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## **Share Option Deed**

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### **Parties**

1. **Oliver's Australia Holdings Pty Ltd**
2. **John F Diddams**
3. **Whitfield Investments Pty Limited**

**Deed** dated the 14<sup>th</sup> October 2016

## **Parties**

1. **Oliver's Australia Holdings Pty Ltd** of 10 Amsterdam Cct, North Wyong NSW 2259 ("**OLI**" or "**the Company**")
2. **John F Diddams**, of Unit 2, 184B Kurraba Road, Neutral Bay NSW 2089 ("**JFD**")
3. **Whitfield Investments Pty Limited**, of Suite 39, Level 1, 357 Military Road, Mosman NSW 2088 ("**the Grantee**")

## **Background**

- A. OLI is proposing to list its Shares on the ASX.
- B. JFD is a director of OLI.
- C. JFD is the sole director and sole shareholder of the Grantee.
- D. The Grantee is the trustee for the John F Diddams Family Trust;
- E. OLI has approved the issue of the Options to the Grantee.
- F. OLI hereby grants and the Grantee accepts the Options on the terms and conditions set out in this deed.

## **In this deed**

### **1. Interpretation**

- 1.1 In this deed:

**ASX** means ASX Limited (ACN 008 624 691) or the securities exchange operated by it, as the context requires.

**ASX Listing Date** means the date on which OLI is admitted to quotation on the official list of ASX.

**ASX Settlement Operating Rules** means the operating rules of ASX Settlement Pty Limited ACN 008 504 532.

**Board** means the board of directors of OLI.

**disability** means the inability of JFD to substantially carry out his duties as a director of OLI due to physical or mental illness or incapacity for such period as shall entitle OLI to terminate the directorship of JFD.

**Exchange** means the ASX or another recognised stock exchange or “over the counter” market on which securities are traded.

**Expiry Date** means:

- (a) in the case where a Liquidity Event occurs prior to 30 June 2017:
  - (i) 2 years from the date of this deed; or
  - (ii) 60 days after the Leaving Date,
 whichever occurs first; or
- (b) in the case of no Liquidity Event occurring before 30 June 2017, that date of 30 June 2017.

**Leaving Date** shall have the meaning set out in clause 8.1(a).

**Liquidity Event** means:

- (a) a quotation of the Shares (or any of the Company’s or parent company’s securities) for trading on an Exchange, including ASX;
- (b) a sale of at least 75% of the total voting Shares in the Company in one or more transactions;
- (c) a distribution to Company shareholders of the proceeds of a sale of all or substantially all of the Company’s assets or undertakings whether by way of dividend, liquidation dividend, return of capital or otherwise; or
- (d) a similar or equivalent transaction which is designated as such by the Board.

**Listing Rules** means the official listing rules of the ASX (as may be amended or supplemented from time to time) or, if at any time during the term of this deed the Shares are not quoted on the ASX but are quoted on a different Exchange, the official listing rules of that Exchange.

**Material Breach** means the breach or continued neglect by JFD in the performance of his duties or obligations as a director of OLI under any agreement with the Company or under any law.

**Option** means an option issued by OLI entitling the holder to acquire one Share in OLI pursuant to this deed and **Options** means the number of such Options set out in the Vesting Schedule (subject to clauses 5 and 6).

**Option Issue Date** means the date of this deed.

**Share Issue Price** means \$100 per Share subject to clause 6.

**Shares** means fully paid ordinary shares in OLI.

**Triggering Event** has the meaning given to it in clause 11.1.

**Vest** means the right to exercise an Option.

**Vested Options** means Options that the Grantee is entitled to exercise.

**Vesting Day** means the date on which the Options are Vested as set out in the Vesting Schedule.

**Vesting Schedule** means the schedule setting out the number of Options to be granted and the basis on which Options may Vest set out in Schedule 1.

**working day** means Monday to Friday, other than any public holiday that occurs in NSW.

1.2 A reference to:

- (a) a statute includes references to regulations, orders or notices made under or in connection with the statute or regulations and all amendments, replacements or other changes to any of them; and
- (b) **including** and similar words do not imply any limit.

1.3 The singular includes the plural and vice versa.

- 1.4 If the Company is admitted to the official list of an Exchange, in the event of any inconsistency between the terms and conditions of this deed and the Listing Rules of that Exchange, the Listing Rules of the Exchange will prevail.
- 1.5 No Option may be issued to, or exercised by, the Grantee if to do so would contravene an applicable law.
- 1.6 If the Company is admitted to the official list of ASX no Option may be issued to, or exercised by, the Grantee if to do so would contravene the Listing Rules or an ASX Settlement Operating Rule.

## **2. Issue of Options**

- 2.1 OLI grants the Options to the Grantee for \$1.00 consideration and the Grantee subscribes for the Options on the terms and conditions set out in this deed.

## **3. Exercise of the Options**

- 3.1 Each Vested Option entitles the holder to subscribe for a Share at the Share Issue Price.
- 3.2 Options shall Vest in accordance with the Vesting Schedule and, where applicable, clause 11. The Grantee may exercise the Vested Options at any time prior to the Expiry Date subject to:
  - a b clauses 8.1(b) or 9; or
  - c clause 11 when a "Triggering Event" occurs.
- 3.3 Any Option that is not exercised, or that has not Vested, by the Expiry Date shall lapse and the Grantee will cease to have any rights in connection with that Option.
- 3.4 The Grantee shall give to OLI:
  - (a) ten (10) working days written notice to OLI stating the whole number of Vested Options which are being exercised; and
  - (b) payment in full of the Share Issue Price in respect to each of the Vested Options being exercised within twenty (20) working days of the date on which notice is given pursuant to clause 3.4(a) against the issue of the Shares by OLI.
- 3.5 If the Grantee fails to pay for any of the Shares in respect to which Vested Options have been exercised within twenty (20) working days of the date on which the Grantee gives notice to OLI of such exercise, the Grantee's entitlement to such Shares shall lapse even though the Expiry Date of the Vested Options may not have passed.

- 3.6 By exercising Vested Options and being issued Shares the Grantee acknowledges that such Shares are issued to the Grantee subject to the constitution of OLI and the Grantee acknowledges that it must comply with OLI's Share Trading Policy (as amended from time to time) and applicable insider trading laws with respect to any trading or other dealing of those Shares following their issue.

#### **4. Other Terms of Issue of Options**

- 4.1 The Options granted under this deed:
- (a) are granted subject to the conditions or performance hurdles as set out in the Vesting Schedule;
  - (b) except as provided in clauses 5 and 6, shall not participate in any distribution nor any issue of Shares or other securities in or in respect to OLI other than the Shares to be issued upon exercise of the Options in accordance with this deed;
  - (c) shall entitle the holder to receive all notices issued by OLI to its shareholders and to attend any general or special meeting of shareholders, but to not vote at such meetings;
  - (d) shall not be transferable without the approval of the Board, which consent may be withheld in the Board's discretion, acting reasonably; and
  - (e) shall not Vest in respect of Options yet to Vest where JFD is not engaged as a director of OLI as at the Vesting Day for such Options.

#### **5. Participation in Bonus and New Issues**

- 5.1 The Grantee does not have a right to participate as an option holder in any new issues of Shares without first exercising Options.
- 5.2 Subject to the Listing Rules, if, at any time after the issue of the Options, there is a bonus issue of Shares to all holders of Shares for which no consideration is payable, then the number of Shares over which each Option is exercisable shall be increased by the number of Shares which the Grantee would have received if the Option had been exercised before the record date for the bonus issue.

## 6. Reorganisation of Capital

- 6.1 Subject to the Listing Rules (while the Shares are listed or quoted on any Exchange), if, at any time after the issue of Options:
- (a) Shares are consolidated, the number of Options immediately prior to such consolidation shall be consolidated in the same ratio as the ordinary share capital of OLI and the Share Issue Price shall be amended in inverse proportion to that ratio;
  - (b) Shares are subdivided, the number of Options must be sub-divided in the same ratio as the ordinary share capital of OLI and the Share Issue Price shall be amended in inverse proportion to that ratio;
  - (c) OLI reduces its ordinary share capital by a pro-rata return to holders of part of the share capital in respect to each Share, the number of Options shall remain the same but the Share Issue Price shall be reduced by the same amount of share capital returned in respect to each Share;
  - (d) OLI reduces its paid up ordinary share capital by a cancellation of capital that is either lost or not represented by available assets where no securities are cancelled, the number of Options and the Share Issue Price in respect to such Options shall remain unchanged;
  - (e) OLI cancels its ordinary share capital proportionately, the number of Options must be reduced in the same ratio as the ordinary share capital and the Share Issue Price for such Options must be amended in inverse proportion to that ratio; or
  - (f) there is any other reorganisation or change to the ordinary share capital of OLI, the number of Options, the Share Issue Price, or both, must be reorganised so the holders of Shares will not receive a benefit that holders of Options do not receive,

**provided that**, on any reconstruction and reorganisation, all entitlements shall be rounded down to the nearest whole number of Options and fractions shall be disregarded, and in all other respects, the terms for exercise of the Options shall remain unchanged as a consequence of any reconstruction or reorganisation.

- 6.2 The Grantee acknowledges that its rights as holder of the Options may be changed to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- 6.3 The Grantee acknowledges and agrees that, while the Shares are listed or quoted on any Exchange, the Listing Rules may require the Board to make further adjustments to the terms of the Options in the event of any

reconstruction or reorganisation of capital affecting the Shares, in addition to, or instead of, the provisions of clause 6.1.

## 7. Terms of Issue of Shares

- 7.1 As soon as practicable after the date of receipt of the Share Issue Price for each Vested Option to be exercised in accordance with the notice received by OLI under clause 3.3(a) OLI shall issue the appropriate number of Shares to the Grantee (subject always to any rights of OLI under clause 3.4). Any fractional entitlements to Shares will be rounded down to the nearest whole number of Shares and fractions shall be disregarded.
- 7.2 Shares issued pursuant to the exercise of Options shall rank for dividend from the date they are issued and shall otherwise rank pari passu with the other Shares then on issue.
- 7.3 If Shares are quoted on an Exchange at the date that the Options are exercised, OLI shall apply for the Shares issued pursuant to the Options to be quoted on such Exchange as soon as practicable after their issue, but in any event within the time limit (if any) prescribed by the Listing Rules. Upon the issue of Shares the Company must issue such documentation that ensures that the Shares may be freely tradeable on ASX from the date of issue, subject to any restriction agreement or voluntary escrow agreement that might be in place between the Grantee and the Company in respect to Shares.

## 8. Cancellation of Options

- 8.1 Subject to clause 10, if JFD ceases to be engaged as a director of OLI or any of its subsidiaries for any reason, other than as a result of a Material Breach or as a result of his death or disability:
- (a) all Options that have not Vested as at the date JFD ceases to be engaged as a director of OLI or any of its subsidiaries (**Leaving Date**) will be cancelled without compensation on that date; and
  - (b) all Options that have Vested as at the Leaving Date must be exercised on or before the earlier of:
    - (i) the date that is 60 days following the Leaving Date,
    - (ii) the date that is 30 working days before the Expiry Date; and
    - (iii) in the event that the Vesting Date is accelerated by a Triggering Event under clause 11, such accelerated date,

and any Options not exercised within that period will lapse, unless the Board determines otherwise.



## 9. Disability or Death

- 9.1 Where JFD has ceased to be engaged as a director of OLI as a result of his death or disability, the Grantee shall be entitled to exercise all Options held by the Grantee, whether Vested or not, as at the Leaving Date, within a date that is 60 days following the Leaving Date.

## 10. Material Breach

- 10.1 Where JFD has ceased to be engaged as a director of OLI or of any of its subsidiaries as a result of a Material Breach, OLI may:
- (a) cancel all Options previously granted to the Grantee and not exercised by the Grantee (whether or not then Vested) and the Grantee agrees to immediately forfeit such Options; and
  - (b) cancel all other benefits the Grantee may be entitled to receive under this deed.

## 11. Change of control of OLI

- 11.1 Where at any time after a Liquidity Event:
- (a) the Board and shareholders (as applicable) of OLI recommend a takeover bid or approve a scheme of arrangement of the Company where such transaction will result in the shareholders of OLI not holding more than 25% of the voting rights of the Company;
  - (b) OLI resolves to amalgamate with any other company where such amalgamation will not result in the shareholders of OLI holding more than 25% of the voting rights of the amalgamated company; or
  - (c) the shareholders of OLI approve the disposition of assets comprising more than 75% of the value of OLI's assets to an entity not controlled by, controlling or under common control with OLI or to an entity in which shareholders of OLI do not hold at least 25% of that entity's voting rights; or
  - (d) a change in the management or control of OLI occurs as a result of the acquisition by any party of more than 75% of the total issued shares carrying voting rights in OLI,
- (each a "**Triggering Event**"),

the Board must determine that all unvested Options will immediately Vest and all of the Vested Options must be exercised on or before thirty (30) days from the date on which the Triggering Event occurs notwithstanding any later date

in the terms of issue of the Options, and any Vested Options not so exercised shall automatically lapse at the end of the thirty (30) day period.

**12. No Effect on Appointment**

12.1 The granting of the Options does not confer on JFD any right to continued engagement as a director of OLI or of any of its subsidiaries, nor does it alter or restrict OLI 's rights to terminate JFD's appointment as a director at any time, with or without cause and without liability, other than as set out in this deed as regards the exercise of the Options.

**13. Governing Law and miscellaneous**

13.1 This deed shall be governed and interpreted in all respects according to the laws of New South Wales or in the event of a change of domicile of OLI, then the jurisdiction of stated domicile.

13.2 OLI shall not be liable to pay any person any amount, claim or expense arising from the lapsing, termination or cancellation of Options pursuant to this deed.

13.3 Neither the Company or any subsidiary or any adviser to any of them or to the Board is liable for any tax or duty which may become payable by the Grantee in connection with its entry into this deed.

**In witness** of which this deed has been executed.

<b>Signed by</b>	)	
<b>Oliver's Australia Holdings Pty Limited</b>	)	.....
by	)	(signature of director)
	)	
	)	.....
	)	(name of director)
	)	
	)	.....
	)	(signature of director)
	)	
	)	.....
	)	(name of director)

<b>Signed by</b>	)	
<b>John F Diddams</b>	)	.....

Witnessed by:

..... (signature and name)

..... (occupation)

..... (address)

**Signed** by the Grantee  
**Whitfield Investments Pty Limited**  
by

)  
) .....  
) (name)  
)  
) .....  
) (capacity)

Witnessed by:

..... (signature and name)

..... (occupation)

..... (address)

## Schedule 1

### Vesting Schedule

<b>Number of Options</b>	<b>Vesting Day</b>	<b>Condition(s) to be Met</b>
250	ASX Listing Date	At the Vesting Day the Grantee must be a director of OLI, or any of its subsidiaries
75	One (1) year from ASX Listing Dte	At the Vesting Day the Grantee must be a director of OLI, or any of its subsidiaries
75	Two (2) years from ASX Listing Date	At the Vesting Day the Grantee must be a director of OLI, or any of its subsidiaries