

WANGLE TECHNOLOGIES LIMITED
ACN 096 870 978**TERMS AND CONDITIONS OF PERFORMANCE SHARES**

The terms and conditions of the Performance Shares are as follows:

Rights attaching to the Performance Shares

- (a) **(Performance Shares)**: Each Performance Share is a share in the capital of Wangle Technologies Limited (ACN 096 870 978) (**Company**).
- (b) **(General meetings)**: Each Performance Share confers on the holder (**Holder**) the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to the holders of fully paid ordinary shares in the capital of the Company (**Shareholders**). Holders have the right to attend general meetings of Shareholders.
- (c) **(No voting rights)**: A Performance Share does not entitle the Holder to vote on any resolutions proposed by the Company except as otherwise required by law.
- (d) **(No dividend rights)**: A Performance Share does not entitle the Holder to any dividends.
- (e) **(No rights to return of capital)**: A Performance Share does not entitle the Holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (f) **(Rights on winding up)**: A Performance Share does not entitle the Holder to participate in the surplus profits or assets of the Company upon winding up.
- (g) **(Not transferable)**: A Performance Share is not transferable.
- (h) **(Reorganisation of capital)**: If at any time the issued capital of the Company is reconstructed (including a consolidation, subdivision, reduction, cancellation or return of issued share capital), all rights of a Holder will be changed to the extent necessary to comply with the applicable ASX Listing Rules at the time of reorganisation.
- (i) **(Application to ASX)**: The Performance Shares will not be quoted on ASX. However, if the Company is listed on ASX at the time of conversion of the Performance Shares into fully paid ordinary shares (**Shares**), the Company must within 10 Business Days apply for the official quotation of the Shares arising from the conversion on ASX.
- (j) **(Participation in entitlements and bonus issues)**: A Performance Share does not entitle a Holder (in their capacity as a holder of a Performance Share) to

participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

- (k) **(Amendments required by ASX):** The terms of the Performance Shares may be amended as necessary by the Company's board in order to comply with the ASX Listing Rules, or any directions of ASX regarding the terms provided that, subject to compliance with the ASX Listing Rules, following such amendment, the economic and other rights of the Holder are not diminished or terminated.
- (l) **(No Other Rights):** A Performance Share gives the Holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

Conversion of the Performance Shares

- (m) **(Milestones):** A Performance Share in the relevant class will convert into one Share upon achievement of:
 - (i) **Class A:** the Company (or an entity controlled by the Company) having a consumer based android app based on use of the Group's Technology publicly available in the Google Play store within 3 years from the date of settlement of the Acquisition (**Milestone A**);
 - (ii) **Class B:** the Company (or an entity controlled by the Company) having a consumer based iOS app based on use of the Group's Technology publicly available in the Apple App Store within 3 years from the date of settlement of the Acquisition (**Milestone B**);
 - (iii) **Class C:** the Company (or an entity controlled by the Company) receiving \$1,000,000 in cumulative revenue, as confirmed by the Company's auditor or another suitably qualified independent third party mutually agreed by the Company and NexGen, pursuant to an agreement to license the Group's Technology within 3 years from the date of settlement of the Acquisition (**Milestone C**); and
 - (iv) **Class D:** the Company (or an entity controlled by the Company) having 1,000,000 paying users of the Group's Technology publicly available in the Google Play or Apple App store within 3 years from the date of settlement of the Acquisition (**Milestone D**),

(each a **Milestone** and together the **Milestones**).

For the avoidance of doubt, "**Acquisition**" means the acquisition by the Company of 100% the A Class Shares in NexGen Networks Limited (a company registered in New Zealand with NZBN 9429041699768) as further described in the Company's Notice of Meeting dated 23 November 2015.

- (n) **(Conversion on change of control):** Notwithstanding the relevant Milestone has not been satisfied, upon the occurrence of either:

- (i) a takeover bid under Chapter 6 of the *Corporations Act 2001* (Cth) having been made in respect of the Company having received acceptances for more than 50% of the Company's shares on issue and being declared unconditional by the bidder; or
- (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies,

that number of Performance Shares that is equal to 10% of the Shares on issue immediately following conversion under this paragraph will convert into an equivalent number of Shares. The conversion will be completed on a pro rata basis across each class of Performance Shares then on issue as well as on a pro rata basis for each Holder. Performance Shares that are not converted into Shares under this paragraph will continue to be held by the Holders on the same terms and conditions.

- (o) **(Redemption if Milestone not achieved)** If the relevant Milestone is not achieved by the required date, then each Performance Share in that class will be automatically redeemed by the Company for the sum of \$0.00001 within 10 Business Days of non-satisfaction of the Milestone.
- (p) **(Conversion Procedure):** The Company will issue the Holder with a new holding statement for the Share issued upon conversion of a Performance Share within 10 Business Days following the conversion.
- (q) **(Ranking upon conversion):** The Share into which a Performance Share may convert will rank pari passu in all respects with the existing Company Shares.