

## Option Terms and Conditions

Each option is subject to the terms and conditions of the Company's Employee Share Option Plan (**ESOP**) as amended from time to time and subject to the Company's ESOP entitles the Option Holder to, upon the exercise of the option, receive one fully paid ordinary share in the Company, on the following terms:

1. **Vesting:** The options vest:
  - (a) as to 50% immediately on grant (**First Tranche**); and
  - (b) as to the balance on the anniversary of the grant date (**Second Tranche**).
2. **Exercise Period:** Each option may be exercised during the period from the vesting date until the fifth anniversary of the grant date. If the option is not exercised during that period it will lapse.
3. **Manner of Exercise:** Each option may be exercised by written notice (in the form of the Exercise Notice set out below) delivered to the Company at the registered office of the Company specifying the number of options being exercised. The notice must be accompanied by an amount of money equal to the exercise price for the number of shares specified in the notice and be accompanied by this option certificate.
4. **Issue of shares:** Within 14 days after receipt of the exercise notice and the payment of the exercise price, the Company must allot the number of shares specified in the exercise notice, cancel the option certificate relating to the options exercised and, if applicable, issue a new option certificate for the balance.
5. **Exercise Price:** Subject to item 7 below, on the exercise of an Option the consideration per share payable by the Option Holder for the issue of shares which are the subject of the options, is
  - (a) in respect of the First Tranche – 46 cents per share;
  - (b) in respect of the Second Tranche – 56 cents per share,
 rounded up to the nearest dollar.
6. **Forfeiture Conditions:** All unexercised options will lapse upon the liquidation of the Company.
7. **Reconstructions:** If prior to the exercise of an option, there is a re-organisation of the Company (including consolidation, subdivision, reduction, return or cancellation of the issued capital of the Company), then the exercise price or the number of outstanding options (or both) must be adjusted by the Company's board of directors to the extent necessary so as not to materially prejudice the Option Holder as between him and the holders of ordinary shares in the capital of the Company.
8. **New Issues:** An option does not confer the right to participate in new issues of capital offered to holders of ordinary shares of the Company without exercising the option.
9. **On exercise:** The shares issuing upon the exercise of an option will rank equally in all respects with all other issued ordinary shares of the Company from the date of the issue of those shares.
10. **Transfer:** The Options are not transferable or assignable without the prior written consent of the Company (which may be withheld in its absolute discretion).
11. **Application of ASX Listing Rules:** Where the Company is admitted to the Official List of the Australian Stock Exchange Ltd (ASX), the Options and any shares issued on exercise of these Options are subject always to the provisions of the Company's Constitution and the

ASX Listing Rules (as amended) and to the extent of any inconsistency between these terms, the Company's Constitution and the ASX Listing Rules, the ASX Listing Rules prevail.

**Exercise Notice - Options**

To: **Patrys Pty Limited** ACN 123 055 363

In accordance with the Option Terms and Conditions, I ..... [insert name] (**Option Holder**) gives notice that I:

1. hereby exercise my rights under my vested options;
2. require you to allot and issue to me [*specify number*] fully paid ordinary shares;
3. enclose a cheque for \$[*specify amount*] calculated at \$## per share;
4. on issue of the said shares, agree to be bound by the constitution of the Company.

Dated:

**Executed** by Paul Andrews )  
 in the presence of: ) .....

.....  
 Signature of witness

.....  
 Name of witness (please print)

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