

NEARMAP LIMITED EMPLOYEE SHARE OPTION PLAN

APPROVED BY SHAREHOLDERS 30 NOVEMBER 2015

GENERAL RULES (RULES 1 – 14J)
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1. Interpretation

1.1 In these Rules:

"**Application Form**" means a duly completed and executed application for the issue of Options made by an Eligible Person or Permitted Nominee in respect of an Offer, in the form approved by the Board from time to time.

"**ASIC**" means the Australian Securities and Investment Commission.

"**Associated Body Corporate**" of an issuer means:

- (a) a body corporate that is a related body corporate of the issuer; or
- (b) a body corporate that has voting power in the issuer of not less than 20%; or
- (c) a body corporate in which the issuer has voting power of not less than 20%.

"**ASX**" means ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

"**Board**" means the board of directors of the Company as constituted from time to time.

"**Borrower**" means an Eligible Person and, where appropriate, a Permitted Nominee, who elects to exercise whole or part of the Loan Options granted to him or her and makes a request for the Company to provide a Loan and, in the event of his or her death after the grant to him or her of a Loan, his or her executors, administrators or other legal personal representatives;

"**Business Day**" means a day on which banks are open for business in Western Australia.

"**Certificate**" means the certificate issued by the Company to a Holder in respect of an Option.

"**Change of Control Event**" means a shareholder, or a group of associated shareholders, becoming entitled to sufficient Shares to give it or them the ability, and that ability is successfully exercised, in general meeting, to replace all or a majority of the Board.

"**Company**" means nearmap ltd ACN 083 702 907 and an Associated Body Corporate.

"**Constitution**" means the constitution of the Company.

"**Corporations Act**" means Corporations Act 2001 (Cth).

"**Director**" means a director of the Company from time to time but does not include a person who is only a director by virtue of being an alternate director.

"**Eligible Executive Options**" means options granted to an Eligible Person pursuant to an exemption in section 708 of the Corporations Act whose terms are consistent with the terms of these Rules.

"**Eligible Person**" means at any time a person who then is an employee (whether full-time or part-time) of the Company including salaried Directors.

"**Equity Interests**" has the meaning ascribed to that term in the Listing Rules and as set out in the latest accounts provided to the ASX under the Listing Rules.

"**Exercise Price**" means, in relation to an Option, the price per Share, determined in accordance with clause 8, payable by a Holder on exercise of the Option respect of the Option which, if the Company is listed at that time, shall not be less than the minimum exercise price permitted by the Listing Rules.

"**Expiry Date**" means, in relation to an Option, the expiry date stated in the Certificate.

"**General Rules**" means Rules 1 to 14J (inclusive) of this Plan.

"**Holder**" means, in relation to an Option, the person (whether an Eligible Person, a Permitted Nominee or their legal personal representative) entered in the Company's register of options as the holder of that Option.

"**Interest Rate**" means the Interest Rate determined by the Board in accordance with clause 14B.

"**Issue Date**" means, in relation to an Option, the date on which the Company grants that Option.

"**Listing Rules**" means the Official Listing Rules of ASX as amended, varied, modified or waived from time to time.

"**Loan**" means the amount of money lent to the Holder as approved under clause 14A and, where the context permits, includes any interest charged on the Loan in accordance with clause 14B.

"**Loan Approver**" has the meaning given in clause 14A.2.

"**Loan Invitation**" has the meaning given in clause 14A.1.

"**Loan Options**" means any Option (as defined in these Rules) and any option to acquire a Share held by an Eligible Person or their Permitted Nominee;

"**Loan Shares**" means those Shares issued to the Borrower using funds provided from a Loan that has not yet been repaid.

"**Market Value**" means:

- (a) the average closing sale price of the Shares recorded on the stock market of ASX over the 10 trading days immediately preceding the day on which the Board resolves to offer an Option; or
- (b) in circumstances where there has been no trading in the Shares during the 10 trading days immediately preceding the day on which the Board resolves to offer an Option, the last sale price recorded on the stock market of ASX.

"**Official Quotation**" has the meaning ascribed to it in the Listing Rules.

"**Option**" means an option to acquire a Share as issued pursuant to these Rules, or an Eligible Executive Option brought under the operation of these Rules with the consent of the Optionholder, as the case may be.

"**Partial Loan Repayment Amount**" means the portion of the balance of any amount outstanding in respect of a Loan which the Borrower wishes to repay, as specified in a Partial Loan Repayment Request.

"**Partial Loan Repayment Approval Notice**" has the meaning given in clause 14DA.3.

"**Partial Loan Repayment Request**" has the meaning given in clause 14DA.2.

"**Partial Release Loan Shares**" has the meaning given in clause 14DA.4(a).

"**Permitted Nominee**" means a person or entity permitted by the Board, pursuant to clause 7.2 of the Rules, to accept an offer of Loan Options made to an Eligible Person in place of the Eligible Person.

"**Plan**" means the nearmap ltd Employee Share Option Plan established in accordance with these Rules.

"**Rules**" means the rules contained in this Plan (including the General Rules and the Specific Rules), as amended from time to time.

"**Scheme**" means the employee loan scheme as set out in clauses 14A to 14J.

"**Secretary**" means the secretary of the Company from time to time.

"**Share**" means a fully paid ordinary share in the issued share capital of the Company.

"**Specific Rules**" means Rules 15 to 23 (inclusive) of this Plan.

"**Takeover Bid**" has the meaning given to that term in the Corporations Act.

"**Total and Permanent Disablement**" means that the Eligible Employee has, in the opinion of the Board, after considering such medical and other evidence as is reasonable, become incapacitated to such an extent as to render the Eligible Employee unlikely to ever be able to engage in any occupation for which he is reasonably qualified by education, training or experience.

"**Trading Policy**" means any Company securities trading policy, as amended from time to time.

"**Trust**" means an employee share trust established by the Company, which is governed by the Trust Deed.

"**Trust Deed**" means the document governing the creation and administration of a Trust.

"**Trustee**" means the trustee from time to time of the Trust.

"**Unvested**" means an Option that is not yet capable of being exercised.

"**Vested**" means an Option that is capable of being exercised.

"**Vesting Date**" means the vesting date stated in the Certificate being the date on which an Option becomes capable of being exercised.

"**Voting Power**" has the meaning given to that term in the Corporations Act.

1.2 In these Rules, unless the contrary intention appears:

- (a) a reference to these Rules or another instrument includes any variation or replacement of either of them;
- (b) the singular imports a reference to the plural and vice versa;
- (c) a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (d) a reference to the Shares comprised in the Options is a reference to the Shares for which the Holder for the time being has the option to subscribe for by reason of the grant to the Holder of the Options, including any Shares resulting from an adjustment made pursuant to these Rules;
- (e) a reference to an offer, issue or distribution to the shareholders of the Company generally is a reference to an offer, issue or distribution to the generality of the holders for the time being of Shares, whether or not including holders of other securities issued by the Company and whether or not including persons in particular places outside Australia or other minority groups who may for good reason be excluded from participation;
- (f) headings are for convenience and do not affect the interpretation of these Rules;

- (g) a reference to a person includes a reference to the person's legal personal representatives, executors, administrators and successors, a firm or a body corporate; and
- (h) where any calculation or adjustment made under these Rules produces a fraction of a cent or a fraction of a Share, the fraction will be eliminated by rounding to the nearest whole number favourable to the Holder.

1.3 Terms which are not otherwise defined have the meaning given to them in the Corporations Act.

2. Name of Plan

This Plan shall be called the "nearmap ltd Employee Share Option Plan".

3. Establishment and Termination of The Plan

- 3.1 The Board may establish and administer the Plan in accordance with the terms and conditions set out in these Rules and otherwise as it determines from time to time in its absolute discretion.
- 3.2 The Board may terminate the Plan, or suspend its operation for any period it considers desirable, at any time that it considers appropriate.
- 3.3 The Board may not issue any further Options after the Plan has been terminated. However, these Rules will continue to apply to Options on issue at the date of such termination until the last of those Options lapses or is exercised.
- 3.4 The Board may not grant any Loans after the Plan has been terminated. However, these Rules will continue to apply, subject to any variation in accordance with clause 9, to Loans on issue at the date of such termination until the last of those Loans is repaid in accordance with these Rules.
- 3.5 The Board may implement a Trust for the purposes of acquiring, delivering and holding Shares on behalf of Eligible Persons or their Permitted Nominees who participate in the Plan.

4. Purpose of Plan

- 4.1 The purpose of this Plan is to:
 - (a) recognise the ability and efforts of the employees of the Company who have contributed to the success of the Company;
 - (b) provide an incentive to the employees to achieve the long term objectives of the Company and improve the performance of the Company; and
 - (c) attract persons of experience and ability to employment with the Company and foster and promote loyalty between the Company and its employees.

5. Eligibility

- 5.1 Subject to these Rules, the Board may from time to time determine that any Eligible Person is entitled to participate in the Plan and the extent of that participation. Prior to making that determination, the Board must consider:
 - (a) the seniority of the relevant Eligible Person and the position the Eligible Person occupies within the Company;
 - (b) the length of service of the Eligible Person with the Company;
 - (c) the record of employment of the Eligible Person with the Company;
 - (d) the potential contribution of the Eligible Person to the growth of the Company;
 - (e) the extent (if any) of the existing participation of the Eligible Person (or any Permitted Nominee in relation to that Eligible Person) in the Plan; and

(f) any other matters which the Board considers relevant.

5.2 The Board may exercise its powers in relation to the participation of any Eligible Person on any number of occasions.

6. Offer of Options

6.1 Subject to these Rules and to the Listing Rules, the Company (acting through the Board) may offer Options to any Eligible Person at such times and on such terms as the Board considers appropriate, provided the offer:

- (a) is in writing;
- (b) attaches a copy of this Plan; and
- (c) sets out details of:
 - (i) the number of Options offered;
 - (ii) the exercise price of each Option (or where the exercise price is determinable at some time in the future by reference to a formula, the equivalent price (in Australian dollars) were that formula applied as at the date of the offer);
 - (iii) the vesting date of the Options (if relevant); and
 - (iv) an explanation of the way in which the Company will during the offer period, within a reasonable period of the Eligible Person so requesting, make available to the Eligible Person, the current market price of the shares subject to the Option or any information relevant to calculating the exercise price referred to in clause 6.1(c)(ii) above, if referenced to a formula.

6.2 At the time of making the offer, the Company may invite an Eligible Person to apply for a Loan to fund the Exercise Price on Loan Options by providing the Eligible Person with a Loan Invitation in accordance with clause 14A.

6.3 No monies are payable by an Eligible Person for a grant of an Option, unless the Board decides otherwise.

6.4 Certificates will be dispatched within 10 Business Days after their Issue Date.

7. Accepting Offers

7.1 Upon receipt of an Offer, an Eligible Person may, within the period specified in the Offer:

- (a) accept the whole or any lesser number of Options offered by giving to the Company an Application Form; or
- (b) nominate a nominee in whose favour the Eligible Person wishes to renounce the Offer by notice in writing to the Board. The Board may, in its absolute discretion, resolve not to allow such renunciation of an Offer in favour of a nominee without giving any reason for such decision.

7.2 Upon:

- (a) receipt of the Application Form referred to in clause 7.1(a); or
- (b) the Board resolving to allow a renunciation of an Offer in favour of a nominee ("**Permitted Nominee**") and the Permitted Nominee accepting the whole or any lesser number of Options offered by giving the Company an Application Form,

then the Eligible Person or the Permitted Nominee, as the case may be, will be taken to have agreed to be bound by these Rules and will be granted Options subject to these Rules.

If clause 7.2(b) applies, the Loan Invitation will be withdrawn from the Eligible Person and made to the Permitted Nominee.

7.3 If Options are issued to a Permitted Nominee or an Eligible Person, the Eligible Person must, without limiting any provision in these Rules, ensure that the Permitted Nominee complies with these Rules.

7.4 On the issue of Options following receipt by the Company of an Application Form, an Eligible Person or the Permitted Nominee, as the case may be, becomes a Holder.

8. Exercise Price

The method of determining the Exercise Price of each Option will be determined by the Board with regard to the Market Value of the Shares when it resolves to offer the Option.

9. Amendment to the Rules and the Terms of Loans or Options

The Board may, subject to the Listing Rules:

- (a) alter, delete or add to these Rules at any time (save for the provisions of clause 10);
- (b) amend the terms of any Options already granted under these Rules, with the approval of the Holder; and
- (c) amend the terms of any Loans already granted under these Rules, with the approval of the Borrower.

10. Number of Options to be Issued

10.1 The Company shall not offer or issue Options to any Eligible Person or Permitted Nominee, as the case may be, in accordance with the Plan if the total number of Shares the subject of Options being offered, when aggregated with:

- (a) the number of Shares which would be issued were each outstanding offer or Option, being an offer made or Option acquired pursuant to the Plan or any other employee or executive share scheme extended only to employees or directors of the Company and of associated bodies corporate of the Company, to be accepted or exercised (as the case may be); and
- (b) the number of Shares issued during the previous five years pursuant to the Plan or any other employee or executive share scheme extended only to employees or directors of the Company and of associated bodies corporate of the Company,

but disregarding any offer made, or Option acquired or Share issued by way of or as a result of:

- (c) an offer to a person situated at the time of receipt of the offer outside Australia; or
- (d) an offer that did not need disclosure to investors because of section 708 of the Corporations Act; or
- (e) an offer made under a disclosure document,

would exceed 5% of the total number of issued Shares as at the time of the offer.

11. Powers of the Board

11.1 The Plan shall be administered by the Board who shall have the power to:

- (a) determine procedures from time to time for administration of the Plan consistent with these Rules;

- (b) resolve conclusively all questions of fact or interpretation arising in connection with the Plan; and
- (c) delegate to any one or more persons for such period and on such conditions as the Board may determine to exercise any of the Board's powers or discretions arising under the Plan.

12. Notices

Notices may be given by the Company to any Holder either personally or by sending by post to his or her address as noted in the Company's records or to the address (if any) within the Commonwealth of Australia supplied by him or her to the Company for the giving of notices. Notices for any overseas Holders shall be forwarded and posted by air. Where a notice is sent by post the notice shall be deemed to be served on the day after posting. The signature of any notice may be given by any Director or secretary of the Company. A notice of exercise shall not be deemed to be served on the Company until actually received.

13. No Compensation or Damages

- 13.1 The rights and obligations of any Holder under the terms of his or her employment with the Company are not affected by his or her participation in the Plan.
- 13.2 These Rules do not form part of, and will not be incorporated into, any contract of engagement or employment between a Holder and the Company.
- 13.3 No Holder has any rights to compensation or damages as a result of the termination of his or her employment, so far as those rights arise or may arise from the Holder ceasing to have rights under the Plan as a result of the termination.

14. Governing Law

This Plan and any Options granted under it are governed by the laws of Western Australia and the Commonwealth of Australia.

14A Grant of Loans

- 14A.1 Subject to clause 14A.7, the Company may invite any Eligible Person or, if clause 7.2 applies, any Permitted Nominee to make a written application (in the form as may be prescribed by the Company) to the Company for a Loan to fund the exercise of the Loan Options ("**Loan Invitation**").

The invitation to an Eligible Person or Permitted Nominee to apply for a Loan may be made at the time of making an offer for Options pursuant to clause 6, or at such other time that the Company determines.

- 14A.2 A written application for a Loan must be addressed to, in the case of Permitted Nominees and employees that are not Directors, the chief executive officer of the Company, and in the case of Directors, the Board ("**Loan Approver**").

14A.3

- (a) If the Loan Options are Eligible Executive Options, the written application for a Loan referred to in clause 14A.2 must also include the consent of the Optionholder for the Eligible Executive Options to be brought under these Rules.
- (b) If the Loan Options are not Eligible Executive Options or were not issued pursuant to this Plan, the written application for a Loan referred to in clause 14A.2 must also include the agreement of the Optionholder to comply with the Scheme.

- 14A.4 The Loan Approver will determine whether the Company should grant the Loan after considering the following matters:

- (a) the seniority of the relevant Eligible Person and the position the Eligible Person occupies within the Company;
- (b) the length of service of the Eligible Person with the Company;

- (c) the record of employment of the Eligible Person with the Company;
- (d) the potential contribution of the Eligible Person to the growth of the Company;
- (e) any Loans already granted to the Eligible Person, or Permitted Nominee as the case may be (if any);
- (f) the current sale price of Shares as listed on the ASX as compared to the exercise price of the Loan Options proposed to be exercised; and
- (g) any other matters which the Loan Approver considers relevant.

If the applicant for a Loan is a Permitted Nominee, the Loan Approver shall consider the matters set out in paragraphs (a) to (d) above as they apply to the Eligible Person to whom the initial offer of Loan Options, that was then accepted by the Permitted Nominee, was made.

14A.5 If the Loan is approved, the Company will grant the Eligible Person, or Permitted Nominee as the case may be, a Loan for an amount of the combined exercise price of all the Loan Options intended to be exercised, such Loan to be used solely to fund the exercise of those Loan Options.

14A.6 The Loan referred to in clause 14A.5 shall be provided to the Eligible Person or Permitted Nominee:

- (a) at the time of exercise of the Loan Option, subject to clause 14A.9;
- (b) for the sole purpose of funding the exercise of the Loan Options; and
- (c) in accordance with these Rules and the Borrower agrees to comply with these Rules, or the Scheme only, as the case may be.

14A.7 The exercise of any Loan Options must be in compliance with, and is subject to, the terms of issue of the relevant Loan Options.

14A.8 The maximum amount to be lent to a Borrower who comes within Listing Rule 10.1 must not be equal to or exceed 5% of the Equity Interests in the Company, unless shareholder approval has been obtained under Listing Rule 10.1.

14A.9 The Company may only grant Loans to an Eligible Person, or Permitted Nominee as the case may be, where the volume weighted average price of Shares as listed on the ASX over the 20 days prior to the grant of the Loan is greater than the exercise price of the Loan Options proposed to be exercised by that Eligible Person or Permitted Nominee.

14B Interest on Loans

14B.1 The Board will determine an appropriate Interest Rate on the Loan and provide the applicable Interest Rate (which may be nil) in the Loan Invitation.

14B.2 The Borrower must pay the applicable interest on the Loan to the Company at the Interest Rate, such interest to be calculated daily on the outstanding balance of the loan and accrued interest.

14B.3 The interest will be payable, together with the balance of the Loan, on the Maturity Date as defined in clause 14C.1, and otherwise on the same terms and conditions as repayment of the Loan.

14C Repayment

14C.1 Subject to clauses 14D and 14DA, the Loan will mature and be repayable by the Borrower on the day four (4) years after the grant of the Loan ("**Maturity Date**"). If the Loan is not repaid in full within 14 days of the Maturity Date, the Company may, in its discretion, require the Borrower to sell some or all of the Loan Shares in respect of the matured Loan in accordance with clause 14E.3. The Board may extend the Maturity Date at its discretion.

14C.2 Whilst the Loan is not fully repaid, the Borrower irrevocably directs the Company to use:

- (h) all franked dividends;
- (i) one half of any unfranked dividend; and
- (j) any capital returns or other amounts attributable to shareholders,

in respect of the Loan Shares towards the reduction of the amount outstanding on the Loan in respect of those Loan Shares. Such repayment shall be used to reduce the amount outstanding in respect of each Loan Share covered by the Loan on a pro rata basis.

14C.3 In the event the Company announces a renounceable rights issue and the Borrower elects to sell his or her rights in respect of any Loan Shares then half of the proceeds from the sale of such rights shall be paid to the Company by way of instalment payment of the Loan in respect of those Loan Shares.

14C.4 The Borrower hereby irrevocably appoints the Secretary as his or her attorney in the name of and on behalf of himself or herself, to execute all documents and papers and do such things as the attorney thinks fit for the purposes of satisfying and paying any instalment owing under the Loan to the Company pursuant to clauses 14C.2 and 14C.3. The Borrower agrees that the Secretary as attorney for the Borrower may, in complete satisfaction of each Loan instalment owing to the Company, negotiate over and endorse such negotiable instruments including cheques as may be receivable by the Borrower from the Company or any broker member of the ASX.

14C.5 The Borrower may elect to arrange for the Loan to be repaid by instalments by way of deduction from the Borrower's salary where approved by, and on terms to be agreed with, the Board.

14D Early Repayment of the Loan

14D.1 The Borrower may elect to repay the entire balance of any amount outstanding in respect of the Loan at any time.

14D.2 If the Borrower:

- (a) ceases to be employed by the Company or ceases to be a salaried Director (including by way of resignation, retirement, dismissal, redundancy or disqualification from office);
- (b) dies or suffers a permanent disability; or
- (c) becomes bankrupt,

then the Borrower may elect, by serving written notice on the Company within 1 month (subject to clause 14D.3) from the date of the happening of any of the events referred to above, to:

- (a) have the Company sell some or all of the Loan Shares in accordance with clause 14E.3 and apply the net proceeds of the sale in repayment of the Loan in accordance with clause 14E.4; or
- (b) repay the outstanding amount on the Loan.

If the Borrower is a Permitted Nominee, the relevant person for the purposes of paragraphs (a) to (c) above is the Eligible Person to whom the initial offer of Loan Options was made, that was accepted by the Permitted Nominee.

14D.3 If the Borrower, and in the case of a Permitted Nominee the Eligible Person to whom the initial offer of Loan Options was made that was accepted by the Permitted Nominee, ceases to be an employee because of his or her death, permanent disability or redundancy, the period of 1 month shall be extended to 6 months. The Board may in its sole discretion extend the period for the Borrower, or the Permitted Nominee as the case may be, to make the election referred to in clauses 14D.2 or 14D.3 for as long as it sees fit.

14D.4 In the event that the Borrower, or Permitted Nominee as the case may be, fails to make an election within the time period specified in clause 14D.2 as may be extended under clause 14D.3, the Borrower

will be deemed to have elected to have the Company sell some or all of the Loan Shares in accordance with clause 14D.2(d).

14D.5 At any time 12 months after the grant of the Loan, the Borrower may inform the Secretary that it wishes to sell some or all of the Loan Shares. Upon receipt of this request in writing and approval by the Board, the Secretary will, subject to the Company's employee share trading policy that may exist from time to time and clause 14D.5, sell the Shares in accordance with clause 14E.3 and apply the net proceeds of the sale in accordance with clause 14E.4.

14D.6 The Board may refuse to comply with a request to sell the Loan Shares from the Borrower where the sale of the Loan Shares would be likely to lead to the net proceeds from the sale being less than the outstanding Loan amount in respect of the Loan Shares being sold.

14DA Partial Repayment of the Loan

14DA.1 This clause 14DA applies where the Borrower wishes to repay some (but not all) of the balance of any amount outstanding in respect of the Loan. Where the Borrower wishes to repay all of the balance of any amount outstanding in respect of the Loan, clause 14D.1 will apply.

14DA.2 The Borrower may inform the Secretary in writing that it wishes to repay some of the balance of any amount outstanding in respect of the Loan at any time ("**Partial Loan Repayment Request**"). Upon receipt of a Partial Loan Repayment Request, the Board may approve or refuse the Partial Loan Repayment Request in its absolute discretion by written notice to the Borrower within 1 month following the receipt of the Partial Loan Repayment Request. If the Board fails to notify the Borrower of its approval or refusal of the request within the specified time period, the Board will be deemed to have refused the Partial Loan Repayment Request.

14DA.3 If the Board notifies the Borrower of its approval of a Partial Loan Repayment Request within the time period specified in clause 14DA.2 ("**Partial Loan Repayment Approval Notice**"), the Borrower must repay the Partial Loan Repayment Amount in full within 1 month following receipt by the Borrower of the Partial Loan Repayment Approval Notice. The Board may in its sole discretion extend the period for the Borrower to repay the Partial Loan Repayment Amount for as long as it sees fit.

14DA.4 In the event that the Borrower repays the Partial Loan Repayment Amount in full in accordance with clause 14DA.3:

(a) the number of Loan Shares calculated in accordance with the following formula (and rounded down to the nearest whole Share) will become "**Partial Release Loan Shares**" for the purposes of these Rules:

$$A = B \times C/D$$

where:

A is the number of Partial Release Loan Shares;

B is the total number of Loan Shares to which the Loan relates immediately prior to the repayment of the Partial Loan Repayment Amount;

C is the Partial Loan Repayment Amount; and

D is the balance of all amounts outstanding in respect of the Loan (including, for the avoidance of doubt, any accrued and unpaid interest) immediately prior to the repayment of the Partial Loan Repayment Amount; and

(b) the balance of Loan Shares which do not become Partial Release Loan Shares will remain Loan Shares for the purposes of these Rules.

14E Holding Lock and Power of Sale

14E.1 Until such time as a Loan is repaid in full (in accordance with these Rules):

- (b) the Company will hold all Share certificates (if any) or statements of holding in respect of the Loan Shares (other than any Partial Release Loan Shares);
- (c) the Borrower must not mortgage, charge or otherwise encumber the Loan Shares (other than any Partial Release Loan Shares) until the Loan is repaid in full, unless it has first obtained the prior approval of the Board, which approval may be withheld at its absolute discretion;
- (d) the Borrower must not sell or transfer or attempt to sell or transfer the Loan Shares (other than any Partial Release Loan Shares) except in accordance with these Rules; and
- (e) the Company may implement any procedure it considers appropriate to restrict the Borrower from having the Loan Shares (other than any Partial Release Loan Shares) transferred to another person including, without limitation, imposing a holding lock (as that term is defined in Chapter 19 of the Listing Rules) on all Loan Shares (other than any Partial Release Loan Shares) or arranging for the Loan Shares (other than any Partial Release Loan Shares) to be held in the Trust, and for so long as the restriction imposed remains in place, the Borrower will effectively be prevented from having the Loan Shares (other than any Partial Release Loan Shares) transferred to another person.

14E.2 In the event that the Borrower breaches any of these Rules and (if such breach is capable of being remedied) fails to remedy such breach within 14 days of written notice, the Board may demand that the Loan be immediately repaid, failing which the Company may sell the Shares in accordance with clause 14E.3 and apply the net proceeds of the sale in accordance with clause 14E.4.

14E.3 The Borrower hereby irrevocably appoints the Secretary as his or her attorney in the name of and on behalf of himself or herself, to execute all documents, transfers and papers and do such acts or things in the name of the Borrower as the attorney thinks fit for the purposes of:

- (a) giving effect to the sale of the Loan Shares referred to in clauses 14C.1, 14D.2(d), 14D.5 and 14E.2; and
- (b) apply the net proceeds of the sale of the Loan Shares in accordance with clause 14E.4.

14E.4 If, after the Secretary sells the Loan Shares pursuant to clause 14E.3:

- (a) the net proceeds of the sale is less than or equal to the outstanding Loan amount owed by the Borrower in respect of such Loan Shares, the Loan shall be repaid using the amount of the net proceeds and the Loan will be deemed to be fully repaid at that point; or
- (b) the net proceeds of the sale is more than the outstanding Loan amount owed by the Borrower in respect of such Loan Shares, the Loan shall be repaid using the amount of the net proceeds of the sale and the Borrower shall be entitled to the excess of the net proceeds over the amount of the outstanding Loan amount at the time of the sale.

14E.5 the Company and the Secretary will have complete discretion in respect of the sale of the Loan Shares under clause 14E.3 and will not be liable to the Borrower in respect of the timing of or price obtained on or any other circumstances relating to such sale.

14F Effect of Repayment of the Loan

Upon a Loan being fully repaid in accordance with these Rules:

- (a) the Loan Shares shall become the free and unencumbered property of the Borrower and no longer deemed to be Loan Shares under these Rules; and
- (b) the Company will deliver to the Borrower the share certificate(s) or holding statements (if any) in respect of the Loan Shares held by the Company.

14FA Effect of Partial Repayment of the Loan

Upon a Partial Loan Repayment Amount being repaid in accordance with clause 14DA.3:

- (a) the Partial Release Loan Shares will become the free and unencumbered property of the Borrower and no longer deemed to be Loan Shares under these Rules; and
- (b) the Company will deliver to the Borrower the share certificate(s) or holding statements (if any) in respect of the Partial Release Loan Shares held by the Company.

14G Security for the Loan

Where requested by the Company, the Borrower agrees to grant to the Company a lien, share mortgage or any other security over the Loan Shares (other than any Partial Release Loan Shares) as security for the repayment of the Loan. The Borrower appoints the Secretary as his or her attorney to do all things required and to execute all documents necessary to effect this security over those Loan Shares and to enforce this security against the Borrower. The security shall be in the form as prescribed by the Company.

14H Rights under the Shares

14H.1 Other than in respect of the restrictions contained in these Rules, the Loan Shares will rank *pari passu* with all other fully paid ordinary shares in the Company from the date of issue including in respect of all voting rights and rights under any reconstructions, rights issues and bonus issues.

14H.2 In addition to these Rules, the Loan Shares will be subject to the Company constitution.

14I Bonus Issues

If shares are issued pursuant to a bonus issue by the Company during the period of the Loan in respect of Loan Shares subject to a Loan, then those bonus shares will be deemed to also be acquired under the Loan and subject to the terms of these Rules.

14J Administration of the Scheme

14J.1 The Board may establish and administer the Scheme in accordance with the terms and conditions set out in these Rules but otherwise as is determined from time to time in its absolute discretion.

14J.2 The Board may terminate the Scheme, or suspend its operation for any period it considers desirable, at any time it considers appropriate.

14J.3 The Board may not grant any Loans after the Scheme has been terminated. However, these Rules will continue to apply, subject to any variation in accordance with clause 14J.4, to Loans on issues at the date of such termination until the last of those Loan is repaid in accordance with these Rules.

14J.4 Subject to the Listing Rules, the Board may at any time by resolution amend all or any of the provisions of these Rules (including this clause). The Board may amend the terms of any Loans granted in accordance with these Rules with the approval of the Borrower for those Loans.

SPECIFIC RULES *
Rules (15 - 23)

15. Entitlement

- 15.1 Subject to clause 18, each Option entitles the Holder acquire one Share at the Exercise Price, on the Option terms.
- 15.2 The Company must issue or procure the transfer to for the benefit of the Holder (“**allocate**”) Shares on exercise of an Option in accordance with these Rules, subject to the Option terms.
- 15.3 Subject to these Rules, Shares allocated on the exercise of Options will rank pari passu with all existing Shares from the date of allocation under clause 15.2 and will be entitled in full to those dividends which have a record date for determining entitlements after the date of allocation.
- 15.4 Any Loan Shares held by a Borrower will, in addition to any other relevant clauses in these Rules, will be subject to clauses 14A to 14J which impose additional terms on the Loan Shares.

16. Right to Exercise and Lapse of Options

- 16.1 Unless otherwise provided in these Rules and subject to rule 16.3, an Option may only be exercised in accordance with this clause 16 and provided the Holder is not otherwise prohibited from doing so (for example, under the terms of the Company’s Trading Policy).
- 16.2 If Options are issued with a Vesting Date, these Options may only be exercised on or after the Vesting Date has elapsed.
- 16.3 The Holder may request from the Company that their Options are sold to the Company’s nominated broker and on terms approved by the Company, instead of being exercised pursuant to these rules.
- 16.4 If either the Company or the Eligible Person terminates the Eligible Person's employment, then:
 - (a) any Unvested Options immediately lapse; and
 - (b) the Eligible Person, or Permitted Nominee as the case may be, may exercise any Vested Options held by the Eligible Person, or Permitted Nominee as the case may be, at any time prior to the earlier of the Expiry Date and the date which is 180 days from the date on which either the Company or the Eligible Person terminated the employment.
- 16.5 If the employment is terminated pursuant to section 203B of the Corporations Act:
 - (a) any Unvested Options immediately lapse; and
 - (b) such Eligible Person, or Permitted Nominee as the case may be, may exercise any Vested Options held by the Eligible Person, or Permitted Nominee as the case may be, at any time prior to the earlier of the Expiry Date and the date which is 30 days from the date on which the employment is terminated.
- 16.6 If the Holder dies or suffers Total and Permanent Disablement, then the Holder or his legal personal representative may exercise any Vested Options held by the Holder or his legal personal representative during the period of 180 days following the Holder's death or date of disablement but prior to the Expiry Date. During this period the Holder’s legal personal representative may:
 - (a) elect to be registered as the new Holder of the deceased Holder's Options;
 - (b) whether or not he becomes so registered, exercise those Options as if he were the Holder of them in accordance with these Rules; and

* These Specific Rules will be incorporated by reference into the terms and conditions of the Options to be granted to each Eligible Person.

- (c) if the deceased Holder had already given the Company a notice of exercise of his or her Options, pay the Exercise Price in respect of those Options.

If the Holder is a Permitted Nominee, then the references to death, Total and Permanent Disablement and legal person representative in this clause are to those of the Eligible Employee to whom the initial offer of Options, that was accepted by the Permitted Nominee, was made.

16.6 An Option will immediately lapse:

- (a) on exercise of the Option;
- (b) if the Option has not been previously exercised, on the Expiry Date;
- (c) at the end of the period referred to in clause 16.3 if such clause applies to the Option;
- (d) at the end of the period referred to in clause 16.4 if such clause applies to the Option;
- (e) at the end of the period referred to in clause 16.5 if such clause applies to the Option; or
- (f) upon the bankruptcy, commencement of winding up or deregistration of the Holder (as appropriate).

17. Method of Exercise of Options

17.1 Subject to these Rules, the terms of the Options and the terms of the Company's Trading Policy, an Option which is Vested or otherwise capable of being exercised may be exercised at any time during the period commencing on the Issue Date and ending on the Expiry Date.

17.2 Notwithstanding clause 17.1, where one of the following events has occurred:

- (a) a bidder acquires Voting Power of 50% or more in the Company and their Takeover Bid becomes or is declared unconditional;
- (b) a Change of Control Event; or
- (c) an application under section 411 of the Corporations Act in respect of which, a court approves a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company,

the following treatment will apply to Options:

- (a) vested Options may be exercised after the event and prior to the Expiry Date, or such other period specified by the Board (either at the time of the Offer or at the time of the event);
- (b) unvested Options, in respect of which the sale price of Shares as listed on the ASX at the time of the event exceeds the Exercise Price will immediately vest and may be exercised prior to the Expiry Date, or such other period specified by the Board (either at the time of the Offer or at the time of the event);
- (c) unvested Options, in respect of which the sale price of Shares as listed on the ASX at the time of the event is less than the Exercise Price, lapse immediately.

Any Options that become exercisable under this clause and are not exercised by the Expiry Date or other relevant period will lapse.

17.3 An Option may only be exercised by the Holder lodging with the Secretary, or such other person as the Board designates, an exercise notice (in writing) together with:

- (a) except where a Loan is provided pursuant to clause 14A, payment to the Company in cleared funds of an amount equal to the Exercise Price multiplied by the number of Options which are being exercised; and

- (b) the Certificate for the Options which are being exercised or, if the Certificate for those Options has been lost, mutilated or destroyed, a declaration to that effect, accompanied by an indemnity in favour of the Company against any loss, costs or expenses which might be incurred by the Company as a consequence of it relying on such declaration.

17.4 If the items specified in clause 17.3 are delivered in accordance with that clause, the Company must:

- (a) immediately allocate to the Holder the Shares in respect of which the Options are exercised together with any additional Shares an entitlement to which has arisen under clause 18 in consequence of the exercise of the Options;
- (b) except in relation to Loan Shares, deliver to the Holder a certificate for the Shares so allocated; and
- (c) cancel the Certificate delivered pursuant to clause 17.3(b) and, if Options which have not lapsed remain unexercised, deliver to the Holder a replacement Certificate for the Options to reflect the number of those Options which remain unexercised.

17.5 Options may be exercised in whole or in part as determined by the Board and as stated in the Certificate (or if no amount is stated, then the Options may be exercised in multiples of 25,000, unless the Holder exercises all Options able to be exercised at that time). The exercise of some Options only does not affect the Holder's right to exercise other Options at a later time.

17.6 Subject to clauses 14A to 14J in respect of Loan Shares, from and including the date of allocation to the Holder of any Shares upon the exercise of the Options, the Holder will be:

- (a) the beneficial owner of those Shares;
- (b) bound by the Constitution of the Company; and
- (c) entitled to deal with those Shares as beneficial owner subject to the Corporations Act, the Constitution, the Listing Rules (if applicable) and the Trading Policy.

18. Adjustment to Options

18.1 New Issues

Holders may only participate in new issues of securities to holders of Shares if an Option has been exercised, if that is permitted by their terms, and the Shares in respect of the exercise of the Options has been allocated before the date for determining entitlements to the issue. The Company must give notice as required under the Listing Rules to the Holders of any new issue before the record date for determining entitlements to the issue in accordance with the Listing Rules.

18.2 Rights Issues

If the Company makes an offer of Shares pro rata to all or substantially all holders of Shares (other than a bonus issue or an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and no Shares have been allocated in respect of an Option before the date for determining entitlements to the pro rata issue then the Exercise Price of the Option will be adjusted in the manner provided for in the Listing Rules.

18.3 Bonus Issues

If the Company makes a bonus issue of Shares or other securities ("**Bonus Issue**") pro rata to holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and no Shares have been allocated in respect of an Option before the date for determining entitlements to the Bonus Issue then the number of securities over which the Option is exercisable will be increased by the number of securities which the Holder would have received if the Option had been exercised before the record date for the Bonus Issue ("**Bonus Shares**"). The Bonus Shares must be paid up by the Company out of the profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue and upon issue rank pari passu in all respects with the other Shares of that class on issue at the date of issue of the Bonus Shares.

18.4 Reconstruction

If there is any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company (not being a reconstruction referred to in clauses 18.1 to 18.3), the number of Options or the Exercise Price (or both) will be adjusted in accordance with the Listing Rules (if applicable) and in a manner which will not result in any additional benefits being conferred on a holder of the Options which is not conferred on holders of Shares, but in all other respects the terms of exercise will remain unchanged.

18.5 Cumulation of Adjustments

Effect will be given to clauses 18.3 to 18.4 in such manner that the effect of the successive applications of them are cumulative, with the intention being that the adjustments they progressively effect reflect previous adjustments.

19. Dividends

The Options will not give the Holder any right to participate in dividends until Shares are allocated pursuant to the exercise of the Options.

20. Quotation

The Options will not be listed for quotation on any stock exchange. However, the Company will make application to ASX for Official Quotation of Shares issued on the exercise of the Options, if other Shares of the same class are listed on the ASX at that time.

21. No Transfers

Subject to clause 16.5, an Option granted to the Holder may not be transferred and lapses immediately on purported transfer, unless the Board in its absolute discretion approves the transfer, or the transfer or transmission is effected by force of law on death or legal incapacity to the Holder's legal personal representative.

22. Information to Shareholders

Every report and other document sent by the Company to its shareholders generally must be sent also to the Holder while the Holder holds Options.

23. Rules to Prevail

In the event of any inconsistency between these Rules and the terms set out in the Certificate, these Rules shall prevail.