

---

## Option deed

---

Delta SBD Limited ACN 127 894 893

Sydney Capital Partners ABN 26 491 197 717

## Table of contents

---

Parties	1
Background	1
Agreed terms	1
1 Definitions and Interpretations	1
2 Grant	4
3 General terms	4
4 No assignment	6
5 Option Lapse	7
6 Method of exercise	7
7 Issue of Shares	7
8 Issue conditions	8
9 General provisions	8
Schedule	10
Options and Nominated Holders	10
Execution	11

# Option deed

Dated December 2010

---

## Parties

**Grantor**                    **Delta SBD Limited ACN 127 894 893**  
of Suite 220, 4 Hyde Parade, Campbelltown, New South Wales

**Grantee**                    **Sydney Capital Partners ABN 26 491 197 717**

## Background

- A     The Grantor has agreed to grant to the Grantee an option to require the allotment of 625,000 Shares upon payment of the Exercise Price in one or more parcels subject to the Grantor listing on the ASX.
- B     The parties have agreed to enter into this document, which supersedes all previous arrangements in respect of the options to be granted to the Grantee by the Grantor.

## Agreed terms

### **1 Definitions and Interpretations**

---

#### **1.1 Definitions**

In this document:

<b>Term</b>	<b>Definition</b>
<b>ASX</b>	means ASX Limited ACN 008 624 691.
<b>Board</b>	means the board of directors of the Grantor.
<b>Bonus Shares</b>	means any Shares which are issued credited as fully paid up from any source permitted by law.
<b>Business Day</b>	means a business day as defined in the Listing Rules.
<b>change of control</b>	means, for the Grantor, a change in: <ul style="list-style-type: none"> <li>(a) control of more than half the voting rights attaching to Shares;</li> <li>(b) control of more than half the issued Shares; or</li> <li>(c) circumstances which, on completion of the relevant</li> </ul>

Term	Definition
	transaction, is reasonably likely to result in the Grantor ceasing to be listed on the ASX
<b>Company's Constitution control</b>	means the constitution of the Grantor. means an ability to control and includes control that can be exercised as a result of, by means of, or by the revocation or breach of: (a) a trust; (b) an agreement; (c) a practice; or (d) or any combination of (a), (b) or (c), whether or not the arrangement is enforceable and regardless of whether the ability to control is express or implied, formal or informal or exercisable alone or jointly with someone else.
<b>Corporations Act</b>	means <i>Corporations Act 2001</i> (Cth).
<b>Dividend</b>	means a dividend from the Grantor.
<b>Earliest Exercise Date</b>	means, in respect of an Option, the date set out in the Schedule.
<b>Engagement Letter</b>	means the engagement letter for the Grantee to provide advisory services to the Grantor dated on or about 25 September 2010.
<b>Exercise Price</b>	means, subject to clause 5, the amount set out in the Schedule.
<b>Expiry Date</b>	means, in respect of an Option, the expiry date set out the Schedule.
<b>Grant Date</b>	means the date on which the Grantee or the Nominated Holder is granted an Option, which will be during the period between the issue of Shares to Investors under the Grantor's IPO prospectus and the date the Grantor is listed on the ASX.
<b>Listing Rules</b>	means the official listing rules and requirements of the ASX.
<b>Market Rules</b>	means the market rules of ASX.
<b>Nominated Holders</b>	means the parties set out in the Schedule nominated by the Grantee to hold the number of Options set out in the Schedule.
<b>Nominee Default</b>	has the meaning set out in clause 4.2.
<b>Notice of Exercise</b>	means notice by the Grantee or a Nominated Holder specifying the number of Option Shares in respect of which the notice is given.
<b>Option</b>	means an option granted by the Grantor to the Grantee under clause 2.1 details of which are set out in the Schedule.
<b>Option Period</b>	means the period from the Earliest Exercise Date up to and including the Expiry Date.
<b>Option Shares</b>	means 625,000 Shares.
<b>Permitted Nominee</b>	means: (a) a proprietary limited company in respect of which the Grantee or a Nominated Holder: (i) controls and exercises and continues to exercise all

Term	Definition
	management powers, of that company; and (II) holds all the issued share capital of that nominee company but subject to the proviso that the Grantee or a Nominated Holder is at all times able to cast sufficient votes to enable them to pass an ordinary or special resolution in all general meetings of that company; (b) any another entity approved by the Board in writing including the Nominated Holders; or (c) a trust of which the Grantee or a Nominated Holder is a discretionary or fixed beneficiary and of which the trustee is a proprietary limited company of the type referred to in sub-clause (a) of this definition.
<b>Quotation Date</b>	means the date that the Grantor is listed on the ASX.
<b>Related Body Corporate</b>	has the meaning set out in the <i>Corporations Act 2001</i> (Cth)
<b>Remaining Option Shares</b>	means those Option Shares which remain the subject of this document and in respect of which the Option has not been exercised from time to time.
<b>Rights Issue</b>	means any rights to acquire Shares (other than Bonus Shares) or other securities or interests offered by the Grantor to the Shareholders.
<b>Shareholders</b>	means registered holders of Shares.
<b>Share</b>	means an ordinary share in the capital of the Grantor.
<b>Takeover Bid</b>	has the meaning given to that term in <i>the Corporations Act 2001</i> (Cth).
<b>Transferee</b>	has the meaning set out in clause 4.2.
<b>VWAP</b>	means, in respect of a period, the arithmetic average of the daily weighted average price for Shares traded on ASX during that period.
<b>5 day VWAP</b>	means the VWAP for Shares for a period of five trading days preceding the date of determination as required under this document.

## 1.2 Interpretation

In this document:

- (a) a singular word includes the plural and vice versa;
- (b) a word which suggests one gender includes the other gender;
- (c) a reference to a clause, schedule, annexure or party is a reference to a clause of, and a schedule, annexure or party to, this document and references to this document include any schedules or annexures;
- (d) a reference to a party to this document or any other document or agreement includes the party's successors, permitted substitutes and permitted assigns;

- (e) If a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (f) a reference to a document or agreement (including a reference to this document) is to that document or agreement as amended, supplemented, varied or replaced;
- (g) a reference to this document includes the agreement recorded by this document;
- (h) a reference to legislation or to a provision of legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
- (i) If any day on or by which a person must do something under this document is not a Business Day, then the person must do it on or by the next Business Day; and
- (j) a reference to a person includes a corporation, trust, partnership, unincorporated body, government and local authority or agency, or other entity whether or not it comprises a separate legal entity.

## 2 Grant

### 2.1 Granting of Options and termination of previous arrangements

- (a) The Grantor grants the Options to the Grantee or the Nominated Holders on the terms set out in this document.
- (b) The grant of Options under clause 2.1(a) is in substitution for and supersedes any previous agreement or arrangement between the parties with respect to the grant of options to acquire Shares in the Grantor (including under the Engagement Letter).

### 2.2 Exercise in tranches

The Options are exercisable at any time during the Option Period. The Grantee or a Nominated Holder may exercise the Options in one or more tranches, each in respect of any number the Option Shares, so that the Grantee or Nominated Holder may ultimately acquire, by one or more transactions, in the aggregate, all or any of the Option Shares as shown against their name in the Schedule.

## 3 General terms

The terms of issue of the Option are:

No.	Condition
1	Each Option carries the right to subscribe for one Share, subject to conditions 5 and 6.
2	Any Shares issued as a result of exercising an Option will: <ul style="list-style-type: none"> <li>(a) be issued on the same terms; and</li> <li>(b) rank in all respects on equal terms, with the other existing Shares.</li> </ul>
3	The Grantor must use its best endeavours to allot and issue the Shares in respect of which an Option has been validly exercised in accordance with clause 6.1 as soon as possible and no later than seven Business Days after receipt of the Notice of Exercise of

No.	Condition
	the Option.
4	An Option does not entitle the Grantee or a Nominated Holder to participate in any new Rights Issue. However, an entitlement to participate may apply following the exercise of an Option in respect of Shares held by the Grantee or a Nominated Holder at the relevant record date for that Rights Issue.
5	In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Grantor: <ul style="list-style-type: none"> <li>(a) the number of Options or the Exercise Price or both will be adjusted (as appropriate) to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation; and</li> <li>(b) in all other respects the terms for the exercise of the Options remain unchanged.</li> </ul>
6	In the event of any pro rata issues of Shares, the Exercise Price will be adjusted in the manner specified in Listing Rule 6.22.2. In the event of any bonus or cash issues of Shares, the number of Option Shares will be adjusted in the manner specified in Listing Rule 6.22.3.
7	If any adjustment required under conditions 5 or 6 would result in the Grantee or a Nominated Holder becoming entitled to a fraction of an Option Share, the fraction is to be disregarded.
8	An Option does not give any right to participate in any Dividends declared by the Grantor.
9	<ul style="list-style-type: none"> <li>(a) If a change of control (including, without limitation, as a result of a takeover bid, scheme of arrangement, merger, acquisition or placement of Shares, trade sale or disposition of a substantial asset) of the Grantor occurs the Grantee or the Nominated Holder may exercise an Option prior to the Earliest Exercise Date in accordance with clause 6 within 10 Business Days the change of control occurring.</li> <li>(b) If, in the reasonable opinion of the board of the Grantor, a change in control is likely to occur and becomes public knowledge, the Grantor may provide a written notification of the likely change of control to the Grantee and the Nominated Holder. The Grantor or the Nominated Holder may exercise an Option prior to the Earliest Exercise Date in accordance with clause 6 within 10 Business Days of receipt of the written notice from the Grantor.</li> <li>(c) If, the Grantee or the Nominated Holder has not exercised an Option within 10 Business Days of a change of control occurring or within 10 Business Days of receipt of a notice from the Grantor (in the circumstances set out in paragraph (b)) the Grantor may: <ul style="list-style-type: none"> <li>(i) allow or procure the grant or issue of options or securities in the succeeding corporation on no less favourable terms as the Options, without the need to obtain the consent of the Grantee or the Nominated Holder.</li> <li>(i) If: <ul style="list-style-type: none"> <li>(A) the change of control occurs by way of a takeover bid, scheme of arrangement or merger, and the consideration to be provided for Shares under that change of control transaction is cash or a combination of scrip and cash; and</li> <li>(B) the Grantor, despite having made reasonable endeavours to do so, has not achieved the implementation of (or agreement to implement) the matters set out in alternative (i) under this condition within 20 Business Days after it first seeks to do so by providing a written notice to the proposed succeeding corporation; and</li> </ul> </li> </ul> </li> </ul>

No.	Condition
	<p>(C) a person, either alone or with a related body corporate within the meaning of section 9 of the Corporations Act, have relevant interests in at least 90% by number of the ordinary shares in the Grantor, the Grantor may, without the need to obtain the consent of the Grantee or the Nominated Holder, cancel and terminate any outstanding Options on the payment to the Grantee or the Nominated Holder of an amount of cash (per outstanding Option) not less than the greater of:</p> <p>(D) the 5 day VWAP of the Shares (determined as at the Business Day immediately prior to the date of payment) less the Exercise Price; and</p> <p>(E) the price offered for Shares by the succeeding corporation under that change of control transaction (provided that where that price consists of or includes scrip, a value shall be ascribed to that scrip which is equal to either (A) if that scrip is traded on ASX, the 5 day VWAP of that scrip (determined as at the Business Day immediately prior to the date of payment) or (B) if that scrip is not traded on the ASX, an amount equal to the value ascribed by the succeeding corporation to that scrip as set out in the relevant public disclosure document published in connection with that change of control transaction) less the Exercise Price.</p> <p>For the avoidance of doubt, if that amount is a negative number, no amount will be payable to the Grantee or Nominated Holder upon cancellation of the outstanding Options. If all outstanding options are terminated, the parties will be released and discharged from the performance of any further obligations under this document.</p>
10	<p>Each Option is issued subject to:</p> <p>(a) the Corporations Act;</p> <p>(b) the Listing Rules; and</p> <p>(c) the Company's Constitution.</p>

#### 4 No assignment

##### 4.1 No assignment or transfer other than to a Permitted Nominee

Each Option is personal to the Grantee or the Nominated Holder and may not be assigned or transferred to or exercised by any other person, unless:

- (a) such a person is a Permitted Nominee; and
- (b) the Grantee or the Nominated Holder has given written notice to the Grantor identifying the Permitted Nominee and stating that it intends to assign or transfer an Option to that Permitted Nominee.

##### 4.2 Change in control of Permitted Nominee

If the Grantee or Nominated Holder assigns or transfers an Option to a Permitted Nominee (**Transferee**) and, subsequent to that assignment or transfer, the Transferee ceases to fall within the definition of Permitted Nominee (**Nominee Default**) the Option lapses unless, within

three Business Days of the Nominee Default, the Transferee assigns or transfers the Option to either the Grantee, the Nominated Holder or another entity which qualifies as Permitted Nominee at that time.

## **5 Option Lapse**

---

### **5.1 Lapse on Expiry Date**

Unless the Board otherwise decides, the Options lapse at 5.00pm (Sydney time) on the Expiry Date.

## **6 Method of exercise**

---

### **6.1 Procedure for exercise**

An Option may be exercised by delivering to the Grantor:

- (a) a Notice of Exercise stating that the Grantee, the Nominated Holder or his legal personal representative or Permitted Nominee exercises the Option for a specified number of Option Shares, which is signed by the Grantee, the Nominated Holder or his legal personal representative or Permitted Nominee as the case may be; and
- (b) contemporaneous payment to the Grantor of the Exercise Price applicable to the number of Option Shares specified in the Notice of Exercise.

### **6.2 Grantors' obligations on options exercised**

Upon receipt of the Items described in clause 6.1, the Grantor must apply monies received on account of the Exercise Price in paying up and allotting the number of Option Shares in respect of which the Option was exercised.

### **6.3 Failure to exercise option properly**

If the Option is not exercised in the manner set out in this clause 6, then the purported exercise of the Option in relation to that parcel of Option Shares is of no effect.

## **7 Issue of Shares**

---

Upon the valid exercise of an Option, the Grantor must:

- (a) cause to be allotted and issued to the Grantee, the Nominated Holder or his legal personal representative or Permitted Nominee as the case may be the parcel of Shares in respect of which the Option has been exercised;
- (b) cause the issue of a holding statement for the Shares; and
- (c) make application for the quotation of the Shares on the ASX as soon as possible and no later than seven Business Days after the exercise of the Option, provided that the Grantor is, at the time of the exercise, listed on the ASX.

## **8 Issue conditions**

---

The issue of the Shares upon the valid exercise of an Option is conditional upon the Grantor complying with the Listing Rules.

## **9 General provisions**

---

### **9.1 Costs**

All professional costs associated with preparation of this document together with stamp duty on this document are to be borne by the Grantor.

### **9.2 Application of Listing Rules**

To the extent of any inconsistency between this document and the Listing Rules, the Listing Rules prevail.

### **9.3 Amendments**

This document may only be amended by written agreement between all parties.

### **9.4 Counterparts**

This document may be executed in any number of counterparts. All counterparts together make one instrument.

### **9.5 No merger**

The rights and obligations of the parties under this document do not merge on completion of any transaction contemplated by this document.

### **9.6 Entire agreement**

- (a) This document supersedes all previous agreements about the grant of options to the Grantee by the Grantor (including the Engagement Letter) and embodies the entire agreement between the parties with respect to options in the Grantor.
- (b) To the extent permitted by law, any statement, representation or promise made in any negotiation or discussion, has no effect except to the extent expressly set out or incorporated by reference in this document.

### **9.7 Further assurances**

Each party must do all things necessary to give effect to this document and the transactions contemplated by it.

### **9.8 No waiver**

- (a) The failure of a party to require full or partial performance of a provision of this document does not affect the right of that party to require performance subsequently.
- (b) A single or partial exercise of or waiver of the exercise of any right, power or remedy does not preclude any other or further exercise of that or any other right, power or remedy.

- (c) A right under this document may only be waived in writing signed by the party granting the waiver, and is effective only to the extent specifically set out in that waiver.

**9.9 Governing law and jurisdiction**

- (a) The law of New South Wales governs this document.
- (b) Each party irrevocably submits to the exclusive jurisdiction of the New South Wales courts and courts competent to hear appeals from those courts.

**9.10 Severability**

A clause or part of a clause of this document that is illegal or unenforceable may be severed from this document and the remaining clauses or parts of the clause of this document continue in force.

**9.11 Notice**

- (a) A notice, consent or communication under this document is only effective if it is:
  - (i) In writing, signed by or on behalf of the person giving it;
  - (ii) addressed to the person to whom it is to be given; and
  - (iii) given as follows:
    - (A) delivered by hand to that person's address;
    - (B) sent by prepaid mail (and by prepaid airmail if the person is overseas) to that person's address; or
    - (C) sent by fax to that person's fax number where the sender receives a transmission confirmation report from the despatching machine indicating the transmission has been made without error and showing the relevant number of pages and the correct destination fax number or name of recipient.
- (b) A notice, consent or communication delivered under clause 9.11(a) is given and received:
  - (i) If it is hand delivered:
    - (A) by 5.00pm (local time in the place of receipt) on a Business Day – on that day; or
    - (B) after 5.00pm (local time in the place of receipt) on a Business Day, or at any time on a day that is not a Business Day – on the next Business Day; and
  - (ii) If it is sent by post:
    - (A) within Australia – three Business Days after posting; or
    - (B) to or from a place outside Australia – seven Business Days after posting.
- (c) A person's address are those set out in this document, or as the person notifies the sender.

## Schedule

Options and Nominated Holders

---

### Options

Number of Option Shares	Exercise Price	Earliest Exercise Date	Expiry Date
625,000	\$1.00	1 July 2012	21 December 2015