

NOTICE OF CHANGE IN ISSUED SECURITIES – ISSUE OF OPTIONS TO ACQUIRE ORDINARY SHARES

Pursuant to Listing Rule 7.3.6 and Listing Rule 7.12.1

Company: Pacific Edge Limited ISIN NZPEBE0002S1

Date: 2 May 2017

Date of Issue: 2 May 2017

Issued Capital Prior To Issue (Previous Issued Capital – Listed): 399,530,746

(1) The following options issued to certain employees of the Company and its subsidiaries (**Option Holders**) to acquire up to:

- a. 50,000 Ordinary Shares in the Company to vest over a period of 3 years (**A Incentive Options**); and
- b. 4,750,000 Ordinary Shares in the Company to vest over a period of 3 years (**B Incentive Options**),

on issue and otherwise on the Terms of Issue set out below (together referred to as the **Options**).

Issued Capital Subsequent To Issue (Total Issued Capital): 399,530,746

Classes of Security Issued:

- (1) Options to acquire Ordinary Shares.

Issue Price:

- (1) For both the A Incentive Options and the B Incentive Options, an issue price of NZD\$0.51 per share payable in cash on the issue of Ordinary Shares to the relevant option holder pursuant to the exercise of their Options.

Percentage Issued: N/A

Terms of Issue:

A Incentive Options

- a. Subject to the continuous employment of the relevant Option Holder with either the Company or a subsidiary of the Company, one third of the A Incentive Options available to the relevant Option Holder will vest in the Option Holder each year, on the first three anniversaries of their Date of Employment/Effective Date as recorded in the Schedule of the relevant Option Agreement. If the Option Holder's employment ceases then they will receive a fractional entitlement based on their length of service during the relevant year.
- b. Consideration of NZD\$0.51 per share is payable in cash on the exercise of any of the A Incentive Options.

- c. Any shares issued pursuant to the A Incentive Options will rank pari passu with existing ordinary shares in the Company.

B Incentive Options

- a. Subject to the continuous employment of the relevant Option Holder with either the Company or a subsidiary of the Company, one third of the B Incentive Options available to the relevant Option Holder will vest in the Option Holder each year, on the first three anniversaries of their Date of Employment/Effective Date as recorded in the Schedule of the relevant Option Agreement. If the Option Holder's employment ceases (other than by reason of death or disability) they will receive a fractional entitlement based on their length of service during the relevant year. If the Option Holder dies or ceases employment with the Company or a subsidiary of the Company due to disability then all of the B Incentive Options that have not yet vested will immediately vest in the Option Holder as at the date of death or disability.
- b. The B Incentive Options will vest upon their issue and may be exercised within a period of ten years from the date of issue.
- c. Consideration of NZD\$0.51 per share is payable in cash on the exercise of any of the B Incentive Options.

Reason: Pursuant to sections 42 and 49 of the Companies Act 1993 and Listing Rule 7.3.5.



Chris Gallaher
Chairman
Pacific Edge Limited