

ASX RELEASE

19 October 2021

Notification of Issue of Equity Securities

Envirosuite Ltd advises that there have been a series of issuances of fully paid ordinary shares to current and former staff. To assist shareholders in understanding these issuances, these are outlined below:

- 572,270 shares under the \$1K Offer issued to non KMP staff under the Employee Equity Plan approved by shareholders at the 2020 AGM. The terms of this plan are attached as Appendix A.
- 1,999,668 Performance rights converted to fully paid ordinary shares for the Senior Leadership team (non KMP staff) under the Employee Equity Plan approved by shareholders at the 2020 AGM. The terms of this plan are attached as Appendix B.
- 2,000,000 options were converted to fully paid ordinary shares for former Key Management Personnel / former Chief Financial Officer, as previously disclosed to shareholders in the 2020 Annual Report.
- 1,922,221 performance rights to non-Key Management Personnel under the old Envirosuite Executive Performance Rights Plan. The terms of this plan are attached as Appendix C.

Further detail is provided in the Appendix 2A released to the market concurrently with this announcement.

Authorised for release by Rachel Ormiston, General Counsel and Company Secretary.

Appendix A

Envirosuite Equity Plan AUD\$1K Offer Guide

This Offer Guide, together with the Plan Rules and the Trust Deed, explain the terms and conditions of your invitations to participate in the Offer.

The information in this Offer Guide, any accompanying information and any advice provided by or on behalf of Envirosuite in connection with the Offer is general advice only and does not take into account your personal objectives, financial situation and needs. Before deciding if you would like to participate in the Offer, you should consider obtaining your own financial product advice, tax advice and/or legal advice from an independent person who is appropriately authorised or licenced to give that advice in your jurisdiction.

The Envirosuite Equity Plan Offer – 2021

Welcome to the Envirosuite Equity Plan.

At Envirosuite, we're committed to providing a range of incentives that are competitive, attractive and valued – and we're always looking for ways to recognise everyone's contribution to our success.

Our Envirosuite Equity Plan is designed to reward you for your contribution to that success and also to help you build an ownership stake in Envirosuite.

Name of the offer	What the offer involves	Where to find more information
\$1,000 Offer	A\$1,000 worth of Envirosuite Shares are on offer and they are provided to you as a gift at no cost to you.	See Part A of this Offer Guide

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Three easy steps to participate

Step	Description
1	Read this Offer Guide in full.
2	<p>Seek appropriate advice if you are unsure whether to participate.</p> <p>If you have any general questions about how the Offer works contact the following:</p> <p>Boardroom Pty Limited (BoardRoom)</p> <p>Phone:</p> <p>1300 737 760 (in Australia)</p> <p>+61 2 9290 9600 (outside Australia)</p> <p>Email:</p> <p>employeeeshareplan@boardroomlimited.com.au</p>
3	<p>If you wish to participate, submit your on-line application via https://www.employeeserve.com.au/ before the application cut-off date. The application cut-off date will be outlined in the email you receive inviting you to participate in the Offer.</p>

PART A: \$1,000 Offer

A.1 What's on offer under the \$1,000 Offer?

What's on offer	Details
Envirosuite Shares are on offer	Envirosuite Shares to the value of A\$1,000. These shares are provided as a gift at no cost to you.
How many Envirosuite Shares are on offer?	<p>The number of Envirosuite Shares on offer is worked out using the following formula*:</p> $\frac{\text{A\$1,000}}{\text{Volume weighted average price (or "VWAP") of Envirosuite Shares traded on the ASX during the VWAP Period – this period is set around the date the Envirosuite Shares are allocated – see the key dates section below}}$ <p>(*the number of shares will be rounded down to the nearest whole number of shares)</p> <p>A worked example:</p> <p>If the VWAP of Envirosuite's Shares at the relevant time was A\$0.10, then you will be provided the following number of Envirosuite Shares:</p> $\frac{\text{A\$1,000}}{\text{A\$0.10}} = 10,000 \text{ Envirosuite Shares}$
No administration charges	<p>There are no management or administration charges for you to participate in the \$1,000 Offer.</p> <p>Please note that charges may apply when you sell your Envirosuite Shares.</p>

A.2 Who can participate in the \$1,000 Offer?

You need to meet the following 3 criteria to be eligible to participate in the \$1,000 Offer:

1. You need to be a permanent full-time or part-time employee of one of the Envirosuite Group of companies.

Casual and temporary employees and employees on career break aren't eligible to participate.

2. You must not be on probation, under a performance management or disciplinary process, or working a notice period.

This is required because employees need to have met minimum conduct requirements during the last financial year to be able to participate.

All of these criteria are tested as at the Allocation Date, which is the date the Envirosuite Shares will be allocated to employees participating in the \$1,000 Offer.

A.3 How does the \$1,000 Offer work?

Step	What's involved
Step 1: The invitation to participate	You will receive an email inviting you to participate in the Envirosuite Equity Plan Offer which includes the option to participate in the \$1,000 Offer. That invitation will include a copy of this Offer Guide and information to help you navigate the application process.
Step 2: Apply to participate	<p>If you decide to participate in the \$1,000 Offer, you will need to submit an online application via https://www.employeeserve.com.au/ before the application cut-off date – which is outlined in the offer invitation email.</p> <p>The online application will give you choice to apply to participate in the \$1,000 Offer.</p> <p>Once you submit your application to participate in the \$1,000 Offer, you can't change your application or withdraw your application.</p>
Step 3: Allocating Envirosuite Shares to participating employees	For employees participating in the \$1,000 Offer, Envirosuite Shares are expected to be allocated within a few weeks of the application cut-off date. This is called the "Allocation Date". We will notify you once your Envirosuite Shares have been allocated to you.
Step 4: The Envirosuite Shares are yours but you won't be able to sell or otherwise deal with them for a period of time	<p>If you participate in the \$1,000 Offer, all the Envirosuite Shares allocated to you will be held by the Trustee on your behalf during a period called the "Restriction Period". This period runs from the Allocation Date until the earlier of:</p> <ul style="list-style-type: none"> • 3 years from the Allocation Date; and • the date on which your 'relevant employment' ceases (see below). <p>During the Restriction Period, your Envirosuite Shares will be registered in the name of the Trustee, but the Trustee will hold those shares on your</p>

behalf. You cannot sell, transfer, encumber or otherwise deal in your Envirosuite Shares during the Restriction Period.

During the Restriction Period:

- you are entitled to receive any dividends that are paid on your Envirosuite Shares (in the event that Envirosuite commences paying dividends); and
- you can vote your Envirosuite Shares at any Envirosuite shareholder meeting (by instructing the Trustee how to vote on your behalf – instructions will be provided to you at the time of any meeting).

Your Envirosuite Shares will not be liable to be forfeited by you during the Restriction Period.

Refer to Part C for more information about these arrangements including what you can do with your Envirosuite Shares after the Restriction Period ends.

A.4 What happens to your Envirosuite Shares if you cease your ‘relevant employment’?

If you cease your employment with an Envirosuite Group company within 3 years of the Allocation Date, the Restriction Period ends and you can then either keep or sell your Envirosuite Shares. You will need to instruct the Trustee once you have decided what you would like to do. Information on how to do this will be provided by Boardroom should this become relevant.

Your ‘relevant employment’ continues, provided you continue to be employed by the company that employed you on the Allocation Date. It will also continue if you cease to be employed by that company, but you remain employed by another company in the Envirosuite Group.

PART B: Other important information

Key questions	Answer
Where can I find the current market price of Envirosuite Shares?	Envirosuite's website has a specific investor section which includes the ability to view the current market price of Envirosuite Shares.
Where can I find more information regarding Envirosuite and its financial performance?	Envirosuite's website provides more information about Envirosuite's financial performance, including its latest annual financial statements, the general nature of its business and its profit history. You should consider this information before choosing to participate in the Offer.
Are there insider trading rules I need to consider?	<p>Yes – it is a condition of the Offer that you comply with Envirosuite's Securities Trading Policy in relation to your Envirosuite Shares at all times.</p> <p>At the end of the Restriction Period or the Holding Lock Period (as applicable), you will be able to sell, transfer or otherwise deal with your Envirosuite Shares whenever you choose, subject to complying with Envirosuite's Securities Trading Policy.</p> <p>Envirosuite's Securities Trading Policy sets out certain periods when you cannot deal with your Envirosuite Shares and information on insider trading laws that you need to comply with. Details on when you are able to deal with your shares is available in the Knowledge Hub on the Envirosuite intranet.</p>
Will I receive dividends on my Shares?	<p>At the current time, Envirosuite does not pay dividends to shareholders. Should this change in the future, as a shareholder, you are entitled to receive any dividends paid on your Envirosuite Shares once the Envirosuite Shares have been allocated to you, including during the Restriction Period and Holding Lock Period (as applicable).</p> <p>The payment of dividends depends on a number of things, including Envirosuite's profitability and dividend policy.</p>
Can I vote my Envirosuite Shares?	<p>You can vote at shareholder meetings once the Envirosuite Shares have been allocated to you. However, to vote while any of your Envirosuite Shares are held by the Trustee during the Restriction Period, you will need to instruct the Trustee in writing how to vote on your behalf. Instructions will be provided to you at the time of any meeting.</p> <p>If you don't instruct the Trustee how to vote before this time, the Trustee cannot exercise your voting rights.</p>

Key questions	Answer
Can I sell my Envirosuite Shares during the Restriction Period?	No. During the Restriction Period, Envirosuite Shares allocated to participants in the \$1,000 Offer are held in the Trust and subject to restrictions such that you cannot sell, transfer, encumber or otherwise deal in those shares.
What happens at the end of the Restriction Period?	<p>At the end of the Restriction Period, participants in the \$1,000 Offer are free to sell or keep the Envirosuite Shares allocated to them under the Offer. Instructions will be provided to you at the time if you want to sell your shares.</p> <p>In all cases, selling or otherwise dealing with your shares is subject to compliance with Envirosuite's Securities Trading Policy and applicable law.</p>
What are the risks?	<p>There are a number of potential risks that you should consider before participating in the Offer, including:</p> <ul style="list-style-type: none"> • there is no guarantee that any Envirosuite Shares you acquire will grow in value – as with any shares they might fall in value. There are many external and internal factors that affect the price of shares traded on the ASX; • while you are entitled to any dividends payable on Envirosuite Shares allocated to you, the payment of dividends depends on a number of things, including Envirosuite's profitability and dividend policy and there is no guarantee that you will receive any dividends from your Envirosuite Shares; and • there may be tax implications involved in acquiring and holding Envirosuite Shares and subsequently selling Envirosuite Shares, and the tax regime and rules applying to you may change. You should seek tax advice from an independent person who is appropriately qualified or authorised to provide that advice in your jurisdiction. <p>A summary of risks which may affect Envirosuite's business and financial performance, which has been prepared based on an assessment of a combination of the probability of the risk occurring and the impact of the risk if it did occur, is set out in Envirosuite's annual report which is available on Envirosuite's website.</p> <p>Before participating in the Offer, you should consider whether Envirosuite Shares are a suitable investment for you.</p>

Key questions	Answer
<p>What do I need to know about privacy and communications?</p>	<p>By participating in the Offer, you agree:</p> <ul style="list-style-type: none"> to the use and disclosure of your personal information by and to Envirosuite, Boardroom and the Trustee for the purposes of administering the Offer; and for Envirosuite to use, quote and disclose any personal tax details (such as your personal tax number or identifier) to, the Trustee, Envirosuite's Share registry provider (currently Boardroom) and any applicable tax authority in connection with the Envirosuite Shares you are provided with under the offer and for any purpose and in any manner Envirosuite considers reasonably necessary to comply with tax obligations and deal with withholding; and Envirosuite may, in its sole discretion, decide to deliver any documents related to the Offer by electronic means and you consent to receive such documents by electronic delivery maintained by Envirosuite or a third party designated by Envirosuite.
<p>Are there any other key terms of the Plan Rules I need to be aware of?</p>	<p>Envirosuite may amend the Plan Rules from time to time, provided that the amendment does not reduce the existing rights of participating employees (except in certain limited circumstances).</p> <p>The Envirosuite Board's decision as to the interpretation, effect or application of the Plan Rules is final and conclusive. The Envirosuite Board may make further rules for the operation of the Plan Rules, which are consistent with the Plan Rules. Any powers or discretions that are conferred on the Envirosuite Board under the Plan Rules may be exercised by the Envirosuite Board or any person or persons appointed to act on its behalf.</p> <p>The Envirosuite Board can decide to suspend or cancel the Offer at any time. The suspension or cancellation of the Offer will not prejudice the existing rights of participating employees.</p> <p>Nothing in the Plan Rules confers on any employee the right to receive Envirosuite Shares or to continue as an employee of the Envirosuite Group, nor affects any rights of Envirosuite or a company in the Envirosuite Group to terminate an employee's employment.</p> <p>The nature of the Plan Rules is as described in this Offer Guide and you do not have any other rights than specifically provided in this Offer Guide, the Plan Rules and the Trust Deed.</p>

Key questions	Answer
	By participating in an Offer, you also agree to be a shareholder of Envirosuite and to be bound by Envirosuite's constitution (as in force from time to time).
Additional information	Participation in an Offer is exceptional, voluntary and occasional. Participation in an Offer, and the income from and value of the Envirosuite Shares, is not part of normal or expected compensation for any purpose including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, holiday pay, long-service awards, pension or retirement or welfare benefits or similar payments. Participation in an Offer, and the income from and value of the Envirosuite Shares, is not intended to replace any pension rights or compensation.
Who do I contact if I have a question?	<p>If you have any questions regarding the online acceptance process, please contact BoardRoom on 1300 737 760 (in Australia) or +61 2 9290 9600 (outside Australia) or email: employeeeshareplan@boardroomlimited.com.au</p> <p>If you have any questions relating to the Equity Plan more generally, please email: employeeeshareplan@boardroomlimited.com.au</p>

PART C: Understanding the jargon (Glossary)

\$1,000 Offer

The offer described in Part A of this Offer Guide.

ASX

ASX Limited (ABN 98 008 624 691) or the market conducted by it, as the context requires.

Boardroom

The administrators of the Equity Plan.

Envirosuite

Envirosuite Limited (ABN 42 122 919 948).

Envirosuite Board

All or some of the directors of Envirosuite, acting as a board or a committee of directors, or any person(s) to whom the directors have delegated their powers and discretions under the Equity Plan.

Envirosuite Group

Includes Envirosuite and any of its subsidiaries.

Envirosuite Share

A fully-paid ordinary share in Envirosuite.

Offer

The AU\$1,000 Offer. The 2021 Envirosuite Equity Plan Offer which is set out in this Offer Guide may be referred to as the '**Offer**' and is comprised of an AU\$1,000 Offer.

Offer Year

The year in which Offers under this Offer Guide are made to you.

Offer Guide

This document called 'Offer Guide'.

Plan Rules

The Envirosuite Equity Participation Plan Rules.

Restriction Period

The period commencing on the associated Allocation Date and ending on the earlier of:

- the date a participants' 'relevant employment' ends (see section A.4 of this Offer Guide); and
- the date that is 3 years after the Allocation Date.

Trading Day

Trading Day has the meaning given to it in the ASX Listing Rules.

Trust

This is the special purpose employee share trust set up to help with the administration of Envirosuite's employee equity plans.

Trust Deed

The Envirosuite Equity Plans Trust Deed, a copy of which can be obtained from the Company Secretary.

Trustee

The trustee from time to time of the Trust, which is currently Boardroom Trustee Services.

VWAP

The volume weighted average price of Envirosuite Shares sold on the ASX on any given day, excluding trades on that day that Envirosuite decides to exclude on the basis that they are not fairly reflective of natural supply and demand, calculated to two decimal places.

VWAP Period

The 30 Trading Days up to but excluding the applicable Allocation Date.

Part D: Taxation

The tax treatment of any benefits obtained in the Offer may differ between different jurisdictions. Before deciding if you would like to participate in the Offer, you should consider obtaining your own financial product advice, tax advice and/or legal advice from an independent person who is appropriately authorised or licenced to give that advice in your jurisdiction.

Appendix B

Envirosuite Equity Plan - Performance Rights Plan

Envirosuite Equity Plan - Performance Rights Plan

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Envirosuite Equity Plan - Performance Rights Plan

Plan Rules

1 Purpose

The purposes of this Plan are to:

- (a) provide an incentive for Eligible Employees to drive continuing improvement in the Group's performance;
- (b) encourage the retention of Eligible Employees, and to assist in attracting new talent;
- (c) align the rewards and interests of Eligible Employees with the longer term growth and success of the Group; and
- (d) provide Eligible Employees with the opportunity to acquire an ownership interest in Envirosuite.

2 Definitions and Interpretation

2.1 Definitions

In this Plan, unless the contrary intention appears:

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691) or the financial market operated by it (as the context requires).

Board means all or some of the Directors acting as a board or a committee of the Directors, or any person(s) to whom the Directors of Envirosuite have delegated their powers and discretions under the Plan.

Certificate means a written confirmation of the number of Performance Rights that have been granted to the Participant.

Class Order means an order made by ASIC providing conditional relief from disclosure and licensing provisions of the Corporations Act for certain offers involving securities made to employees under an employee share scheme.

Corporations Act means the Corporations Act 2001 (Cth).

Eligible Employee means an Employee who is invited by the Board to participate in the Plan.

Employee means:

- (a) a person whom the Board determines to be in the full-time or part-time employment of a company in the Group or other eligible employment category or is a director of a company in the Group; or
- (b) a person whom the Board determines either is, or controls a company which is, engaged as a consultant to provide the person's services to a company in the Group.

Envirosuite means Envirosuite Limited ACN 122 919 948.

Event means:

- (c) a takeover bid is made to the holders of Shares;
- (d) a statement is lodged with the ASX to the effect that a person has become entitled to not less than 50% of the Shares;
- (e) pursuant to an application made to the court, the court orders a meeting to be held in relation to a proposed compromise or arrangement for the purpose of or in connection with a scheme for the reconstruction of Envirosuite or its amalgamation with any other companies;
- (f) Envirosuite passes a resolution for voluntary winding up;
- (g) an order is made for the compulsory winding up of Envirosuite; or
- (b) any other event which the Board reasonably considers should be regarded as an Event.

Group means Envirosuite and each body corporate that is a subsidiary of Envirosuite under Division 6 of Part 1.2 of the Corporations Act.

Invitation means an invitation made by the Envirosuite to apply for Performance Rights in accordance with the Plan.

Listing Rules means the official listing rules of the ASX as they apply to Envirosuite from time to time.

Participant means an Eligible Employee who holds a Performance Right or Share allocated under the Plan.

Performance Right means a right granted under or held subject to this Plan which, will result in (as determined by the Board in its sole and absolute discretion):

- (a) one Share for each Performance Right being granted to the Trust on behalf of the Participant; or
- (b) the Participant receiving a cash equivalent payment for each Performance Right in lieu of one Share,

on the terms set out under this Plan.

Plan means this Envirosuite Performance Rights Plan.

Restriction Period means, in respect of a Share provided to a Participant on exercise of a Performance Right under the Plan, the period (if any) commencing at the date of allocation of the Share to the Participant and ending on the earliest of:

- (a) the date set out in the Invitation; and
- (b) unless the Invitation specifies otherwise, the following dates:
 - (i) the date that the Participant is no longer employed by an entity in the Group, unless the Board determines otherwise in accordance with clause 4.2(c); and

- (ii) the date the Board notifies the Participant that an Event has occurred.

Restricted Share has the meaning given in clause 4.1.

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

Share means a fully paid ordinary share in the capital of Envirosuite and includes, where the context requires, a Restricted Share.

Tax means any tax, levy, impost, charge or duty (including stamp and transaction duties) imposed by any authority together with any related interest, penalties, fines and expenses in connection with them.

Tax Act means the *Income Tax Assessment Act 1997* (Cth).

Trust means the Envirosuite Equity Plans Trust.

Trust Deed means the trust deed that establishes the Trust, as amended from time to time.

Trustee means the trustee from time to time of the Trust.

2.2 Interpretation

In this Plan unless the contrary intention appears:

- (a) the singular includes the plural and vice versa;
- (b) a reference to this Plan or a clause means this Plan or the clause as amended from time to time in accordance with this Plan;
- (c) a reference to a rule, a statute or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (d) a reference to a person includes a reference to the person's legal personal representatives, executors, administrators and successors, a firm or a body corporate;
- (e) the words "include", "including", "for example" or "such as" are not used as, nor should they be interpreted as words of limitations and, when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind;
- (f) a reference to a document also includes any variation, replacement or novation of it;
- (g) headings and labels used for definitions are for convenience only and do not affect interpretation;
- (h) a reference to a corporation includes its successors and permitted assigns;
- (i) a reference to a right or obligation of a party is a reference to a right or obligation of that party under this Plan; and

- (j) a reference to a time or date in connection with the performance of an obligation by a party is a reference to the time and date in Sydney, Australia even if the obligation is to be performed elsewhere.

3 Offer, Application and Grant of Performance Rights

3.1 Eligibility

- (a) The Board may, in its absolute discretion, and at intervals determined by the Board, invite Employees selected by the Board to participate in the Plan (**Invitation**).
- (b) The Board has no obligation to invite any Employee to participate in the Plan or to accept an application to participate from an Eligible Employee.
- (c) Where required by law or the Listing Rules, any Invitation to participate in the Plan may be subject to the approval of shareholders of Envirosuite.

3.2 Terms

- (a) Subject to the Listing Rules, Performance Rights will be granted on terms determined by the Board in its absolute discretion.
- (b) Without limiting clause (a), the Board may impose conditions on dealings in any Performance Rights for a prescribed time or any forfeiture conditions that apply to Performance Rights as it considers appropriate and these conditions must be notified in the Invitation if they are to have effect.

3.3 Participant agrees to be bound

- (a) The Board must set out in the Invitation the manner by which an Eligible Employee can participate in the Plan. That may include a requirement for an Eligible Employee to submit a participation form or otherwise opt-out from participation.
- (b) Once an Eligible Employee's participation in the Plan is confirmed by Envirosuite, Envirosuite will provide (or procure the provision of) a Certificate to the Participant.
- (c) By participating in the Plan, a Participant is deemed to have agreed to be bound by:
 - (i) the terms of the Invitation (if any);
 - (ii) the provisions of this Plan, as amended from time to time;
 - (iii) the constitution of Envirosuite, as amended from time to time; and
 - (iv) the Trust Deed, as amended from time to time.
- (d) All Invitations are personal to the Eligible Employee and are not transferable.

4 Restrictions on dealing in Shares

4.1 Application of this clause 4

This clause 4 only applies to a particular offer if the Board determines that a Share provided on exercise of a Performance Right will be held on Trust for that Participant for a Restriction Period (**Restricted Share**).

4.2 Restriction Period

For the purpose of the definition of Restriction Period, the Board:

- (a) must determine the date referred to at paragraph (a) of the definition (if applicable) and set out that date, or how that date is to be determined, in an Invitation;
- (b) must determine whether the provisions in paragraph (b) of that definition apply;
- (c) if the Board determines that the provisions in paragraph (b) of that definition apply, the Board may, for the purposes of paragraph (b)(i) of the definition, determine alternative arrangements on cessation of employment; and
- (d) if the Board determines that the provisions in paragraph (b) of that definition apply, the Board may, if any Event happens, in its absolute discretion notify the Participant in accordance with paragraph (b)(ii) of the definition.

4.3 Restricted Shares held on trust during the Restriction Period

- (a) A Restricted Share allocated to a Participant will be registered in the name of the Trustee and held on trust for that Participant by the Trustee for the duration of the Restriction Period in accordance with the terms of this Plan and the Trust Deed.
- (b) The Trustee must not assign, transfer, sell, encumber, create a Security Interest over or otherwise deal with a Restricted Share or any legal or beneficial interest in a Restricted Share during the Restriction Period except as provided for in:
 - (i) the Plan;
 - (ii) the Trust Deed; or
 - (iii) the terms of the relevant Restricted Share.

4.4 Dealing in Restricted Shares

- (a) A Participant must not assign, transfer, sell, encumber, create a Security Interest over or otherwise deal with a Restricted Share or any legal or beneficial interest in such a Restricted Share during the Restriction Period except as provided for in:
 - (i) the Plan;
 - (ii) the Trust Deed; or
 - (iii) the terms of the relevant Restricted Share.

- (b) A Participant may deal with a Restricted Share or any legal or beneficial interest in such a Restricted Share following the end of the Restriction Period.

5 ASIC Relief

- (a) Notwithstanding any other provisions of this Plan:
 - (i) Performance Rights may not be offered under the Plan where the Shares underlying those Performance Rights would result in Envirosuite exceeding the capital limit set out in ASIC Class Order 14/1000 (or equivalent instrument, including an individual instrument granted to Envirosuite by ASIC); and
 - (ii) every covenant or other provision set out in ASIC Class Order 14/1000 (or equivalent instrument, including an individual instrument granted to Envirosuite by ASIC) that is required to be included in this Plan, including for the ASIC class order or instrument to have full effect, is deemed to be contained in this Plan.
- (b) To the extent that any covenant or other provision deemed by this clause to be contained in this Plan is inconsistent with any other provision in this Plan, the deemed covenant or other provision prevails.

6 Overriding restrictions on offer, grant and exercise

Notwithstanding the Plan or the terms of any particular Performance Rights or Shares allocated to Participants under the Plan, no Performance Rights or Shares may be offered, granted or exercised if to do so:

- (a) would contravene the Corporations Act, the Listing Rules or any other applicable laws;
- (b) would contravene ASIC Class Order 14/1000 (or equivalent instrument including an individual instrument granted to Envirosuite by ASIC);
- (c) would contravene the local laws or customs of the Participant's country of residence; or
- (d) in the opinion of the Board would require actions which are onerous or impractical.

7 Administration of Plan

7.1 General

- (a) The Plan will be administered by the Board and the Trustee in accordance with the terms of this Plan and the Trust Deed. The Board may make further rules for the operation of the Plan which are consistent with this Plan.
- (b) Any power or discretion which is conferred on the Board by this Plan must be exercised by the Board in the interests or for the benefit of Envirosuite, and the Board is not, in exercising any such power or discretion, under any fiduciary or other obligation to any other person.

- (c) Any power or discretion which is conferred on the Board by this Plan may be delegated by the Board to such other officers and/or employees of Envirosuite as the Board thinks fit.
- (d) The decision of the Board as to the interpretation, effect or application of this Plan, the exercise by the Board of any power or discretion under this Plan or the giving of any consent or approval by the Board in connection with this Plan will be final and conclusive.
- (e) The Board may from time to time suspend the operation of this Plan and may at any time cancel this Plan. The suspension or cancellation of this Plan will not prejudice the existing rights of Participants.
- (f) The Trustee and Envirosuite may from time to time require a Participant to complete and return additional documents as may be required by law to be completed by the Participant or such other documents which the Trustee or Envirosuite considers should, for legal or taxation reasons, be completed by the Participant.

7.2 Board's power to waive conditions

Subject to the Listing Rules, the Board or their delegates may in relation to Performance Rights granted under the Plan, waive in whole or in part, on terms considered appropriate, any of the conditions attaching to the Performance Rights or other terms or conditions applicable to the Performance Rights.

7.3 Collection and transfer of personal data

A Participant authorises Envirosuite and members of the Group to:

- (a) collect, use, process and transfer personal data of the Participant, including the Tax File Number of the Participant, amongst themselves; and
- (b) transfer personal data to any third parties, including Boardroom Pty Limited or any other registry company engaged by Envirosuite,

for the purposes of implementation, administration and management of a Participant's participation in the Plan or assisting in the implementation, administration and management of the Plan more generally.

7.4 Quotation

Envirosuite will make application to the ASX for quotation of any Shares issued to Participants on exercise of Performance Rights under this Plan, if other Shares are quoted at that time, as soon as practicable after the Shares are issued.

8 Rights of Participants

This Plan:

- (a) does not confer on any Employee the right to receive any Performance Rights;
- (b) does not confer on any Employee the right to continue as an employee of Envirosuite or any other company in the Group;
- (c) does not affect any rights which Envirosuite or any other company in the Group or shareholders, as applicable, may have to terminate the

employment of any Employee or otherwise cease the engagement or term of office of any Employee;

- (d) may not be used to increase damages in any action brought against Envirosuite or any other company in the Group in respect of any such termination; and
- (e) does not confer on an Employee any expectation to become a Participant.

9 Amendment

- (a) Subject to clauses 9(b), 9(c) and 9(d), the Board may at any time amend all or any of the provisions of the Plan and the terms and conditions of the grant of Performance Rights and Shares, and may do so in respect of all Participants, an individual Participant or groups of Participants.
- (b) No amendment is to reduce the rights of any Participant in respect of Performance Rights or Shares granted under the Plan prior to the date of the amendment, other than an amendment introduced primarily:
 - (i) for the purpose of complying with, or conforming to, present or future State, Territory or Commonwealth legal requirements or legal requirements of an Employee's country of residence governing or regulating the maintenance or operation of the Plan or like plans;
 - (ii) to correct any manifest error or mistake; or
 - (iii) to enable the Trustee or any body corporate in the Group to comply with the Corporations Act or the Listing Rules or relevant instruments of relief granted by ASIC from time to time.
- (c) No amendment may be made except in accordance with, and in the manner stipulated (if any) by, the Listing Rules.
- (d) Subject to the above provisions of this clause 9, any amendment made pursuant to clause (a) may be given such retrospective effect as is specified in the written instrument or resolution by which the amendment is made and, if so stated, amendments to this Plan, including the terms of Performance Rights and Shares, have the effect of automatically amending the terms of Performance Rights and Shares.

10 Termination

10.1 Right to terminate

Subject to clause 10.2, the Board may at any time terminate the Plan in whole or in part in respect of some or all Eligible Employees without any liability whatsoever on any company within the Group.

10.2 Participant's rights to be considered

No action may be taken under clause 10.1 that would prejudicially affect the existing rights of Participants.

11 Connection with other Plans

Participation in the Plan does not affect, and is not affected by, participation in any other incentive or other scheme operated by Envirosuite unless the terms of that scheme provide otherwise.

12 Indemnity

12.1 Participants required to indemnify

If a company in the Group is required to pay an amount or account to an authority for Tax in relation to or as a result of a grant of a Performance Right made under this Plan, then:

- (a) the company may recover an amount in respect of the Tax from the Participant in such manner as the Board thinks fit; and
- (b) the Participant may be required as a condition of either or both the grant, transfer, vesting or exercise of the Performance Right to do any or all of the following:
 - (i) indemnify the company in respect of the Tax;
 - (ii) make a payment to the company of an amount in respect of the Tax; or
 - (iii) enter into an arrangement with the company to secure a payment of an amount in respect of the Tax to the company including, without limitation, by providing authority that a person may procure the sale on behalf of the Participant in connection with the Performance Right and authorising the payment of the relevant amount to the company.

12.2 Performance Rights conditional on complying with the indemnity

If a Participant fails to comply with an obligation arising under rule 12.1 in relation to a Performance Right then any interest of the Participant in the Performance Right or any Shares acquired by the Participant in connection with the vesting or exercise of the Performance Right will lapse.

13 Notices

13.1 Service of notices

- (a) Any notice to be given under the Plan will be deemed to have been duly given if:
 - (i) sent by electronic mail or delivered; or
 - (ii) sent by ordinary prepaid mail; or
 - (iii) sent by message to a Participant through a website or equivalent portal made available by (or on behalf of) Envirosuite to administer the Plan,and will be deemed to have been served:
 - (iv) if sent by electronic mail or delivered, at the time of delivery or sending;

- (v) if posted, three days after the date of posting, excluding Saturdays, Sundays and public holidays but, if the address of any Participant is outside Australia, then 7 days will be substituted for three days for any notice given to or by that Participant; and
- (vi) if sent by instruction through a website or equivalent portal, at the time of sending.

13.2 Delivery, transmission and postage of notices

Delivery, transmission and postage will be to:

- (a) the address of the Participant as indicated on the relevant participation form used in connection with the Plan;
- (b) the details for the Participant maintained on the website or equivalent portal; or
- (c) such other address as notified by the Participant.

14 Governing Law

The Plan is governed by and will be construed and take effect in accordance with the laws of New South Wales.

All disputes arising in connection with or under this Plan will be submitted to the exclusive jurisdiction of the courts of New South Wales.

15 Subdivision 83A-C of the Tax Act

An Invitation may specify that the Invitation to acquire Performance Rights will constitute a scheme to which Subdivision 83A-C of the Tax Act applies. The terms of the scheme will comprise the terms of the Invitation and this Plan and the Trust Deed to the extent that the terms of the Plan and the Trust Deed apply to the Invitation and the Performance Rights granted under the Invitation.

EXECUTED as an agreement

Appendix C

Envirosuite Limited Executive Performance Rights Plan Rules

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Plan Rules

1 Purpose

The purposes of this Plan are to:

- (a) provide an incentive for an Eligible Executive to drive continuing improvement in the Group's performance;
- (b) encourage the retention of Eligible Executives, and to assist in attracting new senior executives;
- (c) align the rewards and interests of Eligible Executives with the longer term growth and success of the Group; and
- (d) provide Eligible Executives with the opportunity to acquire an ownership interest in the Company.

2 Definitions and Interpretation

2.1 Definitions

In these Rules, unless the contrary intention appears:

Application Form means the form prescribed by the Committee from time to time as the application form.

ASX means ASX Limited or the financial market operated by it (as the context requires).

Associate has the same meaning as in section 9 of the *Corporations Act 2001*.

Board means some or all of the directors of the Company acting as a board or committee or the person or persons to whom the Board has delegated all or any of its powers.

Bonus Shares means any allotment of bonus shares by the Company to shareholders for which no consideration is payable other than pursuant to a dividend reinvestment plan, share investment plan or any other plan of similar nature however it may be termed.

Cash Payment means the amount (per Performance Share) equal to the volume weighted average price of the Shares for the 30 days prior to the date on which the Performance Rights are exercised.

Control of an entity means having the right:

- (a) to vote 50% (or more) of the votes that can be cast on the election or removal of the entity's directors;
- (b) to appoint or remove directors who possess 50% (or more) of the votes exercisable by all directors of the entity; or
- (c) to 50% (or more) of the profits or distributions of the entity or of its net liquidation proceeds.

For this definition, if the entity does not have a board of directors, 'director' means a member of the entity's governing body with a role similar to a board of directors.

Control Event means any of the following:

- (a) an offer is made by a person for the whole of the issued ordinary share capital of the Company (or any part as is not at the time owned by the offeror or any person acting in concert with the offeror) and after announcement of the offer the offeror (being a person who did not Control the Company prior to the offer) acquires Control of the Company; or
- (b) any other event which the Board reasonably considers should be regarded as a Control Event.

Class Order means an order made by ASIC providing conditional relief from disclosure and licensing provisions of the *Corporations Act 2001* (Cth) for certain offers involving securities made to employees under an employee share scheme.

Committee means the Board or those persons nominated and appointed by resolution of the Board from time to time to administer this Plan.

Company means Envirosuite Limited ACN 122 919 948.

Date of Acquisition means the date that Performance Shares acquired under the Plan are registered in the name of the Trustee for the benefit of the relevant Participant.

Disclosure Document has the same meaning as in section 9 of the *Corporations Act 2001* (Cth).

Eligible Executive means a Senior Executive who is a full-time or permanent part-time employee of the Company or any Subsidiary who is invited by way of an Offer by the Committee to participate in the Plan.

Group means the Company and its Subsidiaries.

Gross Misconduct means any grievous action or omission by an Eligible Executive or Participant including any act of dishonesty, wilful disobedience, misconduct, breach of duty and serious or persistent neglect of their obligations.

Holding Lock means a prohibition on dealing with Performance Shares during the Holding Period as defined in Chapter 19 of the Listing Rules.

Holding Period means:

- (a) the period commencing on the Date of Acquisition and expiring on the date when Performance Shares Vest in the Participant or are forfeited in accordance with these Rules, whichever is the earlier;
- (b) such other period as determined by the Committee, from time to time in accordance with Rule 3.2; or

- (c) in the case of an election made by the Eligible Employee, the restriction period as elected by an Eligible Employee at the time that the Offer is made and ending no later than the 15th anniversary of the date the Performance Rights were granted to the Participant, during which time the Holding Lock and other restrictions imposed on dealing with the Performance Shares granted under the Plan will apply.

Instruction to Sell means a written notice or electronic communication from the Participant to the Committee requesting the Trustee effect the sale of some or all of the Performance Shares held by the Participant.

Listing Rules means the official listing rules of the ASX as they apply to the Company from time to time.

Notice of Withdrawal means a request for permission to withdraw some or all of the Performance Shares from the Plan in the form prescribed by the Committee from time to time.

Offer means an offer made by the Company to apply for Performance Rights on the terms set out in these Rules.

Participant means an Eligible Executive who holds a Performance Right or Performance Share allocated under the Plan and, in the case of the death or total and permanent disability of a Participant under the Qualifying Reason eligibility, the duly appointed or authorised representative of the Participant.

Performance Criteria means the performance criteria prescribed by the Committee in accordance with Rule 3.2.

Performance Period means the period of time prescribed by the Committee in accordance with Rule 3.2.

Performance Right means a right granted to an Eligible Executive under this Plan which, on completion of the Performance Criteria within the Performance Period, will result in (as determined by the Committee in its sole and absolute discretion):

- (a) one Performance Share for each Performance Right being granted to the Trust on behalf of the Eligible Executive; or
- (b) the Eligible Executive receiving a Cash Payment in lieu of one Performance Share for each Performance Right,

on the terms set out in these Rules.

Performance Share means a Share granted under the Plan subject to the Rules.

Plan means the Envirosuite Limited Executive Performance Rights Plan, being the plan constituted by these Rules.

Qualifying Reason means:

- (a) the retirement, death, total and permanent disability or redundancy of the Participant as determined by the Committee in its absolute discretion;

- (b) the Participant ceasing to be employed by a company within the Group as a result of a company ceasing to be a member of the Group, or a company in the Group ceasing to conduct a business it presently conducts; or
- (c) any other reason as determined by the Committee in its absolute discretion.

Rights Issue means any issue of options or other securities in the Company (or its Subsidiary) to which a Participant may be entitled to subscribe, by virtue of the Participant being entitled to Performance Shares.

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

Sale Fee means the fee charged by the Trustee from time to time to effect the sale of a Participant's Performance Shares held by the Trust in accordance with these Rules.

Senior Executive means an employee of a company within the Group designated as a "senior executive" by the Committee in its absolute discretion.

Share means a fully paid ordinary share in the capital of the Company.

Special Circumstances means a Qualifying Reason which enables the Committee to deem to be sufficient to amount to a bona fide special circumstance that would allow lifting of the Holding Period.

Subsidiary has the same meaning as in section 9 of the *Corporations Act 2001* (Cth).

Tax Act means the *Income Tax Assessment Act 1936* (Cth) and *Income Tax Assessment Act 1997* (Cth).

Transfer Fee means the fee charged by the Trustee from time to time to enable the release of Shares from the Trust to the Participant in accordance with these Rules.

Trust means the entity appointed by the Committee from time to time to hold the Performance Shares for the Participants until Vested.

Trustee means the trustee from time to time of the Trust.

Vest, Vested, or Vesting means the time at which Performance Shares acquired under this Plan become the unconditional property of the Participant.

2.2 Interpretation

In these Rules, unless the context indicates a contrary intention:

- (a) **(documents)** a reference to these Rules, this document or another document includes any document which varies, supplements, replaces, assigns or novates it.
- (b) **(references)** a reference to a party, clause, paragraph, schedule or annexure is a reference to a party, clause, paragraph, schedule or annexure to or of these Rules.
- (c) **(headings)** clause headings and the table of contents are inserted for convenience only and must not be used when interpreting these Rules.

- (d) **(person)** a reference to a person includes a natural person, corporation, statutory corporation, partnership, the Crown and any other organisation or legal entity.
- (e) **(corporation)** a reference to a corporation includes its successors and permitted assigns.
- (f) **(rights and obligations)** a reference to a right or obligation of a party is a reference to a right or obligation of that party under these Rules.
- (g) **(including)** including and includes are not words of limitation.
- (h) **(corresponding meanings)** a word that is derived from a defined word has a corresponding meaning.
- (i) **(singular)** the singular includes the plural and vice-versa.
- (j) **(gender)** words importing one gender include all other gender.
- (k) **(parts)** a reference to one or more things includes each part and all parts of that thing or group of things.
- (l) **(legislation)** a reference to any legislation or provision of legislation includes all amendments, consolidations or replacements and all regulations or instruments issued under it.
- (m) **(time and date)** a reference to a time or date in connection with the performance of an obligation by a party is a reference to the time and date in Sydney, Australia even if the obligation is to be performed elsewhere.
- (n) **(joint and several)** an agreement on the part of two or more persons binds them jointly and severally.
- (o) **(writing)** a reference to a notice, consent, request, approval or other communication under these Rules or an agreement between the parties means a written notice, request, consent, approval or agreement or electronic communication.
- (p) **(replacement bodies)** a reference to a body (including an institute, association or authority) which ceases to exist or whose powers or functions are transferred to another body is a reference to the body which replaces it or which substantially succeeds to its power or functions.
- (q) **(Australian currency)** a reference to dollars or \$ is to Australian currency.
- (r) **(acquired by)** a reference to the words “acquired by” is not restrictive and may include or be substituted with the words “issued to” at any time.

3 Offer, Application and Grant of Shares

3.1 Eligibility

- (a) The Committee may in its absolute discretion make an Offer to an Eligible Executive selected by the Committee, on the terms and conditions determined by the Committee.

- (b) Unless the Committee determines otherwise, Offers may only be made to full-time or permanent part-time Senior Executives who are employed by a member of the Group as at 1 July in each calendar year during the term of this Plan.
- (c) The Committee has no obligation to make an Offer to any Eligible Executive or to accept any completed Application Form from an Eligible Executive if to do so would require the Company to issue a Disclosure Document.

3.2 Performance Criteria

The Committee may in its absolute discretion in relation to an Offer to be made to an Eligible Executive prescribe:

- (a) the Performance Criteria that must be satisfied as a condition before an Eligible Executive is entitled to be allocated Performance Shares or to receive a Cash Payment in lieu of Performance Shares (as determined by the Committee in its sole and absolute discretion); and
- (b) the Performance Period or period of time during which the Performance Criteria prescribed in accordance with Rule 3.2(a) must be satisfied.

3.3 Holding Period

The Committee may in its absolute discretion, prescribe a Holding Period or allow an Eligible Executive to choose a Holding Period, in relation to any Offer to be made to an Eligible Executive.

3.4 Offer of Performance Rights

The Offer of Performance Rights by the Committee (which gives rise to an entitlement to Performance Shares) to an Eligible Executive must be in writing and must specify:

- (a) that the Shares to be allocated pursuant to the Performance Rights are Performance Shares;
- (b) that the Committee may determine, at its sole and absolute discretion, that the Eligible Executive is to receive a Cash Payment in lieu of Performance Shares;
- (c) the date of the Offer;
- (d) the number of, or a monetary amount for the acquisition of, Performance Rights for which the Eligible Executive may apply;
- (e) the amount payable per Performance Right. Unless the Committee determines otherwise, Performance Rights will be granted for zero cash consideration;
- (f) the current market price of Shares and an undertaking to provide the updated market price to the Participant (within a reasonable time of receiving the request from the Participant);
- (g) the Performance Criteria (if any) applicable;

- (h) the Performance Period (if any) applicable;
- (i) details of any Holding Period that an Eligible Employee can elect to make at the time of the Offer;
- (j) the name or title of the person designated by the Committee as the person to whom the completed Application Form must be sent;
- (k) the time and date by which the Application Form must be received by the person referred to in Rule 3.4(j); and
- (l) any other terms and conditions relating to the Offer (if any) which in the opinion of the Committee are fair and reasonable but not inconsistent with these Rules.

3.5 Application Form

- (a) Each Offer must be accompanied by an Application Form and a copy or summary of these Rules and if a summary, an undertaking to provide a full copy of the Rules within a reasonable time upon request.
- (b) The Offer, Application Form and a copy or summary of these Rules may be provided in hardcopy or electronically as considered appropriate by the Committee from time to time.

3.6 Application by Eligible Executive

- (a) To apply for Performance Rights, an Eligible Executive must complete the Application Form accompanying the Offer and return it to the person designated by the Committee in accordance with rule 3.4(j), by the time and date specified in the Offer.
- (b) By completing and sending the Application Form an Eligible Executive agrees to be bound by these Rules.
- (c) An Eligible Executive becomes a Participant in the Plan upon the Committee receiving the completed Application Form and resolving to accept the Eligible Executive as a participant in the Plan.
- (d) All Offers are personal to the Eligible Executive and are not transferable and accordingly, any Application under this Rule 3.6 must only be made by the Eligible Executive for Performance Rights to be held by the Eligible Executive.

3.7 Grant of Performance Shares

- (a) Following acceptance of an Eligible Executive's application for Performance Rights by the Committee, and after satisfaction of any Performance Criteria during any applicable Performance Period, the Company will (as determined by the Committee, in its sole and absolute discretion):
 - (1) subject to clause 3.7(c), deliver the Performance Shares to the Trust to be held for the benefit of the Eligible Executive in accordance with the Offer and the Holding Period;

- (2) give the Eligible Executive a Cash Payment in lieu of Performance Shares; or
 - (3) do a combination of the methods set out in clauses 3.7(a)(1) and 3.7(a)(2).
- (b) Where an Offer for Performance Rights is expressed as a monetary amount to be applied by the Trust for the acquisition of Performance Shares (either on-market or as issued to the Trustee by the Company) and that amount is not wholly utilised by the Trustee to acquire Performance Shares due to the remaining amount being insufficient to acquire an additional Performance Share, unless the Committee determines otherwise, the remaining amount will be returned to the Company.
- (c) Performance Shares may be delivered to the Trust on behalf of the Eligible Executive in the following ways, as determined by the Committee from time to time and in its sole and absolute discretion:
 - (1) by way of allotment and issue of Performance Shares;
 - (2) by way of acquiring Performance Shares on-market; or
 - (3) by any combination of the methods set out in clauses 3.7(c)(1) and 3.7(c)(2).

3.8 Terms of Grant

- (a) All Performance Shares acquired by the Trust on behalf of Participants under this Plan are subject to the terms and conditions set out in these Rules and such other terms and conditions imposed by the Committee from time to time.
- (b) Performance Shares allocated under this Plan:
 - (1) do not Vest in the Participant until the Participant satisfies the vesting requirements set out in Rule 4; and
 - (2) remain subject to the Holding Lock and such other restrictions as determined by the Committee from time to time until Vested.

3.9 Failure to satisfy Performance Criteria

An Eligible Employee will forfeit its Performance Rights (whether or not it has accepted an Offer) if the Performance Criteria are not met during the Performance Period.

4 Restrictions and Vesting of Performance Shares

4.1 Restrictions

The Participant must not sell, transfer, mortgage, charge or otherwise dispose of, deal with, grant any interest in or encumber any interest in any Performance Shares held by the Trust for the benefit of the Participant under this Plan until they have Vested in the Participant in accordance with Rule 4.3.

4.2 Employment

Subject to Rule 6, a Participant must remain employed by a company within the Group as a Senior Executive in a full-time or permanent part-time position until the Performance Shares acquired for the benefit of the Participant under this Plan have Vested in the Participant.

4.3 Vesting of Performance Shares

- (a) Subject to Rule 6 and this Rule 4, and subject to the Participant paying the Transfer Fee to the Trustee, the Performance Shares will Vest in the Participant at the earliest of:
- (1) the date on which the Committee approves the Participant's Notice of Withdrawal to have the Performance Shares Vest in the Participant personally;
 - (2) the Participant ceasing to be employed as a Senior Executive on a full-time or permanent part-time basis by the Company or other member of the Group;
 - (3) the date on which the Committee determines in its discretion that the Performance Shares will Vest in the Participant; or
 - (4) the 15th anniversary of the date the Performance Rights were granted to the Participant.

4.4 Gross Misconduct

Despite this Rule 4, where a Participant commits an act of Gross Misconduct at any time during the Holding Period, the Performance Shares allocated under this Plan which have not Vested at the time the act of Gross Misconduct takes place will be forfeited and the Participant will have no right to them.

4.5 Notice from the Committee

Where a Participant has not issued a Notice of Withdrawal to the Committee and paid the Transfer Fee or has not issued an Instruction to Sell, but the Participant's Performance Shares are due to Vest (or have Vested) in the Participant personally, the Committee authorises the Trustee to do the following to effect the release of the Shares from the Trust:

- (a) notify the Participant that the Performance Shares are due to Vest (or have Vested) and seek instructions from the Participant as to whether to release the Performance Shares from the Trust to the Participant personally or sell them on behalf of the Participant, acting in good faith and remit the proceeds of sale (less the Sale Fee) to the Participant in accordance with Rule 5.2; and
- (b) if the Participant does not respond to the notice issued under Rule 4.5(a) within 60 days of the date of the notice, effect the sale of the Performance Shares and remit the proceeds of sale (less the Sale Fee) to the Participant in accordance with Rule 5.2. In this case the Participant is deemed to have consented to the sale of his or her Performance Shares.

5 Withdrawal from Trust and sale of Performance Shares

5.1 Notice of Withdrawal

- (a) Subject to Rule 4, the Participant may, by 30 days' written notice to the Committee (or as otherwise agreed) and payment of the Transfer Fee to the Trustee, request that the Performance Shares Vest in the Participant personally by issuing a written Notice of Withdrawal to the Committee. On receipt of the Notice of Withdrawal, the Committee may approve the release of the Performance Shares provided the Performance Shares have not been forfeited under Rule 4.4 and provided that the Performance Shares are not subject to a Holding Period.
- (b) On receipt of the Notice of Withdrawal issued under Rule 5.1(a) and subject to the Committee determining:
 - (1) that Rule 4.4 does not apply in relation to the Performance Shares;
 - (2) where an Eligible Employee has made an election to have a Holding Period apply, there is genuine financial hardship or Special Circumstances; and
 - (3) payment of the Transfer Fee to the Trustee has been made,the Trustee will release the Performance Shares nominated by the Participant from the Trust and cause them to Vest in the Participant personally which must not be more than 30 days after the date the Notice of Withdrawal is received by the Committee.

5.2 Sale of Performance Shares

- (a) Subject to Rule 4, the Participant may, by 30 days' written notice to the Committee (or as otherwise agreed) request the Trustee sell any or all of the Performance Shares allocated to a Participant on behalf of a Participant, acting in good faith, subject to compliance with the Listing Rules, by issuing a signed Instruction to Sell to the Committee.
- (b) On receipt of an Instruction to Sell issued by a Participant under Rule 5.2(a) and subject to Rule 4.4, the Committee will direct the Trustee to liaise with the Participant directly to effect the sale of the Performance Shares on the date specified in that Instruction to Sell which must not be less than 30 days after the date the Instruction to Sell is received by the Committee.
- (c) Upon the sale of the Performance Shares under this Rule 5, the Trustee will be entitled to deduct its Sale Fee from the proceeds of sale and will remit the balance to the Participant.
- (d) Subject to these Rules, the Trustee may, where required by law, deduct from an amount to be paid to a Participant, an amount on account of taxation payable or anticipated to be payable to the Trustee.

6 Cessation of Employment

6.1 Leaving for a Qualifying Reason

Where a Participant ceases to be employed as a Senior Executive:

- (a) on a full-time or permanent part-time basis;
- (b) by a company within the Group (and is not immediately employed on a full time or part time basis by another company within the Group);
- (c) for a Qualifying Reason; and
- (d) during the Performance Period,

the Committee may determine in its absolute discretion that any Performance Rights that have been Offered to the Participant and properly applied for in an Application Form accepted by the Committee at that date will either:

- (e) all convert to Performance Shares and Vest in the Participant (or that the Eligible Executive will receive a Cash Payment in lieu of the Performance Shares);
- (f) partly convert to Performance Shares and Vest in part in the Participant (or that the Eligible Executive will receive a Cash Payment in lieu of the Performance Shares) and the remainder of the Performance Rights will be forfeited with the Participant having no further right or interest to them; or
- (g) all be forfeited with the Participant having no further right or interest in them.

6.2 Leaving other than for a Qualifying Reason

Where a Participant ceases to be employed as a Senior Executive:

- (a) on a full-time or permanent part-time basis;
- (b) by a company within the Group (and is not immediately employed on a full-time or permanent part-time basis by another company within the Group);
- (c) during the Performance Period; and
- (d) other than for a Qualifying Reason,

any Performance Rights that have been Offered to the Participant and properly applied for in an Application Form accepted by the Committee will be forfeited by the Participant and the Participant will have no right or interest to them.

6.3 Leaving during Holding Period

Where a Participant, having satisfied the Performance Criteria within the Performance Period which results in the conversion of some or all of their Performance Rights to Performance Shares, ceases to be employed as a Senior Executive:

- (a) on a full-time or permanent part-time basis;

- (b) by a company within the Group (and is not immediately employed on a full-time or permanent part-time basis by another company within the Group);
- (c) other than by reason of an act of Gross Misconduct; and
- (d) after the Performance Period,

any Performance Shares that have not Vested in the Participant at that time will be taken to have Vested as at the date the Participant ceases employment and any Holding Lock will be removed.

6.4 Leave of absence

For the avoidance of doubt, a Participant who has been granted an approved leave of absence and who exercises the right to return to work, under any applicable award, enterprise agreement, other agreement, statute or regulation before a Performance Share Vests, will be treated as not having ceased to be employed by the Company.

7 Corporate Actions

7.1 Reconstructions

If the Company reconstructs its capital in any way:

- (a) Performance Rights which have not been converted to Performance Shares at the time of the reconstruction may be adjusted as the Committee in its absolute discretion considers necessary so as to provide the Participant with Performance Rights or similar rights which will convert to Performance Shares equal in value to the Performance Shares to which the Participant may have been entitled in accordance with these Rules immediately before the reconstruction occurred; and
- (b) the Performance Rights which have been converted to Performance Shares held by the Trust under this Plan on behalf of a Participant are affected in the same way as other Shares in the same class.

7.2 Takeover

Performance Shares acquired by the Trust under this Plan on behalf of a Participant do not preclude a person entitled to proceed to compulsory acquisition of the Shares of the Company under the *Corporations Act 2001* (Cth) from acquiring the Performance Shares.

7.3 Change of Control

If a Control Event occurs in relation to the Company, then:

- (a) the Performance Rights which have not been converted to Performance Shares at the time of the announcement to the ASX of the Control Event may be converted to Performance Shares to the extent the Committee, in its absolute discretion, considers appropriate having regard to the performance of the Participant and the Company and the Performance Criteria requiring satisfaction within the Performance Period; and
- (b) any Performance Shares held by the Trust on behalf of a Participant will immediately Vest in the relevant Participant upon the announcement to the ASX of the Control Event.

8 Maximum Number of Shares

8.1 Existing Interest

No Eligible Executive may accept an Offer if at the time the Offer is made, the Eligible Executive owns, or has an interest in, or otherwise controls 10% or more of the issued share capital of the Company.

8.2 10% Limit

No Participant may continue to participate in this Plan if that Participant owns, or has an interest in, or otherwise controls 10% or more of the issued share capital of the Company.

8.3 Listing Rules generally

Performance Rights must not be converted to Performance Shares under this Plan if the grant would breach the limit on the issue of equity securities in ASX Listing Rule 7.1.

8.4 Plan Limit

Should the Company rely on a Class Order to make an Offer under the Plan, the total number of Shares issued at any time to Eligible Executives under this Plan must not exceed the maximum permitted under any Class Order providing relief from the prospectus regime of the *Corporations Act 2001* (Cth) to ensure compliance with any relevant Class Order.

9 Rights attaching to Performance Shares

9.1 Ranking

- (a) Any Performance Shares granted under this Plan rank equally with all other issued Shares of the same class.
- (b) From the Date of Acquisition, a Participant is entitled to receive any dividends and other distributions paid or made on Performance Shares acquired under the Plan and registered in the name of the Trustee for the benefit of that Participant.
- (c) Rule 9.1(a) and 9.1(b) apply even if those Performance Shares are subject to a Holding Lock.

9.2 Voting rights

A Participant may exercise any voting rights attaching to the Performance Shares allocated to that Participant under the Plan and registered in the name of the Trust on behalf of that Participant by appointing the Trustee as its proxy to represent and vote for him or her, at any meeting of the members of the Company. This applies even if those Performance Shares are subject to a Holding Lock.

9.3 Attorney

- (a) Each Participant irrevocably appoints the Trustee as its attorney.
- (b) The Trustee may:

- (1) in the name of the Participant or the name of the Trustee do anything which the Participant may lawfully authorise an attorney to do in connection with these Rules or the Performance Shares allocated to that Participant or which in the Trustee's opinion is necessary or expedient to give effect to a provision of these Rules, including executing deeds and instituting, conducting and defending legal proceedings;
 - (2) delegate its powers, including this power of delegation, to any person for any period and may revoke or vary a delegation; and
 - (3) exercise or concur in exercising its powers even if the Trustee has a conflict of duty in exercising its powers or has a direct or personal interest in the means or result of that exercise of powers.
- (c) Each Participant agrees to ratify anything done by the Trustee delegate in accordance with this Rule 9.

9.4 Bonus Shares and Rights Issue

- (a) Any Bonus Shares to be issued or Rights Issues awarded in respect of Performance Shares (**Original Shares**) that, at the closing date for determining entitlements to those Bonus Shares or Rights Issue, are allocated to that Participant under the Plan and registered in the name of the Trust on behalf of that Participant, are to be granted to the Trust on behalf of that Participant under the Plan and registered in the name of the Trust on behalf of that Participant and are subject to a Holding Lock.
- (b) Bonus Shares or Rights Issues to be issued in respect of the Original Shares which are given to the Participant for nil consideration are taken to be subject to the same restrictions for the purposes of the Plan as if they were Original Shares.
- (c) Rights Issues which are acquired by the Participant for consideration will immediately vest in the Participant.

9.5 Reorganisation

In the event of any reorganisation of the issued share capital of the Company, the number of Performance Shares held in the Trust under this Plan on behalf of each Participant will be adjusted to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

10 Administration of Plan

10.1 Committee to administer

The Committee will administer the Plan and may:

- (a) determine appropriate documentation and procedures for the administration of the Plan consistent with these Rules;
- (b) resolve conclusively all questions of fact or interpretation arising in connection with the Plan;

- (c) exercise discretions expressly conferred on it by these Rules or which may otherwise be required in relation to the Plan; and
- (d) delegate to any one or more persons (for such period and on such conditions as it may determine) the exercise of any of its powers or discretions arising under the Plan.

10.2 Committee has unfettered discretion

Except as otherwise expressly provided in these Rules, the Committee has absolute and unfettered discretion in the exercise of any of its powers or discretions under the Rules and in deciding whether to act or refrain from acting under these Rules or in connection with the Plan.

10.3 Committee's power to waive conditions

Subject to the Listing Rules, the Committee may in relation to Performance Shares granted under the Plan, waive in whole or in part, on terms it considers appropriate, any of the conditions for Vesting attaching to the Performance Shares or other terms or conditions applicable to those Shares.

10.4 Committee not to make Offers

The Committee will not make an Offer to an Eligible Executive if so doing would materially prejudice the interests of the Company, its shareholders or its ability to pay its creditors.

11 Contracts of Employment and Other Employment Rights

These Rules:

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

12 Amendment

The Committee may at any time amend all or any of the provisions of the Plan and the terms and conditions of the grant of Performance Rights and Performance Shares, and may do so in respect of all Participants, an individual Participant or groups of Participants.

13 Termination

13.1 Right to terminate

Subject to Rule 13.2, the Committee may at any time terminate the Plan in whole or in part in respect of some or all Eligible Executives without any liability whatsoever on any company within the Group.

13.2 Participant's rights to be considered

No action may be taken under Rule 13.1 that would prejudicially affect the existing rights of Participants in respect of Performance Shares already Vested under these Rules.

14 Connection with other Plans

Participation in the Plan does not affect, and is not affected by, participation in any other incentive or other scheme operated by the Company unless the terms of that scheme provide otherwise.

15 Notices

- (a) Any notice in writing regarding Performance Rights and/or Performance Shares granted or to be granted under the Plan will be sent to the registered address or e-mail account of the Participant as recorded in the register of Participants maintained by the Trustee.
- (b) Any notice or form referred to in this Plan may be posted or completed electronically as the Committee considers appropriate from time to time.

16 Operation of the Plan

The Plan will be operated in accordance with these Rules which bind the Company and each Participant.

17 General

Despite any provision of these Rules, no Performance Rights may be offered under this Plan if to do so would contravene the *Corporations Act 2001* (Cth), the Listing Rules or any other applicable laws.

18 Governing Law

The laws of New South Wales govern these Rules.