

2 March 2017

The Manager
Market Announcements Office
ASX Limited
Level 4, 20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

Xenith IP Group Limited (ASX:XIP) - Forms 603 and 604: Substantial holder notices

On behalf of Xenith IP Group Limited (Xenith IP), we enclose the following:

1. notice of initial substantial holder; and
2. two notices of change of interests of substantial holder.

Xenith IP has an aggregate voting power of 41.60% in Xenith IP as a consequence of restrictions on the disposal of shares under voluntary escrow arrangements which give Xenith IP a technical relevant interest in its own shares under section 608(1)(c) of the Corporations Act. These escrowed shares were issued to third parties in conjunction with Xenith IP's IPO, the acquisition of Watermark and the acquisition of Griffith Hack and the escrow arrangements in each case has been disclosed by Xenith IP to the ASX in the relevant announcement.

Xenith IP has no right to acquire those shares and no right to control the voting of those shares.

Further details in respect of the escrow arrangements are disclosed in the annexures to the attached substantial holder notices.

Yours sincerely



Lesley Kennedy
Chief Financial Officer and Company Secretary

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme Xenith IP Group Limited

ACN/ARSN 607 873 209

1. Details of substantial holder (1)

Name Xenith IP Group Limited

ACN/ARSN (if applicable) 607 873 209

The holder became a substantial holder on 19/11/15

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Fully paid ordinary shares	12,541,333	12,541,333	38.22%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Xenith IP Group Limited	Restrictions on the disposal of shares under the voluntary escrow arrangements that were disclosed in Xenith IP Group Limited's prospectus dated 19 November 2015 gives Xenith IP Group Limited a technical 'relevant interest' in its own shares under section 608(1)(c) of the Corporations Act. Xenith IP Group Limited has no right to acquire these shares or to control the voting rights attaching to these shares. Refer to Annexure B which contains a pro forma voluntary escrow agreement.	12,541,333 fully paid ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of Securities	Person entitled to be registered as holder (8)	Class and number of securities
Xenith IP Group Limited	Those persons listed as the registered holder in Annexure A	Those persons listed as the registered holder in Annexure A	12,541,333 fully paid ordinary shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)	Class and number of securities
Xenith IP Group Limited	No consideration was paid by Xenith IP Group Limited for the relevant interests described in paragraph 3 above. Xenith IP Group Limited has no right to acquire the shares that are subject to the relevant escrow arrangements.		

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Not applicable.

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Xenith IP Group Limited	Level 21, 60 Margaret Street, Sydney NSW 2000
Persons listed in Annexure A	c/- Level 21, 60 Margaret Street, Sydney NSW 2000

Signature

print name Lesley Kennedy

capacity Company Secretary

sign here



date 2/3/17

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."
- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

Annexure A - Summary of registered holders

This is **Annexure A** of 1 page referred to in form 603 (Notice of initial substantial holder) given by Xenith IP Group Limited signed by me and dated 2 March 2017.

print name Lesley Kennedy

capacity Company Secretary

sign here 

date 2 March 2017

No.	Registered holder of Shares
1.	Stuart Smith
2.	Russell Davies
3.	Jacinta Flattery-O'Brien
4.	Christopher Bevitt
5.	Caroline Bommer
6.	John Redfern
7.	Paul Harrison
8.	Andrew Lockhart
9.	Sean McManus
10.	Charles Tansey
11.	Peter Treloar

Annexure B - Pro forma escrow deed

This is **Annexure B** of 15 pages referred to in form 603 (Notice of initial substantial holder) given by Xenith IP Group Limited signed by me and dated 2 March 2017.

print name Lesley Kennedy

capacity Company Secretary

sign here



date

2 March 2017

Shelston IP / IPO

HWL
EBSWORTH
LAWYERS

Voluntary Escrow Deed

Xenith IP Group Limited

and

Ref GWH:US:550674

Doc ID 317885153/v1

Level 14, Australia Square, 264-278 George Street, Sydney
NSW 2000 Australia

GPO Box 5408, Sydney NSW 2001 Australia
DX 129 Sydney

Telephone +61 2 9334 8555

Facsimile 1300 369 656 (Australia) +61 2
9037 0055 (International)
hwlebsworth.com.au

Table of contents

1.	Definitions and interpretation clauses	1
1.1	Definitions	1
1.2	Interpretation	3
2.	Escrow Restrictions	4
3.	Exceptions	5
3.1	General	5
3.2	Takeovers	5
3.3	Scheme of arrangement	5
3.4	Reinstatement of no Dealing undertaking	5
3.5	Contravention of this deed	5
3.6	Entitlement to vote	6
4.	Holding Lock	6
5.	Warranties and undertaking	6
5.1	Warranties	6
5.2	Undertaking	7
6.	Confidentiality	7
7.	Notices	7
7.1	Notices requirements	7
7.2	Nominated Contact Details	8
8.	General	8
8.1	Exercise of rights	8
8.2	No waiver	8
1.	No variation	9
8.3	Further assurances	9
8.4	Counterparts	9
8.5	Approvals and consents	9
8.6	Remedies cumulative	9
8.7	Specific Performance	9

8.8	Assignment	10
8.9	Severability	10
8.10	Costs and duty	10
8.11	Entire Agreement	10
8.12	Governing law	10
Signing page		11

Voluntary Escrow Deed

Date

Parties

Xenith IP Group Limited

ACN 607 873 209 of Level 21, 60 Margaret Street, Sydney NSW 2000

(Company)

(Security Holder)

Recitals

- A. The Company intends to seek admission to the Official List of the ASX.
 - B. The Security Holder does not hold restricted securities, however, the Security Holder has agreed with the Company to place its Escrow Securities in voluntary escrow for the Escrow Period on the terms set out in this deed.
 - C. The Security Holder has agreed with the Company to escrow the Escrow Securities in accordance with the terms of this deed.
-

This deed witnesses that in consideration of, among other things, the mutual promises contained in this deed, the parties agree as follows:

1. Definitions and interpretation clauses

1.1 Definitions

In this deed:

ASX means ASX Limited ACN 008 624 691 or the securities exchange market operated by the ASX, as the context requires.

ASX Listing Rules means the listing rules of the ASX, as amended from time to time.

ASX Settlement means ASX Settlement Pty Ltd ACN 008 504 532.

Business Day means a day on which ASX operates its securities exchange.

CHESS means the Clearing House Electronic Subregister System as defined in the ASX Settlement Operating Rules.

Corporations Act means the *Corporations Act 2001* (Cth).

Deal means:

- (a) sell, assign, transfer or otherwise dispose of;
- (b) agree or offer to sell, assign, transfer or otherwise dispose of, or
- (c) enter into any option which, if exercised, enables or requires the Security Holder to sell, assign, transfer or otherwise dispose of,

and **Dealing** has a corresponding meaning.

Escrow Period means the period of 24 months commencing on the date the Company is admitted to the Official List of the ASX and ending on the second anniversary of that date.

Escrow Securities means 1,057,703 Shares.

Official List means the official list of the ASX.

PPSA means the *Personal Property Securities Act 2009* (Cth).

Security Interest means an interest or power:

- (a) reserved in or over an interest in any asset including, but not limited to, any retention of title;
- (b) created or otherwise arising in or over any interest in any asset under the PPSA, a bill of sale, mortgage, lien,

pledge, trust or power,

by way of security for the payment of a debt or other monetary obligation or the performance of any other obligation and includes, but is not limited to, any agreement to grant or create any of the above.

Shares means fully paid ordinary shares in the capital of the Company.

1.2 Interpretation

In this deed, unless a contrary intention is expressed:

- (a) headings and italicised, highlighted or bold type do not affect the interpretation of this deed;
- (b) the singular includes the plural and the plural includes the singular;
- (c) a gender includes all other genders;
- (d) other parts of speech and grammatical forms of a word or phrase defined in this deed have a corresponding meaning;
- (e) a reference to a 'person' includes any individual, firm, company, partnership, joint venture, an unincorporated body or association, trust, corporation or other body corporate and any government agency (whether or not having a separate legal personality);
- (f) a reference to any thing (including any right) includes a part of that thing, but nothing in this clause 1.2(f) implies that performance of part of an obligation constitutes performance of the obligation;
- (g) a reference to a clause, party, annexure, exhibit or schedule is a reference to a clause of, and a party, annexure, exhibit and schedule to, this deed and a reference to this deed includes any clause, annexure, exhibit and schedule;
- (h) a reference to a document (including this deed) includes all amendments or supplements to, or replacements or novations of, that document;
- (i) a reference to a party to any document includes that party's successors and permitted assigns;
- (j) a reference to time is to Sydney time;
- (k) in this deed a reference to any legislation includes all delegated legislation made under it and includes all amendments, consolidations, replacements or re-enactments of any of them, from time to time;

- (l) a reference to an agreement other than this deed includes an undertaking, deed, agreement or legally enforceable arrangement or understanding whether or not in writing;
- (m) a reference to a document includes any agreement or contract in writing, or any certificate, notice, deed, instrument or other document of any kind;
- (n) a promise, agreement, representation or warranty by two or more persons binds them jointly and severally;
- (o) a provision of this deed may not be construed adversely to a party solely on the ground that the party was responsible for the preparation of this deed or the preparation or proposal of that provision;
- (p) a reference to a body, other than a party to this deed (including an institute, association or authority), whether statutory or not, 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 powers or functions;
- (q) words 'include', 'including', 'for example', 'such as' or any form of those words or similar expressions in this deed do not limit what else is included and must be construed as if they are followed by the words 'without limitation', unless there is express wording to the contrary;
- (r) a reference to a day is to the period of time commencing at midnight and ending 24 hours later;
- (s) if a period of time is specified and dates from a day or the day of an act, event or circumstance, that period is to be determined exclusive of that day; and
- (t) if an act or event must occur or be performed on or by a specified day and occurs or is performed after 5:00 pm on that day, it is taken to have occurred or been done on the next day.

2. Escrow Restrictions

Subject to clause 3, the Security Holder must not during the Escrow Period:

- (a) deal in any part of the Escrow Securities;
- (b) create or grant, agree to, or offer to create or grant, or permit to be created or granted, any Security Interest over any of the Escrow Securities;
- (c) do or omit to do any act which would have the effect of transferring effective ownership or control of, or creating any Security Interest over, any part of the Escrow Securities; or
- (d) participate in a return of capital made by the Company.

(sub-paragraphs 2(a) to 2(d) together are **Escrow**).

3. Exceptions

3.1 General

- (a) Nothing in clause 2 prevents the Security Holder from Dealing with any Escrow Securities if and to the extent required by any applicable law.
- (b) The restrictions in clause 2 cease to apply to the Security Holder if the Shares cease to be quoted on the ASX (including as a result of a suspension which lasts for more than five consecutive Business Days, but not as a result of the Company obtaining a trading halt).

3.2 Takeovers

The Security Holder may Deal in any or all of the Escrow Securities during the Escrow Period:

- (a) if at any time any person makes a takeover bid in respect of Shares, and
- (b) acceptances of that bid are received from the holders of 50% or more of the Shares, excluding Shares, the holders of which have entered into an arrangement with the Company on similar terms to this deed.

3.3 Scheme of arrangement

The Security Holder may Deal in any or all of the Escrow Securities during the Escrow Period if at any time the Escrow Securities are to be transferred or cancelled as part of a merger being implemented by scheme of arrangement under Part 5.1 of the Corporations Act, share buyback or other similar reorganisation or acquisition of share capital which has received all necessary approvals.

3.4 Reinstatement of no Dealing undertaking

If a takeover bid contemplated by clause 3.1 is unsuccessful or a scheme of arrangement contemplated by clause 3.3 does not take effect, the no Dealing obligations in clause 2 will be reinstated for the duration of the Escrow Period.

3.5 Contravention of this deed

If the Security Holder contravenes this deed, the Company may, in addition to its rights and remedies at common law or in equity, refuse to acknowledge, deal with, accept or register any sale, assignment or transfer of the Escrow Securities or any part thereof or any interest or right in respect of Escrow Securities or any part thereof, held by the Security Holder, that are the subject of such contravention.

3.6 Entitlement to vote

No provision of clause 2 or any other provision of this deed will be taken to restrict the Security Holder from exercising in full the voting entitlements in respect of all Shares that comprise the Escrow Securities.

4. Holding Lock

4.1 Apply for holding lock

The Company will apply a holding lock to the Escrow Securities during the Escrow Period (if the securities are held on an issuer sponsored sub-register) or give notice to ASX Settlement requesting it to apply a holding lock (if the securities are in a CHES holding).

4.2 Consent to holding lock

During the Escrow Period, the Security Holder consents to:

- (a) the Company entering the Escrow Securities on the Company's issuer sponsored sub-register; and
- (b) the application of a holding lock to the Escrow Securities.

5. Warranties and undertaking

5.1 Warranties

Each party represents and warrants for the benefit of the other party to this deed that the following is true and correct at the date of this deed:

- (a) it has the power to enter into and perform this deed and to perform and observe all of its terms and has obtained all necessary consents to enable it to do so;
- (b) it has duly executed this deed and this deed is a legal, valid and binding obligation enforceable against it in accordance with the terms of this deed;
- (c) the entry into and performance of this deed does not constitute a breach of any obligation (including any statutory, contractual or fiduciary obligation), or default under any agreement or undertaking, by which the party or its assets are bound; and
- (d) where the party is a body corporate:
 - (i) it is a body corporate duly incorporated under laws of the jurisdiction of its incorporation; and

- (ii) it has taken all necessary corporate action to authorise the execution and performance of this deed.

5.2 Undertaking

The Security Holder undertakes to the Company:

- (a) to comply in all respects with this deed; and
- (b) not to seek any waiver or variation of this deed without the prior written consent of the Company.

6. Confidentiality

The parties agree to keep confidential all information, and to not make press or other announcements or releases, relating to this deed and the transactions contemplated by it (including the execution of documents) other than as required by law or the ASX Listing Rules.

7. Notices

7.1 Notices requirements

- (a) Any notice, demand, approval, consent or other communication under this deed (**Notice**) must be in writing and must be delivered:
 - (i) personally;
 - (ii) by email; or
 - (iii) by prepaid registered post,
 to a party at:
 - (iv) the address of the party set out in clause 7.2 (**Nominated Contact Details**); or
 - (v) such other contact details as the party may from time to time notify to the other party for the purposes of, and in accordance with, this clause.
- (b) A Notice given in accordance with clause 7.1 takes effect when received (or such later time as specified in it), and is taken to be received:
 - (i) if hand delivered, on delivery;
 - (ii) if sent by email to the email address set out in the Nominated Contact Details, when the email (including any attachment) is sent to the receiving party at that email address, unless the sending party receives

a notification of delivery failure within 24 hours of the email being sent;
or

- (iii) if sent by prepaid post, two Business Days after the date of posting (or five Business Days after the date of posting if posted to or from outside Australia),

but if the delivery, transmission or receipt is not on a Business Day or is after 5.00 pm on a Business Day, the Notice is taken to be received at 9.00 am on the Business Day after that delivery, transmission or receipt.

7.2 Nominated Contact Details

- (a) For the purposes of clause 7.1, the Nominated Contact Details of the parties are as follows:

- (i) Company

Address:	Level 21, 60 Margaret Street Sydney NSW 2000
Email:	StuartSmith@ShelstonIP.com
Attention:	Stuart Smith

- (ii) Securityholder

Address:	
Email:	

8. General

8.1 Exercise of rights

A party may exercise a right, power or remedy at its discretion, and separately or concurrently with another right, power or remedy. A single or partial exercise of a right, power or remedy by a party does not prevent a further exercise of that or of any other right, power or remedy. Failure by a party to exercise or delay in exercising a right, power or remedy does not prevent its exercise.

8.2 No waiver

- (a) A party may not rely on the words or conduct (including a delay in the exercise, a non-exercise or a partial exercise of a right) of any other party as a waiver of any right arising under or in connection with this deed (including a right to rely

on this clause) unless the waiver is in writing and signed by the party granting the waiver.

- (b) In clause 8.2(a) the term "waiver" is intended to include an election between rights and remedies as well as conduct which might otherwise give rise to an estoppel.
- (c) A waiver is only effective in relation to the particular obligation or breach in respect of which it is given and is not to be taken as an implied waiver of any other obligation or breach or as an implied waiver of that obligation or breach in relation to any other occasion.

8.3 **No variation**

A variation of any term of this deed will be of no force or effect unless it is by way of deed and signed by each of the parties.

8.4 **Further assurances**

Each party must, at its own expense, do all things and execute all further documents necessary to give full effect to this deed and the transactions contemplated by it.

8.5 **Counterparts**

- (a) This deed may be executed in any number of counterparts, each signed by one or more parties. Each counterpart when so executed is deemed to be an original and all such counterparts taken together constitute one document.
- (b) A party that has executed a counterpart of this deed may exchange that counterpart with another party by emailing it to the other party or the other party's legal representative and, if that other party requests it, promptly delivering that executed counterpart by hand or post to the other party or the other party's legal representative. However, the validity of this deed is not affected if the party who has emailed the counterpart delays in delivering or does not deliver it by hand or by post.

8.6 **Approvals and consents**

A party may give conditionally or unconditionally or withhold its approval or consent in its absolute discretion unless this deed expressly provides otherwise.

8.7 **Remedies cumulative**

The rights, powers and remedies provided in this deed are cumulative with and not exclusive of the rights, powers or remedies provided by law independently of this deed.

8.8 **Specific Performance**

The parties agree that irreparable damage may occur if any of the provisions of this deed were not performed in accordance with their specific terms or were otherwise

breached. It is accordingly agreed that the parties will be entitled to an injunction or injunctions to prevent breaches of this deed and to enforce specifically the terms and provisions of this deed, this being in addition to any other remedy to which the parties are entitled at law or in equity.

8.9 **Assignment**

A party may not assign its rights under this deed without the consent of the other party.

8.10 **Severability**

- (a) If a provision in this deed is wholly or partly void, illegal or unenforceable in any relevant jurisdiction that provision or part must, to that extent, be treated as deleted from this deed for the purposes of that jurisdiction. This does not affect the validity or enforceability of the remainder of the provision or any other provision of this deed.
- (b) Clause 8.10(a) does not apply and has no effect if severance of the provision of this deed in accordance with clause 8.10(a) materially affects or alters the nature or effect of the parties' obligations under this deed.

8.11 **Costs and duty**

- (a) Unless otherwise provided for in this deed, each party must bear its own costs in relation to the negotiation, preparation, execution and performance of this deed and any further document required in connection with it.
- (b) The Security Holder must pay any stamp duty (including any fine or penalty) payable in respect of this deed.

8.12 **Entire Agreement**

This deed states all of the express terms agreed by the parties in respect of its subject matter. It supersedes all prior discussions, negotiations, understandings and agreements in respect of its subject matter.

8.13 **Governing law**

- (a) This deed is governed by and is to be construed under the laws in force in New South Wales.
- (b) Each party submits to the non-exclusive jurisdiction of the courts exercising jurisdiction in New South Wales and courts of appeal from them in respect of any proceedings arising out of or in connection with this deed. Each party irrevocably waives any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

Signing page

Executed as a deed

Executed by Xenith IP Group Limited
ACN 607 873 209 in accordance with
section 127 of the *Corporations Act 2001*
(Cth) by:

 _____
Signature of Director

Signature of Director/Company Secretary

Full name (print)

Full name (print)

Signed, sealed and delivered by
the presence
of:

Signature of witness

Signature of

Full name of witness (print)

Address of witness (print)

Form 604
Corporations Act 2001
Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme Xenith IP Group Limited

ACN/ARSN 607 873 209

1. Details of substantial holder (1)

Name Xenith IP Group Limited

ACN/ARSN (if applicable) 607 873 209

There was a change in the interests of the substantial holder on 02/11/2016
The previous notice was given to the company on 02/03/2017
The previous notice was dated 02/03/2017

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a

relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
ORDINARY	12,541,333	38.22%	14,826,792	39.50%

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
02/11/2016	Xenith IP Group Limited	Restrictions on the disposal of shares under the voluntary escrow arrangements for the shares issued to the Watermark principals as consideration for the acquisition of the businesses and brands of Watermark, as announced on 23 August 2016 (Watermark). These restrictions give Xenith IP Group Limited a technical 'relevant interest' in its own shares under section 608(1)(c) of the Corporations Act. Xenith IP Group Limited has no right to acquire these shares or to control the voting rights attaching to these shares. Refer to Annexure C which contains a pro forma voluntary escrow agreement.	The acquisition of Watermark.	2,285,459 Ordinary Shares	2,285,459

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
Xenith IP Group Limited	Those persons listed as the registered holder in Annexure A	Those persons listed as the registered holder in Annexure A	Restrictions on the disposal of shares under the voluntary escrow arrangements for the shares issued to the Watermark principals as consideration for the acquisition of Watermark. These restrictions give Xenith IP Group Limited a technical 'relevant interest' in its own shares under section 608(1)(c) of the Corporations Act. Xenith IP Group Limited has no right to acquire these shares or to control the voting rights attaching to these shares. Refer to Annexure C which contains a pro forma voluntary escrow agreement.	2,285,459 fully paid ordinary shares	2,285,459
Xenith IP Group Limited	Those persons listed as the registered holder in Annexure B	Those persons listed as the registered holder in Annexure B	Restrictions on the disposal of shares under the voluntary escrow arrangements that were disclosed in Xenith IP Group Limited's prospectus dated 19 November 2015 gives Xenith IP Group Limited a technical 'relevant interest' in its own shares under section 608(1)(c) of the Corporations Act. Xenith IP Group Limited has no right to acquire these shares or to control the voting rights attaching to these shares. Refer to the Form 603 lodged with the ASX on 2 March 2017 which contains a pro forma voluntary escrow agreement.	12,541,333 fully paid ordinary shares	12,541,333

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	

6. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Xenith IP Group Limited	Level 21, 60 Margaret Street, Sydney NSW 2000
Persons listed in Annexure A	c/- Level 21, 60 Margaret Street, Sydney NSW 2000
Persons listed in Annexure B	c/- Level 21, 60 Margaret Street, Sydney NSW 2000

Signature

print name Lesley Kennedy

capacity Company Secretary

sign here



date

2/3/17

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included on any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

Annexure A - Summary of registered holders

This is **Annexure A** of 1 page referred to in form 604 (Notice of change of interests of substantial holder) given by Xenith IP Group Limited signed by me and dated 2 March 2017.

print name	Lesley Kennedy	capacity	Company Secretary
sign here		date	2/3/17

No.	Registered holder of Shares
1.	KJ Sinclair Investments Pty Ltd ACN 093 813 944
2.	Gamekeeper Pty Ltd ACN 096 709 627 as trustee for the Tettman Family Trust
3.	RHB Investments Pty Ltd ACN 105 093 990 as trustee for the Baddeley Family Trust
4.	Aegis (WA) Pty Ltd ACN 164 463 512 as trustee for the Fong Family Trust
5.	Schieber Nominee Pty Ltd ACN 088 100 592 as trustee for the Schieber Family Trust
6.	Ronaele Pty Ltd ACN 074 468 536 as trustee for the Harris Family Trust
7.	The Railway Children Pty Ltd ACN 150 549 107 as trustee for the Pullen Family Trust
8.	Artifact Investments Pty Ltd ACN 110 871 479 as trustee for the Artifact Trust
9.	Dijon Eyre Pty Ltd ACN 074 654 345 as trustee for the Green Discretionary Trust

Annexure B - Summary of registered holders

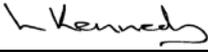
This is **Annexure B** of 1 page referred to in form 604 (Notice of change of interests of substantial holder) given by Xenith IP Group Limited signed by me and dated 2 March 2017.

print name	Lesley Kennedy	capacity	Company Secretary
sign here		date	2/3/17

No.	Registered holder of Shares
1.	Stuart Smith
2.	Russell Davies
3.	Jacinta Flattery-O'Brien
4.	Christopher Bevitt
5.	Caroline Bommer
6.	John Redfern
7.	Paul Harrison
8.	Andrew Lockhart
9.	Sean McManus
10.	Charles Tansey
11.	Peter Treloar

Annexure C - Pro forma escrow deed

This is **Annexure C** of 17 pages referred to in form 604 (Notice of change of interests of substantial holder) given by Xenith IP Group Limited signed by me and dated 2 March 2017.

print name	Lesley Kennedy	capacity	Company Secretary
sign here		date	2/3/17

Voluntary Escrow Deed

Xenith IP Group Limited

and

and

Ref GWH:US:605433

Doc ID 376677473/v1

Level 14, Australia Square, 264-278 George Street, Sydney NSW 2000 Australia
GPO Box 5408, Sydney NSW 2001 Australia
DX 129 Sydney

Telephone +61 2 9334 8555

Facsimile 1300 369 656 (Australia) +61 2 9037 0055 (International)
hwlebsworth.com.au

Table of contents

1.	Definitions and interpretation clauses	2
1.1	Definitions	2
1.2	Interpretation	3
2.	Escrow Restrictions	5
2.1	Security Holder escrow	5
2.2	Controller escrow	5
3.	Exceptions	5
3.1	General	5
3.2	Takeovers	6
3.3	Scheme of arrangement	6
3.4	Required by law	6
3.5	Controller reorganisation	6
3.6	Consent	7
3.7	Reinstatement of no Dealing undertaking	7
3.8	Contravention of this deed	7
3.9	Entitlements	7
4.	Holding Lock	7
4.1	Apply for holding lock	7
4.2	Consent to holding lock	7
4.3	Removal of Holding Lock	8
5.	Warranties and undertaking	8
5.1	Warranties	8
5.2	Undertaking	8
6.	Confidentiality	9
7.	Notices	9
7.1	Notices requirements	9
7.2	Nominated Contact Details	10

8.	General	10
8.1	Exercise of rights	10
8.2	No waiver	11
8.3	No variation	11
8.4	Further assurances	11
8.5	Counterparts	11
8.6	Approvals and consents	11
8.7	Remedies cumulative	11
8.8	Specific Performance	12
8.9	Assignment	12
8.10	Severability	12
8.11	Costs and duty	12
8.12	Entire Agreement	12
8.13	Governing law	12
	Signing page	13

Voluntary Escrow Deed

Date

Parties

Xenith IP Group Limited

ACN 607 873 209 (ASX:XIP) of Level 21, 60 Margaret Street, Sydney
NSW 2000

(Company)

(Security Holder)

(Controller)

Recitals

- A. The Company is listed on the Official List of the ASX.
 - B. The Security Holder has agreed with the Company to place its Escrow Securities in voluntary escrow for the Escrow Period on the terms set out in this deed.
 - C. The Security Holder is ultimately controlled by the Controller.
 - D. The Security Holder and the Controller have agreed with the Company to escrow the Escrow Securities in accordance with the terms of this deed.
-

This deed witnesses that in consideration of, among other things, the mutual promises contained in this deed, the parties agree as follows:

1. Definitions and interpretation clauses

1.1 Definitions

In this deed:

Affiliate	means any other person which directly or indirectly through one or more intermediaries Controls, or is Controlled by, or is under common Control with, the Security Holder (for the purposes of this definition, "Control" (including, with correlative meanings, the terms "Controlling", "Controlled by" and "under common Control with") as used with respect to any person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such person, whether through the ownership of voting securities, by agreement or otherwise).
ASX	means ASX Limited ACN 008 624 691 or the securities exchange market operated by the ASX, as the context requires.
ASX Listing Rules	means the listing rules of the ASX, as amended from time to time.
ASX Settlement	means ASX Settlement Pty Ltd ACN 008 504 532.
Business Day	means a day on which ASX operates its securities exchange.
CHESS	means the Clearing House Electronic Subregister System as defined in the ASX Settlement Operating Rules.
Controller Interests	means the Controller's relevant interest, substantial economic interest or other interests in the Escrow Securities and each intermediate entity through which those interests occur.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Deal	means: <ul style="list-style-type: none"> (a) sell, assign, transfer or otherwise dispose of; (b) agree or offer to sell, assign, transfer or otherwise dispose of; or (c) enter into any option which, if exercised, enables or requires the Security Holder to sell, assign, transfer or

otherwise dispose of,

and **Dealing** has a corresponding meaning.

Escrow Period means the period commencing on the date the Escrow Securities are issued and ending on the second anniversary of that date.

Escrow Securities means 336,063 Shares.

Official List means the official list of the ASX.

PPSA means the *Personal Property Securities Act 2009* (Cth).

Security Interest means an interest or power:

- (a) reserved in or over an interest in any asset including, but not limited to, any retention of title;
- (b) created or otherwise arising in or over any interest in any asset under the PPSA, a bill of sale, mortgage, lien, pledge, trust or power,

by way of security for the payment of a debt or other monetary obligation or the performance of any other obligation and includes, but is not limited to, any agreement to grant or create any of the above.

Shares means fully paid ordinary shares in the capital of the Company.

1.2 Interpretation

In this deed, unless a contrary intention is expressed:

- (a) headings and italicised, highlighted or bold type do not affect the interpretation of this deed;
- (b) the singular includes the plural and the plural includes the singular;
- (c) a gender includes all other genders;
- (d) other parts of speech and grammatical forms of a word or phrase defined in this deed have a corresponding meaning;
- (e) a reference to a 'person' includes any individual, firm, company, partnership, joint venture, an unincorporated body or association, trust, corporation or other

body corporate and any government agency (whether or not having a separate legal personality);

- (f) a reference to any thing (including any right) includes a part of that thing, but nothing in this clause 1.2(f) implies that performance of part of an obligation constitutes performance of the obligation;
- (g) a reference to a clause, party, annexure, exhibit or schedule is a reference to a clause of, and a party, annexure, exhibit and schedule to, this deed and a reference to this deed includes any clause, annexure, exhibit and schedule;
- (h) a reference to a document (including this deed) includes all amendments or supplements to, or replacements or novations of, that document;
- (i) a reference to a party to any document includes that party's successors and permitted assigns;
- (j) a reference to time is to Sydney time;
- (k) in this deed a reference to any legislation includes all delegated legislation made under it and includes all amendments, consolidations, replacements or re-enactments of any of them, from time to time;
- (l) a reference to an agreement other than this deed includes an undertaking, deed, agreement or legally enforceable arrangement or understanding whether or not in writing;
- (m) a reference to a document includes any agreement or contract in writing, or any certificate, notice, deed, instrument or other document of any kind;
- (n) a promise, agreement, representation or warranty by two or more persons binds them jointly and severally;
- (o) a provision of this deed may not be construed adversely to a party solely on the ground that the party was responsible for the preparation of this deed or the preparation or proposal of that provision;
- (p) a reference to a body, other than a party to this deed (including an institute, association or authority), whether statutory or not, 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 powers or functions;
- (q) words 'include', 'including', 'for example', 'such as' or any form of those words or similar expressions in this deed do not limit what else is included and must be construed as if they are followed by the words 'without limitation', unless there is express wording to the contrary;
- (r) a reference to a day is to the period of time commencing at midnight and ending 24 hours later;

- (s) if a period of time is specified and dates from a day or the day of an act, event or circumstance, that period is to be determined exclusive of that day; and
- (t) if an act or event must occur or be performed on or by a specified day and occurs or is performed after 5:00 pm on that day, it is taken to have occurred or been done on the next day.

2. Escrow Restrictions

2.1 Security Holder escrow

Subject to clause 3, the Security Holder must not during the Escrow Period:

- (a) Deal in any part of the Escrow Securities;
- (b) create or grant, agree to, or offer to create or grant, or permit to be created or granted, any Security Interest over any of the Escrow Securities; or
- (c) do or omit to do any act which would have the effect of transferring effective ownership or control of, or creating any Security Interest over, any part of the Escrow Securities,

(sub-paragraphs 2.1(a) to 2.1(c) together are **Escrow**).

2.2 Controller escrow

Subject to clause 3, during the Escrow Period, the Controller undertakes not to:

- (a) Deal in any part of the Controller Interests;
- (b) create or grant, agree to, or offer to create or grant, or permit to be created or granted, any Security Interest over any of the Controller Interests; or
- (c) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of the Controller Interests.

3. Exceptions

3.1 General

- (a) Nothing in clause 2 prevents the Security Holder or Controller from Dealing with any Escrow Securities if and to the extent required by any applicable law.
- (b) The restrictions in clause 2 cease to apply to the Security Holder and Controller if the Shares cease to be quoted on the ASX (including as a result of a suspension which lasts for more than five consecutive Business Days, but not as a result of the Company obtaining a trading halt).

3.2 Takeovers

Subject to clause 3.7, the Security Holder may Deal in any or all of the Escrow Securities during the Escrow Period:

- (a) if at any time any person makes a takeover bid in respect of Shares, and
- (b) acceptances of that bid are received from the holders of 50% or more of the Shares, excluding Shares the holders of which have entered into an arrangement with the Company on similar terms to this deed (and which arrangement remains in place at the time the takeover bid is made).

3.3 Scheme of arrangement

Subject to clause 3.6, the Security Holder may Deal in any or all of the Escrow Securities during the Escrow Period if at any time the Escrow Securities are to be transferred or cancelled as part of a merger being implemented by scheme of arrangement under Part 5.1 of the Corporations Act, share buyback or other similar reorganisation or acquisition of share capital which has received all necessary approvals.

3.4 Required by law

During the Escrow Period, the Security Holder or Controller may deal in any of its Escrow Securities or Controller Interests (as the case may be) to the extent the dealing is required by applicable law (including an order of a court of competent jurisdiction).

3.5 Controller reorganisation

Subject to receiving the prior written approval of the Company, during the Escrow Period, the Security Holder or Controller may dispose of or Deal with any of its Escrow Securities or Controller Interests (as the case may be) if the disposal or Dealing constitutes a disposal of, but not the creation of a Security Interest in, some or all of the Escrow Securities to:

- (a) a company wholly-owned by the Security Holder;
- (b) a trust in relation to which the Security Holder is the beneficiary;
- (c) an Affiliate of the Security Holder; or
- (d) any custodian which is to hold bare legal title to the Escrow Securities,

(each a **Transferee**), where the Transferee also enters into an escrow arrangement with the Company in respect of those Escrow Securities on substantially the same terms as this deed for the remainder of the Escrow Period.

3.6 Consent

During the Escrow Period, the Security Holder or Controller may Dispose any of its Escrow Securities or Controller Interests (as the case may be) with the prior written approval of the Company.

3.7 Reinstatement of no Dealing undertaking

If a takeover bid contemplated by clause 3.2 is unsuccessful or a scheme of arrangement contemplated by clause 3.3 does not take effect, the no Dealing obligations in clause 2 will be reinstated for the duration of the Escrow Period.

3.8 Contravention of this deed

If the Security Holder or Controller contravenes this deed, the Company may, in addition to its rights and remedies at common law or in equity, refuse to acknowledge, deal with, accept or register any sale, assignment or transfer of the Escrow Securities or any part thereof or any interest or right in respect of Escrow Securities or any part thereof, held by the Security Holder, that are the subject of such contravention.

3.9 Entitlements

No provision of clause 2 or any other provision of this deed will be taken to restrict the Security Holder from:

- (a) exercising any voting rights attaching to the Escrow Securities;
- (b) receiving or being entitled to any dividend, return of capital or other distribution attaching to the Escrow Securities; or
- (c) receiving or participating in any right or bonus issue in connection with the Escrow Securities.

4. Holding Lock

4.1 Apply for holding lock

The Company will apply a holding lock to the Escrow Securities during the Escrow Period (if the securities are held on an issuer sponsored sub-register) or give notice to ASX Settlement requesting it to apply a holding lock (if the securities are in a CHES holding).

4.2 Consent to holding lock

During the Escrow Period, the Security Holder consents to:

- (a) the Company entering the Escrow Securities on the Company's issuer sponsored sub-register; and

- (b) the application of a holding lock to the Escrow Securities.

4.3 Removal of Holding Lock

- (a) The Company must remove the Holding Lock with respect to the Escrow Securities if the disposal or Dealing is permitted under this deed.
- (b) The Company must remove the Holding Lock with respect to the Escrow Securities on the Business Day after the end of the Escrow Period.

5. Warranties and undertaking

5.1 Warranties

Each party represents and warrants for the benefit of the other party to this deed that the following is true and correct at the date of this deed:

- (a) it has the power to enter into and perform this deed and to perform and observe all of its terms and has obtained all necessary consents to enable it to do so;
- (b) it has duly executed this deed and this deed is a legal, valid and binding obligation enforceable against it in accordance with the terms of this deed;
- (c) the entry into and performance of this deed does not constitute a breach of any obligation (including any statutory, contractual or fiduciary obligation), or default under any agreement or undertaking, by which the party or its assets are bound; and
- (d) where the party is a body corporate:
 - (i) it is a body corporate duly incorporated under laws of the jurisdiction of its incorporation; and
 - (ii) it has taken all necessary corporate action to authorise the execution and performance of this deed.

5.2 Undertaking

Each of the Security Holder and the Controller undertakes to the Company:

- (a) to comply in all respects with this deed; and
- (b) not to seek any waiver or variation of this deed without the prior written consent of the Company.

6. Confidentiality

The parties agree to keep confidential all information, and to not make press or other announcements or releases, relating to this deed and the transactions contemplated by it (including the execution of documents) other than as required by law or the ASX Listing Rules.

7. Notices

7.1 Notices requirements

- (a) Any notice, demand, approval, consent or other communication under this deed (**Notice**) must be in writing and must be delivered:
- (i) personally;
 - (ii) by email; or
 - (iii) by prepaid registered post,
- to a party at:
- (iv) the address of the party set out in clause 7.1(b) (**Nominated Contact Details**); or
 - (v) such other contact details as the party may from time to time notify to the other party for the purposes of, and in accordance with, this clause.
- (b) A Notice given in accordance with clause 7.1 takes effect when received (or such later time as specified in it), and is taken to be received:
- (i) if hand delivered, on delivery;
 - (ii) if sent from and to a place within Australia by regular post, at 9:00 am on the sixth Business Day after the date of posting;
 - (iii) if sent from a place within Australia to a place outside Australia by airmail, at 9:00 am on the tenth Business Day after the date of posting;
 - (iv) if sent from a place outside Australia by airmail, at 9:00 am on the twelfth Business Day after the date of posting;
 - (v) if sent by facsimile, when the sender's facsimile system generates a message confirming successful transmission of the total number of pages of the Notice, unless within four business hours (being a period of time between 9:00 am and 5:00 pm on a Business Day) after the transmission, the recipient informs the sender that it has not received the entire Notice,

but if the delivery, receipt or transmission is not on a Business Day or is after 5.00 pm on a Business Day, the Notice is taken to be received at 9.00 am on the next Business Day after that delivery, receipt or transmission.

7.2 Nominated Contact Details

(a) For the purposes of clause 7.1, the Nominated Contact Details of the parties are as follows:

(i) Company

Address:	Level 21, 60 Margaret Street, Sydney NSW 2000
Email:	StuartSmith@ShelstonIP.com
Attention:	Stuart Smith

(ii) Security Holder

Address:	
Email:	
Attention:	

(iii) Controller

Address:	
Email:	
Attention:	

8. General

8.1 Exercise of rights

A party may exercise a right, power or remedy at its discretion, and separately or concurrently with another right, power or remedy. A single or partial exercise of a right, power or remedy by a party does not prevent a further exercise of that or of any other right, power or remedy. Failure by a party to exercise or delay in exercising a right, power or remedy does not prevent its exercise.

8.2 No waiver

- (a) A party may not rely on the words or conduct (including a delay in the exercise, a non-exercise or a partial exercise of a right) of any other party as a waiver of any right arising under or in connection with this deed (including a right to rely on this clause) unless the waiver is in writing and signed by the party granting the waiver.
- (b) In clause 8.2(a) the term "waiver" is intended to include an election between rights and remedies as well as conduct which might otherwise give rise to an estoppel.
- (c) A waiver is only effective in relation to the particular obligation or breach in respect of which it is given and is not to be taken as an implied waiver of any other obligation or breach or as an implied waiver of that obligation or breach in relation to any other occasion.

8.3 No variation

A variation of any term of this deed will be of no force or effect unless it is by way of deed and signed by each of the parties.

8.4 Further assurances

Each party must, at its own expense, do all things and execute all further documents necessary to give full effect to this deed and the transactions contemplated by it.

8.5 Counterparts

- (a) This deed may be executed in any number of counterparts, each signed by one or more parties. Each counterpart when so executed is deemed to be an original and all such counterparts taken together constitute one document.
- (b) A party that has executed a counterpart of this deed may exchange that counterpart with another party by emailing it to the other party or the other party's legal representative and, if that other party requests it, promptly delivering that executed counterpart by hand or post to the other party or the other party's legal representative. However, the validity of this deed is not affected if the party who has emailed the counterpart delays in delivering or does not deliver it by hand or by post.

8.6 Approvals and consents

A party may give conditionally or unconditionally or withhold its approval or consent in its absolute discretion unless this deed expressly provides otherwise.

8.7 Remedies cumulative

The rights, powers and remedies provided in this deed are cumulative with and not exclusive of the rights, powers or remedies provided by law independently of this deed.

8.8 Specific Performance

The parties agree that irreparable damage may occur if any of the provisions of this deed were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties will be entitled to an injunction or injunctions to prevent breaches of this deed and to enforce specifically the terms and provisions of this deed, this being in addition to any other remedy to which the parties are entitled at law or in equity.

8.9 Assignment

A party may not assign its rights under this deed without the consent of each party.

8.10 Severability

- (a) If a provision in this deed is wholly or partly void, illegal or unenforceable in any relevant jurisdiction that provision or part must, to that extent, be treated as deleted from this deed for the purposes of that jurisdiction. This does not affect the validity or enforceability of the remainder of the provision or any other provision of this deed.
- (b) Clause 8.10(a) does not apply and has no effect if severance of the provision of this deed in accordance with clause 8.10(a) materially affects or alters the nature or effect of the parties' obligations under this deed.

8.11 Costs and duty

- (a) Unless otherwise provided for in this deed, each party must bear its own costs in relation to the negotiation, preparation, execution and performance of this deed and any further document required in connection with it.
- (b) The Security Holder must pay any stamp duty (including any fine or penalty) payable in respect of this deed.

8.12 Entire Agreement

This deed states all of the express terms agreed by the parties in respect of its subject matter. It supersedes all prior discussions, negotiations, understandings and agreements in respect of its subject matter.

8.13 Governing law

- (a) This deed is governed by and is to be construed under the laws in force in New South Wales.
- (b) Each party submits to the non-exclusive jurisdiction of the courts exercising jurisdiction in New South Wales and courts of appeal from them in respect of any proceedings arising out of or in connection with this deed. Each party irrevocably waives any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

Signing page

Executed as a deed

**Executed by Xenith IP Group Limited
ACN 607 873 209** in accordance with
section 127 of the *Corporations Act 2001*
(Cth) by:

Signature of Director

Signature of Director/Company Secretary

Full name (print)

Full name (print)

Executed by

_____ in accordance with
section 127 of the *Corporations Act 2001*
(Cth) by:

Signature of Director

Signature of Director/Company Secretary

Full name (print)

Full name (print)

Signed, sealed and delivered by
_____ in the presence of:

Signature of witness

Signature of:

Full name of witness (print)

Address of witness (print)

Form 604
Corporations Act 2001
Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme Xenith IP Group Limited

ACN/ARSN 607 873 209

1. Details of substantial holder (1)

Name Xenith IP Group Limited

ACN/ARSN (if applicable) 607 873 209

There was a change in the interests of the substantial holder on 02/02/2017
The previous notice was given to the company on 02/03/2017
The previous notice was dated 02/03/2017

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a

relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
ORDINARY	14,826,792	39.50%	36,465,536	41.60%

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
01/02/2017	Xenith IP Group Limited	Restrictions on the disposal of shares under the voluntary escrow arrangements for the shares issued to the Griffith Hack principals as consideration for the acquisition of the businesses and brands of Griffith Hack, as announced on 25 November 2016 (Griffith Hack). These restrictions give Xenith IP Group Limited a technical 'relevant interest' in its own shares under section 608(1)(c) of the Corporations Act. Xenith IP Group Limited has no right to acquire these shares or to control the voting rights attaching to these shares. Refer to Annexure D which contain a pro forma voluntary escrow agreement.	The acquisition of Griffith Hack.	21,638,744 Ordinary Shares	21,638,744

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
Xenith IP Group Limited	Those persons listed as the registered holder in Annexure A	Those persons listed as the registered holder in Annexure A	<p>Restrictions on the disposal of shares under the voluntary escrow arrangements for the shares issued to the Griffith Hack principals as consideration for the acquisition of Griffith Hack.</p> <p>These restrictions give Xenith IP Group Limited a technical 'relevant interest' in its own shares under section 608(1)(c) of the Corporations Act. Xenith IP Group Limited has no right to acquire these shares or to control the voting rights attaching to these shares. Refer to Annexure D which contains a pro forma voluntary escrow agreement.</p>	21,638,744 fully paid ordinary shares	21,638,744
Xenith IP Group Limited	Those persons listed as the registered holder in Annexure B	Those persons listed as the registered holder in Annexure B	<p>Restrictions on the disposal of shares under the voluntary escrow arrangements for the shares issued to the Watermark principals as consideration for the acquisition of the businesses and brands of Watermark, as announced on 23 August 2016.</p> <p>These restrictions give Xenith IP Group Limited a technical 'relevant interest' in its own shares under section 608(1)(c) of the Corporations Act. Xenith IP Group Limited has no right to acquire these shares or to control the voting rights attaching to these shares. Refer to the Form 604 lodged with the ASX on 2 March 2017 which contains a pro forma voluntary escrow agreement</p>	2,285,459 fully paid ordinary shares	2,285,459
Xenith IP Group Limited	Those persons listed as the registered holder in Annexure C	Those persons listed as the registered holder in Annexure C	<p>Restrictions on the disposal of shares under the voluntary escrow arrangements that were disclosed in Xenith IP Group Limited's prospectus dated 19 November 2015 gives Xenith IP Group Limited a technical 'relevant interest' in its own shares under section 608(1)(c) of the Corporations Act. Xenith IP Group Limited has no right to acquire these shares or to control the voting rights attaching to these shares. Refer to the Form 603 lodged with the ASX on 2 March 2017 which contains a pro forma voluntary escrow agreement</p>	12,541,333 fully paid ordinary shares	12,541,333

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	

6. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Xenith IP Group Limited	Level 21, 60 Margaret Street, Sydney NSW 2000
Persons listed in Annexure A	c/- Level 21, 60 Margaret Street, Sydney NSW 2000
Persons listed in Annexure B	c/- Level 21, 60 Margaret Street, Sydney NSW 2000
Persons listed in Annexure C	c/- Level 21, 60 Margaret Street, Sydney NSW 2000

Signature

print name Lesley Kennedy capacity Company Secretary

sign here



date 2/3/17

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included on any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

Annexure A - Summary of registered holders

This is **Annexure A** of 1 page referred to in form 604 (Notice of change of interests of substantial holder) given by Xenith IP Group Limited signed by me and dated 2 March 2017.

print name Lesley Kennedy

capacity Company
Secretary

sign here 

date 2/3/17

No.	Registered holder of Shares
1.	D J Hughes Pty Ltd ACN 101 290 206
2.	Deltasun Pty Ltd ACN 074 428 854
3.	Zana Twenty Two Pty Ltd ACN 006 588 094
4.	Quatre Bras Pty Ltd ACN 127 863 549
5.	Phogodan Pty Ltd ACN 105 841 683
6.	Sgourakis Pty Ltd ACN 092 924 411
7.	Merryn Pty Ltd ACN 074 457 926
8.	Artmarn Pty Ltd ACN 073 120 340
9.	SJB Nominees Pty Ltd ACN 098 967 714
10.	S D Sharp Pty Ltd ACN 104 930 538
11.	Borham Nominees Pty Ltd ACN 098 966 468
12.	AJ Morton Nominees Pty Ltd ACN 098 963 707
13.	NG Mountford Pty Ltd ACN 104 930 529
14.	A J Stark Nominees Pty Ltd ACN 110 789 118
15.	SJ Starkie Pty Ltd ACN 104 930 547
16.	East Elles Holdings Pty Ltd ACN 151 121 452
17.	Andreas Hartmann Nominees Pty Ltd ACN 134 133 707
18.	David John Madigan as trustee for the Madigan Family Trust
19.	Lawrence Maxwell Lovell
20.	Metrotronic Pty Ltd ACN 120 606 662
21.	DRM Qld Pty Ltd ACN 146 793 366

Annexure B - Summary of registered holders

This is **Annexure B** of 1 page referred to in form 604 (Notice of change of interests of substantial holder) given by Xenith IP Group Limited signed by me and dated 2 March 2017.

print name	Lesley Kennedy	capacity	Company Secretary
sign here		date	2/3/17

No.	Registered holder of Shares
1.	KJ Sinclair Investments Pty Ltd ACN 093 813 944
2.	Gamekeeper Pty Ltd ACN 096 709 627 as trustee for the Tettman Family Trust
3.	RHB Investments Pty Ltd ACN 105 093 990 as trustee for the Baddeley Family Trust
4.	Aegis (WA) Pty Ltd ACN 164 463 512 as trustee for the Fong Family Trust
5.	Schieber Nominee Pty Ltd ACN 088 100 592 as trustee for the Schieber Family Trust
6.	Ronaele Pty Ltd ACN 074 468 536 as trustee for the Harris Family Trust
7.	The Railway Children Pty Ltd ACN 150 549 107 as trustee for the Pullen Family Trust
8.	Artifact Investments Pty Ltd ACN 110 871 479 as trustee for the Artifact Trust
9.	Dijon Eyre Pty Ltd ACN 074 654 345 as trustee for the Green Discretionary Trust

Annexure C - Summary of registered holders

This is **Annexure C** of 1 page referred to in form 604 (Notice of change of interests of substantial holder) given by Xenith IP Group Limited signed by me and dated 2 March 2017.

print name Lesley Kennedy

capacity Company
Secretary

sign here 

date 2/3/17

No.	Registered holder of Shares
1.	Stuart Smith
2.	Russell Davies
3.	Jacinta Flattery-O'Brien
4.	Christopher Bevitt
5.	Caroline Bommer
6.	John Redfern
7.	Paul Harrison
8.	Andrew Lockhart
9.	Sean McManus
10.	Charles Tansey
11.	Peter Treloar

Annexure D - Pro forma escrow deed

This is **Annexure D** of 21 pages referred to in form 604 (Notice of change of interests of substantial holder) given by Xenith IP Group Limited signed by me and dated 2 March 2017.

print name	Lesley Kennedy	capacity	Company Secretary
sign here		date	2/3/17

Voluntary Escrow Agreement

in relation to [name] (Holder)

Clayton Utz
Lawyers
Level 15 1 Bligh Street
Sydney NSW 2000
GPO Box 9806
Sydney NSW 2001
Tel +61 2 9353 4000
Fax +61 2 8220 6700
www.claytonutz.com

Our reference 13530/13530/80180415

Contents

- 1. Definitions and interpretation 1**
 - 1.1 Definitions 1
 - 1.2 Interpretation 3
 - 1.3 Compliance with ASX Listing Rules 4
 - 1.4 No Controller 5
- 2. Condition Precedent 5**
- 3. Escrow 5**
 - 3.1 Holder restrictions 5
 - 3.2 Controller restrictions 5
 - 3.3 Escrow restrictions 6
 - 3.4 Notice by Holder 6
 - 3.5 Notice by Controller 6
 - 3.6 Dividends and voting rights 7
 - 3.7 Takeovers, mergers and reorganisations 7
 - 3.8 Reorganisation 7
 - 3.9 Other exceptions 7
- 4. Termination 8**
- 5. Warranties and acknowledgement 8**
 - 5.1 Giving of warranties 8
 - 5.2 Holder warranties and representations 8
 - 5.3 Controller warranties and representations 10
 - 5.4 Survival of warranties and representations 10
- 6. Consequences of breaching this agreement 11**
- 7. Capacity of Holder 11**
- 8. Notices and other communications 11**
 - 8.1 Form 11
 - 8.2 Delivery 12
 - 8.3 When effective 12
 - 8.4 Receipt - post 12
 - 8.5 Receipt - email 12
- 9. General provisions 12**
 - 9.1 Discretion in exercising rights 12
 - 9.2 Partial exercising of rights 12
 - 9.3 No liability for loss 12
 - 9.4 Variation and waiver 12
 - 9.5 Amendment 12
 - 9.6 Further assurances 13
 - 9.7 Survival 13
 - 9.8 Assignment 13
 - 9.9 Counterparts 13
 - 9.10 Governing law 13
 - 9.11 PPSA further steps 13
 - 9.12 Entire agreement 13
 - 9.13 Remedies 13
 - 9.14 Inconsistent agreements 14
 - 9.15 Severability 14
 - 9.16 Successors and assigns 14
 - 9.17 Fractional calculation 14
- Schedule 1 - Details 1**

Voluntary Escrow Agreement

Date

Parties **Xenith IP Group Limited** ACN 607 873 209 of Level 21, 60 Margaret Street, Sydney NSW 2000 (**Company**)

The **Holder** means the person whose name and address is set out in part 1 of Schedule 1 (**Holder**)

A **Controller** means the person whose name and address is set out in part 2 of Schedule 1 (**Controller**)

Background

- A. The Holder undertakes to the Company to hold the Escrow Shares pursuant and subject to the terms of this agreement.
- B. The Controller undertakes to the Company to hold its Controller Interests pursuant and subject to the terms of this agreement.

Operative provisions

1. **Definitions and interpretation**

1.1 **Definitions**

Affiliate means any other person which directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, the Holder (for the purposes of this definition, “control” (including, with correlative meanings, the terms “controlling”, “controlled by” and “under common control with”) as used with respect to any person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such person, whether through the ownership of voting securities, by agreement or otherwise) and **Affiliated** has the correlative meaning.

ASIC means the Australian Securities and Investments Commission.

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

ASX Listing Rules means the listing rules of ASX.

ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532).

ASX Settlement Operating Rules means the operating rules of ASX Settlement.

Board means the board of directors of the Company.

Business Day means a day in Sydney on which:

- (a) ASX is open for trading in securities; and
- (b) banks are open for general banking business.

Control means, in respect of a person, the capacity to determine the outcome of decisions in relation to the financial and operating policies of that person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise (and, without limiting the previous words, a person is deemed to Control another person if it holds, directly or indirectly, together with other persons it Controls, the beneficial interest in more than 50% of the total voting rights in the other person) and **Controlled** and **Controlling** have corresponding meanings.

Controller Interests means any securities, any legal, beneficial, economic interest or other interests in the Escrow Shares or in the Holder or in any Transferee.

Corporations Act means the Corporations Act 2001 (Cth).

Deal means:

- (a) sell, assign, transfer or otherwise dispose of, or agree or offer to sell, assign, transfer or otherwise dispose of;
- (b) enter into any option which, if exercised, enables or requires the relevant security holder to sell, assign, transfer or otherwise dispose of;
- (c) create, agree to, or offer to, create, or permit to be created any Security Interest in or over; or
- (d) do or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of,

and **Dealing** has a corresponding meaning.

Escrow Period means the period commencing on the date on which any Escrow Shares are first quoted on the ASX until 4.15pm on the Release Date.

Escrow Shares means any Shares issued and allotted by the Company to the Holder as "Consideration Shares" or "Earnout Consideration Shares" in accordance with the Share Sale and Purchase Agreement between the Company, the Holder and a number of other parties dated on or around the date of this agreement.

Group means the Company and all of its Subsidiaries from time to time and **Group Company** means any one of them.

Governmental Agency means any government (in any jurisdiction, whether federal, state, territorial or local), or representative of a government (including any minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government or in which any government is interested) or any governmental, semi-governmental, administrative, fiscal, regulatory or judicial body, department, commission, authority, tribunal, agency, competition authority or entity in Australia. It includes without limitation, ASIC, any non-government regulatory authority including the ASX and any other stock exchange.

Holding Lock has the meaning given in section 2 of the ASX Settlement Operating Rules.

Issuer Sponsored Subregister has the meaning given to that term in the settlement rules of ASX Settlement.

Person means any individual, partnership, corporation, company, association, trust, joint venture, limited liability company, unincorporated organisation, entity or division.

PPSA means the Personal Property Securities Act 2009 (Cth).

PPSA Security Interest means a "security interest" within the meaning of the PPSA.

Release Date means the second anniversary of the date on which any Escrow Shares are first quoted on the ASX.

Sale Agreement means the share sale and purchase agreement between D J Hughes Pty Ltd ACN 101 290 206, Russell Berry Nominees Pty Ltd ACN 128 083 812, Deltasun Pty Ltd ACN 074 428 854, Zana Twenty Two Pty Ltd ACN 006 588 094, Quatre Bras Pty Ltd ACN 127 863 549, Phogeodan Pty Ltd ACN 105 841 683, Ivory Banner Pty Ltd ACN 006 868 471, Sgourakis Pty Ltd ACN 092 924 411, Merryn Pty Ltd ACN 074 457 926, Artmarn Pty Ltd ACN 073 120 340, SJB Nominees Pty Ltd ACN 098 967 714, S D Sharp Pty Ltd ACN 104 930 538, Borham Nominees Pty Ltd ACN 098 966 468, A J Morton Nominees Pty Ltd ACN 098 963 707, N G Mountford Pty Ltd ACN 104 930 529, A J Stark Nominees Pty Ltd ACN 110 789 118, SJ Starkie Pty Ltd ACN 104 930 547, East Elles Holdings Pty Ltd ACN 151 121 452, Andreas Hartmann Nominees Pty Ltd ACN 134 133 707 and others, A.C.N. 615 849 726 and the Company, dated on or about the date of this agreement.

Security Interest means an interest or power:

- (a) reserved in or over an interest in any securities including any retention of title;
- (b) created or otherwise arising in or over any interest in any securities under a bill of sale, mortgage, charge, lien, pledge, trust or power,

by way of, or having similar commercial effect to, security for the payment of a debt, any other monetary obligation or the performance of any other obligation, but is not limited to:

- (c) any agreement to grant or create any of the above; or
- (d) a PPSA Security Interest or any other encumbrance.

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

Share Registry means the share registry engaged by the Company to administer and manage its register of members.

Subsidiary has the meaning given in the Corporations Act.

Takeover Bid means a takeover bid for Shares under Chapter 6 of the Corporations Act.

Transferee has the meaning given in clause 3.9.

Voluntary Escrow Agreement means a voluntary escrow agreement entered into in connection with the Sale Agreement.

1.2 Interpretation

In this agreement

- (a) headings are for convenience only and do not affect interpretation,

and unless the context indicates a contrary intention:

- (b) a reference to conduct includes an omission, statement and undertaking, whether or not in writing;
- (c) a reference to any party includes that party's executors, administrators, successors, substitutes and assigns, including any person taking by way of novation;
- (d) a reference to this agreement or to any other agreement, agreement or document includes, respectively, this agreement or that other agreement, agreement or

document as amended, novated, supplemented, varied or replaced from time to time;

- (e) words importing the singular include the plural (and vice versa), words denoting a given sex include the other sex, and words denoting individuals include corporations (and vice versa);
- (f) the word "including" or any other form of that word is not a word of limitation;
- (g) references to "applicable law" include all laws and regulations of jurisdictions applicable to a Group Company or other entities, as the case may be (including the Corporations Act and any other laws and regulations of a jurisdictions outside Australia), and rules, policies, official directives, orders or requirements of any Government Agency, including the ASX Listing Rules, ASX Settlement Operating Rules and the applicable listing requirements of the ASX, except to the extent compliance is modified, waived or exempted in favour of a person in the relevant circumstances;
- (h) references to any legislation or to any section or provision of any legislation includes any statutory modification or re-enactment or any statutory provision substituted for it, and ordinances, by laws, regulations, and other statutory instruments issued under any legislation, and references to other applicable laws includes any modifications or provisions substituted for them by a competent Government Agency;
- (i) references to parties, clauses, schedules, exhibits or annexures are references to parties, clauses, schedules, exhibits and annexures to or of this agreement, and a reference to this agreement includes any schedule, exhibit and annexure;
- (j) if any day appointed or specified by this agreement for the payment of any money or doing of any thing falls on a day which is not a Business Day, the day so appointed or specified will be deemed to be the next Business Day;
- (k) references to currency are references to Australian currency;
- (l) references to payments to any party to this agreement will be construed to include payments to another person upon the direction of such party;
- (m) all payments to be made under this agreement must be made by unendorsed bank cheque or other immediately available funds and in Australian currency; and
- (n) all references to time are to the time in Sydney (unless otherwise indicated).

1.3 Compliance with ASX Listing Rules

For so long as the Company is listed on the official list of the ASX:

- (a) notwithstanding anything contained in this agreement, if the ASX Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this agreement prevents an act being done that the ASX Listing Rules require to be done;
- (c) if the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the ASX Listing Rules require this agreement to contain a provision and it does not contain such a provision, this agreement is deemed to contain that provision;

- (e) if the ASX Listing Rules require this agreement not to contain a provision and it contains such a provision, this agreement is deemed not to contain that provision; and
- (f) if any provision of this agreement is or becomes inconsistent with the ASX Listing Rules this agreement is deemed not to contain that provision to the extent of the inconsistency.

1.4 No Controller

For the avoidance of doubt, if, by the time this agreement has been entered into by the Holder and the Company, no Controller details have been inserted in Part 2 of Schedule 1 and no person has executed this deed as the Controller, the parties acknowledge and agree that:

- (a) no person enters into this agreement in the capacity of the Controller;
- (b) all rights, obligations and liabilities that would otherwise accrue to or in relation to the Controller and Controller Interests pursuant to this agreement, do not accrue in any person;
- (c) all references in this agreement to the parties to this agreement mean the Holder and the Company only; and
- (d) this agreement commences and continues in full effect according to its terms (except as expressly provided in this clause 1.4) between the Holder and the Company.

2. Condition Precedent

The undertakings of the Holder and the Controller pursuant to this agreement are conditional upon quotation of the Escrow Shares on ASX occurring.

3. Escrow

3.1 Holder restrictions

During the Escrow Period, the Holder agrees that it will not:

- (a) Deal with;
- (b) Deal in any legal, beneficial or economic interest or right in respect of; or
- (c) do, or omit to do, any act if the act or omission would (or would be likely to) have the effect of resulting in a Dealing with, or in any interest or right in respect of,

any or all of the Escrow Shares.

3.2 Controller restrictions

During the Escrow Period, the Controller agrees that it will not:

- (a) Deal with;
- (b) Deal in any legal, beneficial or economic interest or right in respect of; or
- (c) do, or omit to do, any act if the act or omission would (or would be likely to) have the effect of resulting in a Dealing with, or in any interest or right in respect of,

any or all of its Controller Interests. In particular, the Controller and Holder must not do, or omit to do, during the Escrow Period any act that would result in (or would likely result in) the reconfiguration or restructuring of the Holder, including any act or omission that would (or would likely) result in a person:

- (d) who did not have Control of the Holder (as at the date of this agreement) gaining Control of the Holder; or
- (e) having Control of the Holder (as at the date of this agreement) ceasing to have Control of the Holder.

3.3 Escrow restrictions

The parties acknowledge and agree that:

- (a) as soon as practicable following the issue and allotment of the Escrow Shares, the Escrow Shares will be registered and held for the Holder on the Issuer Sponsored Subregister;
- (b) the Company will apply a Holding Lock on the Escrow Shares as soon as practicable after registration of the Escrow Shares on the Issuer Sponsored Subregister and the Holder agrees to the application of the Holding Lock; and
- (c) the Company will do all things necessary to ensure that the Holding Lock is released (including notifying ASX in accordance with ASX Listing Rule 3.10A and procuring release of the Holding Lock by the Share Registry):
 - (i) to the extent necessary to permit Dealings of the Escrow Shares permitted by this agreement; and
 - (ii) in full at the conclusion of the Escrow Period.

3.4 Notice by Holder

If the Holder becomes aware:

- (a) that any action, event or circumstance referred to in clause 3.1 has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to any action, event or circumstance referred to in clause 3.1 during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the action, event, circumstance or matter, as applicable, providing full details.

3.5 Notice by Controller

If the Controller becomes aware:

- (a) that any action, event or circumstance referred to in clause 3.2 has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to any action, event or circumstance referred to in clause 3.2 during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the action, event, circumstance or matter, as applicable, providing full details.

3.6 Dividends and voting rights

The terms of this agreement will have no effect on any rights of the Holder to receive or participate in dividends, any rights issue, bonus issue, return of capital or other distributions in connection with the Escrow Shares or to exercise voting rights in respect of the Escrow Shares.

3.7 Takeovers, mergers and reorganisations

Clauses 3.1 and 3.2 will cease to apply to the extent necessary to allow:

- (a) the Holder to accept an offer made under a Takeover Bid for any of the Escrow Shares, provided that:
 - (i) without limiting clause 3.7(a)(ii), holders of not less than 50% of the Shares to which the Takeover Bid relates that are not subject to a Voluntary Escrow Agreement have accepted the Takeover Bid; and
 - (ii) the Takeover Bid is unconditional or all conditions to the Takeover Bid have been satisfied or waived;
- (b) the Holder to tender any of the Escrow Shares into a bid acceptance facility established in connection with a Takeover Bid, provided that holders of not less than 50% of the Shares to which the Takeover Bid relates that are not subject to a Voluntary Escrow Agreement have either accepted the Takeover Bid or tendered (and not withdrawn) their Shares into the bid acceptance facility; or
- (c) the Escrow Shares to be transferred or cancelled as part of an equal Share buyback or equal return of capital or other similar pro rata reorganisation, a merger being implemented by way of a scheme of arrangement or an acquisition of all Shares, which has in any such case received all necessary approvals, including all such necessary approvals by shareholders of the Company and courts,

provided that, if for any reason any or all Escrow Shares are not transferred or cancelled in accordance with a Takeover Bid, scheme of arrangement or other transaction described in clause 3.7(a), 3.7(b) or 3.7(c), then the Holder agrees that the restrictions applying to the Escrow Shares under this agreement (including under clauses 3.1, 3.2 and 3.3) will continue to apply and without limiting the foregoing, the Holding Lock will be reapplied to all Escrow Shares not so transferred or cancelled.

3.8 Reorganisation

Clauses 3.1 and 3.2 will cease to apply to the extent necessary to allow a Dealing in Escrow Shares or Controller Interests to enable the Holder or the Controller to undertake a reorganisation, subject to:

- (a) the prior consent of the Company in writing;
- (b) the Holder, or if a person enters into this agreement in the capacity of the Controller, the Controller, retaining ultimate control of the Escrow Shares: and
- (c) any new holder of the Escrow Shares or Controller Interests agreeing to be bound by an agreement in substantially the same terms as this agreement (and the Controller agreeing not to dispose of any Controller Interests).

3.9 Other exceptions

Clauses 3.1 and 3.2 will cease to apply to the extent necessary to allow a Dealing in Escrow Shares or Controller Interests:

- (a) if required by applicable law or pursuant to an order of a court of competent jurisdiction compelling any Escrow Shares or Controller Interests to be Dealt with;
- (b) (if the Holder or Controller is a natural person) following the death, serious disability or permanent incapacity through ill health of the Holder or Controller (which for serious disability or permanent incapacity through ill health shall be deemed to be so for any absence of at least six months in a 12 month period or as otherwise determined by the Board, acting reasonably); or
- (c) if the Dealing constitutes a disposal of, but not the creation of a Security Interest in, some or all of the Escrow Shares or Controller Interests to:
 - (i) a company wholly-owned by the Holder;
 - (ii) a trust in relation to which the Holder is the beneficiary; or
 - (iii) an Affiliate of the Holder,

(each a **Transferee**), where the Transferee, together with each other person which is able to directly or indirectly control the exercise of a power to dispose of the Escrow Shares (including the ability to Control the Transferee or control the Transferee's ability to exercise such power), also enters into an escrow arrangement with the Company in respect of those Escrow Shares on substantially the same terms as this agreement for the remainder of the relevant Escrow Period (and the Controller agrees not to dispose of any Controller Interests).

4. Termination

- (a) This agreement terminates with immediate effect and without the action of any party upon the expiry of the Escrow Period.
- (b) For the avoidance of doubt, the Escrow Shares will no longer be escrowed under the terms of this agreement at the expiration of the Escrow Period.
- (c) The Company will procure that the Share Registry releases the Holding Lock in respect of the Escrow Shares, if still in effect, as soon as possible following termination of this agreement. This clause 4(c) will survive termination of this agreement.

5. Warranties and acknowledgement

5.1 Giving of warranties

Each of the warranties and representations in this clause 5 is given by the Holder or the Controller, as applicable, in favour of the Company:

- (a) as at the date of this agreement, unless a later date is specified in clause 5.2 or 5.3; and
- (b) from the applicable date under clause 5.1(a), at all times until expiry of the applicable Escrow Period.

The warranties and representations in this clause 5 are given in respect of any and all Escrow Shares from time to time during the Escrow Period.

5.2 Holder warranties and representations

The Holder warrants and represents the following:

- (a) prior to the Escrow Period it has not done, or omitted to do, any act which would result in a Dealing in the Escrow Shares which will take effect during the Escrow Period;
- (b) it has full power and authority, without the consent of any other person, to enter into and perform its obligations under this agreement (including, if the Holder has entered into this agreement as a trustee, under the trust deed for the relevant trust and any other constituent document of the relevant trust);
- (c) it has taken all necessary action to authorise the execution, delivery and performance of this agreement in accordance with its terms;
- (d) this agreement constitutes a legal, valid and binding obligation on it and, subject to any necessary stamping and registration, is enforceable in accordance with its terms;
- (e) the execution, delivery and performance by the Holder of this agreement does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation;
 - (ii) its constitution or other constituent documents, if any (if the Holder is a body corporate), and if the Holder is a trustee, the trust deed for the relevant trust; or
 - (iii) any agreement, undertaking, Security Interest or document which is binding on the Holder;
- (f) it holds, or will hold, upon issue and allotment of those Shares by the Company, the Escrow Shares unless the Escrow Shares are Dealt with as expressly permitted by this agreement;
- (g) the Escrow Shares of the Holder are free from all Security Interests and other third party interests or rights (other than under the Company's constitution to the extent it is on foot) and will remain so during the relevant Escrow Period except to the extent permitted under this agreement;
- (h) if the Holder is a trustee, it is the sole trustee of the relevant trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the trust;
- (i) if the Holder is a trustee:
 - (i) the Holder has the right to be fully indemnified out of the assets of the relevant trust in respect of any liability arising under, or in connection with, this agreement and the right has not been modified, released or diminished in any way. The assets of the trust are sufficient to satisfy that right in full and that Holder has not released or disposed of its equitable lien over that trust; and
 - (ii) the relevant trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the trust; and
- (j) if no person enters into this agreement in the capacity of the Controller, no person (other than the Holder) has the ability to directly or indirectly control the exercise of a power to dispose of the Escrow Shares (including the ability to Control the Holder or control the Holder's ability to exercise such power).

5.3 Controller warranties and representations

The Controller warrants and represents the following:

- (a) prior to the Escrow Period it has not done, or omitted to do, any act which would result in a Dealing in any Controller Interests which will take effect during the Escrow Period;
- (b) it has full power and authority, without the consent of any other person, to enter into and perform its obligations under this agreement (including, if the Controller has entered into this agreement as a trustee, under the trust deed for the relevant trust);
- (c) it has taken all necessary action to authorise the execution, delivery and performance of this agreement in accordance with its terms;
- (d) this agreement constitutes legal, valid and binding obligations on it and, subject to any necessary stamping and registration, is enforceable in accordance with its terms;
- (e) the execution, delivery and performance by the Controller of this agreement does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation;
 - (ii) its constitution or other constituent documents, if any (if the Controller is a body corporate), and if the Controller is a trustee, the trust deed for the relevant trust; or
 - (iii) any agreement, undertaking, Security Interest or document which is binding on the Controller;
- (f) the Controller Interests are free from all Security Interests and other third party interests or rights (other than under the Company's constitution to the extent it is on foot) and will remain so during the relevant Escrow Period except to the extent permitted under this agreement;
- (g) if the Controller is a trustee, the trustee is the sole trustee of the relevant trust and there is no proposal to remove the Controller as trustee of the relevant trust;
- (h) if the Controller is a trustee:
 - (i) the Controller has the right to be fully indemnified out of the assets of the relevant trust in respect of any liability arising under, or in connection with, this agreement and the right has not been modified, released or diminished in any way. The assets of the relevant trust are sufficient to satisfy that right in full; and
 - (ii) the relevant trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the relevant trust; and
- (i) no person (other than the Holder or Controller) has the ability to directly or indirectly control the exercise of a power to dispose of the Escrow Shares (including the ability to Control the Holder or Controller or control the Holder or Controller's ability to exercise such power).

5.4 Survival of warranties and representations

The warranties and representations in this clause 5 survive termination of this agreement.

6. Consequences of breaching this agreement

- (a) If the Holder or the Controller breaches this agreement, or the Company believes that a prospective breach of this agreement may occur, each of the following applies:
 - (i) the Company may take the steps necessary to enforce the deed, or to rectify the breach, as soon as practicable after becoming aware of the breach or prospective breach; and
 - (ii) the Company may, in addition to its other rights and remedies, refuse to acknowledge, deal with, accept or register any sale, assignment or other Dealing in any Escrow Shares.
- (b) The parties agree that damages would be an insufficient remedy for a breach or prospective breach of this agreement by the Holder or the Controller and the Holder and the Controller agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's or the Controller's (as applicable) obligations under this agreement, without proof of actual damage and without prejudice to any of the Company's other rights or remedies.

7. Capacity of Holder

If a Holder or Controller has entered into this agreement as a trustee (**Trustee**):

- (a) notwithstanding any other provision of this agreement including any provision expressed to prevail over this clause 7 but subject to clause 7(c), that Holder or Controller enters into this agreement only in its capacity as trustee of the relevant trust (**Trust**) and in no other capacity. A liability arising under or in connection with this agreement can be enforced against that Holder or Controller only to the extent that it can be satisfied out of the property of the Trust for which that Holder or Controller is actually indemnified for the liability. That Holder or Controller will exercise its rights of indemnification in order to satisfy its obligations under this agreement;
- (b) subject to clause 7(c) a party to this agreement may not sue that Holder or Controller in any capacity other than as Trustee in respect of the Trust, including seeking the appointment to that Holder or Controller of a receiver (except in relation to property of the trust), liquidator, administrator or any similar person; and
- (c) the provisions of this clause 7 will not apply to any obligation or liability of that Holder or Controller to the extent that it is not satisfied because under the relevant Trust deed or by operation of law, there is a reduction to the extent, or elimination of, that Holder's or Controller's right of indemnification out of the assets of the Trust, or the right does not exist at all, as a result of the Holder's or Controller's fraud, negligence, improper performance of duties or breach of trust.

8. Notices and other communications

8.1 Form

Unless expressly stated otherwise in this agreement, all notices, certificates, consents, approvals, waivers and other communications in connection with this agreement must be in writing, signed by an authorised officer of the sender and marked for the attention of the person identified or referred to in Schedule 1 or, if the recipient has notified otherwise, then marked for attention in the way last notified.

8.2 Delivery

They must be:

- (a) left at the relevant address set out or referred to in Schedule 1;
- (b) sent by prepaid ordinary post (airmail if appropriate) to the address set out or referred to in Schedule 1;
- (c) sent by email to the email address set out or referred to in Schedule 1; or
- (d) given in any other way permitted by law.

However, if the intended recipient has notified a changed postal address or changed email address, then the communication must be to that address or number.

8.3 When effective

They take effect from the time they are received unless a later time is specified.

8.4 Receipt - post

If sent by post, they are taken to be received three days after posting (or seven days after posting if sent to or from a place outside Australia).

8.5 Receipt - email

If sent by email, unless the party sending the email knows or reasonably ought to suspect that the email and the attached communication were not delivered to the addressee's domain specified in the email address notified for the purposes of this clause 8, 24 hours after the email was sent.

9. General provisions

9.1 Discretion in exercising rights

A party or other person referred to in this agreement (including the Board) may, in its absolute discretion, give conditionally or unconditionally or withhold any approval, consent, resolution or determination under this agreement, unless this agreement expressly states otherwise.

9.2 Partial exercising of rights

If a party does not exercise a right or remedy fully or at a given time, the party may still exercise it later.

9.3 No liability for loss

A party is not liable for loss caused by the exercise or attempted exercise of, failure to exercise, or delay in exercising a right or remedy under this agreement.

9.4 Variation and waiver

A provision of this agreement or a right created under it, may not be waived or varied except in writing, signed by the party or parties to be bound.

9.5 Amendment

This agreement may be amended only by a document signed by all parties.

9.6 Further assurances

Each of the Holder and the Controller undertakes to, and to procure that all persons under its Control, do all things necessary or desirable to effect the transactions contemplated by this agreement as expeditiously as possible, including executing, delivering or completing any form, document or instrument necessary or desirable to give effect to any of the transactions contemplated by this agreement.

9.7 Survival

The representations, warranties, undertakings and indemnities given by a party under this agreement will not merge or be extinguished on expiry of the Escrow Period.

9.8 Assignment

The Holder and the Controller must not transfer, assign, create an interest in, or deal in any other way with, any of their respective rights or obligations under this agreement without the prior written consent of the other parties.

9.9 Counterparts

This agreement may consist of a number of copies, each signed by one or more parties to this agreement. If so, the signed copies are treated as making up the one document and the date on which the last counterpart is executed will be the date of this agreement.

9.10 Governing law

This agreement and the transactions contemplated by this agreement are governed by the law in force in New South Wales. Each party submits to the non-exclusive jurisdiction of the courts of New South Wales.

9.11 PPSA further steps

If the Company determines that this agreement results in the creation of a PPSA Security Interest, the Holder and the Controller agrees to do anything (such as obtaining consents, signing and producing documents, getting documents completed and signed and supplying information) which the Company reasonably asks and considers necessary for the purposes of:

- (a) ensuring that the PPSA Security Interest is enforceable, perfected and otherwise effective;
- (b) enabling the Company to apply for any registration, or give any notification, in connection with the PPSA Security Interest so that the PPSA Security Interest has the priority required by the Company; and
- (c) enabling the Company to exercise rights in connection with the PPSA Security Interest.

9.12 Entire agreement

This agreement and the documents referred to in this agreement are the entire agreement of the parties about the subject matter of this agreement and supersede any representations, negotiations, arrangements, understandings or agreements and all other communications.

9.13 Remedies

The rights, remedies and powers of the parties under this agreement are cumulative and not exclusive of any rights, remedies or powers provided to the parties by law.

9.14 Inconsistent agreements

If a provision of this agreement is inconsistent with a provision of any other agreement, document, representation, negotiation, arrangement or understanding between the Holder and the Controller, or between the Holder or the Controller and any other person, the provision of this agreement prevails.

9.15 Severability

If the whole or any part of a provision of this agreement is void, unenforceable or illegal in a jurisdiction it is severed for that jurisdiction. The remainder of this agreement has full force and effect and the validity or enforceability of that provision in any other jurisdiction is not affected. This clause has no effect if the severance alters the basic nature of this agreement or is contrary to public policy.

9.16 Successors and assigns

This agreement is binding on, and has effect for the benefit of, the parties and their respective successors and permitted assigns and, in the case of the Holder or the Controller, its / his / her personal representatives and any trustee, receiver or other person lawfully acting on its / his / her behalf.

9.17 Fractional calculation

If any calculation required to be undertaken under this agreement results in a fractional number of Shares, the fractional number will be rounded up to the nearest whole number of Shares.

Schedule 1 - Details

Part 1 - Holder

Name: *[insert]*

Address: *[insert]*

Email: *[insert]*

Attention: _____

Part 2 - Controller

Name: *[insert]*

Address: *[insert]*

Email: *[insert]*

Attention: _____

Part 3 - Company

Name: Xenith IP Group Limited ACN 607 873 209
Address: *[insert]*
Email: *[insert]*
Attention: *[insert]*

Executed as an agreement.

Company

Executed by **Xenith IP Group Limited ACN 607 873 209** in accordance with section 127 of the Corporations Act 2001 (Cth):

Signature of director

Signature of company secretary/director

Full name of director

Full name of company secretary/director

Holder

If the Holder is an individual and is signing personally:

Executed by _____ (name of Holder)
in the presence of:

_____ Signature of witness		_____ Signature
_____ Full name of witness		

If the Holder is an individual or an entity and is signing by power of attorney: [Note: If the Holder signs by power of attorney, please return this document with the relevant power of attorney]

Executed for and on behalf of _____ (name of Holder)
by its attorney under a power of attorney dated _____
in the presence of:

_____ Signature of witness		_____ Signature of attorney who declares that the attorney has not received any notice of the revocation of the power of attorney
_____ Full name of witness		_____ Full name of attorney

If the Holder is an entity and is signing by authorised signatory: [Note: If the Holder signs by authorised signatory, please return this document with the relevant authority]

Executed for and on behalf of _____ (name of Holder)
by its authorised signatory in the presence of:

_____ Signature of witness		_____ Signature of authorised signatory
_____ Full name of witness		_____ Full name of authorised signatory

If the Holder is an entity and is signing either by a sole director / company secretary, or by a director and a company secretary / director:

Executed by _____ (name of Holder)

_____ Signature of director		_____ Signature of company secretary/director
_____ Full name of director		_____ Full name of company secretary/director

Controller

If the Controller is an individual and is signing personally:

Executed by _____ (name of Controller)
in the presence of:

Signature of witness

Signature

Full name of witness

*If the Controller is an individual or an entity and is signing by power of attorney: **[Note: If the Controller signs by power of attorney, please return this document with the relevant power of attorney]***

Executed for and on behalf of _____ (name of Controller)

by its attorney under a power of attorney dated _____
in the presence of:

Signature of witness

Signature of attorney who declares that the attorney
has not received any notice of the revocation of the
power of attorney

Full name of witness

Full name of attorney

*If the Controller is an entity and is signing by authorised signatory: **[Note: If the Controller signs by authorised signatory, please return this document with the relevant authority]***

Executed for and on behalf of _____ (name of Controller)
by its authorised signatory in the presence of:

Signature of witness

Signature of authorised signatory

Full name of witness

Full name of authorised signatory

If the Controller is an entity and is signing either by a sole director / company secretary, or by a director and a company secretary / director:

Executed by _____ (name of Controller)

Signature of director

Signature of company secretary/director

Full name of director

Full name of company secretary/director