

Terms and Conditions of the Performance Shares

- (a) The Performance Shares will convert on a 1 for 1 basis into fully paid ordinary shares in the capital of the Company and will rank pari passu with all other Shares on issue as soon as is practicable after the following is satisfied:
 - (i) the volume weighted average price of the Company's shares as traded on ASX is at or above a price which is at least 2.5 times (2.5 x) the IPO subscription price for at least 20 consecutive days; and
 - (ii) the Company raises at least \$2,000,000 of capital at a share price which is not less than 2.5 times (2.5 x) the initial public offer (IPO) subscription price.
- (b) The Performance Shares have no rights (whether by voting, dividend, or in a winding up of the Company) other than the right to convert into Shares based on the conditions in (a) above. Thereafter the Shares will be escrowed from the date of conversion for 12 months or such other period as required by ASX.
- (c) A holder of Performance Shares will not be entitled to participate in any new issues of securities by the Company.
- (d) Within seven (7) days of the date of the Shares being issued (following conversion), the Company will make an application to ASX for quotation of the Shares. The Performance Shares themselves will not be quoted on ASX.
- (e) The Performance Shares will not be transferred or assigned to a third party except with the prior written consent of the directors of the Company.
- (f) No consideration will be payable upon the grant of the Performance Shares and no amount will be payable on the vesting of the Performance Shares.
- (g) If not already converted in accordance with (a) above, the Performance Shares will expire on the date which is two (2) years from the date of their issue.