



LONG TERM INCENTIVE PLAN

RULES

Total Face Group Limited

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TOTAL FACE GROUP LIMITED

ACN 169 177 833

LONG TERM INCENTIVE PLAN

RULES

1. Interpretation

Definitions

1.1 Meanings shall apply to capitalised terms used in these Rules as specified in this provision, unless the context otherwise requires:

Applicable Law means applicable laws of the State of Victoria and the Commonwealth of Australia;

ASIC means the Australian Securities and Investments Commission;

Associate has the same meaning as in the Income Tax Assessment Act 1936 (Cth);

ASX Settlement Operating Rules means the Rules promulgated from time to time by ASX Limited;

Board means the board of directors of the Company or a committee appointed by the board of directors;

Business Day has the meaning given in the Listing Rules;

Ceases to be Employed by a Group Company means ceases to be employed by a Group Company and not be employed by any other Group Company or ceases to be an authorised representative of the Company, a Subsidiary of the Company (“authorised representative”);

Change of Control means a change of control of the Company such that the replacement of the majority of the Board is imminent or will result in a person having a relevant interest in more than 50% of the Shares on issue;

Class Order means ASIC Class Order [co 14/1000] or any individual instrument of relief granted by ASIC to the Company equivalent to that class order;

Company means Total Face Group Limited CAN 169 177 833;

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

Director means a person holding the office of a director of the Company;

Eligible Participant means an executive or director of a member of the Group who is declared by the Board to be an Eligible Participant for the purposes of the Plan.

Employee means an employee of the Company who is a permanent full time employee and includes an executive or an officer who serves as a non-executive director;

Employee Share Plan means the Plan and any other plan or similar arrangement the purpose of which is to provide rights to acquire Shares;

Employment means employment or appointment (in the sense of holding office) by a Group Company or appointment as an authorised representative;

Exercise Date has the meaning in Clause 7.2 or such other meaning as may be determined by the Board and stated in an Invitation;

Exercise Price means the amount payable on exercise of a Right (if any);

Expiry Date means the date on which a Right lapses, being the specified date after the Grant Date as prescribed by the Board in the Invitation;

Grant Date means the date on which a Right is, or is deemed to be granted;

Group Company means each of the Company and any Related Body Corporate of the Company;

Holding Lock means in respect of Plan Shares, a facility that prevents those Plan Shares from being deducted from or entered into the holding of securities pursuant to a transfer as defined in Section 2 of the ASX Settlement Operating Rules;

Incapacity means an Employee's inability, in the opinion of the Board, to perform his or her duties because of his or her illness or incapacity;

Invitation means an invitation that is issued to an Eligible Participant under Rule 4;

Listing Rules means the Listing Rules of the Securities Exchange (including the terms of any waiver given under those rules) as they apply to the Company from time to time;

Measurement Period means any measurement period determined by the Board as part of a Performance Condition;

Participant means:

- (a) an Eligible Participant or Nominee to whom a Right is granted; and
- (b) for the purposes of exercising the Rights of that person (being a natural person) on death or legal incapacity, his or her duly appointed legal personal representative;

Participating Company means each Group Company to which the Board resolves that the Plan extends;

Performance Condition means any condition prescribed by the Board as a condition that must be Satisfied before a Right may be exercised, as described in any applicable Invitation;

Plan means the Long Term Incentive Plan established under these Rules;

Plan Share means, in relation to a Right, each Share that a Participant has a right to acquire under the Right;

Nominee means a person or entity nominated by the Eligible Participant which may include an Associate;

Redundancy means termination of Employment of an Employee by a Participating Company due to economic, technological, structural or other organisational change where, through no act or default of the Employee:

- (a) the Participating Company no longer requires the duties and responsibilities carried out by the Employee to be carried out by anyone;
- (b) the Participating Company no longer requires the position held by the Employee to be held by anyone; or
- (c) the Participating Company has materially changed the duties and responsibilities or some other fundamental feature of the position held by the Employee;

Related Body Corporate has the meaning given by section 50 of the Corporations Act;

Right means each right under the Plan to acquire:

- (a) a Share; and
- (b) each additional Share that the Participant is entitled to acquire under the Right by operation of Rule 13 ("Adjustment to Rights");

Rules means these rules which apply to the Plan;

Satisfied means, in relation to a Performance Condition, that the Performance Condition is satisfied wholly or partially where applicable;

Securities Exchange means the ASX Limited;

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

Shareholder Approval means a shareholder resolution passed by a simple majority at a general meeting of shareholders of the Company.

Subsidiary means, in relation to a company, a body corporate that is a subsidiary of the Company in terms of Division 6 of Part 1.2 of the Corporations Act;

Takeover Bid has the meaning given in section 9 of the Corporations Act;

Termination means termination of Employment by a Group Company other than by Termination for Cause;

Termination for Cause means summary termination of Employment by a Group Company for serious misconduct or fraud, or termination by a Group Company or an employee in circumstances where the Group Company otherwise had the right to summarily terminate the Employment for serious misconduct or fraud. Serious misconduct means conduct amounting to repudiation of the contract of Employment by the Employee and in the case of any Employee means termination by the Company pursuant to his or her employment agreement (if any);

Terms of Grant means, in relation to a Right:

- (a) these Rules; and
- (b) the Invitation to apply for the Right;
- (c) each Performance Condition and each other term or condition prescribed by the Board, that applies to the Right, and
- (d) each certificate or statement issued with respect to the grant of the Right under Rule 5 ("Grant of Rights");

Tranche means a number of Rights, each having the same Grant Date and Expiry Date but which may be subject to different Performance Conditions.

Vested means, in relation to a Right, a Right that a Participant is entitled to exercise in accordance with the Terms of Grant.

Interpretational Rules

Rules of interpretation shall apply to this Agreement as specified in this provision, unless the context otherwise requires:

- (a) **(headings)**: headings and subheadings are for convenience only and shall not affect interpretation, except for specified cross-references;
- (b) **(plurality)**: words denoting the singular number include the plural, and the converse also applies;
- (c) **(gender)**: words denoting any gender include all genders;
- (d) **(parties)**: any reference to a party to any agreement or document includes its successors and permitted assigns and substitutes by way of assignment or novation;
- (e) **(amendments)**: any reference to any agreement or document includes that agreement or document as amended at any time;
- (f) **(provisions)**: any reference to a provision is a reference to a clause of, or schedule, annexure, exhibit or attachment to, this Agreement including each subclause, paragraph and subparagraph of that provision; and
- (g) **(cross-references)**: any reference to a provision described, prefaced or qualified by the name, heading or caption of a provision of this Agreement means a cross-reference to that provision.

2. Deferred Taxation

Application of Subdivision 83A-C of the Income Tax Assessment Act

- 2.1 Subdivision 83A-C (Deferred inclusion of gain in assessable income) of *the Income Tax Assessment Act 1997 (Cth)*, as amended by the *Tax and Superannuation Laws Amendment (Employee Share Schemes) Bill (Cth) 2015* when enacted, will apply to this Plan.

3. Rights

The Company may grant Rights whenever the Board determines

- 3.1 At times determined by the Board, the Company may grant Rights in favour of an Eligible Person or procure their grant by a third party.

Rights to acquire new or existing Shares

- 3.2 The Rights may be rights to acquire Shares:

- (a) that are issued by the Company to the Participant; or
 - (b) that are transferred by a third party to the Participant;
- or both.

Rights may be subject to any Performance Condition or other condition

- 3.3 The Company may, at the Board's discretion, grant a Right subject to any Performance Condition and any other term or condition that the Board prescribes.

No payment for the grant of a Right

- 3.4 No payment is required for the grant of a Right unless the Board determines otherwise.

Exercise Price for a Right

- 3.5 The Exercise Price (if any) for a Right is an amount determined by the Board or by the application of a method of calculating the Exercise Price that is prescribed by the Board.

Financial Assistance

- 3.6 A Participating Company may provide financial assistance within the meaning of Part 2J.3 of the Corporations Act to enable the Company to comply with its obligations under Rule 10 ("Delivery of Shares on Exercise of Rights").

Shareholder approval

- 3.7 Where Rights are granted and shareholder approval is required pursuant to the Listing Rules then the Grant Date shall be deemed to be the date that shareholders approve the grant.

4. Invitation to apply for Rights

The Board may issue invitations

- 4.1 The Board may issue to an Eligible Participant a written Invitation, in such form as the Board determines, to apply for Rights.

Invitation to indicate who may apply for Rights

- 4.2 The Board will state in the Invitation that the Eligible Participant is invited to apply for Rights.

Information to be stated in an Invitation

- 4.3 The Board will determine, and state in the Invitation to the following effect:

- (a) whether the Rights are to be granted in a single Tranche or in several Tranches;
- (b) the number of Rights for which the applicant may apply in each Tranche, or how the number is calculated;
- (c) if there is an amount payable for the grant of a Right, the amount and/or how it is calculated;
- (d) if there is an Exercise Price for a Right, the amount and/or how it is calculated;
- (e) if there is an Exercise Date;
- (f) the Measurement Period for each Tranche and/or how it is fixed;
- (g) the Expiry Date (if any) for each Tranche or other number of Rights within a Tranche and/or how it is fixed;
- (h) each Performance Condition;
- (i) any restriction on the numbers of Rights that may be exercised, or that may be exercised at one time;
- (j) such other terms or conditions that the Board decides to include; and
- (k) how to apply for the Rights including:
 - (i) the name or title of the person designated by the Board as the person to whom the application must be sent; and
 - (ii) the time and date by which the application must be received by the person referred to in paragraph (k)(i).

How to apply for Rights

4.4 An Eligible Participant may apply for Rights by:

- (a) duly completing and signing an application on behalf of the Eligible Participant or Nominee of the Eligible Participant (in the form included with the Invitation);
- (b) sending the completed and signed form of application to the person designated by the Board, so that that person receives it by the time and date stated in the Invitation (unless the Board determines otherwise); and
- (c) complying with any other instructions in the Invitation.

Applicant undertakes to be bound

4.5 By applying for Rights the applicant agrees to be bound by their Terms of Grant and by the constitution of the Company both as a Participant and, in respect of any Plan Share, as a shareholder in the Company.

5. Grant of Rights

Company to grant or procure grant of Rights

- 5.1 On or after receipt of an application for Rights the Company may, at the Board's discretion, grant or procure the grant by a third party of Rights to the applicant, subject to the Terms of Grant.

Certificate or statement

- 5.2 Following the grant of Rights, the Company will issue or procure the issue to the Participant of a certificate or statement (or both) setting out with respect to the grant:
- (a) the name of the Participant;
 - (b) the Grant Date;
 - (c) the number of Rights granted in each Tranche;
 - (d) if any Rights have an Exercise Price, the Exercise Price for each Right or how it is calculated;
 - (e) the performance measurement date in respect of the Measurement Period for each Tranche;
 - (f) the Expiry Date for each Tranche or other number of Rights within a Tranche;
 - (g) a reference to each Performance Condition;
 - (h) any restriction on the numbers of Rights that may be exercised or that may be exercised at one time;
 - (i) the Exercise Date; and
 - (j) such other terms or conditions that the Board decides to include.

Rights may not be transferred or encumbered

- 5.3 A Right may not be transferred or otherwise dealt with (including for the purposes of this Rule, be disposed of, encumbered, made subject to any interest in favour of any other person) and lapses immediately on purported transfer or dealing unless the Board, in its absolute discretion, approves the transfer or dealing or the transfer is effected by operation of law on death or legal incapacity to the Participant's legal personal representative.

6. Register of Rights

Rights granted under the Plan (and Shares issued or acquired on their exercise) will be registered in the appropriate register of the Company.

7. Exercise of Rights

Manner of Exercise

7.1

- (a) When permitted to do so under this Rule 7.1 and the Terms of Grant, a Participant may exercise a Right in the way required by the Company, and where applicable, by also paying the Exercise Price (if any) to, or as directed or permitted by, the Company.
- (b) The Board retains the discretion to permit Participants to exercise their Rights at any time unless the Terms of Grant are required to be approved by shareholder of the Company in which event any variation of the Terms of Grant must be approved by shareholders.

Exercise Date

7.2 A Participant may exercise a Right only on or after:

- (a) a date determined by the Board on completion of the applicable Measurement Period and following all other Performance Conditions being Satisfied; or
- (b) any earlier date on which the Participant becomes entitled to exercise the Right under:
 - (i) Rule 8 ("Exercise following death or other cessation of Employment");
 - (ii) Rule 11 ("Takeover or scheme of arrangement").

Limit on period when Right may be exercised

7.3 A Right lapses and may not be exercised after:

- (a) the Expiry Date; or
- (b) any earlier date on which the Right lapses under the Terms of Grant.

Board may extend period for exercise by Participant

7.4 Notwithstanding the provisions of Rule 7.1(b) the Board may, in writing, extend the period during which a Participant may exercise a Right to a later date.

No exercise on bankruptcy

7.5 It is a condition precedent to the exercise of a Right if the Participant is a natural person, that the Participant is not bankrupt and has not committed an act of bankruptcy unless the Board permits a Participant to exercise in these circumstances.

Rights may be exercised before completion of Measurement Period

7.6 If:

- (a) the Board gives notice that a Participant may exercise Rights within a particular period; or

- (b) a Participant otherwise becomes entitled to exercise Rights within a particular period;

then, subject to Rules 7.1 to 7.5, but whether or not any Performance Condition has been Satisfied, the Participant may exercise the Rights within that period in addition to any other period during which the Rights may be exercised.

8. Exercise following death or other cessation of employment

Exercise of Right on death of Participant

8.1 If, before a Right is exercised, the Participant dies at a time when:

- (a) the Participant has not Ceased to be Employed by a Group Company; or
- (b) the Participant has Ceased to be Employed by a Group Company and the Participant is entitled to exercise the Right under Rule 8.2;

then (subject to the provisions of Rule 7 ("Exercise of Rights")) the Participant may exercise all Vested Rights as at the date of death on and from the date of death until the expiry of twelve months after that date. Any Rights that are not Vested on the date of death of the Participant may be exercised until the expiry of twelve months after the date when those Rights become Vested Rights.

Exercise of Right if Participant otherwise Ceases to be Employed by a Group Company

8.2 If, before a Right is exercised, the Participant Ceases to be Employed by a Group Company for any reason other than death, then (subject to the provisions of Rule 7 ("Exercise of Rights")):

Redundancy, Incapacitation or Termination

8.3 If in the opinion of the Board, the Employment ceases because of Redundancy, Incapacity or Termination, the Participant may exercise all Vested Rights as at the date of cessation of employment within 30 days of that date and any Rights that are not Vested on the date of cessation of employment may be exercised until the expiry of 30 days after the date when those Rights become Vested Rights;

Termination for Cause

8.4 If, in the opinion of the Board, the Employment ceases because of Termination for Cause, any Rights granted hereunder whether Vested or not and remaining unexercised shall lapse as at the date of Termination for Cause;

Resignation

8.5 If, in the opinion of the Board, the Employment ceases by virtue of the Employee resigning in circumstances that do not fall within paragraphs (a) or (b) of Rule 8.1, all Rights granted hereunder whether Vested or not and remaining unexercised shall

lapse as at the date of resignation;

Other causes

- 8.6 If, in the opinion of the Board, the Employment ceases for any reason other than death, Incapacity, Redundancy or Termination for Cause, or resignation as referred to above, the Participant may exercise Rights only if and to the extent permitted by the Board in writing, on and from the cessation date until the expiry of whatever term the Board may determine.

9. A Right lapses following death or other cessation of employment

If a Participant becomes entitled to exercise a Right under Rule 8 (“Exercise following death or other cessation of Employment”), the Right lapses on the later of:

- 9.1 the expiry of the period during which it may be exercised under that Rule; and
- 9.2 if, pursuant to Rule 7.4, the Board extends the period during which the Participant may exercise the Right to a later date, the expiry of that extended period.

10. Delivery of shares on exercise of rights

How Rights are Satisfied

- 10.1 The Company satisfies a Participant's Right in accordance with the provisions of this Rule and the other Terms of Grant.

Issue or Transfer of Shares

- 10.2 After Rights are exercised, the Company, within the period applicable under the Listing Rules, shall issue or procure the transfer to the Participant of each Plan Share to which the Participant is entitled under the Rights.

Shares issued by Company to rank pari passu

- 10.3 All Shares issued under the Plan will rank pari passu in all respects with the Shares of the same class for the time being on issue, except for any rights already attaching to the Shares then on issue by reference to a record date before the date of the allotment to the Participant under the Plan.

Shares to be quoted on the Securities Exchange

- 10.4 If Shares of the same class as Shares issued under the Plan are quoted on the Securities Exchange, the Company will apply to the Securities Exchange within the period applicable under the Listing Rules, if any, for the Shares issued under the Plan to be quoted.

Restriction as to dealing

- 10.5 If, under the Terms of Grant of a Right, a Share resulting from the exercise of a Right is subject to a restriction as to disposal (including a Holding Lock) or other dealing (which includes transferring, encumbering or making subject to any interest in favour of any other person), the Board may implement any procedure that it considers appropriate and that complies with the Listing Rules, to ensure compliance with the restriction.

Participant's agreement as to restriction

- 10.6 Each Participant undertakes that while a Share acquired by the Participant as a result of the exercise of a Right is subject to any restriction procedure applied under Rule 10.5, the Participant will not take any action or permit another person to take any action to remove the restriction procedure.

Expiry of restriction

- 10.7 On the expiry of a restriction over a Share, the Company will, within the period (if any) applicable under the Listing Rules, give whatever notice or instruction it sees fit to enable the Participant to deal with the Share.

11. Takeover or Scheme of Arrangement

Where there is publicly announced any proposal (whether by Takeover Bid, scheme of arrangement or otherwise) in relation to the Company by which the Board reasonably believes may lead to a Change of Control of the Company, then:

- 11.1 50% of unvested Rights granted within the last three years will become Vested Rights as soon as the Board forms the opinion that the proposal (whether by Takeover Bid, scheme of arrangement or otherwise) will occur; and
- 11.2 up to 50% of the remaining unvested Rights granted within the last three years may become Vested Rights as determined by the Board in its absolute discretion.

12. Right lapses in case of takeover or Scheme of Arrangement

If a Participant becomes entitled to exercise a Right under Rule 11 ("Takeover or scheme of arrangement"), the Right lapses on the later of:

- 12.1 the expiry of the period allowed for exercise under Rule 11; and
- 12.2 if, pursuant to Rule 7.4, the Board extends the period during which the Participant may exercise the Right under Rule 11 to a later date, the expiry of that extended period.

13. Adjustment to Rights

Bonus issue

13.1 If Shares are issued pro rata to the Company's shareholders generally by way of bonus issue (other than in place of dividends or by way of dividend reinvestment involving capitalisation):

- (a) a Participant is entitled, on exercise of a Right, to receive Shares, in addition to the Plan Shares that relate to the Right immediately before the bonus issue;
- (b) the number of additional Shares that the Participant has a right to acquire under paragraph (a) is the number that would have been issued to a shareholder who, at the date for determining entitlements under the bonus issue, held Shares equal in number to the Plan Shares mentioned in paragraph (a); and

no consideration is payable for the additional bonus Shares.

Rights issue – implications for Rights with an Exercise Price

13.2 If:

- (a) Shares are offered pro rata for subscription by the Company's shareholders generally by way of a rights issue; and
- (b) the price at which each Share is offered is less than the market price calculated in accordance with the formula for "P" below, the Exercise Price of each Right is reduced according to the following formula:

$$O' = O - \frac{E(P-(S+D))}{N+1}$$

Where:

- O' = the new Exercise Price of the Right;
- O = the old Exercise Price of the Right;
- E = the number of underlying Plan Shares into which one Right is exercisable;
- P = the average market price per Share (weighted by reference to volume) in the ordinary course of trading on the Securities Exchange during the 5 trading days ending on the day before the ex rights or ex entitlements date;
- S = the subscription price for a Share under the pro rata issue;
- D = the dividend due but not yet paid on Shares of the same class as the Plan Shares (except those to be issued under the pro rata issue referred to paragraph (a)); and
- N = the number of Shares with rights or entitlements that must be held to receive a right to one new Share.

Rights issue – implications for Rights with no Exercise Price

- 13.3 In the circumstances referred to in Rule 13.2 (a) and (b) and subject to the Listing Rules, the Board may make such adjustment to the number of Shares relating to a Right as it considers appropriate, subject to the prior confirmation in writing by the auditors of the Company that the adjustment is, in their opinion fair and reasonable.

Sub-division, consolidation, reduction or return

- 13.4 If there is any re-organisation, including any subdivision, consolidation, reduction, or return of the issued capital of the Company, the number of Rights to which each Participant is entitled or the Exercise Price or both, is adjusted in the way specified by the Listing Rules in force from time to time.

Limited right to participate in new issues

- 13.5 Subject to the preceding Rules, a Right does not entitle a Participant to participate in any new issue of securities of the Company.

Fractions of Shares rounded

- 13.6 If application (or cumulative successive applications, where applicable) of any of the provisions of this Rule 13 to a Participant's Rights results, by reference to the total number of Rights that are affected, in a number of Shares that includes a fractional Share, the Board shall round it down to the nearest whole number.

Adjustments to Exercise Price of Rights rounded

- 13.7 If application (or cumulative successive applications, where applicable) of any of the provisions of this Rule 13 to the Exercise Price of Rights results, by reference to the total number of Rights whose Exercise Price is affected, in a number that includes a fraction, the fraction is expressed to four decimal places, as cents.

14. Independent advice

- 14.1 Eligible Participants should obtain their own independent advice on the financial, taxation and other consequences which may apply to them as a result of or relating to their participation in the Plan.

15. Administration of Plan

Board to administer

- 15.1 The Board administers the Plan and may:
- (a) determine appropriate documentation and procedures for administration of the Plan consistent with the Rules; and
 - (b) delegate to any one or more persons, including a plan company or a trustee established for the purposes of this or any other Employee Share Plan established by the Company, for such period and on such conditions

as it may determine, the exercise of any of its powers or discretions under the Rules or appoint one or more persons, including such a trustee, to perform any of the functions provided for in, or contemplated by, the Rules.

Board has unfettered discretion

- 15.2 Except as otherwise expressly provided in the Rules, the Board has absolute and unfettered discretion in the exercise of any of its powers or discretions under the Rules and to act or refrain from acting under the Rules or in connection with the Plan.

Board's power to waive conditions

- 15.3 The Board may, in relation to a Right, waive in whole or in part, on terms it considers appropriate, any Performance Condition.

Administration costs

- 15.4 The Company will pay all expenses, costs and charges in relation to the establishment and operation of the Plan, including all costs incurred or associated with an issue, transfer or allocation of Shares pursuant to the exercise of Rights awarded to Participants under the Plan.

Indemnification

- 15.5 The Company indemnifies, on a full indemnity basis and to the full extent permitted by law, each person who is or has been a director or alternate director for all losses or liabilities incurred by the person as an officer of the Company or a related body corporate in relation to any act or matter covered by or arising out of the administration of the Plan including, but not limited to, a liability for negligence or for reasonable costs and expenses incurred:
- (a) in defending proceedings, whether civil or criminal, in which judgment is given in favour of the person or in which the person is acquitted; or
 - (b) in connection with an application in relation to such proceedings in which the court grants relief to the person under the Corporations Act.

Indemnity is an ongoing obligation

- 15.6 The indemnity under Rule 15.5 is a continuing obligation and is enforceable by a person to whom the indemnity applies even though that person may have ceased to be an officer of the Company.

Limitations on indemnity

- 15.7 The indemnity under Rule 15.5 operates only to the extent that the loss or liability is not covered by insurance and the person concerned acted honestly and in good faith and the indemnity is not otherwise prohibited by the Corporations Act.

Tax Requirements and Disposal Costs

- 15.8 Notwithstanding Rule 15.4:
- (a) the Group has the power to withhold from amounts otherwise owing to a Participant, or to require a Participant to remit to it, an amount sufficient to satisfy all federal, state, local and foreign withholding tax requirements, and any other governmental imposts, in respect of any or all of the Shares held by the Participant under the Plan; and
 - (b) any brokerage, commission, stamp duty or other transaction costs in connection with the disposal of the Shares of a Participant acquired under the Plan will be paid for by the Participant.

Responsibility for Participant's Tax

- 15.9 The Company will not be responsible for any tax which may become payable by a Participant in connection with the issue, transfer or allocation of any Shares under this Plan.

Share buy-back

- 15.10 If:
- (a) a Participant is required or wishes to dispose of Plan Shares; or
 - (b) a trustee or other person holds Shares for the purposes of the Plan (and, if applicable, any other Employee Share Plan) and determines they are no longer required;
- the Company may enter into an employee share scheme buy-back arrangement with the Participant, trustee or other person, as the case may be, in respect of those Shares under the Corporations Act Chapter 2J Pt 2J.1.

Board's decision is final

- 15.11 If there is any dispute or disagreement as to the interpretation of the Rules or as to any right, obligation, Right or Share under or in relation to the Terms of Grant, the decision of the Board is final and binding on all persons.

Limitation on issue of Shares

- 15.12 Subject to Shareholder Approval, no Invitation will be made if the number of Shares which have been or would be issued in any of the following circumstances in aggregate would exceed 5% of the total number of Shares on issue at the date of the Invitation:

- (a) the number of Shares that may be issued as a result of the Rights and Options granted under this Plan; and
- (b) the number of Shares which were or may be issued as a result of offers made at any time during the previous 3 year period:
 - (i) under any other Group employee incentive scheme covered by the Class Order; and
 - (ii) an ASIC exempt arrangement of a similar kind to an employee incentive scheme as defined in the Class Order.

Suspension or cancellation of Plan

15.13 The Board may, at any time, suspend the granting of any Rights under, or cancel the Plan, but without prejudice to the rights of a Participant in respect of any Rights or Shares acquired or to be acquired under a Right.

16. Amendments to the Rules

Board may amend the Rules

16.1 Subject to these Rules, the Listing Rules and the Company's constitution, the Board may by resolution amend (meaning, for the purposes of this Rule 16, amend, add to, revoke, substitute or replace) the Rules or any of them, including this Rule. This Rule also applies, subject to Rule 7.1(b), to the other Terms of Grant.

Certain rights of Participants may not be reduced

16.2 The Board may not amend the Rules or other Terms of Grant if, in its opinion, the amendment would materially reduce the rights of a Participant in respect of a Right granted before the date of the amendment, or a Share to be transferred under the Right, unless the amendment is introduced primarily:

- (a) for the purpose of complying with any State or Commonwealth legislation that affects the Plan;
- (b) to correct a manifest error;
- (c) to address possible adverse tax implications for Participants generally or any Group Company arising from:
 - (i) a ruling of any relevant taxation authority;
 - (ii) a change to tax legislation (including an official announcement by any relevant taxation authority); or
 - (iii) the interpretation or a change in interpretation of tax legislation by a court of competent jurisdiction or by any relevant taxation authority; or
- (d) to enable a Participating Company to comply with its constitution, any State or Commonwealth legislation or the Listing Rules.

Board notifies Participants who are affected

16.3 As soon as reasonably practicable after making an amendment under this Rule, the Board, by written notice, will inform each Participant affected.

17. Terms of employment or appointment not affected

Terms of Employment not affected

17.1 The Rules do not:

- (a) form part of any contract of Employment or any arrangement in respect of any such Employment, between an Employee and a Group Company; or
- (b) constitute a related condition or collateral arrangement to any such contract of Employment or arrangement;

and participation in the Plan does not in any way affect the rights and obligations of an Employee under the terms of his or her Employment or arrangement.

Rights and obligations under Plan not affected

17.2 The terms of an Employee's Employment or arrangement with a Group Company do not in any way affect the rights and obligations under the Plan of the Employee as a Participant.

No claim as a consequence of termination of Employment or appointment

17.3 A Participant has no right to compensation or damages from any Group Company in respect of any loss of future rights under the Plan, as a consequence of termination of an Employee's Employment or arrangement.

18. Connection with other incentive scheme or plans

Participation in the Plan does not affect, and is not affected by, participation in any other incentive scheme or plan operated by the Group unless the terms of that other scheme or plan provide otherwise.

19. Correction of errors

19.1 In the event that any error or mistake has been made in relation to the number of Rights the subject of:

- (a) an Invitation under Rule 4;
- (b) any certificate or statement regarding Rights issued under Rule 5.2; or
- (c) any advice as to the extent to which a Performance Condition is Satisfied;
- (d) that Invitation, certificate, statement or advice, as the case may be, shall be null and void and of no legal effect to the extent of any such error or

mistake and the Board may in its absolute discretion correct such error or mistake, without the need to obtain consent from the relevant Eligible Person or Participant, by notice to that person and, where appropriate, may issue an amended Invitation, certificate, statement or advice.

- 19.2 The Board will notify the relevant person within a reasonable period after discovering and correcting the error or mistake.

20. Notices

How notices are given

- 20.1 A notice (meaning for the purposes of this Rule 20, notice, application, permission or other communication) under the Rules or in connection with the Plan may be given in writing, addressed to the person to whom it is given, and is taken to be given and received if sent in accordance with Rule 20.2, 20.3, or 20.4.

How a notice may be given to the Company or another Group Company

- 20.2 For the purposes of Rule 20.1 a notice is duly given and received by the Company or another Group Company if sent to the company by pre-paid mail or by facsimile or other electronic communication, to an address at which it is actually received by:
- (a) the person who is, from time to time, designated by the Board as the person to whom the notice should be sent or by whom it should be received, and whose name or title and address are notified to the sender; or
 - (b) if no other person is designated by the Board for this purpose, the secretary of the company.

How a notice may be given to any other company

- 20.3 For the purposes of Rule 20.1 a notice is duly given and received by a company other than a Group Company if sent to the company:
- (a) by pre-paid mail to its registered office; or
 - (b) by facsimile or other electronic communication to the last known facsimile or other electronic communication address of its registered office.

How a notice may be given to a natural person

- 20.4 For the purposes of Rule 20.1 a notice is duly given and received by a natural person (other than a person referred to in Rule 20.2) if sent to:
- (a) the person's last known mailing address or the person's last known facsimile or other electronic communication address; or

- (b) in the case of a Participant, to the last known mailing, facsimile or other electronic communication address of the place of business at which the person performs the whole or substantially the whole of his or her Employment.

Notice treated as given even if person deceased

- 20.5 A notice given under Rule 20.1 to a person being a natural person (referred to in Rule 20.4), is duly given even if the person is then deceased (and whether or not any Group Company has notice of his or her death), unless the legal personal representative of the person has established title to this position to the satisfaction of the Company and supplied to the Company an address to which documents should be sent.

Time when notices are treated as given

- 20.6 A notice sent in accordance with Rule 20.1 is treated as given and received:
 - (a) in the case of a notice sent to the Company or another Group Company, at the time it is actually received by the appropriate person referred to in Rule 20.2;
 - (b) in the case of any other notice sent by prepaid mail, 48 hours after it was put into the post properly stamped; and
 - (c) in the case of any other notice sent by facsimile or other electronic communication, at the time of transmission.

21. Overriding restriction

- 21.1 Notwithstanding any Rule, Rights may not be issued, transferred or dealt with under the Plan if to do so would contravene any Applicable Laws or where the compliance with any Applicable Law would in the opinion of the Board be unduly onerous or impractical.

22. Constitution, Listing Rules and Governing Law

Constitution and Listing Rules

- 22.1 The Rules are subject to the Company's constitution and applicable Listing Rules in force from time to time.

Governing law

- 22.2 The Rules are governed by the laws in force in the State of Victoria and the Commonwealth of Australia.