mineral Resources’ or ‘Coal Resources’ in the JORC Code;
- “**ROM**” has the meaning given to it in the section entitled “*Business of the Group*”;
- “**SARS**” has the meaning given to it in the section entitled “*Risk Factors*”;
- “**Soul Patts**” means Washington H. Soul Pattinson and Company Limited (ABN 49 000 002 728);
- “**S\$**” means Singapore dollars;
- “**Underground Resources**” means Resources which may be extracted by underground mining methods;
- “**U.S.**” and “**United States**” means the United States of America;
- “**U.S.\$**”, “**USD**” and “**U.S. dollar**” means United States dollars;
- “**Valid Day**” has the meaning given to it in the section entitled “*Description of the Capped Call Option Transactions*”; and
- “**1P**” has the meaning given to it in the SPE-PRMS Guidelines.

Any reference in this Offering Circular to any law, regulation or notification is a reference to such law, regulation or notification as the same may have been, or may from time to time be, amended, supplemented or replaced.

## **Websites**

The websites referenced in this Offering Circular are intended as guides as to where other public information relating to the Issuer may be obtained free of charge. Information appearing in such websites does not form part of this Offering Circular and none of the Issuer, the Joint Bookrunners and Lead Managers, the Trustee, the Calculation Agent or the Agents or any of their respective affiliates, advisers, agents, representatives, employees, officers, associates or directors or any person who controls any of them accepts any responsibility whatsoever that any such information is accurate and/or up-to-date. Any such information should not form the basis of any investment decision by an investor to purchase or deal in the Notes.

## **Financial measures**

This Offering Circular contains non-Australian Accounting Standards / non-International Financial Reporting Standards financial measures that are not required by, or presented in accordance with Australian Accounting Standards or International Finance Reporting Standards. The method of calculating this, or equivalent, accounting measures may vary between companies. Accordingly, such measures may not be comparable to similarly titled measures reported by other companies and investors should not place undue reliance upon them.

Rounding adjustments have been made in calculating some of the financial information included in this Offering Circular. As a result, numerical figures shown as totals in some tables may not be exact arithmetic aggregations of the figures that precede them.

## **Coal Reserve and Resource estimates**

This Offering Circular contains Coal Reserve and Resource estimates made in accordance with the JORC Code. There are numerous uncertainties inherent in estimating quantities and qualities of coal and costs to mine Coal Reserves, including many factors beyond the Group’s control. Accordingly, the quantity and quality of coal that

the Group recovers may be less than the Reserve estimates included in this Offering Circular. Refer to the risk factor entitled “*Resource and reserve estimates*”.

## **CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

This Offering Circular may contain forward-looking statements that are based on management's beliefs, assumptions and expectations and on information currently available to management. Forward-looking statements can generally be identified by the use of forward-looking words such as, "expect", "anticipate", "likely", "intend", "should", "could", "may", "predict", "plan", "propose", "will", "believe", "forecast", "estimate", "target", "outlook", "guidance" and other similar expressions within the meaning of securities laws of applicable jurisdictions. Such forward-looking statements include statements regarding the timetable, conduct and outcome of the Offer and the use of proceeds thereof, statements about the plans, objectives and strategies of the management of the Group, statements about the industry and the markets in which the Group operates and statements about the future performance of the Group's businesses. Indications of, and guidance or outlook on, future earnings or financial position or performance, future earnings and distributions are also forward-looking statements.

Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Group or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors, including, without limitation, those referred to in this Offering Circular under the heading "Risk Factors".

The Group's forward-looking statements are based on the beliefs, assumptions, expectations and opinions of management on the date the statements are made, and the Group does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, assumptions, expectations or opinions should change. For the reasons set forth above, investors should not place undue reliance on forward-looking statements. Any forward-looking statements speak only as of the date of this Offering Circular.

Past performance is not a reliable indicator of future performance. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance and should only be viewed as historical data.

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## **INCORPORATION BY REFERENCE**

The audited consolidated annual financial statements of the Group as at and for the financial years ended 31 July 2022 and 31 July 2023, and the reviewed consolidated financial statements of the Group as at and for the half years ended 31 January 2024 and 31 January 2023 respectively, including the auditors' report in respect of such financial statements, and the 2023 Coal Resources and Reserves statement announced 19 September 2023, which have been filed with the ASX, are deemed to be incorporated by reference into, and to form part of, this Offering Circular.

Each document incorporated herein by reference is current only as at the date of such document, and the incorporation by reference of such documents shall not create any implication that there has been no change in the financial condition or affairs of the Issuer and the Group, as the case may be, since the date thereof or that the information contained therein is current as at any time subsequent to its date. Any statement contained therein shall be deemed to be modified or superseded for the purposes of this Offering Circular to the extent that a subsequent statement contained in another incorporated document herein modifies or supersedes that statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offering Circular. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes.

The making of a modifying or superseding statement is not to be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

Copies of the documents incorporated herein by reference may be obtained on written request addressed to the Issuer without charge at the address set out in the directory at the end of this Offering Circular. These documents are also available electronically through the internet from [www.asx.com.au](http://www.asx.com.au).

Any documents themselves incorporated by reference in the documents incorporated by reference in this Offering Circular shall not form part of this Offering Circular.

Prospective investors are advised to obtain and read the documents incorporated by reference herein before making their investment decision in relation to the Notes.

## THE OFFERING

*The following is a summary of the principal features of the Notes and the Offering. Terms defined under “Terms and Conditions of the Notes” or elsewhere in this Offering Circular shall have the same respective meanings in this summary. References to a particular Condition are references to the Condition bearing that number in the Terms and Conditions of the Notes.*

*The following summary is qualified in its entirety by the more detailed information appearing in the “Terms and Conditions of the Notes” section in this Offering Circular. If there is any inconsistency between this summary and the more detailed information in the “Terms and Conditions of the Notes” section of this Offering Circular, then the “Terms and Conditions of the Notes” shall prevail.*

<b>Issuer</b>	New Hope Corporation Limited (ABN 38 010 653 844).
<b>The Notes</b>	A\$300,000,000 4.25 per cent. Senior Convertible Notes due 2029.
<b>Issue Price</b>	100 per cent. of the principal amount of the Notes.
<b>Denomination</b>	A\$200,000 and integral multiples of A\$100,000 in excess thereof.
<b>Closing Date</b>	Expected on or around 12 July 2024.
<b>Interest Rate</b>	The Notes will bear interest from and including the Closing Date at the rate of 4.25 per cent. per annum calculated by reference to the outstanding principal amount thereof and payable semi-annually in arrear in equal instalments on 12 January and 12 July in each year (each an “ <b>Interest Payment Date</b> ”), commencing on the Interest Payment Date falling on 12 January 2025.
<b>Status</b>	The Notes will constitute direct, unconditional, unsubordinated and (subject to Condition 2 of the Terms and Conditions of the Notes) unsecured obligations of the Issuer ranking <i>pari passu</i> and rateably, without any preference among themselves. The payment obligations of the Issuer under the Notes will rank at least equally with all its other existing and future unsecured and unsubordinated obligations, save for such obligations that may be preferred by provisions of law that are mandatory and of general application.
<b>Initial Conversion Period</b>	<p>During the Initial Conversion Period, subject to and as provided in the Terms and Conditions of the Notes and subject to any applicable fiscal or other laws or regulations and as provided in the Terms and Conditions of the Notes, each Note shall entitle the holder to require the Issuer to convert such Note during the Initial Conversion Period or the Final Conversion Period for (i) a number of Ordinary Shares, or (ii) at the Issuer’s election in its sole discretion, an amount in cash, in each case as determined in accordance with the Terms and Conditions of the Notes.</p> <p>Subject to and as provided in the Terms and Conditions of the Notes, the Conversion Right in respect of a Note may be exercised, at the option of the holder thereof, and subject to any applicable fiscal or other laws or regulations and as provided in</p>

the Terms and Conditions of the Notes, at any time during the period (the “**Initial Conversion Period**”) from (and including) 22 August 2024 (41 days after the Closing Date) (the “**Initial Conversion Period Commencement Date**”) to (and including): (1) the date falling 66 Sydney business days prior to the Maturity Date; or (2) if such Note is to be redeemed pursuant to Condition 7(b) of the Terms and Conditions of the Notes or Condition 7(c) of the Terms and Conditions of the Notes on or prior to the date falling 5 Sydney Business days following the Initial Conversion Period End Date, (a) the date falling 5 Sydney business days before the date fixed for redemption thereof pursuant to Condition 7(b) of the Terms and Conditions of the Notes or Condition 7(c) of the Terms and Conditions of the Notes, or (b) if there shall be default in making payment in respect of such Note on such date fixed for redemption, the earlier of: (A) the date on which the full amount of such payment becomes available for payment and notice of such availability has been duly given to Noteholders in accordance with Condition 17 of the Terms and Conditions of the Notes (or, if such date is not a Sydney business day, the immediately preceding Sydney business day); and (B) the date falling 66 Sydney business days prior to the Maturity Date (the “**Initial Conversion Period End Date**”).

See Condition 6(a) of the Terms and Conditions of the Notes.

**Cash Settlement Election during the Initial Conversion Period**

Upon any exercise of Conversion Rights by a Noteholder during the Initial Conversion Period, the Issuer may, in its sole discretion, make an election to satisfy and settle such exercise in respect of the relevant Notes the subject of the relevant Conversion Notice by paying the relevant Noteholder the relevant Cash Settlement Amount (a “**Cash Settlement Election**”) by giving written notice (a “**Cash Settlement Election Notice**”) to the relevant Noteholder by no later than the relevant Cash Settlement Election Date to the email address provided in the relevant Conversion Notice.

See Condition 6(b) of the Terms and Conditions of the Notes.

**Final Conversion Period and Final Conversion Period Settlement Determination**

Subject to, and as provided in the Terms and Conditions of the Notes (including, without limitation, Condition 6(k)), the Conversion Right in respect of a Note may be exercised, at the option of the holder thereof, and subject to any applicable fiscal or other laws or regulations and as provided in the Terms and Conditions of the Notes, at any time during the period (the “**Final Conversion Period**”) from (and including) the date falling 65 Sydney business days prior to the Maturity Date (the “**Final Conversion Period Commencement Date**”) to (and including): (1) the date falling five Sydney business days prior to the Maturity Date; or if such Note is to be redeemed pursuant to Condition 7(b) of the Terms and Conditions of the Notes or



Condition 7(c) of the Terms and Conditions of the Notes after the date falling 5 Sydney business days following the Initial Conversion Period End Date and prior to the Maturity Date: (a) the date falling 5 Sydney business days before the date fixed for redemption thereof pursuant to Condition 7(b) of the Terms and Conditions of the Notes or Condition 7(c) of the Terms and Conditions of the Notes, or (b) if there shall be default in making payment in respect of such Note on such date fixed for redemption, the earlier of: (A) the date on which the full amount of such payment becomes available for payment and notice of such availability has been duly given to Noteholders in accordance with Condition 17 of the Terms and Conditions of the Notes (or, if such date is not a Sydney business day, the immediately preceding Sydney business day); and (B) the date falling 5 Sydney business days prior to the Maturity Date (the **“Final Conversion Period End Date”**).

No earlier than the date falling 120 Sydney business days prior to, and no later than the date falling 5 Sydney days immediately preceding, the Final Conversion Period Commencement Date, the Issuer will make a determination (a **“Final Conversion Period Settlement Determination”**) by giving notice to the Noteholders in accordance with Condition 17 of the Terms and Conditions of the Notes and to the Trustee and each Conversion Agent in writing (a **“Final Conversion Period Settlement Determination Notice”**). The Final Conversion Period Determination Notice shall state whether the Issuer elects for each exercise of Conversion Rights during the Final Conversion Period to be satisfied and settled, subject to and as provided in the Terms and Conditions of the Notes and subject to any applicable fiscal or other laws or regulations as provided in the Terms and Conditions of the Notes, by the payment of a cash amount equal to the relevant Cash Settlement Amount to the relevant Noteholder or does not make such election.

The Final Conversion Period Settlement Determination shall be at the sole discretion of the Issuer and the Final Conversion Period Settlement Determination Notice shall be irrevocable.

See Condition 6(c) of the Terms and Conditions of the Notes.

#### **Conversion Price**

The initial Conversion Price of the Notes shall be A\$6.63 per Ordinary Share. The Conversion Price will be subject to adjustment in certain circumstances described in Condition 6(e) of the Terms and Conditions of the Notes.

See Condition 6(d) of the Terms and Conditions of the Notes.

#### **Maturity Date**

Unless previously purchased and cancelled, redeemed or converted as provided in the Terms and Conditions of the Notes, the Notes will be redeemed at the Redemption Amount on 12 July 2029.

See Condition 7(a) of the Terms and Conditions of the Notes.

**Redemption at the Option of the Issuer**

At any time on giving not less than 30 nor more than 60 days' notice (an "**Optional Redemption Notice**") to the Noteholders in accordance with Condition 17 of the Terms and Conditions of the Notes and to the Trustee and the Principal Paying and Conversion Agent in writing (which notice shall be irrevocable), the Issuer may redeem all but not some only of the Notes on the date (an "**Optional Redemption Date**") specified in the Optional Redemption Notice at the Redemption Amount, if Conversion Rights shall have been exercised and/or purchases (and corresponding cancellations) and/or redemptions shall have been effected in respect of 85.00 per cent. or more in principal amount of the Notes originally issued (which shall for this purpose include any further Notes issued pursuant to Condition 18 of the Terms and Conditions of the Notes and consolidated and forming a single series with the Notes).

See Condition 7(b) of the Terms and Conditions of the Notes.

**Redemption for a Relevant Event**

Following the occurrence of a Relevant Event, the holder of each Note will have the right, at such holder's option, to require the Issuer to redeem all or some only of that holder's Notes on the Relevant Event Redemption Date (as defined in Condition 3 of the Terms and Conditions of the Notes) at the Redemption Amount.

A "**Relevant Event**" occurs when:

- (i) there is a Delisting (as defined in Condition 3 of the Terms and Conditions of the Notes); or
- (ii) there is a Change of Control (as defined in Condition 3 of the Terms and Conditions of the Notes).

See Condition 7(f) of the Terms and Conditions of the Notes.

**Redemption at the Option of the Noteholders**

The Issuer will, at the option of the holder of any Note, redeem all or some only of such holder's Notes on 12 July 2027 (the "**Put Option Date**") at the Redemption Amount. To exercise such option, the holder must deposit at the specified office of the Principal Paying and Conversion Agent or any other Paying Agent a duly completed and signed put notice in the form for the time being current, obtainable from the specified office of the Principal Paying and Conversion Agent (the "**Optional Put Exercise Notice**") or any other Paying Agent, together with the Certificate representing the Notes to be redeemed not more than 60 days and not less than 30 days prior to the Put Option Date. An Optional Put Exercise Notice, once delivered, shall be irrevocable and may not be withdrawn without the Issuer's consent and the Issuer shall redeem the Notes the subject of an Optional Put Exercise Notice on the Put Option Date.

See Condition 7(e) of the Terms and Conditions of the Notes.

## **Taxation**

All payments of principal and/or interest made by or on behalf of the Issuer in respect of the Notes will be made without deduction or withholding for or on account of any present or future Taxes (as defined in Condition 3 of the Terms and Conditions of the Notes) imposed or levied by or on behalf of the Commonwealth of Australia or any political subdivision or any authority thereof or therein having power to tax, unless such deduction or withholding of such Taxes is required to be made by law or is made under or in connection with, or in order to ensure compliance with, FATCA (as defined in Condition 3 of the Terms and Conditions of the Notes).

In the event that any such withholding or deduction is required to be made, the Issuer will pay such additional amounts as will result in the receipt by the Noteholders of the amounts which would otherwise have been receivable had no such withholding or deduction been required save for certain exceptions as set out in Condition 9 of the Terms and Conditions of the Notes.

## **Redemption for Taxation Reasons**

At any time the Issuer may, having given not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 17 of the Terms and Conditions of the Notes and to the Trustee and the Principal Paying and Conversion Agent in writing (which notice shall be irrevocable), redeem (subject to and as provided under Condition 7(c) of the Terms and Conditions of the Notes) all but not some only of the Notes on the date specified in the Tax Redemption Notice at the Redemption Amount if (i) the Issuer certifies to the Trustee immediately prior to the giving of such Tax Redemption Notice that the Issuer has or will become obliged to pay additional amounts in respect of payments on the Notes pursuant to Condition 9 of the Terms and Conditions of the Notes as a result of any change in, or amendment to, the laws or regulations of the Commonwealth of Australia or any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 4 July 2024, and (ii) the Issuer would still be obliged to pay such additional amounts after taking reasonable measures available to it, provided that no such Tax Redemption Notice shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

See Condition 7(c) of the Terms and Conditions of the Notes.

## **Negative Pledge**

So long as any of the Notes remain outstanding (as defined in the Trust Deed), the Issuer will not create or permit to subsist, and will ensure that none of its Material Subsidiaries (as defined in Condition 3 of the Terms and Conditions of the Notes) will create or permit to subsist, any mortgage, charge, lien, pledge or other

form of encumbrance or security interest (including any security interest arising under section 12(1) or section 12(2) of the Personal Property Securities Act 2009 of Australia) (each a “**Security Interest**”) upon the whole or any part of its present or future property or assets (including any uncalled capital) to secure any Relevant Indebtedness or to secure any guarantee of or indemnity in respect of any Relevant Indebtedness (other than a Permitted Security Interest (as defined in Condition 3 of the Terms and Conditions of the Notes)) unless in any such case, before or at the same time as the creation of the Security Interest, any and all action necessary shall have been taken to ensure that:

- (a) all amounts payable by the Issuer under the Notes and the Trust Deed are secured equally and rateably with the Relevant Indebtedness or such guarantee or indemnity, as the case may be; or
- (b) such other Security Interest or guarantee or indemnity or other arrangement (whether or not including the giving of a Security Interest) is provided in respect of all amounts payable by the Issuer under the Notes and the Trust Deed either:
  - (i) as the Trustee shall in its absolute discretion deem not materially less beneficial to the interests of the Noteholders than the Security Interest relating to the Relevant Indebtedness; or
  - (ii) as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

See Condition 2 of the Terms and Conditions of the Notes.

**Events of Default**

The Terms and Conditions of the Notes will contain certain events of default provisions as further described in Condition 10 of the Terms and Conditions of the Notes.

**Trust Deed**

The Notes will be constituted by a trust deed to be dated the Closing Date between the Issuer and the Trustee.

**Trustee**

GLAS Trust Company LLC.

**Principal Paying and Conversion  
Branch Agent**

GLAS Trust Company LLC.

**Registrar and Transfer Agent**

GLAS Trust Company LLC.

**Calculation Agent**

Conv-Ex Advisors Limited.

**Governing Law**

The Notes and the Trust Deed will be governed by, and construed in accordance with, English law.

**Form of Notes and Delivery**

The Notes will be in registered form without coupons attached and will be represented by a Global Certificate registered in the name of a nominee of, and deposited with, a common depositary for Euroclear and Clearstream on or about the Closing Date.

## **Selling Restrictions**

There are restrictions on offers and sales of the Notes, *inter alia*, in the United States, the United Kingdom, Australia, the European Economic Area, Switzerland, Japan, Hong Kong and Singapore.

See the “*Subscription and Sale*” section of this Offering Circular for more details.

## **Listing**

Approval in-principle has been received from the SGX-ST for the listing and quotation of the Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in this Offering Circular. Approval in-principle from, admission to the Official List of, and the listing and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Issuer’s subsidiaries, the Issuer’s associated companies (if any), the Notes or the Ordinary Shares. For so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the Notes will be traded in a minimum board lot size of S\$200,000 (or its equivalent in other currencies).

The Issuer does not intend to have the Notes admitted to dealing on the ASX.

## **Lock-up**

The Issuer has undertaken in the Subscription Agreement that neither it nor any person acting on its behalf will:

- (i) issue, offer, sell, pledge, contract to sell or otherwise dispose of or grant options, issue warrants or offer rights entitling persons to subscribe or purchase any interest in any shares or securities of the same class as the Notes or the Ordinary Shares or any securities convertible into, exchangeable for or which carry rights to subscribe or purchase the Notes, the Ordinary Shares or securities of the same class as the Notes, the Ordinary Shares or other instruments representing interests in the Notes, the Ordinary Shares or other securities of the same class as them;
- (ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of the ownership of the Ordinary Shares;
- (iii) enter into any transaction with the same economic effect as, or which is designed to, or which may reasonably be expected to result in, or agree to do, any of the foregoing, whether any such transaction of the kind described in (i) or (ii) is to be settled by delivery of Ordinary Shares or other securities, in cash or otherwise; or
- (iv) announce or otherwise make public an intention to do any of the foregoing, in any such case without obtaining prior written consent of the Joint

Bookrunners and Lead Managers (such consent not to be unreasonably withheld or delayed),  
between the date of the Subscription Agreement and until 4.00 p.m. (Sydney time) on the date which is 60 calendar days from the Closing Date (both dates inclusive) except for:

- (a) the Notes and the Ordinary Shares issued on conversion of the Notes;
- (b) the Capped Call Option Transactions;
- (c) any transaction expressly set out in the Subscription Agreement or this Offering Circular or as otherwise disclosed on the ASX announcements platform on or before the date of the Subscription Agreement;
- (d) any issue of Ordinary Shares under any of the Issuer's employee and officer share, option or performance rights schemes publicly disclosed as at the date of the Subscription Agreement (including in this Offering Circular and in the Issuer's annual report for the financial year ended 31 July 2023 and the Issuer's reviewed consolidated financial statements of the Issuer as at and for the half years ended 31 January 2024 and 2023 or as otherwise disclosed on the ASX announcements platform on or before the date of the Subscription Agreement); and
- (e) the issue of Ordinary Shares as consideration (in whole or in part) for any merger and acquisition transaction ("**M&A**") undertaken by the Issuer or any member of the Group, provided that the total Ordinary Shares issued as consideration for such M&A does not exceed more than 5.00 per cent. (on an aggregate basis) of the total outstanding Ordinary Shares in issue of the Issuer.

<b>ISIN</b>	XS2856118810
<b>Common Code</b>	285611881
<b>Legal Entity Identifier</b>	254900DHRUGXZSLSNZ83
<b>Use of Proceeds</b>	The net proceeds will be used for the purposes as set out in "Use of Proceeds" of this Offering Circular.
<b>Capped Call Option Transaction</b>	See the " <i>Description of the Capped Call Option Transactions</i> " section of this Offering Circular.

## DESCRIPTION OF THE CAPPED CALL OPTION TRANSACTIONS

In connection with the issuance and pricing of the Notes, the Issuer has entered into call option transactions (each transaction a “**Capped Call Option Transaction**”) with a number of financial institutions (each, an “**Option Counterparty**”) involving the sale of call options by each Option Counterparty to the Issuer with a strike price equal to the Conversion Price and a cap price of A\$9.18 per Ordinary Share (“**Cap Price**”), subject to adjustments set out in the terms of each Capped Call Option Transaction.

Each Capped Call Option Transaction is expected generally to offset any cash payments the Issuer is required to make in excess of the principal amount of converted Notes and/or reduce or offset the potential dilution upon conversion of the Notes, as the case may be. If, however, the market price of Ordinary Shares, as calculated under the terms of a Capped Call Option Transaction, exceeds the Cap Price, the offset will be partial only. Each Capped Call Option Transaction involves options that are subject to certain future adjustments which are expected to achieve a substantially similar economic outcome to the future adjustments applicable to the Notes, and relate on the trade date to a number of Ordinary Shares equivalent to the number of Ordinary Shares into which the Notes are convertible.

Each Capped Call Option Transaction can only be exercised once, and will expire on its expiry date under the terms of the Capped Call Option Transaction, which is the Maturity Date. The relevant option will be automatically exercised on its expiry date unless the Issuer notifies the relevant Option Counterparty prior to the expiration time on such date that it does not wish for automatic exercise to apply. Each Capped Call Option Transaction will be settled in cash only and the Issuer will receive an amount of cash equal to the sum of the daily amount calculated as described below divided by 60 for each relevant date during the calculation period. For each relevant date, the daily amount is generally calculated under the terms of each Capped Call Option Transaction by reference to (i) the lesser of the volume-weighted average price per Ordinary Share on that date and the Cap Price on that date, *less* (ii) the strike price of the Capped Call Option Transaction on that date, *provided that* such amount may never be less than zero. The calculation period is generally the period of the 60 consecutive scheduled trading days which are not disrupted days (each, a “**Valid Day**”) commencing on and including the 65<sup>th</sup> business day preceding the expiration date of the Capped Call Option Transaction, or the following Valid Day if such business day is not a Valid Day.

Each Option Counterparty or its affiliates may modify their hedge positions by entering into or unwinding various derivatives with respect to the Ordinary Shares and/or by purchasing or selling Ordinary Shares or other securities of the Company in secondary market transactions following the pricing of the Notes and prior to the maturity of the Notes (and are likely to do so during any observation period related to a conversion of the Notes). This activity could also cause or avoid an increase or a decrease in the market price of the Ordinary Shares or the Notes, which could affect a Noteholder’s ability to convert the Notes and, to the extent the activity occurs following conversion or during any observation period related to a conversion of Notes, it could affect the value of the consideration that a Noteholder will receive upon conversion of the Notes.

Under the terms of each Capped Call Option Transaction, if the Notes are not issued to the Joint Bookrunners and Lead Managers or other subscribers on or before 4:00pm (Sydney time) on the Closing Date (or such later date as agreed not being later than the longstop date in the Subscription Agreement), or the Subscription Agreement has been terminated in accordance with its terms, then each Capped Call Option Transaction automatically terminates on the date of the relevant aforementioned event, whether or not this offering of Notes is subsequently completed and payments in relation to the return of the premiums paid by the Issuer to the Option Counterparty will be made by the Option Counterparty to the Issuer. In addition, to the extent the Option Counterparty derives a financial gain or incurs a financial loss from the unwind of its hedge positions with respect to the relevant Capped Call Option Transaction, payment will be made from Option Counterparty to

Issuer to account for such gain, or from Issuer to Option Counterparty by way of recompense for such loss, as the case may be. In these circumstances, the Option Counterparty may unwind its hedge positions with respect to the Ordinary Shares, which could adversely affect the value of the Ordinary Shares and, if the Notes have been issued, the value of the Notes. Also, in each Capped Call Option Transaction, an additional termination event (which entitles the Option Counterparty to terminate the Capped Call Option Transaction) will occur: (i) if certain adjustment provisions in the Terms and Conditions of the Notes are amended, modified, supplemented or waived without prior written consent of the Option Counterparty, (ii) if an event of default with respect to the Issuer occurs under the Terms and Conditions of the Notes, or (iii) if the aggregate principal amount of the Notes outstanding falls to zero. Each Capped Call Option Transaction is also subject to adjustment mechanics and affords termination rights, which could lead to the termination of the Capped Call Option Transaction, for events such as: a range of merger and takeover events in respect of the Issuer, tender offers in respect of the Issuer, announcements by the Issuer or its affiliates or agents of: (i) bona fide transactions or events that if completed would constitute such a merger or takeover event or tender offer; (ii) an intention to enter into such transactions; and (iii) changes to a bona fide transaction or intention of the kind described in (i) and (ii) which had been previously announced by the Issuer or its affiliates or agents, the nationalisation of the Issuer, delisting of the Ordinary Shares, insolvency events affecting the Issuer, changes in law, insolvency filings, disruptions to hedging arrangements, increased costs of hedging, and other events of default and termination events. Further, the Cap Price under a Capped Call Option Transaction may be adjusted to preserve the fair value of the Capped Call Option Transaction if the cash dividend(s) on the Ordinary Shares are less or greater than the Threshold Amount (as defined in Condition 6(e) of the Terms and Conditions of the Notes) for any relevant prescribed period under the terms of the Capped Call Option Transaction. The Cap Price under a Capped Call Option Transaction may also be adjusted upon the declaration by the Issuer of the terms of various specified events, including events that may have a diluting or concentrative effect on the theoretical value of the Ordinary Shares, under the terms of the Capped Call Option Transaction.

Further, the Issuer has the right on any day after a Capped Call Option Transaction is entered into to request that any part or whole of that Capped Call Option Transaction be unwound and the Option Counterparty is required to consider the request and may provide a proposed net amount required to be paid by the Option Counterparty to the Issuer if the Capped Call Option Transaction is to be so unwound on the date specified by the Option Counterparty. However, the Option Counterparty is not obliged to unwind the Capped Call Option Transaction in whole or in part as a result of any such request made by the Issuer and the terms of any actual early unwind of the Capped Call Option Transaction, including the net amount required to be paid, are to be agreed between the Issuer and the Option Counterparty at or shortly before the time of the actual early unwind.

Each Capped Call Option Transaction is a separate transaction (in each case that the Issuer separately enters into with each Option Counterparty), is not part of the Terms and Conditions of the Notes and will not change the Noteholders' rights under the Notes. A Noteholder will not have any rights with respect to any Capped Call Option Transaction.

The Group does not make any representation or prediction as to the direction or magnitude of any potential effect that the transactions described above may have on the price of the Notes or the Ordinary Shares. In addition, the Group does not make any representation that any Option Counterparty will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

For a discussion of the potential impact of any market or other activity by any Option Counterparty in connection with each Capped Call Option Transaction, refer to the risk factors in the section entitled "*Risks relating to each Capped Call Option Transaction*".



## MARKET PRICE INFORMATION

### Price of Ordinary Shares

The Ordinary Shares are listed on the ASX.

The following table sets out the high and low closing prices for the periods referenced, in Australian dollars on the ASX.

Period	High	Low	Total trading volume of Ordinary Shares
	(A\$/share)		(000s)
2024			
Fourth Quarter (up to 5 July 2024).....	5.28	4.48	172,080
Third Quarter.....	5.40	4.20	246,469
Second Quarter.....	5.75	4.92	174,059
First Quarter .....	6.52	5.27	275,417
2023			
Fourth Quarter.....	5.91	4.52	447,254
Third Quarter.....	6.33	4.90	443,022
Second Quarter.....	6.89	5.03	424,058
First Quarter .....	7.47	3.82	406,578
2022			
Fourth Quarter.....	4.58	3.14	350,697
Third Quarter.....	4.06	2.27	375,674
Second Quarter.....	2.44	1.84	239,746
First Quarter .....	2.70	1.89	311,400
2021			
Fourth Quarter.....	2.08	1.14	284,977
Third Quarter.....	1.43	1.13	161,474
Second Quarter.....	1.60	1.05	210,503
First Quarter .....	1.36	1.05	267,961
2020			
Fourth Quarter.....	1.57	1.30	291,691
Third Quarter.....	1.95	1.02	462,246
Second Quarter.....	2.31	1.86	114,922
First Quarter .....	2.62	2.09	174,752

*Source: IRESS (unadjusted share price).*

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Note:

- (1) First Quarter is 1 August to 31 October, Second Quarter is 1 November to 31 January, Third Quarter is 1 February to 30 April and Fourth Quarter is 1 May to 31 July.

## DIVIDENDS AND DIVIDEND POLICY

The following table sets forth the aggregate number of outstanding Ordinary Shares entitled to dividends and the cash dividends per Ordinary Share in respect of each of the years indicated.

	<b>Number of Ordinary Shares Entitled to Dividend</b>	<b>Cash Dividends per Ordinary Shares</b>
		<u>(A\$/share)</u>
2024 – FY 2024 Interim Dividend .....	845,335,464	0.17
2023 – FY 2023 Final & Special Dividend .....	845,335,464	0.30
2023 – FY 2023 Interim & Special Dividend .....	871,899,911	0.40
2022 – FY 2022 Final & Special Dividend .....	832,357,082	0.56
2022 – FY 2022 Interim & Special Dividend .....	832,357,082	0.30
2021 – FY 2021 Final Dividend .....	832,357,082	0.07
2021 – FY 2021 Interim Dividend .....	832,357,082	0.04

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Notes:

“**Interim Dividend**” means dividend declared following the first half results of a financial year.

“**Final Dividend**” means dividend declared at the conclusion of the full year results.

*Source: Extracted from the Group’s announcements on the ASX.*

*Note: FY is the financial year ended 31 July.*

## **RISK FACTORS**

*There are numerous widespread risks associated with investing in any form of business and with investing in the securities market generally. There are also a range of specific risks associated with the Group's business and an investment in the Notes should be considered speculative. Many of these risk factors are largely beyond the control of the Issuer and its directors. The factors discussed below should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties. Additional risks and uncertainties of which the Issuer is not aware or that may be immaterial may also adversely affect the business, financial condition, liquidity, results of operations or prospects of the Issuer and the Group as a whole. If any of these events occur, the business, financial condition, liquidity, results of operations or prospects of the Issuer and the Group as a whole could be materially and adversely affected.*

*This Offering Circular also contains forward-looking statements that involve risks and uncertainties. The actual results of the Issuer and the Group may differ materially from those anticipated in these forward-looking statements as a result of various factors, including the risks described below and elsewhere in this Offering Circular.*

*Investors should carefully consider the risks described below before making a decision to invest in the Notes. The risks described below do not necessarily comprise all those faced by the Issuer and are not intended to be presented in any assumed order of priority.*

*The investment referred to in this Offering Circular may not be suitable for all recipients of the Offering Circular or investment opportunity. Investors are advised to examine the contents of this Offering Circular carefully and to consult and obtain advice from their professional advisers before making a decision to subscribe for or purchase the Notes.*

### **RISKS RELATING TO THE GROUP**

#### ***RISKS RELATING TO THE GROUP'S BUSINESS***

##### ***Volatility of coal prices***

More than 95.00 per cent. of the Group's revenue is derived from the sale of thermal coal products, and therefore the Group's results of operations are highly dependent upon the prices the Group receives for its coal. Coal prices are cyclical and fluctuate depending on conditions in the global and regional coal markets. The market price for thermal coal has historically been volatile and is affected by numerous factors over which the Group has no control. It is sensitive to changes in coal mining capacity and output levels, the outcome of future sale contract negotiations, patterns of demand and consumption of coal (for industrial and electrical generation usage), environmental, coal import and other regulations, technological developments, the price and availability of competing coal and alternative fuel or energy supplies (domestic and foreign), changes in international freight rates or other transportation infrastructure costs, changes in foreign exchange rates, labour disruptions, economic downturns, the status of global, regional and local credit markets, and other macroeconomic conditions, including the imposition of tariffs, quotas, trade barriers, trade sanctions, and other trade protection measures and speculative trading activity and, most recently, the recovery from the COVID-19 pandemic and the impacts of the ongoing conflicts between Russia and Ukraine, and Israel and Gaza (as applicable) on global coal and energy supply. As a result, the Group is highly exposed to movements in coal prices and any reduction in thermal coal prices would have an adverse impact on its financial condition and results of operations.

Power generation from coal remains a cost-effective and secure form of energy in a global environment where energy prices are rising and energy security is of increasing concern, and new thermal generation capacity continues to be installed in some of the Group's key markets. However, the Group expects that the increasing focus on renewable energy generation and environmental regulations, as well as the consequential decline in

electricity generation from fossil fuels, will result in the share of coal powered electricity generation to also decline. A decrease in thermal electricity generation may consequently result in reduced demand for thermal coal.

The price outlook for thermal coal is further impacted by regulatory factors, including: foreign policy, legislative, regulatory and judicial developments, environmental regulatory changes or changes in energy policy and energy conservation measures that may adversely affect the thermal coal industry (such as legislation limiting carbon emissions or imposing a carbon price, or providing for increased funding and incentives for alternative energy sources), as well as Australian and foreign air emission standards for thermal coal-fuelled power plants and the ability of thermal coal-fuelled power plants to meet these standards. For further information on energy policy and regulatory measures, refer to the risk factor entitled “*The Group is exposed to risks associated with changes in climate patterns as well as risks arising from policy, regulatory, legal, technological, market or other societal responses to the challenges posed by climate change*”. In addition, technological advancements, including those related to alternative energy sources, coal hydrogenation or “coal-to-liquids”, coal gasification and those aimed at capturing, using and storing carbon dioxide, have impacted, and will continue to impact, the prices of thermal coal.

In addition, pandemics, epidemics, or any other serious public health concerns (such as Ebola, listeriosis, avian flu, H1N1 virus, Severe Acute Respiratory Syndrome (“SARS”) and COVID-19) whether on a regional or global scale, together with any resulting restrictions on travel, imposition of quarantines and prolonged closures of workplaces, have had (and to the extent they occur in the future, are likely to have) a material adverse effect on the global economy in general, as well as on demand for thermal coal and on thermal coal prices. Adverse and volatile economic conditions, coupled with a depressed price environment, could result in thermal coal prices falling below the Group’s production costs, which would lead to material adverse effects on the Group’s results of operations, cash flows and overall financial condition. Should this situation remain for an extended period, the Group may have to suspend some or all of its operations in order to decrease or stop production for a period of time, reduce operational capital expenditures and/or make other long-term strategic decisions.

The Group, in exploring opportunities to diversify its operating portfolio beyond thermal coal, acquired an initial interest in July 2022 of 15% in Malabar – a resources company focused on metallurgical coal – and acquired a further 4.9% stake in February 2024. Certain drivers and influences on the price of metallurgical coal differ from that of the thermal coal market (refer to the risk factor entitled “*Decreases in demand for coal fired electricity and changes in thermal coal consumption patterns*”), as metallurgical coal is significantly dependent on the steel industry. Consequently, metallurgical coal has also been a volatile commodity over the past ten years. The metallurgical coal industry faces concerns with oversupply from time to time and efforts to develop technology to replace metallurgical coal in steel making processes at industrial and commercial scale continue. There are no assurances that oversupply will not occur, that demand will not decrease, that overcapacity will not occur or that metallurgical coal replacement technology will not become commercial at industrial scale, which could cause declines in the prices of coal.

Any of the above could have a material adverse effect on the Group’s business, operating results and financial condition.

#### ***Foreign exchange fluctuations***

Foreign exchange fluctuations could have a material adverse effect on the Group’s results of operations and financial condition. Thermal coal is sold throughout the world principally in U.S. dollars, but the Group’s operating expenses are primarily incurred in Australian dollars. As a result, the majority of the Group’s sales revenue is denominated in U.S. dollars, while the majority of its operating costs are in Australian dollars, exposing the Group to currency risk. Any significant and sustained appreciation of the Australian dollar against the U.S. dollar may materially decrease the Group’s sales revenue in Australian dollar terms. Furthermore, the

Australian dollar and the U.S. dollar are the most important currencies influencing the Group's asset valuations. The Group hedges a portion of its foreign currency exchange rate exposure through derivative instruments based on the Group's risk management policy. However, the Group does not seek to hedge all of its foreign currency exchange rate exposure. As such, the fluctuations in the exchange rates of these currencies may adversely affect the Group's operating results, cash flows or financial condition to a material extent. Conversely, a weakening of the Australian dollar against the U.S. dollar may result in an increase in the Group's sales revenue in Australian dollar-based terms. For further information, refer to the risk factors entitled "*The Group is subject to macroeconomic, strategic, financial, operational and political risks*" and "*The Group is subject to foreign exchange risks*".

Given the above, any depreciation of the Australian dollar against the U.S. dollar (without a corresponding gain in commodity prices) would increase the Group's operating expenses relative to its revenue. In this scenario, the Group may consider reducing operational costs by adjusting mine plans, reducing capital expenditure or selling assets and, if necessary, consider options to increase funding flexibility. All of the above could have a material adverse effect on the Group's business, operating results and financial condition.

#### ***Costs of consumables and equipment***

Consumables and equipment required for use in mining operations, such as fuel, energy, water, chemical reagents, explosives, tyres, steel and other mining equipment, form a relatively large part of the operating costs and capital expenditure of the Group. The Group has limited to no control over the costs of such consumables, many of which are, to some degree, linked to the price of oil and steel. Fluctuations in oil and steel prices have a significant impact on the Group's operating cost and capital expenditure estimates and, in the absence of other economic fluctuations, could result in significant changes in the total expenditure estimates for new projects of the Group or render certain projects non-viable, either of which could have a material adverse effect on the Group's business, operating results and financial condition.

#### ***The Group is subject to macroeconomic, strategic, financial, operational and political risks***

The Group is subject to macroeconomic, strategic, financial, operational and political risks. The macroeconomic environment remains challenging and the Group's results of operations could be materially and adversely affected by conditions in the global capital markets and the economy and business conditions generally. Geopolitical risks, including any deterioration of trade relations between countries, the imposition of trade sanctions, ongoing threats of terrorism, differences and tensions among major powers, instability in the Middle East and European fragmentation (including the ongoing conflicts in Russia and Ukraine and in Israel and Gaza), may create more uncertainties for long-term investors and asset owners including the Group and its customers.

The Group operates in, and depends upon, the operation of global capital markets and economies, including through exposures to trade policies, securities, loans, derivatives and other activities. In particular, uncertainty and volatility in global credit markets, liquidity constraints, increased funding costs, constrained access to funding and the decline in equity and capital market activity have adversely affected, and may again adversely affect, the Group's access to capital, cost of capital and ability to meet liquidity needs and transaction flow in the sector in which the Group operates.

Sudden declines and significant volatility in the prices of assets may substantially curtail or eliminate the trading markets for certain assets, which may make it difficult to sell, hedge or value such assets. The inability to sell or effectively hedge assets reduces the Group's ability to limit losses in such positions and difficulty in valuing assets may negatively affect the Group's capital, liquidity or leverage ratios.

Factors such as consumer spending, business investment, government spending, the volatility and strength of the capital markets and inflation all affect the business and economic environment and, ultimately, the value

and profitability of the Group. Negative trends in these factors or a prolonged deterioration in general economic conditions, including a decrease in consumer and business demand, could lead to declines in the Group's revenue and profit. In the event of extreme prolonged market events (such as the 2008 global financial crisis), the Group could incur significant losses. The market and economic disruptions associated with a recession (such as changes in inflation, persistent inflation, interest rates and foreign exchange rates, the availability of credit, changes in fiscal policies, labour costs and employment levels) may affect consumer confidence levels and spending, corporate investment and job creation, activity in major construction and infrastructure development, bankruptcy rates, levels of incurrence and default on consumer and corporate debt, economic growth rates and asset values, among other factors. Any such unfavourable conditions or developments could have an adverse impact on the Group's business. For example, these developments can adversely affect consumer sentiment and business confidence, resulting in declines in demand in the heavy industry and in the baseload demand for energy products. This risk is heightened in the current global macroeconomic environment characterised by high inflation, high interest rates, and associated economic uncertainty.

In addition to macroeconomic conditions, the coal industry is highly susceptible to other factors that are entirely outside the Group's control and which could adversely impact the Group's operations and financial results. These factors include, but are not limited to:

- world energy prices, particularly fuel price escalations;
- changes in commodity prices;
- prolonged work stoppages or labour unrest;
- tax increases and other changes in the laws and regulations governing or otherwise affecting the coal industry or energy markets (e.g. the Domestic Coal Reservation Scheme introduced by the New South Wales Government in 2023, the increases in coal royalty rates by the Queensland and New South Wales Governments, and the Safeguard Mechanism introduced by the Australian Government);
- opposition to fossil fuels;
- cyber-security attacks;
- trade sanctions; and
- tightening of credit markets.

Many of these factors are in a state of flux and may have an adverse impact on the business, financial condition and results of operations and prospects of the Group in the future. If market conditions were to deteriorate, the Group may need to take measures (which may include cost reductions) in order to manage such business and financial risks, and there is a risk of future impairment of the carrying value of the Group's assets.

The Group's business could also be adversely affected by incidents of actual or threatened terrorism, global security issues, political and social instability (such as anti-government protests), war, hostilities, trade wars, embargoes, damage or destruction of maritime infrastructure impacting shipping and trade flows, and other trade and economic sanctions or conflict or other events which could raise concerns about safety issues, including hygiene concerns, or as a result of unusual weather patterns or natural disasters (such as earthquakes or bushfires), major incidents (such as blockages of shipping canals and routes), potential outbreaks of epidemics or pandemics (such as COVID-19, Ebola, influenza, H1N1 virus, Avian Flu or SARS outbreaks) or other human or natural disasters (such as those that may result in exposure to radiation). Such concerns, or concerns arising from similar events in the future, are outside the control of the Group and could materially and adversely affect the business and financial performance and results of operations of the Group over the short and long term.

### ***Decreases in demand for coal fired electricity and changes in thermal coal consumption patterns***

Increasing focus on renewable and clean energy generation, competition from alternative fuel sources such as natural gas, and changes in demand and supply driven by environmental regulations, are expected to result in the further decline of coal fired electricity generation due to retirement of coal fired capacity in favour of alternative energy. Whilst reductions in demand for coal are expected to occur over the medium to long term, increased political support for accelerated decarbonisation may result in the demand for thermal coal reducing faster than anticipated. Further reductions in the demand, or reductions in demand which occur faster than anticipated, for coal fired electricity generation and the growth of alternative energy options, such as renewables, and alternate power generation technologies, as well as any reduction in demand for electricity generally could materially reduce the demand for thermal coal, which may have a material adverse effect on the Group's financial condition, results of operations, and outlook.

### ***The Group is exposed to risks associated with changes in climate patterns as well as risks arising from policy, regulatory, legal, technological, market or other societal responses to the challenges posed by climate change***

Growing worldwide public concerns over greenhouse gas ("GHG") emissions and climate change, particularly in relation to the coal industry, as well as increasingly strict regulations in this area, could materially adversely affect the Group's operations. Consensus within the scientific community is that there is a link between climate change, global warming and increasing GHG concentration in the atmosphere. International efforts to limit global warming have led, and are expected to continue to lead, to new laws and regulations designed to reduce GHG emissions that are expected to bring about a gradual reduction in the use of fossil fuels over the medium to long-term, notably through the diversification of and increasing penetration of clean energy supply within the energy mix, thus negatively affecting global demand for thermal coal.

This trend could accelerate as a number of governments throughout the world have formally pledged to reach net-zero emissions by 2050 or earlier, which may lead to a tightening of various measures designed to constrain use of fossil fuels, and this trend could increase both in breadth and severity if more governments follow suit. For example, the Australian Government has implemented and enforces the Safeguard Mechanism as part of its suite of policy initiatives and legislation framework designed to reach its net-zero GHG emissions target by 2050, where GHG-emitting facilities must not exceed their 'safeguard baseline' in a given year. If Bengalla Mine, currently the Group's only GHG-emitting facility that is subject to the Safeguard Mechanism, exceeds its 'safeguard baseline' in that year, potential consequences for the Group include acquiring and then surrendering its Australian carbon credit units ("ACCU"), and potentially subject to compliance action by the Clean Energy Regulator if the surrender of ACCUs does not provide adequate GHG emissions reduction to satisfy the relevant 'safeguard baseline' or if the Clean Energy Regulatory considers that site specific direct reduction activities are insufficient to comply with the Safeguard Mechanism requirements. If the Group is unable to satisfy the compliance requirements of the Clean Energy Regulator, this may have an adverse effect on the Group's financial condition as there is a finite trading market for ACCUs, while an inability to reduce GHG emissions by surrendering the required quantity of ACCUs may have a material adverse effect on the Group's business, production levels, operations and reputation. Both of these factors may adversely affect the market price of the Ordinary Shares.

If existing or future laws, regulations, treaties, or international agreements relating to GHG and climate change or clean energy transition trigger a structural decline in the worldwide demand for coal, the results of operations and business prospects of the Group may be significantly and adversely affected. New regulations in this area may also lead to additional compliance obligations in relation to emissions reporting, the release, capture and use of carbon dioxide, or require plant and equipment to be upgraded or modified to meet new environmental standards, any of which may result in increased compliance and project costs. For example, mandatory climate reporting legislation has been introduced in Australia in 2024 which imposes obligations on certain entities to



produce an annual sustainability report which expands the scope of disclosures and includes obligations in relation to the disclosure of scope 3 emissions, nature-related disclosures and interim targets. Compliance with these new requirements may be onerous and expensive. In addition, these are new requirements with no established market practice. In the event the Group fails to comply with such requirements, the Group could be subject to regulatory action which may result in fines, penalties, injunctions and, for severe breaches, potentially criminal prosecution, any of which could have a material adverse impact on the Group's business, financial condition, results of operations, reputation and brand value. Any future legislation and regulatory change imposing more stringent reporting requirements may affect the coal mining industry and may adversely affect the Group's financial condition and results of operations.

In Australia, regulatory focus on environmental matters such as greenwashing increased in 2022, with regulators now focused on increased enforcement, and not just education. In 2024, the Australian corporate regulator ASIC confirmed that this area is one of its enforcement priorities. Climate related laws, and the interpretation and application of these laws, are complex and continuing to evolve, all of which may make compliance and reporting more difficult. The Group cannot guarantee that its operations will be deemed compliant by all applicable regulatory authorities. The Group may be adversely affected by regulatory action against it for any failure to comply with government laws and policies applicable to its business and operations.

In recent years, there has been an increase in the prevalence of shareholder activism in connection with climate and environmental matters. For example, shareholders of companies are taking actions such as requisitioning climate and environmentally-focused resolutions at general meetings, seeking amendments to constitutions and pushing for the expansion of climate and environmental reporting and disclosures made by listed companies. Climate activists have also held physical protests outside general meetings. These factors contribute to growing global pressure for stronger climate action and increased decarbonisation actions. This pressure may also result in third parties, such as financial institutions, insurance companies and investors, introducing policies adverse to the Group's operations. For example, certain banks and insurance companies have announced that they will phase out banking and/or financing of coal-based businesses to align their business practices with their decarbonisation objectives. Any such events may materially adversely affect demand for the Group's securities, including its shares and debt securities, as well as the Group's ability to obtain banking and financing services and/or raise capital, which could in turn adversely affect the Group's investments, business, results of operations, financial condition and prospects. Furthermore, certain insurance companies have also announced changes to their insurance offerings (e.g. ceasing to underwrite risks for companies that generate revenue from coal mining or that generate energy from coal). This trend could have a material adverse effect on the ability of the Group to obtain adequate insurance coverage for its business. The Group may have to bear the costs of any uninsured risk or uninsured amount, which could have a material and adverse effect on the Group's risk profile, business, financial condition, results of operations and prospects.

### ***Competition risk***

Competition in the coal industry is based on factors including (among others) world supply, price, production capacity, coal quality and characteristics, product substitution, transportation capability and costs, blending capability, brand name and diversified operations. The Group is subject to competition from coal producers from Australia and other coal exporting countries (including Indonesia and Russia) as well as domestic coal production in certain markets, most notably in the People's Republic of China ("PRC") and India. Should those competitors obtain a competitive advantage in comparison to the Group (whether by way of an increase in production capacity, higher realised prices, lower operating costs, freight costs, export/import tariffs, lower regulatory burden or otherwise), such competitive advantage may have an adverse impact on the Group's ability to sell, or the prices at which the Group is able to sell, coal products. In addition, some of the Group's competitors may have more production capacity, as well as greater financial, marketing, distribution and other

resources than the Group does, and may be subject to fewer operating constraints and less stringent environmental and other regulations than the Group is.

The consolidation of the global coal industry and major asset divestment by large, consolidated mining companies in recent years has contributed to increased competition, and the Group's competitive position may be adversely impacted by further consolidation and asset divestment among market participants or by further competitors entering into and exiting bankruptcy proceedings under a lower cost structure. Similarly, potential changes to international trade agreements, trade concessions, trade sanctions, or other political and economic arrangements may benefit coal producers operating in countries other than Australia. Other coal producers may also develop or acquire new projects to increase their coal production, and producers of lower grade metallurgical coal and PCI coal may seek to sell their product in thermal coal markets instead of metallurgical coal markets, which may adversely impact the Group's competitiveness. Some of the Group's global competitors have significantly greater financial resources, such that increases in their coal production may affect domestic and foreign coal supply into the seaborne market and associated prices and impact the Group's ability to retain or attract coal customers. In addition, the Group's ability to ship its coal to non-Australian customers depends on port and transportation capacity. Increased competition within the coal industry for international sales could result in the Group not being able to obtain throughput capacity at port facilities, as well as transport capacity, and could cause the rates for such services to increase to a point where it is not economically feasible to export the Group's coal.

Increased competition, or a failure to compete effectively, in the markets in which the Group participates may result in losses of market share and could adversely affect the Group's financial condition and results of operations.

***The Group will incur significant expenses upon closure or discontinuance of operations at the Group's mines, which could have an adverse impact on the Group's financial condition and results of operations***

The Group may be required to close or discontinue operations at particular mines before the end of their mine life due to environmental, geological, geotechnical, commercial, legal, regulatory, government policy, community, health and safety or other issues. Such closures or discontinuance of operations could result in significant closure and rehabilitation expenses, asset idling costs, employee redundancy costs and other costs or loss of revenues. If one or more of the Group's mine sites are closed earlier than anticipated, the Group will be required to implement changed operational plans, fund the closure costs on an expedited basis and potentially lose revenue, which would have an adverse impact on the Group's financial condition and results of operations. In addition, there is a risk that claims may be made arising from environmental remediation upon closure of the Group sites.

Many of these costs will also be incurred where mines are placed on care and maintenance before the end of their planned mine life. A move to care and maintenance has the potential to trigger significant employee redundancy costs and a subsequent loss of revenues since ongoing management and rehabilitation of the mine requires a minimal employee presence, which would also have an adverse impact on the Group's financial condition and results of operations. For example, the New Acland Mine was placed into care and maintenance between 2021 and 2023 pending the grant of the necessary approvals to progress the Stage 3 Expansion ("New Acland Stage 3 Expansion"), which negatively impacted the Group's coal production and revenue, as well as asset impairment (refer to the risk factor entitled "*The Group is subject to legislation and regulations*" for further information).

***Exploration of mineral properties and development of resources could involve significant uncertainties***

The Group's investment in potential long-term projects, including the North Surat Project in Queensland (consisting of separate potential projects Elimatta, Taroom, Collingwood and Woori), the West Muswellbrook project and expansions to the Bengalla Mine, require additional expenditure to realise a path to commercial

development. The Group may have additional exploration projects in other regions in the future. Discovery of any coal deposit does not guarantee that the mining of that deposit would be commercially viable. The success of any mining exploration programme depends on various factors including, among other things, whether mineral bodies can be located and whether the locations of mineral bodies are economically viable to mine. The size of the deposit, development and operating costs, transport, logistics and infrastructure arrangements, coal prices and recovery rates are all key factors in determining commercial viability. In addition, the development of these resources could face significant uncertainties, may take several years and require capital expenditure from the initial exploration phase until commencement of production, during which time market fundamentals, capital costs and economic feasibility may change. As a result, actual results may differ from those anticipated by third party independent technical studies.

Furthermore, there are a number of uncertainties inherent in the development and expansion of mining operations, including the availability and timing of necessary governmental permits, licences and approvals, the timing and cost necessary to construct mining and processing facilities (including facilities and equipment that may be required by regulation to capture GHG emissions associated with operations), the availability and cost of labour, utilities, and supplies, the accessibility of transportation and other infrastructure, and the availability of funds to finance construction and production activities. As a result, the Group cannot assure potential investors that any of the Group's exploration activities will result in the discovery of valuable resources or reserves, or that reported resources can be converted into reserves in the future.

***The Group's business may be adversely affected if the Group is unable to acquire additional coal resources and convert them into economically recoverable coal reserves***

The Group's existing coal reserves will decline as mining continues. Therefore, the Group's growth and long-term success will depend on the Group's ability to acquire or develop additional coal resources within the Group's exploration areas and to convert such coal resources into economically recoverable coal reserves. New coal resources may not be found or may not be economically recoverable. If the Group is unable to discover new coal resources or is unable to acquire additional coal resources and reserves, this could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Even if the Group discovers additional resources or acquires additional coal resources, it could take a number of years from the initial phases of drilling until exploitation is possible, during which time the economic viability of production may change depending on the price of coal, which is subject to significant volatility, and other factors, including fuel, labour, equipment and other operating costs, changes in approvals conditions, government regulations and exchange rate fluctuations. If a project proves not to be economically feasible by the time the Group is able to exploit it, the Group may incur substantial write-offs. As a result of any of the foregoing factors, the Group may not be able to discover any viable resources, may be unable to exploit any resources discovered or may not be able to recover all or any portion of the Group's investment in those exploration activities.

***Coal mining operations in Australia have inherent title risks associated with grant and renewal of tenements, native title rights, cultural heritage and Aboriginal land claims***

***Tenements and related approvals***

Exploring or mining for coal in Australia is unlawful without a tenement granted by the relevant state government. Interests in tenements are governed by the respective state legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it minimum expenditure and reporting commitments, posting of bonds and security as well as other conditions requiring compliance. Obtaining mining tenements and carrying out certain activities under mining tenements often involves first obtaining consents from landholders and other third parties (some of whom may in certain circumstances have a right of veto), as well as various approvals including environmental approvals. There is a

risk that the requisite consents and approvals may not be able to be obtained on time or on acceptable commercial terms, or may not be able to be obtained at all. Further, all of the granted tenements in which the Group have or may earn an interest will be subject to applications for renewal or grant (as the case may be). The grant or renewal of each tenement or licence is usually at the discretion of the relevant government authority or may require hearing by a court or tribunal, which will consider various factors, which may include the Group's compliance with any conditions placed on an existing licence, when making its decisions. There is no certainty that an application for grant or renewal of a tenement will be granted at all or on satisfactory terms or within expected timeframes.

The conditions attached to tenements may also change. The permitting rules are complex and may change over time, making the Group's responsibility to comply with the applicable requirements more onerous, more costly or impractical, and thereby precluding or impairing continuing or future mining operations. Consequently, the Group may not be able to acquire title to or interest in tenements, or the Group may not be able to retain its interest in tenements in the long run or renew the licences or leases, if the relevant conditions are not met or if insufficient funds are available to meet expenditure commitments. If a tenement is not renewed, the Group may lose the opportunity to discover and/or develop any mineral resources on that tenement.

#### *Native title*

In Australia, mineral exploration and mining tenure (and many other forms of tenure or interests in land) may cover land that is subject to a claim for native title or land where native title has already been determined to exist. Native title is the communal, group or individual rights and interests of Aboriginal or Torres Strait Islander people in relation to their traditional land or waters. The existence of native title in Australia is recognised and protected in accordance with the Native Title Act 1993 (Cth) ("**Native Title Act**") and legislation in each State and Territory. The common law of Australia recognises a form of native title that, in circumstances where it has not been extinguished, reflects the entitlement of the appropriate traditional owners to their lands, in accordance with their traditional law and custom. The Group's interests in tenements, ability to gain access to new tenements, or to progress from the exploration phase to the development and mining phases of operations, may be adversely affected by areas that are subject to native title claims.

If native title is either determined to exist or there are registered, but undetermined, native title claims over any part of the tenements and native title has not otherwise been extinguished with respect to that part, the Group may be required to negotiate with, and pay compensation to, the native title holders for impairment, loss or diminution or other effect of the proposed activities on their native title rights and interests. Compensation obligations may also arise pursuant to agreements with native title claimants or native title holders in relation to any tenements the Group acquires. The existence of native title or a registered native title claim may preclude or delay the granting of exploration and mining tenements pending resolution of the statutory procedures imposed by the Native Title Act and considerable expenses may be incurred in negotiating and resolving native title issues.

The risk of unforeseen native title claims also could affect existing operations as well as development projects. Although native title will not prevent the exercise of any validly granted rights and interests under the Group's tenements, the Native Title Act and applicable State and Commonwealth legislation, together with the recognition of native title at common law, may impact the continued operations under the Group's tenements, development projects and the construction of the Group's expansion activities and/or give rise to liability for compensation.

In addition, it may also be necessary for the Group to enter into separate arrangements with the traditional owners of the sites. This could be costly for the Group and potentially cause delays in the Group's continued operational and expansion activities.

### *Cultural Heritage*

In Australia, mineral exploration and mining tenure (and many other forms of tenure or interests in land) may cover land that contains Aboriginal cultural heritage. Aboriginal cultural heritage consists of places, traditions, beliefs, customs, values and objects that represent the living and spiritual history of past Aboriginal generations and are of important cultural and heritage significance to Aboriginal people. Cultural heritage rights and duties are established in and regulated by legislation. If cultural heritage is either determined to exist by the relevant government department or there are registered cultural heritage sites over any part of the tenements, the Group may be required to negotiate with, enter into management plans, and pay compensation to, the cultural heritage owners for management of places or artefacts, impairment, loss or diminution, lessening of spiritual connection or other effect of the proposed activities on their cultural heritage rights and interests. Compensation obligations may also arise pursuant to agreements with cultural heritage owners in relation to any tenements the Group acquires. The existence of cultural heritage may preclude or delay the conduct of exploration or mining activity and considerable expenses may be incurred in investigating, negotiating, managing, compensating and resolving cultural heritage issues.

### ***The Issuer is a holding company and is substantially dependent on the payment of dividends and distributions by its subsidiaries, and cash receipts from disposals of its investments, for funding***

The Issuer is a holding company engaged in the holding and managing of its investments in its subsidiaries and its interests in joint ventures. Its operating cash flows and its ability to meet its obligations, including the payment obligations of the Notes, are substantially dependent on upon the payment of funds by its subsidiaries and joint ventures to it in the form of dividends, distributions or otherwise, cash receipts from disposals or divestitures of its investments and its ability to borrow. The Issuer's subsidiaries are legally distinct from the Issuer and have no obligation to pay amounts due with respect to its obligations or to make funds available for such payments. Dividends and distributions (if any) are made by the subsidiaries at their discretion. The ability of subsidiaries and joint venture companies to pay dividends or make other distributions or payments to the Issuer is subject to, among other things, availability of profits or funds, restrictions on payment of dividends contained in each of its subsidiary's and joint venture company's indebtedness and applicable laws and regulations.

### ***The Group may not be able to grow at a rate comparable to its historical growth rate or otherwise execute its growth strategy successfully***

The Group's strategy includes growth driven by the acquisition of mining assets or investments. Throughout the Group's history, a large portion of its growth has been attributable to the increase in scale of the Group's existing operations through organic expansion, acquisitions and joint ventures.

Although the Group plans to continue to grow its business through organic expansion as well as acquisitions of, and investments into, strategic and complementary businesses, the Group may not be able to grow at a rate comparable to its growth rate in the past, or comparable to the rate of growth that may be achieved by its peers, either in terms of resources, reserves, revenue, profit or other relevant comparative measure. Further, the Group may not be able to execute effectively the strategies for its current and future acquired businesses or assets. Future growth strategies which target expansion of existing business or assets could expose the Group to additional or unforeseen costs, which may strain financial or management resources. Integration of new businesses or assets may be costly and occupy management's time. The financial performance of investments and the economic conditions in which they operate may result in investment impairment should the recoverable amount of the investment fall below its carrying value. There is also a risk of disruption to the Group's business models due to factors that are outside the control of the Group. Such disruption could adversely impact the Group's reputation and financial performance. Any disruption to the Australian and global economy is also likely to impact upon the Group's ability to drive its growth agenda in the short and medium term.

Further, such acquisitions may involve a number of risks inherent in assessing the values, strengths, weaknesses and growth in profitability of the relevant business or assets and it is possible that unexpected problems may arise which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects. No assurance can be given as to the impact of acquisitions and investments on the Group's overall financial performance in the future. If the Group is unable to effectively manage or mitigate the abovementioned risks, its business, financial condition, results of operations and growth prospects could be materially and adversely affected.

***The Group may not be able to successfully identify and acquire suitable acquisition targets or make strategic investments***

The Group may not be able to identify suitable acquisition or investment opportunities, succeed in any competitive acquisition process, negotiate acceptable terms or successfully acquire identified targets or interests. The investigation of an acquisition or investment plan and the negotiation, drafting and execution of relevant conditions, disclosure documents and other instruments will usually require substantial time and attention from the management and incur substantial expenses for services provided by accountants, lawyers, technical specialists and other advisers. Prior to an acquisition, the Group generally conducts due diligence that it considers reasonable and appropriate based on the facts and circumstances applicable to identified targets and the potential transaction. The due diligence that the Group has conducted or will conduct with respect to any opportunity of acquisition may not reveal all relevant facts that are necessary or useful in evaluating such opportunity, which could subject the Group to unknown liabilities that could adversely affect its profitability, financial condition and results of operations. In addition, even if an agreement is reached relating to a specific acquisition or investment target, the Group may end the investment or acquisition plan due to factors beyond its control. If such acquisition or investment plan is not implemented, the costs incurred up to that point for the proposed transaction may not be recoverable. Furthermore, the Group may not have sufficient capital resources to complete the proposed acquisitions in the future.

The Group could also face significant management, administrative and financial challenges in achieving its key commercial objectives following any future mergers, acquisitions and joint ventures. These challenges include but are not limited to:

- difficulties in the integration of the operations, technologies and personnel of the acquired company;
- loss of key management staff upon the merger and/or acquisition;
- exercise of pre-emptive or other similar rights by parties with other interests in conflict with the Group;
- diversion of management's attention away from other business concerns;
- expenses of any undisclosed or potential legal liabilities of the acquired company;
- legal, regulatory, contractual, labour, litigation or other issues that could arise from an acquisition; and
- inability to service any increased leveraged positions upon the merger or acquisition.

The risks associated with mergers, acquisitions and joint ventures including failure to realise the expected synergies, successfully incorporate the acquired businesses and assets into the Group's existing operations or minimise any unforeseen operational difficulties could have a material adverse effect upon the Group's business, financial condition and results of operations. There is no assurance that any merger or acquisition completed by the Group will integrate successfully with the Group's existing business and operations.

***The Group may from time to time dispose of and acquire assets and investments***

The Group has, in the past, acquired or disposed of assets as part of its ordinary course of business and may continue to do so in the future. Any future acquisitions or disposals by the Group, including disposals of assets

that currently make significant contributions to the Group's operational results, would be implemented without the consent of Noteholders. There can be no assurance that any such acquisitions or disposals will be successfully consummated on advantageous terms or will be consistent with the Group's overall business strategy, or at all.

***The Group may expand its operations to new geographic markets which may result in additional risks and uncertainties in its businesses***

The Group may expand its operations to new geographic markets. To the extent the Group makes investments or acquisitions of mining assets or mining companies in new geographic markets, it may face numerous risks and uncertainties, including risks associated with:

- the required investment of capital and other resources;
- combining or integrating operational and management systems and controls, including risk management and internal control;
- insufficient financial, operational, management and other human resources to support its new investments;
- repatriation of funds from foreign jurisdictions and dealing with foreign financial institutions;
- determining the requirements of local laws and administrative policies, particularly in emerging markets where applicable laws are uncertain and evolving; and
- difficulties with cultural compatibility or a failure to understand other local and community factors relevant to its operations.

If any of the above risks materialise, the Group's expansion may not be successful or profitable.

***Restricted access to international markets***

A large share of the Group's revenue is derived from overseas customers. However, the Group's access to international markets may be subject to ongoing interruptions and trade barriers and sanctions due to policies, border closures and tariffs of individual countries, and the actions of certain interest groups to restrict the import or export of certain commodities. For example, the PRC imposed tariffs and import quota restrictions on Australian coal imports between 2020 and 2023. While the PRC lifted import restrictions on coal from Australia in 2023 and the Group has since resumed sales into the PRC, there is no guarantee that the PRC or other jurisdictions will not impose tariffs, import quota restrictions, border closures, bans or other trade barriers in the future for the Group's coal products.

The Group may or may not be able to access alternate markets for its coal should additional interruptions and/or the imposition of trade sanctions or barriers occur in the future. An inability for coal suppliers to access certain international markets would likely result in an oversupply of metallurgical and thermal coal in other markets and may result in a decrease in prices or the curtailment of production, which could have a material adverse effect on the Group's financial condition and results of operations.

***Capital expenditure***

Maintaining and expanding mines and related infrastructure is capital intensive. Specifically, the exploration, permitting and development of thermal coal reserves, mining costs, the maintenance of machinery, workforce engagement and community contribution, securing and maintaining of required land environmental offset or buffering areas, facilities and equipment and compliance with applicable laws and regulations require ongoing capital expenditures. Any decision to increase production at the Group's existing mines or to develop the coal reserves at its development properties in the future could also affect its capital needs or cause future capital

expenditures to be higher than in the past and/or higher than its estimates. There is no assurance that the Group will be able to maintain its production levels or generate sufficient cash flow, or that it will have access to sufficient financing to continue its production, exploration, permitting and development activities at or above the Group's present levels and on its current or projected timelines, and the Group may be required to defer all or a portion of its capital expenditures. The Group's results of operations, business and financial condition may be materially adversely affected if it cannot make such capital expenditures.

To fund its capital expenditures, the Group will be required to use cash from its operations, incur debt or raise new equity. The Group's ability to engage a financial institution to arrange a capital raising, obtain bank financing or its ability to access the capital markets for future equity or debt offerings, on the other hand, may be limited by its financial condition at the time of any such financing or offering and the covenants in its debt agreements as well as by refusal or limitations by financial institutions to finance investments in the coal industry, and general economic conditions, contingencies and uncertainties that are beyond its control. If cash flow generated by the Group's operations or available borrowings under its debt financing arrangements are insufficient to meet its capital requirements and it is unable to arrange or access sources of additional finance on acceptable terms or at all (including where subject to certain restrictions on incurring additional debt as outlined above), it could be forced to curtail the expansion of its existing mines and the development of its properties, which, in turn, could lead to a decline in its production and the implementation of changes to planned mining and rehabilitation activities which could materially and adversely affect the Group's business, financial condition and results of operations.

#### ***Resource and reserve estimates***

The Group estimates and reports its resources and reserves in accordance with the JORC Code. Coal is economically recoverable when the price at which it can be sold exceeds the costs and expenses of mining and selling the coal. The costs and expenses of mining and selling the coal are determined on a case by case basis, and as a result, the price at which the Group's coal is economically recoverable varies based on the mine. The Group bases its reserve information on geologic data, coal ownership information and current and proposed mine plans and mining cost assumptions may be affected by changes in mine planning, regulatory requirements or scheduling over time. There are numerous uncertainties inherent in estimating quantities and qualities of coal and costs to mine Coal Reserves, including many factors beyond the Group's control.

There are inherent uncertainties and risks associated with such estimates, including, among others:

- geologic and mining conditions, which may not be fully identified by available exploration data and may differ from the Group's experience and assumptions in areas it currently mines;
- current and future market prices for coal, contractual arrangements, operating costs and capital expenditures;
- extent of rehabilitation works required to meet final land form requirements and changes in rehabilitation cost assumptions;
- severance and excise taxes, carbon taxes and border adjustment mechanisms, unexpected governmental taxes, levies, funding obligations, scheme contributions, royalties, stamp duty and development, changes in community contributions, environment land offset and buffering and reclamation costs;
- future mining technology improvements;
- the effects of regulation by governmental agencies;
- the ability to obtain, maintain and renew all required permits;
- employee health and safety; and



- historical production from the area compared with production from other producing areas.

In addition, coal reserve estimates are revised based on actual production experience, and/or new exploration information and therefore the coal reserve estimates are subject to change. Should the Group encounter geological conditions or qualities different from those predicted by past drilling, sampling and similar examinations, coal reserve estimates may have to be adjusted and mining plans, coal processing and infrastructure may have to be altered in a way that might adversely affect the Group's operations. As a result, the Group's estimates may not accurately reflect the Group's actual future coal reserves.

As a result, the quantity and quality of the coal that the Group recovers may be less than the reserve estimates included in this Offering Circular. If the Group's actual coal reserves are less than current estimates, or the rate at which they are recovered is less than estimated or results in higher than estimated cost, the Group's financial condition and results of operations may be materially adversely affected.

#### ***Equipment and commodities risk***

The Group depends on several major pieces of mining equipment and facilities to produce and transport coal. Obtaining and repairing these major pieces of equipment often involves long lead times. If any of these pieces of equipment and facilities suffers major damage or is destroyed by fire, abnormal wear and tear, flooding, incorrect operation or otherwise, the Group may be unable to replace or repair them in a timely manner or at a reasonable cost, which would impact its ability to produce and transport coal and could materially and adversely affect the Group's financial condition and results of operations. The Group's ability to replace or repair damaged or destroyed equipment or facilities may also be dependent on suppliers or manufacturers remaining operational and having the relevant equipment or services and access to raw materials, required parts and components available for the Group. Suppliers and manufactures may be unable to provide such materials, service or equipment for a range of reasons.

Additionally, regulatory agencies sometimes make changes with regard to requirements for pieces of equipment. Such changes can impose costs on the Group and can cause delays if manufacturers and suppliers are unable to make the required changes in compliance with mandated deadlines.

Further, the Group's mining operations require a reliable supply of large quantities of fuel, explosives, tyres, steel related products, lubricants and electricity. The prices the Group pays for commodities are significantly impacted by the global market. If the cost of any of these key supplies or commodities were to increase significantly, or if there were unexpected shortages or a source for these supplies or mining equipment was unavailable to meet the Group's replacement demands, the Group's profitability could be reduced or it could experience a delay or halt in its production.

#### ***Logistics and transportation risk***

The Group's mining operations produce coal, which is transported to the relevant port of export by rail. The delivery of coal produced by the Group's mining operations is subject to potential shut-down, disruption and competition from other network users, which may affect its ability to deliver coal to its customers and may have an impact on productivity and profitability. Such disruptions to transportation services may include, among others:

- shut-downs and disruptions due to weather related problems;
- damage or accidents;
- key equipment or infrastructure failures;
- industrial action;
- rail or port capacity congestion or constraints;

- commercial disputes;
- failure to obtain consents from third parties for access to rail or land, or access being removed or not granted by regulatory authorities;
- changes in applicable regulations; and
- terrorist attacks, natural disasters, regional or international conflict, pandemics or other events.

Any such disruptions, or any deterioration in the reliability of services provided by the Group's transportation service providers, could impair its ability to supply coal to its customers, result in decreased shipments and revenue and adversely affect its results of operations.

Typically, the Group sells coal at the point of loading into vessels at the port of export. Group entities are parties to arrangements with third parties to gain access to transportation infrastructure and services where required, including rail carriers and port owners. The costs associated with these arrangements represent a significant portion of the total cost of supplying coal to customers and of the Group's production costs. As a result, the cost of transportation and port handling is a key factor in the Group's cost base, but also in the purchasing decision of customers.

Customers typically bear the shipping costs between the departure port and the ultimate destination for the product. As a result, the cost of shipping is also a key factor in the overall cost to the customer and therefore is relevant for customers' purchasing decisions.

Transportation costs may increase and the Group may not be able to pass on the full extent of cost increases to the Group's customers. For example, where transportation costs are connected to market demand, costs may increase if usage by the Group and other market participants increases. Significant increases in transport costs due to factors such as fluctuations in the price of diesel fuel, electricity, demurrage and emissions offsets or environmental requirements could make the Group's coal less competitive when compared to coal produced from other regions and countries (whether because of the direct costs to the Group or because of increased shipping costs for customers).

As the transportation capacity secured by the Group's port and rail agreements is based on assumed production volumes, the Group may also have excess transportation capacity (which, in the case of 'take or pay' agreements, the Group may have to pay for even if unused) if its actual production volumes are lower than its estimated production volumes. Conversely, the Group may not have sufficient transportation capacity if its actual production volumes exceed its estimated production volumes, if it is unable to transport the full capacity due to contractual limitations or other factors.

#### ***'Take or pay' arrangements within the coal industry***

The Group generally contracts port and rail capacity via long term 'take or pay' contracts for rail transport and port capacity. The Group may enter into other 'take or pay' arrangements in the future. Where the Group has entered into 'take or pay' contracts, it will generally be required to post and maintain minimum levels of financial security and pay for its contracted port or rail capacity, even if it is not utilised by the Group or other shippers. Although the majority of its 'take or pay' arrangements provide security over minimum port and rail infrastructure availability, unused port or rail capacity can arise as a result of varying unforeseen circumstances, including insufficient production from a given mine, a mismatch between the timing of required port and rail capacity for a mine, or an inability to transfer the used capacity due to contractual limitations, such as required consent of the provider of the port or rail services, or because the coal must emanate from specified source mines or be loaded onto trains at specified load points. Posting and maintaining required financial securities and paying for unused transport capacity could materially and adversely affect the Group's cost structures and financial performance.

### ***Industrial action***

Relations with the Group's employees and, where applicable, organised labour are important to the Group's success. Enterprise bargaining and disputes between the Group and its employees or disputes affecting the Group's contractors may result in strikes, 'go-slows', unplanned disruptions, or uncompetitive work practices. Future industrial action by the Group's employees or mining contractors' employees or involving trade unions or in connection with government industrial relations policy and legislation (e.g. applications for orders under "Same Job – Same Pay" legislative provisions) could disrupt operations and negatively impact workforce and community engagement, access to products, components and services, mine productivity, production and profitability.

### ***CREDIT, LIQUIDITY AND FINANCIAL RISKS***

#### ***The Group is subject to the credit risk of its counterparties***

The Group's ability to receive payment for coal sold and delivered depends on the continued creditworthiness and financial health of its customers. Competition with other coal suppliers could force the Group to extend credit to customers and on terms that could increase its risk of payment default. In recent years, downturns in the economy, impositions of exchange controls and bans and restrictions in foreign payments and international funds flows and disruptions in the global financial markets have, from time to time, affected the creditworthiness of the Group's customers and limited their liquidity and access to credit.

The Group may provide vendor finance or other forms of financial support to counterparties acquiring assets from the Group. For example, as part of the sale of New Lenton Coal Pty Ltd to Bowen Coking Coal Limited in December 2021, the Group provided a finance facility to allow the provision of a guarantee to the State of Queensland in relation to New Lenton Coal's rehabilitation obligation, which as at 31 January 2024, amounts to A\$47,872,000. If the guarantee is called upon by the State of Queensland due to default of the underlying conditions, the guarantee may be drawn exposing the Group to liability. As at 31 January 2024, the Group has recognised a financial guarantee liability of A\$9,154,000 in relation to that provision.

The Group has cash balances placed with reputable banks, financial institutions and fixed income investment managers.

The Group's counterparties may default on their obligations to pay for coal purchased, to repay principal and interest on invested capital or to repay amounts owing under or in connection with vendor finance or other financial support arrangements due to insolvency, bankruptcy, lack of liquidity, economic downturns, increased regulatory burden, operational failure, fraud or other reasons. There is no guarantee that a customer will not commit any payment defaults in the future. Customers in certain countries may be subject to other pressures and uncertainties that may affect their ability to pay, including trade sanctions and barriers, exchange controls and local economic and political conditions.

The Group is also subject to the risk that its rights against these counterparties may not be enforceable under all circumstances. There is no assurance that the Group's assessments and measures to monitor counterparty risks will accomplish its risk management objectives. To the extent that the Group's credit assessment proves inadequate to assess risks, or to the extent that the creditworthiness of the Group's counterparties deteriorates, this could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

If customer and counterparty default rates are higher than expected, or payments take longer than expected, the liquidity position and financial condition of the Group will be materially and adversely affected. Any material increase in the Group's provision for bad debt would have a corresponding effect on the Group's results of operations and related cash flows.

***The Group's historical consolidated financial information may not be indicative of its future results of operations***

The Group's historical consolidated financial information must be evaluated in light of the impact of the significant changes in the Group that have occurred in the periods covered in the financial statements included in this Offering Circular. There can be no assurance that the Group's historical consolidated financial information will be indicative of the Group's results of operations, financial condition or cash flow in the future.

Potential investors should note that the Group's financial information is not intended to represent or predict the results of operations of any future periods. The Group's future results of operations may change materially if its future growth does not follow the historical trends for various reasons, including changes of the Group's business operation and direction as well as factors beyond its control, such as change in economic environment, rules and regulations of the relevant jurisdictions and the domestic and international competitive landscape of the coal industry and energy and steel markets.

In addition, should the Group's future results from operations and associated cash flows deviate materially from those assumed for historical financial reporting purposes, the Group may be required to recognise impairment losses on certain of its assets in the future.

***The Group may incur additional indebtedness in the future, which could adversely affect its financial condition and its ability to generate sufficient cash to satisfy its outstanding and future debt obligations***

As at 31 January 2024, the Group's total borrowings amounted to A\$86 million and total current liabilities amounted to A\$233 million. Such indebtedness, and any increases in it, could, among other things:

- require the Group to dedicate a substantial portion of its cash to servicing and repaying indebtedness, thereby reducing the availability of cash flow to fund working capital, capital expenditure and other general corporate purposes;
- adversely impact the Group's business, financial condition and results of operations if the Group is held to be in breach of any financial or other covenants contained in any of its financing arrangements and its obligations are accelerated or it is required to immediately repay its borrowings either in whole or in part;
- adversely affect the cost of the Group's borrowings due to fluctuations in market interest rates where borrowings are at variable interest rates;
- increase the Group's vulnerability to adverse general economic and industry conditions; and
- limit the Group's ability to borrow additional funds.

The above-mentioned risks that the Group face could intensify as indebtedness increases.

The Issuer's ability to generate sufficient cash to satisfy its outstanding and future debt obligations (including the Notes) will depend on its future operating performance as well as the operating performance of its subsidiaries, which will be affected by prevailing economic conditions and financial, business and other factors, many of which are beyond the Group's control. The Group may not be able to generate sufficient cash flow to meet its anticipated expenses and to service its payment obligations as they become due. In the event that the Group is unable to service its indebtedness, it will be forced to adopt an alternative strategy that may include actions such as reducing or delaying capital expenditures, selling assets, restructuring or refinancing its indebtedness or seeking equity capital. These strategies may not be instituted on satisfactory terms, if at all.

The terms of borrowings and bonding facilities accessed by the Group typically contain provisions requiring security or pledges over certain assets to be granted. If such terms apply to the Group and the Group defaults on such borrowings and facilities, the relevant security holders or pledgees may appoint controllers, receivers

or managers to or foreclose such assets that have been secured or pledged. In addition, certain of the Group's financing arrangements impose operating and financing restrictions on its business. These provisions may negatively affect the Group's ability to react to changes in market conditions, take advantage of business opportunities it believes to be desirable, obtain future financing, fund needed capital expenditures or withstand a future downturn of its business. Any of these could materially and adversely affect the Group's ability to satisfy its obligations under the Notes and other debt.

***The Group may require additional funding in order to achieve its business objectives and to meet its financial obligations when they fall due and may not be able to obtain it on favourable terms or at all***

To the extent that the Group's existing sources of capital are not sufficient to satisfy its needs, it may need to seek external sources.

The inability to maintain a strong balance sheet or to secure new capital or credit facilities or supports (from time to time) on favourable terms could impact upon the Group's operational and financial performance and the ability to meet its ongoing liquidity needs.

There is no certainty as to the availability of financing facilities or that the Group would be able to obtain such additional funding on favourable terms, if at all, and further interest charged on these financing facilities may have a material effect on the Group's business, results of operations and financial condition. Any funding shortage could limit the Group's ability to respond to changing market conditions or to grow its business, make it more vulnerable to adverse economic and industry conditions, and place it at a competitive disadvantage compared to its competitors with less indebtedness.

Factors that may affect the Group's access to funding or cause an increase in its funding costs include, among other things:

- the financial and financial regulatory environments, and the policies of governments, central banks and regulators;
- adverse changes in global equity or credit market conditions;
- adverse changes in the Group's operating results, financial condition or cash flows;
- deterioration of the Group's creditworthiness;
- currency movements, interest rate increases or volatility or other potential market disruptions;
- a decrease in bank appetite for risk as a result of tightened lending standards, regulatory capital requirements or otherwise;
- restrictions on accepting engagements in specific sectors or industries (including the coal sector) and changes in policies of financial institutions that limit or prohibit the provision of funding to entities that are not carbon neutral or that are deemed to have unacceptable decarbonisation plans (For further information, refer to the risk factor entitled "*The Group is exposed to risks associated with changes in climate patterns as well as risks arising from policy, regulatory, legal, technological, market or other societal responses to the challenges posed by climate change*"); and
- inability to access or closure of international capital markets.

Future debt financing, if it can be obtained, could include additional financial covenants and other terms that restrict the financial flexibility of the Group's business.

There is no guarantee that equity or debt funding will be available to the Group on favourable terms or at all or that, when an existing facility expires or is otherwise terminated (for example, due to an event of default), the Group will be able to refinance that debt facility on reasonable terms.

Developments in global financial markets may adversely affect the liquidity of global credit markets and the Group's access to those markets. The U.S. Federal Reserve, the European Central Bank, the Australian Reserve Bank and other central banks have increased policy rates in response to an inflationary environment. As a result, the cost of capital for issuers accessing the global debt markets has trended upwards. This may have a material adverse effect on the Group's future financial performance and position.

## ***INTERNAL CONTROL RISKS***

### ***Operational risks may disrupt the Group's business, result in losses and limit its growth***

The Group's mining operations, including exploration, development, preparation, product handling and accessing transport infrastructure, may be affected by various operational difficulties that could impact the amount of coal produced at the Group's coal mines, cause delay or suspend coal deliveries, or increase the cost of mining for a varying length of time. The Group's financial performance is dependent on its ability to sustain or increase coal production and maintain or increase operating margins. The Group's coal production and production costs are, in many respects, subject to conditions and events beyond its control, which could disrupt its operations and have a significant impact on its financial results. Adverse operating conditions and events that the Group may have experienced in the past or may experience in the future include:

- variations in mining and geological conditions from those anticipated, such as variations in coal seam thickness and quality, and geotechnical conclusions;
- operational and technical difficulties encountered in mining, including management of water, emissions, atmosphere and noise, equipment failure, delays in moving drag lines and other equipment and maintenance or technical issues;
- changing operational plans in order to not cause disruption to, or to accommodate impacts from, neighbouring operations;
- adverse weather conditions or natural or man-made disasters, including floods, droughts, bushfires, seismic activities, ground failures, rock bursts, structural cave-ins or slides and other catastrophic events;
- insufficient or unreliable infrastructure, such as power, water and transport;
- industrial and environmental accidents, such as releases of mine affected water and diesel spill;
- industrial disputes, blockades and labour shortages;
- transportation shortages impacting the timely transportation of labour, goods, products and service providers;
- mine safety accidents, including fatalities, fires and explosions from methane and other sources;
- competition and conflicts with other natural resource extraction and production activities within overlapping operating areas, such as natural gas extraction or oil and gas development;
- restrictive laws, regulations and/or restrictive conditions on approvals relating to the Group's mining operations;
- unexpected shortages, or increases in the costs, of raw materials, consumables, components, spare parts, plant and equipment;

- cyber-attacks and data breaches that disrupt the Group's operations or result in the dissemination of proprietary or confidential information about the Group to its customers or other third parties; and
- security breaches or terrorist acts.

If any of the foregoing conditions or events occurs and is not mitigated or excusable as a force majeure event under the Group's coal sales contracts, any resulting failure on the Group's part to deliver coal to the purchaser under such contracts could result in economic penalties, demurrage costs, suspension or cancellation of shipments or ultimately termination of such contracts, which could have a material adverse effect on the Group's financial condition and results of operations.

In addition to coal supply risk factors, the Group faces supply concentration risk, with a significant portion of the Group's coal production is concentrated in the Bengalla Mine. However, the Group seeks to diversify its coal production and interest base with the New Acland Stage 3 Expansion and the acquisition of a 19.9% interest in Malabar. As a result, the effects of any of the above conditions or events may be exacerbated and may have a disproportionate impact on the Group's results of operations and assets. Any such operational conditions or events could also result in disruption to key infrastructure (including infrastructure located at or serving the Group's mining activities, as well as the infrastructure that supports freight and logistics). These conditions and events could also result in the partial or complete closure of particular railways, ports or sea passages, potentially resulting in higher costs, congestion, delays or cancellations on some transport routes. Any of these conditions or events could adversely impact the Group's business and results of operations.

***If the Group's techniques for managing risk are ineffective, the Group may be exposed to material unanticipated losses***

In order to manage the significant risks inherent in the Group's business, the Group must maintain effective policies, procedures, controls and systems that enable the Group to identify, assess and manage the full spectrum of its risks including market, fiduciary, operational, legal, regulatory and reputational risks.

The Group's risk management methods may prove to be ineffective due to their design or implementation, or as a result of the lack of adequate, accurate or timely information or otherwise. If the Group's risk management efforts are ineffective, the Group could suffer losses that could have a material adverse effect on its financial condition or operating results.

***The Group is dependent on its directors, key management team and skilled employees***

The Group's operating and financial success is dependent upon the experience of its directors, key senior management and staff generally. The loss of any key personnel, as well as high staff turnover, could cause disruption to the conduct of the Group's business in the short term and negatively affect the Group's operating and financial performance. Further, the Group's operations, performance and reputation could be adversely affected if the Group is unable to attract staff or were to lose key staff members which it was unable to replace with equally qualified personnel.

The Group is substantially dependent on the continuing service of its key executives. The loss of key executives or the delay in their replacement, or the inability to attract key executives with the requisite skills and experience, could materially and adversely affect the Group's ability to implement its business strategies in a timely manner or at all.

Efficient coal mining using modern techniques and equipment also requires skilled technicians and labourers. Any reduced availability or future shortage of skilled technicians and labour in the Australian mining industries could result in the Group having insufficient personnel to operate its business, or expand production, particularly in the event there is an increase in the demand for its coal, which could adversely affect the Group's financial condition and results of operations.

Competition to attract such skilled professionals and personnel is intense and such skilled professionals and personnel may be reluctant to work in mining or may find more attractive opportunities in other industries or sectors (e.g. construction, infrastructure or energy transition). There is no assurance that the Group will be successful in retaining or attracting skilled professionals and the lack of availability of such skills may materially and adversely affect operations, performance and reputation of the Group. Efforts to retain or attract skilled professionals may result in significant additional expenses, which could adversely affect the Group's profitability.

***The Group is exposed to risks involving an inadequacy or failure of its internal controls and internal audit processes***

There is a risk that a failure or inadequacy of internal controls, people or procedures, or external events, may give rise to failures or disruptions in operational systems and controls. Such events may include but are not limited to fraud, security failures, unavailability of products and services, the loss of data belonging to the Group, manual processing errors, systems locked by encryption and unauthorised access to systems or premises. Such failures may have an adverse impact on the Group's reputation or ability to attract and retain key personnel, and may subsequently have an adverse impact upon the financial performance and position of the Group.

***The Group operates through a number of joint ventures and co-investments, and the Group's operational and financial results may be affected by how these arrangements are managed***

A significant portion of the Group's business is operated through joint venture structures and entities in which the Group holds equity interests (including in respect of the Bengalla Mine and Malabar). The success of joint ventures depends on a number of factors, including the financial resources of the joint venture partners and co-investors, their willingness and ability to honour their commitments under the joint venture or other funding agreements, the manner in which they exercise control, veto or other governance rights in respect of the joint venture, payments of amounts out of joint venture or co-investment entity accounts and funds, and the extent to which they cooperate in operational and strategic decisions with respect to the respective operation. If the Group's interests conflict with its joint venture partners and co-investors and the Group becomes engaged in material disagreements with its joint venture partners and co-investors, the operational and financial results of the underlying mines, exploration projects and investments may be adversely affected.

**LEGAL AND COMPLIANCE RISKS**

***The Group is subject to legislation and regulations***

The Group's activities are subject to the local, state and federal laws and regulations of Australia. Any future legislation and regulatory change imposing more constraints or more stringent requirements may affect the coal mining industry and may adversely affect the Group's financial condition and results of operations. Examples of such changes are future laws or regulations that may limit the emission of GHGs or the use of thermal coal in power generation, more stringent industrial relations and workplace health and safety laws, more rigorous environmental laws, and changes to existing taxation and royalty legislation.

The Group's performance and operations depend on, among other things, being able to obtain on a timely basis, and maintain, all necessary regulatory approvals, including any approvals arising under applicable mining laws, environmental regulations and other laws, for its current operations, expansion and growth projects. Examples of regulatory approvals that the Group must obtain and maintain include mine development approvals, infrastructure approvals, environmental permits and tenure and approvals relating to native title and indigenous cultural heritage. In addition, the Group's operations depend on its ability to obtain and maintain consents from private land owners and good relations with local communities.

The requirement to obtain and maintain approvals and address potential and actual issues for former, existing and future mining projects is common to all companies in the coal sector. However, there is no assurance or



guarantee that the Group will obtain, secure, or be able to maintain any or all of the required consents, approvals and rights necessary to maintain its current production profile from its existing operations or to develop its growth projects in a manner which will result in profitable mining operations and/or achieve the Group's long term production targets. The permitting rules, and the interpretations of these rules, are complex, change frequently and are often subject to the interpretation of the regulators that enforce them, all of which may make compliance more difficult or impractical, and may possibly preclude the continuance of ongoing operations or the development of future mining operations. Failure to obtain the necessary regulatory permits, licences and approvals for any of the Group's or its subsidiaries' activities could result in an inability to operate and may adversely affect the Group's investments returns and in turn its results of operations and financial condition. Refer to the subsection entitled "*Litigation*" in the "*Business of the Group*" section for details of ongoing legal dispute between the Group and OCAA in relation to the grant of a water licence for the New Acland Mine.

In addition, failure to comply with applicable regulations could result in the imposition of sanctions on the Group, including fines, injunctions, civil penalties, delays, suspension or withdrawal of approvals, revocation of licences and permits, operating restrictions and criminal proceedings and prosecution, any of which could have a material adverse impact on the business, results of operations and financial condition of the Group. Refer to the subsection entitled "*Litigation*" in the "*Business of the Group*" section for details of ongoing action brought by QCCL seeking penalty orders against the Group.

Compliance with these laws, regulations and similar requirements may be onerous and expensive, and they may be inconsistent from jurisdiction to jurisdiction, further increasing the cost of compliance. This increases the costs of doing business, and any such costs, which may increase in the future as a result of changes in these laws and regulations or in their interpretation could individually or collectively result in a change or a limitation to the business practices, which may in turn affect the Group, its business operations and/or its financial performance or have other unforeseen implications.

The Group may be adversely affected by regulatory action against it under legislation and for any failure to comply with government policies applicable to its business and operations. The Group cannot guarantee that its operations and policies will be deemed compliant by all applicable regulatory authorities. In the event the Group's controls should fail or are found to be non-compliant for other reasons, the Group could be subject to fines and/or penalties, civil and criminal claims, litigation and other proceedings, any of which could have material adverse impact on the Group's business, financial condition, results of operations, reputation and brand value. Further, if such regulations, requirements or policies/procedures are not enforced equally against the Group's competitors in a particular market, the Group's compliance may put the Group at a competitive disadvantage vis-a-vis competitors who do not comply with such regulations, requirements or policies/procedures.

The Group is also affected by various other local and international environmental laws and regulations that impact its customers. To the extent that such environmental laws and regulations reduce customer demand for, or increase the price of coal, the Group will be detrimentally impacted.

#### ***Impact on the environment or exposure to hazardous substances***

The Group is subject to extensive environmental laws and regulations, and its operations may substantially impact the environment, nature or cause exposure to hazardous materials to its contractors, its employees or local communities. The Group uses hazardous materials and generates hazardous or other regulated waste, which the Group stores in its storage or disposal facilities or contracts with third parties for authorised disposal. The Group may become subject to claims (including damages claims) as a result of its use of hazardous materials and generation and disposal of hazardous waste, either presently or historically. A number of Australia's environmental laws impose liability relating to contamination caused by hazardous substances. Furthermore, the use of hazardous materials and generation of hazardous and other waste may subject the Group

to investigation by regulators, who may require the Group to incur substantial unforeseen costs to clean-up soil, surface water, groundwater and other contaminated areas. Additionally, any violations of environmental laws by the Group could lead to, among other things, the imposition on the Group of substantial fines, penalties, other civil and criminal sanctions, the curtailment or cessation of operations, orders to pay compensation, orders to remedy the effects of violations and take preventative steps against possible future violations, increased compliance costs, or costs for environmental remediation, rehabilitation or rectification works.

Mining operation processes, including blasting and processing ore bodies, can also generate environmental impacts. These impacts include, but are not limited to, leakages of polluting substances, explosions, flooding, fires, accidental mine water discharges, operational GHG emissions and excessive dust and noise. Such risks could result in damage to the applicable mine site, personal injury to the Group's employees and contractors, environmental damage, decreased coal production, quarantining of land areas or cessation of activity orders and possible legal liability or investigation and enforcement actions under environmental regulations. The Group's liability for claims in relation to these matters may be substantial and may have a material adverse impact on its financial condition.

***The Group is subject to the risk of investigations, disputes and legal proceedings***

The risk of litigation and claims is a general risk that applies across the Group's businesses. The Group operates its businesses in various locations in Australia and may from time to time in the ordinary course of business receive enquiries from various regulators and government bodies and is also subject to various claims and litigation from third parties.

The Group may be subject to litigation, class actions (including consumer / customer class actions, securities / shareholder class actions), and other claims and disputes in the course of its business, including contractual disputes, indemnity claims, personal injury claims, regulatory investigations and enforcement actions, claims in relation to compliance with laws including taxation, sanctions, anti-money laundering and anti-bribery, claims in relation to technology failures, data breaches and information security incidents. The Group may become subject to intellectual property infringement claims, including patent, copyright, trade secret, and trademark infringement claims. Litigation may be required to determine the validity and scope of the intellectual property rights of others.

The Group may also be subject to litigation and claims by employees individually, or as part of a class action or a trade union organisation, or investigations and enforcement proceedings by regulatory bodies, in respect of employment related matters such as employment disputes, whistleblower matters, occupational health and safety, compliance with employee awards or entitlements (including underpayment of wages, overtime or other entitlements), wrongful dismissal or termination claims, discrimination, harassment and bullying, and/or claims regarding the status of certain employees and/or contractors of the Group.

Damages (or any other awards, orders, penalties or costs) under any such litigation may be material or may be indeterminate, and the negative outcome from litigation or the cost of responding to potential or actual litigation or investigation can have a material adverse impact on the financial performance, business, financial condition, results of operations, ability to obtain insurance and insurance premium cost, and reputation of the Group. Defence and settlement costs can be significant, even in respect of claims that have no merit, and can divert the time and attention of the management away from the business. In addition, the adverse publicity surrounding such claims (particularly in relation to shareholder or employee class actions or regulatory action) may have a material adverse effect on the Group's business and prospects. Any litigation, class actions, claims or disputes, including the costs of settling claims and operational impacts, could materially adversely affect the Group's business, operating and financial performance. For example, refer to the risk factor entitled "*The Group is subject to legislation and regulations*" for a description of the legal action in respect of the New Acland Stage 3 Expansion.

Such litigation could have a material adverse effect on the Group's reputation, business, financial condition and results of operations and may impact the Group's ability to achieve its strategic objectives by diverting management's time and resources. The risk of impact of the litigation increases if an adverse ruling is received or if the litigation becomes protracted, for example, by appeals processes.

## **GENERAL BUSINESS RISKS**

### ***The Group is subject to changes in accounting policy***

The Group must report and prepare financial statements in accordance with prevailing accounting standards and policies. There may be changes in these accounting standards and policies in the future which may have an adverse impact on the Group. The Group has previously and will continue to assess and disclose, when known, the impact of adopting new accounting standards in its periodic financial reporting. The Group's financial statements comply with Australian Accounting Standards ("AAS") and other Australia accounting standards and authoritative notices that are applicable to entities that apply AAS as established by the Australian Accounting Standards Board (the "AASB"). These accounting practices, standards and notices are out of the control of the Group. From time to time, the AASB may introduce new or refined accounting standards which may affect the future measurement and recognition of key statement of comprehensive income or statement of financial position items. Such changes may also be as a result of harmonisation of AAS with international accounting standards. There is also a risk that interpretations of existing AAS, including those relating to the measurement and recognition of key statement of comprehensive income and statement of financial position items, may differ.

### ***The Group's insurance coverage may not be adequate***

The Group has taken up insurance policies for certain risks. However, there is no assurance that the Group's existing coverage will be sufficient to compensate it against all losses or that insurers will continue to offer insurance products to certain sectors or industries, including the coal sector on reasonable terms, or at all. In addition, refer to the risk factor entitled "*The Group is exposed to risks associated with changes in climate patterns as well as risks arising from policy, regulatory, legal, technological, market or other societal responses to the challenges posed by climate change*" for further constraints on the future availability of coal insurance. There are certain types of risks that are not covered by the insurance policies because they are either uninsurable or not economically insurable, including acts of war and acts of terrorism. If such events were to occur or insurers withdraw or do not offer renewal of insurance products, or only offer insurance products to the coal sector on terms or at a price unacceptable to the Group, the Group may have to bear the costs of any uninsured risk or uninsured amount, which could have a material and adverse effect on its business, financial condition and results of operations and prospects.

### ***The Group is subject to changes in taxation laws***

Federal, state or local governmental authorities in nearly all countries across the global coal mining industry impose various forms of taxation on coal producers, including production taxes, sales related taxes, royalties, stamp duty, environmental taxes and income taxes and rates, levies and scheme contributions.

A change to the current taxation regime in Australia or overseas, including changes in interpretation or application of the law by courts or taxation authorities, may affect the Group or its shareholders. The Group's tax position is based on current tax law and an understanding of the practice of the relevant tax authorities in respect of the application of that law. An interpretation of taxation laws by the relevant tax authority that differs from the Group's view of the application of those laws may reduce the pool of tax losses available or increase the amount of tax that is payable by the Group.

There is also the potential for changes to Australian and international taxation law to impact the Group's tax position (including royalties imposed on minerals by various governments), which in turn may impact the rate

and type of taxation to which the Group is subject. For example, the Queensland government introduced new tiers of coal royalties in 2022 that increase the rate of royalties payable on coal sold at an average price of A\$175 per tonne or higher, and proposed legislation in May 2024 to ensure Parliamentary consideration is required for any proposed changes to lower the progressive royalty rates. New South Wales has also legislated increases to the rates of coal royalties from July 2024 onwards. This may have an adverse effect on the Group's financial performance. In addition, the Group may from time-to-time be subject to reviews, audits or investigation from relevant tax authorities, the outcome of which may impact the amount of tax payable by the Group and may adversely impact the financial performance of the Group.

***The Group is subject to foreign exchange risks***

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Group's functional currency. The Group is exposed to foreign exchange risk arising from currency exposures to the U.S. dollar.

The Group hedges a portion of its foreign currency exchange rate exposure through derivative instruments based on the Group's risk management policy, however the Group does not seek to hedge all of its foreign currency exchange rate exposure. There can be no assurance that the Group's hedging activities will be successful at managing the impact of exchange rate fluctuations. Any movement of foreign exchange rates, a failure to implement sufficient or effective hedging strategies and/or any other economic factors could still have an adverse effect on the Group's operating and financial performance.

In addition, significant volatility in exchange rates may increase the Group's hedging costs, limit its ability to hedge its exchange rate exposure, particularly against unfavourable movements in the exchange rates of certain emerging market currencies, and could have an adverse impact on the Group's results of operations, particularly the Group's profitability. Any of the factors above may have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group is exposed to interest rate risk***

The Group has cash balances placed with reputable banks, financial institutions and fixed income investment managers. In addition, the Group has also incurred indebtedness and bonding facilities to finance its operations and meet obligations to post financial guarantees and sureties required in connection with its operating activities. Changes in interest rates will affect borrowings which bear interest at floating rates. Any increase in interest rates will affect the Group's costs of servicing borrowings, and may affect the relative strength of the Australian dollar against other currencies (including, but not limited to the U.S. dollar), each of which could materially and adversely affect the Group's earnings, financial performance and position.

***The Group is exposed to force majeure events***

Events may occur within or outside Australia that negatively impact global, Australian or other local economies relevant to the Group's financial performance, the operations of the Group and/or the price of the Notes. These events include, but are not limited to, acts of terrorism, an outbreak of international hostilities, significant regional conflict, fires, bushfires, floods, earthquakes and volcanic eruptions and volcanic ash clouds, labour strikes, civil wars, natural disasters, outbreaks of disease, pandemics or other man-made or natural events or occurrences that may have a material adverse effect on the Group's ability to perform its obligations.

***The Group is subject to fluctuations in prices of its Ordinary Shares***

As with any entity with ordinary shares listed on the ASX, the market price of its Ordinary Shares will fluctuate due to various factors, many of which are non-specific to the Group, including general movements in interests rates, recommendations by brokers and analysts, the Australian and international investment markets and economic conditions, inflation rates, changes in government, fiscal monetary and regulatory policies, global geopolitical events and hostilities and acts of terrorism, investor perceptions, consumer sentiment and business

confidence and other factors. Fluctuations such as these may adversely affect the market price of the Ordinary Shares.

***There is no assurance that expected future events will occur***

The forward-looking statements, opinions and estimates provided in this Offering Circular rely on various contingencies and assumptions. There can be no guarantee that the assumptions and contingencies contained within forward looking statements, opinions or estimates (including projections, guidance on future earnings and estimates) will ultimately prove to be valid or accurate. Such forward-looking statements involve known and unknown risks, uncertainties and other factors (many of which are outside the control of the Group) which may cause the actual results, performance and achievements of the Group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

## **RISKS RELATING TO THE NOTES**

***Interest payments are not guaranteed***

The Issuer expects to make interest payments using available cash balances and cash flow from its operating activities and investments. The Issuer's ability to generate cash flows from its operations and investments will depend substantially on the Issuer's subsidiaries' financial performance, repayment of intra-group balances and dividend payments. The Issuer cannot guarantee that the interest payments on the Notes will be paid when due and these interest payments are not guaranteed by the Issuer, the Trustee, the Calculation Agent, the Agents or any other entity.

***Certain initial investors or a single initial investor may purchase a significant portion of the Notes and may potentially be able to exercise certain rights and powers on their own***

Certain initial investors or a single initial investor may purchase a significant portion of the aggregate principal amount of the Notes in this offering. Any Noteholder holding a significant percentage of the aggregate principal amount of the Notes will be able to exercise certain rights and powers and will have significant influence on matters voted on by Noteholders. For example, Noteholders holding at least 50.00 per cent. (or at adjourned meetings no minimum percentage) of the aggregate principal amount of the Notes would form a quorum for the purposes of passing an Extraordinary Resolution (as defined in the Trust Deed), while Noteholders holding at least 75.00 per cent. (or at adjourned meetings at least 50.00 per cent.) of the aggregate principal amount of the Notes would form a quorum for the purposes of voting on reserved matters, including the modification of the date for maturity of the Notes or the reduction or cancellation of the principal amount of, or interest on, the Notes.

In addition, as the passing of Extraordinary Resolutions at meetings of Noteholders requires a majority of 75.00 per cent. of votes cast (subject to certain reserved matters as specified in the Terms and Conditions of the Notes and the Trust Deed), any Noteholder of a significant percentage of the Notes, even if less than a majority, will on its own be able to take certain actions that would be binding on all Noteholders. For example, Noteholders holding at least 25.00 per cent. of the principal amount of Notes represented at a meeting of Noteholders will be able to block the passing of Extraordinary Resolutions.

Additionally, the existence of any such significant Noteholder may reduce the liquidity of the Notes in the secondary trading market.

***The Notes are complex instruments and may not be a suitable investment for all investors***

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. Furthermore, each potential investor in the Notes should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained in this Offering Circular;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes including where the currency for payment is different from the potential investor's currency;
- understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic and other factors that may affect its investment and its ability to bear the applicable risks.

A potential investor should not invest in the Notes unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

In addition, the investment activities of certain investors may be subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent: (i) the Notes constitute legal investments for it; (ii) the Notes can be used as collateral for various types of borrowing; and (iii) other restrictions apply to any purchase or pledge of any Notes by the investor. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules and regulations.

### ***Market price of the Notes***

The market price of the Notes may fluctuate due to various factors, including investor perceptions, Australian and worldwide economic conditions, better rates of return on other securities, interest rates, inflation rates, movements in foreign exchange rates, impacts of regulatory change, changes in the laws relating to the availability of franking, movements in the market price of Ordinary Shares or senior or subordinated debt, the Issuer's financial performance and position, as a result of information disclosed to the market by the Issuer in order to comply with its continuous disclosure requirements and other factors that may affect that performance and position. The Notes may trade at a market price below the face value. There is no guarantee that the Notes will remain continuously quoted on the SGX-ST.

Markets may be volatile. For example, the COVID-19 pandemic brought about a period of volatility from 2020. While the impact of the pandemic has subsided since, the ongoing conflicts between Russia and Ukraine and between Israel and Gaza, together with resulting spikes in energy prices and inflation, have contributed to this volatility. Volatility risk is the potential for fluctuations in the price of securities and liquidity, sometimes markedly and over a short period. Potential investors should carefully consider the impact of volatility risk on the potential market price of the Notes before deciding whether to make an investment in the Notes.

Noteholders who wish to sell or otherwise transfer their Notes may incur loss if the Notes trade at a market price below the amount for which the Notes were acquired by those Noteholders.

### ***Lack of a public market for the Notes***

The Notes are a new issue of securities for which there is currently no established trading market when issued, and one may never develop. Approval in-principle has been received from the SGX-ST for the listing and

quotation of the Notes on the SGX-ST. However, there can be no assurance that the Issuer will be able to maintain such a listing or that, if listed, a trading market will develop for the Notes on the SGX-ST. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Illiquidity may have an adverse effect on the market value of Notes.

If an active trading market were to develop, the Notes could trade at a price that may be lower than the initial offering price of the Notes. Whether or not the Notes will trade at lower prices depends on many factors, including:

- prevailing interest rates and the market for similar securities;
- general economic, market and political conditions;
- the Group's financial condition, financial performance and future prospects as well as the market price and volatility of the Ordinary Shares;
- the publication of earnings estimates or other research reports and speculation in the press or investment community in relation to the Issuer or the Group; and
- changes in the industry and competition affecting the Group.

***The Notes will be unsecured obligations and will rank behind the claims of the Group's secured creditors and payments under the Notes will be structurally subordinated to liabilities and obligations of the subsidiaries of the Group***

The Notes will constitute direct, unconditional, unsubordinated and (subject to Condition 2 of the Terms and Conditions of the Notes) unsecured obligations of the Issuer ranking *pari passu* and rateably, without any preference among themselves. Neither the Trust Deed nor the Terms and Conditions of the Notes will create any security interest in favour of Noteholders to secure the payment obligations of the Issuer arising under the Notes. The payment obligations of the Issuer under the Notes will rank at least equally with all its other existing and future unsecured and unsubordinated obligations, save for such obligations that may be preferred by provisions of law that are mandatory and of general application. The repayment of the Notes may be compromised if:

- the Group enters into bankruptcy, liquidation, rehabilitation or other winding-up proceedings;
- there is a default in payment under the Group's future secured indebtedness or other unsecured indebtedness; or
- there is an acceleration of any of the Group's indebtedness.

If any of the above events occurs, the Group's assets may not be sufficient to pay amounts due on the Notes.

In addition, potential investors should be aware that in the event of bankruptcy, liquidation, reorganisation or other winding up procedures, any of the Group's assets which are the subject of a valid security arrangement in favour of a secured creditor will be only available to pay obligations on the Notes after such secured indebtedness has been repaid in full, and the assets of the relevant subsidiaries will be only available to pay obligations on the Notes after all such relevant indebtedness and other liabilities (including trade payables) and any preferred equity of such subsidiaries have been repaid in full. As a result, the Group may not have sufficient assets remaining to pay amounts due on any or all of the Notes which are outstanding at the time of such bankruptcy, liquidation, reorganisation or other winding up procedures and the Noteholders may receive less, rateably, than holders of any current or future accrued indebtedness. Save for and subject to the negative pledge covenant under Condition 2 of the Terms and Conditions of the Notes, the Trust Deed and the Terms and Conditions of the Notes also do not prohibit the Issuer or its Subsidiaries (as defined in Condition 3 of the Terms

and Conditions of the Notes) from incurring additional senior debt or secured debt, nor do they prohibit any of the Group's current and future subsidiaries from incurring additional indebtedness or other liabilities (including trade payables) or issuing preferred equity. The Group may in the future have other liabilities, including contingent liabilities, which may be significant.

***The Cash Settlement Amount payable to investors will be subject to market price volatility during the 60 dealing day calculation period***

Upon exercise of a Conversion Right, the conversion of the Notes will be settled by delivery of Ordinary Shares unless the Issuer elects to pay the relevant Cash Settlement Amount instead by:

- providing a Cash Settlement Election Notice to the relevant Noteholder during the Initial Conversion Period; or
- electing to pay the relevant Cash Settlement Amount in the Final Conversion Period Determination.

The Cash Settlement Amount will be calculated using the average of the volume weighted average price of the Ordinary Shares over 60 consecutive dealing days. During the Initial Conversion Period, the Cash Settlement Amount will be calculated from the second Dealing Day following the relevant Conversion Date. As such, an investor will need to wait for the calculation period to be completed before receiving any payment of the Cash Settlement Amount. The calculation of the Cash Settlement Amount will be affected by share price movements and volatility during this 60 dealing day period. In the case of a Conversion Notice being delivered by an investor after a redemption notice being delivered pursuant to Condition 7, the relevant Cash Settlement Amount may be paid after the relevant Redemption Date of the Notes.

In addition, the concept of Dealing Day will exclude trading days (being days which the Relevant Stock Exchange is usually open for business for the entire duration of its regular trading hours) on which there is a market disruption event, which includes either trading disruptions, exchange disruptions or other events which cause the Relevant Stock Exchange to close, or be scheduled to close, prior to its regular closing time. The occurrence of each of these events may extend the Cash Settlement Calculation Period and delay the time at which an investor will be paid the relevant Cash Settlement Amount. During the Final Conversion Period, it is possible that the Cash Settlement Amount will be paid after the Final Maturity Date of the Notes if there are a number of market disruption events during the Cash Settlement Calculation Period.

Refer also to the risk factor entitled “*Noteholders will bear the risk of fluctuation in the price of the Ordinary Shares*”.

***Market price and liquidity of Ordinary Shares***

The Notes may be converted into Ordinary Shares as described in “*The Offering*” of this Offering Circular and the Terms and Conditions of the Notes, but there is no guarantee that this will necessarily occur. Conversion may be disadvantageous in light of market conditions or not suit the individual circumstances and preferences of Noteholders.

Where the Notes are converted, there may be no liquid market for Ordinary Shares at the time of conversion, or the market for Ordinary Shares may be less liquid than that for comparable securities issued by other entities at the time of conversion.

The market price of Ordinary Shares may go up or down due to various factors, including Australian equity markets, recommendations by brokers and analysts, investor perceptions, interest rates and inflation, Australian and worldwide economic conditions, changes in government, fiscal and monetary policy, global and geopolitical events, hostilities and acts of terrorism, the Issuer's financial performance and position, impacts of regulatory change (including product intervention by ASIC in the market for the Notes or similar securities), as a result of information disclosed to the market by the Issuer in order to comply with its continuous disclosure



requirements and other factors that may affect that performance and position, and may also be affected by the actual or prospective conversion of the Notes. The value of Ordinary Shares received upon conversion of a Note may be less than the face value of the Note. Holders receiving Ordinary Shares on conversion may not be able to sell those Ordinary Shares at the price on which the conversion calculation was based, or at all.

Certain events and conditions may affect the ability of Noteholders to trade or dispose of any Ordinary Shares issued on conversion. For example, the willingness or ability of ASX to accept Ordinary Shares issued on conversion for quotation or any practical issues which affect that quotation, any suspension of trading of Ordinary Shares, any disruption to the market for Ordinary Shares or to capital markets generally, the availability of purchasers for Ordinary Shares and any costs or practicalities associated with trading or disposing of Ordinary Shares at that time.

The Ordinary Shares held by a Noteholder as a result of any conversion will, following conversion, rank equally with existing Ordinary Shares. Accordingly, the ongoing value of any Ordinary Shares received upon conversion will depend upon the market price of Ordinary Shares after the date on which the Notes are converted. That market price is also subject to the factors outlined above and may also be volatile.

***Dividends may not be paid to Noteholders***

Payment of any dividends on Ordinary Shares issued on conversion of the Notes is at the discretion of directors of the Issuer. Noteholders whose Notes are converted after the record date for a dividend will have no entitlement to that dividend.

Directors may only declare or determine a dividend if there are funds legally available to pay dividends. The amount of future dividends actually paid will be determined by the board of directors of the Issuer having regard, amongst other things, to the Group's operating results, financial position, available franking credits and the covenant restrictions or consent requirements under its third party finance facilities referred to above. A change in dividend policy or dividend levels may impact the market value of the Notes.

The Notes will not be entitled to participate in any dividends on the Ordinary Shares.

***Noteholders will bear the risk of fluctuation in the price of the Ordinary Shares***

The trading price of the Ordinary Shares will directly affect the trading price of the Notes. It is impossible to predict whether the price of the Ordinary Shares will rise or fall. This may result in greater volatility in the market price of the Notes than would be expected for non-convertible debt securities. The market price of a publicly traded stock is affected by many variables not directly related to the success or the performance of the Group.

There are various risks associated with investing in any form of business and with investing in the stock market generally. The value or trading price of the Ordinary Shares will depend upon the general stock market and economic conditions as well as other factors including, but not limited to, the Issuer's credit quality, operating results, economic and financial prospects and other factors. In addition, the price of the Ordinary Shares is also subject to varied and often unpredictable influences on the market for equities, including, but not limited to:

- general economic conditions, including the performance of the Australian dollar and commodities on world markets;
- inflation rates, foreign exchange rates and interest rates;
- changes to government policy, legislation or regulation;
- industrial disputes; and
- general operational and business risks.

There is no guarantee of profitability, dividends, return of capital, or the price at which the Ordinary Shares will trade on the ASX if the Notes are converted and settled by issuing Ordinary Shares (i.e. if the Issuer does not elect to settle in cash). The past performance of the Ordinary Shares is not a reliable indicator of future performance as the trading price of shares can fluctuate.

***Noteholders have limited anti-dilution protection***

The Conversion Price will be adjusted in the event that there is a consolidation, reclassification, redesignation or subdivision in relation to the Ordinary Shares which alters the number of Ordinary Shares on issue, or if the Issuer undertakes rights offerings and equity issuances at a price per Ordinary Share less than 95.00 per cent. of the then Current Market Price (as defined in Condition 3 of the Terms and Conditions of the Notes) per Ordinary Share, where the Issuer pays a Dividend (as defined in Condition 3 of the Terms and Conditions of the Notes) in excess of A\$0.16 per Ordinary Share, and where other analogous dilutive events occur, but only in the circumstances and only to the extent provided in the Terms and Conditions of the Notes (see Condition 6(e) of the Terms and Conditions of the Notes). There is no requirement that there should be an adjustment for every corporate or other event that may affect the value of the Ordinary Shares. In particular, there is no Conversion Price adjustment for Ordinary Shares issued pursuant to any Employee Share Scheme (as defined in Condition 6(h) of the Terms and Conditions of the Notes). There is no threshold above which the issue of Ordinary Shares pursuant to an Employee Share Scheme would result in a change in the Conversion Price. Such events, should they occur, may adversely affect the value of the Ordinary Shares and, therefore, where no adjustment is required to be made, may adversely affect the value of the Notes.

***Notes may be redeemed involuntarily or compulsorily acquired in certain circumstances***

The Notes may be involuntarily redeemed or acquired from a Noteholder in certain situations. For example, where at least 85.00 per cent. of the Notes have been converted or redeemed, the Issuer may redeem the balance of the Notes still outstanding for their face value on giving not less than 30 and not more than 60 calendar days' notice to Noteholders. By giving this same period of notice, all of the Notes may also be redeemed at the principal amount, together with any accrued but unpaid interest up to (but excluding) the Redemption Date, as a result of any change in or amendment to the relevant tax laws or regulations where the Issuer becomes obligated to pay any additional amounts in respect of payments on the Notes. Noteholders have a right to non-redemption by giving up their right to be grossed-up. A person who satisfies section 664A of the Corporations Act may also compulsorily acquire all outstanding Notes for cash consideration.

***There is an absence of covenant protection for the Notes***

Other than as described herein, the Trust Deed will not limit the Issuer's ability to incur additional debt or liabilities (including secured indebtedness). The Trust Deed will not contain any provision specifically intended to protect holders of the Notes in the event of a future leveraged transaction by the Issuer (other than secured capital markets transactions in the circumstances described in the Terms and Conditions of the Notes).

The Issuer may in future incur further indebtedness and other liabilities. The Issuer has provided, and may in the future provide, guarantees and/or indemnities in respect of such liabilities.

***Although the Issuer will decrease the Conversion Price if a Noteholder exercises its right to redeem its Notes during a Change of Control Period, the decrease may not adequately compensate a Noteholder for the option value that such Noteholder may lose as a result of the relevant Change of Control***

If a Change of Control occurs and a Noteholder exercises its right to require conversion of its Notes during the Change of Control Period for such Change of Control, the Issuer will decrease the Conversion Price applicable to such Noteholder's Notes. The amount by which the Issuer will decrease the Conversion Price during a Change of Control Period will be determined based on the number of days from the first day of the Change of Control Period to the day before the Maturity Date. Although the adjustment to the Conversion Price is intended to compensate such Noteholder for the option value that such Noteholder will lose as a result of a Change of

Control, the decrease in the Conversion Price is based on a pre-set formula that does not account for many of the factors that will determine the amount of option value that such Noteholder will lose upon the occurrence of a Change of Control. For example, although the formula that determines the decrease in the Conversion Price generally accounts for any time value the Noteholder may lose, the formula does not account for any change in the volatility of the Ordinary Shares that may occur upon a Change of Control or whether the market price of the Ordinary Shares at the time the Change of Control occurs is near the Conversion Price of the Notes.

***The Issuer may be unable to redeem or repay the Notes when due***

In the event the Ordinary Shares cease to be listed on the ASX, a Noteholder may require the Issuer to redeem all of such Noteholder's Notes. The Issuer may also be required to redeem all or some only of such Noteholder's Notes following the occurrence of a Change of Control. Following acceleration of the Notes upon an Event of Default, the Issuer will be required to pay all amounts then due in accordance with Condition 10 of the Terms and Conditions of the Notes. Upon exercise of any Conversion Right, if the Issuer makes a Cash Settlement Election, the Issuer will be required to pay the relevant Cash Settlement Amount. Unless previously redeemed, converted or purchased and cancelled, the Issuer will be required to redeem the Notes at the Redemption Amount on 12 July 2029. The Issuer may not be able to redeem all or any of such Notes or pay all or any amounts due under the Notes if the Issuer does not have sufficient cash flows to do so. The Issuer cannot assure the Noteholders that, if required, it would have sufficient cash or other financial resources or would be able to arrange financing to redeem the Notes in cash.

***Notes carry no rights with respect to Ordinary Shares on account of holding Notes***

Noteholders will have no rights with respect to the Ordinary Shares on account of holding Notes, including any voting rights or rights to receive any regular dividends or other distributions with respect to the Ordinary Shares, save as set out in the Terms and Conditions of the Notes.

Upon conversion of the Notes into Ordinary Shares (i.e. where the Issuer has not made an election to settle in cash), these holders will be entitled to exercise the rights of holders of the Ordinary Shares only as to actions for which the applicable record date occurs after the date of conversion.

***Short selling of the Ordinary Shares by purchasers of the Notes could materially and adversely affect the market price of the Ordinary Shares***

The issuance of the Notes may result in downward pressure on the market price of the Ordinary Shares. Many investors in convertible Notes seek to hedge their exposure in the underlying equity securities, often through short selling the underlying equity securities or similar transactions. Any short selling or similar hedging activity could place significant downward pressure on the market price of the Ordinary Shares, thereby having a material adverse effect on the market value of the Ordinary Shares as well as on the trading price of the Notes.

***Future issuances of Ordinary Shares or equity-related securities may depress the trading price of the Ordinary Shares***

Any issuance of the Issuer's equity securities after the offer of the Notes could dilute the interest of the existing shareholders and could substantially decrease the trading price of the Ordinary Shares. The Issuer may issue equity securities in the future for a number of reasons, including to finance its operations and business strategy (including in connection with acquisitions, strategic collaborations or other transactions), to adjust its ratio of debt to equity, to satisfy its obligations upon the exercise of outstanding warrants, options or other convertible notes or for other reasons. The issuance of a substantial number of Ordinary Shares or other equity-related securities in the public market (or the perception that such sales may occur) could depress the market price of the Ordinary Shares and impair the Issuer's ability to raise capital through the issuance of additional equity securities. There is no restriction on the Issuer's ability to issue further unsecured notes or the ability of any of the Issuer's shareholders to dispose of, encumber or pledge the Ordinary Shares, and there can be no assurance that the Issuer will not issue further unsecured notes or that the Issuer's shareholders will not dispose of,

encumber or pledge the Ordinary Shares. The Issuer cannot predict the effect that future issuance of the Ordinary Shares or other equity-related securities would have on the market price of the Ordinary Shares. In addition, the price of the Ordinary Shares could be affected by possible sales of the Ordinary Shares by investors who view the Notes as a more attractive means of obtaining equity participation in the Issuer and by hedging or engaging in arbitrage trading activity involving the Notes.

***The Trustee may request Noteholders to provide an indemnity and/or security and/or prefunding to its satisfaction***

In certain circumstances (including without limitation the giving of notice to the Issuer pursuant to Condition 10 of the Terms and Conditions of the Notes and the taking of steps and/or actions and/or the instituting of any such proceedings pursuant to Condition 15 of the Terms and Conditions of the Notes), the Trustee may (at its sole discretion) request Noteholders to provide an indemnity and/or security and/or prefunding to its satisfaction before it takes any steps and/or actions and/or institutes any such proceedings on behalf of Noteholders. The Trustee shall not be obliged to take any such steps and/or actions and/or to institute any such proceedings if not first indemnified and/or secured and/or prefunded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or prefunding can be a lengthy process and may impact on when such steps and/or actions can be taken and/or when such proceedings can be instituted. The Trustee may not be able to take steps and/or actions and/or institute any such proceedings, notwithstanding the provision of an indemnity and/or security and/or pre-funding to it, in breach of the terms of the Trust Deed or the Terms and Conditions of the Notes and in such circumstances, or where there is uncertainty or dispute as to the applicable laws or regulations, to the extent permitted by the Trust Deed and the Terms and Conditions of the Notes and applicable laws and regulations, it will be for the Noteholders to take such steps and/or actions and/or institute any such proceedings directly.

***Modifications and waivers***

The Terms and Conditions of the Notes will contain provisions for calling meetings of the Noteholders to consider matters affecting their interests generally. These provisions will permit certain majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting (provided quorum is met) or participate in the electronic consent or written resolution and Noteholders who voted in a manner contrary to the majority.

The Terms and Conditions of the Notes will also provide that the Trustee may (but shall not be obliged to), without the consent of Noteholders, agree to (i) any modification of any of the provisions of the Trust Deed, any trust deed supplemental to the Trust Deed, the Agency Agreement, any agreement supplemental to the Agency Agreement, the Calculation Agency Agreement, any agreement supplemental to the Calculation Agency Agreement, the Notes or these Conditions which in the Trustee's opinion is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of law and (ii) any other modification to the Trust Deed, any trust deed supplemental to the Trust Deed, the Agency Agreement, any agreement supplemental to the Agency Agreement, the Calculation Agency Agreement, any agreement supplemental to the Calculation Agency Agreement, the Notes or the Terms and Conditions of the Notes (except as mentioned in the Trust Deed) which is, in the opinion of the Trustee, not materially prejudicial to the interests of the Noteholders.

In addition, the Trustee may, without the consent of the Noteholders, authorise or waive any breach or proposed breach of the provisions of the Trust Deed, any trust deed supplemental to the Trust Deed, the Agency Agreement, any agreement supplemental to the Agency Agreement, the Calculation Agency Agreement, any agreement supplemental to the Calculation Agency Agreement, the Notes or the Terms and Conditions of the Notes (other than a proposed breach or a breach relating to the subject of certain reserved matters) if, in the opinion of the Trustee, the interests of the Noteholders will not be materially prejudiced thereby.

***The insolvency laws of Australia and other local insolvency laws may differ from those of another jurisdiction with which the Noteholders are familiar***

As the Issuer is incorporated under the laws of Australia, any insolvency proceedings relating to the Issuer would involve Australian insolvency laws. The procedural and substantive provisions of Australian insolvency law may differ from comparable provisions of the insolvency laws of jurisdictions with which the Noteholders are familiar.

***The Issuer may issue additional Notes in the future***

The Issuer may, from time to time, and without prior consultation with or consent from the Noteholders, create and issue further securities having the same terms and conditions as the Notes in all respects (or in all respects except for the issue date, the first payment of interest on them and the first date on which Conversion Rights may be exercised) or otherwise raise additional capital through such means and in such manner as it may consider necessary. There can be no assurance that such future issuance or capital raising activity will not adversely affect the market price of the Notes.

***Developments in other markets may adversely affect the market price of the Notes***

The market price of the Notes may be adversely affected by declines in the international financial markets and world economic conditions. The market for the Notes is, to varying degrees, influenced by economic and market conditions in other markets. Although economic conditions are different in each country, investors' reactions to developments in one country can affect the securities markets and the securities of issuers in other countries. Since the sub-prime mortgage crisis in 2008, the international financial markets have experienced significant volatility. If such volatility occurs in the international financial markets in the future, the market price of the Notes could be adversely affected.

***The Notes are subject to changes of law***

The Terms and Conditions of the Notes will be governed by English law. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the Notes. The Issuer must also comply with various legal requirements including requirements imposed by securities laws and company laws in Australia. Should any of those laws change over time, the legal requirements to which the Issuer may be subject could differ materially from current requirements.

***Noteholders may be adversely affected by changes in taxation laws***

Changes in taxation laws in Australia or in the jurisdiction in which the Noteholders reside may adversely affect the tax treatment of an investment in the Notes or the holding and disposal of the Notes. Noteholders should consult their tax advisors or relevant professionals if they are in any doubt as to the tax treatment of an investment in the Notes or the holding and disposal of the Notes.

***Regulatory actions may adversely affect the trading price and liquidity of the Notes***

Investors in, and potential purchasers of, the Notes may employ, or seek to employ, a convertible arbitrage strategy with respect to the Notes. Investors that employ a convertible arbitrage strategy with respect to the Notes that do not rely solely on derivative hedging arrangements like swaps, typically implement the strategy by selling short the securities underlying the Notes. As a result, any specific rules regulating short selling of securities or other regulatory action that interferes with the ability of investors in, or potential purchasers of, the Notes to effect short sales in the Ordinary Shares could adversely affect the ability of such investors in, or potential purchasers of, the Notes to conduct the convertible arbitrage strategy with respect to the Notes. This could, in turn, adversely affect the trading price and liquidity of the Notes.

***Securities law restrictions on the resale of the Notes and the Ordinary Shares to be issued upon conversion of the Notes may impact the Noteholder's ability to sell the Notes***

The Notes and the Ordinary Shares to be issued upon conversion of the Notes (i.e. where the Issuer has not made an election to settle in cash) have not been registered under the Securities Act or any state securities laws. Unless and until they are registered, the Notes and the Ordinary Shares to be issued upon conversion of the Notes may not be offered, sold or resold except pursuant to an exemption from registration under the Securities Act and applicable state laws or in a transaction not subject to such laws. The Notes are being offered and sold only to non-U.S. persons outside the United States in reliance on Regulation S under the Securities Act. The Issuer is not required to register the Notes or the Ordinary Shares to be issued upon conversion of the Notes under the Terms and Conditions of the Notes. Hence, future resales of the Notes and the Ordinary Shares to be issued upon conversion of the Notes may only be made pursuant to an exemption from registration under the Securities Act and applicable state laws or in a transaction not subject to such laws.

***The liquidity and price of the Notes following this offering may be volatile***

The price and trading volume of the Notes may be highly volatile. Factors such as variations in the revenues, earnings and cash flows of the Group and proposals of new investments, strategic alliances and/or acquisitions, interest rates and fluctuations in prices for comparable companies could cause the price of the Notes to change. Any such developments may result in large and sudden changes in the volume and price at which the Notes will trade. There can be no assurance that these developments will not occur in the future.

***The Notes will initially be represented by a Global Certificate and holders of a beneficial interest in the Global Certificate must rely on the procedures of the relevant Clearing System(s)***

The Notes will initially be represented by a Global Certificate. Such Global Certificate will be deposited with a common depositary for Euroclear and Clearstream (each of Euroclear and Clearstream, a “**Clearing System**”). Except in the circumstances described in the Global Certificate, investors will not be entitled to receive definitive Certificates in respect of their individual holdings of Notes. The relevant Clearing System(s) will maintain records of the beneficial interests in the Global Certificate. While the Notes are represented by the Global Certificate, investors will be able to trade their beneficial interests only through the Clearing Systems.

While the Notes are represented by the Global Certificate, the Issuer will discharge its payment obligations under the Notes by making payments to the common depositary for Euroclear and Clearstream for distribution to their account holders. A holder of a beneficial interest in the Global Certificate must rely on the procedures of the relevant Clearing System to receive payments under the Notes. The Issuer does not have any responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Certificate.

***Noteholders may be adversely affected by certain exchange rate risks and exchange controls***

The Issuer will make payments to Noteholders in Australian dollars. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the “**Investor's Currency**”) other than the Australian dollar. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Australian dollar or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls that could adversely affect an applicable exchange rate. An appreciation in the value of the Investor's Currency relative to the Australian dollar would decrease:

- the Investor's Currency-equivalent yield on the Notes;
- the Investor's Currency-equivalent value of the amounts payable on the Notes; and
- the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose exchange controls that could adversely affect the availability of a specified foreign currency at the time of payment of amounts on a Note. As a result, the payments received by investors may be adversely affected.

## **RISKS RELATING TO EACH CAPPED CALL OPTION TRANSACTION**

### ***Each Capped Call Option Transaction may affect the value of the Notes and Ordinary Shares***

In connection with the issuance and pricing of the Notes, the Issuer has entered into one or more Capped Call Option Transactions with one or more financial institutions (refer to the section entitled “*Description of the Capped Call Option Transactions*”).

Each Capped Call Option Transaction is expected generally to offset any cash payments the Issuer is required to make in excess of the principal amount of converted Notes and/or reduce or offset the potential dilution upon conversion of the Notes, as the case may be. If, however, the market price of Ordinary Shares, as calculated under the terms of a Capped Call Option Transaction, exceeds the Cap Price, the offset will be partial only. Each Capped Call Option Transaction is expected to involve options which, subject to certain future adjustments, are expected to achieve a substantially similar economic outcome to the future adjustments applicable to the Notes, and relate to a number of Ordinary Shares equivalent to the number of Ordinary Shares into which the Notes are convertible.

Each Capped Call Option Transaction can only be exercised once, and will expire, on its expiry date under the terms of the Capped Call Option Transaction, which is the Maturity Date. The relevant option will be automatically exercised on its expiry date unless the Issuer notifies the relevant Option Counterparty prior to the expiration time on such date that it does not wish for automatic exercise to apply. Each Capped Call Option Transaction will be settled in cash only and the Issuer will receive an amount of cash equal to the sum of the daily amount calculated as described below divided by 60 for each relevant date during the calculation period. For each relevant date, the daily amount is generally calculated under the terms of each Capped Call Option Transaction, by reference to (i) the lesser of the volume-weighted average price per Ordinary Share on that date and the Cap Price on that date, less (ii) the strike price of the Capped Call Option Transaction on that date, *provided that* such amount may never be less than zero. The calculation period is generally the period of the 60 consecutive Valid Days commencing on and including the 65th business day preceding the expiration date of the Capped Call Option Transaction, or the following Valid Day if such business day is not a Valid Day.

As part of establishing and maintaining their hedges in relation to a Capped Call Option Transaction, each Option Counterparty is expected to enter into various derivative transactions with respect to, and/or purchase, and/or sell, Ordinary Shares at its discretion. This activity could affect the market price of Ordinary Shares or the Notes otherwise prevailing at that time.

If a Capped Call Option Transaction is terminated in accordance with its terms, an Option Counterparty may unwind its hedge positions with respect to the Ordinary Shares, which could adversely affect the value of Ordinary Shares and the value of the Notes. Also, in each Capped Call Option Transaction, an additional termination event (which entitles the Option Counterparty to terminate the Capped Call Option Transaction) will occur if certain adjustment provisions in the Terms and Conditions of the Notes are amended, modified, supplemented or waived without prior written consent of the Option Counterparty, if an event of default with respect to the Issuer occurs under the Terms and Conditions of the Notes, or if the aggregate principal amount of the Notes outstanding falls to zero. Each Capped Call Option Transaction is also subject to adjustment mechanics and affords termination rights, which could lead to the termination of the Capped Call Option Transaction, for events such as: a range of merger and takeover events in respect of the Issuer, tender offers in respect of the Issuer, announcements by the Issuer or its affiliates or agents of: (i) bona fide transactions or events that if completed would constitute such a merger or takeover event or tender offer; (ii) an intention to

enter into such transactions; and (iii) changes to a bona fide transaction or intention of the kind described in (i) and (ii) which had been previously announced by the Issuer or its affiliates or agents, the nationalisation of the Issuer, delisting of the Ordinary Shares, insolvency events affecting the Issuer, changes in law, insolvency filings, disruptions to hedging arrangements, increased costs of hedging, and other events of default and termination events. Further, the Cap Price under a Capped Call Option Transaction may be adjusted to preserve the fair value of the Capped Call Option Transaction if the cash dividend(s) on the Ordinary Shares are less or greater than the Threshold Amount (as defined in Condition 6(e) of the Terms and Conditions of the Notes) for any relevant prescribed period under the terms of the Capped Call Option Transaction. The Cap Price under a Capped Call Option Transaction may also be adjusted upon the declaration by the Issuer of the terms of various specified events, including events that may have a diluting or concentrative effect on the theoretical value of the Ordinary Shares, under the terms of the Capped Call Option Transaction.

In addition, each Option Counterparty or its affiliates may modify its hedge positions by entering into or unwinding various derivatives with respect to the Ordinary Shares and/or by purchasing or selling Ordinary Shares or other securities of the Company in secondary market transactions following the pricing of the Notes and prior to the maturity of the Notes (and are likely to do so during any observation period related to a conversion of the Notes). This activity could also cause or avoid an increase or a decrease in the market price of the Ordinary Shares or the Notes, which could affect a Noteholder's ability to convert the Notes and, to the extent the activity occurs following conversion or during any observation period related to a conversion of Notes, it could affect the value of the consideration that a Noteholder will receive upon conversion of the Notes.

Further, the Issuer has the right on any day after a Capped Call Option Transaction is entered into to request that any part or whole of that Capped Call Option Transaction be unwound and the Option Counterparty is required to consider the request and may provide a proposed net amount required to be paid by the Option Counterparty to the Issuer if the Capped Call Option Transaction is to be so unwound on the date specified by the Option Counterparty. However, the Option Counterparty is not obliged to unwind the Capped Call Option Transaction in whole or in part as a result of any such request made by the Issuer and the terms of any actual early unwind of the Capped Call Option Transaction, including the net amount required to be paid, are to be agreed between the Issuer and the Option Counterparty at or shortly before the time of the actual early unwind.

Each Capped Call Option Transaction is a separate transaction (in each case that the Issuer separately enters into with each Option Counterparty), is not part of the Terms and Conditions of the Notes and will not change the Noteholders' rights under the Notes. A Noteholder will not have any rights with respect to any Capped Call Option Transaction.

The Group does not make any representation or prediction as to the direction or magnitude of any potential effect that the transactions described above may have on the price of the Notes or the Ordinary Shares. In addition, the Group does not make any representation that any Option Counterparty will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

***The Group is subject to counterparty risk with respect to each Capped Call Option Transaction***

Each Option Counterparty is a financial institution, and the Group will be subject to the risk that any or all of them might default under the respective Capped Call Option Transaction. The Group's exposure to the credit risk of an Option Counterparty will not be secured by any collateral. Past global economic conditions have resulted in the actual or perceived failure or financial difficulties of many financial institutions. If an Option Counterparty becomes subject to insolvency proceedings, the Issuer will become an unsecured creditor in those proceedings with a claim determined by reference generally to the Issuer's exposure at that time under the Capped Call Option Transaction with the Option Counterparty. The Issuer's exposure will depend on many factors but, generally, an increase in the Issuer's exposure will be correlated to an increase in the market price and in the volatility of Ordinary Shares. In addition, upon a default by an Option Counterparty, the Group may



suffer adverse tax consequences and more dilution than the Group currently anticipates with respect to Ordinary Shares. The Group can provide no assurances as to the financial stability or viability of any of the Option Counterparties. Further, the Issuer has the right on any day after a Capped Call Option Transaction is entered into to request that any part or whole of that Capped Call Option Transaction be unwound and the Option Counterparty is required to consider the request and may provide a proposed net amount required to be paid by the Option Counterparty to the Issuer if the Capped Call Option Transaction is to be so unwound on the date specified by the Option Counterparty. However, the Option Counterparty is not obliged to unwind the Capped Call Option Transaction in whole or in part as a result of any such request made by the Issuer and the terms of any actual early unwind of the Capped Call Option Transaction, including the net amount required to be paid, are to be agreed between the Issuer and the Option Counterparty at or shortly before the time of the actual early unwind. If there is an exercise of a Conversion Right in respect of one or more Notes during the Initial Conversion Period and the Option Counterparty does not agree to any request from the Issuer for an early unwind of the Capped Call Option Transaction, then the Issuer may not be entitled to a payment under the Capped Call Option Transaction at the same time as the Issuer is required to make a payment or deliver Ordinary Shares under the Notes, noting however that the Issuer will still be entitled to receive a payment (if applicable) from the Option Counterparty on the Maturity Date in accordance with and subject to the terms of the Capped Call Option Transaction.

***The Issuer may be subject to valuation changes on each Capped Call Option Transaction***

The Issuer is required to account for each Capped Call Option Transaction under the AAS. The transactions are highly complex arrangements, and judgement is required to determine the appropriate accounting treatment under AAS. It is expected that the instruments will be classified as derivative assets. Classification as a derivative asset will result in a requirement for fair value re-measurement of the instrument. The fair value of each Capped Call Option Transaction will be subject to the market price of Ordinary Shares and other market factors.

**The risks described above do not necessarily comprise all those faced by the Group and are not intended to be presented in any assumed order of priority.**

The investment referred to in this Offering Circular may not be suitable for all of its recipients. Investors are accordingly advised to consult an investment adviser before making a decision to subscribe for Notes.

## **USE OF PROCEEDS**

The net proceeds from the Offering will be approximately A\$293.3 million, after deduction of commissions, professional fees and other administrative expenses.

The Issuer intends to use the net proceeds from the Offering for general corporate purposes consistent with the Issuer's strategy and to fund the cost of the Capped Call Option Transactions.

## SUMMARY FINANCIAL INFORMATION

*The financial information below has been derived from, and should be read in conjunction with, the audited consolidated financial statements of the Group as at and for the financial years ended 31 July 2023 and 31 July 2022 (which includes the comparative consolidated financial statements of the Group as at and for the financial year ended 31 July 2021) and the reviewed interim condensed financial statements of the Group as at and for the half year ended 31 January 2024 (which includes the comparative reviewed interim condensed financial statements of the Group as at and for the half year ended 31 January 2023). Copies of these financial statements can be obtained from the ASX at [www.asx.com.au](http://www.asx.com.au) or the Group's website at <https://newhopegroup.com.au/investor-center/>.*

*Investors should note that past performance is not a reliable indicator of future performance. Refer to the risk factor entitled "The Group's historical consolidated financial information may not be indicative of its future results of operations"*

### Consolidated Statement of Comprehensive Income

The following table sets out the Group's consolidated statement of comprehensive income for the financial years ended 31 July 2023, 31 July 2022 (including the comparatives for the financial year ended 31 July 2021) and the interim condensed financial statements of the Group as at and for the half year ended 31 January 2024 (which includes the comparative interim condensed financial statements of the Group as at and for the half year ended 31 January 2023).

	Derived from audited financial statements for the year ended 31 July <sup>(1)</sup>			Derived from reviewed interim condensed financial statements for the half year ended 31 January <sup>(2)</sup>	
	2021	2022	2023	2023	2024
	(A\$ million)				
Revenue from Continuing Operations .....	1,048.2	2,552.4	2,754.5	1,581.9	856.6
Other income .....	5.7	6.0	39.8	10.2	6.4
Cost of Sales <sup>(3)</sup> .....	(658.7)	(984.6)	(952.4)	(518.0)	(418.5)
Marketing and Transportation.....	(198.2)	(115.3)	(95.0)	(53.5)	(44.7)
Administration <sup>(3)</sup> .....	(12.3)	(16.3)	(56.8)	(17.5)	(26.7)
Other Expenses .....	(2.6)	(9.8)	(66.6)	(42.1)	(2.2)
Financing Expenses .....	(26.7)	(26.7)	(14.2)	(8.1)	(5.6)
Impairments of Assets .....	(44.7)	(5.0)	(64.2)	-	(1.1)
<b>Profit / (Loss) before Income Tax from Continuing Operations.....</b>	<b>110.7</b>	<b>1,400.6</b>	<b>1,545.0</b>	<b>952.8</b>	<b>364.1</b>
Income tax (expense) / tax benefit .....	(31.4)	(417.6)	(457.6)	(284.2)	(112.4)
<b>Profit / (Loss) after Income Tax from Continuing Operations.....</b>	<b>79.4</b>	<b>983.0</b>	<b>1,087.4</b>	<b>668.6</b>	<b>251.7</b>
Profit after Income Tax from Discontinued Operations .....	-	-	-	-	-
<b>Net Profit / (Loss) .....</b>	<b>79.4</b>	<b>983.0</b>	<b>1,087.4</b>	<b>668.6</b>	<b>251.7</b>
<b>Other Comprehensive Income / (Loss) for the Period, Net of Income Tax .....</b>	<b>(31.5)</b>	<b>(107.0)</b>	<b>260.8</b>	<b>112.1</b>	<b>(18.4)</b>
<b>Total Comprehensive Income .....</b>	<b>47.8</b>	<b>876.0</b>	<b>1,348.2</b>	<b>780.7</b>	<b>233.3</b>

Derived from audited financial statements for the year ended 31 July <sup>(1)</sup>			Derived from reviewed interim condensed financial statements for the half year ended 31 January <sup>(2)</sup>	
2021	2022	2023	2023	2024
(A\$ million)				

Notes:

- (1) 2021 information has been derived from the audited financial statements for the year ended 31 July 2022.
- (2) 2023 interim financial information has been derived from the reviewed financial statements for the half year ended 31 January 2024.
- (3) 2023 financial statements present reclassified comparative information for consistency with 2023 presentation.

### Consolidated Statement of Financial Position

The following table sets out the Group's consolidated statement of financial position as at 31 July 2023, 31 July 2022 and 31 July 2021 and the interim condensed financial statements of the Group as at and for the half year ended 31 January 2024.

	Derived from audited financial statements for the year ended 31 July <sup>(1)</sup>			Derived from reviewed interim condensed financial statements for the half year ended 31 January
	2021	2022	2023	2024
(A\$ million)				
<b>Current Assets</b>				
Cash and Cash Equivalents .....	424.7	715.7	730.7	296.1
Term Deposits .....	-	100.0	-	-
Receivables .....	123.3	502.0	207.3	173.5
Derivative Financial Instruments .....	9.7	-	92.7	90.2
Inventories .....	73.3	59.7	59.2	95.4
Current Tax Assets .....	-	-	-	10.6
Assets Classified as Held for Sale .....	10.1	-	-	94.8
Other Financial Assets .....	-	-	20.0	189.0
<b>Total Current Assets</b>	<b>641.1</b>	<b>1,377.4</b>	<b>1,109.8</b>	<b>949.5</b>
<b>Non Current Assets</b>				
Receivables .....	0.4	39.6	37.8	31.0

	Derived from audited financial statements for the year ended 31 July <sup>(1)</sup>			Derived from reviewed interim condensed financial statements for the half year ended 31 January
	2021	2022	2023	2024
	<i>(A\$ million)</i>			
Derivative Financial Instruments .....	-	1.4	28.5	3.6
Equity Investments .....	0.2	95.0	210.6	210.6
Property, Plant and Equipment .....	1,951.8	1,756.2	1,769.8	1,780.1
Intangible Assets .....	76.6	71.6	68.6	67.3
Exploration and Evaluation Assets .....	105.5	71.0	18.2	11.5
Deferred Tax Assets .....	0.2	14.8	-	-
<b>Total Non Current Assets .....</b>	<b>2,134.7</b>	<b>2,049.6</b>	<b>2,133.5</b>	<b>2,104.0</b>
<b>Total Assets .....</b>	<b>2,775.9</b>	<b>3,427.0</b>	<b>3,243.3</b>	<b>3,053.5</b>
<b>Current Liabilities</b>				
Account Payable .....	78.8	94.5	95.4	124.1
Derivative Financial Instruments .....	-	17.3	6.8	5.8
Borrowings .....	11.0	10.7	9.8	9.5
Current Tax Liabilities .....	24.5	379.5	219.5	-
Provisions .....	53.4	31.8	37.9	34.3
Financial Guarantee Liability .....	-	2.5	12.0	9.2
Unearned Revenue .....	-	0.9	1.3	-
Liabilities Directly Associated with Assets Held for Sale .....	-	-	-	50.6
<b>Total Current Liabilities .....</b>	<b>167.8</b>	<b>537.2</b>	<b>382.7</b>	<b>233.4</b>
<b>Non Current Liabilities</b>				
Borrowings .....	586.9	277.8	75.1	76.9
Derivative Financial Instruments .....	-	127.3	0.4	-
Provisions .....	274.6	166.4	162.3	132.0
Unearned Revenue .....	-	2.8	2.3	-
Deferred Tax Liabilities .....	-	-	99.1	109.5
<b>Total Non Current Liabilities .....</b>	<b>861.5</b>	<b>574.3</b>	<b>339.2</b>	<b>318.4</b>
<b>Shareholders' Equity</b>				
Contributed Equity .....	97.5	97.5	8.5	8.5

	Derived from audited financial statements for the year ended 31 July <sup>(1)</sup>			Derived from reviewed interim condensed financial statements for the half year ended 31 January
	2021	2022	2023	2024
	(A\$ million)			
Reserves.....	16.9	(89.2)	(42.6)	(60.3)
Retained Earnings.....	1,632.2	2,307.2	2,555.5	2,553.6
<b>Total Shareholders Equity .....</b>	<b>1,746.6</b>	<b>2,315.5</b>	<b>2,521.4</b>	<b>2,501.7</b>
<b>Total Liabilities &amp; Shareholders Equity .</b>	<b>2,775.9</b>	<b>3,427.0</b>	<b>3,243.3</b>	<b>3,053.5</b>

Note:

(1) 2021 information has been derived from the audited financial statements for the year ended 31 July 2022.

### Consolidated Statement of Cash Flows

The following table sets out the Group's consolidated statement of cash flows for the financial years ended 31 July 2023 and 31 July 2022 (which includes the comparatives for the financial year ended 31 July 2021) and the interim condensed financial statements of the Group as at and for the half year ended 31 January 2024 (which includes the comparative interim condensed financial statements of the Group as at and for the half year ended 31 January 2023):

	Derived from audited financial statements for the year ended 31 July <sup>(1)</sup>			Derived from interim condensed financial statements for the half year ended 31 January <sup>(2)</sup>	
	2021	2022	2023	2023	2024
	(A\$ million)				
<b>Cash Flows from Operating Activities</b>					
Receipts From Customers inclusive of GST ...	1,042.8	2,240.3	3,101.1	1,945.3	902.1
Payments to Suppliers and Employees inclusive of GST .....	(750.4)	(1,053.3)	(1,020.9)	(543.3)	(454.4)
Net Interest (Paid)/Received .....	(15.6)	(17.0)	18.5	9.0	10.5
Net Income Taxes (Paid)/Received.....	19.3	(31.3)	(539.4)	(429.5)	(329.4)
Payments for Legal Settlement .....	-	-	(51.0)	-	-
Reimbursement from Insurers.....	-	-	19.4	4.7	0.7
(Payments)/Refunds for Security Deposits .....	-	-	(2.9)	(2.9)	1.0
<b>Net Cash Inflow from Operating Activities</b>	<b>296.1</b>	<b>1,138.6</b>	<b>1,524.8</b>	<b>983.5</b>	<b>130.6</b>

	Derived from audited financial statements for the year ended 31 July <sup>(1)</sup>			Derived from interim condensed financial statements for the half year ended 31 January <sup>(2)</sup>	
	2021	2022	2023	2023	2024
<b>Cash Flows from Investing Activities</b>					
Payments for Property, Plant and Equipment	(49.9)	(65.4)	(175.3)	(59.4)	(146.2)
Payment for Exploration and Evaluation Activities .....	(10.8)	(12.5)	(11.7)	(7.7)	(2.7)
Payments for Equity Investment .....	-	(94.5)	-	-	-
(Investments in) / Proceeds from Term Deposits .....	-	(100.0)	100.0	-	-
Proceeds from Sale of Business .....	-	21.6	-	-	-
Proceeds from Sale of Property, Plant & Equipment .....	22.7	26.5	0.5	0.5	0.0
Proceeds from Sale of Land .....	-	-	8.2	-	-
(Payments) / Refunds for Security and Bond Guarantees .....	(4.8)	1.7	-	-	-
Payments for Other Financial Assets .....	-	-	(20.0)	-	(160.0)
Proceeds from Sale of Equity Investments .....	-	-	-	-	2.2
<b>Net Cash Outflow from Investing Activities</b>	<b>(42.8)</b>	<b>(222.5)</b>	<b>(98.3)</b>	<b>(66.6)</b>	<b>(306.7)</b>
<b>Financing Activities</b>					
Net Proceeds / (Repayments) of Borrowings ..	(50.0)	(310.0)	-	-	-
Repayment of Lease Liabilities .....	(13.9)	(10.2)	(10.0)	(3.4)	(4.9)
Net Proceeds from Convertible Notes .....	195.7	-	-	-	-
Share Buy-Back .....	-	-	(192.4)	(31.3)	-
Convertible Debt Buy-Back .....	-	-	(367.3)	(129.4)	-
Dividends Paid .....	(33.3)	(308.0)	(839.1)	(490.4)	(253.6)
<b>Net Cash (Outflow) / Inflow from Financing Activities .....</b>	<b>98.5</b>	<b>(628.1)</b>	<b>(1,408.9)</b>	<b>(654.5)</b>	<b>(258.5)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents .....</b>	<b>351.8</b>	<b>288.0</b>	<b>17.6</b>	<b>262.3</b>	<b>(434.6)</b>
<b>Cash and Cash Equivalents at the Beginning of the Period .....</b>	<b>70.4</b>	<b>424.7</b>	<b>715.7</b>	<b>715.7</b>	<b>730.7</b>
Foreign Exchange Rate Effect on Cash and Cash Equivalents .....	2.5	3.1	(2.7)	(6.8)	0.1
<b>Cash and Cash Equivalents at the End of the Period .....</b>	<b>424.7</b>	<b>715.7</b>	<b>730.7</b>	<b>971.2</b>	<b>296.1</b>

Notes:

(1) 2021 information has been derived from the audited financial statements for the year ended 31 July 2022.

- (2) 2023 interim financial information has been derived from the reviewed financial statements for the half year ended 31 January 2024.



## CAPITALISATION AND INDEBTEDNESS

### Capitalisation and Indebtedness of the Group

The following table sets forth the Group's cash and cash equivalents as well as capitalisation and indebtedness as of 31 January 2024 based on the Group's reviewed interim condensed financial statements as of 31 January 2024:

- (a) on an actual basis; and
- (b) on an "as adjusted" basis to reflect the:
  - (i) issuance of the Notes in this Offering, after deducting transaction costs incurred by the Issuer in relation to this Offering of approximately A\$293.3 million; and
  - (ii) assumption that the net proceeds from the Offering to be held as cash in the short-term. See the 'Use of Proceeds' section in this Offering Circular for more information.

### Pro forma consolidated statement of financial position

The following table sets out the Group's consolidated statement of financial position as of 31 January 2024 as well as the pro forma consolidated statement of financial position assuming the Offer occurred on 31 January 2024:

	As 31 January 2024	
	Actual	As Adjusted
	<i>(A\$ million)</i>	
Cash and Cash Equivalents <sup>(1)</sup> .....	296.1	589.4
<b>Cash, Cash Equivalents and Term Deposit .....</b>	<b>296.1</b>	<b>589.4</b>
<b>Current and Non-current Borrowings</b>		
Current Borrowings.....	9.5	9.5
Non-current Borrowings .....	76.9	76.9
Notes offered hereby (net of capitalised transaction costs) <sup>(2),(3)</sup> .....	-	293.3
<b>Total Borrowings .....</b>	<b>86.4</b>	<b>379.7</b>
<b>Shareholders Equity</b>		
Share Capital .....	8.5	8.5
Reserves .....	(60.3)	(60.3)
Retained Earnings .....	2,553.6	2,553.6
<b>Total Equity .....</b>	<b>2,501.7</b>	<b>2,501.7</b>
<b>Total Capitalisation and Indebtedness .....</b>	<b>2,711.4</b>	<b>2,711.4</b>

Notes:

- (1) Includes proceeds from the Offering. See the 'Use of Proceeds' section in this Offering Circular.

- (2) In accordance with Australian Accounting Standards, convertible debt that may be wholly or partially settled in cash is separated into a debt liability component and a derivative liability component. Over the expected term of the debt the debt component will accrete up to the principal amount due on redemption at the effective interest rate. The carrying value of the Notes included in the table above has been presented net of expected transaction costs. The accounting treatment does not affect the actual amount that may be repaid. The classification and measurement of the components of the Notes have not been completed as at the date of this Offering Circular and accordingly the amounts shown in the table above do not reflect the classification of the cash conversion feature separately as a derivative liability, nor the allocation of a portion of transaction costs to the derivative liability, which will be expensed immediately. The derivative liability will be measured at fair value each reporting period, with valuation changes processed through the Statement of Comprehensive Income.
- (3) The classification of the Notes and derivative liability have not been finalised as at the date of this Offering Circular. Accounting for such items is complex and there is a risk that the instruments may be classified as a current liability.
- (4) The Capped Call Option Transactions described in the section entitled “*Description of the Capped Call Option Transactions*” of this Offering Circular are expected to be accounted for on a net basis as a derivative asset on initial recognition. The derivative asset is not reflected in the above table. The derivative instrument will be re-measured at fair value at each reporting period, with valuation changes processed through the Statement of Comprehensive Income. The costs of the Capped Call Option Transactions will be paid for from the net proceeds of the Notes.

### Current equity capital

Description	No. of Ordinary Shares
Number of Ordinary Shares on issue as at 31 July 2023 .....	845,335,464
Number of Ordinary Shares issued between 1 August 2023 and the date of this Offering Circular .....	-
Number of Ordinary Shares on issue as at the date of this Offering Circular .....	845,335,464

### Options and performance rights

As at the date of this Offering Circular, there were no outstanding options.

As at the date of this Offering Circular, the Issuer has the following performance rights on issue:

Description	No. of Performance Rights
Number of performance rights on issue as at 31 July 2023.....	1,921,509
Number of performance rights issued between 1 August 2023 and the date of this Offering Circular .....	1,674,524
Number of performance rights lapsed/converted between 1 August 2023 and the date of this Offering Circular.....	(142,489)
Number of performance rights on issue as at the date of this Offering Circular .....	3,453,544

Performance rights	Number
<i>Vested</i>	

<b>Performance rights</b>	<b>Number</b>
<b>Total Vested</b> .....	nil
<b><i>Unvested</i></b>	
<b>Total Unvested</b> .....	3,453,544

#### **Existing Debt Facilities**

At the date of this Offering Circular, the Group had no outstanding debt facilities with outstanding borrowings consisting of lease related liabilities.

#### **Effects of the Notes on the Issuer**

See the “*Use of Proceeds*” section of this Offering Circular.

## BUSINESS OF THE GROUP

### Overview of the Business

Established in 1952, New Hope (ASX: NHC) is a thermal coal producer headquartered in Brisbane, Queensland with operations spanning New South Wales and Queensland in Australia. In addition to coal operations, New Hope also has business interests in port operations, oil and gas, and agriculture.

### Coal Portfolio

New Hope produced 7.2 million tonnes of saleable thermal coal during FY 2023. Bengalla and New Acland's thermal coal products are well-established in the seaborne market and actively sought by customers due to their high energy content, low sulphur and low ash specifications. A majority of coal produced in New Hope's operations is exported to customers across thermal coal import markets including Japan, Taiwan, South Korea and China.

New Hope's current coal portfolio comprises the following:

1. Bengalla Mine (80.00 per cent. owned by New Hope via the Bengalla Joint Venture), which is a tier one, low-cost thermal coal mine located in the Hunter Valley, New South Wales, Australia and where New Hope has approvals to mine up to 15 million tonnes of 'run-of mine' ("**ROM**") coal through to 2039 ("**Bengalla Mine**");
2. New Acland Mine (100 per cent. owned by New Hope), which is a thermal coal mine located in Acland, Queensland, Australia which is currently increasing production to five million tonnes per annum of product coal as part of its Stage 3 Expansion ("**New Acland Mine**");
3. Malabar Resources Limited (19.96 per cent. owned by New Hope), which is an unlisted public company whose flagship asset is the Maxwell Underground Mine, a metallurgical coal project located in the Hunter Valley, New South Wales, Australia ("**Malabar**");
4. Other exploration and development assets, which include, but are not limited to:
  - a. West Muswellbrook Project (100 per cent. owned by New Hope), which is located in the Hunter Valley, New South Wales, Australia in close proximity to Bengalla Mine ("**AL19**"); and
  - b. North Surat Project (100 per cent. owned by New Hope), which is located in the Surat Basin in Queensland, Australia.

### Other Operations

Other operations include:

5. Queensland Bulk Handling ("**QBH**") (100 per cent. owned by New Hope), which is a multi-user port facility located at the Port of Brisbane in Queensland with capacity to ship 12 million tonnes per annum of coal;
6. Pastoral Operations (100 per cent. owned by New Hope), which are farming, grazing and land management enterprises that operate on land surrounding Bengalla Mine and New Acland Mine, including rehabilitated land previously used for mining activities;
7. Bridgeport Energy (100 per cent. owned by New Hope), which is an oil and gas company with production, development and exploration assets located in the Cooper Basin, Surat Basin and Otway Basin in Australia and in respect of which New Hope is currently reviewing divestment opportunities; and

8. The former Jeebropilly mine in West Moreton, Queensland, Australia which is under rehabilitation and, in respect of which, New Hope is currently reviewing divestment opportunities.

### Company History

New Hope's key milestones are set out below. New Hope has a history of executing corporate transactions and responsible development and operation of mines and investments over its 70 year company history.

1952	Commenced operations in Ipswich, Queensland
1982	Commenced the West Moreton mining operations with the Jeebropilly Mine
1983	Acquired 50.00 per cent. interest in QBH
1989	Acquired interest in PT Adaro Indonesia
1995	Acquired the Rhonnda Collieries operation
1999	Acquired the Acland deposit and Oakleigh Collieries
2002	New Acland coal mine commissioned at an initial production rate of two million tonnes per annum (marketable coal)
2003	Listed on the ASX
2005	Sale of Indonesian operations in 2005 for U.S.\$406 million
2006	Established Acland Pastoral Company
2007	Acquired the remaining 50.00 per cent. interest in QBH
2008	Sale of interests in the New Saraji project to BMA for A\$2.45 billion
2010/2011	Divested Arrow Energy with a gain of A\$466 million realised
2011	Acquired interest in the Lenton Joint Venture
2011	Acquired Northern Energy Corporation – key tenements Elimatta, Yamala and Colton
2012	Acquired Bridgeport Energy – an emerging Australian oil and gas production development and exploration company
2014	Acquired North Surat joint venture (key tenements Taroom, Collingwood, Woori)
2016	Acquired 40.00 per cent. interest in the Bengalla thermal coal mine in the Hunter Valley
2017	The Lenton Joint Venture acquired Burton infrastructure (mining leases and assets) from Peabody
2018/2019	Acquired an additional 40.00 per cent. interest in Bengalla thermal coal mine to bring New Hope's total interest to 80.00 per cent.
2020	New management team appointed, corporate headquarters down-sized and re-structured.
2022	Sale of interest in Lenton/Burton Joint Venture
2022	Acquired 15.00 per cent. equity stake in Malabar Resources Limited
2023	Commenced mining operations at Stage 3 Expansion of New Acland Mine
2024	Acquired additional 4.90 per cent. equity stake in Malabar Resources Limited

### Key Strengths

New Hope's key strengths include:

- **Australian low-cost energy producer:** New Hope's principal asset is its 80.00 per cent interest in Bengalla Mine, a large scale, first quartile cost producer of thermal coal. New Acland Mine, which is currently increasing production, is also expected to be included in the lowest cost quartile once it reaches steady state operations. The low-cost nature of New Hope's key assets provides it with resilience to volatile commodity price environments, with further upside leverage compared to peers;
- **Global supplier of premium quality thermal coal:** Thermal coal produced by Bengalla Mine and New Acland Mine is highly sought by customers in Asia due to its high energy content, low sulphur and low ash specifications which result in lower emissions when used to generate power. As such, New Hope's thermal coal product is well suited for use at high-efficiency, low-emission coal power stations;
- **Strong balance sheet and free cash flow generation:** New Hope has maintained a conservative approach to capital management over its 70 year company history. This is supplemented with the potential to generate high levels of free cash flow in a wide range of market conditions due to the low-cost nature of New Hope's operations. As a result, New Hope has a strong track-record of providing dividends to shareholders;
- **Organic growth pipeline:** New Hope's growth outlook is largely linked to organic opportunities within its existing coal portfolio. New Hope's organic pipeline is cost effective, has low execution risk and ensures New Hope is not solely reliant on mergers and acquisitions for business growth;
- **Well positioned for inorganic growth:** New Hope has an extensive history of executing corporate transactions. Changes in attitudes towards coal mining and climate change are driving unprecedented changes in the ownership landscape for coal with operations previously viewed as flagship assets by major mining companies becoming available for purchase;
- **Experienced management team:** New Hope's Chief Executive Officer, Mr Robert Bishop, has over 20 years' experience in finance and executive leadership roles across the resources industry, including Chief Financial Officer at AMCI along with senior leadership roles at Vale Australia's coal division, prior to joining New Hope. Alongside Mr Bishop in the executive leadership team is Rebecca Rinaldi, Chief Financial Officer and Dominic O'Brien, Executive General Manager and Company Secretary, both of whom have extensive experience in the resources industry and senior management and executive roles; and
- **Rehabilitation expertise:** New Hope has established rehabilitation and pastoral operations to actively manage the progressive rehabilitation of land previously used by New Hope's mining operations. The rehabilitation portfolio forms a central aspect of the sustainability plan for mining operations through ensuring that mined land is rehabilitated and restored to productive agricultural uses or higher value land use opportunities such as alternate energy or other industrial development.

## Resources and Reserves

*The resources and reserves information below has been derived from, and should be read in conjunction with the 2023 Coal Resources and Reserves statement announced 19 September 2023, which can be obtained from the ASX at [www.asx.com.au](http://www.asx.com.au) or the Group's website at <https://newhopegroup.com.au/>.*

### Coal Resources and Reserves

The data in relation to Coal Resources and Reserves are as at 31 May 2023.

**Table 1: Coal Reserves as at 31 May 2023 (Million Tonnes)**

Deposit	Recoverable Reserves				Marketable Reserves			
	Status	Probable	Proved	Total	Total	Probable	Proved	Total
				2023	2022			2023
New Acland <sup>(1)</sup> .....	Mine	121	245	366	366	66	134	200
Elimatta .....	Exploration	26	86	112	112	16	56	72
Bengalla <sup>(2)</sup> .....	Mine	45	121	167	183	34	95	129
Taroom .....	Exploration	207	-	207	207	130	-	130
<b>Total</b> .....		<b>399</b>	<b>452</b>	<b>852</b>	<b>868</b>	<b>246</b>	<b>285</b>	<b>531</b>

Table 1 notes:

- (1) 260 Mt of Recoverable Reserves require additional approvals beyond Acland Stage 3.
- (2) Figures shown are 100 per cent. of total Reserves. New Hope Group share is 80.00 per cent.

**Table 2: Coal Resources as at 31 May 2023 (Million Tonnes)**  
(Coal Resources are Inclusive of the Reserves Reported above)

Deposit	Status	Inferred	Indicated	Measured	2023 Total	2022 Total
New Acland .....	Mine	16	193	285	494	494
Bengalla <sup>(1)</sup> .....	Mine	23	166	161	350	361
Elimatta .....	Exploration	43	86	110	239	239
Collingwood .....	Exploration	94	139	43	276	276
Taroom .....	Exploration	122	338	-	460	460
Woori .....	Exploration	42	67	-	109	109
<b>Total</b> .....		<b>340</b>	<b>989</b>	<b>599</b>	<b>1,928</b>	<b>1,939</b>

Table 2 notes:

- (1) Figures shown are 100 per cent. of total Resources. New Hope Group share is 80.00 per cent. The Resource number includes 76 Mt of Underground Resource.

The Coal Resources and Reserves set out in Tables 1 and 2 are as at 31 May 2023 and do not include Malabar (as Malabar is not consolidated for reporting purposes). Refer to the ASX announcement dated 19 September 2023 for further information. New Hope confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original publication. Information in this report that relates to Coal Resources and Reserves is based on and accurately reflects reports prepared by the Competent Person as follows:

- Coal Resources - Ms Carrie Schuler, who is a full-time employee of New Hope; and
- Coal Reserves - Mr Brett Domrow, who is a full-time employee of New Hope.

The Coal Resources and Reserves are the subject of a separate ASX announcement dated 19 September 2023. All Coal Resources and Reserves estimates are prepared and reported in accordance with the JORC Code.

New Hope is not aware of any events occurring up to the reporting date of the most recently published reports which will impact the Resources and Reserves as reported. The recently acquired AL19 and granted EL9431 assets (detailed further below) are at early exploration stage and the Group is yet to prepare Resources and Reserves information, in-line with JORC Code 2012 reporting standards, for these assets.

### ***Oil Reserves and Contingent Resources***

**Table 3: Oil Reserves and Contingent Resources**

	<b>2023</b>		<b>2022</b>	
<b>Reserves (net)</b>	<b>1P</b>	<b>2P</b>	<b>1P</b>	<b>2P</b>
Oil Barrels (Mboe).....	2,150	6,865	2,379	6,216
<b>Resources (net Contingent)</b>	<b>1C</b>	<b>2C</b>	<b>1C</b>	<b>2C</b>
Oil Barrels (Mboe) .....	6,761	12,308	6,139	10,951

Table 3 notes:

- (1) Mboe = thousand barrels of oil equivalent. A conversion from gas volume to oil equivalent (at 171,940 boe per PJ) was based on a standard industry metric.
- (2) Petroleum reserves have been prepared using principally deterministic methods, supported by field reservoir modelling where available.
- (3) Contingent resources (2C) have been estimated using a combination of deterministic assessments and probabilistic volumetric assessments.
- (4) Bridgeport aggregates reserves (1P and 2P) and contingent resources (2C) using arithmetic summation.
- (5) The economic assumptions used to evaluate each project are commercially sensitive. Reserves have been assessed as economic using discounted cash flow methods in compliance with PRMS guideline. Costs have been estimated using actual costs and reasonable estimates of forecast future costs. Oil prices have been forecast using reasonable estimates of future prices.
- (6) The reference points are at each field where crude oil is sold into a road tanker with IOR Petroleum, except for Cuisinier and Naccowlah where the reference point is at the Moomba plant inlet and Vali, which is the Moomba sales outlet.
- (7) Reserves reported include fuel consumed in operations at each field; totalling 115 1P and 557 2P Mboe in 2023 figures and totalling 210 1P and 570 2P Mboe in 2022 figures.
- (8) In accordance with the SPE-PRMS guidelines, only committed infill wells or similar projects are captured as 2P reserves.
- (9) As per the SPE-PRMS guidelines, 2C resources include; uncommitted infill drilling opportunities, discoveries that are contingent on development and enhanced recovery projects such as waterflood or CO2 miscible sweep.

The above oil reserves and contingent resources are the subject of separate ASX announcements dated 19 September 2023 and 20 September 2022.

### **Overview of Operations**

#### ***Bengalla Mine***

Bengalla Mine is owned and operated by New Hope (80.00 per cent.) in joint venture with Taiwan Power Company (20.00 per cent.). The Bengalla Mine is located in the upper Hunter Valley region of New South Wales, approximately 130 kilometres north-west of Newcastle and four kilometres west of Muswellbrook.



Bengalla is a large scale, open-cut mine which produced 9.0 million tonnes (100 per cent. basis) of thermal coal during FY 2023. Bengalla Mine uses a combined dragline and truck and excavator mining method. Coal is washed and processed at the onsite Coal Handling and Preparation Plant (“CHPP”), before being loaded onto trains to the Port of Newcastle where it is exported via Port Waratah Coal Services under long term port and rail contracts.

Bengalla Mine primarily produces high energy thermal coal with low ash, low sulphur and low total moisture which allows it to maximise energy content and minimise handling and use issues.

Mining at Bengalla was approved to operate in 1996 with an initial 21-year Development Consent which was renewed on 3 March 2015. The renewal extends the mine life through to 2039 and permits production of up to 15 million tonnes per annum on a ROM coal basis.

In 2022, the Bengalla Growth Project was approved by the Bengalla Joint Venture, which would increase ROM production from 12.5 million tonnes per annum to 13.4 million tonnes per annum whilst providing quality uplifts through CHPP upgrades. Bengalla Mine is currently well-progressed through the Growth Project, with the operation achieving the 13.4 million tonne per annum run rate in January 2024. The Bengalla Growth Project required A\$200 million of capital investment, which will be funded through operating cash flows over FY 2023 – FY 2026.

The Bengalla Mine has approval from the NSW Resources Regulator to carry out Assessable Prospecting Operations over EL 9431, an area of 556 hectares contiguous with the western boundary of Bengalla Mine. Drilling of EL9431 commenced in early May 2024, beginning with a series of coal quality boreholes.

### ***New Acland Mine***

New Hope’s wholly owned New Acland Mine is located in Queensland’s Darling Downs region, 14 kilometres north-northwest of the Oakey township and 150 kilometres from the Port of Brisbane.

Stage 1 of mining operations began at New Acland in 2002, with Stage 2 expansion being commissioned in 2007. In late 2021, final coal was extracted, Stage 2 mining operations ceased, and New Acland Mine was transitioned into care and maintenance as the approvals process for the Stage 3 Expansion continued. In late 2022, New Hope announced that the Queensland Government had granted the AWL related to the Stage 3 Expansion and therefore New Hope held all primary approvals required to resume mining operations.

On 1 May 2023, New Hope began mining operations in the Manning Vale East Pit, one of three pits comprising the Stage 3 Expansion, being Manning Vale East, Willeroo and Manning Vale West Pits.

On 16 May 2023, New Hope announced that the OCAA launched a new legal action against the Stage 3 Expansion by appealing to the Land Court of Queensland against the Queensland Government’s decision to grant an AWL. The Land Court of Queensland is yet to set dates for the hearing of the matter. Since May 2023, New Hope has continued the Stage 3 Expansion ramp-up with significant milestones achieved including first coal in September 2023, completion of the Lagoon Creek Crossing in February 2024 to enable access to Willeroo Pit, and commencement of mining activities in Willeroo Pit in March 2024 with top of coal reached in June 2024. New Hope has accelerated its ramp up plan execution through the advanced purchase of key equipment to increase mining activity and efficiencies in Manning Vale East and Willeroo Pits. In connection with the conduct of the AWL appeal proceedings, New Hope has agreed to delay the commencement of mining activities in the Manning Vale West Pit until the earlier of the Land Court’s decision and 1 June 2025. However, New Hope may undertake surface works, including building infrastructure, exploration and bore drilling on the site of the Manning Vale West Pit.

New Acland Mine is an open-cut thermal coal mine which utilises the truck and excavator mining method. Operations are currently ramping up to produce five million tonnes of coal per annum, expected by FY 2027.

Coal is washed and processed at the onsite processing plants, transported via truck to the Jondaryan rail load-out facility before being loaded onto trains to QBH for export predominately to Asian markets.

### ***Malabar Resources Limited***

Malabar Resources Limited is an unlisted public company whose flagship asset is the Maxwell Underground Mine, a metallurgical coal project located 10km south-west of Muswellbrook in the Hunter Valley region, New South Wales.

Maxwell Underground Mine project has an estimated mine life of more than 25 years with approximately 75 per cent. of its production being semi-soft coking coal, suitable for steel making, and the remainder being high quality thermal coal. Malabar is currently constructing the Maxwell Underground Mine which will utilise both bord and pillar, and longwall mining methods to produce approximately 6.0 million tonnes of coal per annum. Maxwell Underground Mine is expected to be a low quartile cost operation.

Mining leases for the Maxwell Underground Mine were granted in November 2021 and the project has received final state and federal approvals.

First coal from the Maxwell Underground Mine was produced in May 2023 with mine development work continuing as part of the project ramp up.

Malabar's other assets include the Maxwell solar farm project, Edderton solar farm project, Spur Hill exploration project and agricultural assets including the Merton Vineyard.

New Hope acquired a 15.00 per cent. equity stake in Malabar in July 2022, followed by an additional 4.90 per cent. equity stake in February 2024. New Hope currently own 19.96 per cent. in Malabar.

### ***West Muswellbrook Project (AL19)***

AL19 is an approximately 8,100-hectare assessment lease tenement located close to the western side of Bengalla Mine and proximate to the Maxwell Underground Mine in the Hunter Valley region of New South Wales. New Hope completed the acquisition of AL19 tenement together with a number of surface land titles from Idemitsu Australia in January 2024.

New Hope has initiated desktop studies on AL19 to identify potential exploration targets and understand potential target areas for future open-cut or underground mining opportunities. These studies include the preparation of an updated geological model, which will further outline coal volumes and quality across the tenement, and the determination of the existence of JORC Resources and Reserves, in-line with JORC Code 2012 reporting standards.

### ***North Surat Project***

The North Surat project is located 400km from the Port of Gladstone, Queensland and consists of four deposits (being Elimatta, Collingwood, Taroom and Woori) which were acquired by New Hope between 2011 and 2015 ("North Surat Project"). The Pre-Feasibility Study for the North Surat Project was completed during FY 2020. In aggregate, the North Surat Project has 1,084 million tonnes of total resources. However, the value of the North Surat Project has been fully impaired and its development is presently unlikely due to the lack of accessible rail transportation in the area.

### ***QBH***

QBH is 100 per cent. owned by New Hope and is a 12 million tonne per annum bulk handling export terminal strategically located at the Port of Brisbane. The terminal has been in operation since 1983 and has loading and port management systems that are available to operate 24 hours per day, seven days per week.

The majority of QBH's revenue is generated from long-term customer contracts indexed to inflation. Following the execution of lease agreements at the Port of Brisbane, QBH's lease now extends to 2042. QBH continues to be a high-performing and low-risk asset within New Hope's portfolio.

Ownership of QBH provides New Hope with shipping capacity for its New Acland Mine. QBH exported 2.0 million tonnes of coal during FY 2023, however is expected to increase throughput in line with the ramp-up of New Acland Mine. QBH has the capability and capacity to handle and ship other bulk products.

### ***Pastoral Operations***

New Hope established the Acland Pastoral Company ("APC") in 2006 and Bengalla Agricultural Company ("BAC") in 2019 as farming, grazing and land management enterprises to operate sustainable businesses on land surrounding and within current mining operations, including grazing activities on former mining areas rehabilitated by the New Acland Mine and Bengalla Mine. The portfolio consists of approximately 11,000 hectares of land, including 3,500 head of cattle, as well as 1,600 hectares of dryland cropping and 400 hectares of irrigated cropping. Cattle are generally bred and fattened on farm, with cattle backgrounded for feedlots or grown out as finished cattle. Crops produced include wheat, barley and sorghum for grain, with lucerne, rye, oats and pasture grasses/legumes for hay.

### ***Bridgeport Energy***

Bridgeport Energy ("Bridgeport") was acquired by New Hope in 2012 and is an oil and gas exploration and production company with assets in the Cooper Basin (Queensland and South Australia), Surat Basin (Queensland) and Otway Basin (Victoria) covering an area in excess of 15,000 km<sup>2</sup> (net of interest). Bridgeport produced 288,278 barrels of oil during FY 2023. Bridgeport is a non-core asset in respect of which New Hope is currently reviewing divestment opportunities.

### **Employees**

As at 31 May 2024, New Hope had 1,042 employees. The following table sets out the breakdown of full-time employees by functions as of 31 May 2024:

<b>Functions</b>	<b>Number of Employees</b>
Executives and General Managers .....	11
Managers.....	73
Professionals .....	139
Clerical and Administrative.....	26
Technicians, Trade & Machinery Operators.....	787
Labourers .....	6
<b>Total.....</b>	<b>1,042</b>

### **Corporate Governance**

The primary objective of the Board is to provide strategic guidance and oversight of management. The Board is ultimately responsible for, and has authority over, management of New Hope and its controlled entities. The Board has delegated to the Chief Executive Officer the authority over the day-to-day management of the Company, its subsidiaries and their respective operations.

The Company's Corporate Governance Statement can be accessed on the Company's website: <https://newhopegroup.com.au/corporate-governance/>.

## Risk Management

New Hope has an established risk management framework which is overseen by the Board of Directors and is embedded across the organisation. The framework assists the organisation to identify, classify, document, manage and report on the risks facing the Company. Each identified risk is tracked in a risk register and allocated to an accountable individual who is discharged with managing and reporting on the risk.

The perceived likelihood and potential consequence of each risk are used to determine the risk level, which in turn determines the actions required to manage the risk and reporting obligations. The risk management framework requires that all significant risks have a specific documented action plan, and that updates are provided to the Board of Directors on a periodic basis.

## Sustainability

New Hope strives to operate responsibly and to transparently disclose the Group's operational, environmental, social and governance ("ESG") impacts and metrics that underpin the Group's operations and activities. New Hope believes that its role is to safely, responsibly and efficiently operate New Hope's low-cost, long-life assets, while demand for coal used to generate energy continues. This is underpinned by a proposition that companies that responsibly manage operational impacts on the environment, people and communities are the most appropriate operators to produce the coal required through the energy transition.

New Hope conducts regular stakeholder engagement about New Hope's sustainability objectives and performance consulting with key stakeholder groups including employees and contractors, suppliers, shareholders and joint venture holders, financiers and insurers, government agencies and regulators and industry associations. New Hope's sustainability approach, objectives and reporting are prepared with reference to Global Reporting Initiative standards, in particular coal sector specific standard GRI-12, and the Taskforce on Climate-related Financial Disclosures. New Hope's material sustainability focus areas and key content topics forming part of annual reporting in New Hope's Sustainability Report include:

- **Emissions, climate and Global Energy Transition:** greenhouse gas emissions, reducing greenhouse gas emissions, and climate resilience and transition;
- **Environment:** water stewardship, land use and biodiversity, closure and rehabilitation, and waste management and recycling;
- **Communities:** approach to community engagement, economic impact, first nations engagement, and air quality and noise;
- **People:** health, safety and wellbeing, attracting and retaining a diverse workforce, and workplace behaviours and escalating concerns; and
- **Responsible Business Conduct:** labour practices, anti-corruption, payments to government and public policy, privacy and cybersecurity, and compliance.

New Hope's Board oversees and is responsible for performance against the Group's business objectives, purpose, vision and values. The New Hope Board's Sustainability Committee assists the Board in meeting its responsibilities in relation to health and safety, wellbeing, environment, community and people matters. Responsibility for ESG actions across the business is cascaded through the Group's risk management and governance mechanisms.

## Health and Safety

New Hope will manage all its business operations in a manner which protects the health and safety of all employees, contractors and the public. The Company is committed to proactively pursue the elimination of

work related injuries and occupational illnesses in our workplaces. In doing so, New Hope complies with, or exceeds, all relevant laws and regulations.

As part of New Hope's Health and Safety policy, New Hope seeks to:

- identify, assess and manage risks to people and equipment;
- provide a safe and healthy workplace, with the required fit for purpose equipment and systems for work;
- provide the necessary training and resources to support the Health and Safety programs;
- actively monitor, investigate and report the Health and Safety performance;
- continually improve both the systems and performance through the involvement of New Hope employees;
- encourage all employees and contractors to take personal responsibility for both their own and their fellow employee's health and safety; and
- rely on mutual assistance, support, cooperation, and interaction amongst employees and contractors to achieve the health and safety objectives.

### **Litigation**

The Group may, from time to time, be subject to various legal proceedings and claims that are incidental to its ordinary course of business. An overview of the Group's current and ongoing legal disputes as at the date of this Offering Circular is outlined below.

#### ***New Acland Coal – AWL disputes***

On 15 May 2023, the Oakey Coal Action Alliance (“OCAA”) launched a new legal action in the Land Court of Queensland against New Acland Coal seeking to overturn the decision of the Queensland Department of Regional Development, Manufacturing and Water (“DRDMW”) to grant New Acland Coal an associated water licence (“AWL”). New Acland Coal has also sought amendment of two specific conditions of the AWL concerning mining a small area of basalt and final landform requirements, which is proceeding concurrently with the OCAA action.

On 14 July 2023, the OCAA filed a stay application in the Land Court seeking orders preventing New Acland Coal from carrying out mining activity impacting upon groundwater at New Acland Mine until the appeal to the grant of the AWL by the DRDMW is heard and determined by the Land Court. On 14 August 2023, the OCAA withdrew its stay application following discussions between both parties where New Acland Coal undertook to not commence the mining of overburden and coal from the yet to be developed Manning Vale West Pit until the earlier of the Land Court of Queensland decision and an agreed date (presently 1 June 2025). Resolving the stay application with the OCAA allowed New Acland Coal to commence mining coal from the Manning Vale East Pit, construct the Lagoon Creek Crossing to provide access to the Willeroo Pit, and commence mining of overburden and coal in the Willeroo Pit. While mining of overburden and coal in Manning Vale West Pit is restricted, New Acland Coal may undertake particular surface works, including building infrastructure, exploration and bore drilling on the site of the Manning Vale West Pit.

The Land Court is yet to set dates for the hearing of appeals to the grant of the AWL by the DRDMW. The Land Court may set aside the DRDMW decision to grant the AWL, with the effect that mining activities which interfere with underground water would be required to be ceased. The Land Court of Queensland may otherwise amend or replace the DRDMW decision to grant the AWL, with the effect of altering the conditions of the AWL, which may restrict or expand the nature and extent of mining activities within the operating mining pit areas at New Acland Mine. Alternatively, the Land Court may remit the matter back to the DRDMW to make a new

decision. New Acland Coal and OCAA have further rights of appeal against a decision of the Land Court of Queensland.

***New Acland Coal – Manning Vale West Pit historic mining dispute***

On 10 November 2023, the Queensland Conservation Council Limited (“QCCL”) served a complaint against New Acland Coal in the Magistrates Court of Queensland pursuant to the Justices Act 1886 (Qld), alleging unlawful conduct in relation to the historical mining of Manning Vale West Pit and seeking penalty orders and other pecuniary payment orders against New Acland Coal. New Acland Coal is defending the proceedings, and on 12 June 2024 filed an application for an order that the proceedings be struck out on several bases (including that the complaint is out of time, and the proceedings are frivolous and vexatious).

The Court is yet to set a date for the hearing of New Acland Coal’s strike-out application. If the complaint is not struck out, New Acland Coal will continue with its defence of the complaint.

## DIRECTORS AND MANAGEMENT

### Board of Directors

Brief profiles of the directors of the Issuer as at the date of this Offering Circular are as follows:

#### **Robert D. Millner AO**

*Non-Executive Chairman*

Robert D. Millner AO is Chairman of the associate company, Soul Patts. Mr Millner joined the Board of New Hope Corporation Limited on 1 December 1995 and was appointed Chairman on 27 November 1998. He has extensive experience in the investment industry. Mr Millner was included in the King's Honours List, announced 12 June 2023 for his services to business, to rugby union as an administrator and to the community through philanthropic contributions.

#### **Brent C.A. Smith**

*Non-Executive Director*

Brent C.A. Smith was appointed as a Non-Executive Director of the Company on 1 July 2024. Mr Smith is a senior finance and investments executive employed by Soul Patts with over 20 years' experience in leadership and management roles in the mining and energy sectors. Mr Smith holds a Bachelor of Business from the University of Technology Sydney and a Graduate Diploma of Applied Finance and Investment from the Financial Services Institute of Australasia.

#### **Jacqueline E. McGill, AO**

*Independent Non-Executive Director*

Jacqueline E. McGill AO was appointed as a Non-Executive Director of the Company on 22 June 2020. She is a highly accomplished Executive and Non-Executive Director with a career spanning over 30 years across a range of commodities.

Ms McGill is a Non-Executive Director of Mineral Resources Limited, Goldfields, 29Metals, the Royal Automobile Association of South Australia, and a trustee of Adelaide Festival Centre.

During her executive career, Ms McGill held senior leadership roles with BHP including leadership of BHP Mitsui Coal and Olympic Dam Corporation, as well as other senior leadership roles in BHP's copper, uranium, and iron ore divisions.

Ms McGill has a Bachelor of Science, an MBA and an honorary doctorate from Adelaide University. She is a graduate of the Australian Institute of Company Directors and was included in the 2020 Australia Day Honours List, recognising her services for diversity and inclusion.

#### **Thomas C. Millner**

*Non-Executive Director*

Thomas C. Millner joined the Board on 16 December 2015. Mr Millner is Director and Portfolio Manager of Contact Asset Management. He is also a former Non-Executive Director of Soul Patts having served from 2011 to 2023.

Mr Millner has over 20 years of experience within the financial services and funds management industry and over 10 years as a Director of Australian publicly listed companies. Mr Millner joined the Board of New Hope Corporation Limited in 2015.

He has a Bachelor of Industrial Design degree, a Graduate Diploma in applied Finance and is a Fellow of the Financial Services Institute of Australasia and Graduate of the Australian Institute of Company Directors.

### **Ian M. Williams**

*Independent Non-Executive Director*

Ian M. Williams was appointed as a Non-Executive Director of the Company on 1 November 2012.

Mr Williams is Chair of Lindsay Australia and NXT Building Group, a Director of National Group Corporation, Spicers Paper, Softbank Robotics Australia, Stoddard Group and Baseball Australia and Vice President of the Australia Japan Business Co-operation Committee.

Mr Williams is an experienced Non-Executive Director and was a partner of international law firms Herbert Smith Freehills and Ashurst for 20 years. Mr Williams holds Bachelor's degrees in laws and economics from Sydney University and a post Graduate Diploma from Oxford University in Politics, Philosophy and Economics. He is also a graduate from the Australian Institute of Company Directors and represented both Australia and Japan in rugby union.

Mr Williams has written extensively on Japan-Australia business and investment relationship and in 2016 was awarded Japanese Foreign Minister's Commendation for service to the Japan Australia relationship in business and sport.

### **Steven R. Boulton**

*Independent Non-Executive Director*

Steven R. Boulton joined the Board of New Hope Corporation Limited on 29 July 2022. He is an accomplished CEO and Board Director with more than 40 years of experience in infrastructure, investment/funds management and asset management sectors.

Mr Boulton has served on more than 20 boards during his career and is currently a Director of Tri-Star and Chairman of Sea Swift.

Mr Boulton has a Graduate Diploma in Applied Corporate Governance, a Bachelor of Business (Business Management & HR Management) degree and a Master of Technology Management. Mr Boulton is a Fellow of the Australian Institute of Company Directors, the Governance Institute of Australian and Australian Institute of Managers and Leaders. He is also a Certified Professional of the Australian Human Resources Institute.

### **Lucia A. Stocker**

*Independent Non-Executive Director*

Lucia A. Stocker was appointed as an Independent Non-Executive Director on 1 February 2023.

Ms Stocker is a highly recognised industry leader who has over 25 years combined experience of mining, engineering and strategic planning, as well as founding and operating a successful privately owned agricultural business. She is currently an independent consultant and has previously been a Non-Executive Director of Perth NRM.



Ms Stocker holds a Master Business Administration (Technology Management, Deakin La Trobe), Bachelor of Engineering (Mining) Honours (University of Wollongong) and is a graduate of the Australian Institute of Company Directors.

## **Senior Executives**

### **Robert John Bishop**

*Chief Executive Officer*

Appointed as the Chief Executive Officer of New Hope Group on 14 February 2022, Robert John Bishop has over 20 years' experience in finance and executive leadership roles across the resources and manufacturing sectors. This includes two years as Chief Financial Officer at AMCI prior to joining New Hope Group along with senior leadership roles at Vale Australia's coal division.

Mr Bishop joined New Hope Group as General Manager Corporate Development in 2019 and was subsequently appointed as the Chief Financial Officer in October 2020 prior to his CEO appointment.

### **Rebecca Rinaldi**

*Chief Financial Officer*

Rebecca Rinaldi joined New Hope Group in 2021 and oversees all aspects of the Company's finance function.

Ms Rinaldi's experience includes 17 years as an accountant and a number of senior financial management roles at Stanmore Resources, Senex Energy and Vale.

She holds a Bachelor of Business (Accounting) from the Queensland University of Technology and is a member of Chartered Accountants Australia and New Zealand.

### **Dominic O'Brien**

*Executive General Manager and Company Secretary*

Dominic O'Brien joined New Hope Group in 2020 and oversees the Company's People, Legal, Company Secretary, Corporate Affairs, Risk and Health & Safety functions.

Mr O'Brien's experience includes 23 years as a legal practitioner and a variety of senior management roles at Allens Lawyers, MIM Holdings, Xstrata and Peabody Energy.

He holds a Bachelor of Arts and Bachelor of Laws (Hons) from the University of Queensland, a Master of Laws from the Queensland University of Technology and is a Graduate of the Australian Institute of Company Directors.

## **SUBSTANTIAL SHAREHOLDERS**

As of the date of this Offering Circular, the Issuer has one substantial holder (which is a holder who individually holds more than 5.00 per cent shareholdings in the Issuer's issued capital), being Soul Patts.

As of the date of this Offering Circular, the Issuer's free float is 491,224,438 shares (i.e. 58 per cent.). The free float number excludes shares held by, or on behalf of any Director of the Issuer and his or her associates (as such term is defined in the ASX Listing Rules).

## TERMS AND CONDITIONS OF THE NOTES

*The following, subject to completion and amendment, and save for the paragraphs in italics, is the text of the Terms and Conditions of the Notes.*

*If the Notes were to be issued in definitive form, the terms and conditions set out on the reverse of each of such Notes (as the case may be) would be as follows. While the Notes are represented by a Global Certificate (as defined in the Trust Deed (as defined below)), they will be governed by the same terms and conditions except to the extent that such terms and conditions are appropriate only to securities in definitive form or are expressly varied by the terms of such Global Certificate.*

The issue of the A\$300,000,000 4.25 per cent. Senior Convertible Notes due 2029 (the “**Notes**”, which expression shall, unless otherwise indicated, include any further Notes issued pursuant to Condition 18 and consolidated and forming a single series with the Notes) was (save in respect of any such further Notes) authorised by a resolution of the board of Directors of New Hope Corporation Limited (ABN 38 010 653 844) (the “**Issuer**”) passed on 26 June 2024. The Notes are constituted by a trust deed to be dated the Closing Date (as amended and/or supplemented from time to time, the “**Trust Deed**”) between the Issuer and GLAS Trust Company LLC in its capacity as the trustee (the “**Trustee**”, which expression shall include its successors and all persons for the time being appointed as the trustee or trustees under the Trust Deed) as trustee for the holders (as defined below) of the Notes. The statements set out in these terms and conditions (these “**Conditions**”) are summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the forms of the Notes. The Noteholders (as defined below) are entitled to the benefit of, and are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and to have notice of those provisions applicable to them which are contained in the paying, transfer and conversion agency agreement to be dated on or about the Closing Date (as amended and/or supplemented from time to time, the “**Agency Agreement**”) relating to the Notes between the Issuer, the Trustee, GLAS Trust Company LLC in its capacity as principal paying agent and principal conversion agent (collectively in those capacities, the “**Principal Paying and Conversion Agent**”, which expression shall include any successor as principal paying agent and principal conversion agent under the Agency Agreement), in its capacity as registrar (the “**Registrar**”, which expression shall include any successor as registrar under the Agency Agreement) and in its capacity as transfer agent (the “**Transfer Agent**”, which expression shall include any successor as transfer agent under the Agency Agreement) and any other paying agents, transfer agents and conversion agents for the time being appointed thereunder (such persons, together with the Principal Paying and Conversion Agent and the Transfer Agent referred to below as the “**Paying Agents**”, the “**Conversion Agents**” and the “**Transfer Agents**”, respectively, which expressions shall include their successors as Paying Agents, Conversion Agents and Transfer Agents, respectively, under the Agency Agreement) (collectively, the Registrar, the Paying Agents, the Conversion Agents and the Transfer Agents are the “**Agents**”).

The Issuer has also entered into a calculation agency agreement (as amended and/or supplemented from time to time, the “**Calculation Agency Agreement**”) to be dated on or about the Closing Date with Conv-Ex Advisors Limited (the “**Calculation Agent**”, which expression shall include any successor as calculation agent under the Calculation Agency Agreement) pursuant to which the Calculation Agent has been appointed to make certain calculations and determinations in relation to the Notes. The Noteholders are deemed to have notice of all of the provisions of the Calculation Agency Agreement applicable to them.

For so long as any of the Notes remain outstanding, copies of the Trust Deed, the Agency Agreement and, subject to the Trustee and the Principal Paying and Conversion Agent being provided with a copy of the same by the Issuer, the Calculation Agency Agreement shall be available (i) for inspection by Noteholders at all reasonable times during normal business hours (being between 9.00 a.m. and 3.00 p.m.) at the principal office for the time being of the Trustee (being, at the Closing Date, at 3 Second Street, Suite 206, New Jersey, NJ

07311, United States of America) and at the specified office of the Principal Paying and Conversion Agent, in each case following prior written request and proof of holding and identity to the satisfaction of the Trustee or, as the case may be, the Principal Paying and Conversion Agent and (ii) electronically from the Principal Paying and Conversion Agent (with a copy, in the case of the Calculation Agency Agreement, to the Calculation Agent), following prior written request and proof of holding and identity to the satisfaction of the Principal Paying and Conversion Agent.

Capitalised terms used but not defined in these Conditions shall have the meanings attributed to them in the Trust Deed unless the context otherwise requires or unless otherwise stated.

## 1 Form, Denomination, Title and Status

### (a) *Form and Denomination*

The Notes are in registered form, serially numbered, in principal amounts of A\$200,000 and integral multiples of A\$100,000 in excess thereof (an “**Authorised Denomination**”). A note certificate (each a “**Certificate**”) will be issued to each Noteholder in respect of its registered holding of Notes.

*Upon issue, the Notes will be represented by a global certificate (the “**Global Certificate**”) registered in the name of a nominee of, and deposited with a common depositary for, Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream**”). The Conditions are modified by certain provisions contained in the Global Certificate. Except in the limited circumstances described in the Global Certificate, owners of interests in Notes represented by the Global Certificate will not be entitled to receive definitive Certificates in respect of their individual holdings of Notes. The Notes are not issuable in bearer form. See “Summary of Provisions Relating to the Notes in Global Form”.*

### (b) *Title*

Title to the Notes will pass by transfer and registration in the Register as described in Condition 4. The holder (as defined in Condition 3) of any Note will (except as otherwise required by law or as ordered by a court of competent jurisdiction) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or its theft or loss (or that of the related Certificate, as applicable) or anything written on it or on the Certificate representing it (other than a duly executed transfer thereof)) and no person will be liable for so treating the holder.

### (c) *Status*

The Notes constitute direct, unconditional, unsubordinated and (subject to Condition 2) unsecured obligations of the Issuer ranking *pari passu* and rateably, without any preference among themselves. The payment obligations of the Issuer under the Notes rank at least equally with all its other existing and future unsecured and unsubordinated obligations, save for such obligations that may be preferred by provisions of law that are mandatory and of general application.

## 2 Negative Pledge

So long as any of the Notes remain outstanding (as defined in the Trust Deed), the Issuer will not create or permit to subsist, and will ensure that none of its Material Subsidiaries will create or permit to subsist, any mortgage, charge, lien, pledge or other form of encumbrance or security interest (including any security interest arising under section 12(1) or section 12(2) of the Personal Property Securities Act 2009 of Australia) (each a “**Security Interest**”) upon the whole or any part of its present or future property or assets (including any uncalled capital) to secure any Relevant Indebtedness or to secure any guarantee of or indemnity in respect of any Relevant Indebtedness (other than a Permitted Security Interest) unless in any such case, before or at the

same time as the creation of the Security Interest, any and all action necessary shall have been taken to ensure that:

- (a) all amounts payable by the Issuer under the Notes and the Trust Deed are secured equally and rateably with the Relevant Indebtedness or such guarantee or indemnity, as the case may be; or
- (b) such other Security Interest or guarantee or indemnity or other arrangement (whether or not including the giving of a Security Interest) is provided in respect of all amounts payable by the Issuer under the Notes and the Trust Deed either:
  - (i) as the Trustee shall in its absolute discretion deem not materially less beneficial to the interests of the Noteholders than the Security Interest relating to the Relevant Indebtedness; or
  - (ii) as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

### 3 Definitions

In these Conditions, unless otherwise provided:

“**Associate**” has the meaning it has in section 128F(9) of the Income Tax Assessment Act 1936 of Australia;

“**ASX**” or “**Australian Securities Exchange**” means ASX Limited (ABN 98 008 624 691) or the market operated by it, as the context requires;

“**ASX Listing Rules**” means the listing rules of the ASX from time to time;

“**Auditors**” means the auditors for the time being of the Issuer or, if they are unable or unwilling to carry out any action requested of them under the Trust Deed or the Notes, such other firm of accountants as may be nominated by the Issuer and notified in writing to the Trustee for the purpose;

“**Australia**” means the Commonwealth of Australia;

“**Australian Dollars**” and “**A\$**” mean the lawful currency of Australia;

“**business day**” means (other than in Condition 8), in relation to any place, a day (other than a Saturday, a Sunday or a public holiday) on which commercial banks and foreign exchange markets are open for business in that place and, in Condition 8, has the meaning provided in Condition 8(g);

“**Cash Dividend**” means:

- (i) any Dividend which is to be paid or made in cash (in whatever currency), but other than falling within paragraph (ii) of the definition of “Spin-Off”; and
- (ii) any Dividend determined to be a Cash Dividend pursuant to proviso (i) to the definition of “Dividend”, and, for the avoidance of doubt, a Dividend falling within provisos (iii) or (iv) to the definition of “Dividend” shall be treated as being a Non-Cash Dividend;

“**Cash Settlement Amount**” means, in respect of any exercise of Conversion Rights in respect of which the Issuer has made a Cash Settlement Election or a Final Conversion Period Cash Settlement Election, the higher of:

- (a) an amount calculated (and, if not an integral multiple of A\$0.01, rounded to the nearest integral multiple of A\$0.01 (with A\$0.005 being rounded upwards)) by the Calculation Agent in accordance with the following formula:

$$\sum_{n=1}^N \frac{1}{N} \times S_n \times P_n$$

- $S_n$  = the number of Reference Cash Settlement Shares in respect of such exercise of Conversion Rights on the n-th Dealing Day of the relevant Cash Settlement Calculation Period;
- $P_n$  = the Volume Weighted Average Price of an Ordinary Share on the n-th Dealing Day of the relevant Cash Settlement Calculation Period, translated if necessary into Australian dollars at the Prevailing Rate on such Dealing Day; and
- $N$  = 60, being the number of Dealing Days in the relevant Cash Settlement Calculation Period; or

- (b) 100.00 per cent. of the principal amount of Notes subject to the relevant Conversion Notice;

**“Cash Settlement Calculation Period”** means in respect of any exercise of Conversion Rights in respect of which the Issuer has made a Cash Settlement Election or a Final Conversion Period Cash Settlement Election:

- (a) during the Initial Conversion Period, the period of 60 consecutive Dealing Days commencing on (and including) the second Dealing Day following the relevant Cash Settlement Election Date; or
- (b) during the Final Conversion Period, the period of 60 consecutive Dealing Days commencing on (and including) the Final Conversion Period Commencement Date (or if the Final Conversion Period Commencement Date is not a Dealing Day, the immediately following Dealing Day);

**“Cash Settlement Election”** has the meaning provided in Condition 6(b)(i);

**“Cash Settlement Election Date”** has the meaning provided in Condition 6(b)(i);

**“Cash Settlement Election Notice”** has the meaning provided in Condition 6(b)(i);

**“Change of Control”** means the occurrence of one or more of the following events:

- (i) an offer is made to all (or as nearly as may be practicable to all) Shareholders (or all (or as nearly as may be practicable to all) Shareholders other than the offeror and/or any associate (as defined in sections 11 and 12 of the Corporations Act) of the offeror) to acquire the whole or any part of the issued ordinary share capital of the Issuer (an **“Offer”**) and such Offer having become or been declared unconditional in all respects, and the offeror has at any time during the relevant offer period a relevant interest (as defined in the Corporations Act) in more than 50.00 per cent. of the Ordinary Shares on issue; or
- (ii) any person proposes a scheme of arrangement (including an informal scheme or similar arrangement involving the Issuer) with regard to such Ordinary Shares (other than an Exempt Newco Scheme) (a **“Scheme”**), and such Scheme:
- (A) has become or has been declared unconditional in all respects; and
- (B) when implemented, will result in a person having a relevant interest (as defined in the Corporations Act) in more than 50 per cent. of the Shares that will be on issue after the Scheme is implemented; or
- (iii) an event occurs which has equivalent effect as the events set out in (i) or (ii) above of this definition;

**“Change of Control Notice”** has the meaning provided in Condition 6(j);

**“Change of Control Period”** means the period commencing on the occurrence of the Change of Control and ending 30 calendar days following the Change of Control or, if later, 30 calendar days following the date on which a Change of Control Notice as required by Condition 6(j) is given;

**“Closing Date”** means 12 July 2024;

**“Closing Price”** means, in respect of an Ordinary Share or any Security, Spin-Off Security, option, warrant or other right or asset on any Dealing Day in respect thereof, the closing price on the Relevant Stock Exchange on such Dealing Day of an Ordinary Share or, as the case may be, such Security, Spin-Off Security, option, warrant or other right or asset published by or derived from Bloomberg page “*HP*” (or any successor page) (setting “*Last Price*”, or any other successor setting and using values not adjusted for any event occurring after such Dealing Day; and for the avoidance of doubt, all values will be determined with all adjustment settings on Bloomberg page “*DPDF*”, or any successor or similar setting, switched off) in respect of such Ordinary Share, Security, Spin-Off Security, option, warrant or other right or asset and such Relevant Stock Exchange (and for the avoidance of doubt such Bloomberg page for the Ordinary Shares as at the Closing Date is “*NHC AU Equity HP*”), if available or, in any other case, such other source (if any) as shall be determined to be appropriate by an Independent Adviser on such Dealing Day, and translated, if not in the Relevant Currency, into the Relevant Currency at the Prevailing Rate on such Dealing Day, provided that:

- (i) if on any such Dealing Day (for the purpose of this definition, the “**Original Date**”) such price is not available or cannot otherwise be determined as provided above, the Closing Price of an Ordinary Share, Security, Spin-Off Security, option, warrant, or other right or asset, as the case may be, in respect of such Dealing Day shall be the Closing Price, determined as provided above, on the immediately preceding Dealing Day in respect thereof on which the same can be so determined, and further provided that if such immediately preceding Dealing Day falls prior to the fifth day before the Original Date, the Closing Price in respect of such Dealing Day shall be considered to be not capable of being determined pursuant to this proviso (i); and
- (ii) if the Closing Price cannot be determined as aforesaid, the Closing Price of an Ordinary Share, Security, Spin-Off Security, option, warrant, or other right or asset, as the case may be, shall be determined as at the Original Date by an Independent Adviser in such manner as it shall determine to be appropriate,

all as determined by the Calculation Agent (unless otherwise specified);

**“Conversion Date”** has the meaning provided in Condition 6(k);

**“Conversion Notice”** has the meaning provided in Condition 6(k);

**“Conversion Notice Delivery Date”** has the meaning provided in Condition 6(k);

**“Conversion Price”** has the meaning provided in Condition 6(d);

**“Conversion Right”** has the meaning provided in Condition 6;

**“Corporations Act”** means the Corporations Act 2001 of Australia;

**“Current Market Price”** means, in respect of an Ordinary Share at a particular date, the average of the daily Volume Weighted Average Price of an Ordinary Share on each of the 10 consecutive Dealing Days ending on the Dealing Day immediately preceding such date as determined by the Calculation Agent, provided that:

- (i) for the purposes of determining the Current Market Price pursuant to Condition 6(e)(iv) or Condition 6(e)(vi) in circumstances where the relevant event relates to an issue of Ordinary Shares, if at any time during the said 10 Dealing Day period (which may be on each of such 10 Dealing Days) the Volume Weighted Average Price shall have been based on a price ex-Dividend (or any other entitlement) and/or

during some other part of that period (which may be on each of such 10 Dealing Days) the Volume Weighted Average Price shall have been based on a price with entitlement to Dividend (or any other entitlement), in any such case which has been declared or announced, then:

- (A) if the Ordinary Shares to be so issued do not rank for such Dividend (or such other entitlement), the Volume Weighted Average Price on the dates on which the Ordinary Shares shall have been based on a price with entitlement to such Dividend (or such other entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of such Dividend (or such other entitlement) per Ordinary Share as at the Ex-Date in respect of such Dividend (or such other entitlement) (or, where on each of the said 10 Dealing Days the Volume Weighted Average Price shall have been based on a price with entitlement to such Dividend (or such other entitlement), as at the date of first public announcement of such Dividend (or such other entitlement)), in any such case, determined by the Calculation Agent on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit; or
  - (B) if the Ordinary Shares to be so issued do rank for the Dividend or entitlement in question, the Volume Weighted Average Price on the dates on which the Ordinary Shares shall have been based on a price ex- such Dividend (or ex- such other entitlement) shall for the purpose of this definition be deemed to be the amount thereof increased by an amount equal to the Fair Market Value of such Dividend (or such other entitlement) per Ordinary Share as at the Ex-Date in respect of such Dividend (or such other entitlement), in any such case, determined by the Calculation Agent on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit;
- (ii) for the purposes of any calculation or determination required to be made pursuant to paragraph (i) of the definition of “Dividend”, if on any of the said 10 Dealing Days the Volume Weighted Average Price shall have been based on a price with entitlement to the relevant Dividend or capitalisation giving rise to the requirement to make such calculation or determination, the Volume Weighted Average Price on any such Dealing Day shall for the purposes of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of the relevant Cash Dividend as at the first date on which the Ordinary Shares are traded ex- such Cash Dividend on the Relevant Stock Exchange, determined by the Calculation Agent on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit; and
  - (iii) for any other purpose, if any day during the said 10 Dealing Day period was the Ex-Date in relation to any Dividend (or any other entitlement) the Volume Weighted Average Prices that shall have been based on a price with entitlement to such Dividend (or with such entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Dividend or entitlement per Ordinary Share as at the first date on which the Ordinary Shares are traded ex- such Dividend or entitlement on the Relevant Stock Exchange;

“**Dealing Day**” means, in respect of the Ordinary Shares or any other Securities, Spin-Off Securities, options, warrants or other rights or assets, a day on which the Relevant Stock Exchange in respect thereof is open for business and on which such Ordinary Shares, Securities, Spin-Off Securities, options, warrants or other rights or assets (as the case may be) may be dealt in, other than a day on which the Relevant Stock Exchange is scheduled to or does close prior to its regular closing time, provided that, unless otherwise specified, references to “Dealing Day” shall mean a Dealing Day in respect of the Ordinary Shares;

a “**Delisting**” occurs when the Ordinary Shares:

- (i) cease to be quoted, listed or admitted to trading on the Relevant Stock Exchange in respect thereof; or



- (ii) are suspended from trading on the Relevant Stock Exchange in respect thereof for a period of more than 30 consecutive Sydney business days;

“**Dividend**” means any dividend or distribution to Shareholders (including a Spin-Off) whether of cash, assets or other property, and however described and whether payable out of share premium account, profits, retained earnings or any other capital or revenue reserve or account, and including a distribution or payment to Shareholders upon or in connection with a reduction in capital (and for these purposes a distribution of assets includes without limitation an issue of Ordinary Shares, or other Securities credited as fully or partly paid up by way of capitalisation of profits or reserves), provided that:

- (i) where:

- (A) a Dividend in cash is announced which may at the election of a Shareholder or Shareholders be satisfied by the issue or delivery of Ordinary Shares or other property or assets, or where an issue of Ordinary Shares to Shareholders by way of a capitalisation of profits or reserves is announced which may at the election of a Shareholder or Shareholders be satisfied by the payment of cash, then the Dividend or capitalisation in question shall be treated as a Cash Dividend of an amount equal to:

- (a) (in the case of an issue of Ordinary Shares pursuant to a DRP where the discount per Ordinary Share (as determined and announced by the Issuer) at which Ordinary Shares may be issued pursuant to such DRP in respect of such Dividend (determined on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit) is equal to or less than 5.00 per cent. of such reference price as is determined and announced by the Issuer to be applicable for the purpose of determining such discount) the Fair Market Value of such cash amount as at the Ex-Date of the relevant Dividend; or
- (b) (in the case of an issue of Ordinary Shares pursuant to a DRP where the discount as referred to in (a) above exceeds 5.00 per cent.) the Fair Market Value of such cash amount as at the Ex-Date in respect of the relevant Dividend or capitalisation divided by the difference between one (1) and such discount; or
- (c) (in any other case) the greater of:
  - (x) the Fair Market Value of such cash amount as at the Ex-Date of the relevant Dividend or capitalisation; and
  - (y) the Current Market Price of such Ordinary Shares or, as the case may be, the Fair Market Value of such other property or assets, in each case as at the Ex-Date in respect of the relevant Dividend or capitalisation (or, if later, the Dividend Determination Date); or

- (B)

- (a) there shall be any issue of Ordinary Shares to Shareholders by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve) where (other than in circumstances subject to (A) above of this proviso (i)) such issue is or is expressed to be in lieu of a Dividend (whether or not a cash Dividend equivalent or amount is announced) or a Dividend in cash that is to be satisfied (other than in circumstances subject to (A) above of this proviso (i)) by the issue or delivery of Ordinary Shares or other property or assets, or

- (b) any issue or delivery of Ordinary Shares by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve) that is to be satisfied (other than in circumstances subject to (A) above of this proviso (i)) by the payment of cash,

then, in the case of (a) the capitalisation or Dividend in question shall be treated as a Cash Dividend of an amount equal to the Current Market Price of such Ordinary Shares or, as the case may be, the Fair Market Value of such other property or assets, in each case as at the Ex-Date of the relevant Dividend or capitalisation (or, if later, the Dividend Determination Date), and, in the case of (b), the capitalisation in question shall be treated as a Cash Dividend of an amount equal to the Fair Market Value of such cash amount as at the Ex-Date in respect of the relevant capitalisation (or, if later, the Dividend Determination Date), save that where a Dividend in cash is announced which is to be satisfied by the issue or delivery of Ordinary Shares where the number of Ordinary Shares to be issued or delivered is to be determined at a date or during a period following such announcement and is to be determined by reference to a publicly available formula based on the closing price or volume weighted average price or any like or similar pricing benchmark of the Ordinary Shares, without factoring in any discount to such price or benchmark, then such Dividend shall be treated as a Cash Dividend in an amount equal to the Fair Market Value of such cash amount on such date as such cash amount is determined as aforesaid;

- (ii) any issue of Ordinary Shares falling within Conditions 6(e)(i) or 6(e)(ii) shall be disregarded;
- (iii) a purchase or redemption or buy back of share capital of the Issuer by the Issuer or any Subsidiary of the Issuer shall not constitute a Dividend unless, in the case of a purchase or redemption or buy back of Ordinary Shares by or on behalf of the Issuer or its Subsidiaries, the weighted average price per Ordinary Share (before expenses) on any one day (a “**Specified Share Day**”) in respect of such purchases or redemptions or buy backs (translated, if not in the Relevant Currency, into the Relevant Currency at the Prevailing Rate on such day) exceeds by more than 5.00 per cent. the Current Market Price of an Ordinary Share:

(A) on the Specified Share Day; or

- (B) where an announcement (excluding, for the avoidance of doubt for these purposes, any general authority for such purchases, redemptions or buy backs approved by a general meeting of Shareholders or any notice convening such a meeting of Shareholders) has been made of the intention to purchase, redeem or buy back Ordinary Shares at some future date at a specified price or where a tender offer is made, on the date of such announcement or, as the case may be, the date of first public announcement of such tender offer (and regardless whether or not a price per Ordinary Share, a minimum price per Ordinary Share or a price range or a formula for the determination thereof is or is not announced at such time), as the case may be,

in which case such purchase, redemption or buy back shall be deemed to constitute a Dividend in the Relevant Currency to the extent that the aggregate price paid (before expenses) in respect of such Ordinary Shares purchased, redeemed or bought back by the Issuer or, as the case may be, any of its Subsidiaries (translated where appropriate into the Relevant Currency as provided above) exceeds the product of:

- (x) 105.00 per cent. of such Current Market Price as aforesaid; and
- (y) the number of Ordinary Shares so purchased, redeemed or bought back;
- (iv) if the Issuer or any of its Subsidiaries shall purchase, redeem or buy back any depositary or other receipts or certificates representing Ordinary Shares, the provisions of proviso (iii) of this definition shall be

applied in respect thereof in such manner and with such modifications (if any) as shall be determined by an Independent Adviser;

- (v) where a dividend or distribution is paid or made to Shareholders pursuant to any plan implemented by the Issuer for the purpose of enabling Shareholders to elect, or which may require Shareholders, to receive dividends or distributions in respect of the Ordinary Shares held by them from a person other than, or in addition to the Issuer, such dividend or distribution shall for the purposes of these Conditions be treated as a dividend or distribution made or paid to Shareholders by the Issuer, and the foregoing provisions of this definition and the provisions of these Conditions shall be construed accordingly;
- (vi) where a Dividend in cash is declared which provides for payment by the Issuer to Shareholders in the Relevant Currency or an amount in cash is or may be paid in the Relevant Currency, whether at the option of Shareholders or otherwise, it shall be treated as a Cash Dividend in the amount of such Relevant Currency or, as the case may be, an amount in such Relevant Currency, and in any other case it shall be treated as a Cash Dividend or, as the case may be, an amount in cash in the currency in which it is payable by the Issuer; and
- (vii) a dividend or distribution that is a Spin-Off shall be deemed to be a Dividend paid or made by the Issuer, and any such determination shall be made by the Calculation Agent or, where specifically provided in these Conditions, by an Independent Adviser and, in either such case, on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit;

**“Dividend Determination Date”** means, for the purposes of the definition of “Dividend”, the date on which the number of Ordinary Shares or, as the case may be, amount of other property or assets, which may be issued or delivered is, or is capable of being, determined, and where determined by reference to prices or values or the like on or during a particular day or during a particular period, the Dividend Determination Date shall be deemed to be such day or the last day of such period, as the case may be;

**“DRP”** means any dividend reinvestment plan implemented by the Issuer from time to time;

**“Equity Share Capital”** means, in relation to any entity, its issued share capital excluding any part of that capital which, neither as regards dividends nor as regards capital, carries any right to participate beyond a specified amount in a distribution of assets on a winding up of the entity;

**“Ex-Date”** means, in relation to any Dividend (including, without limitation, any Spin-Off), capitalisation, consolidation, reclassification, redesignation or subdivision, issue, grant, offer or other entitlement, the first Dealing Day for the Ordinary Shares on which the Ordinary Shares are traded ex- the relevant Dividend, capitalisation, consolidation, reclassification, redesignation or subdivision, issue, grant, offer or other entitlement (or, in the case of a Dividend which is a purchase, redemption or buy back of Ordinary Shares (or, as the case may be, any depositary or other receipts or certificates representing Ordinary Shares) pursuant to paragraphs (iii) or (iv) of the definition of “Dividend”, the date on which such purchase, redemption or buy back is made), and provided that, for the avoidance of doubt, the Ex-Date in respect of a Cash Dividend pursuant to paragraph (i) of the definition of “Dividend” shall be deemed to be the Ex-Date in respect of the relevant Dividend or capitalisation as referred to therein;

**“Exempt Newco Scheme”** means a Newco Scheme where immediately after completion of the relevant Scheme of Arrangement the ordinary shares or units or equivalent of Newco (or depositary or other receipts or certificates representing ordinary shares or units or equivalent of Newco) are:

- (i) admitted to trading on the Relevant Stock Exchange; or

- (ii) admitted to listing on such other regulated, regularly operating, recognised stock exchange or securities market as the Issuer or Newco may determine;

**“Fair Market Value”** means, with respect to any property on any date (the **“FMV Date”**):

- (i) in the case of a Cash Dividend, the amount of such Cash Dividend, as determined by the Calculation Agent;
- (ii) in the case of any other cash amount, the amount of such cash, as determined by the Calculation Agent;
- (iii) in the case of Securities (including Ordinary Shares) or Spin-Off Securities, options, warrants or other rights or assets that are publicly traded on a Relevant Stock Exchange of adequate liquidity (as determined by (if the Calculation Agent determines in its sole discretion that is able to make such determination) the Calculation Agent or (in any other case) an Independent Adviser), the arithmetic mean of:
  - (A) where a Volume Weighted Average Price (disregarding for this purpose proviso (ii) to the definition thereof) can be determined in respect thereof, the daily Volume Weighted Average Prices of such Securities or Spin-Off Securities; and
  - (B) in any other case, the daily Closing Prices of such Securities, Spin-Off Securities, options, warrants or other rights or assets,

in the case of both paragraphs (A) and (B) of this proviso (iii) during the period of five (5) consecutive Dealing Days for such Securities, Spin-Off Securities, options, warrants or other rights or assets commencing on such FMV Date (or, if later, the date (the **“Adjusted FMV Date”**) which is the first such Dealing Day such Securities or Spin-Off Securities, options, warrants or other rights or assets are publicly traded, provided that where such Adjusted FMV Date falls after the fifth day following the FMV Date, the Fair Market Value of such Securities, Spin Off Securities, options, warrants or other rights or assets shall instead be determined pursuant to paragraph (iv) below, and no such Adjusted FMV Date shall be deemed to apply), or such shorter period commencing on such FMV Date (or, as the case may be, Adjusted FMV Date) as such Securities, Spin-Off Securities, options, warrants or other rights or assets are publicly traded, all as determined by the Calculation Agent;

- (iv) in the case of Securities (including Ordinary Shares) or Spin-Off Securities, options, warrants or other rights or assets that are not publicly traded on a Relevant Stock Exchange of adequate liquidity (as aforesaid) or where otherwise provided in paragraph (iii) above to be determined pursuant to this paragraph (iv), an amount equal the fair market value of such Securities or Spin-Off Securities, options, warrants or other rights or assets as determined by an Independent Adviser, on the basis of a commonly accepted market valuation method and taking account of such factors as it considers appropriate, including the market price per Ordinary Share, the dividend yield of an Ordinary Share, the volatility of such market price, prevailing interest rates and the terms of such Securities or Spin-Off Securities, options, warrants or other rights or assets, including as to the expiry date and exercise price (if any) thereof,

provided that:

- (a) such amounts shall (if not expressed in the Relevant Currency on the FMV Date (or, as the case may be, the Adjusted FMV Date)) be translated into the Relevant Currency at the Prevailing Rate on the FMV Date (or, as the case may be, the Adjusted FMV Date), all as determined by the Calculation Agent; and
- (b) in the case of paragraphs (i) and (ii) above, the Fair Market Value shall be determined disregarding any withholding or deduction required to be made on account of tax and any associated tax credit;

**“FATCA”** means:

- (i) sections 1471 to 1474 of the U.S. Internal Revenue Code of 1986 or any associated regulations, instruction or other official guidance, as amended from time to time;
- (ii) any treaty, law, regulation, instruction or other official guidance enacted or amended in any other jurisdiction, or relating to an intergovernmental agreement between the United States and any other jurisdiction, which (in either case) facilitates the implementation of any law, regulation, instruction or other official guidance referred to in paragraph (i) above of this definition; or
- (iii) any agreement pursuant to the implementation of any treaty, law, regulation, instruction or other official guidance referred to in paragraphs (i) or (ii) of this definition with the U.S. Internal Revenue Service, the government of the United States or any governmental or taxation authority in any other jurisdiction; or
- (iv) any treaty, law, regulation, instruction or other official guidance analogous to paragraphs (i) or (ii) of this definition enacted or amended in any other jurisdiction from time to time, and any agreement pursuant to the implementation of any such treaty, law, regulation, instruction or other official guidance with any governmental or taxation authority in any jurisdiction;

**“Final Conversion Period”** has the meaning provided in Condition 6(c)(i);

**“Final Conversion Period Cash Settlement Election”** has the meaning provided in Condition 6(c)(ii);

**“Final Conversion Period Commencement Date”** has the meaning provided in Condition 6(c)(i);

**“Final Conversion Period End Date”** has the meaning provided in Condition 6(c)(i);

**“Final Conversion Period Settlement Determination”** has the meaning provided in Condition 6(c)(ii);

**“Final Conversion Period Settlement Determination Notice”** has the meaning provided in Condition 6(c)(ii);

**“Indebtedness For Borrowed Money”** means any present or future indebtedness (whether being principal, interest or other amounts) for or in respect of:

- (i) money borrowed or raised;
- (ii) liabilities under or in respect of any acceptance or acceptance credit;
- (iii) any notes, bonds, debentures, debenture stock, loan capital, loan stock, certificates of deposit, commercial paper or other securities or instruments, offered, issued or distributed whether by way of public offer, private placing, acquisition consideration or otherwise and whether issued for cash or in whole or in part for a consideration other than cash; or
- (iv) any guarantee for, or indemnity in respect of, any of the above;

**“Independent Adviser”** means an independent adviser with appropriate expertise, which may be the Calculation Agent (acting in such Independent Adviser capacity as may be agreed between the Issuer and the Calculation Agent), appointed by the Issuer at its own expense and (other than where the initial Calculation Agent is appointed) notified in writing to the Trustee;

**“Initial Conversion Period”** has the meaning provided in Condition 6(a)(ii);

**“Initial Conversion Period Commencement Date”** has the meaning provided in Condition 6(a)(ii);

**“Initial Conversion Period End Date”** has the meaning provided in Condition 6(a)(ii);

**“Interest Payment Date”** has the meaning provided in Condition 5(a);

**“Interest Period”** has the meaning provided in Condition 5(a);

**“Interest Rate”** has the meaning provided in Condition 5(a);

**“Material Subsidiary”** means any Subsidiary of the Issuer:

- (i) whose gross revenue (consolidated in the case of a Subsidiary which itself has Subsidiaries) attributable to the Issuer, as shown by its latest profit and loss account, are at least 10.00 per cent. of the consolidated gross revenue of the Issuer and its Subsidiaries as shown by the latest published audited consolidated profit and loss account of the Issuer and its consolidated Subsidiaries, including, for the avoidance of doubt, the Issuer and its consolidated Subsidiaries’ share of revenue of Subsidiaries not consolidated and of associated entities and after adjustments for minority interests; or
- (ii) whose gross assets (consolidated in the case of a Subsidiary which itself has Subsidiaries) attributable to the Issuer, as shown by its latest audited balance sheet, are at least 10.00 per cent. of the consolidated gross assets of the Issuer and its Subsidiaries as shown by the latest published audited consolidated balance sheet of the Issuer and its consolidated Subsidiaries, including the investment of the Issuer and its consolidated Subsidiaries in each Subsidiary whose accounts are not consolidated with the consolidated audited accounts of the Issuer and of associated companies and after adjustment for minority interests,

provided that, in relation to paragraphs (i) and (ii) above of this definition:

- (A) in the case of a corporation or other business entity becoming a Subsidiary after the end of the financial period to which the latest consolidated audited accounts of the Issuer relate, the reference to the then latest consolidated audited accounts of the Issuer and its consolidated Subsidiaries for the purposes of the calculation above shall, until consolidated audited accounts of the Issuer for the financial period in which the relevant corporation or other business entity becomes a Subsidiary are published be deemed to be a reference to the then latest consolidated audited accounts of the Issuer and its Subsidiaries adjusted to consolidate the latest audited accounts (consolidated in the case of a Subsidiary which itself has Subsidiaries) of such Subsidiary in such accounts;
  - (B) if at any relevant time in relation to the Issuer or any Subsidiary which itself has Subsidiaries no consolidated accounts are prepared and audited, gross revenue or gross assets of the Issuer and/or any such Subsidiary shall be determined on the basis of pro forma consolidated accounts prepared for this purpose by the Issuer for the purposes of preparing any certificate thereon to the Trustee; and
  - (C) if the accounts of any Subsidiary (not being a Subsidiary referred to in proviso (A) above to this definition) are not consolidated with those of the Issuer, then the determination of whether or not such Subsidiary is a Material Subsidiary shall be based on a pro forma consolidation of its accounts (consolidated, if appropriate) with the consolidated accounts (determined on the basis of the foregoing) of the Issuer; or
- (iii) to which is transferred all or substantially all of the business, undertaking and assets of another Subsidiary which immediately prior to such transfer is a Material Subsidiary, whereupon:
    - (A) the transferor Material Subsidiary shall immediately cease to be a Material Subsidiary; and
    - (B) the transferee Subsidiary shall immediately become a Material Subsidiary, provided that on or after the date on which the relevant financial statements for the financial period current at the date of such transfer are published, whether such transferor Subsidiary or such transferee

Subsidiary is or is not a Material Subsidiary shall be determined pursuant to the provisions of the paragraphs above of this definition.

A certificate prepared and signed by a Director of the Issuer who is also an Authorised Signatory of the Issuer, stating that in his or her opinion, a Subsidiary is or is not, or was or was not, a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties;

**“Maturity Date”** means 12 July 2029;

**“Newco Scheme”** means a scheme of arrangement or analogous proceeding (a **“Scheme of Arrangement”**) which effects the interposition of a limited liability company or trust (**“Newco”**) between the Shareholders of the Issuer immediately prior to the Scheme of Arrangement (the **“Existing Shareholders”**) and the Issuer; provided that:

- (i) only ordinary shares or units or equivalent of Newco or depositary or other receipts or certificates representing ordinary shares or units or equivalent are issued to Existing Shareholders;
- (ii) immediately after completion of the Scheme of Arrangement the only holders of ordinary shares, units or equivalent of Newco or, as the case may be, the only holders of depositary or other receipts or certificates representing ordinary shares or units or equivalent of Newco are Existing Shareholders holding in the same proportions as immediately prior to completion of the Scheme of Arrangement;
- (iii) immediately after completion of the Scheme of Arrangement, Newco is (or one or more wholly-owned Subsidiaries of Newco are) the only shareholder of the Issuer;
- (iv) all Subsidiaries of the Issuer immediately prior to the Scheme of Arrangement (other than Newco, if Newco is then a Subsidiary of the Issuer) are Subsidiaries of the Issuer (or of Newco) immediately after completion of the Scheme of Arrangement; and
- (v) immediately after completion of the Scheme of Arrangement the Issuer (or Newco) holds, directly or indirectly, the same percentage of the ordinary share capital and Equity Share Capital of those Subsidiaries as was held by the Issuer immediately prior to the Scheme of Arrangement;

**“Non-Cash Dividend”** means any Dividend which is not a Cash Dividend, and shall include a Spin-Off;

**“Noteholder”** and, in relation to a Note, **“holder”** means the person in whose name a Note is registered in the Register (as defined in Condition 4(a));

**“Offshore Associate”** means an Associate of the Issuer:

- (i) which is a non-resident of Australia that does not acquire the Notes or an interest in the Notes in carrying on a business in Australia at or through a permanent establishment of the Associate in Australia; or
- (ii) which is a resident of Australia that acquires the Notes or an interest in the Notes in carrying on a business in a country outside Australia at or through a permanent establishment of the Associate in that country;

**“Optional Put Exercise Notice”** has the meaning provided in Condition 7(e);

**“Optional Redemption Date”** has the meaning provided in Condition 7(b);

**“Optional Redemption Notice”** has the meaning provided in Condition 7(b);

**“Ordinary Shares”** means fully paid ordinary shares in the capital of the Issuer (ASX: NHC; ISIN: AU000000NHC7);

**“Permitted Security Interest”** means a Security Interest in respect of property or assets of the Issuer or a Subsidiary of the Issuer, which:

- (i) existed at the Closing Date and was not created in contemplation of the issue of Notes; or
- (ii) existed before the relevant entity became a Subsidiary of the Issuer and was not created in contemplation of such entity becoming a Subsidiary of the Issuer and provided that the principal amount of such Relevant Indebtedness is not increased;

a **“person”** includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity);

**“Physical Settlement”** means has the meaning provided in Condition 6(a)(i);

**“Potential Event of Default”** means an event that, with the giving of notice or the lapse of time would be an Event of Default;

**“Prevailing Rate”** means, in respect of any pair of currencies on any calendar day, the spot mid-rate of exchange between the relevant currencies prevailing as at 12:00 noon (Australian Eastern Standard time) on that date as appearing on or derived from Bloomberg page BFIX (or any successor page) in respect of such pair of currencies, or, if such a rate cannot be determined as aforesaid, the Prevailing Rate shall be determined *mutatis mutandis* but with respect to the immediately preceding day on which such rate can be so determined or if such rate cannot be so determined (all as determined by the Calculation Agent), the Prevailing Rate shall be determined in such other manner as an Independent Adviser shall consider appropriate;

**“Record Date”** has the meaning provided in Condition 8(c);

**“Redemption Amount”** means 100.00 per cent. of the principal amount of the relevant Notes plus any interest accrued but unpaid to (but excluding) the relevant Redemption Date;

**“Redemption Date”** means any of:

- (i) an Optional Redemption Date pursuant to Condition 7(b);
- (ii) a Tax Redemption Date pursuant to Condition 7(c);
- (iii) a Put Option Date pursuant to Condition 7(e);
- (iv) a Relevant Event Redemption Date pursuant to Condition 7(f);
- (v) the Maturity Date; or
- (vi) following the occurrence of an Event of Default, the Relevant Date;

**“Redemption Notice”** means any of:

- (i) an Optional Redemption Notice provided pursuant to Condition 7(b);
- (ii) a Tax Redemption Notice provided pursuant to Condition 7(c);
- (iii) an Optional Put Exercise Notice provided pursuant to Condition 7(e); or
- (iv) a Relevant Event Redemption Notice provided pursuant to Condition 7(f), as applicable;

**“Reference Date”** means, in respect of any Retroactive Adjustment, the date on which the relevant adjustment to the Conversion Price giving rise to such Retroactive Adjustment becomes effective;



**“Reference Shares”** means, in respect of any exercise of a Conversion Right, the number of Ordinary Shares (rounded down, if necessary, to the nearest whole number) determined by dividing the aggregate principal amount of the Notes which are the subject of the relevant Conversion Notice by the Conversion Price in effect on the relevant Conversion Date;

**“Reference Cash Settlement Shares”** means, in respect of any exercise of a Conversion Right in respect of which the Issuer has made a Cash Settlement Election or a Final Conversion Period Cash Settlement Election, and on any Dealing Day in the relevant Cash Settlement Calculation Period, the number of Ordinary Shares determined by dividing the principal amount of the Notes which are the subject of the relevant Conversion Notice by (i) the Conversion Price in effect on such Dealing Day or (ii) if such Dealing Day falls (A) on or after the Ex-Date in respect of any consolidation, reclassification, redesignation or subdivision as is mentioned in Condition 6(e)(i), or on or after the Ex-Date for any such issue, distribution, grant or offer (as the case may be) as is mentioned in Conditions 6(e)(ii), 6(e)(iii), 6(e)(iv), 6(e)(v) or 6(e)(ix), or on or after the date of the first public announcement of the terms of any such issue or grant as is mentioned in Conditions 6(e)(vi) and 6(e)(vii) or of the terms of any such modification as is mentioned in Condition 6(e)(viii), and (B) before the relevant adjustment (if any) to the Conversion Price becomes effective in accordance with these Conditions, the Conversion Price in effect on such Dealing Day multiplied by a fraction, the numerator of which is the Conversion Price so adjusted and the denominator of which is the Conversion Price in effect immediately prior to such adjustment;

**“Relevant Currency”** means Australian Dollars or, if at the relevant time or for the purposes of the relevant calculation or determination, the ASX is not the Relevant Stock Exchange, the currency in which the Ordinary Shares are quoted or traded on the Relevant Stock Exchange at such time;

**“Relevant Date”** means, in respect of any Note, whichever is the later of:

- (i) the date on which payment in respect of it first becomes due; and
- (ii) if any amount of the money payable is improperly withheld or refused the date on which payment in full of the amount outstanding is made or (if earlier) the date on which notice is duly given by the Issuer to the Noteholders in accordance with Condition 17 that, upon further presentation of the Note, where required pursuant to these Conditions, being made, such payment will be made, provided that such payment is in fact made as provided in these Conditions;

a **“Relevant Event”** occurs when:

- (i) there is a Delisting; or
- (ii) there is a Change of Control;

**“Relevant Event Redemption Date”** has the meaning provided in Condition 7(f);

**“Relevant Event Redemption Notice”** has the meaning provided in Condition 7(f);

**“Relevant Indebtedness”** means any present or future indebtedness (whether being principal, premium, interest or other amounts) in the form of or evidenced by notes, bonds, debentures, debenture stock, loan stock or other securities, whether issued for cash or in whole or in part for a consideration other than cash, which (in any case) are or are capable of being quoted, listed or ordinarily dealt in or traded on any recognised listing authority, stock exchange, securities quotation system or over-the-counter or other securities market. For the avoidance of doubt, syndicated, club or bilateral debt facilities, transactional facilities including merchant acquiring and letter of credit facilities, in each case not in the form of or evidenced by notes, bonds, debentures, debenture stock or other securities which (in any case) are or are capable of being quoted, listed or ordinarily dealt in or traded on any recognised listing authority, stock exchange, securities quotation system or over-the-

counter or other securities market, and any hedging entered into in connection with such facilities or debt is not **“Relevant Indebtedness”** for the purposes of this definition;

**“Relevant Stock Exchange”** means:

- (i) in the case of Ordinary Shares, the ASX or, if at the relevant time the Ordinary Shares are not at that time listed and admitted to trading on the ASX, the principal stock exchange or securities market on which the Ordinary Shares are then listed, admitted to trading or quoted or dealt in; and
- (ii) in the case of Securities (other than Ordinary Shares), Spin-Off Securities, options, warrants or other rights or assets, the principal stock exchange or securities market on which such Securities (other than Ordinary Shares), Spin-Off Securities, options, warrants or other rights or assets are then listed, admitted to trading or quoted or dealt in,

where **“principal stock exchange or securities market”** shall mean the stock exchange or securities market on which such Ordinary Shares, Securities, Spin Off Securities, options, warrants or other rights or assets are listed, admitted to trading or quoted or dealt in, provided that if such Ordinary Shares, Securities, Spin Off Securities, options, warrants or other rights or assets are listed, admitted to trading or quoted or dealt in (as the case may be) on more than one stock exchange or securities market at such time, then **“principal stock exchange or securities market”** shall mean that stock exchange or securities market on which such Ordinary Shares, Securities, Spin Off Securities, options, warrants or other rights or assets are traded at such time as determined by the Calculation Agent (if the Calculation Agent determines in its sole discretion that it is able to make such determination) or (in any other case) by an Independent Adviser by reference to the stock exchange or securities market with the highest average daily trading volume in respect of such Ordinary Shares, Securities, Spin Off Securities, options, warrants or other rights or assets;

**“Retroactive Adjustment”** has the meaning provided in Condition 6(f);

**“Securities”** means any securities including, without limitation, Ordinary Shares, or options, warrants or other rights to subscribe for or purchase or acquire Ordinary Shares;

**“Shareholders”** means the holders of Ordinary Shares;

**“Specified Date”** has the meaning provided in Conditions 6(e)(iv), 6(e)(vi), 6(e)(vii) and 6(e)(viii), respectively;

**“Spin-Off”** means:

- (i) a distribution of Spin-Off Securities by the Issuer to Shareholders as a class; or
- (ii) any issue, transfer or delivery of any property or assets (including cash or shares or securities of or in or issued or allotted by any entity) by any entity (other than the Issuer) to Shareholders as a class or, in the case of or in connection with a Newco Scheme, Existing Shareholders as a class (but excluding the issue and allotment of ordinary shares by Newco to Existing Shareholders as a class), pursuant in each case to any arrangements with the Issuer or any of its Subsidiaries;

**“Spin-Off Securities”** means Equity Share Capital of an entity other than the Issuer or options, warrants or other rights to subscribe for or purchase Equity Share Capital of an entity other than the Issuer;

**“Subsidiary”** means any entity in which the Issuer holds more than one half of the issued share capital excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital;

**“Tax”** or **“Taxes”** means any tax, levy, charge, excise, goods and services or value added tax, impost, rates, stamp, transaction or registration duty or similar charge, fee, deduction, compulsory loan or withholding, which

is assessed, levied, imposed or collected by any fiscal government agency and includes any interest, fine, penalty, charge, fee, expenses or other statutory charges or any other such amount imposed by any fiscal government agency on or in respect of any of the above;

“**Tax Redemption Date**” has the meaning provided in Condition 7(c);

“**Tax Redemption Notice**” has the meaning provided in Condition 7(c);

“**Volume Weighted Average Price**” means, in respect of an Ordinary Share, Security or, as the case may be, a Spin-Off Security, option, warrant or other right or asset on any Dealing Day in respect thereof, the volume-weighted average price on the Relevant Stock Exchange on such Dealing Day of an Ordinary Share, Security or, as the case may be, a Spin-Off Security, option, warrant or other right or asset published by or derived from Bloomberg page “*HP*” (or any successor page) (setting “*Weighted Average Line*”, or any other successor setting and using values not adjusted for any event occurring after such Dealing Day; and for the avoidance of doubt, all values will be determined with all adjustment settings on Bloomberg page “*DPDF*”, or any successor or similar setting, switched off) in respect of such Ordinary Share, Security or Spin-Off Security, option, warrant or other right or asset and such Relevant Stock Exchange (and for the avoidance of doubt such Bloomberg page for the Ordinary Shares as at the Closing Date is “*NHC AU Equity HP*”), if any or, in any such case, such other source (if any) as shall be determined to be appropriate by an Independent Adviser on such Dealing Day, and translated, if not in the Relevant Currency, into the Relevant Currency at the Prevailing Rate on such Dealing Day, provided that:

- (i) if on any such Dealing Day (for the purposes of this definition, the “**Original Date**”) such price is not available or cannot otherwise be determined as provided above, the Volume Weighted Average Price of an Ordinary Share, Security, Spin-Off Security, option, warrant or other right or asset, as the case may be, in respect of such Dealing Day shall be the Volume Weighted Average Price, determined as provided above, on the immediately preceding Dealing Day in respect thereof on which the same can be so determined, provided however that if such immediately preceding Dealing Day falls prior to the fifth day before the Original Date, the Volume Weighted Average Price in respect of such Dealing Day shall be considered to be not capable of being determined pursuant to this proviso (i); and
- (ii) if the Volume Weighted Average Price cannot be determined as aforesaid, the Volume Weighted Average Price of an Ordinary Share, Security, Spin-Off Security, option, warrant or other right or asset, as the case may be, shall be determined as at the Original Date by an Independent Adviser in such manner as it shall determine to be appropriate, all as determined by the Calculation Agent (unless otherwise specified).

References to any act or statute or any provision of any act or statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment.

References to any issue or offer or grant to Shareholders or Existing Shareholders “**as a class**” or “**by way of rights**” shall be taken to be references to an issue or offer or grant to all or substantially all Shareholders or Existing Shareholders, as the case may be, other than Shareholders or Existing Shareholders, as the case may be, to whom, by reason of the laws of any territory or requirements of any recognised regulatory body or any other stock exchange or securities market in any territory or in connection with fractional entitlements, it is determined not to make such issue or offer or grant.

In making any calculation or determination of Closing Price, Current Market Price or Volume Weighted Average Price, such adjustments (if any) shall be made as the Calculation Agent or an Independent Adviser (as provided for in these Conditions) considers appropriate to reflect any consolidation or sub-division of the Ordinary Shares or any issue of Ordinary Shares by way of capitalisation of profits or reserves, or any like or similar event.

For the purposes of Conditions 3, 6(a), 6(b), 6(c), 6(e), 6(f) 6(h), 6(i), 6(j) and 11 only:

- (i) references to the “**issue**” of Ordinary Shares or Ordinary Shares being “**issued**” shall include the issue, transfer and delivery of Ordinary Shares, whether newly issued and allotted or previously existing or held by or on behalf of the Issuer or any of its Subsidiaries; and
- (ii) Ordinary Shares held by or on behalf of the Issuer or any of its Subsidiaries (and which, in the case of Condition 6(e)(iv), do not rank for the relevant right or other entitlement) shall not be considered as or treated as “**in issue**” or “**issued**” or entitled to receive the relevant Dividend, right or other entitlement.

#### 4 Registration and Transfer of Notes

(a) *Registration*

The Issuer will cause a register (the “**Register**”) to be kept at the specified office of the Registrar outside the United Kingdom on which will be entered the names and addresses of the holders of the Notes and the particulars of the Notes held by them and of all transfers, redemptions and conversions of the Notes.

(b) *Transfer*

Notes may, subject to the terms of the Agency Agreement and to Conditions 4(c) and 4(d), be transferred in an Authorised Denomination by lodging the relevant Certificate representing such Notes (with the form of application for transfer in respect thereof duly executed and duly stamped where applicable) at the specified office of the Registrar or any Transfer Agent.

No transfer of a Note will be valid unless and until entered on the Register. A Note may be registered only in the name of, and transferred only to, a named person (or persons, not exceeding four in number).

The Registrar will (and the Issuer shall procure the Registrar to), within seven business days (in Sydney and the place of the specified office of the Registrar) of any duly made application for the transfer of a Note, register the relevant transfer and deliver a new Certificate to the transferee (and, in the case of a transfer of part only of a Note, deliver a Certificate for the untransferred balance to the transferor) at the specified office of the Registrar or (at the risk and, if mailed at the request of the transferee or, as the case may be, the transferor otherwise than by ordinary mail, at the expense of the transferee or, as the case may be, the transferor) mail the Certificate by uninsured mail to such address as the transferee or, as the case may be, the transferor may request in writing.

*Transfers of interests in the Notes represented by the Global Certificate will be effected in accordance with the rules and procedures of Euroclear or Clearstream (each a “**Relevant Clearing System**”).*

(c) *Formalities Free of Charge*

Such transfer will be effected without charge to the holder of the relevant Note subject to:

- (i) the person making such application for transfer paying or procuring the payment (or the giving of such indemnity and/or security and/or pre-funding as the Issuer or any of the Agents may require) of any taxes, duties and other governmental charges in connection therewith;
- (ii) the Registrar or the relevant Transfer Agent being satisfied with the documents of title and/or identity of the person making the application; and
- (iii) compliance with the regulations referred to it in Condition 4(e).

(d) *Closed Periods*

Neither the Issuer nor the Registrar will be required to register the transfer of any Note (or part thereof):

- (i) during the period of 15 days ending on (and including) the day immediately prior to the Maturity Date or any earlier date fixed for redemption of the Notes pursuant to Condition 7(b) or Condition 7(c);
- (ii) in respect of which a Conversion Notice has been delivered in accordance with Condition 6(k);
- (iii) in respect of which a holder shall have exercised its option to require the Issuer to redeem pursuant to Condition 7(e) or Condition 7(f); or
- (iv) during the period of 15 days ending on (and including) any Record Date (as defined in Condition 8(c)) in respect of any payment of interest on the Notes.

(e) *Regulations*

All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning registration and transfer of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written agreement of the Trustee and the Registrar, and by the Registrar, with the prior written agreement of the Trustee. A copy of the current regulations will be mailed (free of charge to the holder and at the cost of the Issuer) by the Registrar to any Noteholder following prior written request and proof of holding and identity to the satisfaction of the Registrar.

(f) *Restrictions on transfer*

Notes may only be transferred if the offer or invitation giving rise to the transfer (and any resulting transfer):

- (i) where received in Australia, is made to sophisticated or professional investors within the meaning of sections 708(8) or 708(11) of the Corporations Act or otherwise does not constitute an offer or invitation for which disclosure is required to be made to investors under Part 6D.2 or Chapter 7 of the Corporations Act;
- (ii) where received in Australia is not made to a person who is a “**retail client**” within the meaning of Section 761G of the Corporations Act; and
- (iii) complies with any applicable law or directive of the jurisdiction where the transfer takes place.

## 5 Interest

(a) *Interest Rate*

The Notes bear interest from (and including) the Closing Date at the rate of 4.25 per cent. per annum (the “**Interest Rate**”) calculated by reference to the outstanding principal amount thereof and payable semi-annually in arrear in equal instalments on 12 January and 12 July in each year (each an “**Interest Payment Date**”), commencing on the Interest Payment Date falling on 12 January 2025. Subject to and as provided in these Conditions, the amount so payable per each A\$100,000 in principal amount of the Notes outstanding on each Interest Payment Date shall be equal to A\$2,125. The amount of interest payable in respect of any period which is shorter than an Interest Period shall be calculated at the Interest Rate and on the basis of the number of days in the relevant period divided by the product of the number of days from (and including) the immediately preceding Interest Payment Date (or, if none, the Closing Date) to (but excluding) the next Interest Payment Date and the number of Interest Periods normally ending in any year.

In these Conditions, “**Interest Period**” means the period beginning on (and including) the Closing Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

(b) *Accrual of Interest*

Each Note will cease to bear interest:

- (i) where the Conversion Right shall have been exercised by a Noteholder, from (and including) the Interest Payment Date immediately preceding the relevant Conversion Date or, if none, the Closing Date (subject in any such case as provided in Condition 6(m)); or
- (ii) where such Note is, or is to be, redeemed or repaid pursuant to Condition 7 or Condition 10, from (and including) the due date for redemption or repayment thereof unless, upon due presentation thereof, payment of principal is improperly withheld or refused, in which event interest will continue to accrue from the date due for redemption or repayment at the rate specified in Condition 8(f) (both before and after judgment) but otherwise in accordance with Condition 5(a) until (but excluding) whichever is the earlier of:
  - (A) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant holder; and
  - (B) the day which is seven days after the Trustee or the Principal Paying and Conversion Agent has notified the Noteholders of receipt of all sums due in respect of all the Notes up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

*For so long as the Notes are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear Bank SA/NV or Clearstream Banking S.A. or any Alternative Clearing System (as defined in the form of the Global Certificate), the interest payable in respect of the Notes shall be calculated based on the aggregate principal amount of the Notes represented by the Global Certificate.*

## 6 **Conversion of Notes**

Subject to and as provided in these Conditions and subject to any applicable fiscal or other laws or regulations and as hereinafter provided, each Note shall entitle the holder to require the Issuer to convert such Note (the “**Conversion Right**” in respect of any Note) during the Initial Conversion Period or the Final Conversion Period for (i) a number of Ordinary Shares; or (ii) at the Issuer’s election in its sole discretion, an amount in cash, in each case as determined in accordance with these Conditions.

(a) *Initial Conversion Period*

- (i) Upon any exercise of Conversion Rights at any time during the Initial Conversion Period (as defined below), unless a Cash Settlement Election is made by the Issuer in respect of such exercise and subject to and as provided in these Conditions, the number of Ordinary Shares to be issued or transferred and delivered in respect of such exercise shall be equal to the Reference Shares in respect of such exercise. Each Noteholder consents to become a member of the Issuer and to be bound by the constitution of the Issuer in respect of any Ordinary Shares issued on exercise of a Conversion Right.
- (ii) A Noteholder may exercise the Conversion Right in respect of a Note in accordance with Condition 6(k) whereupon the Issuer shall (subject as provided in these Conditions) procure the

delivery to or as directed by the relevant Noteholder of Ordinary Shares credited as paid up in full as provided in this Condition 6. Such Ordinary Shares will be deemed to be issued or transferred and delivered as of the relevant Conversion Date (or, in the case of Additional Ordinary Shares, the relevant Reference Date).

- (iii) Subject to, and as provided in these Conditions (including without limitation Condition 6(k)), the Conversion Right in respect of a Note may be exercised, at the option of the holder thereof, and subject to any applicable fiscal or other laws or regulations and as hereinafter provided, at any time during the period (the “**Initial Conversion Period**”) from (and including) 22 August 2024 (41 days after the Closing Date) (the “**Initial Conversion Period Commencement Date**”) to (and including):

- (1) the date falling 66 Sydney business days prior to the Maturity Date; or
- (2) if such Note is to be redeemed pursuant to Condition 7(b) or Condition 7(c) on or prior to the date falling 5 Sydney business days following the Initial Conversion Period End Date:
  - (a) the date falling 5 Sydney business days before the date fixed for redemption thereof pursuant to Condition 7(b) or Condition 7(c); or
  - (b) if there shall be default in making payment in respect of such Note on such date fixed for redemption, the earlier of:
    - (A) the date on which the full amount of such payment becomes available for payment and notice of such availability has been duly given to Noteholders in accordance with Condition 17 (or, if such date is not a Sydney business day, the immediately preceding Sydney business day); and
    - (B) the date falling 66 Sydney business days prior to the Maturity Date (the “**Initial Conversion Period End Date**”).

(b) *Cash Settlement Election during the Initial Conversion Period*

- (i) Upon any exercise of Conversion Rights by a Noteholder during the Initial Conversion Period, the Issuer may, in its sole discretion, make an election to satisfy and settle such exercise in respect of the relevant Notes the subject of the relevant Conversion Notice by paying the relevant Noteholder the relevant Cash Settlement Amount (a “**Cash Settlement Election**”) by giving written notice (a “**Cash Settlement Election Notice**”) to the relevant Noteholder by no later than the relevant Cash Settlement Election Date to the email address provided in the relevant Conversion Notice.

“**Cash Settlement Election Date**” means, in respect of any exercise of Conversion Rights during the Initial Conversion Period, the date falling three Sydney business days following the relevant Conversion Notice Delivery Date.

- (ii) The Issuer shall pay the relevant Cash Settlement Amount by not later than the date which is the later of (i) the date falling five Sydney business days following the last day of the Cash Settlement Calculation Period and (ii) the date falling three Sydney business days following the first Sydney business day on which the Cash Settlement Amount is capable of being determined in accordance with the definition thereof, by transfer directly to an Australian dollar account with a bank that processes payments in Australian Dollars in accordance with instructions contained in the relevant Conversion Notice.

(c) *Final Conversion Period and Final Conversion Period Settlement Determination*

- (i) Subject to, and as provided in these Conditions (including without limitation Condition 6(k)), the Conversion Right in respect of a Note may be exercised, at the option of the holder thereof, and subject to any applicable fiscal or other laws or regulations and as hereinafter provided, at any time during the period (the “**Final Conversion Period**”) from (and including) the date falling 65 Sydney business days prior to the Maturity Date (the “**Final Conversion Period Commencement Date**”) to (and including):
- (1) the date falling five Sydney business days prior to the Maturity Date; or
  - (2) if such Note is to be redeemed pursuant to Condition 7(b) or Condition 7(c) after the date falling 5 Sydney business days following the Initial Conversion Period End Date and prior to the Maturity Date:
    - (a) the date falling 5 Sydney business days before the date fixed for redemption thereof pursuant to Condition 7(b) or Condition 7(c); or
    - (b) if there shall be default in making payment in respect of such Note on such date fixed for redemption, the earlier of:
      - (A) the date on which the full amount of such payment becomes available for payment and notice of such availability has been duly given to Noteholders in accordance with Condition 17 (or, if such date is not a Sydney business day, the immediately preceding Sydney business day); and
      - (B) the date falling 5 Sydney business days prior to the Maturity Date (the “**Final Conversion Period End Date**”).
- (ii) No earlier than the date falling 120 Sydney business days prior to, and no later than the date falling 5 Sydney business days immediately preceding, the Final Conversion Period Commencement Date, the Issuer will make a determination (a “**Final Conversion Period Settlement Determination**”) by giving notice to the Noteholders in accordance with Condition 17 and to the Trustee and each Conversion Agent in writing (a “**Final Conversion Period Settlement Determination Notice**”). The Final Conversion Period Settlement Determination Notice shall state whether the Issuer elects for each exercise of Conversion Rights during the Final Conversion Period to be satisfied and settled, subject to and as provided in these Conditions and subject to any applicable fiscal or other laws or regulations and as hereinafter provided, by the payment of a cash amount equal to the relevant Cash Settlement Amount to the relevant Noteholder (a “**Final Conversion Period Cash Settlement Election**”) or does not make such election.

If the Final Conversion Period Settlement Determination Notice states that the Issuer does not make a Final Conversion Period Cash Settlement Election, each exercise of Conversion Rights during the Final Conversion Period will be satisfied and settled by the issue or transfer and delivery to the relevant Noteholder of that number of Ordinary Shares equal to the relevant Reference Shares in respect of such exercise, in accordance with the instructions contained in the relevant Conversion Notice. Each Noteholder consents to become a member of the Issuer and to be bound by the constitution of the Issuer in respect of any Ordinary Shares issued on exercise of a Conversion Right.

The Final Conversion Period Settlement Determination shall be at the sole discretion of the Issuer and the Final Conversion Period Settlement Determination Notice shall be irrevocable.



- (iii) Where the Issuer has determined that each exercise of Conversion Rights during the Final Conversion Period will be satisfied and settled by delivery of Ordinary Shares, a Noteholder may exercise Conversion Rights in accordance with Condition 6(k) whereupon the Issuer shall (subject as provided in these Conditions) procure the delivery to or as directed by the relevant Noteholder of Ordinary Shares credited as paid up in full as provided in this Condition 6. Such Ordinary Shares will be deemed to be issued or transferred and delivered as of the relevant Conversion Date (or, in the case of Additional Ordinary Shares, the relevant Reference Date).
- (iv) Where the Issuer has determined that each exercise of Conversion Rights during the Final Conversion Period will be satisfied and settled by the payment of the relevant Cash Settlement Amount, a Noteholder may exercise Conversion Rights in accordance with Condition 6(k) whereupon the Issuer shall (subject as provided in these Conditions) procure the payment by the Issuer, to or as directed by the relevant Noteholder of the relevant Cash Settlement Amount as provided in this Condition 6.

The Issuer shall pay the relevant Cash Settlement Amount by not later than the date which is the later of (i) the date falling five Sydney business days following the last day of the Cash Settlement Calculation Period and (ii) the date falling three Sydney business days following the first Sydney business day on which the Cash Settlement Amount is capable of being determined in accordance with the definition thereof, by transfer directly to an Australian dollar account with a bank that processes payments in Australian Dollars in accordance with instructions contained in the relevant Conversion Notice.

(d) *Conversion Price and Conversion Right*

The price at which Ordinary Shares will be issued upon exercise of a Conversion Right will initially be A\$6.63 per Ordinary Share (the “**Conversion Price**”), subject to adjustment as provided in Condition 6(e).

Conversion Rights may not be exercised following:

- (A) the giving of a notice by the holder thereof pursuant to Condition 7(e) or Condition 7(f); or
- (B) the giving of notice by the Trustee pursuant to Condition 10.

Save in the circumstances provided in Condition 6(m) in respect of any notice given by the Issuer pursuant to Conditions 7(b) or 7(c), Conversion Rights may not be exercised by a Noteholder in circumstances where the relevant Conversion Date would fall during the period commencing on the Record Date in respect of any payment of interest on the Notes and ending on the relevant Interest Payment Date (both days inclusive).

Conversion Rights may only be exercised in respect of an Authorised Denomination.

Fractions of Ordinary Shares will not be issued or transferred and delivered on conversion and no cash payment or other adjustment will be made in lieu thereof. However, if the Conversion Right in respect of more than one Note is exercised pursuant to any one Conversion Notice, the number of such Ordinary Shares to be issued in respect thereof shall be calculated on the basis of the aggregate principal amount of such Notes being so converted and rounded down to the nearest whole number of Ordinary Shares.

(e) *Adjustment of Conversion Price*

Upon the happening of any of the events described below, the Conversion Price shall be adjusted by the Calculation Agent as follows:

- (i) **consolidation, reclassification, redesignation or subdivision:** if and whenever there shall be a consolidation, reclassification, redesignation or subdivision in relation to the Ordinary Shares which alters the number of Ordinary Shares in issue, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A}{B}$$

where:

- A is the aggregate number of Ordinary Shares in issue immediately before such consolidation, reclassification, redesignation or subdivision, as the case may be; and
- B is the aggregate number of Ordinary Shares in issue immediately after, and as a result of, such consolidation, reclassification, redesignation or subdivision, as the case may be.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Condition 6(e)(i), the date on which the consolidation, reclassification, redesignation or subdivision, as the case may be, takes effect.

- (ii) **capitalisation of profits or reserves:** if and whenever the Issuer shall issue any Ordinary Shares to Shareholders credited as fully paid by way of capitalisation of profits or reserves (including any amount of any share premium account or capital redemption reserve) (other than an issue of Ordinary Shares determined to constitute a Cash Dividend pursuant to paragraph (i) of the definition of “Dividend”), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A}{B}$$

where:

- A is the aggregate number of Ordinary Shares in issue immediately before such issue; and
- B is the aggregate number of Ordinary Shares in issue immediately after such issue.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Condition 6(e)(ii), the date of issue of such Ordinary Shares.

- (iii)

- (A) **Non-Cash Dividends:** if and whenever the Issuer shall pay or make any Non-Cash Dividend to the Shareholders (except to the extent that the Conversion Price falls to be adjusted under Condition 6(e)(ii) above), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

where:

- A is the Current Market Price of one Ordinary Share on the Ex-Date in respect of the relevant Non-Cash Dividend; and

B is the portion of the Fair Market Value of the aggregate Non-Cash Dividend (as at the Ex-Date in respect thereof) attributable to one Ordinary Share, with such portion being determined by dividing the Fair Market Value of the aggregate Non-Cash Dividend by the number of Ordinary Shares entitled to receive the relevant Non-Cash Dividend (or, in the case of a purchase, redemption or buy back of Ordinary Shares or any depositary or other receipts or certificates representing Ordinary Shares by or on behalf of the Issuer or any Subsidiary of the Issuer, by the number of Ordinary Shares in issue immediately following such purchase, redemption or buy back, and treating as not being in issue any Ordinary Shares, or any Ordinary Shares represented by depositary or other receipts or certificates, purchased, redeemed or bought back).

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Condition 6(e)(iii)(A), the later of:

- (a) the Ex-Date in respect of the relevant Non-Cash Dividend (or, if later, the Dealing Day following the record date or other due date for establishment of the entitlement of Shareholders to such Non-Cash Dividend); and
- (b) the first date upon which the Fair Market Value of the relevant Non-Cash Dividend is capable of being determined as provided herein.

(B) **Extraordinary Cash Dividends:** if and whenever the Ex-Date in respect of any Extraordinary Cash Dividend falls in a Relevant Period, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date (defined below) by the following fraction:

$$\frac{A - B}{A - C}$$

where:

- A is the Current Market Price of one Ordinary Share on the Ex-Date in respect of the relevant Extraordinary Cash Dividend;
- B is the portion of the Fair Market Value of the aggregate Extraordinary Cash Dividend attributable to one Ordinary Share, with such portion being determined by dividing the Fair Market Value of the aggregate Extraordinary Cash Dividend by the number of Ordinary Shares entitled to receive such Extraordinary Cash Dividend; and
- C is the amount (if any) by which the Threshold Amount for the Relevant Period exceeds an amount equal to the aggregate of the Fair Market Values of any previous Cash Dividends per Ordinary Share the Ex-Date in respect of which falls in such Relevant Period (where “C” shall be zero if the aggregate Fair Market Value of such previous Cash Dividends per Ordinary Share is equal to, or exceeds, the Threshold Amount for such Relevant Period). For the avoidance of doubt “C” shall equal the Threshold Amount for the Relevant Year where there have been no previous Cash Dividends per Ordinary Share the Ex-Date in respect of which fell in such Relevant Period.

Such adjustment shall become effective on the Effective Date.

**“Extraordinary Cash Dividend”** means any Cash Dividend (the **“Relevant Dividend”**) where the Ex-Date in respect thereof falls in a Relevant Period, if (a) the Fair Market Value of the Relevant Dividend per Ordinary Share or (b) the sum of (i) the Fair Market Value of the Relevant Dividend per Ordinary Share and (ii) an amount equal to the aggregate of the Fair Market Value or Values of any other previous Cash Dividend or Cash Dividends per Ordinary Share the Ex-Date in respect of which falls in such Relevant Period, exceeds the Threshold Amount for such Relevant Period, and in that case the Extraordinary Cash Dividend shall be such Relevant Dividend.

**“Relevant Period”** means, in respect of this Clause 6(e)(iii)(B), the period commencing on (and including) the Closing Date and ending on (but excluding) the first anniversary date of the Closing Date, and each successive period commencing on (and including) an anniversary date of the Closing Date and ending on (but excluding) the next anniversary date of the Closing Date, provided that the final Relevant Period shall commence on (and include) the fourth anniversary of the Closing Date and end on (but exclude) the Maturity Date.

**“Threshold Amount”** means, for any Relevant Period, A\$0.16 per Ordinary Share (adjusted concurrently with, and *pro rata* for, any adjustments to the Conversion Price that would (disregarding for this purpose only the provisions of Condition 6(i) relating to rounding or the carry forward of adjustments) be required to be made pursuant to the provisions of this Condition 6(e), including this Condition 6(e)(iii)(B)).

On any adjustment to the Threshold Amount, the resultant Threshold Amount for any Relevant Period, if not an integral multiple of A\$0.0001, shall be rounded to the nearest integral multiple of A\$0.0001 (with A\$0.00005 being rounded upwards).

For the purposes of the above, Fair Market Value shall (subject as provided in paragraph (a) of the definition of “Dividend” and in the definition of “Fair Market Value”) be determined as at the Effective Date.

In making any calculations for the purposes of this Condition 6(e)(iii)(B), such adjustments (if any) shall be made as the Calculation Agent may determine to be appropriate to reflect (i) any consolidation or sub-division of any Ordinary Shares or the issue of Ordinary Shares by way of capitalisation of profits or reserves (or any like or similar event) or any increase in the number of Ordinary Shares in issue in relation to the Relevant Period in question, or (ii) any adjustment to the Conversion Price made in the Relevant Period in question.

**“Effective Date”** means, in respect of this Condition 6(e)(iii)(B), the later of:

- (a) the Ex-Date in respect of the relevant Extraordinary Cash Dividend (or, if later, the Dealing Day following the record date or other due date for establishment of the entitlement of Shareholders to such Extraordinary Cash Dividend); and
  - (b) the first date upon which the Fair Market Value of the relevant Extraordinary Cash Dividend is capable of being determined as provided herein.
- (iv) **rights issues or options over Ordinary Shares:** if and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity shall issue any Ordinary Shares to

Shareholders as a class by way of rights, or shall issue or grant to Shareholders as a class by way of rights, any options, warrants or other rights to subscribe for or purchase or otherwise acquire Ordinary Shares or any Securities which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or the right to otherwise acquire any Ordinary Shares (or shall grant any such rights in respect of existing Securities so issued), in each case at a price per Ordinary Share which is less than 95.00 per cent. of the Current Market Price per Ordinary Share on the Ex-Date in respect of the relevant issue or grant, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Ordinary Shares in issue on such Ex-Date;
- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares issued by way of rights or for the Securities issued by way of rights and upon exercise of rights of conversion into, or exchange or subscription for, or the right to otherwise acquire, Ordinary Shares, or for the options or warrants or other rights issued by way of rights and for the total number of Ordinary Shares to be issued on the exercise thereof, would purchase at such Current Market Price per Ordinary Share; and
- C is the number of Ordinary Shares to be issued or, as the case may be, the maximum number of Ordinary Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights or upon conversion or exchange or exercise of rights of subscription or purchase (or other rights of acquisition) in respect thereof at the initial conversion, exchange, subscription, purchase or acquisition price or rate, provided that if at such Ex-Date such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time, then for the purposes of this Condition 6(e)(iv), "C" shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at such Ex-Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on such Ex-Date.

Such adjustment shall become effective on the Effective Date.

"**Effective Date**" means, in respect of this Condition 6(e)(iv), the later of:

- (a) the Ex-Date in respect of the relevant issue or grant (or, if later, the Dealing Day following the record date or other due date for establishment of the entitlement of Shareholders to participate in the relevant issue or grant); and
  - (b) the first date on which the adjusted Conversion Price is capable of being determined as provided in this Condition 6(e)(iv).
- (v) **rights issues of other Securities:** if and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity shall issue any Securities (other than Ordinary Shares or options, warrants or other rights to subscribe for, purchase or otherwise acquire any

Ordinary Shares or Securities which by their terms carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or rights to otherwise acquire, Ordinary Shares) to Shareholders as a class by way of rights or grant to Shareholders as a class by way of rights, any options, warrants or other rights to subscribe for, purchase or otherwise acquire any Securities (other than Ordinary Shares or options, warrants or other rights to subscribe for, purchase or otherwise acquire Ordinary Shares or Securities which by their terms carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or rights to otherwise acquire, Ordinary Shares), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

where:

- A is the Current Market Price of one Ordinary Share on the Ex-Date in respect of the relevant issue or grant; and
- B is the Fair Market Value on such Ex-Date of the portion of the rights attributable to one Ordinary Share.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Condition 6(e)(v), the later of:

- (a) the Ex-Date in respect of the relevant issue or grant (or, if later, the Dealing Day following the record date or other due date for establishment of the entitlement of Shareholders to participate in the relevant issue or grant); and
- (b) the first date on which the adjusted Conversion Price is capable of being determined as provided in this Condition 6(e)(v).

- (vi) **issues at less than the Current Market Price:** If and whenever the Issuer shall issue wholly for cash or for no consideration (otherwise than as mentioned in Condition 6(e)(iv) above), any Ordinary Shares (other than Ordinary Shares issued on conversion of the Notes (which term shall for this purpose include any further Notes issued pursuant to Condition 18) or on the exercise of any rights of conversion into, or exchange or subscription for or purchase of or rights to otherwise acquire, Ordinary Shares and other than where it is determined to constitute a Cash Dividend pursuant to paragraph (i) of the definition of “Dividend”) or if and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity shall issue or grant (otherwise than as mentioned in Condition 6(e)(iv) above) wholly for cash or for no consideration any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Ordinary Shares (other than the Notes, which term shall for this purpose include any further Notes issued pursuant to Condition 18), in each case at a price per Ordinary Share which is less than 95.00 per cent. of the Current Market Price per Ordinary Share on the date of the first public announcement of the terms of such issue or grant, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Ordinary Shares in issue immediately before the date of first public announcement of the terms of such issue of such Ordinary Shares or grant of such options, warrants or rights;
- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the issue of such Ordinary Shares or, as the case may be, for the Ordinary Shares to be issued or otherwise made available upon the exercise of any such options, warrants or rights, would purchase at such Current Market Price per Ordinary Share; and
- C is the number of Ordinary Shares to be issued pursuant to such issue of such Ordinary Shares or, as the case may be, the maximum number of Ordinary Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights, provided that if on the date of first public announcement of the terms of such issue or grant of such options, warrants or rights (as used in this Condition 6(e)(vi), the “Specified Date”) such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time, then for the purposes of this Condition 6(e)(vi), “C” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date.

“Effective Date” means, in respect of this Condition 6(e)(vi), the later of:

- (a) the date of issue of such Ordinary Shares or, as the case may be, the issue or grant of such options, warrants or rights; and
  - (b) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this Condition 6(e)(vi).
- (vii) **Other issues at less than the Current Market Price:** if and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request of or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity (otherwise than as mentioned in Conditions 6(e)(iv), 6(e)(v) or 6(e)(vi) above) shall issue wholly for cash or for no consideration any Securities (other than the Notes which term shall for this purpose exclude any further Notes issued pursuant to Condition 18, and other than where it is determined to constitute a Cash Dividend pursuant to paragraph (i) of the definition of “Dividend”), which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, purchase of, or rights to otherwise acquire, Ordinary Shares (or shall grant any such rights in respect of existing Securities so issued) or Securities which by their terms might be reclassified or redesignated as Ordinary Shares and the consideration per Ordinary Share receivable upon conversion, exchange, subscription, purchase, acquisition reclassification or redesignation is less than 95.00 per cent. of the Current Market Price per Ordinary Share on the date of the first public announcement of the terms of issue of such Securities (or the terms of such grant), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Ordinary Shares in issue on the date immediately before the date of the first public announcement of the terms of issue of such issue or grant (but where the relevant Securities carry rights of conversion into or rights of exchange or subscription for Ordinary Shares which have been issued, purchased or acquired by the Issuer or any Subsidiary of the Issuer (or at the direction or request or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) for the purposes of or in connection with such issue, less the number of such Ordinary Shares so issued, purchased or acquired);
- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares to be issued or otherwise made available upon conversion or exchange or upon exercise of the right of subscription, purchase or acquisition attached to such Securities or upon the exercise of any such options, warrants or rights or, as the case may be, for the Ordinary Shares to be issued or to arise from any such reclassification or redesignation would purchase at such Current Market Price per Ordinary Share; and
- C is the maximum number of Ordinary Shares to be issued or otherwise made available upon conversion or exchange of such Securities or upon the exercise of such right of subscription, purchase or acquisition attached thereto at the initial conversion, exchange, subscription, purchase or acquisition price or rate or, as the case may be, the maximum number of Ordinary Shares which may be issued or arise from any such reclassification or redesignation, provided that if on the date of the first public announcement of the terms of such issue or grant (as used in this Condition 6(e)(vii), the “**Specified Date**”) such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such Securities are converted or exchanged or rights of subscription, purchase or acquisition are exercised or, as the case may be, such Securities are reclassified or redesignated or at such other time as may be provided), then for the purposes of this Condition 6(e)(vii), “C” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase or acquisition, reclassification or, as the case may be, redesignation had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Condition 6(e)(vii), the later of:

- (a) the date of issue of such Securities or, as the case may be, the grant of such rights; and
  - (b) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this Condition 6(e)(vii).
- (viii) **modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to any Securities:** If and whenever there shall be any modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to any Securities (other than the Notes which shall for this purpose include any further Notes issued pursuant to Condition 18) which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or the right to otherwise acquire, any Ordinary Shares (other than in accordance with the terms (including terms as to adjustment) applicable to such Securities upon issue) so that following such modification the consideration per Ordinary Share receivable



has been reduced and is less than 95.00 per cent. of the Current Market Price per Ordinary Share on the date of the first public announcement of the proposals for such modification, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Ordinary Shares in issue immediately before the date of the first public announcement of the proposals for such modification (but where the relevant Securities carry rights of conversion into or rights of exchange or subscription for, or purchase or acquisition of, Ordinary Shares which have been issued, purchased or acquired by the Issuer or any Subsidiary of the Issuer (or at the direction or request or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) for the purposes of or in connection with such Securities, less the number of such Ordinary Shares so issued, purchased or acquired);
- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares to be issued or otherwise made available upon conversion or exchange or upon exercise of the right of subscription, purchase or acquisition attached to the Securities so modified would purchase at such Current Market Price per Ordinary Share or, if lower, the existing conversion, exchange, subscription, purchase or acquisition price of such Securities; and
- C is the maximum number of Ordinary Shares which may be issued or otherwise made available upon conversion or exchange of such Securities or upon the exercise of such rights of subscription, purchase or acquisition attached thereto at the modified conversion, exchange, subscription, purchase or acquisition price or rate but giving credit in such manner as the Calculation Agent shall consider appropriate for any previous adjustment under this Condition 6(e)(viii) or under Condition 6(e)(vii) above, provided that if on the date of the first public announcement of the proposals for such modification (as used in this Condition 6(e)(viii), the “**Specified Date**”) such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such Securities are converted or exchanged or rights of subscription, purchase or acquisition are exercised or at such other time as may be provided) then for the purposes of this Condition 6(e)(viii), “C” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Condition 6(e)(viii), the later of:

- (a) the date of modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to such Securities; and
- (b) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this Condition 6(e)(viii).

- (ix) **other offers to Shareholders:** subject to Condition 6(f), if and whenever the Issuer or any of its Subsidiaries or (at the direction or request of or pursuant to any arrangements with the Issuer or any of its Subsidiaries) any other company, person or entity shall offer any Ordinary Shares or Securities of the Issuer in connection with which Shareholders as a class are entitled to participate in arrangements whereby such Ordinary Shares or Securities may be acquired by them (except where the Conversion Price falls to be adjusted under Conditions 6(e)(ii), 6(e)(iii), 6(e)(iv), 6(e)(v), 6(e)(vi) or 6(e)(vii) above or 6(e)(x) below (or, where applicable, would fall to be so adjusted if the relevant issue or grant was at less than 95.00 per cent. of the Current Market Price per Ordinary Share on the relevant day)) the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

where:

- A is the Current Market Price of one Ordinary Share on the Ex-Date in respect of the relevant offer; and
- B is the Fair Market Value on such Ex-Date of the portion of the relevant offer attributable to one Ordinary Share.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Condition 6(e)(ix), the later of:

- (a) the Ex-Date in respect of the relevant offer (or, if later, the Dealing Day following the record date or other due date for establishment of the entitlement of Shareholders to the relevant offer); and
- (b) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this Condition 6(e)(ix).
- (x) **Change of Control:** if a Change of Control shall occur, then upon any exercise of Conversion Rights in respect of which the Conversion Date falls during the Change of Control Period, the Conversion Price, solely in respect of such exercise of Conversion Rights (the “**Change of Control Conversion Price**”), shall be as determined based on the Conversion Price in effect on such Conversion Date pursuant to the following formula:

$$COCCP = \frac{OCP}{1 + \left( CP \times \frac{c}{t} \right)}$$

COCCP = means the Change of Control Conversion Price;

OCP = means the Conversion Price in effect on such Conversion Date;

CP = means 30.00 per cent.;

c = means the number of days from (and including) the date the Change of Control occurs to (but excluding) the Maturity Date; and

t = means the number of days from (and including) the Closing Date to (but excluding) the Maturity Date.

- (xi) **other events:** if, following consultation with the Calculation Agent, the Issuer determines that an adjustment should be made to the Conversion Price as a result of one or more circumstances not referred to above in this Condition 6(e), the Issuer shall, at its own expense and acting reasonably, request an Independent Adviser to determine, as soon as practicable what adjustment (if any) to the Conversion Price is fair and reasonable to take account thereof and the date on which such adjustment (if any) should take effect and upon such determination such adjustment (if any) shall be made and shall take effect in accordance with such determination, provided that an adjustment shall only be made pursuant to this Condition 6(e)(xi) if such Independent Adviser is so requested to make such a determination not more than 21 days after the date on which the relevant circumstance arises and if the adjustment would result in a reduction to the Conversion Price.

Notwithstanding the foregoing provisions, where:

- (A) the events or circumstances giving rise to any adjustment pursuant to this Condition 6(e) have already resulted or will result in an adjustment to the Conversion Price or where the events or circumstances giving rise to any adjustment arise by virtue of any other events or circumstances which have already given or will give rise to an adjustment to the Conversion Price or where more than one event which gives rise to an adjustment to the Conversion Price occurs within such a short period of time that, following consultation with the Calculation Agent, in the opinion of the Issuer, a modification to the operation of the adjustment provisions is required to give the intended result, such modification shall be made to the operation of the adjustment provisions as may be determined by an Independent Adviser to be in its opinion appropriate to give the intended result; and
- (B) such modification shall be made to the operation of these Conditions as may be determined by an Independent Adviser, in consultation with the Calculation Agent, to be in its opinion appropriate:
  - (a) to ensure that an adjustment to the Conversion Price or the economic effect thereof shall not be taken into account more than once; and
  - (b) to ensure that the economic effect of a Dividend is not taken into account more than once.

The Issuer has undertaken that it will not take any corporate or other action which is equivalent to Conditions 6(e)(i) to 6(e)(x) (both inclusive) that would cause the Conversion Price of the Notes to be adjusted in a manner that contravenes the Corporations Act or the ASX Listing Rules.

For the purpose of any calculation of the consideration receivable or price pursuant to Conditions 6(e)(iv), 6(e)(vi), 6(e)(vii) and 6(e)(viii), the following provisions shall apply:

- (A) the aggregate consideration receivable or price for Ordinary Shares issued for cash shall be the amount of such cash;
- (B)
  - (x) the aggregate consideration receivable or price for Ordinary Shares to be issued or otherwise made available upon the conversion or exchange of any Securities shall be the consideration or price received or receivable for any such Securities; and
  - (y) the aggregate consideration receivable or price for Ordinary Shares to be issued or otherwise made available upon the exercise of rights of subscription attached to any Securities or upon the exercise of any options, warrants or rights shall be deemed to be that part (which may be the whole) of the consideration or price

received or receivable for such Securities or, as the case may be, for such options, warrants or rights which are attributed by the Issuer to such rights of subscription or, as the case may be, such options, warrants or rights or, if no part of such consideration or price is so attributed, the Fair Market Value of such rights of subscription or, as the case may be, such options, warrants or rights as at the relevant Ex-Date referred to in Condition 6(e)(iv) or the relevant date of the first public announcement as referred to in Conditions 6(e)(vi), 6(e)(vii) or 6(e)(viii), as the case may be,

plus in the case of each of (x) and (y) above of this paragraph (D), the additional minimum consideration receivable or price (if any) upon the conversion or exchange of such Securities, or upon the exercise of such rights of subscription attached thereto or, as the case may be, upon exercise of such options, warrants or rights; and

(z) the consideration receivable or price per Ordinary Share upon the conversion or exchange of, or upon the exercise of such rights of subscription attached to, such Securities or, as the case may be, upon the exercise of such options, warrants or rights shall be the aggregate consideration or price referred to in (x) or (y) above of this paragraph (D) (as the case may be) divided by the number of Ordinary Shares to be issued upon such conversion or exchange or exercise at the initial conversion, exchange or subscription price or rate;

(C) if the consideration or price determined pursuant to paragraph (C) or (D) immediately above (or any component thereof) shall be expressed in a currency other than the Relevant Currency it shall be converted into the Relevant Currency at the Prevailing Rate on the relevant Ex-Date (for the purposes of Condition 6(e)(iv)) or the relevant date of the first public announcement (for the purposes of Conditions 6(e)(vi), 6(e)(vii) or 6(e)(viii));

(D) in determining consideration or price pursuant to the above, no deduction shall be made for any commissions or fees (howsoever described) or any expenses paid or incurred for any underwriting, placing or management of the issue of the relevant Ordinary Shares or Securities or options, warrants or rights, or otherwise in connection therewith; and

(E) the consideration or price shall be determined as provided above on the basis of the consideration or price received, receivable, paid or payable, regardless of whether all or part thereof is received, receivable, paid or payable by or to the Issuer or another entity.

(f) *Retroactive Adjustments*

If the Conversion Date in relation to any exercise of Conversion Rights (other than any exercise of Conversion Rights in respect of which a Cash Settlement Election or, as the case may be, Final Conversion Period Cash Settlement Election, is made) shall be after the record date in respect of any consolidation, reclassification, redesignation or subdivision as is mentioned in Condition 6(e)(i), or after the record date or other due date for the establishment of entitlement for any such issue, distribution, grant or offer (as the case may be) as is mentioned in Conditions 6(e)(ii), 6(e)(iii), 6(e)(iv), 6(e)(v) or 6(e)(ix), or on or after the date of the first public announcement of the terms of any such issue or grant as is mentioned in Conditions 6(e)(vi) and 6(e)(vii) or of the terms of any such modification as is mentioned in Condition 6(e)(viii), but before the relevant adjustment (if any) to the Conversion Price becomes effective in accordance with these Conditions (such adjustment, a “**Retroactive Adjustment**”), then the Issuer shall procure that there shall be issued or transferred and delivered to the converting Noteholder, in accordance with the instructions contained in the Conversion Notice, such additional number of Ordinary Shares (if any) as determined by an Independent Advisor (the “**Additional**

**Ordinary Shares**”) as, together with the Ordinary Shares issued or to be transferred and delivered upon such exercise of Conversion Rights, is equal to the number of Ordinary Shares which would have been required to be issued or delivered upon such exercise of Conversion Rights as if the relevant adjustment to the Conversion Price had in fact been made and become effective immediately prior to such Conversion Date.

(g) *Decision and Determination of the Calculation Agent or an Independent Adviser*

Adjustments to the Conversion Price shall be determined and calculated by the Calculation Agent upon request from the Issuer and/or, to the extent so specified in these Conditions and upon request from the Issuer, by an Independent Adviser. The Calculation Agent shall notify the Issuer of each determination and calculation of any adjustment to the Conversion Price forthwith upon making the same and such notice shall specify the Threshold Amount in effect on the date on which such adjustment to the Conversion Price becomes effective.

Adjustments to the Conversion Price calculated by the Calculation Agent or, where applicable, an Independent Adviser and any other determinations made by the Calculation Agent or, where applicable, an Independent Adviser, or an opinion of an Independent Adviser, pursuant to these Conditions shall in each case be made in good faith and shall be final and binding (in the absence of manifest error) on the Issuer, the Trustee, the Noteholders, the Calculation Agent (in the case of a determination by an Independent Adviser) and the Agents.

The Calculation Agent may consult, at the expense of the Issuer, on any matter (including, but not limited to, any legal matter), any legal or other professional adviser and it shall be able to rely upon, and it shall not be liable and shall incur no liability as against the Trustee, the Noteholders or the Agents in respect of anything done, or omitted to be done, relating to that matter in good faith, in accordance with that adviser’s opinion.

The Calculation Agent shall act solely upon the request from, and exclusively as agent of, the Issuer and in accordance with these Conditions. Neither the Calculation Agent (acting in such capacity) nor any Independent Adviser appointed in connection with the Notes (acting in such capacity) will thereby assume any obligations towards or relationship of agency or trust and shall not be liable and shall incur no liability in respect of anything done, or omitted to be done in good faith, in its capacity as Calculation Agent as against the Trustee, the Noteholders or the Agents.

If following consultation between the Issuer and the Calculation Agent any doubt shall arise as to whether an adjustment falls to be made to the Conversion Price or as to the appropriate adjustment to the Conversion Price or the date from which such adjustment shall take effect, and following consultation between the Issuer and an Independent Adviser, a written opinion of such Independent Adviser in respect thereof shall be conclusive and binding on the Issuer, the Noteholders, the Calculation Agent (if different), the Trustee and the Agents, save in the case of manifest error.

(h) *Employees Incentive Schemes*

No adjustment will be made to the Conversion Price where Ordinary Shares or other Securities (including rights, warrants and options) are issued, offered or granted pursuant to any Employee Share Scheme.

“**Employee Share Scheme**” means any scheme approved by the Issuer and in compliance with the requirements of the ASX Listing Rules (or if applicable, such other stock exchange or securities market which is the Relevant Stock Exchange in respect of the Ordinary Shares) pursuant to which Ordinary Shares or other securities (including performance rights, warrants, awards or options) are or may be issued, transferred, offered, exercised, allotted, purchased, appropriated, modified or granted to, or for

the benefit of, employees or former employees (including directors holding or formerly holding executive office or the personal service company of any such person) of the Issuer, its Subsidiaries and/or affiliated companies, or spouses or persons related to such employees or former employees or eligible participants of such scheme or to a trustee or trustees to be held for the benefit of any such person or any amendment or successor plan thereto.

(i) *Rounding Down and Notice of Adjustment*

On any adjustment to the Conversion Price, the resultant Conversion Price, if not an integral multiple of A\$0.0001, shall be rounded down to the nearest integral multiple of A\$0.0001. No adjustment shall be made to the Conversion Price where such adjustment (rounded down if applicable) would be less than one per cent. of the Conversion Price then in effect. Any adjustment not required to be made, and/or any amount by which the Conversion Price has been rounded down, shall be carried forward and taken into account in any subsequent adjustment, and such subsequent adjustment shall be made on the basis that the adjustment not required to be made had been made at the relevant time and/or, as the case may be, that the relevant rounding down had not been made.

Notice of any adjustments to the Conversion Price shall be given by the Issuer to Noteholders in accordance with Condition 17 and to the Trustee and the Principal Paying and Conversion Agent in writing promptly after the determination thereof (and in any such case, such notice shall also specify the Threshold Amount in effect on the date on which such adjustment to the Conversion Price becomes effective).

The Conversion Price shall not in any event be reduced so that on conversion of the Notes, Ordinary Shares would fall to be issued in circumstances not permitted by applicable laws or regulations.

The Issuer undertakes that it shall not take any action, and shall procure that no action is taken, that would otherwise result in an adjustment to the Conversion Price to below such nominal value or any minimum level permitted by applicable laws or regulations or that would otherwise result in the inability to issue Ordinary Shares on conversion as fully paid or result in Ordinary Shares being required to be issued in circumstances not permitted by applicable laws or regulations.

No adjustment involving an increase in the Conversion Price will be made, except in the case of a consolidation of the Ordinary Shares as referred to in Condition 6(e)(i) above. The Issuer may at any time and for a specified period only, following notice being given to the Trustee and the Principal Paying and Conversion Agent in writing and to Noteholders in accordance with Condition 17, reduce the Conversion Price.

(j) *Change of Control*

Within 10 Sydney business days following the occurrence of a Change of Control, the Issuer shall give notice thereof to the Trustee and the Principal Paying and Conversion Agent in writing and to the Noteholders in accordance with Condition 17 (a “**Change of Control Notice**”). Such notice shall contain a statement informing Noteholders of their entitlement to exercise their Conversion Rights as provided in these Conditions and their entitlement to require the Issuer to redeem their Notes as provided in Condition 7(f).

The Change of Control Notice shall also specify:

- (i) all information material to Noteholders concerning the Change of Control;
- (ii) the Conversion Price immediately prior to the occurrence of the Change of Control and the Change of Control Conversion Price applicable pursuant to Condition 6(e)(x) during the Change

of Control Period (on the basis of the Conversion Price in effect immediately prior to the occurrence of the Change of Control);

- (iii) the Closing Price of the Ordinary Shares as derived from the Relevant Stock Exchange as at the latest practicable date prior to the publication of the Change of Control Notice;
- (iv) the Relevant Event Redemption Date and the last day of the Change of Control Period; and
- (v) such other information relating to the Change of Control as the Trustee may require.

None of the Trustee, the Agents or the Calculation Agent shall be required to take any steps to ascertain whether a Change of Control or any event which could lead to a Change of Control has occurred or may occur and none of them will be responsible or liable to Noteholders or any other person for any loss arising from any failure by it to do so.

(k) *Procedure for exercise of Conversion Rights*

Conversion Rights may be exercised by a Noteholder during the Initial Conversion Period or the Final Conversion Period by delivering the relevant Note to the specified office of the Principal Paying and Conversion Agent or any other Conversion Agent, during its usual business hours, accompanied by a duly completed and signed notice of conversion in the form (for the time being current) obtainable from any Conversion Agent (a “**Conversion Notice**”), together with the relevant Certificate. Conversion Rights shall be exercised subject in each case to any applicable fiscal, securities or other laws or regulations applicable in the jurisdiction in which the specified office of the Conversion Agent to whom the relevant Conversion Notice is delivered is located. If such delivery is made after 3.00 p.m. (local time in the place of delivery) or on a day which is not a business day in the place of the specified office of the relevant Conversion Agent, such delivery shall be deemed for all purposes of these Conditions to have been made on the next following such business day (and the date on which such Note and duly completed and signed Conversion Notice are so delivered or, as the case may be, deemed to be delivered, the “**Conversion Notice Delivery Date**” in respect of such exercise of Conversion Rights).

Any determination as to whether any Conversion Notice has been duly completed and properly delivered (and the applicable Conversion Notice Delivery Date) shall be made by the relevant Conversion Agent in accordance with the provisions of the Agency Agreement and shall, save in the case of manifest error, be conclusive and binding on the Issuer, the Trustee, the other Conversion Agents and the relevant Noteholder.

Conversion Rights may only be exercised in respect of an Authorised Denomination. Where Conversion Rights are exercised in respect of Notes represented by part of a Certificate only, the old Certificate representing such Notes shall be cancelled and a new Certificate representing the remaining Notes in respect of which Conversion Rights have not been exercised (the “**Remaining Notes**”) and appropriate entries made in the Register for the balance thereof shall be issued in lieu thereof without charge but upon payment by the holder of any taxes, duties and other governmental charges payable in connection therewith and the Registrar will, within seven business days in the place of the specified office of the Registrar following the relevant Conversion Date, deliver the new Certificate representing the Remaining Notes to the Noteholder at the specified office of the Registrar or (at the risk and, if mailed at the request of the Noteholder otherwise than by ordinary mail, at the expense of the Noteholder) mail the new Certificate representing the Remaining Notes by uninsured mail to such address as the Noteholder may request.

A Conversion Notice, once delivered, shall be irrevocable.

The conversion date (the “**Conversion Date**”) in respect of any exercise of Conversion Rights shall be the first Sydney business day following the relevant Conversion Notice Delivery Date.

A Noteholder exercising a Conversion Right shall:

- (a) subject to Condition 6(k)(b) below, be responsible for paying directly to the relevant authorities any capital, stamp, issue, registration, transfer and/or other taxes and/or duties arising on conversion and such Noteholder shall be responsible for paying all, if any, taxes arising by reference to any disposal or deemed disposal of a Note or interest therein in connection with such conversion; but
- (b) not be responsible for any taxes or capital, stamp, issue and registration and transfer taxes and duties payable in Australia (or any province, state or territory thereof) in respect of the allotment and issue of any Ordinary Shares on such conversion or in respect of the delivery of any Ordinary Shares on such conversion (including in each case any Additional Ordinary Shares), which shall be paid by the Issuer. If the Issuer shall fail to pay any taxes and capital, stamp, issue and registration and transfer taxes and duties payable for which it is responsible as provided above, the relevant holder shall be entitled to tender and pay the same and the Issuer as a separate and independent stipulation, covenants to reimburse and indemnify each Noteholder in respect of any payment thereof and any penalties payable in respect thereof.

For the avoidance of doubt, none of the Agents, the Calculation Agent or the Trustee shall be responsible for determining whether or not such taxes or capital, stamp, issue, registration, transfer and/or other taxes and/or duties are payable in Australia or any other jurisdiction or, in any case, the amount thereof and none of them shall be responsible or liable to pay any such taxes or capital, stamp, issue and registration and transfer taxes and duties or for any failure by the Issuer, any Noteholder or any other person to pay such capital, stamp, issue, registration, transfer and/or other taxes and/or duties.

Upon any exercise of Conversion Rights (other than any exercise of Conversion Rights in respect of which a Cash Settlement Election or Final Conversion Period Cash Settlement Election is made) Ordinary Shares to be issued on such conversion will be issued, at the option of the Noteholder exercising such Conversion Rights as specified in the Conversion Notice, either:

- (A) in uncertificated form through the securities trading system known as the Clearing House Electronic Sub-register System operated by ASX Settlement Pty Ltd (“**CHESS**”) (or any successor licensed clearance and settlement facility applicable to the Ordinary Shares), or
- (B) in uncertificated form through the Issuer’s share registry provider,

and in the case of (A), the Ordinary Shares will be credited to the CHESS account specified in the Conversion Notice, or in the case of (B) the Ordinary Shares will be credited to an account with the share registry provider in the name of the Noteholder, in each case by a date which is generally expected to be not later than five Sydney business days (in the case of Ordinary Shares to be issued through CHESS) after the relevant Conversion Date (or, in the case of Additional Ordinary Shares, the relevant Reference Date) (the date on which such Ordinary Shares (other than Additional Ordinary Shares) are so credited, the “**Share Issue Date**” in respect of such exercise of Conversion Rights, and the date on which such Additional Shares Ordinary Shares are so credited, the “**Additional Share Issue Date**” in respect of such exercise of Conversion Rights). Statements of holdings for Ordinary Shares issued on exercise of Conversion Rights through CHESS will be dispatched by the Issuer by mail free of charge as soon as practicable but in any event within 10 Sydney business days after the relevant Conversion Date (or, in the case of Additional Ordinary Shares, the relevant Reference Date). Upon any such exercise of Conversion Rights, the Issuer will redeem the Notes held at that time by the Noteholder concerned



and in respect of which a Conversion Right is to be exercised (“**Relevant Notes**”) for an amount equal to their aggregate outstanding principal amount. In relation to each Noteholder concerned, the Issuer will apply, on behalf of that Noteholder, the whole of the said amount in respect of the redemption of the Relevant Notes for the subscription for, or acquisition of, the number of Ordinary Shares calculated in accordance with these Conditions.

Provided the Issuer is admitted to the official list of the ASX on the relevant Share Issue Date or, as the case may be, Additional Share Issue Date, the Issuer will apply for quotation of such Ordinary Shares on the ASX.

The lodgement of an application for quotation of the Ordinary Shares with ASX by the Issuer will constitute a representation and warranty by the Issuer to the person to whom the Ordinary Shares in question are issued on conversion (“**Recipient**”) that:

- (A) the Ordinary Shares issued on conversion are issued solely for the purpose of satisfying the Issuer’s contractual obligations under the terms of the Notes and not for the purpose of the person to whom those Ordinary Shares are issued, selling or transferring the Ordinary Shares or granting, issuing or transferring an interest in, or options over, them;
- (B) subject to the ASX granting quotation of the Ordinary Shares issued on conversion of Notes, they will be freely tradable in the ordinary course on the ASX for so long as the Issuer remains admitted to, and Ordinary Shares are trading on, the Australian Securities Exchange; and
- (C) an offer of the Ordinary Shares issued on conversion for sale within 12 months after their issue will not require disclosure under section 707(3) of the Corporations Act.

Without limiting its obligations under this Condition 6(k), the Issuer shall use its best endeavours, and furnish all such quotation applications, documents, information and undertakings as may be reasonably necessary in order, to procure the ASX quotation referred to in this Condition 6 on the relevant Share Issue Date or, as the case may be, Additional Share Issue Date.

(l) *Ordinary Shares*

Ordinary Shares (including any Additional Ordinary Shares) issued upon conversion of the Notes will be fully paid and will in all respects rank *pari passu* with the fully paid Ordinary Shares in issue on the relevant Conversion Date (or, in the case of Additional Ordinary Shares, the relevant Reference Date), and the relevant holder shall be entitled to all rights, distribution or payments the record date or other due date for the establishment of entitlement for which falls on or after the relevant Conversion Date (or, as the case may be, the relevant Reference Date), except in any such case for any right excluded by mandatory provisions of applicable law or as otherwise may be provided in these Conditions. Such Ordinary Shares or, as the case may be, Additional Ordinary Shares will not rank for (or, as the case may be, the relevant holder shall not be entitled to receive) any rights, distributions or payments the record date or other due date for the establishment of entitlement for which falls prior to the relevant Conversion Date (or, as the case may be, the relevant Reference Date).

(m) *Interest on Conversion*

Save as provided below, no payment or adjustment shall be made on exercise of Conversion Rights for any interest which otherwise would have accrued on the relevant Notes from (and including) the last Interest Payment Date preceding the relevant Conversion Date relating to such Notes (or, if such Conversion Date falls on or before the first Interest Payment Date, from (and including) the Closing Date).

If any notice requiring the redemption of any Notes is given pursuant to Conditions 7(b) or 7(c) on or after the 15<sup>th</sup> calendar day prior to a record date or other due date for establishment of entitlement which has occurred since the last Interest Payment Date (or in the case of the first Interest Period, since the Closing Date) and where such notice specifies a date for redemption falling on or prior to the date which is 14 calendar days after the Interest Payment Date next following such record date or other due date for establishment of entitlement, interest shall accrue at the applicable Interest Rate on Notes in respect of which Conversion Rights shall have been exercised and in respect of which the relevant Conversion Date falls after such record date and on or prior to the Interest Payment Date next following such record date or other due date for establishment of entitlement and on or prior to the Interest Payment Date next following such record date in respect of such Dividend or distribution, in each case from (and including) the last Interest Payment Date preceding such Conversion Date (or, if such Conversion Date falls on or before the first Interest Payment Date, from the Closing Date) to (but excluding) such Conversion Date. The Issuer shall pay any such interest by not later than 14 calendar days after such Conversion Date by transfer directly to an Australian Dollar account with a bank that processes payments in Australian Dollars in accordance with instructions given by the relevant Noteholder in the relevant Conversion Notice.

(n) *Purchase or Redemption of Ordinary Shares*

The Issuer or any Subsidiary of the Issuer may exercise such rights as it may from time to time enjoy as permitted under applicable law to purchase or redeem or buy back its own shares (including Ordinary Shares) or any depositary or other receipts or certificates representing the same without the consent of the Noteholders.

(o) *No duty to Monitor*

None of the Trustee, the Calculation Agent or the Agents shall be under any duty to monitor whether any event or circumstance has happened or exists which requires or may require an adjustment to be made to the Conversion Price and none of them will be responsible or liable to the Noteholders or any other person for any loss arising from any failure by any of them to do so.

Neither the Trustee nor the Agents shall be under any duty to determine, calculate or verify:

- (i) the Conversion Price and/or any adjustments to it, or any determinations, advice or opinions made or given in connection therewith;
- (ii) the Closing Price of any Ordinary Share or any Security, Spin-Off Security, option, warrant or other rights or assets on any Dealing Day or any other day; and
- (iii) any entitlement of any Noteholder(s) to any additional amount payable upon or following the exercise of any Conversion Right,

and none of them will be responsible or liable to any Noteholder(s) or any other person for any loss arising from any failure to do so.

As provided in Condition 6(e), all adjustments to the Conversion Price under this Condition 6 shall be made and/or determined by the Calculation Agent or, where applicable, an Independent Adviser and neither the Trustee nor the Agents shall be responsible for verifying, or otherwise liable for, such determinations or for verifying any calculation, certification, advice or opinion in connection with such determinations.

## 7 Redemption and Purchase

### (a) *Final Redemption*

Unless previously purchased and cancelled, redeemed or converted as herein provided, the Notes will be redeemed at the Redemption Amount on the Maturity Date. The Notes may only be redeemed at the option of the Issuer prior to the Maturity Date in accordance with Condition 7(b) or Condition 7(c).

### (b) *Redemption at the Option of the Issuer for Reasons of Amount Outstanding*

At any time on giving not less than 30 nor more than 60 days' notice (an "**Optional Redemption Notice**") to the Noteholders in accordance with Condition 17 and to the Trustee and the Principal Paying and Conversion Agent in writing (which notice shall be irrevocable), the Issuer may redeem all but not some only of the Notes on the date (an "**Optional Redemption Date**") specified in the Optional Redemption Notice at the Redemption Amount, if Conversion Rights shall have been exercised and/or purchases (and corresponding cancellations) and/or redemptions shall have been effected in respect of 85.00 per cent. or more in principal amount of the Notes originally issued (which shall for this purpose include any further Notes issued pursuant to Condition 18 and consolidated and forming a single series with the Notes).

### (c) *Redemption at the Option of the Issuer for Taxation Reasons*

At any time the Issuer may, having given not less than 30 nor more than 60 days' notice (a "**Tax Redemption Notice**") to the Noteholders in accordance with Condition 17 and to the Trustee and the Principal Paying and Conversion Agent in writing (which notice shall be irrevocable), redeem (subject to the last paragraph of this Condition 7(c)) all but not some only of the Notes on the date (the "**Tax Redemption Date**") specified in the Tax Redemption Notice at the Redemption Amount, if:

- (i) the Issuer certifies to the Trustee immediately prior to the giving of such notice that the Issuer has or will become obliged to pay additional amounts in respect of payments on the Notes pursuant to Condition 9 as a result of any change in, or amendment to, the laws or regulations of the Commonwealth of Australia or any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 4 July 2024; and
- (ii) the Issuer would still be obliged to pay such additional amounts after taking reasonable measures available to it,

provided that no such Tax Redemption Notice shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any Tax Redemption Notice pursuant to this Condition 7(c), the Issuer shall deliver to the Trustee:

- (A) a certificate signed by two Directors of the Issuer, each of whom are also Authorised Signatories of the Issuer, stating that any of the circumstances in subparagraph (i) of this Condition 7(c) have occurred and the Issuer would still be obliged to pay such additional amounts after taking reasonable measures available to it; and
- (B) an opinion of independent legal or tax advisers of recognised international standing to the effect that such change or amendment has occurred and that the Issuer has or will be obliged to pay such additional amounts as a result thereof (irrespective of whether such amendment or change is then effective),

and the Trustee shall accept without investigation and without liability to Noteholders or any other person and shall rely conclusively on such certificate and opinion as sufficient evidence of the matters set out in sub-paragraphs (i) and (ii) above of this Condition 7(c), and such certificate and opinion shall be conclusive and binding on the Noteholders.

On the Tax Redemption Date, the Issuer shall (subject to the next following paragraph) redeem the Notes at the Redemption Amount.

If the Issuer gives a Tax Redemption Notice, each Noteholder will have the right to elect that their Note(s) shall not be redeemed and that the provisions of Condition 9 shall not apply in respect of any payment of interest to be made on such Note(s) which falls due after the relevant Tax Redemption Date whereupon no additional amounts shall be payable in respect thereof pursuant to Condition 9 and payment of all amounts of interest on the Notes shall be made subject to the deduction or withholding of the taxation required to be withheld or deducted by the Commonwealth of Australia or any political subdivision or any authority thereof or therein having power to tax. To exercise such right, the holder of the relevant Note must complete, sign and deposit at the specified office of the Principal Paying and Conversion Agent or any other Paying Agent a duly completed and signed notice of election, in the form for the time being current, obtainable from the specified office of the Principal Paying and Conversion Agent or any other Paying Agent together with the relevant Certificate representing such Notes on or before the day falling 10 days prior to the Tax Redemption Date.

(d) *Optional Redemption Notices and Tax Redemption Notices*

The Issuer shall not give an Optional Redemption Notice or a Tax Redemption Notice at any time:

- (i) during a Change of Control Period; or
- (ii) which specifies a date for redemption falling in a Change of Control Period or the period of 21 days following the end of a Change of Control Period (whether or not the relevant notice was given prior to or during such Change of Control Period),

and any such Optional Redemption Notice or Tax Redemption Notice shall be invalid and of no effect (whether or not given prior to the relevant Change of Control Period) and the relevant redemption shall not be made.

Any Optional Redemption Notice or Tax Redemption Notice shall be irrevocable. Any such notice shall specify:

- (A) the Optional Redemption Date or, as the case may be, the Tax Redemption Date which shall be a business day (as defined in Condition 8);
- (B) the Conversion Price, the aggregate principal amount of the Notes outstanding and the Closing Price of the Ordinary Shares; in each case as at the latest practicable date prior to the publication of the Optional Redemption Notice or, as the case may be, the Tax Redemption Notice; and
- (C) the last day on which Conversion Rights may be exercised by Noteholders.

(e) *Redemption at the Option of Noteholders on the Put Option Date*

The Issuer will, at the option of the holder of any Note, redeem all or some only of such holder's Notes on 12 July 2027 (the "**Put Option Date**") at the Redemption Amount. To exercise such option, the holder must deposit at the specified office of the Principal Paying and Conversion Agent or any other Paying Agent a duly completed and signed put notice in the form for the time being current, obtainable from the specified office of the Principal Paying and Conversion Agent (the "**Optional Put Exercise Notice**")

or any other Paying Agent, together with the Certificate representing the Notes to be redeemed not more than 60 days and not less than 30 days prior to the Put Option Date. An Optional Put Exercise Notice, once delivered, shall be irrevocable and may not be withdrawn without the Issuer's consent and the Issuer shall redeem the Notes the subject of an Optional Put Exercise Notice on the Put Option Date.

Payment in respect of any such Note shall be made by the Issuer to the relevant Noteholder by transfer to an Australian Dollar account with a bank that processes payments in Australian Dollars as specified by such Noteholder in the relevant Optional Put Exercise Notice.

(f) *Redemption at the Option of Noteholders upon a Relevant Event*

Following the occurrence of a Relevant Event, the holder of each Note will have the right, at such holder's option, to require the Issuer to redeem all or some only of that holder's Notes on the Relevant Event Redemption Date (as defined below) at the Redemption Amount. To exercise such right, the holder of the relevant Note must complete, sign and deposit at the specified office of the Principal Paying and Conversion Agent or any other Paying Agent a duly completed and signed notice of redemption, in the form for the time being current, obtainable from the specified office of any Paying Agent (the "**Relevant Event Redemption Notice**") together with the Certificate representing the Notes to be redeemed by not later than 70 days following a Relevant Event, or, if later, 70 days following the date upon which notice thereof is given to Noteholders by the Issuer in accordance with Condition 17.

The "**Relevant Event Redemption Date**" shall be the later of (i) the 14th Sydney business day after the expiry of such period of 70 days as referred to above in this Condition 7(f) and (ii) the 90th calendar day following the occurrence of the Relevant Event (or, if such day is not a Sydney business day, the immediately preceding Sydney business day).

Payment in respect of any such Note shall be made to the relevant Noteholder by transfer to an Australian Dollar account with a bank that processes payments in Australian Dollars as specified by the relevant Noteholder in the Relevant Event Redemption Notice.

A Relevant Event Redemption Notice, once delivered, shall be irrevocable and the Issuer shall redeem the Notes the subject of Relevant Event Redemption Notices delivered as aforesaid on the Relevant Event Redemption Date.

The Issuer shall give notice to the Noteholders in accordance with Condition 17 and to the Trustee and the Principal Paying and Conversion Agent in writing by not later than 10 Sydney business days following the occurrence of a Relevant Event, which notice shall specify the procedure for exercise by Noteholders of their rights to require redemption of the Notes pursuant to this Condition 7(f) and shall give brief details of the Relevant Event and, in the case of a Change of Control, provide the additional details set out in Condition 6(j).

None of the Trustee, the Calculation Agent or any Agent shall be required to monitor or take any steps to ascertain whether a Relevant Event or any event which could lead to the occurrence of a Relevant Event has occurred or may occur and none of them shall be liable to Noteholders or any other person for any loss arising from any failure to do so. Each of the Trustee, the Calculation Agent and each Agent shall be entitled to assume that no Relevant Event has occurred until it has received written notice to the contrary from the Issuer.

(g) *Calculations and Determinations*

Neither the Trustee nor any of the Agents shall be under any duty to determine, calculate or verify the Redemption Amount payable under any of Conditions 7(a) to 7(f) (both inclusive) and none of them will

be responsible or liable to any Noteholder or any other person for any loss or liability arising from any failure by any of them to do so.

Neither the Trustee nor the Agents shall be responsible for determining or verifying whether a Note is to be accepted for redemption under this Condition 7 and none of them will be responsible to Noteholders or any other person for any loss or liability arising from any failure by any of them to do so.

(h) *Purchase*

Subject to the requirements (if any) of any stock exchange on which the Notes may be admitted to listing and trading at the relevant time and subject to compliance with applicable laws and regulations, the Issuer or any Subsidiary of the Issuer (other than an Offshore Associate of the Issuer not acting in the capacity of a dealer manager or underwriter in relation to the placement of the Notes or a clearing house, custodian, funds manager or responsible entity of a registered managed investment scheme) may at any time purchase some or all of the Notes in the open market, by private contract or otherwise at any price. The Notes so purchased, while held by or on behalf of the Issuer or any such Subsidiary, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for certain purposes, including without limitation for the purpose of calculating quorums at meetings of the Noteholders or for the purposes of Condition 10, Condition 14(a) and Condition 15.

(i) *Cancellation*

All Notes which are redeemed or in respect of which Conversion Rights are exercised will be cancelled and may not be reissued or resold. Notes purchased by the Issuer or any of its Subsidiaries may be surrendered to the Registrar for cancellation or may be held and re-sold.

(j) *Multiple Notices*

If more than one notice of redemption is given pursuant to this Condition 7, the first of such notices to be given shall prevail, save that a notice of redemption given by a Noteholder pursuant to Condition 7(f) shall prevail over any other notice of redemption given pursuant to this Condition 7, whether given before, after or at the same time as any notice of redemption under Condition 7(f).

## **8 Payments**

(a) *Principal*

Payment of principal in respect of the Notes and accrued interest payable on a redemption of the Notes other than on an Interest Payment Date will be made to the persons shown in the Register at the close of business on the Record Date and subject to the surrender of the Certificate representing such Notes at the specified office of the Registrar or of any Paying Agent.

(b) *Interest and other Amounts*

Payments of interest due on an Interest Payment Date, which shall be for value on such Interest Payment Date, (or, if such Interest Payment Date is not a business day (as defined below in Condition 8(g)), for value on the first following day which is a business day) will be made to the persons shown in the Register at the close of business on the Record Date.

Payments of all amounts other than as provided in Condition 8(a) and this Condition 8(b) will be made as provided in these Conditions.

(c) *Record Date*

**“Record Date”** means the seventh business day, in the place of the specified office of the Registrar, before the due date for the relevant payment.

*So long as the Notes are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear or Clearstream (each a “**Relevant Clearing System**”), all payments in respect of Notes represented by the Global Certificate will be made to, or to the order of, the person whose name is entered in the Register at the close of business on the Clearing System Business Day immediately prior to the date of payment, where “**Clearing System Business Day**” means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.*

(d) *Payments*

Each payment in respect of the Notes pursuant to Conditions 8(a) and 8(b) will be made in Australian Dollars by transfer to the registered account of the relevant Noteholder.

For the purpose of this Condition 8, a Noteholder’s **“registered account”** means an Australian Dollar account maintained by or on behalf of such Noteholder with a bank that processes payments in Australian Dollars, details of which appear on the Register at the close of business on the relevant Record Date.

The Issuer will not be required to make any such payment in respect of the Notes until six business days after the Noteholder has provided the necessary account details for payment in accordance with this Condition 8(d).

Payment instructions will be initiated for value on the due date or, if that is not a business day, for value the first following day which is a business day or, in the case of a payment of principal, if later, for value on the business day on which the relevant Certificate is surrendered at the specified office of an Agent.

Notwithstanding the above, and for the avoidance of doubt, payment of all amounts (of whatever nature) contemplated to be paid to any converting Noteholder on or as a consequence of or following the exercise of any Conversion Right (including without limitation any Cash Settlement Amount or any other amount to be paid as provided in Condition 6) shall be paid by the Issuer directly to the relevant Noteholder (by transfer by the Issuer to the Australian dollar account with a bank that processes payments in Australian Dollars in accordance with instructions contained in the relevant Conversion Notice).

(e) *Payments subject to fiscal laws*

All payments in respect of the Notes are subject in all cases to:

- (i) any applicable fiscal or other laws and regulations but without prejudice to Condition 9; and
- (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended, or otherwise under or in connection with, or in order to ensure compliance with FATCA.

No commissions or expenses shall be charged to the Noteholders in respect of such payments.

(f) *Default Interest and Delay in Payment*

If the Issuer fails to pay any sum in respect of the Notes when the same becomes due and payable under these Conditions (including as provided in Condition 5), interest shall accrue on the overdue sum at the rate of 6.25 per cent. per annum (**“Default Interest”**) from the due date until whichever is the earlier of:

- (i) the day on which all sums due in respect of the Notes up to that day are received by or on behalf of the relevant holders; and

- (ii) the day which is seven days after the Trustee or the Principal Paying and Conversion Agent has notified the Noteholders of receipt of all sums due in respect of all the Notes up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

Such default interest shall accrue on the basis of the actual number of days elapsed and a 360-day year.

Noteholders will not be entitled to any interest (whether Default Interest or otherwise) or other payment for any delay after the due date in receiving the amount due (i) as a result of the due date not being a business day, (ii) if the Noteholder is late in surrendering the relevant Note; or (iii) if the Noteholder does not provide the necessary account details for payment in accordance with these Conditions.

(g) *Business Days*

In this Condition 8, “**business day**” means a day (other than a Saturday, a Sunday or a public holiday) on which commercial banks and foreign exchange markets are open for business in Sydney, London and (where such surrender is required by these Conditions) in the place of the specified office of the Registrar or relevant Paying Agent, as the case may be, to whom the relevant Certificate representing such Note is presented or surrendered.

(h) *Paying Agents, Transfer Agents, Conversion Agents, Calculation Agents etc.*

The initial Principal Paying and Conversion Agent, the initial Transfer Agent and the initial Registrar and their initial specified offices are listed below. The Issuer reserves the right under the Agency Agreement at any time, with the prior written approval of the Trustee, to vary or terminate the appointment of the Registrar or any other Agent and to appoint another Registrar or any additional or other Agents or another Registrar, provided that it will:

- (i) maintain a Principal Paying and Conversion Agent and a Transfer Agent;
- (ii) so long as the Notes are listed on the Singapore Exchange Securities Trading Limited and the rules of that exchange so require, maintain a Paying Agent having a specified office in Singapore; and
- (iii) maintain a Registrar with a specified office outside the United Kingdom.

Notice of any change of any Agent or its specified office will promptly be given by the Issuer to the Noteholders in accordance with Condition 17 and to the Trustee and the other Agents in writing.

In acting under the Agency Agreement, the Agents act solely as agents of the Issuer and, in certain circumstances as specified therein, of the Trustee and do not assume any obligation to, or relationship of agency or trust with, any Noteholders. The Agency Agreement contains provisions permitting any entity into which any Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor agent.

The Issuer also reserves the right under the Calculation Agency Agreement at any time with the prior written consent of the Trustee or of an Extraordinary Resolution of Noteholders to vary or terminate the appointment of the Calculation Agent, provided that it will at all times maintain a Calculation Agent, which shall be a financial institution of international repute or a financial adviser with appropriate expertise. Notice of any change in the Calculation Agent will promptly be given by the Issuer to Noteholders in accordance with Condition 17 and to the Trustee and the Principal Paying and Conversion Agent in writing.



*In addition, in the event that the Global Certificate is exchanged for definitive Certificates, announcement of such exchange shall be made by the Issuer through the Singapore Exchange Securities Trading Limited and such announcement will include all material information with respect to the delivery of the definitive Certificates.*

(i) *Fractions*

When making payments to Noteholders, if the relevant payment is not of an amount which is a integral multiple of the smallest unit of the relevant currency in which such payment is to be made, such payment will be rounded down to the nearest such smallest unit.

(j) *Non-payment business days*

If any due date for payment in respect of any Note is not a business day, the holder shall not be entitled to payment until the next following business day, and such holder shall not be entitled to any interest or other payment in respect of any delay after such due date in receiving the amount due as a result of the due date not being a business day.

## 9 Taxation

All payments of principal and/or interest made by or on behalf of the Issuer in respect of the Notes will be made without deduction or withholding for or on account of any present or future Taxes imposed or levied by or on behalf of the Commonwealth of Australia or any political subdivision or any authority thereof or therein having power to tax, unless such deduction or withholding of such Taxes is required to be made by law or is made under or in connection with, or in order to ensure compliance with, FATCA.

In the event that any such withholding or deduction is required to be made, the Issuer will pay such additional amounts as will result in the receipt by the Noteholders of the amounts which would otherwise have been receivable had no such withholding or deduction been required, except that no such additional amount shall be payable in respect of any Note:

- (a) to, or to a third party on behalf of, a holder who is liable to the Taxes in respect of such Note by reason of such holder having some connection with the Commonwealth of Australia other than the mere holding of the Note provided that such a holder shall not be regarded as being connected with the Commonwealth of Australia for the reason that such a holder is a resident of the Commonwealth of Australia within the meaning of the Income Tax Assessment Act 1936 of Australia as amended and replaced (the “**Australian Tax Act**”) where, and to the extent that, such tax is payable by reason of Section 128B(2A) of the Australian Tax Act;
- (b) presented, or in respect of which the Certificate representing such Note is presented, or surrendered for payment more than 30 days after the Relevant Date except to the extent that the holder would have been entitled to such additional amount on presenting or surrendering the relevant Certificate for payment on the last day of such period of 30 days;
- (c) on account of Taxes which are payable by reason of the holder being an Offshore Associate of the Issuer for the purposes of section 128F of the Australian Tax Act and not receiving payment in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme;
- (d) in respect of a payment to, or to a third party on behalf of, a holder, in circumstances where such withholding or deduction would not have been required if the holder or any person acting on such holder’s behalf had provided to the Issuer a tax file number, Australian business number or details of an exemption from providing those numbers;

- (e) held by or on behalf of a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying with, or procuring that any third party complies with any statutory requirements, by complying with or requesting the Issuer to comply with any statutory requirements or provide information concerning the nationality, residence, identity, tax identification number or name or address of such holder or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any Tax authority; or
- (f) where such withholding or deduction is made under or in connection with, or in order to ensure compliance with FATCA.

Any Ordinary Shares to be issued under or in connection with these Conditions will be issued net of any withholding or deduction made under or in connection with, or in order to ensure compliance with FATCA, and no additional Ordinary Shares will be required to be issued on account of any such deduction or withholding.

References in these Conditions and the Trust Deed to principal and/or interest and/or any other amounts payable in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this Condition 9 or any undertaking or covenant given in addition thereto or in substitution therefor pursuant to the Trust Deed.

Neither the Trustee nor any Agent shall be responsible for paying Taxes or other payment referred to in this Condition 9 or for determining whether such amounts are payable or the amount thereof, and none of them shall be responsible or liable for any failure by the Issuer, any Noteholder(s) or any third party to pay such Taxes or other payment in any jurisdiction or to provide any notice or information to the Trustee or any Agent that would permit, enable or facilitate the payment of any principal, interest or other amount under or in respect of the Notes without deduction or withholding for or on account of any Taxes or other payment imposed by or in any jurisdiction.

This Condition 9 shall not apply in respect of payments on any Notes which are the subject of an election by the relevant Noteholder pursuant to Condition 7(c).

## 10 Events of Default

The Trustee at its discretion may, and if so requested in writing by the holders of at least 25.00 per cent. in aggregate principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders shall (subject in each case to being indemnified and/or pre-funded and/or secured to its satisfaction), give notice to the Issuer that the Notes are, and they shall accordingly thereby immediately become, due and repayable at their Redemption Amount if any of the following events (each an “**Event of Default**”) shall have occurred and is continuing (as defined in the Trust Deed):

- (a) non-payment and failure to deliver Ordinary Shares: if the Issuer fails to:
  - (i) pay when due: (A) any principal payable in respect of the Notes and such failure continues for a period of seven days; or (B) any interest payable in respect of the Notes and such failure continues for a period of 14 days; or
  - (ii) pay any Cash Settlement Amount or to deliver Ordinary Shares, as the case may be, to satisfy a Conversion Right pursuant to Condition 6 and such failure continues for a period of seven Sydney business days;
- (b) *breach of other obligations*: the Issuer does not perform or comply with any one or more of its other obligations under the Notes or the Trust Deed and such default is in the opinion of the Trustee incapable of remedy or, if in the opinion of the Trustee such default is capable of remedy, such default is not

remedied within 30 days after the Issuer shall have received from the Trustee written notice of such default requiring it to be remedied;

(c) *cross default:*

- (i) any other present or future Indebtedness For Borrowed Money of the Issuer becomes due and payable prior to its stated maturity by reason of an event of default (however described);
- (ii) any such Indebtedness For Borrowed Money is not paid when due or, as the case may be, within any applicable grace period; or
- (iii) any mortgage, charge, pledge, lien or other encumbrance, created or assumed by the Issuer for any Indebtedness For Borrowed Money that has become payable becomes enforceable and steps are taken to enforce it (including the taking of possession or the appointment of a receiver, administrative receiver, administrator manager, judicial manager, controller or other similar person),

and the aggregate amount of such Indebtedness For Borrowed Money in respect of which one or more of the events mentioned above in this Condition 10(c) have occurred equals or exceeds A\$25,000,000 (or its equivalent in other currencies);

(d) *enforcement proceedings:* a distress, attachment, execution, seizure before judgment or other legal process is levied or enforced on or against all or any material part of the property, assets or revenues of the Issuer or any Material Subsidiary having an aggregate value of at least A\$25,000,000 which is not discharged, removed, stayed or paid within 30 days;

(e) *insolvency:* the Issuer or any Material Subsidiary:

- (i) is (or is deemed by law or a court to be) or states that it is insolvent or unable to pay its debts when they fall due;
- (ii) stops, suspends or threatens to stop or suspend payment of its debts generally; or
- (iii) makes or enters into a general assignment or an arrangement or composition or compromise with or for the benefit of its creditors (other than in connection with a reconstruction, amalgamation, reorganisation, merger or consolidation permitted under Condition 10(f));

(f) *administration:* an administrator (as defined in the Corporations Act) or liquidator or a like or similar officer is appointed in respect of the Issuer or any Material Subsidiary or a court order is made or a resolution passed for the winding-up or dissolution of the Issuer or any Material Subsidiary (which is not stayed, withdrawn or dismissed within 30 days), except in any such case for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation:

- (i) on terms approved by the Trustee acting on an Extraordinary Resolution of the Noteholders; or
- (ii) in the case of a Material Subsidiary, where that Material Subsidiary is solvent or its undertaking and assets are transferred to or otherwise vested in the Issuer or another Subsidiary of the Issuer;

(g) *illegality:* it is or becomes unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Notes or the Trust Deed; or

(h) *analogous events:* any event occurs which under the laws of any relevant jurisdiction has an analogous or substantially similar effect to any of the events referred to in Condition 10(d) to Condition 10(f) (both inclusive).

## 11 Undertakings

Whilst any Conversion Right remains exercisable, the Issuer will, save with the approval of an Extraordinary Resolution or with the prior written approval of the Trustee where, in the opinion of the Trustee, it is not materially prejudicial to the interests of the Noteholders to give such approval:

- (a) not issue or pay up any Securities, in either case by way of capitalisation of profits or reserves, other than:
  - (i) pursuant to a Scheme of Arrangement involving a reduction and cancellation of Ordinary Shares and the issue to Shareholders of an equal number of Ordinary Shares by way of capitalisation of profits or reserves; or
  - (ii) pursuant to a Newco Scheme;
  - (iii) by the issue of fully paid Ordinary Shares or other Securities to Shareholders and other holders of shares in the capital of the Issuer which by their terms entitle the holders thereof to receive Ordinary Shares or other shares of Securities on a capitalisation of profits or reserves;
  - (iv) by the issue of Ordinary Shares paid up in full (in accordance with applicable law) and issued wholly, ignoring fractional entitlements, in lieu of the whole or part of a Cash Dividend;
  - (v) by the issue of fully paid Equity Share Capital (other than Ordinary Shares) to the holders of Equity Share Capital of the same class and other holders of shares in the capital of the Issuer which by their terms entitle the holders thereof to receive Equity Share Capital (other than Ordinary Shares); or
  - (vi) by the issue of Securities or any Equity Share Capital pursuant to any Employee Share Scheme, unless, in any such case, the same constitutes a Dividend or otherwise gives rise (or would, but for the provisions of any exclusion from Conditions 6(e)(i) to 6(e)(x) (both inclusive) or Condition 6(i) relating to the carry forward of adjustments, give rise) to an adjustment to the Conversion Price;
- (b) not modify the rights attaching to the Ordinary Shares with respect to voting, dividends or liquidation nor issue any other class of Equity Share Capital carrying any rights which are more favourable than the rights attaching to the Ordinary Shares but so that nothing in this Condition 11(b) shall prevent:
  - (i) any consolidation, reclassification or subdivision of the Ordinary Shares;
  - (ii) any modification of such rights which is not, in the opinion of an Independent Adviser, materially prejudicial to the interests of the holders of the Notes;
  - (iii) any issue of Equity Share Capital where the issue of such Equity Share Capital results, or would, but for the provisions of Condition 6(i) relating to roundings or the carry forward of adjustments or, where comprising Ordinary Shares (or Equity Share Capital which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or the right to otherwise acquire any Ordinary Shares), the fact that the consideration per Ordinary Share receivable therefor is at least 95.00 per cent. of the Current Market Price per Ordinary Share at the relevant time for determination thereof pursuant to the relevant provisions of Condition 6(e), otherwise result, in an adjustment to the Conversion Price; or
  - (iv) any issue of Equity Share Capital or modification of rights attaching to the Ordinary Shares, where prior thereto the Issuer shall have instructed an Independent Adviser to determine what (if any) adjustments should be made to the Conversion Price as being fair and reasonable to take account thereof and such Independent Adviser shall have determined either that no adjustment is

required or that an adjustment resulting in an decrease in the Conversion Price is required and, if so, the new Conversion Price as a result thereof and the basis upon which such adjustment is to be made and, in any such case, the date on which the adjustment shall take effect (and so that the adjustment shall be made and shall take effect accordingly);

- (c) procure that no Securities (whether issued by the Issuer or any Subsidiary of the Issuer or procured by the Issuer or any Subsidiary of the Issuer to be issued or issued by any other person pursuant to any arrangement with the Issuer or any Subsidiary of the Issuer) issued without rights to convert into, or exchange or subscribe for, Ordinary Shares shall subsequently be granted such rights exercisable at a consideration per Ordinary Share which is less than 95.00 per cent. of the Current Market Price per Ordinary Share on the date of the first public announcement of the proposed inclusion of such rights unless the same gives rise (or would, but for the provisions of Condition 6(i) relating to roundings and minimum adjustments or the carry forward of adjustments, give rise) to an adjustment to the Conversion Price pursuant to these Conditions and that at no time shall there be in issue Ordinary Shares of differing nominal values, save where such Ordinary Shares have the same economic rights;
- (d) not make any issue, grant or distribution take or omit to take any other action if the effect thereof would be that, on the exercise of Conversion Rights, Ordinary Shares could not, under any applicable law then in effect, be legally issued as fully paid;
- (e) not reduce its issued share capital or any uncalled liability in respect thereof, or any non-distributable reserves, except:
  - (i) pursuant to the terms of issue of the relevant share capital; or
  - (ii) by means of a purchase, redemption or buyback of share capital of the Issuer to the extent permitted by applicable law; or
  - (iii) pursuant to a Newco Scheme; or
  - (iv) by way of transfer to reserves as permitted under applicable law; or
  - (v) where the reduction is permitted by applicable law and the Trustee has received written advice addressed to it from an Independent Adviser, acting as an expert that the interests of the Noteholders will not be materially prejudiced by such reduction; or
  - (vi) where the reduction is permitted by applicable law and results in (or would, but for the provisions of Condition 6(i) relating to roundings or the carry forward of adjustments, result in) an adjustment to the Conversion Price or is otherwise taken into account for the purposes of determining whether such an adjustment should be made,

provided that, without prejudice to the other provisions of these Conditions, the Issuer may exercise such rights as it may from time to time be entitled pursuant to applicable law to purchase its Ordinary Shares and any depositary or other receipts or certificates representing Ordinary Shares without the consent of Noteholders;

- (f) if any offer is made to all (or as nearly as may be practicable all) Shareholders (or all (or as nearly as may be practicable all) Shareholders other than the offeror and/or any associate (as defined in sections 11 and 12 of the Corporations Act)) to acquire the whole or any part of the issued Ordinary Shares, or if any person proposes a scheme with regard to such acquisition (other than a Newco Scheme), give notice of such offer or scheme to the Noteholders in accordance with Condition 17 and to the Trustee and the Principal Paying and Conversion Agent in writing at the same time as any notice thereof is sent to the Shareholders (or as soon as practicable thereafter) that details concerning such offer or scheme may be obtained from the registered office of the Issuer and, where such an offer or scheme has been

recommended by the board of Directors of the Issuer, or where such an offer has become or been declared unconditional in all respects or such scheme has become effective, use all reasonable endeavours to procure that a like offer or scheme is extended to the holders of any Ordinary Shares issued during the period of the offer or record date of the scheme as a result of the exercise of the Conversion Rights by the Noteholders which entitle the Noteholders to receive the same type and amount of consideration they would have received had they held the number of Ordinary Shares to which those Noteholders would be entitled assuming Noteholders were to exercise their respective Conversion Rights during the relevant period;

- (g) in the event of a Newco Scheme take (or shall procure that there is taken) all necessary action to ensure that immediately after completion of the Scheme of Arrangement:
  - (i) Newco is substituted under the Notes and the Trust Deed as principal obligor in place of the Issuer (with the Issuer providing a guarantee) subject to and as provided in the Trust Deed; and
  - (ii) such amendments are made to these Conditions and the Trust Deed as are advised to the Trustee by the Independent Adviser are necessary to ensure that the Notes may be converted into or exchanged for ordinary shares or units or the equivalent in Newco *mutatis mutandis* in accordance with and subject to these Conditions and the Trust Deed and the Trustee shall (at the expense of the Issuer) be obliged to concur with such substitution or grant of such guarantee and in either case the making of any such amendments provided that the Trustee shall not be obliged so to concur:
    - (A) until such time as it shall have completed its internal compliance procedures (including without limitation its “Know Your Client” procedures) to its satisfaction; and
    - (B) if in the opinion of the Trustee doing so would impose new or more onerous duties or obligations upon it or expose it to further liabilities or reduce its protections; and
  - (iii) the Trust Deed and these Conditions provide at least the same powers, protections, rights and benefits to the Trustee and the Noteholders following the implementation of such Newco Scheme as they provided to the Trustee and the Noteholders prior to the implementation of the Newco Scheme, *mutatis mutandis*; and
  - (iv) the ordinary shares or units or the equivalent of Newco are:
    - (A) admitted to listing on the Relevant Stock Exchange; or
    - (B) admitted to listing on another regulated, regularly operating, recognised stock exchange or securities market;
- (h) use its best endeavours to ensure that the Ordinary Shares issued upon exercise of Conversion Rights will, as soon as is practicable, be admitted to listing and to trading on the Australian Securities Exchange and will be listed, quoted or dealt in, as soon as is practicable, on any other stock exchange or securities market on which the Ordinary Shares may then be listed or quoted or dealt in;
- (i) not change the jurisdiction in which it is domiciled or resident or to whose taxing authority it is subject generally unless it would not thereafter be required pursuant to then current laws and regulations to withhold or deduct for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of such jurisdiction or any political subdivision thereof or therein having power to tax in respect of any payment on or in respect of the Notes;

- (j) for so long as any Note remains outstanding and subject to the occurrence of a Change of Control, use its reasonable endeavours to ensure that its issued and outstanding Ordinary Shares shall be admitted to listing and to trading on the ASX;
- (k) comply with each of the requirements of ASIC Corporations (Sale Offers: Securities Issued on Conversion of Convertible Notes) Instrument 2016/82 as it applies to the Issuer, including those with ongoing operation after the Closing Date for so long as they are relevant; and
- (l) for so long as any Note remains outstanding, shall provide the consolidated and unconsolidated financial statements to the Trustee in accordance with the Trust Deed.

The Issuer has undertaken in the Trust Deed to deliver to the Trustee annually and also within 14 days of any request therefor from the Trustee a certificate of the Issuer (in the form scheduled to the Trust Deed) signed by an Authorised Signatory of the Issuer certifying, *inter alia*, that, to the best of the knowledge, information and belief of the Issuer, there has not occurred an Event of Default or Potential Event of Default since the date of the last such certificate (or, if none, the date of the Trust Deed) or, if any such event has occurred, providing details of such event. The Trustee will be entitled to rely conclusively on any such certificate and shall not be obliged to independently monitor compliance by the Issuer with the undertakings set forth in these Conditions and in particular, but without limitation, this Condition 11, or in the Trust Deed, and shall not be liable to any Noteholder or any other person for not so doing.

## **12 Prescription**

Claims against the Issuer for payment in respect of the Notes shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of such payment and thereafter any sums payable in respect of the Notes shall be forfeited and revert to the Issuer.

Claims in respect of any other amounts payable in respect of the Notes shall be prescribed and become void unless made within 10 years following the due date for payment thereof.

## **13 Replacement of Notes**

If any Certificate representing a Note is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Registrar or any Transfer Agent subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer, the Registrar or the relevant Transfer Agent may require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

## **14 Meetings of Noteholders, Modification and Waiver, Substitution**

### **(a) Meetings of Noteholders**

The Trust Deed contains provisions for convening meetings of Noteholders to consider matters affecting their interests, including without limitation, the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provisions of the Trust Deed, the Agency Agreement and/or the Calculation Agency Agreement. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Trustee if requested in writing to do so by Noteholders holding not less than 10.00 per cent. in aggregate principal amount of the Notes for the time being outstanding and subject to the Trustee being indemnified and/or pre-funded and/or secured to its satisfaction against all costs and expenses. The quorum for any meeting convened to consider an Extraordinary Resolution will be one or

more persons holding or representing more than 50.00 per cent., in aggregate principal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the principal amount of the Notes so held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*:

- (i) to modify the maturity of the Notes or the dates on which interest is payable in respect of the Notes;
- (ii) to reduce or cancel the principal amount, or interest on, the Notes or to reduce the amount payable on redemption of the Notes or modify or cancel the Conversion Rights;
- (iii) to increase the Conversion Price other than in accordance with these Conditions;
- (iv) to change the currency of any payment in respect of the Notes;
- (v) to change the governing law of the Notes, the Trust Deed, the Agency Agreement and/or the Calculation Agency Agreement (other than in the case of a substitution of the Issuer (or any previous substitute or substitutes) under Condition 14(c)); or
- (vi) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution,

in which case the necessary quorum will be one or more persons holding or representing not less than 75.00 per cent., or at any adjourned meeting not less than 30.00 per cent., in aggregate principal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed). An Extraordinary Resolution is a resolution in respect of which not less than 75.00 per cent. of the votes cast shall have been in favour at a meeting of Noteholders duly convened and held in accordance with the Trust Deed.

The Trust Deed provides that:

- (A) a resolution in writing signed by or on behalf of the holders of not less than 75.00 per cent. of the aggregate principal amount of Notes then outstanding (which may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders); or
- (B) consents given by way of electronic consent through Euroclear or Clearstream (the “**Relevant Clearing System(s)**”) (in a form satisfactory to the Trustee) by or on behalf of the holders of not less than 75.00 per cent. of the aggregate principal amount of the Notes then outstanding,

shall, in any such case, be effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held.

No consent or approval of Noteholders shall be required in connection with any modification proposed to give effect to, or otherwise in relation to, a Newco Scheme.

(b) *Modification and Waiver*

The Trustee may (but shall not be obliged to) agree, without the consent of the Noteholders, to:

- (i) any modification of any of the provisions of the Trust Deed, any trust deed supplemental to the Trust Deed, the Agency Agreement, any agreement supplemental to the Agency Agreement, the Calculation Agency Agreement, any agreement supplemental to the Calculation Agency Agreement, the Notes or these Conditions which in the Trustee’s opinion is of a formal, minor or



technical nature or is made to correct a manifest error or to comply with mandatory provisions of law; and

- (ii) any other modification to the Trust Deed, any trust deed supplemental to the Trust Deed, the Agency Agreement, any agreement supplemental to the Agency Agreement, the Calculation Agency Agreement, any agreement supplemental to the Calculation Agency Agreement, the Notes or these Conditions (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed, any trust deed supplemental to the Trust Deed, the Agency Agreement, any agreement supplemental to the Agency Agreement, the Calculation Agency Agreement, any agreement supplemental to the Calculation Agency Agreement, the Notes or these Conditions which is, in the opinion of the Trustee, not materially prejudicial to the interests of the Noteholders.

The Trustee may (but shall not be obliged to), without the consent of the Noteholders, determine any Event of Default or a Potential Event of Default should not be treated as such, provided that in the opinion of the Trustee, the interests of Noteholders will not be materially prejudiced thereby. Any such modification, authorisation, waiver or determination shall be binding on the Noteholders and, unless the Trustee otherwise agrees, shall be notified by the Issuer to the Noteholders promptly in accordance with Condition 17. The Trustee's agreement may be subject to any condition that the Trustee requires including but not limited to obtaining, at the expense of the Issuer, an opinion of any investment bank or legal or other expert and to being indemnified and/or secured and/or pre-funded to its satisfaction.

(c) *Substitution*

The Trustee may (but shall not be obliged to), without the consent of the Noteholders, agree with the Issuer to the substitution in place of the Issuer (or any previous substitute or substitutes under this Condition 14(c)) as the principal debtor under the Notes and the Trust Deed of any Subsidiary of the Issuer subject to:

- (i) the Notes being unconditionally and irrevocably guaranteed by the Issuer; and
- (ii) the Notes continuing to be convertible into Ordinary Shares as provided in these Conditions *mutatis mutandis* as provided in these Conditions, with such amendments as the Trustee shall consider appropriate provided that in any such case:
  - (A) the Trustee is satisfied that the interests of the Noteholders will not be materially prejudiced by the substitution; and
  - (B) certain other conditions set out in the Trust Deed are complied with.

Any such substitution shall be binding on the Noteholders and shall be notified by the Issuer promptly to the Noteholders in accordance with Condition 17 and to the Trustee and the Principal Paying and Conversion Agent in writing.

In connection with a Newco Scheme, at the request of the Issuer the Trustee shall, without the requirement for any consent or approval of the Noteholders, concur with the Issuer in the substitution in place of the Issuer (or any previous substituted company) as principal debtor under the Trust Deed and the Notes of Newco pursuant to and subject to the provisions set out in Condition 11(g).

(d) *Entitlement of the Trustee*

In connection with the exercise of its functions, rights, powers and discretions (including but not limited to those referred to in this Condition 14) the Trustee shall have regard to the interests of the Noteholders as a class and, in particular but without limitation, shall not have regard to the consequences of the

exercise of its functions, rights, powers, trusts, authorities or discretions for individual Noteholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory, and the Trustee shall not be entitled to require on behalf of any Noteholder, nor shall any Noteholder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders except to the extent provided for in Condition 9 and/or in any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed.

## **15 Enforcement**

The Trustee may at any time, at its discretion and without notice, take such steps and/or actions and/or institute such proceedings against the Issuer as it may think fit to enforce the provisions of the Trust Deed and the Notes, but it shall not be bound to take any such steps, actions or proceedings or any other action in relation to the Trust Deed or the Notes unless:

- (a) it shall have been so directed by an Extraordinary Resolution of the Noteholders or so requested in writing by the holders of at least 25.00 per cent. in aggregate principal amount of the Notes then outstanding; and
- (b) it shall have been indemnified and/or pre-funded and/or secured to its satisfaction.

No Noteholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing.

## **16 The Trustee**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including relieving it from taking any steps, action or proceedings to enforce payment or taking other actions unless first indemnified and/or pre-funded and/or secured to its satisfaction. The Trustee may engage or be interested in any financial or other transaction in the ordinary course of business with the Issuer and/or any entity related (directly or indirectly) to the Issuer and shall not in any way be liable to account to the Issuer, the Noteholders or any other person for any profit made or share of brokerage or commission or remuneration or other amount or benefit received thereby or in connection therewith.

The Trustee may rely without liability to Noteholders, the Issuer or any other person on any report, information, confirmation or certificate from or any opinion or any advice of any accountants (including the Auditors), lawyers, financial advisers, investment bank, an Independent Adviser or other expert, whether or not obtained by or addressed to it and whether or not liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or any other person or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely without liability on any such report, information, confirmation, certificate, opinion or advice, in which case such report, information, confirmation, certificate, opinion or advice shall be binding on the Issuer and the Noteholders in the absence of manifest error.

Whenever the Trustee is required or entitled by the terms of the Trust Deed, the Agency Agreement or these Conditions to exercise any discretion or power, take any action, make any decision or give any direction, the Trustee is entitled, prior to exercising any such discretion or power, taking any such action, making any such decision or giving any such direction, to seek directions from the Noteholders by way of Extraordinary Resolution and to be indemnified and/or secured and/or pre-funded to its satisfaction against all action, proceedings, claims and demands to which in its opinion it may be or become liable, and the Trustee shall not be responsible or liable for any loss or liability incurred by the Issuer, any Noteholder or any other person as a

result of any delay in it exercising such discretion or power, taking such action, making such decision or giving such direction as a result of seeking such direction from the Noteholders or in the event that no direction is given to the Trustee by the Noteholders. None of the Trustee or any Agent shall be liable to any Noteholder, the Issuer or any other person for any action taken by the Trustee or such Agent in accordance with the instructions of the Noteholders. The Trustee shall be entitled to rely on any direction, request or resolution of Noteholders given by holders of the requisite principal amount of Notes then outstanding or passed at a meeting of Noteholders convened and held in accordance with the Trust Deed or otherwise passed as provided in the Trust Deed.

None of the Trustee or any of the Agents shall be responsible for the performance by the Issuer, the Calculation Agent, any Independent Adviser and/or any other person appointed by the Issuer in relation to the Notes of the duties and obligations on their part expressed in respect of the same and, unless it has express written notice to the contrary, the Trustee and each Agent shall be entitled to assume that the same are being duly performed. Neither the Trustee nor any of the Agents shall be under any obligation to monitor compliance with the provisions of the Trust Deed, the Agency Agreement, the Calculation Agency Agreement or these Conditions or to monitor or ascertain whether any Event of Default, Potential Event of Default or Relevant Event has occurred or may occur and none of them shall be liable to any Noteholder, the Issuer or any other person for not doing so.

Each Noteholder shall be solely responsible for making, and continuing to make, its own independent appraisal of, and investigation into, the financial condition, creditworthiness, condition, affairs, status and nature of the Issuer and its Subsidiaries, and the Trustee shall not at any time have any responsibility for the same and no Noteholder shall rely on the Trustee in respect thereof.

## **17 Notices**

All notices required to be given by the Issuer to the Noteholders regarding the Notes pursuant to these Conditions will be valid if published by the Issuer through the electronic communication system of Bloomberg. The Issuer shall also ensure that all such notices are duly published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed and/or admitted to trading. Any such notice shall be deemed to have been given on the date of such notice. If publication as provided above is not practicable, notice will be given by publication in an English language newspaper with general circulation in Asia (which is expected to be the Wall Street Journal Asia) and Europe (which is expected to be the Financial Times).

The Issuer shall send a copy of all notices given by it to Noteholders (or a Noteholder) pursuant to these Conditions simultaneously to the Trustee, the Principal Paying and Conversion Agent and the Calculation Agent.

*So long as the Notes are represented by a Global Certificate and such Global Certificate is held on behalf of Euroclear or Clearstream or the Alternative Clearing System (as defined in the Global Certificate), notices to Noteholders shall be validly given by the delivery of the relevant notice to Euroclear or Clearstream or the Alternative Clearing System, for communication by them to their respective accountholders in substitution for notification as required by the Conditions.*

## 18 Further Issues

The Issuer may from time to time without the consent of the Noteholders create and issue further notes, bonds or debentures either:

- (a) having the same terms and conditions in all respects as the outstanding Notes or in all respects except for the issue date, the first payment of interest on them and the first date on which Conversion Rights may be exercised and so that such further issue shall be consolidated and form a single series with the outstanding Notes; or
- (b) upon such terms as to interest, conversion, premium, redemption and otherwise as the Issuer may determine at the time of their issue.

Any further Notes consolidated and forming a single series with the outstanding Notes constituted by the Trust Deed or any deed supplemental to it shall be constituted by a deed supplemental to the Trust Deed.

## 19 Contracts (Rights of Third Parties) Act 1999

Without prejudice to the rights of the Noteholders as contemplated in Condition 15, no person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999 (United Kingdom).

## 20 Governing Law and Jurisdiction

### (a) *Governing Law*

The Trust Deed, the Agency Agreement, the Calculation Agency Agreement, and the Notes and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

### (b) *Jurisdiction*

The courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed or the Notes and accordingly any legal action or proceedings arising out of or in connection with the Trust Deed or the Notes (“**Proceedings**”) may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts and has waived any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of the Trustee and each of the Noteholders and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

### (c) *Agent for Service of Process*

The Issuer has irrevocably appointed Law Debenture Corporate Services Limited of 8<sup>th</sup> Floor, 100 Bishopsgate, London, EC2N 4AG, United Kingdom, as its agent in England to receive service of process in any Proceedings in England and has undertaken that in the event of such agent ceasing so to act, it will appoint such other person to accept service of process and shall deliver to the Trustee a copy of the new process agent’s acceptance of that appointment within 30 days of such cessation. Nothing herein or in the Trust Deed shall affect the right to serve process in any other manner permitted by law.

## **SUMMARY OF PROVISIONS RELATING TO THE NOTES IN GLOBAL FORM**

The Global Certificate will contain provisions which apply to the Notes while they are in global form, some of which modify the effect of the Terms and Conditions of the Notes set out in this Offering Circular. The following is a summary of certain of those provisions.

### **Relationship of Accountholders with Clearing Systems**

Each of the persons shown in the records of Euroclear and Clearstream or any other clearing system designated by the Issuer and approved by the Trustee, the Principal Paying and Conversion Agent and the Registrar through which the Notes are held (an “**Alternative Clearing System**”) as the holder of a Note represented by the Global Certificate must look solely to Euroclear or Clearstream or such Alternative Clearing System (as the case may be) for his share of each payment made by the Issuer to the holder of the Global Certificate and in relation to all other rights arising under the Global Certificate, subject to and in accordance with the respective rules and procedures of Euroclear and Clearstream or such Alternative Clearing System. Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by the Global Certificate and such obligations of the Issuer will be discharged by payment to the holder of the Global Certificate in respect of each amount so paid.

### **Exchange of Notes Represented by the Global Certificate**

Owners of beneficial interests in the Notes in respect of which the Global Certificate is issued will be entitled to have title to the Notes registered in their names and to receive individual definitive registered Certificates if either Euroclear or Clearstream or, as the case may be, an Alternative Clearing System on behalf of which the Notes represented by the Global Certificate may be held, is closed for business for a continuous period of 14 days or more (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so.

On or after the Exchange Date, the Issuer will deliver, or procure the delivery of, an equal aggregate principal amount of duly executed and authenticated definitive Certificates in registered form, printed in accordance with any applicable legal and stock exchange requirements and in, or substantially in, the form set out in the Trust Deed. Such definitive Certificates will be registered in the name of the accountholders with the Registrar, and the Registrar shall alter the entries in the Register in respect of the Notes accordingly.

“**Exchange Date**” means a day falling not less than 60 days after that on which the notice requiring exchange is given and on which the banks are open for business in the city in which the specified office of the Registrar is located.

### **Meetings**

The holder of the Global Certificate shall be treated as having one vote in respect of each A\$100,000 principal amount of Notes represented by the Global Certificate. The Trustee may allow to attend and speak (but not to vote) at any meeting of Noteholders any accountholder (or the representative of any such person) of a clearing system with an interest in the Notes represented by the Global Certificate on confirmation of entitlement and proof of his identity.

### **Conversion**

Subject to the requirements of Euroclear and Clearstream or, as the case may be, any Alternative Clearing System, the Conversion Right attaching to Notes represented by the Global Certificate may be exercised by the

presentation of one or more Conversion Notices duly completed by or on behalf of a holder of a book-entry interest in such Note together with the Global Certificate to the Principal Paying and Conversion Agent or such other Agent as shall have been notified to the holder of the Global Certificate for such purpose for annotation and the principal amount of the Notes will be reduced in the Register accordingly. The provisions of Condition 6 of the Terms and Conditions will otherwise apply.

### **Redemption at the Option of the Issuer**

The options of the Issuer provided for in Conditions 7(b) and 7(c) of the Terms and Conditions of the Notes shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in, and containing the information required by, those Conditions.

### **Tax Election Option of the Noteholders**

The tax election option of the Noteholders provided for in Condition 7(c) of the Terms and Conditions of the Notes may be exercised by the holder of the Global Certificate giving notice to the Principal Paying and Conversion Agent or any other Paying Agent substantially in the form of the Noteholders Tax Election Notice set out in Schedule 4 to the Agency Agreement within the time limits relating to the deposit of a Noteholders Tax Election Notice in Condition 7(c) of the Terms and Conditions of the Notes. Such notice shall be obtainable from the specified office of the Principal Paying and Conversion Agent or any other Paying Agent or and shall state the number of Notes in respect of which the option is exercised. Upon exercise of the option, Schedule A of the Global Certificate shall be annotated accordingly.

### **Redemption at Option of the Noteholders**

The Noteholders' put options in Conditions 7(e) and 7(f) of the Terms and Conditions of the Notes may be exercised by the holder of the Global Certificate giving notice to the Principal Paying and Conversion Agent or any other Paying Agent of the principal amount of Notes in respect of which the option is exercised and presenting the Global Certificate within the time limits specified in the Conditions and the principal amount of the Notes will be reduced in the Register accordingly.

### **Trustee's Powers**

In considering the interests of Noteholders, the Trustee may, to the extent it considers it appropriate to do so in the circumstances:

- (a) have regard to such information as may have been made available to it by or on behalf of the relevant clearing system or its operator as to the identity of its accountholders (either individually or by way of category) with entitlements in respect of the Notes; and
- (b) consider such interests on the basis that such accountholders were the holders of the Notes represented by the Global Certificate.

### **Redemption or Purchase and Cancellation**

Cancellation of any Note represented by the Global Certificate following its redemption or purchase will be effected by a reduction in the principal amount of the Notes in the register of Noteholders.

## **Payments**

Payments of principal in respect of Notes represented by the Global Certificate will be made against presentation and, if no further payment falls to be made in respect of the Notes, surrender of the Global Certificate to or to the order of the Principal Paying and Conversion Agent or such other Paying Agent as shall have been notified to the holder of the Global Certificate for such purpose. The Issuer will, for value received, promise to pay interest in respect of such Notes from and including the Issue Date in arrear at the rates, on the dates for payment and in accordance with the method of calculation provided for in the Terms and Conditions of the Notes, save that the calculation is made in respect of the total aggregate amount of the Notes represented by the Global Certificate.

Each payment will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment, where “**Clearing System Business Day**” means Monday to Friday inclusive except 25 December and 1 January.

## **Notices**

So long as the Notes are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear or Clearstream or, as the case may be, any Alternative Clearing System, notices to holders of the Notes shall be given by delivery of the relevant notice to each relevant clearing system for communication by it to entitled accountholders in substitution for notification as required by the Terms and Conditions of the Notes, except that the Issuer shall also ensure that all notices are duly published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed and/or admitted to trading. Any such notice shall be deemed to have been given to the Noteholders on the day on which such notice is delivered to Euroclear and Clearstream or, as the case may be, the Alternative Clearing System.

## **Transfers**

Transfers of beneficial interests in the Notes represented by the Global Certificate will be effected through the records of Euroclear and Clearstream or, as the case may be, any Alternative Clearing System and their respective participants in accordance with the rules and procedures of Euroclear and Clearstream or, as the case may be, any Alternative Clearing System and their respective direct and indirect participants.

## **Prescription**

Claims against the Issuer for payment in respect of the Notes shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of such payment and thereafter any sums payable in respect of the Notes shall be forfeited and revert to the Issuer.

Claims in respect of any other amounts payable in respect of the Notes shall be prescribed and become void unless made within 10 years following the due date for payment thereof.

## RIGHTS AND LIABILITIES OF ORDINARY SHARES

*The following is a summary (though not necessarily an exhaustive or definitive statement) of the rights attaching to fully paid Ordinary Shares as set out in the Issuers' constitution (the "**Constitution**"). The rights attaching to Ordinary Shares are in certain circumstances regulated by the Corporations Act, the ASX Listing Rules, the ASX Settlement Operating Rules and general law.*

Full details of the rights attaching to the Ordinary Shares are set out in the Constitution, a copy of which can be obtained on the Group's website at <https://newhopegroup.com.au/corporate-governance/>.

<b>Voting</b>	Each holder of Ordinary Shares is entitled to receive notice of and attend and vote at general meetings of the Issuer. Each holder of Ordinary Shares has one vote on a show of hands and one vote for each fully paid Ordinary Share they hold on a poll.
<b>General meetings and notices</b>	Written notice of the time, date and place of a meeting of shareholders must be sent to holders of Ordinary Shares not less than 28 days before the meeting.
<b>Dividends</b>	<p>The Issuer's directors may pay interim and final dividends in accordance with the Corporations Act and ASX Listing Rules.</p> <p>The payment of a dividend does not require confirmation by a general meeting of the Issuer.</p> <p>Subject to the rights of holders of any shares or other equity securities which confer special rights as to dividends, each fully paid Ordinary Share confers on the holder the right to share in dividends authorised by the Board in proportion to the amounts paid up on the Ordinary Shares held by them.</p>
<b>Issue of further shares</b>	Subject to the Constitution, the ASX Listing Rules and the Corporations Act, the Issuer's directors have the right to issue shares (including preference shares) or to grant options to any person and in any number they think fit.
<b>Transfer of the Issuer's Ordinary Shares</b>	Subject to the Constitution, the Corporations Act, the ASX Listing Rules and the ASX Settlement Operating Rules, the Issuer's Ordinary Shares are freely transferable. Subject to the Constitution, the Corporations Act, the ASX Listing Rules or the ASX Settlement Operating Rules, the Issuer's directors may decline to register a transfer of the Issuer's Ordinary Shares in any circumstances permitted by the ASX Listing Rules.
<b>Winding up</b>	<p>If the Issuer is wound up, subject to the rights of holders of shares issued on special terms, the liquidator may with the approval of a special resolution of shareholders:</p> <p>(a) divide among the shareholders in kind all or any of the Issuer's assets and for that purpose determine how the liquidator will carry out the division between shareholders or between different classes of shareholders; and/or</p>



- (b) vest all or any of the Issuer's assets in a trustee on trusts to be determined by the liquidator for the benefit of the contributories.

#### **Alteration of capital**

The Issuer may buy back its shares in any manner authorised or permitted by the Constitution, the Corporations Act and the ASX Listing Rules.

## TAXATION

*The following summary of certain tax consequences of the purchase, ownership and disposition of Notes is based upon applicable laws, regulations, rulings and decisions in effect as at the date of this Offering Circular, all of which are subject to change (possibly with retroactive effect). This discussion does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes (such as the implications of incidental acquisition or holding costs) and does not purport to deal with consequences applicable to all categories of investors, some of which may be subject to special rules. Persons considering the purchase of Notes should consult their own tax advisers concerning the tax consequences of the purchase, ownership and disposition of Notes. Prospective investors should consult their professional advisers on the possible tax consequences of buying, holding or selling any Notes, including under the laws of their country of citizenship, residence or domicile.*

### Australian Taxation

#### Introduction

*The following is a summary of the withholding tax treatment under the Income Tax Assessment Act 1936 of Australia and, where applicable, the Income Tax Assessment Act 1997 of Australia (together, the “**Australian Tax Act**”, and the Taxation Administration Act 1953 of Australia), at the date of this Offering Circular, of payments of interest on the Notes and certain other Australian tax matters.*

*A term used below but not otherwise defined has the meaning given to it in the Terms and Conditions of the Notes.*

*This summary applies to Noteholders that are:*

- *residents of Australia for tax purposes that do not hold their Notes, and do not derive any payments under the Notes, in carrying on a business outside of Australia, and non-residents of Australia for tax purposes that hold their Notes, and derive all payments under the Notes, in carrying on a business at or through a permanent establishment in Australia (“**Australian Holders**”); and*
- *non-residents of Australia for tax purposes that do not hold their Notes, and do not derive any payments under the Notes, in carrying on a business at or through a permanent establishment in Australia, and Australian tax residents that hold their Notes, and derive all payments under the Notes, in carrying on a business through a permanent establishment outside of Australia (“**Non-Australian Holders**”).*

*The summary is not exhaustive and, in particular, does not deal with the position of certain classes of Noteholders (including, without limitation, dealers in securities, custodians or other third parties who hold Notes on behalf of any person). In addition, the summary does not consider the Australian tax consequences for persons who hold Ordinary Shares on revenue account for tax purposes and, unless expressly stated, the summary does not consider the Australian tax consequences for persons who hold interests in the Notes through Euroclear, Clearstream or another clearing system.*

*Noteholders should also be aware that particular terms of issue of any series of Notes may affect the tax treatment of that series of Notes. Information regarding taxes in respect of Notes may also be set out in a relevant supplement to this Offering Circular.*

*This summary is not intended to be, nor should it be construed as, legal or tax advice to any particular Noteholder. Each Noteholder should seek professional tax advice in relation to their particular circumstances.*

### **Australian interest withholding tax**

The Australian Tax Act characterises securities as either “**debt interests**” (for all entities) or “**equity interests**” (for companies) including for the purposes of Australian interest withholding tax (“**IWT**”) and dividend withholding tax. The Issuer intends to issue Notes which are to be characterised as “**debt interests**” for the purposes of the tests contained in Division 974 and the returns paid on the Notes are to be “interest” for the purposes of section 128F of the Australian Tax Act. If Notes are issued which are not so characterised, further information on the material Australian tax consequences of payments of interest and certain other amounts on those Notes will be specified in the relevant supplement to this Offering Circular.

For Australian IWT purposes, “**interest**” is defined to include amounts in the nature of, or in substitution for, interest and certain other amounts.

### ***Australian Holders***

Payments of interest in respect of the Notes to Australian Holders should not be subject to Australian IWT.

### ***Non-Australian Holders***

Australian IWT is payable at a rate of 10.00 per cent. of the gross amount of interest paid by the Issuer to a Non-Australian Holder, unless an exemption is available.

#### ***(a) Section 128F exemption from IWT***

An exemption from Australian IWT is available in respect of interest paid on the Notes if the requirements of section 128F of the Australian Tax Act are satisfied.

Unless otherwise specified in any relevant supplement to this Offering Circular, the Issuer intends to issue the Notes in a manner which will satisfy the requirements of section 128F of the Australian Tax Act.

In broad terms, the requirements are as follows:

- (i) the Issuer is a resident of Australia and a company (as defined in section 128F(9) of the Australian Tax Act) when it issues the Notes and when interest is paid;
- (ii) the Notes are issued in a manner which satisfies the “public offer test” in section 128F of the Australian Tax Act.

In relation to the Notes, there are five principal methods of satisfying the “public offer” test, the purpose of which is to ensure that lenders in capital markets are aware that the Issuer is offering the Notes for issue. In summary, the five methods are:

- offers to 10 or more unrelated persons carrying on a business of providing finance, or investing or dealing in securities, in the course of operating in financial markets;
  - offers to 100 or more investors of a certain type;
  - offers of listed Notes;
  - offers via publicly available information sources; or
  - offers to a dealer, manager or underwriter who offers to sell the Notes within 30 days by one of the preceding methods;
- (iii) the Issuer does not know, or have reasonable grounds to suspect, at the time of issue, that the Notes (or interests in the Notes) were being, or would later be, acquired, directly or indirectly, by

an “associate” of the Issuer, except as permitted by section 128F(5) of the Australian Tax Act; and

- (iv) at the time of the payment of interest, the Issuer does not know, or have reasonable grounds to suspect, that the payee is an “associate” of the Issuer, except as permitted by section 128F(6) of the Australian Tax Act.

(b) *Exemptions under certain double tax conventions*

The Australian Government has signed double tax conventions (“**Specified Treaties**”) with a number of countries (each, a “**Specified Country**”). The Specified Treaties apply to interest derived by a resident of a Specified Country.

In broad terms, the Specified Treaties effectively prevent IWT applying to interest derived by:

- governments of the Specified Countries and certain governmental authorities and agencies in a Specified Country; and
- a “**financial institution**” resident in a Specified Country which is unrelated to and dealing wholly independently with the Issuer. The term “**financial institution**” refers to either a bank or other enterprise which substantially derives its profits by carrying on a business of raising and providing finance. However, interest paid under a back to back loan or an economically equivalent arrangement will not qualify for this exemption.

(c) *Payment of additional amounts*

As set out in more detail in the Terms and Conditions of the Notes, and unless expressly provided to the contrary in any relevant supplement to this Offering Circular, if the Issuer is at any time required by law to deduct or withhold an amount in respect of any Taxes imposed by or on behalf of the Commonwealth of Australia from a payment in respect of the Notes, the Issuer will, subject to certain exceptions, pay an additional amount so that after making the withholding or deduction, each Noteholder is entitled to receive (at the time the payment is due) the amount it would have received if no withholdings or deductions had been required to be made.

## **Australian income tax**

### ***Interest payments***

Australian Holders will be required to include any interest in respect of their Notes in their Australian assessable income.

Whether the interest should be recognised as assessable income on a realisation or accruals basis will depend on the individual circumstances of the Australian Holder. Refer to “*taxation of financial arrangements*” in the subsection entitled “*Other tax matters*” below.

Non-Australian Holders should not be subject to Australian income tax in respect of interest payments received on their Notes. This is on the basis that the Issuer intends to satisfy the requirements of section 128F of the Australian Tax Act in respect of interest paid on Notes. Refer to “*Section 128F exemption from IWT*” in the subsection entitled “*Australian interest withholding tax*” below.

### ***Gain on disposal or redemption of the Notes***

Australian Holders will be required to include any gain or loss on disposal or redemption of Notes in their assessable income. Depending on the circumstances of the Australian Holder, either the rules relating to “traditional securities” (in sections 26BB and 70B of the Australian Tax Act) or “taxation of financial

arrangements” should apply. Refer to “*taxation of financial arrangements*” in the subsection entitled “*Other tax matters*” below.

In relation to a traditional security, for the purpose of calculating the gain or loss of an Australian resident Holder that is not subject to the “**taxation of financial arrangements**” rules on disposal or redemption of Notes:

- the cost of a Note should generally be its face value for Noteholders who acquire Notes on issue (plus any relevant costs associated with the acquisition, the disposal or the redemption);
- the consideration for a disposal or redemption will generally be the gross amount received by the Noteholder in respect of the disposal or redemption of Notes; and
- if the Notes are redeemed by the Issuer, the consideration for the redemption may be taken to exclude any parts of the redemption amount paid to Noteholders that are referable to any accrued and unpaid interest on Notes. Those interest amounts may be treated in the same manner as interest payments received during the term of the Notes. Again, Noteholders should seek their own taxation advice in relation to the application of the Australian Tax Act to their particular circumstances.

Non-Australian Holders that are non-residents of Australia should not be subject to Australian income tax on gains made on the disposal or redemption of Notes, provided:

- such gains do not have an Australian source; or
- if the Non-Australian Holder is a resident of a country with which Australia has entered into a comprehensive double tax convention – the Non-Australian Holder is fully entitled to the benefits of the double tax convention to exclude Australia’s jurisdiction to tax the income.

Whether a gain on disposal or redemption of Notes has an Australian source is a question of fact that will be determined on the basis of the circumstances existing at the time of the disposal or redemption. In general, a gain arising on the sale of Notes by a Non-Australian Holder that is a non-resident of Australia to another nonresident of Australia where Notes are sold outside Australia and all negotiations are conducted, and documentation executed, outside Australia should not be regarded as having an Australian source. However, this is not an exhaustive list of the factors that can determine source, nor would the absence of one of these elements, of itself, mean that there is an Australian source, as it will depend on all the relevant circumstances.

If a gain realised by a Non-Australian Holder is subject to Australian income tax, depending on the circumstances of the Noteholder, either the rules relating to “traditional securities” or “taxation of financial arrangements” should apply.

### ***No gain on conversion of the Notes***

Noteholders should not make any taxable gain or loss if Notes are converted into Ordinary Shares. This is because any gain or loss on the conversion should be disregarded under the Australian Tax Act.

Ordinary Shares acquired as a consequence of the conversion should generally be treated as having a cost base and reduced cost base for Australian capital gains tax (“**CGT**”) purposes equal to the cost base of the relevant Notes at the time of conversion. For Australian CGT purposes, the acquisition date of the Ordinary Shares should generally be the time of conversion. This will be relevant in the event that an Australian Holder subsequently disposes of the Ordinary Shares.

In the case of a Non-Australian Holder that is a non-resident of Australia, any capital gain or loss made by that Noteholder from any subsequent disposal of Ordinary Shares may be disregarded for Australian CGT purposes if the Ordinary Shares are not “**taxable Australian property**” (as defined under the Australian Tax Act) at the

time of disposal. Having regard to the activities of the Issuer and the Group, any Ordinary Shares may be “taxable Australian property”.

Noteholders should seek their own taxation advice if their Notes are converted into Ordinary Shares.

### Other tax matters

Under Australian laws as presently in effect:

- *taxation of financial arrangements* – Division 230 of the Australian Tax Act contains tax timing rules for certain taxpayers to bring to account gains and losses from “**financial arrangements**”. The rules do not alter the rules relating to the imposition of IWT nor override the IWT exemption available under section 128F of the Australian Tax Act.

A number of elective tax timing methods are available under Division 230. If none of the tax timing elections are made, the default accruals/realisation methods should apply to the taxpayer. Under the default methods, if the gains or losses from a financial arrangement are sufficiently certain, they should be brought to account for tax on an accruals basis. Otherwise, they should be brought to account for tax when they are realised.

Division 230 does not apply to certain taxpayers. Division 230 should not, for example, generally apply to Noteholders which are individuals and certain other entities (e.g. certain superannuation entities and managed investment schemes) which do not meet various turnover or asset thresholds, unless they make an election that the rules apply to their “**financial arrangements**”;

- *death duties* – no Notes will be subject to death, estate or succession duties imposed by Australia, or by any political subdivision or authority therein having power to tax, if held at the time of death;
- *stamp duty and other taxes* – no ad valorem stamp, issue, registration or similar taxes are payable in Australia on:
  - the issue, transfer or redemption of any Notes; or
  - the issue of Ordinary Shares as a result of a conversion or a transfer of Ordinary Shares acquired as a result of a conversion provided that:
    - if all the shares in the Issuer are quoted on ASX at the time of issue or transfer of the Ordinary Shares, no person, either directly or when aggregated with interests held by associates of that person, obtains an interest in the Issuer of 90.00 per cent. or more; or
    - if not all the shares in the Issuer are quoted on ASX at the time of issue or transfer of the Ordinary Shares, no person, either directly or when aggregated with interests held by associates of that person, obtains an interest in the Issuer of 50.00 per cent. or more.

The stamp duty legislation generally requires the interests of associates to be added in working out whether the relevant threshold is reached. In some circumstances, the interests of unrelated entities can also be aggregated together in working out whether the relevant threshold is reached;

- *TFN/ABN withholding* – withholding tax is imposed (at the rate of, currently, 47.00 per cent.) on the payment of interest on certain registered securities unless the relevant payee has quoted an Australian tax file number (TFN), (in certain circumstances) an Australian Business Number (ABN) or proof of some other exception (as appropriate).

Assuming the requirements of section 128F of the Australian Tax Act are satisfied with respect to the Notes, then such withholding should not apply to payments to a Non-Australian Holder that is a non-resident of Australia for Australian tax purposes;

- *dividend withholding tax* – Non-Australian Holders may be subject to dividend withholding tax (“DWT”) on certain distributions paid on equity interests in Australian resident entities (such as Ordinary Shares). A Non-Australian Holder should consider the application of DWT in the event the Noteholder’s Notes are converted into Ordinary Shares. DWT is generally imposed to the extent “franking credits” do not attach to the relevant distribution or the distribution is not declared to be “conduit foreign income”. Australian DWT is imposed at a general rate of 30.00 per cent. but the rate may be reduced under an applicable double tax convention. The Issuer does not “gross-up” distributions on its Ordinary Shares to account for the imposition of DWT;
- *additional withholdings from certain payments to non-residents* – the Governor-General may make regulations requiring withholding from certain payments to non-residents of Australia (other than payments of interest and other amounts which are already subject to the current IWT rules or specifically exempt from those rules). Regulations may only be made if the responsible Minister is satisfied the specified payments are of a kind that could reasonably relate to assessable income of foreign residents;
- *garnishee directions by the Commissioner of Taxation* – the Commissioner may give a direction requiring the Issuer to deduct from any payment to a Noteholder any amount in respect of Australian tax payable by the Noteholder. If the Issuer is served with such a direction, then the Issuer will comply with that direction and make any deduction required by that direction;
- *supply withholding tax* – payments in respect of the Notes can be made free and clear of any “supply withholding tax”; and
- *goods and services tax (“GST”)* – neither the issue nor receipt of the Notes will give rise to a liability for GST in Australia on the basis that the supply of Notes will comprise either an input taxed financial supply or (in the case of an offshore subscriber that is a non-resident) a GST-free supply. Furthermore, neither the payment of principal or interest by the Issuer, nor the disposal of the Notes, would give rise to any GST liability in Australia.

## **U.S. Foreign Account Tax Compliance Act and OECD Common Reporting Standard**

### **Foreign Account Tax Compliance Act**

Noteholders may be requested to provide certain information and certifications to ensure compliance with FATCA. Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (the “Code”) and applicable U.S. Treasury regulations, commonly known as FATCA, generally impose 30.00 per cent. withholding on certain “withholdable payments” and, in the future, may impose such withholding on “foreign passthru payments,” made by a “foreign financial institution” (each as defined in the Code) to persons that fail to meet certain certification, reporting, or related requirements. A number of jurisdictions (including Australia) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“IGAs”), which modify the way in which FATCA applies in their jurisdictions. Under proposed U.S. Treasury regulations, any withholding on foreign passthru payments would apply to foreign passthru payments made on or after the date that is two years after the date final U.S. Treasury regulations defining foreign passthru payments are issued. Although these proposed U.S. Treasury regulations are not final, taxpayers generally may rely upon them until final U.S. Treasury regulations are issued. Holders should consult

their own tax advisors regarding the potential impact of FATCA and any applicable IGAs to their investment in the Notes.

### **Common Reporting Standard**

The OECD Common Reporting Standard for Automatic Exchange of Financial Account Information (“**CRS**”) requires certain financial institutions to report information regarding certain accounts (which may include the Notes) to their local tax authority and follow related due diligence procedures. Noteholders may be requested to provide certain information and certifications to ensure compliance with the CRS. A jurisdiction that has signed a CRS Competent Authority Agreement may provide this information to other jurisdictions that have signed the CRS Competent Authority Agreement. The Australian Government has enacted legislation amending, among other things, the Taxation Administration Act 1953 of Australia to give effect to the CRS.



## SUBSCRIPTION AND SALE

This section summarises the Subscription Agreement entered into by the Issuer and the Joint Bookrunners and Lead Managers. It also sets out restrictions on the Offering in various jurisdictions.

### Subscription Agreement

The Joint Bookrunners and Lead Managers have entered into a subscription agreement dated 4 July 2024 with the Issuer (the “**Subscription Agreement**”). Upon the terms and subject to the conditions contained therein, the Joint Bookrunners and Lead Managers have agreed to subscribe or procure subscribers for the aggregate principal amount of the Notes at the Issue Price.

### Fees and expenses

The Issuer has agreed to pay certain underwriting fees to the Joint Bookrunners and Lead Managers and to reimburse the Joint Bookrunners and Lead Managers for certain of their expenses incurred in connection with the management of the Offering and the issue of the Notes.

### Representations, warranties and undertakings

The Issuer makes various representations and warranties including but not limited to representations and warranties in relation to this Offering Circular, compliance with the Corporations Act, the ASX Listing Rules and the constitutional documents of the Issuer. The Issuer also warrants that it has the power and authority to issue the Notes and to enter into and comply with the terms of the Subscription Agreement, the Trust Deed, the Agency Agreement and the Calculation Agency Agreement.

### Termination events

Each Joint Bookrunner and Lead Manager is entitled to terminate, in respect of itself, the Subscription Agreement at any time prior to the payment of the net subscription monies for the Notes in any of the following circumstances:

- if there shall have come to the notice of any of the Joint Bookrunners and Lead Managers any breach of, or any event rendering untrue or incorrect, any of the warranties and representations contained in clause 5 of the Subscription Agreement, or any failure of the Issuer to perform any of its undertakings or agreements, in the Subscription Agreement;
- if any of the conditions precedent to closing set out in clause 8 of the Subscription Agreement have not been satisfied or waived by the Joint Bookrunners and Lead Manager;
- if, on or prior to the Closing Date, (a) there shall have occurred any adverse change, or any development involving a prospective change, in national or international monetary, financial, political or economic conditions (including any disruption to trading generally, or trading in any securities of the Issuer or in the Ordinary Shares on any stock exchange or in any over-the-counter market) or currency exchange rates or foreign exchange controls which would in the Joint Bookrunners and Lead Managers’ view be likely to prejudice materially the success of the issue and offering of the Notes or the distribution of the Notes or dealings in the Notes in the secondary market; or (b) there shall have occurred a general moratorium on banking activities in the United Kingdom, the European Union, the United States, Singapore, Hong Kong and/or the Commonwealth of Australia by the relevant central banking authority in any of those countries, which would in the Joint Bookrunners and Lead Managers’ view be likely to prejudice materially the success of the issue and offering of the Notes or the distribution of the Notes or dealings in the Notes in the secondary market;
- if, on or prior to the Closing Date, there shall have occurred either of the following:

- (a) a suspension or material limitation of trading in securities generally on the New York Stock Exchange, the Nasdaq Stock Market, Inc., the London Stock Exchange plc, the Hong Kong Stock Exchange, the SGX-ST or the ASX; or
- (b) a suspension or material limitation in trading in any of the Issuer's securities or the Ordinary Shares on the ASX (other than a suspension in trading of the Issuer's securities or Ordinary Shares that is initiated by the Issuer and such suspension does not exceed two trading days), which would in the Joint Bookrunner and Lead Managers' view be likely to prejudice materially the success of the issue and offering of the Notes or the distribution of the Notes or dealings in the Notes in the secondary market;
- if, on or prior to the Closing Date, in the opinion of the Joint Bookrunners and Lead Managers, there shall have occurred any event or series of events, including the occurrence of any local, national or international outbreak or escalation of hostilities or act of terrorism, disaster, insurrection, armed conflict, act of God or epidemic, material disruption in commercial banking services or securities or securities clearing services in the United States, the United Kingdom, the European Union, Singapore, Hong Kong and/or the Commonwealth of Australia, which would in the Joint Bookrunners and Lead Managers' view be likely to prejudice materially the success of the issue and offering of the Notes or the distribution of the Notes or dealings in the Notes in the secondary market;
- if the ASX makes any official statement, or indicates to the Issuer or any of the Joint Bookrunners and Lead Managers (whether or not by way of an official statement), that the Issuer will be removed from the Official List or that any existing securities in the Issuer will be suspended from quotation or such suspension from quotation occurs. For the avoidance of doubt, a trading halt requested by the Issuer does not constitute a suspension; or
- any material adverse change occurs in the assets, liabilities, financial position (including an insolvency event) or performance, profits, losses or prospects of Issuer or the Group, including any material adverse change in the assets, liabilities, financial position or performance, profits, losses or prospects of the Group from those disclosed in publicly available information.

### **Indemnity**

The Issuer has agreed to indemnify the Joint Bookrunners and Lead Managers, their subsidiaries, affiliates, and any person who controls any of them within the meaning of the Securities Act or Section 20 of the U.S. Securities Exchange Act of 1934, as amended (a "**holding company**") and the subsidiaries of a holding company and their respective directors, officers, partners, employees, and agents against certain losses incurred, whether directly or indirectly, by such persons arising out of, in connection with or based on certain claims which are instituted or made, threatened or alleged against or otherwise involve such persons in connection with or arising out of certain aspects of the Offering or this Offering Circular, except to the extent that any such claim, as finally and conclusively judicially determined by a court of competent jurisdiction, arose directly from the fraud, wilful misconduct (including deliberate breach of a material term of the Subscription Agreement) or gross negligence of those parties.

### **Selling Restrictions**

#### **General**

The distribution of this Offering Circular or any offering material and the offering, sale or delivery of the Notes is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Offering Circular or any offering material are advised to consult their own legal advisers as to what restrictions may be

applicable to them and to observe such restrictions. This Offering may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

Neither the Issuer nor the Joint Bookrunners and Lead Managers makes any representation that any action will be taken in any jurisdiction by the Joint Bookrunners and Lead Managers or the Issuer that would permit a public offering of the Notes, or possession or distribution of this Offering Circular or any other offering or publicity material relating to the Notes (including roadshow materials and investor presentations), in any country or jurisdiction where action for that purpose is required. The Joint Bookrunners and Lead Managers have undertaken that they will not, directly or indirectly, offer, sell or deliver Notes or has in its possession or distributes this Offering Circular or any such other material in any country or jurisdiction except under circumstances that will, to the best of their knowledge and belief, result in compliance in all material respects with any applicable laws and regulations and all offers of the Notes by them will be made on the same times, in all cases at their own expense. Without prejudice to the generality of the above, the Joint Bookrunners and Lead Managers agreed that they will obtain all consents, approvals and/or permissions which, to the best of their knowledge and belief, are required for the offer, purchase, delivery or sale by them of Notes under the laws and regulations in force in any jurisdiction to which they are subject or in which they make such offers purchases, delivery or sales.

### **United States**

The Notes and the Ordinary Shares to be issued upon conversion of the Notes have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdictions of the United States, and they may not be offered or sold within the United States.

The Notes are being offered and sold outside the United States in “offshore transactions” as defined in, and in reliance on, Regulation S under the Securities Act. Each Joint Bookrunner and Lead Manager has represented, warranted and agreed that it has not offered or sold, and agreed that it will not offer or sell, any Notes constituting part of its allotment within the United States except in offshore transactions in accordance with Rule 903 and Rule 904 of Regulation S.

Accordingly, none of the Joint Bookrunners and Lead Managers and their affiliates nor any persons acting on their behalf have engaged or will engage in any “directed selling efforts” (as defined in Rule 902(c) of the Securities Act) with respect of the Notes and the Ordinary Shares to be issued upon conversion of the Notes.

Each Joint Bookrunner and Lead Manager has further represented and warranted that it has not entered and agree that it will not enter into any contractual arrangement with any distributor (as that term is defined in Regulation S under the Securities Act) with respect to the distribution or delivery of the Notes, except with its affiliates or with the prior written consent of the Issuer.

Terms used in this sub-section captioned “United States” have the meaning given to them by Regulation S.

### **European Economic Area**

Each Joint Bookrunner and Lead Manager has represented, warranted and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of this Offering contemplated by this Offering Circular in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision, the expression “retail investor” means a person who is one (or more) of the following:

- (a) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or

- (b) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

### **United Kingdom**

Each Joint Bookrunner and Lead Manager has represented, warranted and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of this Offering contemplated by this Offering Circular in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision, the expression “**retail investor**” means a person who is one (or more) of the following:

- (a) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or
- (b) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

### ***Selling restrictions addressing additional UK securities laws***

Each Joint Bookrunner and Lead Manager has represented, warranted and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the “**FSMA**”)) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

### **Australia**

No prospectus, product disclosure document or other disclosure document as that term is defined in of the Corporations Act has been or will be lodged with ASIC in relation to the Notes. Accordingly, the Sole Bookrunner and Lead Manager has represented, warranted and agreed that it has not and will not offer, or invite applications for the issue of any Notes or offer any Notes for issue or sale in Australia (including an offer or invitation which is received by that person in Australia) or distribute or publish and will not distribute or publish this Offering Circular or any other advertisement in relation to any Notes in Australia, unless:

- (a) the offer or invitation does not constitute an offer or invitation for which disclosure is required to be made to investors under Part 6D.2 or Chapter 7 of the Corporations Act;
- (b) the offer or invitation is made only to persons who are both (A) sophisticated or professional investors within the meaning of sections 708(8) or 708(11) of the Corporations Act, and (B) a “wholesale client” within the meaning of section 761G of the Corporations Act; and
- (c) such action complies with applicable laws, and directives in Australia.

### **Singapore**

Each Joint Bookrunner and Lead Manager has acknowledged that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Joint Bookrunner and Lead Manager has represented, warranted and agreed that it has not offered or sold any Notes or caused such Notes

to be made the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Notes, whether directly or indirectly, to any person in Singapore other than:

- (a) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA; or
- (b) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

### **Hong Kong**

Each Joint Bookrunner and Lead Manager has represented, warranted and agreed that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (a) to “**professional investors**” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “SFO”) and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a “**prospectus**” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “**C(WUMP)O**”) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

### **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “**Financial Instruments and Exchange Act**”). Accordingly, each Joint Bookrunner and Lead Manager has represented, warranted and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws, regulations and ministerial guidelines of Japan.

### **Switzerland**

This Offering Circular does not and is not intended to constitute an offer to the public or a solicitation to purchase or invest in any Notes. The Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act (“**FinSA**”). The Notes have not been and will not be listed or admitted to trading on a trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Offering Circular nor any other offering or marketing material relating to the Notes constitutes a prospectus as such term is understood pursuant to the FinSA, and neither this Offering Circular nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

## ADDITIONAL INFORMATION

### Ownership Restrictions

#### Australian Foreign Acquisitions and Takeovers Act 1975 (Cth)

Australia has a foreign investment approval regime, set out primarily in the Australian Foreign Acquisitions and Takeovers Act 1975 (Cth) (the “**FATA**”), which requires certain types of proposed direct or indirect acquisitions by foreign persons of interests in Australian companies and unit trusts, of interests in Australian businesses and interests in Australian land, and of interests in ‘national security businesses’ and ‘national security land’ to be notified to the Treasurer of the Commonwealth of Australia (the “**Treasurer**”) and not to be undertaken unless and until a no objection notification is received from the Treasurer (or his or her delegate). A no objection notification is commonly referred to as ‘FIRB approval’. ‘FIRB’ stands for Foreign Investment Review Board, which examines foreign investment proposals and advises the Treasurer on the national interest and national security implications of proposed acquisitions. An acquisition which requires FIRB approval may be the subject of a divestment order by the Treasurer unless the process of notification and issuance of a FIRB approval has occurred. Criminal offences and civil penalties can apply to failing to give notification of certain acquisitions, undertaking certain acquisitions without FIRB approval or contravening a condition in a FIRB approval.

In addition, the FATA denotes that an entity is considered an “**Australian land entity**” where interests in Australian land account for more than 50.00 per cent. of the entity’s total assets by value. The Issuer may be an Australian land entity for the purposes of the FATA.

The FATA generally requires (with the sanction of penalties) that prior notice be given to the Treasurer and a no objection notification obtained (or a statutory period has expired without the Treasurer objecting and there has not been an extension to the decision period) in respect of the acquisition by a “foreign person” of certain interests in the Issuer (including the Notes) and gives the Treasurer power to make an order prohibiting such an acquisition where it is proposed or to make a divestment order where such an acquisition has occurred and the proposal or acquisition is considered contrary to Australia’s national interest (which includes an assessment of any national security concerns), if the foreign person or ‘foreign government investor’ (alone or together with its associates) would have an interest in 10.00 per cent. or more (or any control element) of the Ordinary Shares, votes or potential votes (including through conversion of options or the Notes) of the Issuer and where the relevant monetary threshold is met for acquisitions in an Australian land entity.

The position under Australia’s foreign investment legislation is that convertible notes – and any other options or right to future equity – may be treated as though they have been converted into securities and investors may be deemed to have acquired those securities at the time the convertible notes are issued to them. This may be the case even if the conversion of the notes is contingent on certain events or triggers occurring in the future.

The above summary does not purport to be a definitive statement of the FATA nor of its potential application to the acquisition and/or conversion of Notes. The above summary does not address the possibility of the voluntary FIRB approval rules being triggered where there is not mandatory FIRB approval requirement (for example, if the Issuer’s business fell within the scope of FIRB’s sectoral guidance for which voluntary notification is encouraged, investors should consider whether an application for FIRB approval should be sought on the grounds the investment constitutes a reviewable national security action). Investors requiring further information as to whether they need or should consider seeking FIRB approval in respect of a proposed acquisition of Notes should consult their professional advisers.

### **Takeover Restrictions**

The acquisition of interests in the Issuer is also regulated by the takeover provisions of Chapter 6 of the Corporations Act. These provisions prohibit (with the sanctions of penalties) the acquisition of relevant interests in the Ordinary Shares, if as a result of the acquisition the acquirer's (or another party's) "**voting power**" in the Issuer would increase to above 20.00 per cent., or would increase from a starting point that is above 20.00 per cent. and below 90.00 per cent. That prohibition is subject to a number of exceptions, including for acquisitions pursuant to a regulated takeover bid. Chapter 6C of the Corporations Act also contains provisions requiring market disclosure of relevant interests (and changes in relevant interests) in the Ordinary Shares by persons holding "**voting power**" in the Issuer of 5.00 per cent. or more.

Investors requiring further information relating to takeover restrictions should consult their professional advisers as these matters may be applicable to the conversion of the Notes.

## GENERAL INFORMATION

1. The Issuer's corporate head office and principal place of business is located at Level 18, 175 Eagle Street, Brisbane QLD 4000.
2. The Principal Paying and Conversion Agent, the Registrar and the Transfer Agent for the Notes is GLAS Trust Company LLC. As of the date of this Offering Circular, its specified office is located at 3 Second Street, Suite 206 New Jersey NJ 07311 USA.
3. The Calculation Agent for the Notes is Conv-Ex Advisors Limited at its specified office which, as of the date of this Offering Circular, is located at 30 Crown Place London EC2A 4EB United Kingdom.
4. The issue of the Notes and the terms of the Offering were approved by resolutions of the Board of Directors of the Issuer passed on 26 June 2024.
5. For so long as any of the Notes is outstanding, copies of the Trust Deed, the Agency Agreement and, subject to the Trustee and the Principal Paying and Conversion Agent being provided with a copy of the same by the Issuer, the Calculation Agency Agreement, will be available (i) for inspection by Noteholders at all reasonable times during normal business hours (being between 9.00 a.m. and 3.00 p.m. Monday to Friday other than public holidays) at the principal office for the time being of the Trustee (being, at the date of this Offering Circular, at 3 Second Street, Suite 206, New Jersey, NJ 07311, United States of America) and at the specified office of the Principal Paying and Conversion Agent, in each case following prior written request and proof of holding and identity to the satisfaction of the Trustee or, as the case may be, the Principal Paying and Conversion Agent (with a copy, in the case of the Calculation Agency Agreement, to the Calculation Agent), following prior written request and proof of holding and identity to the satisfaction of the Principal Paying and Conversion Agent and (ii) electronically from the Principal Paying and Conversion Agent (with a copy, in the case of the Calculation Agency Agreement, to the Calculation Agent), following prior written request and proof of holding and identity to the satisfaction of the Principal Paying and Conversion Agent.
6. The Notes have been accepted for clearance through Euroclear and Clearstream. The International Securities Identification Number for the Notes is XS2856118810. The Common Code for the Notes is 285611881.
7. The Legal Entity Identifier of the Issuer is 254900DHRUGXZSLSNZ83.
8. Save as disclosed in this Offering Circular, there has been no significant change in the financial or trading position of the Issuer or the Group since 31 July 2023 and no material adverse change in the financial position or prospects of the Issuer or the Group since 31 July 2023.
9. Save as disclosed in this Offering Circular, neither the Issuer nor any of its subsidiaries are involved in any litigation or arbitration proceedings or any regulatory investigations relating to claims or amounts which are material in the context of the issue of the Notes nor, so far as the Issuer is aware, is any such litigation or arbitration pending or threatened.
10. The audited annual consolidated financial statements of the Group for the financial years ended and as at 31 July 2022 and 31 July 2023, which are deemed to be incorporated by reference in this Offering Circular, have been audited by Deloitte Touche Tohmatsu, as the independent auditors to the Issuer, as stated in their reports appearing therein.
11. Approval in-principle has been received from the SGX-ST for the listing and quotation of the Notes on the SGX-ST. So long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the



Issuer shall appoint and maintain a paying agent in Singapore, where the Notes may be presented or surrendered for payment or redemption. In addition, in the event that the Global Certificate is exchanged for individual definitive Notes, an announcement of such exchange shall be made by or on behalf of the Issuer through the SGX-ST and such announcement will include all material information with respect to the delivery of the individual definitive Notes, including details of the paying agent in Singapore.

**ISSUER**

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**PRINCIPAL PAYING AND CONVERSION AGENT**

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**CALCULATION AGENT**

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