
INCENTIVE OPTION SCHEME TERMS AND CONDITIONS

Capitalised terms in this schedule has the same meaning as those defined in the Incentive Option Scheme and the Glossary.

(a) **Eligibility and Grant of Options**

The Board may grant Options to:

- (i) a Director (whether executive or non-executive) of any Group Company;
- (ii) a full or part time employee of any Group Company;
- (iii) a casual employee or contractor of a Group Company to the extent permitted by the Class Order; or
- (iv) a prospective participant, being a person to whom the Offer is made but who can only accept the Offer if an arrangement has been entered into that will result in the person becoming an Eligible Participant under clauses (i), (ii) or (iii) above,

who is declared by the Board to be eligible to receive grants of Options under the Incentive Option Scheme.

(b) **Consideration**

Unless the Options are quoted on the ASX, Options issued under the Incentive Option Scheme will be issued for no more than nominal cash consideration.

(c) **Exercise Price and Expiry Date**

The exercise price and expiry date for Options granted under the Incentive Option Scheme will be determined by the Board prior to the grant of the Options. To the extent the ASX Listing Rules specify or require a minimum price, the Option Exercise Price in respect of an Option offered under an Offer must not be less than any minimum price specified in the ASX Listing Rules.

(d) **Vesting Conditions**

An Option may be made subject to Vesting Conditions as determined by the Board in its discretion and as specified in the Offer for the Option.

An Option granted under the Scheme will not vest and be exercisable unless the Vesting Conditions (if any) attaching to the Option have been satisfied and the Board has notified the Participant of that fact.

(e) **Acceptance Time Period**

An Eligible Participant (or permitted Nominee) may only accept an Offer no later than the Closing Date set out in the Offer Document.

(f) **Number of Options**

Subject to Rule 4.13 of the Incentive Option Scheme, the number of Options (if any) to be offered to an Eligible Participant from time to time will be determined by the Board in its discretion and in accordance with the Rules and applicable law and the ASX Listing Rules.

Each Option will entitle the holder to subscribe for and be allotted one Share.

(g) Limitations on Issues

The Company must have reasonable grounds to believe, when making an Offer, that the number of Shares to be received on exercise of Options offered under an Offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by ASIC Class Order 14/1000 or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the Offer.

(h) Quotation of Options

Options will not be quoted on the ASX, except as provided for by the Incentive Option Scheme or unless the Offer provides otherwise.

(i) Lapsing of Options

An Option will lapse upon the earlier to occur of:

- (i) an unauthorised dealing in, or hedging of, the Option occurring, as governed by Rule 6.3(c) of the Incentive Option Scheme;
- (ii) a Vesting Condition in relation to the Option is not satisfied by the due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to waive the Vesting Condition and vest the Option under Rule 7.2 (*Vesting Condition Exceptions*) or clause 10.1(c)(ii) of the Incentive Option Scheme applies;
- (iii) in respect of unvested Options only, a holder ceases to be an Eligible Participant, unless the Board:
 - (A) exercises its discretion to vest the Option under Rule 7.2 (*Vesting Condition Exceptions*) of the Incentive Option Scheme;
 - (B) in its absolute discretion, resolves to allow the unvested Options to remain unvested after the holder ceases to be an Eligible Participant; and
 - (C) in respect of vested Options only, a holder ceases to be an Eligible Participant and the Option granted in respect of that holder is not exercised within one (1) month (or such later date as the Board determines) of the date the Relevant Person ceases to be an Eligible Participant.
- (iv) the Board deems that an Option lapses due to fraud, dishonesty or other improper behaviour of the holder/Eligible Participant under Rule 10.2 of the Incentive Option Scheme (*Fraud and Related Matters*);
- (v) the Company undergoes a Change of Control or a winding up resolution or order is made, and the Option does not vest in accordance with Rule 7.2 (*Vesting Condition Exceptions*) of the Incentive Option Scheme; and
- (vi) the Expiry Date of the Option.

(j) **Personal Offer**

Subject to Rule 4.4 of the Incentive Option Scheme, an Offer is personal and is not assignable.

(k) **Exchange Due to Change of Control**

If a company (**Acquiring Company**) obtains control of the Company as a result of a Change of Control and both the Company and the Acquiring Company agree, a Participant may, in respect of any vested Options that are exercised, be provided with shares of the Acquiring Company, or its parent, in lieu of Shares, on substantially the same terms and subject to substantially the same conditions as the Shares, but with appropriate adjustments to the number and kind of shares subject to the Options.

(l) **Participation in Rights Issues and Bonus Issues**

There are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(m) **Reorganisation**

If at any time the capital of the Company is reorganised, the terms of the Options will be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.

(n) **Overriding Restrictions on Issue and Exercise**

Notwithstanding the Rules or the terms of any Option, no Option may be offered, granted or exercised and no Share may be issued under the Incentive Option Scheme if to do so:

- (i) would contravene the Corporations Act, the ASX Listing Rules or any other applicable law; or
- (ii) would contravene the local laws or customs of an Eligible Participant's country of residence or in the opinion of the Board would require actions to comply with those local laws or customs which are impractical.