

Appendix 3G

Notification of issue, conversion or payment up of equity +securities

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.

If you are an entity incorporated outside Australia and you are issuing a new class of +securities other than CDIs, you will need to obtain and provide an International Securities Identification Number (ISIN) for that class. Further information on the requirement for the notification of an ISIN is available from the Create Online Forms page. ASX is unable to create the new ISIN for non-Australian issuers.

*Denotes minimum information required for first lodgement of this form, with exceptions provided in specific notes for certain questions. The balance of the information, where applicable, must be provided as soon as reasonably practicable by the entity.

Part 1 – Entity and announcement details

Question no	Question	Answer
1.1	*Name of entity <i>We (the entity here named) give notice of the issue, conversion or payment up of the following unquoted +securities.</i>	Sensera Limited (ASX:SE1)
1.2	*Registration type and number <i>Please supply your ABN, ARSN, ARBN, ACN or another registration type and number (if you supply another registration type, please specify both the type of registration and the registration number).</i>	ABN 73 613 509 041
1.3	*ASX issuer code	SE1
1.4	*This announcement is <i>Tick whichever is applicable.</i>	<input checked="" type="checkbox"/> A new announcement <input type="checkbox"/> An update/amendment to a previous announcement <input type="checkbox"/> A cancellation of a previous announcement
1.4a	*Reason for update <i>Mandatory only if "Update" ticked in Q1.4 above. A reason must be provided for an update.</i>	The Issue of Unlisted Options (SE1AB) under the Employee Share Ownership Plan (ESOP).
1.4b	*Date of previous announcement to this update <i>Mandatory only if "Update" ticked in Q1.4 above.</i>	N/A
1.4c	*Reason for cancellation <i>Mandatory only if "Cancellation" ticked in Q1.4 above.</i>	N/A
1.4d	*Date of previous announcement to this cancellation <i>Mandatory only if "Cancellation" ticked in Q1.4 above.</i>	N/A
1.5	*Date of this announcement	17 August 2020

Part 2 – Type of issue

Question No.	Question	Answer
2.1	<p>*The +securities the subject of this notification are:</p> <p><i>Select whichever item is applicable.</i></p> <p><i>If you wish to notify ASX of different types of issues of securities, please complete a separate Appendix 3G for each type of issue.</i></p>	<p><input type="checkbox"/> +Securities issued as a result of options being exercised or other +convertible +securities being converted and that are not to be quoted on ASX</p> <p><input type="checkbox"/> Partly paid +securities that have been fully paid up and that are not to be quoted on ASX</p> <p><input checked="" type="checkbox"/> +Securities issued under an +employee incentive scheme that are not being immediately quoted on ASX</p> <p><input type="checkbox"/> Other [please specify]</p> <p><i>If you have selected 'other' please provide the circumstances of the issue here:</i></p>
2.2a.1	<p>Please state the number and type of options that were exercised or other +convertible securities that were converted (including their ASX security code if available)?</p> <p><i>Answer this question if your response to Q2.1 is "securities issued as a result of options being exercised or other convertible securities being converted and that are not to be quoted on ASX".</i></p>	N/A
2.2a.2	<p>And the date the options were exercised or other +convertible securities were converted:</p> <p><i>Answer this question if your response to Q2.1 is "securities issued as a result of options being exercised or other convertible securities being converted and that are not to be quoted on ASX".</i></p> <p><i>Note: If this occurred over a range of dates, enter the date the last of the options was exercised or convertible securities was converted.</i></p>	N/A
2.2b.1	<p>Please state the number and type of partly paid +securities that were fully paid up (including their ASX security code if available)?</p> <p><i>Answer this question if your response to Q2.1 is "partly paid securities that have been paid up and that are not to be quoted on ASX".</i></p>	N/A
2.2b.2	<p>And the date the +securities were fully paid up:</p> <p><i>Answer this question if your response to Q2.1 is "partly paid securities that have been paid up and that are not to be quoted on ASX".</i></p> <p><i>Note: If this occurred over a range of dates, enter the date the last of the securities was fully paid up.</i></p>	N/A

2.2c.1	<p>Please state the number and type of +securities (including their ASX security code) issued under an +employee incentive scheme that are not being immediately quoted on ASX</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>	250,000 Unlisted Options (SE1AB) to acquire fully paid ordinary shares						
2.2c.2	<p>*Please attach a document or provide details of a URL link for a document lodged with ASX detailing the terms of the +employee incentive scheme or a summary of the terms.</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>	SE1 Employee Share Ownership Plan (ESOP) rules are attached to this document.						
2.2c.3	<p>*Are any of these +securities being issued to +key management personnel (KMP) or an +associate</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>	No						
2.2c.3.a	<p>*Provide details of the recipients and the number of +securities issued to each of them.</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX" and your response to Q2.2c.3 is "Yes". Repeat the detail in the table below for each KMP involved in the issue. If the securities are being issued to the KMP, repeat the name of the KMP or insert "Same" in "Name of registered holder". If the securities are being issued to an associate of a KMP, insert the name of the associate in "Name of registered holder".</i></p> <table border="1" data-bbox="338 1173 1364 1267"> <thead> <tr> <th data-bbox="338 1173 676 1223">Name of KMP</th> <th data-bbox="676 1173 1050 1223">Name of registered holder</th> <th data-bbox="1050 1173 1364 1223">Number of +securities</th> </tr> </thead> <tbody> <tr> <td data-bbox="338 1223 676 1267">N/A</td> <td data-bbox="676 1223 1050 1267"></td> <td data-bbox="1050 1223 1364 1267"></td> </tr> </tbody> </table>		Name of KMP	Name of registered holder	Number of +securities	N/A		
Name of KMP	Name of registered holder	Number of +securities						
N/A								
2.2d.1	<p>*The purpose(s) for which the entity is issuing the +securities is:</p> <p><i>Answer this question if your response to Q2.1 is "Other".</i></p> <p><i>You may select one or more of the items in the list.</i></p>	<p><input type="checkbox"/> To raise additional working capital</p> <p><input type="checkbox"/> To fund the retirement of debt</p> <p><input type="checkbox"/> To pay for the acquisition of an asset [provide details below]</p> <p><input type="checkbox"/> To pay for services rendered [provide details below]</p> <p><input type="checkbox"/> Other [provide details below]</p> <p><i>Additional details:</i> N/A</p>						
2.2d.2	<p>Please provide any further information needed to understand the circumstances in which you are notifying the issue of these +securities to ASX, including (if applicable) why the issue of the +securities has not been previously announced to the market in an Appendix 3B</p> <p><i>You must answer this question if your response to Q2.1 is "Other". If there is no other information to provide, please answer "Not applicable" or "N/A".</i></p>	N/A						

2.3	<p>*The +securities being issued are: <i>Tick whichever is applicable</i></p>	<p><input checked="" type="checkbox"/> Additional +securities in an existing unquoted class that is already recorded by ASX ("existing class")</p> <p><input type="checkbox"/> New +securities in an unquoted class that is not yet recorded by ASX ("new class")</p>
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Part 3A – number and type of +securities being issued (existing class)

Answer the questions in this part if your response to Q2.3 is "existing class".

Question No.	Question	Answer
3A.1	*ASX security code & description	SE1AB Unlisted Options
3A.2	*Number of +securities being issued	250,000
3A.3a	*Will the +securities being issued rank equally in all respects from their issue date with the existing issued +securities in that class?	Yes
3A.3b	<p>*Is the actual date from which the +securities will rank equally (non-ranking end date) known?</p> <p><i>Answer this question if your response to Q3A.3a is "No".</i></p>	N/A
3A.3c	<p>*Provide the actual non-ranking end date</p> <p><i>Answer this question if your response to Q3A.3a is "No" and your response to Q3A.3b is "Yes".</i></p>	N/A
3A.3d	<p>*Provide the estimated non-ranking end period</p> <p><i>Answer this question if your response to Q3A.3a is "No" and your response to Q3A.3b is "No".</i></p>	N/A
3A.3e	<p>*Please state the extent to which the +securities do not rank equally:</p> <ul style="list-style-type: none"> • in relation to the next dividend, distribution or interest payment; or • for any other reason <p><i>Answer this question if your response to Q3A.3a is "No".</i></p> <p><i>For example, the securities may not rank at all, or may rank proportionately based on the percentage of the period in question they have been on issue, for the next dividend, distribution or interest payment; or they may not be entitled to participate in some other event, such as an entitlement issue.</i></p>	N/A

Part 3B – number and type of +securities being issued (new class)

N/A

Part 4 – Issue details

Question No.	Question	Answer
4.1	*Have the +securities been issued yet?	Yes
4.1a	*What was their date of issue? <i>Answer this question if your response to Q4.1 is "Yes".</i>	1 January 2019 Note: A review of ESOP security issues was recently completed. This review identified options granted and not yet reported.
4.1b	*What is their proposed date of issue? <i>Answer this question if your response to Q4.1 is "No".</i>	N/A
4.2	*Are the +securities being issued for a cash consideration? <i>If the securities are being issued for nil cash consideration, answer this question "No".</i>	No.
4.2a	*In what currency is the cash consideration being paid <i>For example, if the consideration is being paid in Australian Dollars, state AUD. Answer this question if your response to Q4.2 is "Yes".</i>	N/A
4.2b	*What is the issue price per +security <i>Answer this question if your response to Q4.2 is "Yes" and by reference to the issue currency provided in your response to Q4.2a. Note: you cannot enter a nil amount here. If the securities are being issued for nil cash consideration, answer Q4.2 as "No" and complete Q4.2c.</i>	N/A
4.2c	Please describe the consideration being provided for the +securities <i>Answer this question if your response to Q4.2 is "No".</i>	Nil consideration provided
4.3	Any other information the entity wishes to provide about the issue	No

Part 5 – Unquoted +securities on issue

Following the issue of the +securities the subject of this application, the unquoted issued +securities of the entity will comprise:

Note: the figures provided in the table in section 5.1 below are used to calculate part of the total market capitalisation of the entity published by ASX from time to time. Please make sure you include in the table each class of unquoted securities issued by the entity.

Restricted securities should be included in table 5.1.

5.1				
	*ASX security code and description	Exercise Price AUD	Expiry date	Number
	SE1AB Unlisted options	\$0.15	30-Jun-22	800,000
		\$0.35	29-Nov-22	750,000
		\$0.35	29-Nov-22	2,250,000
		\$0.35	17-Dec-22	1,500,000
		\$0.15	3-Jul-23	750,000
		\$0.15	30-Nov-23	1,000,000
		\$0.15	30-Nov-23	150,000
		\$0.11	31-Dec-23	100,000
		Total		7,300,000
	SE1AC Share Warrants	Lower of \$0.18 or the theoretical ex-rights price (TERP) of any future capital raise to increase shares on issue by more than 15%	8 October 2023	29,755,556
		Lower of \$0.18 or the theoretical ex-rights price (TERP) of any future capital raise to increase shares on issue by more than 15%	24 November 2023	5,800,000
		Lower of \$0.03 or the Adjusted Price as defined in Part 7F.2 Appendix 3B lodged 20 May 2020	19 May 2025	51,200,000
			Total	86,755,556
	Total Share Warrants			86,755,556

Part 6 – Other Listing Rule requirements

The questions in this Part should only be answered if you are an ASX Listing (ASX Foreign Exempt Listings and ASX Debt Listings do not need to complete this Part) and:

- your response to Q2.1 is "+securities issued under an +employee incentive scheme that are not being immediately quoted on ASX"; or
- your response to Q2.1 is "Other"

Question No.	Question	Answer
6.1	<p>*Are the securities being issued under Listing Rule 7.2 exception 13¹ and therefore the issue does not need any security holder approval under Listing Rule 7.1?</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>	Yes. The securities are issued under an Employee Security Ownership Plan which was approved by shareholders 13 November 2017.
6.2	<p>*Has the entity obtained, or is it obtaining, +security holder approval for the issue under listing rule 7.1?</p> <p><i>Answer this question if the response to Q6.1 is "No".</i></p>	No.
6.2a	<p>*Date of meeting or proposed meeting to approve the issue under listing rule 7.1</p> <p><i>Answer this question if the response to Q6.1 is "No" and the response to Q6.2 is "Yes".</i></p>	N/A
6.2b	<p>*Are any of the +securities being issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?</p> <p><i>Answer this question if the response to Q6.1 is "No" and the response to Q6.2 is "No".</i></p>	No.

¹ Exception 13

An issue of securities under an employee incentive scheme if within 3 years before the issue date:

- (a) in the case of a scheme established before the entity was listed – a summary of the terms of the scheme and the maximum number of equity securities proposed to be issued under the scheme were set out in the prospectus, PDS or information memorandum lodged with ASX under rule 1.1 condition 3; or
- (b) the holders of the entity's ordinary securities have approved the issue of equity securities under the scheme as an exception to this rule. The notice of meeting must have included:
 - a summary of the terms of the scheme.
 - the number of securities issued under the scheme since the entity was listed or the date of the last approval under this rule;
 - the maximum number of +equity securities proposed to be issued under the scheme following the approval; and
 - a voting exclusion statement.

Exception 13 is only available if and to the extent that the number of +equity securities issued under the scheme does not exceed the maximum number set out in the entity's prospectus, PDS or information memorandum (in the case of (a) above) or in the notice of meeting (in the case of (b) above).

Exception 13 ceases to be available if there is a material change to the terms of the scheme from those set out in the entity's prospectus, PDS or information memorandum (in the case of (a) above) or in the notice of meeting (in the case of (b) above).

6.2b.1	<p>*How many +securities are being issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?</p> <p><i>Answer this question if the response to Q6.1 is "No", the response to Q6.2 is "No" and the response to Q6.2b is "Yes".</i></p> <p><i>Please complete and separately send by email to your ASX listings adviser a work sheet in the form of Annexure B to Guidance Note 21 confirming the entity has the available capacity under listing rule 7.1 to issue that number of securities.</i></p>	Nil.
6.2c	<p>*Are any of the +securities being issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?</p> <p><i>Answer this question if the response to Q6.1 is "No" and the response to Q6.2 is "No".</i></p>	N/A
6.2c.1	<p>*How many +securities are being issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?</p> <p><i>Answer this question if the response to Q6.1 is "No", the response to Q6.2 is "No" and the response to Q6.2c is "Yes".</i></p> <p><i>Please complete and separately send by email to your ASX listings adviser a work sheet in the form of Annexure C to Guidance Note 21 confirming the entity has the available capacity under listing rule 7.1A to issue that number of securities.</i></p>	N/A

Introduced 01/12/19; amended 31/01/20

SENSERA LIMITED
[ACN 613 509 041]
("the Company")

EMPLOYEE SECURITY OWNERSHIP PLAN

PURPOSE, COMMENCEMENT AND INTERPRETATION

1 PURPOSE OF THIS PLAN

- 1.1 The Board of the Company has adopted this Employee Security Ownership Plan ("this Plan") described in this Plan for the purpose of:
- (a) providing Eligible Persons with an additional incentive to work to improve the performance of the Company;
 - (b) attracting and retaining Eligible Persons essential for the continued growth and development of the Company;
 - (c) to promote and foster loyalty and support amongst Eligible Persons for the benefit of the Company; and
 - (d) to enhance the relationship between the Company and Eligible Persons for the long term mutual benefit of all parties.

2 COMMENCEMENT

This Plan shall commence upon the day it is adopted by the Board, or such later date as the Board may specify.

3 INTERPRETATION

- 3.1 In this Plan, unless the context otherwise requires:

"Associated Body Corporate" means a body corporate (whether incorporated in Australia or elsewhere) in which the Company holds a relevant interest (as defined in the Corporations Act and as if the body corporate was incorporated in Australia) of at least 30%;

"ASX" means (as the context requires) ASX Limited or the prescribed financial market known as ASX operated by ASX Limited and/or its subsidiaries;

"Board" means the board of directors of the Company from time to time (but does not imply a requirement that any act be authorised by a unanimous decision of the Board);

"Company" means Sensera Limited [ACN 613 509 041];

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

"Director" means a director from time to time of the Company;

"Eligible Person" means a person who is:

- (i) an employee of; or
- (ii) a consultant to,

the Company or an Associated Body Corporate and, in the case of consultants, includes bodies corporate;

"Option" means an Option issued under this Plan to subscribe for a Share;

"Other Interest" means a security (within the meaning of the Corporations Act) or other right, interest or entitlement (which may be a conditional right, interest or entitlement) to acquire or receive Shares or to receive or participate in a benefit referable to Shares or the activities of the Company, and without limitation may include a preference share, a performance right, a beneficial interest in shares held by a

trustee or to the proceeds of the sale of shares held by a trustee, or an entitlement to receive amounts calculated as if shares were issued or held by or on behalf of a person (whether alone or with others) and sold;

"Plan" means the Employee Security Ownership Plan as comprised by and contained in this document, as amended from time to time;

"Option holder" means a person who holds Unexercised Options;

"Security" means Shares, Options or Other Interests, as the case requires, and notwithstanding that an Other Interest may not be a security within the meaning of the Corporations Act;

"Share" means an ordinary fully paid share in the capital of the Company; and

"Unexercised Options" means Options issued under this Plan from time to time which have not lapsed and have not been exercised.

- 3.2 The word "offer" is used in this plan and any document under or referring to this Plan for convenience only, and an offer referred to or under this Plan is an invitation to apply for Securities and is expressly not capable of creating a binding contract to issue Securities merely by acceptance.
- 3.3 In this Plan, unless the context otherwise permits and requires, the singular shall include the plural and vice versa.
- 3.4 A reference to an Act or other legislation includes a reference to that Act or legislation as amended, re-enacted or replaced from time to time, and in the case of an Act includes a reference to any applicable subordinate legislation.
- 3.5 Nothing in this Plan will apply to permit or authorise, or be interpreted as permitting or authorising, any act (including an omission) prohibited by law of which is contrary to the constitution of the Company. Acts ancillary to the exercise of powers under this Plan including acts to comply with the law or the constitution of the Company in order to give effect to the purpose and intention of this Plan are acts under this Plan.
- 3.6 If at any relevant time any securities of the Company are admitted to official quotation on ASX this Plan shall be interpreted and applied in accordance with and subject to all applicable listing rules.

SECURITIES AND OTHER INTERESTS

4 NUMBER OF SECURITIES

- 4.1 The total number of Securities which may be issued under this Plan from time to time is the number which is 10% (ten percent) of the number of Shares on issue at the time of issue of the Security.
- 4.2 For the purposes of clause 4.1 a Share issued on exercise of an Option or exercise or conversion of an Other Interest is not to be counted in determining the number of Securities issued under this Plan.
- 4.3 For the purposes of clause 4.1 an Option or an Other Interest which has been exercised or converted, or which has lapsed or been cancelled, is not to be counted in determining the number of Securities issued under this Plan after the Option or Other Interest is exercised, lapses or cancelled.
- 4.4 For the purposes of clause 4.1 a Security which lapses before vesting is not to be counted in determining the number of Securities issued under this Plan after the Security lapses.
- 4.5 For the purposes of clause 4.1 where the invitation or offer in respect of a Security specified the proposed issue of the Security would not occur or would be deferred until or unless an event occurred, a condition (which may be the non-occurrence of an event) was satisfied and/or a period of time passed and the proposed issue was cancelled or be deemed to have been cancelled in accordance with the terms of the invitation or offer and/or this Plan, the Security is not to be counted in determining the number of Securities issued under this Plan.
- 4.6 For the purposes of clause 4.1 the number of Securities represented by an Option or an Other Interest is the number of Shares to be issued upon exercise or conversion of the Option or Other Interest. If the terms of issue of an Other Interest do not provide for a fixed number of Shares to be issued or it is

otherwise not possible to establish at the time of the applicable invitation or offer the exact number of Shares that would be issued upon exercise or conversion of the Other Interest:

- (a) the maximum number of Shares which may be issued if all conditions of exercise or conversion of the Other Interest were to be satisfied shall be counted for the purposes of clause 4.1; and
- (b) the Directors may specify a number of Shares for the purposes of clause 4.1, on the basis of a reasonable estimate of the factor to be included in the calculation of the number of Shares which would be issued (for example, if the price of Shares at the time of exercise or conversion is a factor in the calculation, by using a price representing the price of Shares current at the time an invitation or offer is made in the absence of a minimum price or other determinant of price affecting the calculation).

5 TYPES OF SECURITIES

- 5.1 The Company may issue Securities of any type provided for in this Plan. The choice of the type of Security or Securities for which an invitation or offer is made, or which is issued to an Eligible Person, shall be at the Board's discretion.
- 5.2 The type of Security which is the subject of an invitation or offer shall be specified in the applicable invitation or offer.

6 LOANS

- 6.1 Subject to the Corporations Act, the Company may, at its discretion and without being obliged to do so, offer or make loans to Eligible Persons to assist acquiring or for the purpose of acquiring Securities under the Plan.
- 6.2 The terms of any loan offered under clause 6.1 will be set out or incorporated by reference into the invitation or offer of the Securities (provide that if the terms of the loan are incorporated by reference, without limiting the other ways a copy may be made available, the Board will make a copy available to the named recipient of the invitation or offer within a reasonable period of a written request to do so). Unless the invitation or offer includes provision for an election by the recipient to acquire the Securities without the loan (for example by making payment for the Securities from the recipient's own funds) and the recipient so elects including fulfilling any requirement of such election, acceptance of the issue of Securities to which the invitation or offer applied will constitute acceptance of and an agreement to be bound by the terms of the loan.
- 6.3 Each certificate for Securities issued under this Plan or other document (if any) shall include a statement or be endorsed with a statement that this Plan apply to the Securities evidenced by the document, but this Plan shall still apply despite any failure to include or endorse such a statement on a certificate or other document where an invitation or offer made under this Plan is accepted.

PARTICIPATION IN THIS PLAN

7 ELIGIBILITY AND ENTITLEMENT

- 7.1 Subject to the listing rules of ASX (if applicable) and this Plan, the Board (with the advice of the remuneration committee, if any) shall determine from time to time:
 - (a) the number and type of Securities (if any) an Eligible Person be made an invitation or offer to apply for and acquire under this Plan;
 - (b) the terms of issue of the Securities;
 - (c) whether any sum is to be payable for the issue of the Securities, whether prior to, at the time of or after the issue of the Securities;
 - (d) whether any loan will be proposed or made in connection with the acquisition; and
 - (e) (where applicable) the expiry date, any applicable vesting date or dates, and the exercise price of Options or Other Interests to be offered.

- 7.2 If the Board determines that Securities are to be offered to an Eligible Person, that Eligible Person shall be invited to apply in his or her name or in the name of his or her nominee (provided such nominee is approved by the Board) for all or part of the Securities offered to that person. The Company shall issue the agreed number of Securities following receipt (within the time, if any, specified in the invitation) of the application and, if applicable, payment of any sum specified for the issue of the Securities.
- 7.3 An invitation or offer of Securities may specify that the proposed issue of the Securities will not occur or will be deferred until or unless an event occurs, a condition (which may be the non-occurrence of an event) is satisfied and/or a period of time passes. Until the issue of the Securities the Eligible Person has no claim to the Securities or any Shares that would be issued upon exercise or conversion of an Option or Other Security, and the proposed issue will be deemed to have been cancelled in accordance with the terms of the invitation or offer and/or this Plan.
- 7.4 The Board of Directors retains the right to withdraw an invitation or offer at any time prior to receiving an application from the person to whom the invitation or offer was made, or that person's nominee.
- 7.5 It is a term of any invitation or offer that it may not be accepted by a person who is not an Eligible Person or who is a person to whom securities cannot be offered or issued without disclosure under the Corporations Act. The making or acceptance of an invitation or offer, or the issue of Securities, does not result in or deem a person to be an Eligible Person or to be a person to whom securities cannot be offered or issued without disclosure under the Corporations Act.

8 ACCEPTANCE

- 8.1 The Company shall accept and treat as valid any application or acceptance in response to an invitation or offer provided that the application accords, in all respects, with this Plan, is for the number of Securities to which the Eligible Person is entitled, the recipient has performed or otherwise satisfied all requirements under or applicable to the invitation or offer, and the invitation or offer has not been withdrawn. The Company is not otherwise bound to issue Securities notwithstanding that a person may have received an invitation or offer.
- 8.2 Upon acceptance of application the Company shall deliver a certificate or other record of holding in respect of the Securities granted to the Eligible Person within 20 business days unless the Eligible Person has agreed to the Company or third party retaining or receiving the certificate or record of holdings.
- 8.3 Each Eligible Person (and, if applicable, his or her nominee) will be taken to agree to be bound by this Plan upon the acceptance of an invitation or offer from the Board to take up Securities under this Plan.
- 8.4 If the Company is admitted to the official list of ASX, the recipient of Securities issued under this Plan agrees to complete, execute and comply with any restriction agreement necessary to satisfy the requirements of ASX.

SHARES

9 TERMS OF ISSUE

- 9.1 Shares issued under this Plan are fully paid ordinary shares in the capital of the Company but may be subject to restrictions, special requirements or other terms of issue without necessarily forming a distinct class of securities for the purposes of the Corporations Act.
- 9.2 The Board may determine the restrictions, special requirements or other terms of issue of any Share which may be issued under this Plan, provided such is described in the invitation to apply for or offer of that Share. The description may be by way of reference to this Plan (which in any event is deemed to be incorporated in any such invitation or offer as if set out in the invitation or offer in full) or any other document provided that, without limiting the other ways a copy may be made available, the Board will make a copy available to the named recipient of the invitation or offer within a reasonable period of a written request to do so.
- 9.3 Without limitation, the terms of issue of a Share may specify that the Share is not able to be transferred, disposed of or encumbered until one or more conditions (which may include the passage of time to the occurrence or non-occurrence of an event) are fulfilled or an amount is paid to the Company, or that (subject to the Corporations Act) Shares must be transferred as directed by the Company or sold back,

whether or not for any consideration or compensation, upon the occurrence of an event or if an event does not occur (whether by a particular date or otherwise).

- 9.4 This clause 9 does not limit the nature, class or terms of issue of shares which may be issued under this Plan as Other Securities.

OPTIONS

10 TERMS OF OPTIONS ISSUED UNDER THIS PLAN

- 10.1 Unless otherwise specified in the terms of an offer under this Plan, no amount is payable for a grant of Options.
- 10.2 Each Option shall carry the right in favour of an Option holder to subscribe for one fully paid ordinary Share in the capital of the Company.
- 10.3 Each Option expires at 5.00 pm (Melbourne, Victoria time) on the expiry date specified in the terms of issue of that Option, subject to earlier expiration, lapse or cancellation in accordance with the terms of this Plan.
- 10.4 Options may only be exercised if permitted by this Plan and on the terms of issue. Options cannot be exercised unless vested in accordance with the terms of issue.
- 10.5 The exercise price of each Option shall be as specified in the terms of issue of that Option. The exercise price shall be payable in full on exercise of the Option by the Holder.
- 10.6 The Company may permit cashless exercise of options, at the discretion of the Board.
- 10.7 Options shall be exercisable by the delivery to the registered office of the Company of a notice in writing stating the intention of the Option holder to exercise all or a specified number of Options, accompanied by the relevant Option certificate (if any) and a cheque made payable to the Company for the exercise price of all the Options exercised, or by such other method as the Company may specify (whether at the time of issue or otherwise).
- 10.8 An exercise of only some Options shall not affect the rights of the Option holder under the balance of the Options held by him or her.
- 10.9 If an Option is exercised in accordance with this Plan and its terms of issue, the Company shall issue the resultant Share and deliver notification of share holding within forty (40) business days of the exercise of an Option or such longer time as may be permitted under the listing rules of ASX (if applicable) and the Company's Constitution.
- 10.10 Shares issued pursuant to the exercise of Options shall rank equally with existing Shares of the Company in all respects from the date of issue of the Share. If admitted to the official list of ASX at the time of issue of the Share, the Company will apply for official quotation by ASX of the Shares issued upon exercise of an Option, subject to any restriction obligations imposed by ASX.
- 10.11 Options may not be transferred, assigned or otherwise dealt with except in accordance with clause 12 of this Plan.
- 10.12 The Company is not bound to recognise any transfer or assignment of Options unless made in accordance with clause 12 of this Plan and then only if a copy of the duly executed instrument of assignment or transfer is lodged with the Company.
- 10.13 Holders of Options which have vested will be permitted to participate in any new pro-rata issue of securities of the Company subject to the prior exercise of the Options and any restriction obligations. The Company will ensure that Option holders will be allowed at least seven business days notice to allow for the conversion of Options prior to the record date in relation to any offer of securities made to shareholders.
- 10.14 In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company:

- (a) if at the time of the reconstruction any securities of the Company are admitted to quotation by the ASX or another stock exchange, the Options will be reorganised in accordance with the listing rules or their equivalent applying at the time of the reorganisation; or
- (b) if at the time of the reconstruction no securities of the Company are admitted to quotation by the ASX or other stock exchange, the Options will be reorganised in the same proportion as the underlying ordinary shares (in such a way as not to cause a change in the total exercise price for a post reconstruction holding of Options, disregarding the effect of any fractions or rounding).

Note: That is, in the case referred to in clause 10.14(b), if ordinary shares are reconstructed by each share being divided into four shares, if a pre-reconstruction Option to acquire one ordinary share was exercisable at two dollars, it will be divided into four Options each to acquire one post-reconstruction ordinary share at an exercise price of 50 cents each. The other terms and conditions of the Options will remain unchanged.

- 10.15 The Options will not give any right to participate in dividends until Shares are issued pursuant to the exercise of the relevant Options.
- 10.16 Options issued under this Plan do not confer upon the holder a right to receive notices of general meetings (except as may be required by law), nor any right to attend, speak at or vote at general meetings of the Company.
- 10.17 If offered and issued after the Company is admitted to the official list of ASX, any Options offered and issued shall:
- (a) have an exercise price of not less than the average closing trading price of the Company's listed Shares on the five trading days prior to issuing invitations or offers to accept Options under this Plan;
 - (b) have an expiry date not later than five years after the date of issue; and
 - (c) vest at such times as the Board (with the advice of the remuneration committee) may specify in the applicable invitation to accept an offer of the Options, each of which shall be deemed to form part of the terms of issue of the Options.

11 EXERCISE PERIOD & LAPSE OF OPTIONS

- 11.1 Options lapse and cannot be exercised after the earlier of the expiry date specified in their terms of issue or the date determined in accordance with clause 13 of this Plan in respect of the applicable Eligible Person.
- 11.2 If the Company is admitted to the official list of ASX, Options may only be exercised during a restriction period in accordance with the terms of the restriction and the ASX listing rules.

12 LIMITED TRANSFERABILITY & DEALINGS

- 12.1 Save as otherwise provided in this clause 12, Options are personal to the Eligible Person and are not transferable or assignable and may only be exercised in accordance with this Plan. No Option issued under this Plan shall be capable of being mortgaged, pledged or encumbered in any way whatsoever.
- 12.2 Subject to clause 12.3 of this Plan and provided that the prior written consent of the Board is obtained (such consent not to be unreasonably withheld), clause 12.1 shall not prevent an Option from being transferred or assigned:
- (a) by will or by operation of the laws of succession following the Eligible Person's death; or
 - (b) in accordance with a direction of the Board upon the incapacity of the Eligible Person; or
 - (c) to a spouse or an associated trust or company within the meaning of former section 26AAB(14) of the Income Tax Assessment Act 1936.
- 12.3 Before an Option is transferred or assigned, the transferee must execute a covenant with the Company whereby the transferee agrees to be bound by the terms of this Plan.

12.4 A transferred Option may only be exercised in accordance with this Plan and the terms of issue of the Options.

13 TERMINATION OF RIGHT TO EXERCISE OPTION

13.1 Subject to clauses 13.2 and 13.3 of this Plan, an Option holder's right to exercise Options under this Plan shall terminate within one month of the Option holder ceasing to be an Eligible Person (or, if the Option holder is a nominee of an Eligible Person, the Eligible Person who nominated the nominee ceasing to be an Eligible Person) provided that:

- (a) where an Eligible Person dies and at the date of his or her death that Eligible Person (and his or her nominees) held any Unexercised Options, such Options may be exercised by the legal personal representatives of the Option holder (or, if applicable, his or her nominees) within 12 months of the date of the Eligible Person's death (subject to the earlier expiry or lapse of the Options); or
- (b) where an Eligible Person ceases to be an Eligible Person by reason of the cessation of employment or their engagement as a consultant for whatever reason, other than the circumstances referred to in clause 13.1(e) of this Plan and on the date the Eligible Person ceases to be an Eligible Person, the Eligible Person (and his or her nominees) held any Unexercised Options (subject to the earlier expiry or lapse of the Options), such Options may be exercised at any time within 90 days or such other period, being not less than 90 days, as determined by the Board (in its absolute discretion) prior to, at or following the date upon which the Eligible Person so ceased to be an Eligible Person; or
- (c) where an Eligible Person ceases to be an Eligible Person by reason of:
 - A. the retirement of the Eligible Person at or after attaining the age of 65 years;
 - B. retirement of the Eligible Person before age 65 years with the consent of the Board;
 - C. ill health of, or accident affecting, the Eligible Person; or
 - D. redundancy by reason of participation in a voluntary redundancy scheme of the Company or an Associated Body Corporate or being made redundant or being retrenched by the Company or an Associated Body Corporate,

and on the date the Eligible Person ceases to be an Eligible Person, the Eligible Person (and his or her nominees) held any Unexercised Options, such Options may (subject to the earlier expiry or lapse of the Options) be exercised at any time before the expiry of six months from the date upon which the Eligible Person ceased to be an Eligible Person; or

- (d) where an Eligible Person is declared bankrupt or becomes subject to Part X of the Bankruptcy Act 1966 (Cth) (as amended) and upon such date the Eligible Person held any Unexercised Options, those Unexercised Options shall immediately lapse and cease to be exercisable;
- (e) where an Eligible Person ceases to be an Eligible Person by reason of the Company terminating the Eligible Person's contract of service in circumstances where the Eligible Person has committed gross misconduct, gross negligence, wilful disobedience or due to any other cause or matter which entitles the Company to dismiss the Eligible Person without notice and on the date the Eligible Person ceases to be an Eligible Person, the Eligible Person (and his or her nominees) held any Unexercised Options, such Options shall immediately and automatically lapse and the right of the Eligible Person (and his or her nominees) to exercise those Unexercised Options shall terminate immediately upon dismissal of the Eligible Person; or
- (f) where Options have been assigned in accordance with the terms of this Plan and an event has occurred in respect of the original Option holder (or, in the event that the original Option holder was a nominee of an Eligible Person, then that Eligible Person) of the nature referred to in the foregoing paragraphs of this clause 13.1, the person then the Option holder at that time shall only be entitled to exercise the Unexercised Options within the same time limits (if any) specified in the respective paragraph of this clause 13.1, and otherwise the Unexercised Options shall lapse.

13.2 If at the relevant time any securities of the Company are admitted to quotation by the ASX or other stock exchange, subject to compliance with the listing rules (particularly but not only listing rule 6.23 or its equivalent, if applicable), the Board may, in its discretion, extend the time periods in, or waive the

application of any provision of, clause 13.1 of this Plan, but not so as to extend the expiry date of an Option beyond the expiry date specified in its terms of issue.

- 13.3 Nothing in clauses 13.2 and 13.2 of this Plan shall be taken to permit an Option to be exercised after its expiry date specified in its terms of issue and any reference to a date in those clauses shall be taken to be a reference to the earlier of that date or the expiry date of the relevant option or options.

OTHER INTERESTS

14 NATURE AND TERMS OF OTHER INTERESTS

- 14.1 The Board may determine the nature, rights and liabilities attaching to, and terms of issue of any Other Interest which may be issued under this Plan.
- 14.2 The terms of issue of any Other Interest issued under this Plan may include that the Other Interest may be lapse or be cancelled on such terms as the Board determines. An Eligible Person or other holder of an Other Interest shall have no claim against the Company or any other person if the Other Interest lapses or is cancelled as provided for in its terms of issue.
- 14.3 The Board may adopt rules subordinate to this Plan for the terms of and administration of particular Other Interests, which subordinate rules will apply to those Other Interests as terms of issue of those Other Interests. Clauses 15 to 19 of this Plan (both inclusive, with such amendments as the context requires and permits) will apply to such subordinate rules as if set out in the subordinate rules.

MISCELLANEOUS

15 AMENDMENT OF THIS PLAN

This Plan may only be amended with the prior approval by resolution of the shareholders of the Company in general meeting. If the Company is admitted to the official list of ASX, this Plan may only be amended in accordance with the listing rules of ASX.

16 RIGHTS OF EMPLOYEES OR CONSULTANTS

This Plan shall not form part of any contract of employment between the Company and any of its employees or consultants and shall not confer directly or indirectly on any employee or consultant any legal or equitable rights.

17 GOVERNING LAW

This Plan, any Securities issued under this Plan and any invitation, offer or application under this Plan shall be governed by the laws applying in the State of Victoria, Australia. Each person who accepts an invitation or offer of Securities made under this Plan, or who applies for or receives Securities issued under this Plan, or to whom this Plan otherwise applies submits to the non-exclusive jurisdiction of the Courts of the State of Victoria and the Courts of appeal therefrom.

18 POWERS OF DIRECTORS

- 18.1 This Plan shall be administered by the Board who shall have the power to:
- (a) determine procedures from time to time for administration of this Plan consistent with this Plan;
 - (b) subject to clause 15 of this Plan and (if applicable) the listing rules, amend or modify this Plan; and
 - (c) resolve conclusively all questions of fact or interpretation arising in connection with this Plan.
- 18.2 The Board may delegate any of its powers under this Plan other than the powers in clauses 13.1(b), 13.1(c) and 14. An act by a delegate in accordance with a delegation of powers by the Board will be as good, effective and binding as if it were an act of the Board.

19 TERMINATION AND SUSPENSION OF PLAN

- 19.1 This Plan may at any time be terminated by the Board but such termination shall not, in and of itself, affect the rights of holders of Securities issued or the terms of Securities issued prior to such termination.
- 19.2 The Board may suspend the operation of this Plan for any period it considers desirable, but such suspension will not affect holders of Securities issued or the terms of Securities issued prior to such suspension.