

**ZOOM2U TECHNOLOGIES LIMITED ACN 636 364 246**

**2024 EMPLOYEE OPTION PLAN**

**PLAN RULES**

Dated: 24 October 2024

## Purpose

These are the Rules of the Company's 2024 Employee Option Plan (**Plan**). The purpose of the Plan is to provide Eligible Employees with an opportunity to acquire Options. By doing so, the Plan seeks to provide Eligible Employees with an opportunity to share in the growth in value of the Company and to encourage them to improve the longer-term performance of the Company and its returns to Shareholders. The Plan is also intended to assist the Company to attract and retain skilled and experienced employees and provide them with an incentive to have a greater involvement with and focus on the longer-term goals of the Company. This Plan commences on the date the Board determines.

## 1 Definitions and Interpretation

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### 1.1 Definitions

In these Rules, unless the context otherwise requires:

**Acceptance Period** has the meaning given to that term in Rule 3.2(h);

**Amendment** has the meaning given to that term in Rule 18.1;

**Applicable Law** means any one or more or all, as the context requires, of the following to the extent that they apply to the Company or this Plan:

- (a) the Corporations Act;
- (b) if and for so long the Company is listed on the ASX, the ASX Listing Rules;
- (c) tax laws;
- (d) the Constitution;
- (e) any subordinate legislation, orders, rulings or other binding instruments passed or made by parliament, Australian Securities and Investments Commission or the Australian Taxation Office to clarify or expand paragraphs (a) and/or (c) of this definition;
- (f) any laws of foreign jurisdictions where Participants are resident; and
- (g) any other laws.

**Application Form** means the form the Board determines is to be used by an Eligible Employee to apply for Options under the Plan;

**ASX** means ASX Limited (ACN 008 624 691) or the stock exchange which it operates, as the context required;

**ASX Listing Rules** means the official listing rules of the ASX;

**Bad Leaver** means a Participant who:

- (a) ceases employment or office or contractual relations with any Group Company as a result of:
  - (i) a repeated failure to perform the Participant's duties to the Group Company pursuant to the Participant's employment agreement with the Group Company;
  - (ii) a material breach of the Participant's employment agreement with the Group Company; or
  - (iii) any other circumstances where the Participant caused detriment to any Group Company as determined by the Board in its sole and absolute discretion, acting

reasonably, such as for the Participant's gross negligence, fraud or willful misconduct against any Group Company;

- (b) defaults in fully complying with the Participant's obligations under the Constitution and, if that default is capable of remedy, it has not been remedied within 10 business days after delivery of a notice from the Company to the Participant requiring it to be remedied;
- (c) suffers a Participant Change of Control without the prior written consent of the Company and that event is not remedied within 10 business days of its occurrence;
- (d) is convicted of any serious criminal offence;
- (e) breaches any applicable anti-bribery or corruption law:
  - (i) in relation to any Group Company; or
  - (ii) which has a material financial and/or reputational impact on any Group Company; or
- (f) ceases employment or office or contractual relations with any Group Company as a result of any other circumstance and is not a Good Leaver;

**Board** means the board of directors of the Company or a committee appointed by the board of directors of the Company for the purposes of the Plan;

**Cancellation of Awards** is as described in Rule 6.4;

**Certificate** means, in relation to an Option, the certificate or statement (in a form approved by the Board) issued to the Holder which discloses the number of Options held by the Holder;

**Change of Control Event** occurs where:

- (a) an offer is made for Shares pursuant to a takeover bid under Chapter 6 of the Corporations Act and is, or is declared, unconditional;
- (b) the Court sanctions under Part 5.1 of the Corporations Acts a compromise or arrangement relating to the Company or a compromise or arrangement proposed for the purposes of or in connection with a scheme or the reconstruction of the Company or is amalgamation with any other company or companies;
- (c) any other merger, consolidation or amalgamation involving the Company occurs which results in all Shareholders in aggregate immediately prior to the merger, consolidation or amalgamation being entitled to 50% or less of the voting shares in the body corporate resulting from the merger, consolidation or amalgamation;
- (d) any Group Company enters into agreements to sell in aggregate a majority in value of the businesses or assets (whether or not in the form of shares in a Group Company) of the Group to a person, or a number of person, none of which are Group Companies; or
- (e) the Board determines in its reasonable opinion, Control of the Company has or is to change or pass to one or more persons, none of which are Group Companies.

**Close Relative** means a person who is the spouse, parent, brother, sister or child of the Eligible Employee;

**Company** means Zoom2u Technologies Limited ACN 636 364 246;

**Constitution** means the constitution of the Company, as amended from time to time;

**Control** means:

- (f) in relation to a body corporate by a person:
  - (i) the person determines the composition of the board of directors of the body corporate;
  - (ii) the board of directors of the body corporate is accustomed to act in accordance with the instructions, directions or wishes of the person; or
  - (iii) the person holds or owns (alone or with its associates or related bodies corporate as those terms are defined in the Corporations Act):
    - (A) the majority of the issued shares of the body corporate;
    - (B) the majority of the issued shares of the ultimate holding company of the body corporate; or
    - (C) the majority of any securities or other rights granted by the company entitling holders to distributions based on the profits, earnings or net liquidation proceeds of the company;
- (g) in relation to a trust by a person:
  - (i) the person is the sole trustee of the trust;
  - (ii) the composition of the board of directors of any trustee company of the trust is determined by the person;
  - (iii) the board of directors of any trustee company of the trust is accustomed to act in accordance with the instructions, directions or wishes of the person; or
  - (iv) the person holds or owns (alone or with its associates or related bodies corporate as those terms are defined in the Corporations Act):
    - (A) the majority of the issued shares of any trustee company of the trust;
    - (B) the majority of the issued shares of the ultimate holding company of any trustee company of the trust; or
    - (C) the majority of the units, securities or other rights granted by the trust entitling holders to distributions from the trust; and
- (h) otherwise, has the same meaning as in section 50AA of the Corporations Act;

**Cessation Date** has the meaning given in Rule 8.3;

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

**Delegate** means a person appointed by the Board to exercise its powers and discretions under the Rules;

**Dispose** means in relation to a Share or Option: sell, assign, buy-back, redeem, transfer, convey, grant an option over, grant or allow a Security Interest over; enter into any swap arrangement, any derivative arrangements or other similar arrangement; or otherwise directly or indirectly dispose of a legal, beneficial or economic interest in the Share or Option, (and Disposal has a corresponding meaning).

**Eligible Employee** means:

- (a) an employee of a Group Company;
- (b) an executive director, a non-executive director or a company secretary of a Group Company; or

- (c) a person who satisfied paragraph (a) or (b) of this definition during the 12 months immediately before the date of the Offer Letter issued to that person, other than a person who has been given notice of dismissal for misconduct from his or her employment or office with the Group (or has given notice of resignation in order to avoid such dismissal); or
- (d) a contractor or consultant (or their nominee) who provides services to a Group Company (**contractor**) either directly as a sole-trader or through an incorporated entity;

**Employee Incentive Scheme** means any employee equity scheme extended to senior manager, other employee and/or directors of or a contractor to the Company and its Related Bodies Corporate or any other person nominated by the Company, and includes the Plan;

**Exercise Price** means the amount payable by a Participant to exercise an Option and acquire a Share as specified by the Board in the Offer Letter in relation to that Option;

**Good Leaver** means a Participant who ceases employment or office or contractual relations with any Group Company as a result of:

- (a) death;
- (b) permanent incapacity of the Participant to such an extent as to render the Participant unlikely ever to engage in any occupation for which he is reasonably qualified by education, training or experience as verified by an independent doctor appointed by the Board (if the Board so requires);
- (c) redundancy of the Participant provided the Board has determined the relevant Group Company's need to employ a person for the particular kind of work carried out by that Participant has ceased (but, for the avoidance of doubt, does not include the dismissal of a Participant for personal or disciplinary reasons or where the Participant ceases employment with any Group Company on his own accord);
- (d) Retirement of the Participant provided that Participant is at least 65 years of age or such earlier age as considered appropriate by the Board;
- (e) mutual agreement between the Participant and its Group Company employer; or
- (f) any other circumstance as determined by the Board;

**Group** means the Company and each Subsidiary of the Company and **Group Company** means any of them;

**Holder** means the holder of Options;

**Holding Lock** means a mechanism to prevent a Participant transferring or otherwise dealing with the Options or Shares issued on exercise of the Options;

**Market Value** means

- (a) if the Company's Shares or Options are not listed on the ASX, the market value of an Option (or Options, as applicable) or Share (or Shares, as applicable) as reasonably determined by the Company's Chief Financial Officer or independent valuer; or
- (b) if the Company is listed on the ASX, the market value of an Option (or Options, as applicable) or Share (or Shares, as applicable) calculated by using the volume weighted average prices at which Options or Shares were traded on the ASX over the five trading days immediately preceding the relevant date.

**Nominee** means in respect of an Eligible Employee:

- (c) a person who is a Close Relative of the Eligible Employee;

- (d) a body corporate trust or superannuation fund in which the Eligible Employee or a Close Relative of the Eligible Employee has, or any two or more of the Eligible Employee and Close Relatives of the Eligible Employee together have, a controlling interest (including any interest that gives Control); or
- (e) such other person or entity approved by the Board in its absolute discretion;

**Notice of Exercise Form** means the form the Board determines is to be used by an Eligible Employee to exercise Options under the Plan;

**Offer** means an offer to an Eligible Employee to acquire Options in the Company and **Offer Letter** means the letter of offer to an Eligible Employee inviting that person or his/her Nominee to accept the Offer;

**Option** means an option to subscribe for Share(s) issued in accordance with this Plan;

**Participant** means:

- (a) an Eligible Employee (or his/her Nominee) who accepts an invitation to participate in the Plan, agrees to be bound by these Rules and whose application for Options in accordance with the invitation is accepted by the Board; or
- (b) the legal personal representative of any person referred to in (a) duly appointed on the death or legal incapacity of that person;

**Participant Change of Control** in relation to a Participant, occurs if directly or indirectly the person or persons who at a particular time have Control over the Participant, cease to have such Control or if another person or person's acquire Control of the Participant;

**Performance Hurdles** means conditions or events which must be satisfied before Options may be vested (which may include, without limitation, conditions relating to the profitability of the Company) and/or conditions which may require that the number of Options able to be vested be reduced, or that some or all the Options are forfeited or lapse in circumstances determined by the Board;

**Plan** means the Company's 2024 Employee Option Plan as amended from time to time and operated in accordance with these Rules;

**Related Body Corporate** has the meaning given to that term in the Corporations Act;

**Retirement** means the permanent cessation by a Participant of all gainful employment;

**Rules** means the rules set out in this document, as amended from time to time;

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

**Shareholder** means a holder of a Share;

**Subsidiary** has the meaning given to that term in the Corporations Act;

**Unvested Option** means an Option that is not a Vested Option;

**Vested Option** means an Option in respect of which all Vesting Conditions have been satisfied or which otherwise becomes vested in accordance with these Rules; and

**Vesting Conditions** means, in relation to an Option, the period of time, Performance Hurdles and other vesting conditions determined by the Board at the time of the offer of the Option which are required to be satisfied before the Option becomes a Vested Option.

## 1.2 Interpretation

In these Rules, unless the context otherwise requires:

- (a) a reference to:
  - (i) one gender includes the other;
  - (ii) the singular includes the plural and the plural includes the singular;
  - (iii) a recital, rule, schedule or annexure is a reference to a rule of or recital, schedule or annexure to these Rules and references to these Rules include any recital, schedule or annexure;
  - (iv) any document or other instrument includes any variation or replacement of it and as it may be assigned or novated;
  - (v) a statute, ordinance, code or other law includes subordinate legislation (including regulations) and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
  - (vi) a person or entity includes an individual, a firm, a body corporate, a trust, an unincorporated association or an authority;
  - (vii) a person includes their legal personal representatives (including executors), administrators, successors, substitutes (including by way of novation) and permitted assigns;
  - (viii) a group of persons is a reference to any two or more of them taken together and to each of them individually;
  - (ix) an entity which has been reconstituted or merged means the body as reconstituted or merged, and to an entity which has ceased to exist where its functions have been substantially taken over by another body, means that other body;
  - (x) time is a reference to legal time in Sydney, New South Wales;
  - (xi) a reference to a day or a month means a calendar day or calendar month; and
  - (xii) money (including '\$', 'AUD' or 'dollars') is to Australian currency;
- (b) the meaning of any general language is not restricted by any accompanying example, and the words 'includes', 'including', 'such as', 'for example' or similar words are not words of limitation;
- (c) where an expression is defined, another part of speech or grammatical form of that expression has a corresponding meaning;
- (d) where any inconsistency arises between these Rules and any Offer Letter, terms in the Offer Letter will prevail; and
- (e) if any provision of these Rules is invalid, unenforceable or otherwise ineffective, that invalidity, unenforceability or ineffectiveness does not affect the validity, enforceability, operation, construction or interpretation of any other provision of these Rules, with the intent that the invalid, unenforceable or ineffective provision will be read down or, if it is not capable of being read down, will be treated for all purposes as severable from these Rules.

## **2 Operation of the Plan**

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### **2.1 General**

The Plan must be operated in accordance with these Rules.

## **2.2 Binding Rules**

These Rules bind each Group Company, each Participant and each Holder.

## **2.3 Absolute discretion**

Where these Rules provide for a determination, decision, declaration or approval of the Board or its Delegate, such determination, decision, declaration or approval may be made or given by the Board or its Delegate in its absolute discretion.

## **2.4 Powers to be exercised by Board**

Any power or discretion which is conferred on the Board by these Rules may be exercised by the Board in the interests, or for the benefit, of the Company and the Board is not under any fiduciary or other obligation to any other person.

# **3 Invitation**

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## **3.1 Invitation to participate**

Subject to these Rules and any Applicable Law, the Board or its Delegate may in its absolute discretion from time to time invite Eligible Employees to apply for Options under the Plan on the terms set out in these Rules and any other terms the Board considers appropriate. In selecting Eligible Employees to apply for Options, the Board or its Delegate will have regard to:

- (a) the position in the Group held or to be held by the Eligible Employee;
- (b) the Eligible Employee's length of service with the Group;
- (c) the contribution made by the Eligible Employee to the Group;
- (d) the potential contribution to be made by the Eligible Employee to the Group; and
- (e) any other matters which the Board or the Delegate considers relevant.

## **3.2 Application Form and Offer Letter**

The Board must give to each Eligible Employee who is invited to apply for Options under the Plan an Application Form together with an Offer Letter setting out the following information in relation to the Options:

- (a) the number of Options for which the Eligible Employee may apply;
- (b) the consideration (if any) for the grant of the Options;
- (c) the Exercise Price of the Options or the method of determining such Exercise Price;
- (d) the latest time at which the Options may be exercised;
- (e) any applicable Vesting Conditions (including, without limitation, the period or periods during which the Options or any of them may be exercised and any applicable Performance Hurdles);
- (f) the conditions of any Holding Lock which applies to:



- (i) the Options; and/or
- (ii) the Shares issued on exercise of the Options;
- (g) any other terms and conditions relating to the invitation or the Options, which in the opinion of the Board, are fair and reasonable;
- (h) the time within which the invitation may be accepted by the Eligible Employee (**Acceptance Period**);
- (i) in respect of the initial application made by an Eligible Employee, a summary of, or a copy of, these Rules; and
- (j) any other information or documents that the Applicable Law require the Company to give to the Eligible Employee.

### 3.3 **Participant bound by Application Form, Offer Letter, Rules and Constitution**

By completing and returning the Application Form within the Acceptance Period, a Participant applies for Options under the Plan on the terms of the Offer Letter and agrees to be bound by the terms of the Application Form, the Offer Letter, these Rules and the Constitution.

### 3.4 **Acceptance by Nominee of Eligible Employee**

- (a) An Eligible Employee may by notice to the Board nominate a Nominee in whose favour the Eligible Employee wishes to renounce an invitation received by, or any future invitation that may be made to, that Eligible Employee.
- (b) The Board may, in its discretion, elect not to allow a renunciation of an invitation in favour of a Nominee.
- (c) If the renunciation in favour of a Nominee is permitted by the Board and the Eligible Employee wishes to proceed with the renunciation in favour of its Nominee, then:
  - (i) the Eligible Employee will procure that its Nominee accepts the invitation made to that Eligible Employee;
  - (ii) both the Eligible Employee and the Nominee agree to be bound by these Rules as a Participant; and
  - (iii) the Eligible Employee must procure that the Nominee complies with the terms of the Application Form, these Rules and the Constitution as applicable.

## 4 **Grant of Options**

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### 4.1 **Grant of Options**

Subject to any Applicable Law and the satisfaction of any terms or conditions set out in the Offer Letter and the Application Form, and following receipt of a completed and signed Application Form and the acceptance by the Board of the Application Form, the Company will as soon as practicable after the end of the Acceptance Period:

- (a) issue to the Participant, on the terms of the Offer Letter, the number of Options applied for by the Participant in the Application Form; and
- (b) complete a register of Options in accordance with the Applicable Law.

#### **4.2 No payment for Options**

Unless otherwise determined by the Board, no payment is required for the grant of Options under the Plan.

#### **4.3 Certificate**

Subject to the Applicable Law, the Company may issue a Certificate to a Participant in respect of the Options granted to that Participant. The Company must comply with the Applicable Law with respect to the issue of the Certificate.

### **5 Restrictions on transfer**

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#### **5.1 No transfer**

- (a) Options may not be sold, transferred, mortgaged, charged or otherwise dealt with or encumbered without the prior written approval of the Board.
- (b) While an Option is subject to a Holding Lock, that Option may not be sold, transferred, mortgaged, charged or otherwise dealt with or encumbered without the prior written approval of the Board.

#### **5.2 Prohibition on value schemes or arrangements**

A Participant must not enter into a scheme or arrangement that protects the value of an Option granted under the Plan prior to the Option becoming a Vested Option.

### **6 Vesting of Options**

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#### **6.1 Manner of vesting and exercise**

- (a) The vesting of Options and the exercise of any Options granted under the Plan may only be effected in such form and manner as the Board prescribes.
- (b) Unless the Board determines otherwise, a Participant must provide the Company with a Notice of Exercise Form if the Participant has satisfied any relevant Vesting Conditions and wishes to exercise the Options.

#### **6.2 Other permitted vesting**

The Board may in its absolute discretion determine that an Option will become a Vested Option, whether or not any or all applicable Vesting Conditions have been satisfied if (in the Board's opinion) one of the following events has occurred or is likely to occur:

- (a) the merger or consolidation of the Company into another company;
- (b) the listing of the Company on an approved stock exchange;
- (c) if a takeover bid is made in respect of the Company and the Board recommends acceptance to Shareholders;
- (d) if a scheme of arrangement is made or undertaken in respect of the Company, and the Board in its absolute discretion determines exercise to be appropriate;
- (e) any event similar to those described in Rules 6.2(a) to 6.2(d) involving a change in ownership or control of the Company or all or substantial part of the assets of the Company; or
- (f) any other event as determined by the Board in its absolute discretion.

The Board has the discretion to waive or accelerate Vesting Conditions in respect of a particular Holder.

**6.3 Specific Vesting Conditions and exercise procedure for Options**

- (a) Subject to Rule 6.2, an Option granted under the Plan may only be exercised if, at the time of exercise:
  - (i) the Option is a Vested Option;
  - (ii) the Option has not been forfeited or lapsed under Rule 8;
  - (iii) a Notice of Exercise Form has been completed; and
  - (iv) subject to Rule 6.4, the Exercise Price has been paid.
- (b) The exercise of some Options does not affect the Holder's right to exercise other Options at a later time.
- (c) Following exercise of an Option, the Company must, within such time as the Board determines, issue to the person exercising the Option, that number of Shares in respect of which the Option has been exercised and credited as fully paid.
- (d) Unless the terms of issue of the Options provide otherwise, Shares issued on the exercise of Options will rank equally in all respects with all existing Shares from the date of allotment, including in relation to:
  - (i) voting rights; and
  - (ii) entitlements to participate in:
    - (A) distributions and dividends; and
    - (B) future rights issues and bonus issues,

where the record date for determining entitlements falls on or after the date of allotment.

**6.4 Cancellation of Awards**

If a Participant and the Company agree in writing that some or all of the Options granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Options may be cancelled in the manner agreed between the Company and the Participant.

## **7 Loans**

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The Board may determine in their absolute discretion to offer or procure a Group Company to offer loans to Participants in respect of payment of the Exercise Price on exercise of Options on such terms as agreed between the Company and the Participant.

## **8 Redemption, lapse and forfeiture**

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### **8.1 Options are redeemable**

Subject to the Applicable Law, and unless otherwise provided in these Rules, any or all of the Options issued under this Plan may be redeemed for Market Value consideration at any time by the Board.

### **8.2 End of exercise period**

Subject to Rules 8.3, 8.4 and 8.5, an Option automatically lapses as at the moment immediately after:

- (a) (if that Option is an Unvested Option) the latest time at which that Option may become a Vested Option, as specified by the Board in the Offer Letter; or
- (b) (if that Option is a Vested Option) the latest time at which that Option may be exercised, as specified by the Board in the Offer Letter.

### **8.3 Good Leaver**

If a Participant is a Good Leaver, then on the date of cessation of employment, office or contract (**Cessation Date**):

- (a) all Unvested Options held by the Participant will be automatically forfeited and automatically lapse 30 days after the Cessation Date, unless before the end of that 30 day period the Vesting Conditions applying to some or all of the Unvested Options;
  - (i) are satisfied; or
  - (ii) are waived;

and those Unvested Options are taken to have become Vested Options on the Cessation Date, in which case the Vested Options will be exercisable for the period of 60 days after the Cessation Date and if not exercised by the end of that period will automatically lapse.

- (b) all Offer Letters which have not been accepted by the Participant are automatically revoked; and
- (c) the Participant may exercise all Vested Options within 60 days of the Cessation Date, and if not exercised by the end of that period, the Vested Options will automatically lapse.

#### 8.4 **Bad Leaver**

If a Participant is a Bad Leaver, then on the date of cessation of employment, office or contract:

- (a) all Options held by the Participant (whether vested or otherwise) will be automatically forfeited and automatically lapse;
- (b) the Participant automatically forfeits all of his/her rights, title and interest in all Options;
- (c) all Offer Letters which have not been accepted by the Participant are automatically revoked,

unless the Board determines otherwise.

#### 8.5 **End of period otherwise determined by the Board**

If the Board determines a further period, or reduces the period, in which the Options may be exercised, and such a revised period is more or less than the exercise period specified in the Offer Letter for those Options, then those Options will lapse at the end of that revised period.

#### 8.6 **Cessation of employment – interpretation**

For the purposes of these Rules, a Participant will not be deemed to be either a Good Leaver or a Bad Leaver if:

- (a) the Participant is absent due to approved leave granted by a Group Company;
- (b) immediately after the Participant leaves the employment or office or the contractual relations ends of a Group Company the Participant is employed by, or holds an office or enters contractual relations with, another Group Company;
- (c) the Participant is seconded from a Group Company to a government department or instrumentality or to another company; or
- (d) immediately after the Participant leaves the employment or office or the contractual relations with a Group Company, the Participant is employed by another company in which a Group Company holds a substantial interest at the time of employment, and which has been approved by the Board as an associated company for the purposes of the Plan.

### 9 **Change of Control Event**

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If a Change of Control Event occurs, the Board may in its sole and absolute discretion and subject to the ASX Listing Rules determine how Unvested Options held by a Participant will be treated, including but not limited to:

- (a) determining that Unvested Options (or a proportion of Unvested Options) will vest and become immediately exercisable with such vesting deemed to have taken place immediately prior to the effective date of the Change of Control Event, regardless of whether or not the employment, office or contractual relations of the Participant with any

Group Company is terminated or ceases in connection with the Change of Control Event; and/or

- (b) reducing or waiving any of the Vesting Conditions attaching to those Unvested Options in accordance with Rule 18.1(a).

## **10 Capital reconstructions and new issues**

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### **10.1 Alterations to capital and reconstructions**

Subject to the Applicable Law, if the Company makes any new issue of securities or alterations to its capital by way of a rights issue, bonus issue or other distribution of capital, reduction of capital or reconstruction of capital then the Board may make adjustments to the rights attaching to those Options (including, without limitation, to the number of Shares which may be acquired on exercise of the Options and the Exercise Price of an Option) on any basis it deems fit in its discretion.

### **10.2 New issues**

Subject to the Applicable Law, unless the Board determines otherwise, a Holder is only entitled to participate (in respect of Options granted under the Plan) in a new issue of Shares to existing Shareholders of the Company if the Holder has validly exercised the Holder's Options and become a Shareholder prior to the relevant record date, and is then only entitled to participate in relation to Shares of which the Holder is the registered holder.

## **11 Powers of the Board**

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### **11.1 Powers of the Board**

The Plan will be managed by the Board, which will have power to:

- (a) determine appropriate procedures and make regulations for the administration of the Plan consistent with these Rules;
- (b) resolve and bind the Company and Participants absolutely regarding any question of fact, interpretation, effect or application arising in connection with the Plan;
- (c) determine matters falling for determination under these Rules in its absolute discretion having regard to the interests of and for the benefit of the Company;
- (d) exercise the discretions conferred on it by these Rules or which may otherwise be required in relation to the Plan; and
- (e) delegate to any one or more persons (for such period and on such conditions as it may determine) the exercise of any of its powers or discretions arising under the Plan.

### **11.2 Suspension or termination of Plan**

- (a) The Plan may be suspended or terminated at any time by resolution of the Board.
- (b) In the event of a suspension or termination, these Rules will continue to operate with respect to any Options issued under the Plan prior to that suspension or termination.

## **12 Contracts of Employment and Other Employment Rights**

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### **12.1 Rules not part of employment contract**

- (a) This Plan does not form part of any contract of employment or services between a Group Company, or any Related Body Corporate of a Group Company, and any Eligible Employee.
- (b) Nothing in these Rules confers on any Eligible Employee the right to receive any Options.
- (c) It is a condition of these Rules that the Plan may be terminated at any time at the discretion of the Board and that no compensation under any employment or services contract will arise as a result.

### **12.2 Termination of employment**

This Plan:

- (a) does not confer on any Eligible Employee or Participant the right to continue as an employee or officer or contractor of any Group Company or any Related Body Corporate of a Group Company;
- (b) does not affect any rights which a Group Company, or any Related Body Corporate of a Group Company, may have to terminate the employment or office of or contractual relations with the Eligible Employee or Participant; and
- (c) may not be used to increase damages in any action brought against a Group Company, or any Related Body Corporate of a Group Company, in respect of that termination.

## **13 Connection with other plans**

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Unless the Board otherwise determines, participation in the Plan does not affect, and is not affected by, participation in any other Employee Incentive Scheme by the Company unless the terms of that other Employee Incentive Scheme provide otherwise.

## **14 Notices**

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Any notice or direction given under these Rules is validly given if it is handed to the person concerned or sent by ordinary prepaid post to the person's last known address or given in any reasonable manner which the Board from time to time determines.

## **15 Plan costs and brokerage**

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- (a) Unless otherwise determined by the Board, the Company must pay:
  - (i) all costs, charges and expenses relating to the establishment and operation of the Plan; and
  - (ii) any brokerage for the acquisition of Shares (including, without limitation, upon the exercise of an Options) under the Plan.
- (b) For the avoidance of doubt, the Company is not responsible for any brokerage payable in relation to the sale of Shares or Options held by any Participant.

## **16 General restrictions**

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### **16.1 General**

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

### **16.2 Limit on aggregate number of Options**

An offer of Options may only be made under the Plan at any particular time, if:

- (a) the number of Shares that may be acquired on exercise of rights or options on issue under any Employee Incentive Scheme (including the Plan); plus
- (b) the number of Shares which would be issued if each already issued and outstanding offer with respect to options over Shares under any Employee Incentive Scheme (including the Plan) was to be accepted,

does not exceed 20% of the total number of issued Shares as of the time of the offer unless otherwise approved by the Company's Shareholders.

## **17 Amendment of the Rules, Vesting Conditions or terms of issue**

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### **17.1 General**

Subject to Rule 18.2 and the Applicable Law, the Board may amend, add to, delete, revoke or otherwise vary:

- (a) any or all of the Vesting Conditions or the terms of issue of an Option at any time in any manner it thinks fit in its absolute discretion; or
- (b) these Rules with the written consent of the majority of Shareholders,

**(Amendment).**



## **17.2 Limitation on Amendments**

- (a) No Amendment to the provisions of these Rules may be made which reduces the rights of Participants in respect of Options acquired by them prior to the date of the Amendment, other than an Amendment introduced primarily:
  - (i) for the purpose of complying with or conforming to present or future Applicable Law;
  - (ii) to correct any manifest error or mistake; or
  - (iii) for the purpose of enabling Participants to receive a more favourable taxation treatment in respect of their participation in the Plan.
- (b) No Amendment can be made to Rules 17.2 or 18.1 except with the written consent of the majority of Shareholders.

## **18 Governing law**

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These Rules are governed by and shall be construed in accordance with the laws of the State of New South Wales.