

TERMS AND CONDITIONS OF OPTIONS

The terms and conditions of the Options issued to Pursuit Capital Pty Ltd and StoneBridge Securities are set out below.

The terms and conditions of other Options issued by the Company are set out in the Prospectus.

Options issued to Pursuit Capital Pty Ltd

- (a) The Options will expire at 5:00 pm (WST) on that date which is 5 years from the date the Company is admitted to the official list on the ASX (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (b) The amount payable upon exercise of each Option will be 26 cents (**Exercise Price**).

Options issued to StoneBridge Securities Pty Ltd

The Options will expire at 5:00 pm (WST) on the relevant expiry date, as set out below (**Expiry Date**). The amount payable upon exercise of each Option is also as set out below (**Exercise Price**).

- (a) 1,972,180 of the Options are exercisable at 26 cents and expire on 31 December 2013;
- (b) 1,972,180 of the Options are exercisable at 28.6 cents and expire on 31 December 2013; and
- (c) 986,090 of the Options are exercisable at 31.2 cents and expire on 31 December 2013.

Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

All Options

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Option holder the right to subscribe for one (1) Share.
- (b) The Options held by each Option holder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- (c) An Option holder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised;

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(Exercise Notice).

- (d) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (e) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (f) The Options are not transferable.
- (g) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
- (h) The Company will not apply for quotation of the Options on ASX. However, The Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.
- (i) If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (j) There are no participating rights or entitlements inherent in the Options and Option holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (k) An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.

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