

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Trustees Australia Limited (TAU)

ABN

ABN 42 010 653 862

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | Fully paid Convertible Redeemable Preference Shares (CRPS) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 2,443,500
issued 29 December 2017 |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid Convertible Redeemable Preference Shares (CRPS) Unquoted and Non-voting except in certain limited matters as per Chapter 6. Convertible in accordance with template Deed Poll dated 20 August 2017 attached to this Appendix 3B |

+ See chapter 19 for defined terms.

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4	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>No</p> <p>The CRPS will not rank equally with Ordinary fully paid Shares unless converted in accordance with the terms of issue set out in the attached Deed Poll which requires prior approval by the Company.</p>
5	Issue price or consideration	\$1.00 per CRPS issued
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	To fund platform development capital and provide cashflow to the Company pending future capital raising.
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	Yes
6b	The date the security holder resolution under rule 7.1A was passed	30 November 2017
6c	Number of +securities issued without security holder approval under rule 7.1	Nil
6d	Number of +securities issued with security holder approval under rule 7.1A	Nil

+ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil	
6f	Number of +securities issued under an exception in rule 7.2	2,443,500 CRPS (Exception 10)	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	25%	
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	29 December 2017	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		86,025,329	Fully paid ordinary shares

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	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	2,443,500 Convertible Redeemable Preference Shares (CRPS)
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	See section 4 of Schedule 1 of the attached Deed Poll dated 20 August 2017

Part 2 - Pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the +securities will be offered	N/A
14	+Class of +securities to which the offer relates	N/A
15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A
19	Closing date for receipt of acceptances or renunciations	N/A

+ See chapter 19 for defined terms.

20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A

33 ⁺Issue date

N/A

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of ⁺securities
(tick one)

(a) ⁺Securities described in Part 1

(b) ☐ All other ⁺securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders

36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories

1 - 1,000

1,001 - 5,000

5,001 - 10,000

10,001 - 100,000

100,001 and over

37 ☐ A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

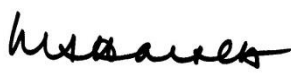
Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought	N/A	
39	+Class of +securities for which quotation is sought	N/A	
40	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	N/A	
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another +security, clearly identify that other +security)</p>	N/A	
42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	Number	+Class
		N/A	N/A

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: 
.....
(Director)

Date: 31 December 2017

Print name: Michael Hackett

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	
Add the following: <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period Note: <ul style="list-style-type: none"> • Include only ordinary securities here – other classes of equity securities cannot be added • Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed • It may be useful to set out issues of securities on different dates as separate line items 	
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	

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Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 Note: <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	Nil
“C”	Nil
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	Nil
Total [“A” x 0.15] – “C”	<i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items 	Nil
“E”	Nil

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	Nil
Total [“A” x 0.10] – “E”	 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.

Deed Poll

Convertible Redeemable Preference Shares

Trustees Australia Limited (Company)

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Details

Date 20 August 2017

By

Name Trustees Australia Limited

ACN 010 653 862

Short form name Company

Notice details
Level 3
140 Ann Street
Brisbane QLD 7000

Attention: Michael Hackett

Facsimile: +61 (0) 7 3020 3080

Email: michaelhackett@trusteesau.com.au

Background

- A. The Company's constitution provides for the issue of preference shares.
- B. The Company wishes to issue preference shares (**Preference Share**) subject to the terms and conditions contained in this Deed Poll.

Agreed terms

1 DEFINED TERMS & INTERPRETATION

1.1 Defined terms

In this Deed Poll:

“Constitution” means the Company's constitution;

“Preference Share” means a convertible redeemable preference share issued by the Company on the Terms and Conditions;

“Terms and Conditions” means, in relation to a Preference Share, the terms and conditions set out in the Company's constitution and Schedule 1, and “section” is a reference to the specified clause of the Terms and Conditions; and

words and expressions which are defined in the Constitution and Terms and Conditions have the same meanings when used elsewhere in this Deed Poll.

1.2 Construction

Condition 1.2 of the Terms and Conditions applies to the construction of this Deed Poll.

1.3 Enforceability of Deed Poll

- (a) This Deed Poll is executed by the Company and operates as a deed poll enforceable against the Company by each Applicant in respect of Preference Shares Applied for and each Holder in respect of Preference Shares held by them.
- (b) Each Applicant and Holder, by applying for, subscribing for or purchasing Preference Shares, is and agrees to be bound by the Constitution and terms of this Deed Poll.

2 ISSUE AND FORM OF PREFERENCE SHARES

2.1 Issue of Preference Shares

The Company may issue up to 5,000,000 Preference Shares, each at an issue price of \$1 to raise up to \$5,000,000, in accordance with this Deed Poll.

2.2 Application Form

No Preference Shares may be issued unless a duly completed and executed Application Form has been submitted to the Company in respect of those Preference Shares by or on behalf of the person to be inscribed as the initial Holder of those Preference Shares.

2.3 Form of Preference Shares

Preference Shares are fully paid redeemable convertible preference shares in the capital of the Company. They are issued, and may be Redeemed or Converted according to the Terms and Conditions.

2.4 Issue

- (a) The issue of each Preference Share will be effected and each Preference Share will be created in the manner set out in the Terms and Conditions.
- (b) Promptly following the issue of Preference Shares to a Holder, a Certificate will be issued by the Company to that Holder in respect of all Preference Shares issued to it, which will constitute confirmation of the inscription on

the register of Holders and the issue of the relevant Preference Shares to that Holder.

- (c) Each Certificate provided in relation to a transfer in accordance with the Constitution constitutes confirmation of the transfer in respect of the relevant Preference Shares.

2.5 Company's covenant to Holders

The inscription of each Preference Share in the register of Holders constitutes a covenant by the Company for the benefit of the relevant Holder to make all payments on or in respect of that Preference Share on the due date for payment.

2.6 Corporations Act

The Company confirms that:

- (a) no disclosure document in relation to the Preference Shares has been or will be lodged with the Australian Securities and Investments Commission;
- (b) no action has been taken or will be taken which would permit a public offering of the Preference Shares in any jurisdiction where action for that purpose is required; and
- (c) it will not offer any Preference Shares for issue or sale or for subscription or purchase unless any such offer is not required to be disclosed under Part 6D.2 of the Corporations Act.

3 GENERAL

3.1 Governing Law and Jurisdiction

This document is governed by and is to be construed in accordance with laws applicable in [●]. Each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of [●] and any courts which have jurisdiction to hear appeals from any of those courts and waives any right to object to any proceedings being brought in those courts.

SCHEDULE 1 TERMS AND CONDITIONS

The following are the Terms and Conditions of the Preference Shares.

Preference Shares are issued upon and subject to the terms of the Constitution and Deed Poll, which is enforceable by each Holder in respect of Preference Shares held by it. Each Holder, by applying for, subscribing for or purchasing Preference Shares, is and agrees to be bound by, and is deemed to have notice of the provisions of, the Constitution and Terms and Conditions.

A Certificate will be issued in respect of each Preference Share issued.

A copy of the Deed Poll is available for inspection by Holders during normal business hours at the offices of the Company.

1 INTERPRETATION

1.1 Definitions

In this schedule:

“Applicant” means a person that applies for Preference Shares.

“Application Form” means an application to be issued Preference Shares in the form set out in Schedule 2 to this Deed.

“ASX” means Australian Securities Exchange Limited or, where the context requires, the market it operates.

“Business Day” has the meaning given in the Listing Rules;

“Certificate” means a certificate in the form determined by the Company's directors from time to time.

“Company” means Trustees Australia Limited ACN 010 653 862;

“Constitution” means the Company's constitution;

“Conversion Amount” means, in relation to a Preference Share, the aggregate of:

- (a) its Issue Price; and
- (b) any arrears of accrued Cumulative Preference Dividend due on a Preference Share at the Conversion Date;

“Conversion Date” means the date Conversion occurs following receipt of a Conversion Notice.

“Conversion Notice” means a completed notice in the form in Schedule 3;

“Conversion Price” has the meaning given in clauses 6.1 or 6.2 as the context requires.

“Conversion” means the conversion of the Preference Shares into Ordinary Shares in accordance with the Terms and Conditions and “Convert” shall have a corresponding meaning;

“Cumulative Preference Dividend” means the payments to be made under section 3;

“Dividend Calculation Date” means:

- (a) 31 March, 30 June, 30 September and 31 December; and
- (b) the Maturity Date.

“Holder” means the registered holder of a Preference Share;

“Income Tax” means the income tax assessed under the Income Tax Assessment Act 1936 (Cth) as amended, consolidated or replaced;

“Issue Date” means the date on which a Preference Share is issued;

“Issue Price” means the issue price of a Preference Share, being A\$1;

“Listing Rules” means the listing rules of ASX.

“Maturity Date” means [31 December 2018];

“Ordinary Share” means:

- (a) an ordinary fully paid share in the capital of the Company; or
- (b) if the Ordinary Shares in the capital of the Company are subdivided or consolidated, the number (including a fraction) of shares in the capital of the Company corresponding to each Ordinary Share;

“Placement” means an issue of Shares by the Company to raise a minimum of \$10,000,000.

“Preference Share” means a cumulative convertible redeemable preference share in the capital of the Company issued on the terms set out in these Terms and Conditions;

“Redemption Amount” means, in relation to a Preference Share, the aggregate of:

- (a) its Issue Price; and

- (b) any arrears of accrued Cumulative Preference Dividend due on a Preference Share at the Redemption Date;

“Redemption Date” means the date which is 5 Business Days after the Company receives a Redemption Notice;

“Redemption Notice” means a completed notice in the form in Schedule 4.

“Special Consent” means:

- (a) consent given by a resolution passed by the Holders of at least 75% of the issued Preference Shares, present and voting at a general meeting of the Holders; or
- (b) a consent signed by the Holders of at least 75% of the issued Preference Shares.

1.2 Interpretation

- (a) A reference to a section is a reference to a section of these Terms and Conditions.
- (b) Unless the context otherwise requires, words defined in the Company’s constitution have the same meaning in these Terms and Conditions.

2 APPLICATION AND ISSUE

2.1 Application Form

- (a) No Notes may be issued unless a duly completed and executed Application Form has been submitted to the Issuer in respect of those Notes by an Applicant.
- (b) By lodging a duly completed and signed Application Form, the Applicant agrees to subscribe for that number of Preference Shares set out in the Application Form.
- (c) An Application Form may only be withdrawn:
 - (i) if there is a material adverse change to the Company;
 - (ii) with the Company’s written consent; or
 - (iii) the Company has not by the Application End Date (as stated in the Application Form) issued Preference Shares in accordance with the Application Form.

2.2 Issue

- (a) At any time after an Application Form is received and subject to Shareholder approval (where required), the Company may, at any time up to and including

the Application End Date, in its sole discretion, give 5 Business Days written notice to the Applicant that it will issue some or all of the Preference Shares applied for in the Application Form.

- (b) The Applicant must provide funds to the Company in an amount set out in that written notice (by way of electronic funds transfer) by the date set out in such notice.

3 RIGHTS, POWERS AND PRIVILEGES

- (a) The Company's constitution as amended from time to time applies to each Holder and to the Preference Shares except to the extent that the terms of these Terms and Conditions conflict with the terms of the Constitution.
- (b) Where the terms of these Terms and Conditions conflict with the terms of the Constitution, the terms of these Terms and Conditions prevail as between the Company and each Holder.
- (c) If any provision of these Terms and Conditions is or becomes inconsistent with the Listing Rules of the ASX, these Terms and Conditions is deemed not to contain that provision to the extent of the inconsistency.

4 DIVIDENDS

- (a) Subject to section 3(b) and 3(c), each Preference Share confers on its Holder the right as at each Dividend Calculation Date to receive a payment in the amount equivalent to an unfranked cumulative preference dividend of 2% above rate published by the Commonwealth Bank of Australia for unsecured business overdraft per annum on the Issue Price of the Preference Share (**Cumulated Preference Dividend**), payable in accordance with this section 3.
- (b) If franking credits become available or the Cumulative Preference Dividend is otherwise franked then the Cumulative Preference Dividend will be adjusted in accordance with the following formula, rounded to the nearest four decimal places:

$$ACPD = 0.5 \times d \times \left[1 + \left(\frac{1-t}{1-tx(1-f)} \right) \right]$$

Where:

“ACPD”	means the adjusted Cumulative Preference Dividend, expressed as a percentage;
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“d”	means the unfranked Cumulative Preference Dividend referred to in section 3(a);
“t”	means the company tax rate applicable to the franking account of the Company from which the franked Cumulative Preference Dividend will be franked;
“f”	means the Franking Rate of the franked Cumulative Preference Dividend expressed as a fraction; and
“Franking Rate”	in relation to a franked Cumulative Preference Dividend means the franking percentage (within the meaning of section 160APA of the Income Tax Assessment Act 1936 or its equivalent) of the franked Cumulative Preference Dividend.

- (c) Cumulative Preference Dividends shall be paid if there are funds of the Company legally available to pay the Cumulative Preference Dividend on a Dividend Calculation Date. If Cumulative Preference Dividends cannot be paid in full as at a Dividend Calculation Date the maximum amount capable of being paid shall be paid pro rata on the Preference Shares then on issue and any amount unpaid will accumulate and be payable on the next Dividend Calculation Date.
- (d) Except as provided in this section 4, Preference Shares are not entitled to participate in the profits of the Company, either before or after the winding up of the Company.
- (e) The Preference Shares rank for payment of the Cumulative Preference Dividend both before and after the winding up of the Company in priority to all Ordinary Shares in the capital of the Company on and subject to the terms of these Terms and Conditions.
- (f) The Company must apply its profits in each financial year towards the Cumulative Preference Dividend before any other distribution of profits.
- (g) For the avoidance of doubt, a Cumulative Preference Dividend accrues on a Dividend Calculation Date and, except as provided in section 10, Holders are not entitled to a pro rata Cumulative Preference Dividend in respect of any proportion of the period between each Dividend Calculation Date.
- (h) The Cumulative Preference Dividend accruing and payable on each Dividend Calculation Date under this section 3 becomes due for payment 30 days after the Dividend Calculation Date.
- (i) If the Company does not pay a Cumulative Preference Dividend within 30 days after the Dividend Calculation Date the Preference Share does not confer the right to interest on the unpaid part of the Cumulative Preference Dividend.

- (j) Cumulative Preference Dividends are payable to the registered Holders of Preference Shares as they appear in the register for Preference Shares on the books closing date set for this purpose by the Company.

5 VOTING RIGHTS, NOTICE OF MEETING

- (a) Without prejudice to any other right, power or privilege conferred on a Holder each Preference Share confers on its Holder the right to:
 - (i) receive notice of any general meeting of the Company and a copy of any report or balance sheet (including a profit and loss account) of the Company to be considered by the meeting;
 - (ii) attend at any general meeting of the Company.
- (b) A Holder is entitled to vote and speak at any meeting of the Company in the following circumstances and in no others:
 - (i) during a period during which a Cumulative Preference Dividend (or part of a Cumulative Preference Dividend) in respect of a Preference Share is in arrears;
 - (ii) on a proposal to reduce the share capital of the Company;
 - (iii) on a resolution to approve the terms of a buy-back agreement;
 - (iv) on a proposal that affects rights attached to the Preference Shares;
 - (v) on a proposal to wind up the Company;
 - (vi) on a proposal for the disposal of the whole of the Company's property, business and undertaking; and
 - (vii) during the winding up of the Company;
- (c) A Holder entitled to vote under section 5(b) is entitled to 1 vote on a show of hands and 1 vote on a poll for each Preference Share held.

6 CONVERSION OF PREFERENCE SHARES

6.1 Conversion at the Holder's election

- (a) A Holder may at any time, by returning a completed Conversion Notice to the Company, elect that all or a proportion of the Holders' Preference Shares be Converted. A Holder's election under this section is irrevocable. The Conversion must be approved by the Company's securityholders before Conversion occurs.
- (b) If a Holder elects to Convert a proportion of the Holder's Preference Shares:

- (i) the Holder must elect to Convert the Preference Shares in multiples of 500 or such other multiple determined from time to time by the directors of the Company and specified in the Conversion Notice; and
 - (ii) the Holder shall be deemed to have elected to Convert all of the Holder's Preference Shares if the number which the Holder has elected to Convert would result in the Holder holding less than 500 Preference Shares after Conversion.
- (c) Following receipt of a Conversion Notice and subject to the Corporations Act, the Company must convert that number of Preference Shares held by the Holder as specified in the Notice into the number of Ordinary Shares calculated as follows:

$$\text{Number of Ordinary Shares} = \frac{CA \times N}{\text{Conversion Price}}$$

Where:

"CA" means Conversion Amount; and

"N" means the number of Preference Shares specified in the Conversion Notice.

"Conversion Price" means no less than 95% of the volume weighed average price (as defined in the Listing Rules) for the Company's Ordinary Shares calculated over the 5 trading days on which trades of Ordinary Shares were recorded prior to the Conversion Date.

6.2 Conversion at the Company's election

- (a) The Company may at any time, subject to 6.1(b)6.2(b), elect that all or a proportion of the Holders' Preference Shares be Converted by delivering a completed Conversion Notice to the Holder.
- (b) The Company may elect to convert a Holder's Preference Shares only with that Holder's consent and subject to the Corporations Act and (where required) Shareholder approval.
- (c) If the Company elects to Convert a proportion of a Holder's Preference Shares:
 - (i) the Holder must elect to Convert the Preference Shares in multiples of 500 or such other multiple determined from time to time by the directors of the Company and specified in the Conversion Notice; and
 - (ii) the Holder shall be deemed to have elected to Convert all of the Holder's Preference Shares if the number which the Holder has elected to Convert would result in the Holder holding less than 500 Preference Shares after Conversion.

- (d) Following delivery of a Conversion Notice and subject to the Corporations Act, the Company must convert that number of Preference Shares held by the Holder as specified in the Notice into the number of Ordinary Shares calculated as follows:

$$\text{Number of Ordinary Shares} = \frac{CA \times N}{\text{Conversion Price}}$$

Where:

“CA” means Conversion Amount; and

“N” means the number of Preference Shares specified in the Conversion Notice.

“Conversion Price” means the lesser of:

- (i) the issue price under the Placement; and
- (ii) 95% of the volume weighed average price (as defined in the Listing Rules) for the Company’s Ordinary Shares calculated over the 5 trading days on which trades of Ordinary Shares were recorded prior to the Conversion Date.

6.3 Effect of Conversion

- (a) A Holder’s entitlement to Ordinary Shares under this section 6 shall be rounded up to the nearest whole number.
- (b) Each Preference Share which is Converted under this section 6 confers on its Holder the right to receive the Cumulative Preference Dividend which is due to accrue on the Dividend Calculation Date which coincides with the Conversion Date.
- (c) From the date of issue under this section 6, each Ordinary Share forms part of the class of Ordinary Shares in the capital of the Company and ranks pari passu with the fully paid Ordinary Shares in the capital of the Company then on issue including dividends declared on Ordinary Shares in respect of the financial year in which Conversion occurs.
- (d) As soon as practicable after the Conversion of a Holder’s Preference Shares:
 - (i) the Holder must if required by the Company surrender to the Company the certificates representing the Preference Shares which have been converted (or other evidence of title for those Preference Shares); and
 - (ii) the Company shall dispatch certificates or holding statements (as applicable) in respect of the Ordinary Shares resulting from the Conversion.

6.4 Cleaning Notice

On the Conversion Date, subject to section 6.5, the Company must provide to ASX a notice complying with sections 708A(5)(e) and 708A(6) of the Corporations Act (Cleansing Notice).

6.5 Cleansing Prospectus

If on the Conversion Date the Company would be unable to provide to ASX a Cleansing Notice in respect of a Conversion because it is unable to comply with the requirements of sections 708A(5)(e) and 708A(6) of the Corporations Act or for any other reason is unable to provide to ASX a Cleansing Notice for the purposes of section 6.2:

- (a) the Company must within 10 Business Days after the Conversion Date lodge with ASIC a prospectus complying with section 708A(11) of the Corporations Act (Cleansing Prospectus); and
- (b) the Holder may, until the Cleansing Prospectus is lodged, only offer the Ordinary Shares issued on Conversion in circumstances that do not require disclosure.

7 REDEMPTION OF PREFERENCE SHARES

7.1 Redemption at Maturity

- (a) Subject to section **Error! Reference source not found.**, the Company must redeem for the Redemption Amount any Preference Shares which, at the Maturity Date, have not been either:
 - (i) Redeemed; or
 - (ii) Converted or in respect of which no Conversion Notice has been received by the Company prior to the Maturity Date.
- (b) This section does not limit the Company's ability to redeem or otherwise deal with Preference Shares in accordance with the Corporations Act and does not affect the terms on which Preference Shares may be cancelled under a reduction of capital, share buy back or other form of capital reconstruction implemented in accordance with the Corporations Act.

7.2 Early redemption

The Company may Redeem a Preference Share at an time prior to the Maturity Date by:

- (a) giving a Redemption Notice to Holders; and
- (b) paying to the Holders on the Redemption Date the Redemption Amount.

7.3 Redemption restrictions

The Company may not Redeem any Preference Share unless, at the same time, it redeems all Preference Shares.

7.4 Obligation on Company to Redeem

Upon giving a Redemption Notice, the Company will be obliged to redeem the relevant number of Preference Shares by making the payments referred to in section 7.1(b) on the Redemption Date.

7.5 Effect of Redemption on Holders

On the Redemption Date, subject to Redemption occurring, the only right Holders will have in respect of Preference Share the subject of the Redemption will be to obtain the Redemption Amount payable in accordance with these Terms and upon payment of the Redemption Amount, all other rights conferred, or restrictions imposed by the relevant Preference Share will no longer have effect.

7.6 Redemption by cancellation of Preference Share

- (a) The Redemption Notice constitutes an offer to cancel the Performance Shares the subject of the Redemption Notice for the Redemption Amount payable on the relevant Redemption Date.
- (b) The Holders will be deemed to have accepted the offer for Preference Share held by that Holder to which the Redemption Notice relates on the date the Redemption Notice is given.
- (c) Preference Share Redeemed are cancelled and may not be re-issued.

8 RIGHTS AND BONUS ISSUES

8.1 Rights issue

Subject to the Corporations Act and the Listing Rules, if the Company offers to issue shares or other rights to its shareholders:

- (a) for cash;
 - (b) before conversion of a Holder's Preference Shares; and
 - (c) in proportion to the number of Ordinary Shares held by the Shareholders,
- the Holders are entitled to receive the offer as if their Preference Shares were converted into Ordinary Shares under section 5.

8.2 Bonus issue

Subject to the Corporations Act and the Listing Rules, if the Company makes a bonus issue of shares or other rights to its shareholders:

- (a) before conversion of a Holder's Preference Shares; and
 - (b) in proportion to the number of Ordinary Shares held by the shareholders,
- the Company will grant to the Holders the right to participate in the bonus issue as if their Preference Shares were converted into Ordinary Shares under section 5.

9 ADJUSTMENT FOR CAPITAL RECONSTRUCTION

If there is a reorganisation of the capital of the Company (other than by way of a bonus issue dealt with under section 8.2), the number of Preference Shares, the Issue Price and the Conversion Ratio will be reorganised so that the Holders will not receive a benefit that holders of the Ordinary Shares do not receive. Such reorganisation shall not be a variation to which section 14 applies and shall not be otherwise treated as a variation of class rights.

10 RIGHTS OF HOLDERS IN A WINDING UP

- (a) Subject to section 10(b), the Holders are not entitled to participate in the surplus assets of the Company in a winding up.
- (b) Each Preference Share confers on its Holder the right to payment of the following in a winding up in priority to any other class of shares:
 - (i) the Issue Price;
 - (ii) any arrears of Cumulative Preference Dividend (whether declared or not), including a pro rata proportion of the Cumulative Preference Dividend for the period between the date of the commencement of the winding up and the last Dividend Calculation Date prior to the commencement of the winding up.

11 OTHER PREFERENCE SHARE ISSUES

- (a) The Company must not without Special Consent issue any other preference shares (including, without limitation, preference shares which are participating or non-participating, redeemable or non-redeemable, and whether carrying a dividend the same as or different from the Preference Shares) ranking in priority to the Preference Shares.
- (b) The Company may, subject to the Corporations Act and Listing Rules, issue further Preference Shares ranking *pari passu* with the Preference Shares.
- (c) The Holders constitute one class of shareholders for the purpose of the Company's constitution.

11.2 Uncertified

Shares arising from Conversion will be issued in uncertificated form through CHES.

11.3 Statements

Statements of holdings for Shares arising from Conversion will be dispatched by the Company by mail free of charge as soon as practicable but in any event within 10 Business Days after the relevant Conversion Date.

12 TRANSFER OF PREFERENCE SHARES

Preference Shares are transferable in accordance with the Constitution, the Listing Rules and the Corporations Act.

13 OWN INVESTIGATIONS

A Holder acknowledges and agrees that:

- (a) it has conducted all due enquiries and investigations into the Company and has decided to subscribe for the Preference Shares based on its own enquiries and investigations and without any reliance whatsoever on any representations or information provided by the Company, its officers, related bodies corporate, advisers or agents; and
- (b) it has obtained its own financial, business, tax and legal advice in relation to the Company and its decision to subscribe for Preference Shares; and
- (c) it is a person to whom an offer of securities can be made without disclosure by reason of section 708(8) of the Corporations Act and that upon request it can provide an accountant's certificate as contemplated by that section.

14 AMENDMENT OF THESE TERMS AND CONDITIONS

These Terms and Conditions may only be amended:

- (a) by Special Consent; and
- (b) if the Company's constitution, the Listing Rules and the Corporations Act are complied with.

SCHEDULE 2 APPLICATION FORM

[to be on Company letterhead]

APPLICATION FOR CONVERTIBLE REDEEMABLE PREFERENCE SHARES

Terms in this application have the meaning given in the deed poll signed by Trustees Australia Limited on [insert date of deed poll] ("Deed Poll").

Name	
Address	
Number of Preference Shares applied for	
Total subscription amount	
Application End Date	

I, the above-named Applicant for Preference Shares acknowledge and represent to the Company that:

- (a) I have received a copy of the Deed Poll;
- (b) by lodging this Application Form and other than certain exceptions, I am until the Application End Date irrevocably obligated to subscribe for that number of Preference Shares stated above;
- (c) I agree to be bound by the Constitution and Terms and Conditions as set out in the Deed Poll;
- (d) I have conducted all due enquiries and investigations into the Company and has decided to subscribe for the Preference Shares based on my own enquiries and investigations and without any reliance whatsoever on any representations or information provided by the Company, its officers, related bodies corporate, advisers or agents;
- (e) I have obtained my own financial, business, tax and legal advice in relation to the Company and my decision to subscribe for Preference Shares; and
- (f) I am a person to whom an offer of securities can be made without disclosure by reason of section 708(8) of the Corporations Act and that upon request I can provide an accountant's certificate as contemplated by that section.

Signed by the Applicant on [insert date]

[insert execution clause]

SCHEDULE 3 CONVERSION NOTICE

CONVERSION NOTICE

Terms in this application have the meaning given in the deed poll signed by Trustees Australia Limited on [insert date of deed poll] ("Deed Poll").

Name	
Address	
Number of Preference Shares to be Converted	

I, the above-named Holder of Preference Shares give notice of the Conversion of the above number of Preference Shares.

Signed by the Applicant on [insert date]

[insert execution clause]

SCHEDULE 4 REDEMPTION NOTICE

[to be on Company letterhead]

REDEMPTION NOTICE

Terms in this application have the meaning given in the deed poll signed by Trustees Australia Limited on [insert date of deed poll] ("Deed Poll").

Name	
Address	
Number of Preference Shares to be Redeemed	
Redemption Amount	

The Company gives notice that it will Redeem the above number of Preference Shares held by the Holder by paying the Redemption Amount

Signed by the Company on [insert date]

[insert execution clause]

Signing Page

Executed as a Deed:

Executed by Trustees Australia Limited
in accordance with section 127
of the *Corporations Act 2001* (Cth)

.....
Directors Signature

.....
Secretary/Director Signature

.....
Name of Director (Print)

.....
Name of Secretary/Director (Print)