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Form 603

Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme: Sovereign Cloud Holdings Limited

ACN/ARSN: ACN 622 728 189

1. Details of substantial holder (1)

Name: NEXTDC Limited (ACN 143 582 521) and its related bodies corporate (see Annexure A)

ACN/ARSN (if applicable)

The holder became a substantial holder on: 22/11/2021

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Fully paid ordinary shares (**"Shares"**)	24,889,265	24,889,265	19.99% (based on 124,446,329 Shares on issue)

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
NEXTDC Ventures Holdings No. 1 Pty Ltd	Relevant interest arises under section 608(1)(a) of the *Corporations Act 2001* (Cth) (***Corporations Act***) as registered holder of the Shares.	24,889,265 Shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
NEXTDC Ventures Holdings No. 1 Pty Ltd	NEXTDC Ventures Holdings No. 1 Pty Ltd	NEXTDC Ventures Holdings No. 1 Pty Ltd	24,889,265 Shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
NEXTDC Ventures Holdings No. 1 Pty Ltd	22/11/2021 by way of issue of Shares pursuant to a Subscription Agreement (a copy of which is attached as Annexure B)	$0.50 per Share		24,889,265 Shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association

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NEXTDC Ventures Holdings No. 1 Pty Ltd	Related body corporate of NEXTDC Limited

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
NEXTDC Limited and its related bodies corporate	20 Wharf Street, Brisbane, Queensland 4000

Signature

print name	Michael Helmer	capacity	Company secretary
sign here	DocuSigned by: 146518290E8A491	date	24/11/2021

DIRECTIONS

(1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.

(2) See the definition of "associate" in section 9 of the Corporations Act 2001.

(3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.

(4) The voting shares of a company constitute one class unless divided into separate classes.

(5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.

(6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.

(7) Include details of:

(a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and

(b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.

(8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."

(9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

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Annexure A

This is Annexure A of 1 page referred to in the accompanying Form 603

print name	Michael Helmer	capacity	Company secretary
sign here	DocuSigned by: 1465182900E8A491...	date	24/11/2021

NEXTDC Limited Related Bodies Corporate

Company name	Company registration number
NEXTDC Holdings No. 1 Pty Limited as trustee of NEXTDC Holdings Trust No. 1	ACN 630 679 293
NEXTDC Holdings No. 2 Pty Limited as trustee of NEXTDC Holdings Trust No. 2	ACN 630 679 300
NEXTDC Holdings No. 3 Pty Limited as trustee of NEXTDC Holdings Trust No. 3	ACN 630 679 319
NEXTDC Holdings No. 3 Pty Limited as trustee of NEXTDC Holdings Trust No. 4	ACN 630 679 319
Horsley Park Developments Pty Ltd	ACN 652 190 728
NEXTDC KK (Japan)	0100-01-204198
NEXTDC PTE. LTD. (Singapore)	201809696G
NEXTDC SDN. BHD. (Malaysia)	202101038165 (1438465T)
NEXTDC Share Plan Pty Ltd	ACN 153 214 325
ONEDC Software Pty Ltd	ACN 158 340 624
AXON Systems Pty Ltd	ACN 603 950 170

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Annexure B

This is Annexure B of 28 pages (including this page) referred to in the accompanying Form 603

print name	Michael Helmer	capacity	Company secretary
sign here	DocuSigned by: 146518290F8A491...	date	24/11/2021

The copy of the document attached to this Annexure B is a true copy of the original.

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Sovereign Cloud Holdings Limited

and

NEXTDC Ventures Holdings No. 1 Pty Ltd

Subscription Agreement

Deutsche Bank Place
Corner Hunter and Phillip Streets
Sydney NSW 2000 Australia
T +61 2 9230 4000
F +61 2 9230 5333
www.allens.com.au

Allens is an independent partnership operating in alliance with Linklaters LLP.

Contents

1 Definitions and Interpretation 4
1.1 Definitions 4
1.2 Interpretation 7
1.3 Statements on the basis of knowledge or belief 8
2 Subscription Shares 8
2.1 Subscription 8
2.2 Agreement to serve as application 9
3 Rights Attaching to Subscription Shares 9
4 Issuer undertaking regarding Entitlement Shares 9
5 Settlement 9
5.1 Obligations of the Issuer 9
5.2 Obligations of the Subscriber 10
5.3 Simultaneous actions 10
6 Undertakings 10
6.1 The Issuer's undertakings 10
6.2 The Subscriber's undertakings 11
7 Board rights 11
7.1 The Subscriber's Board nomination 11
7.2 Re-election of Nominee Director 13
8 Information access and sharing rights 13
9 Representations and Warranties 13
9.1 Representations and Warranties by the Issuer 13
9.2 Representations and Warranties by the Subscriber 17
9.3 Qualifications and limitations on Claims 18
9.4 Knowledge of Issuer 21
10 Confidentiality 21
10.1 Prior Agreement 21
10.2 Confidential Information 21
10.3 Subscriber's investment in the Issuer 21
10.4 Exceptions 21
11 GST 22
11.1 Definitions 22
11.2 Recovery of GST 22
11.3 Liability for penalties 22
11.4 Liability net of GST 23
11.5 Adjustment events 23
11.6 Survival 23
11.7 Revenue exclusive of GST 23
11.8 Cost exclusive of GST 23
12 General 23
12.1 Governing Law and Jurisdiction 23
12.2 Notices 23
12.3 Assignment 24
12.4 No waiver 24
12.5 Costs 24

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12.6 Severability 25
12.7 Extent of obligations 25
12.8 Entire agreement 25
12.9 Amendment 25
12.10 Further assurances 25
12.11 Counterparts 25

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This Agreement is made on 22 November 2021

Parties

1 **Sovereign Cloud Holdings Limited** (ACN 622 728 189) of c/- Pitcher Partners, Central Plaza One, Level 38, 345 Queen Street, Brisbane, Queensland, 4000 (the ***Issuer***).

2 **NEXTDC Ventures Holdings No. 1 Pty Ltd** (ACN 655 243 057) of 20 Wharf Street, Brisbane, Queensland 4000 (the ***Subscriber***).

Recitals

A The Subscriber has agreed to subscribe for, and the Issuer has agreed to issue to the Subscriber, the Subscription Shares on the terms and conditions of this Agreement.

B The Issuer is proposing to raise $35 million through an equity raising comprising a placement of approximately $12.4 million and an accelerated non-renounceable entitlement offer of approximately $22.6 million (together, the ***Equity Raising***).

C The Issuer has secured binding commitments from existing shareholders of the Issuer to take up not less than 30% of the Entitlements under the Entitlement Offer prior to launch of the proposed Equity Raising.

It is agreed as follows.

1 Definitions and Interpretation

1.1 Definitions

The following definitions apply unless the context requires otherwise.

Accounts means the consolidated accounts (including the statements, directors' reports, auditors' reports and notes attached to or intended to be read with the accounts) of the Group for the financial years ending 30 June 2019, 30 June 2020 and 30 June 2021.

Affiliate means any person or entity that is directly or indirectly in control of, controlled by, or under common control with, such other entity, including but not limited to, parent or subsidiary corporations or entities.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) and the financial market operated by ASX.

Authorisation includes any authorisation, approval, consent, licence, permit, franchise, permission, orders, concessions, filing, registration, resolution, direction, declaration, or exemption.

Board means the board of directors of the Issuer.

Business Intellectual Property means:

(a) all Owned Intellectual Property; and

(b) all other Intellectual Property Rights used by any Group Member, or which are used in, or in connection with, or are relevant to the business of the Group, or which are necessary to conduct the business of the Group in the manner conducted as at Completion and to fulfil any currently existing plans or proposals.

Business Day means a day which is not a Saturday, Sunday or a public or bank holiday in Brisbane, Australia.

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Claim means actions, claims, demands, proceedings or judgments.

Completion means the completion of the subscription and issue of the Subscription Shares in accordance with the terms of this Agreement.

Completion Date means the date of this Agreement.

Computer System means the Hardware, Software and Data.

Confidential Information has the meaning given in clause 10.1.

Constitution means the constitution of the Issuer.

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

Data means any data or information used by or for the benefit of the business of the Group at any time and stored electronically at any time.

Director means a director of the Issuer or any other Group Member.

Disclosure Index means the index of Disclosure Materials as initialled by the parties for identification as at the Signing Date.

Disclosure Materials means the documents listed in the Disclosure Index which were produced in the virtual drop box (Microsoft Teams) established by the Issuer for the purpose of the transaction contemplated in this Agreement, to which the Subscriber and its advisers have had access. For the avoidance of doubt, any document not listed in the Disclosure Index does not fall within the definition of Disclosure Materials.

Encumbrance means any mortgage, lien, charge, pledge, assignment by way of security, security interest, title retention, preferential right or trust arrangement, Claim, covenant, profit a prendre, easement or any other security arrangement or any other arrangement having the same effect.

Entitlement means the entitlement of eligible shareholders of the Issuer to subscribe for 1 Share for every 2.75 Shares held as at the record date for the Entitlement Offer.

Entitlement Offer means a partially underwritten accelerated non-renounceable entitlement offer of 1 Share for every 2.75 Shares held by eligible shareholders on the record date to raise approximately $22.6 million.

Entitlement Offer Cleansing Statement means a written notice by the Issuer to ASX pursuant to section 708AA of the Corporations Act meeting the requirements of section 708AA(7) and 708AA(8) of the Corporations Act in respect of the Entitlement Offer, in the form agreed by the parties prior to the Signing Date.

Entitlement Offer Completion Date means the last date upon which all Shares under the Entitlement Offer has been issued by the Issuer.

Entitlement Offer Documentation means the following documents in connection with the Entitlement Offer:

(a) ASX Announcement;

(b) Investor Presentation; and

(c) ASX Appendix 3B.

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Entitlement Offer Shares means Shares issued under the Entitlement Offer.

Forecasts means any financial or operational forecasts, projections, estimates, budgets, business plans, opinions as to future performance or other forward looking statements relating to the financial or operational prospects of the Group or any part of it provided to the Subscriber by or on behalf of the Issuer.

Governmental Agency means any:

(a) government or governmental, semi-governmental or judicial entity or authority; or

(b) minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government.

It also includes any regulatory organisation established under statute or any stock exchange.

Group means the Issuer and each of its subsidiaries.

Group Member means any member of the Group.

GST Act means the ***A New Tax System (Goods and Services Tax) Act 1999*** (Cth).

GST Law has the meaning given in section 195-1 of the GST Act.

Hardware means any computer equipment used by or for the benefit of the business of the Group (or, where so specified, by or for the benefit of any other person) at any time but excludes Software.

Immediately Available Funds means cash, bank cheque or telegraphic or other electronic means of cleared funds.

Inside Information has the meaning set out in section 1042A of the Corporations Act.

Intellectual Property Rights means:

(a) all rights conferred by statute, contract, common law or in equity and subsisting anywhere in the world in relation to:

  (i) registered and unregistered copyright;

  (ii) inventions (including patents, innovation patents and utility models);

  (iii) confidential information (including the right to enforce an obligation to keep information confidential), trade secrets, technical data and know-how;

  (iv) registered and unregistered designs;

  (v) registered and unregistered trade marks;

  (vi) domain names; and

  (vii) rights in databases;

(b) any other rights resulting from intellectual activity in the industrial, commercial, scientific, literary or artistic fields which subsist or may hereafter subsist;

(c) any applications and the right to apply for registration of any of the above; and

(d) any rights of action against any third party in connection with the rights included in paragraphs (a) to (c) above,

but excluding Moral Rights.

Listing Rules means the official listing rules of ASX.

Material Adverse Effect means a material adverse effect on:

(a) the assets, liabilities, results of operations, conditions (financial or otherwise) or business

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of the Group as a whole; or

(b) the ability of the Issuer to perform its obligations under this Agreement.

Material Contract has the meaning given in clause 9.1(m).

MDDQ means the management due diligence questionnaire in respect of the Entitlement Offer, a final version of which has been signed by the Issuer and provided to the Subscriber prior to the date of entry into this agreement.

Moral Rights means the rights conferred on individuals in Part IX of the ***Copyright Act 1968*** (Cth), and any similar personal rights anywhere in the world that are by law non-assignable.

Nominee Director has the meaning given in clause 7.1(a).

Owned Intellectual Property means all Intellectual Property Rights owned or purported to be owned by Group Members.

Placement Cleansing Statement means a written notice by the Issuer to ASX pursuant to section 708A(5) of the Corporations Act meeting the requirements of sections 708A(6) and 708A (7) of the Corporations Act in respect of the Subscription Shares, in the form agreed by the parties prior to the Signing Date.

Registered Business Intellectual Property means all Business Intellectual Property which are registered or the subject of any application for registration.

Related Body Corporate has the meaning given in the Corporations Act.

Shares means ordinary shares in the capital of the Issuer.

Signing Date means the date on which this Agreement is executed by both parties.

Software means any set of instructions for execution by a computer processor used by or for the benefit of the business of the Group (or where so specified, by or for the benefit of any other person) at any time irrespective of application, language or medium.

Sophisticated and Professional Subscriber means the categories of investors described in sections 708(8) and 708(11) of the Corporations Act.

Subscription Amount means the amount equal to the Subscription Price multiplied by the number of Subscription Shares.

Subscription Price means $0.50 per Subscription Share.

Subscription Shares means 24,889,265 ordinary shares in the Issuer.

Underwriting Agreement means the underwriting agreement dated on or about the date of this Agreement between the Issuer and Morgans Corporate Limited and Canaccord Genuity (Australia) Limited to underwrite the Entitlement Offer.

Unregistered Business Intellectual Property means all Business Intellectual Property which are not registered or the subject of any application for registration.

1.2 Interpretation

(a) Headings are for convenience only and do not affect interpretation.

(b) Mentioning anything after ***includes***, ***including***, ***for example***, or similar expressions, does not limit what else might be included.

(c) The following rules apply unless the context requires otherwise.

(i) The singular includes the plural, and the converse also applies.

(ii) A gender includes all genders.

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(iii) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.

(iv) A reference to a person includes a corporation, trust, partnership, unincorporated body or other entity, whether or not it comprises a separate legal entity.

(v) A reference to a clause or Schedule is a reference to a clause of, or Schedule to, this Agreement.

(vi) A reference to a party to this Agreement or another agreement or document includes the party's successors, permitted substitutes and permitted assigns (and, where applicable, the party's legal personal representatives).

(vii) A reference to an agreement or document (including a reference to this Agreement) is to the agreement or document as amended, supplemented, novated or replaced, except to the extent prohibited by this Agreement or that other agreement or document, and includes the recitals, and Schedules and Annexures to that agreement or document.

(viii) A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.

(ix) A reference to writing includes any method of representing or reproducing words, figures, drawings or symbols in a visible and tangible form.

(x) A reference to a right or obligation of any two or more people comprising a single party confers that right, or imposes that obligation, as the case may be, on each of them severally and each two or more of them jointly. A reference to that party is a reference to each of those people separately (so that, for example, a representation or warranty by that party is given by each of them separately).

(xi) A reference to a day means a day in the jurisdiction where the relevant obligation is to be performed.

(xii) A reference to conduct includes an omission, statement or undertaking, whether or not in writing.

1.3 Statements on the basis of knowledge or belief

Subject to clause 9.4, any statement made by a party on the basis of its knowledge and belief or awareness is made on the basis that the party has, in order to establish that the statement is true and not misleading in any respect:

(a) made all reasonable inquiries of its officers, managers and employees with responsibility for the matters to which the statement relates; and

(b) if those inquiries would have prompted a reasonable person to make further inquiries, made those further inquiries,

and that, as a result of those inquiries, the party has no reason to doubt that the statement is true and not misleading in any respect.

2 Subscription Shares

2.1 Subscription

The Subscriber will subscribe for, and the Issuer will issue to the Subscriber, the Subscription Shares on the Completion Date for the Subscription Price.

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2.2 Agreement to serve as application

This Agreement serves as an application by the Subscriber for the allotment of the Subscription Shares on the Completion Date and accordingly it will not be necessary for the Subscriber to provide a separate (additional) application on or prior to the Completion Date. The Subscriber consents to become a member of the Issuer and agrees to be bound by the Constitution upon the issue of the Subscription Shares.

3 Rights Attaching to Subscription Shares

(a) The Subscription Shares will be issued by the Issuer fully paid and free of all security interests, be freely transferable on ASX, and rank equally in all respects with the existing Shares of the Issuer on issue when the Subscription Shares are issued (including as to voting rights, entitlement to dividends and upon a winding-up).

(b) The Issuer will issue the Subscription Shares prior to the record date for the Entitlement Offer and the Subscription Shares will be able to participate in the Entitlement Offer in accordance with their Entitlement.

4 Issuer undertaking regarding Entitlement Shares

(a) The Subscriber will subscribe for its full Entitlement under the Entitlement Offer, under the retail component of the Entitlement Offer, and consents to the Issuer making reference to this obligation in the Entitlement Offer Documentation.

(b) Notwithstanding clause 4(a), the Issuer will reduce the number of Entitlement Shares issued to the Subscriber (and refund any surplus application moneys) to ensure that the Subscriber's holding does not exceed 20% of the Shares on issue at the settlement of the retail component of the Entitlement Offer.

5 Settlement

5.1 Obligations of the Issuer

On the Completion Date or, in respect of items (d) and (e), no later than the re-commencement of trading after the trading halt referred to in item (b)(i), the Issuer must:

(a) (**ASX announcements**): lodge all ASX announcements in connection with the entry into this Agreement in the form agreed between the parties prior to the Signing Date;

(b) (**Entitlement Offer**) announce that it is undertaking the Entitlement Offer on ASX and, in connection with the Entitlement Offer:

(i) apply to ASX to request a two day trading halt;

(ii) enter into the Underwriting Agreement;

(iii) lodge the Entitlement Offer Documentation on ASX; and

(iv) lodge the Entitlement Offer Cleansing Statement on ASX;

(c) (**issue Subscription Shares**) issue, or procure its registry to issue, the Subscription Shares to the Subscriber (or its nominees or custodians, as directed in writing by the Subscriber);

(d) (**Appendix 2A**) execute and lodge with ASX in accordance with all applicable Laws an Appendix 2A in respect of the Subscription Shares;

(e) (**Placement Cleansing Statement**) lodge with ASX in accordance with all applicable Laws, the Placement Cleansing Statement in respect of the Subscription Shares in the form agreed by the parties prior to the Signing Date;

(f) (**deliver holding statement**) deliver to the Subscriber a holding statement from the Issuer's share registry confirming that the name (and relevant details) of the Subscriber has been entered onto the Issuer's Share register as the holder of the Subscription Shares.

5.2 Obligations of the Subscriber

On the Completion Date, the Subscriber must pay, or cause to be paid, the Subscription Amount in Australian dollars in Immediately Available Funds to the Issuer's account, such account to be notified by the Issuer to the Subscriber no later than the date of this Agreement.

5.3 Simultaneous actions

In respect of the Completion Date:

(a) the obligations of the parties under this Agreement are interdependent; and

(b) unless otherwise stated, all actions required to be performed by a party on the Completion Date are taken to have occurred simultaneously on the Completion Date.

6 Undertakings

6.1 The Issuer's undertakings

The Issuer undertakes in favour of the Subscriber that:

(a) (**third party challenge**) it will promptly (and in any event within 1 Business Day) notify the Subscriber if at any time before the Entitlement Offer Completion Date the Issuer becomes aware of any third party objecting to, challenging, interfering with or obstructing (or proposing to object to, challenge interfere with or obstruct) any of the transactions contemplated by this Agreement, including without limitation, the issue of the Subscription Shares and the Entitlement Offer;

(b) (**notifications**) it will notify the Subscriber of any breach of any representation, warranty or undertaking given by the Issuer under this Agreement promptly after it becomes aware of any such matter;

(c) (**correspondence with ASIC or ASX**) to the extent permitted by the terms of such communication, it will promptly provide the Subscriber with copies of any communication from ASX, ASIC, or any other Governmental Agency in relation to this agreement or any issues or approvals that would prevent or restrict the Issuer's ability to perform its obligations under this Agreement (including to issue the Subscription Shares or to undertake the Entitlement Offer) to the Subscriber and give the Subscriber a reasonable opportunity to comment on any such correspondence from the Issuer (or any of its advisers) to ASIC or ASX or any other Governmental Agency (as relevant) (or any of their respective advisers) in relation to any such issues or approvals;

(d) (**no breach**) prior to the Entitlement Offer Completion Date, no Group Member and no Director will commit or be involved in any activity which constitutes a breach of:

(i) the Corporations Act;

(ii) the Listing Rules;

(iii) the Constitution of the Issuer or the constitution of any other Group Member;

(iv) any legally binding requirement of ASIC or ASX; or

(v) any other applicable law;

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(e) (**no unauthorised variations**) it will not, before the Entitlement Offer Completion Date:

(i) vary any term of the Constitution or the composition of its Board (other than in accordance with clause 7 of this Agreement) ; or

(ii) alter its share capital (excluding, for the avoidance of doubt, the issue of the Subscription Shares or the issue of any Shares under the Entitlement Offer),

without the prior written consent of the Subscriber to the terms of the variation or alteration;

(f) (**use of proceeds**) it will only use the funds received from the Subscriber under this Agreement to assist with funding working capital requirements associated with scaling the Issuer's operations to critical mass, together with investing in new cloud platforms in NEXTDC data centres in Melbourne and Brisbane and, subject to completion and commissioning, Adelaide;

(g) (**keep Subscriber informed**) during the period from the date of this Agreement and until the Entitlement Offer Completion Date, it will keep the Subscriber promptly and fully informed of all material developments relating to the transactions contemplated by this Agreement, the Entitlement Offer or any material adverse change in the financial condition, performance, or prospects of the Issuer;

(h) (**Aggregate Shareholding**) following the issue of the Subscription Shares, if the Subscriber takes up its Entitlements under the Entitlement Offer, then the Subscriber's shareholding shall equate to 20% or less of the total issued Share capital of the Company on the Entitlement Offer Completion Date, provided that in no circumstances shall the Company issue Shares to the Subscriber that would cause the Subscriber's shareholding to exceed 20% of the total issued Share capital of the Issuer at any point in time as a consequence of the Equity Raisings; and

(i) (**other**) it will use all reasonable efforts to take, or cause to be taken, all other action and do, or cause to be done, all other things necessary or appropriate to consummate the transactions contemplated by this Agreement.

6.2 The Subscriber's undertakings

(a) The Subscriber will use all reasonable efforts to co-operate with the Issuer and its representatives in:

(i) preparing all documents to be lodged by the Issuer with ASX in connection with the execution, delivery and performance of this Agreement and the transactions contemplated by it; and

(ii) timely lodgement of all such documents.

(b) The Subscriber will use all reasonable efforts to take, or cause to be taken, all other action and do, or cause to be done, all other things necessary or appropriate to consummate the transactions completed by this Agreement.

7 Board rights

7.1 The Subscriber's Board nomination

(a) From the Signing Date, and for so long as the Subscriber and its Related Bodies Corporate (or their respective nominees or custodians) hold in aggregate at least 15% or more of the Shares, then, subject to clause 6.1(b), the Issuer shall appoint one representative of the Subscriber, if the Subscriber so elects (nominated in writing by the

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Subscriber after consultation with the Issuer and otherwise in accordance with clause 7.1(b)) to the Board as a non-executive director of the Issuer.

(b) If, any time after the Signing Date and subject to the Subscriber and its Related Bodies Corporate (or their respective nominees or custodians) holding in aggregate at least 15% or more of the Shares, the number of Directors on the Board of the Issuer numbers more than five, then any subsequent appointment of two Directors shall entitle the Subscriber to nominate one of those two Directors as a non-executive directors of the Issuer, and the Issuer shall make that appointment.

(c) The Subscriber agrees that any director nominated by the Subscriber and appointed by the Issuer pursuant to clause 7.1(a) or 7.1(b) (***Nominee Director***) shall have the appropriate commercial and professional experience to fulfil the role and that such person otherwise satisfies any ASX Listing Rule requirements. The Subscriber will discuss and consult on the identity of the Nominee Director (and any replacement director) with the Board.

(d) The Issuer agrees to use reasonable endeavours to encourage the Issuer's directors to unanimously recommend that the Issuer's shareholders vote in favour of the appointment of the Nominee Director when such person is up for election at the Issuer's annual general meeting, subject at all times to the directors' fiduciary duties.

(e) The Subscriber's Board representation rights under this clause 7.1 cease and expire as soon as the Subscriber and its Related Bodies Corporate (or their respective nominees or custodians) cease to hold in aggregate 15% or more of the Shares. If the Subscriber's Board representation rights under this clause 7.1 cease, the Subscriber must procure that its Nominee Director resigns.

(f) The Issuer agrees that:

(i) for so long as a Nominee Director is a director of the Issuer, the Issuer:

(A) acknowledges that such person will be entitled to take into account the interests of the Subscriber, subject at all times to the director's fiduciary duties to the Issuer; and

(B) will consult in good faith with the Subscriber in relation to the appointment of the Nominee Director on to any risk/audit (or similar) committee of the Board;

(ii) all reasonable and customary costs, expenses and disbursements to the extent incurred by the Nominee Director in connection with the Nominee Director's role as a director of the Board will be borne by the Issuer; and

(iii) director fees, D&O insurance and all other arrangements of support provided by the Issuer to its non-executive directors (including by way of deeds of indemnity and access or similar) are no more or less favourable with those provided for the other directors and will be provided by the Issuer for the Nominee Director (including tail coverage) at the Issuer's expense (including any relevant insurance premiums) and at the Nominee Director's direction (if applicable).

(g) The Subscriber agrees that its Nominee Director must adhere to any protocols or other requirements of the Issuer and/or the Board, in particular, it is agreed that the Nominee Director will not be entitled to be present at and/or participate in any Board deliberations or discussions in the event of a conflict of interest or have access to any Board papers or minutes in connection with the relevant matter (unless the Issuer's non-conflicted directors determine otherwise, in their absolute discretion).

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7.2 Re-election of Nominee Director

The Nominee Director will be subject to re-election as required by the Listing Rules or the Constitution and the Issuer will use reasonable endeavours to encourage shareholders to support any such re-election subject to:

(a) the Subscriber and its Related Bodies Corporate (or their respective nominees or custodians) holding in aggregate at least 10% of the Shares at any time; and

(b) at all times to the directors' fiduciary duties.

8 Information access and sharing rights

(a) The parties acknowledge and agree that the Subscriber is entitled to receive from the Nominee Director all information regarding the Issuer or its business which is circulated to Board members or is otherwise reasonably requested by the Subscriber to the extent permitted by law, and subject to compliance with any third party confidentiality requirements and clause 10 The Subscriber's rights under this clause are subject to the Nominee Director being entitled to receive the relevant information (noting the principles in clause 6.1(g) and any other applicable policies or protocols from time to time (including as to conflicts of interest and share trading policy).

(b) The Issuer agrees to cooperate and provide all information reasonably requested by the Subscriber to enable the Subscriber to comply with its reporting requirements to any Governmental Agency (including, without limitation, to assist in responding to any notice.

9 Representations and Warranties

9.1 Representations and Warranties by the Issuer

Subject to clauses 9.3(a), 9.3(b) and 9.3(g)(ii), the Issuer represents and warrants to the Subscriber that each of the following statements is true, accurate and not misleading as at the Completion Date:

(a) (**status**) It is a body corporate validly existing under the laws of its place of incorporation or establishment.

(b) (**corporate power**) It has the corporate power to enter into and perform its obligations under this Agreement and to carry out the transactions contemplated by this Agreement.

(c) (**corporate action**) It has taken all necessary corporate action to authorise the entry into and performance of this Agreement and to carry out the transactions contemplated by this Agreement and no Authorisation, registration or qualification of or, or any waiver or modification, with any Governmental Agency or any other person is required for the Issuer to perform its obligations under this Agreement.

(d) (**binding obligation**) This Agreement is its valid and binding obligation.

(e) (**Issuer shareholder approval**) The Issuer is not required to obtain under the Corporations Act or the Listing Rules the approval of its shareholders in relation to the performance of any its obligations under this Agreement (including the issue of the Subscription Shares to the Subscriber).

(f) (**Subscription Shares**)

(i) the Subscription Shares will be validly issued;

(ii) on the Completion Date, the Subscription Shares shall equate to 19.99% of the total issues Share capital of the Company, excluding, for the avoidance of doubt, the impact of the Entitlement Offer;

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(iii) the Subscription Shares will rank equally in all respects with the existing ordinary shares of the Issuer on issue, including the rights to participate in the Entitlement Offer;

(iv) the Subscription Shares will have the rights set out in the Constitution;

(v) the Issuer has the ability to issue the Subscription Shares free from all Encumbrances (other than those in the Constitution), and the Subscriber will receive good, valid and incontestable title to the Subscription Shares free from any Encumbrance (other than those in the Constitution); and

(vi) the Subscription Shares will have no restriction on their issue or transfer.

(g) (**Entitlement Offer**)

(i) the Entitlement Offer Shares will be issued fully paid and without Encumbrance, and will rank equally in all respects with the existing ordinary shares of the Issuer from their date of issue;

(ii) the Issuer has taken all necessary corporate action to authorise the Entitlement Offer and obtained any necessary registration or qualification of or, or any waiver or modification, with any Governmental Agency or any other person as required for the Issuer to undertake the Entitlement Offer;

(iii) the responses to the MDDQ are not misleading and deceptive (including by omission) in any material respect;

(iv) the Entitlement Offer is fully underwritten and the obligations of the Issuer under the Underwriting Agreement are valid and binding;

(h) (**purpose**) The Issuer is issuing the Subscription Shares for a purpose that does not include any or all of the Subscription Shares being offered for the purpose of the person to whom they are issued selling or transferring them or granting, issuing or transferring interests in, or options or warrants over them.

(i) (**accuracy and completeness**) The information contained in the Disclosure Materials is not misleading or deceptive or likely to mislead or deceive, was prepared in good faith for the purpose of informing the Subscriber about the Issuer (including as to its assets, liabilities and financial position up until 30 June 2021 and performance of the business up until 30 June 2021) and the Subscription Shares and no information about the Issuer or the Group's operations has been knowingly or recklessly omitted from the Disclosure Materials.

(j) (**disclosure compliance**) To the best of the Issuer's knowledge, it has complied with all its disclosure requirements under the Corporations Act and the Listing Rules and there is no material information or circumstance which the Issuer is obliged to notify ASX about pursuant to Listing Rule 3.1 and it has not withheld any information in reliance on the exemption in Listing Rule 3.1A or is in possession of any Inside Information, other than in respect of the transactions contemplated by this Agreement.

(k) (**compliance with law**) It is not, and no Group Member is, in breach of any provision of:

(i) the Corporations Act;

(ii) the Listing Rules (except where compliance has been waived, or as modified, by ASX);

(iii) its constitution or any other constituent organisational document;

(iv) any legally binding requirement of ASIC or ASX specifically addressed to a Group Member, or that a Group Member is specifically subject to;

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(v) any Authorisations from Governmental Agencies that are necessary or material to the conduct of the business now operated by each Group Member, the breach of which would have a Material Adverse Effect;

(vi) any other law to which it is subject or any order of any Governmental Agency that is binding on it, the breach of which would have a Material Adverse Effect; or

(vii) any other undertaking or instrument or Authorisation or court or administrative order binding on it (or its Affiliates), the breach of which would have a Material Adverse Effect.

(l) (**no contravention**) None of:

(i) the entry into this Agreement;

(ii) the performance by the Issuer of its obligations under this Agreement; or

(iii) the carrying out of any transaction contemplated by this Agreement,

will result in a breach of any provisions of:

(A) any agreement, deed, trust, document or other arrangement;

(B) any applicable law; or

(C) any judgment of any Court,

binding on the Issuer or any Group Member or any of their respective assets.

(m) (**Material Contracts**) To the best of the Issuer's knowledge:

(i) all contracts entered into by the Issuer and Group Members that are material for the carrying on of the Group's business (***Material Contracts***) are valid and enforceable in accordance with their terms;

(ii) each Group Member is not in breach under any Material Contract and nothing has occurred which, is, or with giving of notice, lapse of time, satisfaction of some other condition, or any combination of these, constitutes an event which causes or enables the expenditure or acceleration of expenditure of any payment to be made under, or the enforcement, termination or rescission of, any Material Contract; and

(iii) no Group Member has received notice of cancellation, termination or failure to renew any Material Contract.

(n) (**Management accounts and information**) The 30 September 2021 management accounts, comprising the quarterly P&L and Cash Flow (1QFY22) and the Balance Sheet as at 30 September 2021 of the Group in the Disclosure Materials:

(i) have been prepared in good faith and with reasonable care and from the books of account and ledgers of the Group Members; and

(ii) are not materially misstated or misleading, taking into account the purpose for which they have been prepared.

(o) (**guarantees**) Other than in the ordinary and usual course of business, there is no outstanding guarantee, indemnity or similar assurance against loss or other security given by any Group Member.

(p) (**indebtedness**) To the best of the Issuer's knowledge, no material outstanding indebtedness of any Group Member has become payable or repayable by reason of any default of any Group Member and no event has occurred which may result in such indebtedness becoming payable or repayable prior to its maturity date, or a demand

being made for such indebtedness to be paid or repaid or any step being taken to enforce any security for any such indebtedness of any Group Member.

(q) (**no litigation**) The Issuer is not involved in, nor is it aware of any facts or circumstances likely to lead to, any material prosecution, litigation or arbitration involving the Issuer or any person for whom the Issuer may be liable, and has not been threatened with any material prosecution, litigation or arbitration involving the Issuer or any person for whom the Issuer may be liable. The Issuer is not involved in any proceeding before or investigation by any Governmental Agency or other body and no such proceeding or investigation is pending or threatened against the Issuer or any person for whom it may be liable.

(r) (**winding up**) On or prior to the Completion Date, the Issuer and each Group Member will not:

(i) cease to be solvent or able to pay its debts as and when they fall due;

(ii) pass any resolution that it be wound up;

(iii) enter into any scheme or composition with or for the benefit of its creditors;

(iv) have a receiver or manager appointed to the whole or any part of its assets or undertakings;

(v) permit any breach or default whereby it is liable to be wound up; or

(vi) have an administrator appointed to it.

(s) (**money laundering**) The operations of each member of the Group are and have been conducted at all times in compliance with all financial recordkeeping and reporting requirements of the applicable money laundering statutes of all jurisdictions, the rules and regulations made thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any Governmental Agency (collectively, the ***Money Laundering Laws***) and no action, suit or proceeding by or before any court or Governmental Agency, authority or body or any arbitrator involving any Group Member with respect to the Money Laundering Laws is pending or, to the best knowledge of the Issuer, threatened.

(t) (**corrupt practices**) No Group Member and, to the best knowledge of the Issuer, no director, officer, employee or Affiliate (other than a Group Member) of the Issuer or any other Group Member:

(i) has used any corporate funds for any unlawful contribution, gift, unlawful entertainment or other unlawful expense relating to political activity;

(ii) has made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds of any Group Member; or

(iii) has made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment,

in each case, in violation of any applicable laws, including but not limited to the United States Foreign Corrupt Practices Act of 1977, the United Kingdom Bribery Act 2010 or the Australian Criminal Code Act 1995 (Cth).

(u) (**capitalisation**) As at the Signing Date, the Issuer has 99,557,064 Shares on issue (excluding, for the avoidance of doubt, any Shares that may be issued under this Agreement or pursuant to the Entitlement Offer).

(v) (**intellectual property**):

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(i) The Group Members either legally and beneficially own or have a licence to use all Business Intellectual Property.

(ii) All Owned Intellectual Property are valid, subsisting and enforceable.

(iii) Complete and accurate details of all Registered Business Intellectual Property and Material Unregistered Business Intellectual Property are set out in the Disclosure Materials.

(iv) A complete and accurate copy of all material agreements or arrangements which relate to Intellectual Property Rights and to which any Group Member is party, is set out in the Disclosure Materials. Except as disclosed in the Disclosure Materials:

(A) no third party has any right to use or any other interest in any Business Intellectual Property; and

(B) no Group Member uses any Intellectual Property Rights owned by a third party.

(v) The activities of the Group and use of the Business Intellectual Property do not currently infringe, and have not at any time infringed , the rights of any third party (including Intellectual Property Rights and Moral Rights) of any other person, or given rise to any obligation to pay any money to any other person (whether by way of licence fees, royalties, damages, compensation or royalties to any third party otherwise), and the Issuer is not aware that any such claim or payment is has been threatened or is likely.

(vi) No third party is infringing or making unauthorised use or has infringed or made unauthorised use of any Owned Intellectual Property.

(vii) There are no claims, actions or proceedings made, brought, or threatened, by or against any Group Member regarding any Intellectual Property Rights, and the Issuer is not aware of any facts or circumstances which might give rise to such a claim, action or proceeding.

(w) (**information technology**):

(i) The Computer Systems owned by or licensed to each Group Member as far as the Issuer is aware, are in good working condition and the present capacity and performance of the Computer Systems is sufficient to satisfy the current and reasonably projected business requirements of the Group Member.

(ii) Each element of the Computer Systems is owned by, or used under a valid licence from a third party.

The representations and warranties by the Issuer in this clause 9.1 are continuing obligations of the Issuer and survive the issue of the Subscription Shares and do not merge on the Completion Date.

9.2 Representations and Warranties by the Subscriber

The Subscriber represents and warrants to the Issuer that each of the following statements is true, accurate and not misleading as at the Completion Date:

(a) (**status**) It is a body corporate validly existing under the laws of its place of incorporation or establishment.

(b) (**corporate power**) It has the corporate power to enter into and perform its obligations under this Agreement and no Authorisation, registration or qualification of or with any

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Governmental Agency or any other person is required for it to carry out the transactions contemplated by this Agreement.

(c) (**corporate action**) It has taken all necessary corporate action to authorise the entry into and performance of this Agreement and to carry out the transactions contemplated by this Agreement.

(d) (**binding obligation**) This Agreement is its valid and binding obligation.

(e) (**no contravention**) Neither the entry into nor performance by it of this Agreement nor any transaction contemplated under this Agreement violates in any material respect any provision of any judgment binding on it, its constituent documents, any law or any document, agreement or other arrangement binding on it or its assets.

(f) (**winding up**) On or prior to the Completion Date, the Subscriber will not:

(i) cease to be solvent or able to pay its debts as and when they fall due;

(ii) pass any resolution that it be wound up;

(iii) enter into any scheme or composition with or for the benefit of its creditors;

(iv) have a receiver or manager appointed to the whole or any part of its assets or undertakings;

(v) permit any breach or default whereby it is liable to be wound up; or

(vi) have an administrator appointed to it.

(g) (**Sophisticated or Professional Subscriber**) It is a Sophisticated or Professional Subscriber and the Subscription Shares can be issued to it without any further disclosure or registration under any applicable Law.

(h) (**on-sale**) The Subscriber is not acquiring the Subscription Shares for the purpose of selling or transferring them, or granting, issuing or transferring interests in, or options over them.

9.3 Qualifications and limitations on Claims

(a) The Subscriber acknowledges and agrees that the Issuer has disclosed or is deemed to have disclosed against the Issuer's Warranties, and the Subscriber is aware of, will be treated as having actual knowledge of, all facts, matters and circumstances that:

(i) are provided for or described in this Agreement;

(ii) are fully and fairly disclosed in the Disclosure Materials; or

(iii) are contained in any announcement or filing published on the website of the ASX.

For the purposes of clause 9.3(a)(ii), a fact, matter or circumstance is 'fully and fairly disclosed' if sufficient information has been disclosed in the Disclosure Materials such that a sophisticated investor, experienced in transactions as contemplated by this Agreement, undertaking reasonable due diligence inquiries in the circumstances and taking advice from financial, legal and tax advisers experienced in such transactions, should be aware of the substance and significance of the information.

(b) The Issuer's Warranties are given subject to the disclosures or deemed disclosures described in clause 9.3(a). An Issuer's Warranty will not be regarded as being untrue by reason of facts, matters or circumstances that have been disclosed or are deemed to have been disclosed under clause 9.3(a) and the Issuer will have no liability under the Issuer's Warranties to the extent that disclosure is made or is deemed to have been made against the Issuer's Warranties.

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(c) The Subscriber must not make a Claim for breach of Issuer's Warranties and the Issuer will not be in breach of an Issuer Warranty to the extent that the facts, matters or circumstances giving rise to such Claim are disclosed or deemed to have been disclosed under clause 9.3(a).

(d) The ability of the Subscriber to bring a Claim against the Issuer is limited by the following:

(i) The Issuer is not liable under a Claim for any loss to the extent that the Subscriber is compensated (in full or in part) for such loss by any other means, from another source whether by way of contract, indemnity or otherwise (including under a policy of insurance or from an Governmental Agency).

(ii) If, after the Issuer has made a payment in respect of a Claim, the Subscriber recovers or is compensated for by any other means, any loss that gave rise to the Claim, the Subscriber must as soon as practicable pay to the Issuer as an increase in the Subscription Amount, the amount of the loss that was recovered or compensated for, less all costs and expenses, including the net present value of increased insurance premiums, incurred by the Subscriber.

(iii) The Issuer is not liable under a Claim for any loss or amount to the extent that specific and proper provision, allowance, reserve or accrual has been made in the Accounts.

(iv) The Issuer is not liable under a Claim unless details of the Claim have been notified to the Issuer within 18 months of the Completion Date and such claim is taken to have been withdrawn unless the Claim is agreed, compromised or settled, or any legal proceedings in connection with the Claim are commenced within three months after written notice of the Claim is given to the Issuer.

(v) Subject to clause 9.3(d)(vi), the Issuer is not liable under any Claim for loss or amount:

(A) unless in relation to any single Claim finally agreed or determined (***Single Claim***), the amount of the Single Claim exceeds $500,000 and

(B) until the aggregate amount of all Single Claims properly made under or in connection with this Agreement exceeds $1,000,000.

in which event the Issuer shall be liable for the full amount of the Claims, and not just the excess.

(vi) The maximum aggregate amount which a party is required to pay in respect of all Claims arising from or in connection with the breach of Issuer's Warranties is limited to the Subscription Amount, provided, however, that the restriction in this clause shall not apply to or otherwise limit the Issuer's liabilities under any Claim for loss or amount as a result of or arises from the fraudulent or criminal misconduct on the part of the Issuer or any of its Related Bodies Corporate, or any of their officers and employees.

(vii) The Issuer will not, in any circumstances, be liable to the Subscriber for consequential loss in relation to this Agreement or any matter connected with or arising in relation to this Agreement, being any loss suffered by the Subscriber that cannot reasonably be considered to arise naturally from a breach.

(e) (**Sole remedy**) It is the intention of the parties that the Subscriber's sole remedies in connection with this Agreement will be as set out in this Agreement and the Issuer does not have any liability to the Subscriber:

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(i) in connection with the matters the subject of this Agreement or the Disclosure Materials; or

(ii) resulting from or implied by conduct made in the course of communications or negotiations in respect of the matters the subject of this Agreement or the Disclosure Materials,

under a Claim unless the Claim may be made under the terms of this Agreement or arises out of a statutory right or other claim that cannot be excluded by contract.

(f) Notwithstanding anything to the contrary in this Agreement, nothing in this clause 9.3 shall limit the Subscriber's right to (a) seek any remedy on account of any fraudulent or criminal misconduct, or (b) bring any Claim or seek any remedy in connection with any breach by the Issuer of its representations, warranties or confirmations as set forth in this Agreement on account of any fraudulent or criminal misconduct.

(g) The Subscriber acknowledges and agrees that:

(i) (**Warranties are the only warranties**) the only representations and warranties on which the Subscriber has relied upon in entering into this Agreement and undertaking the transactions contemplated by this Agreement are the Issuer's Warranties; and

(ii) (**Forecasts**) in relation to any Forecasts:

(A) all such Forecasts were provided for information purposes only;

(B) there are uncertainties inherent in attempting to make the Forecasts and the Subscriber is familiar with these uncertainties;

(C) the Subscriber is taking full responsibility for making its own evaluation of the adequacy and accuracy of all Forecasts;

(D) no warranty is given or representation made that any such Forecasts will be met or achieved;

(E) any Issuer's Warranties as to accuracy or completeness of disclosed information do not apply to such Forecasts; and

(F) the Issuer is not liable under any Claim arising out of or relating to any Forecast.

(h) Any payment made by the Issuer to the Subscriber in respect of any Claim will be in reduction of the Subscription Amount for tax purposes unless otherwise required by applicable laws.

(i) Any payment made by Subscriber to the Issuer or a Group Member in respect of any Claim will be an increase in the Subscription Amount for tax purposes unless otherwise required by applicable Laws.

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9.4 Knowledge of Issuer

Where an Issuer's Warranty is qualified by reference to the Issuer's knowledge or awareness, that knowledge or awareness is limited to matters within the knowledge of Phil Dawson (CEO), Michelle Crouch (Acting CFO), Brad Bastow (COO) and Steve Clarke (CTO) as at the date the Issuer's Warranty is given.

10 Confidentiality

10.1 Prior Agreement

The parties agree that the confidentiality agreement dated 28 October 2021 between the parties is terminated with effect from the Signing Date.

10.2 Confidential Information

Subject to clause 10.3, each party shall treat as strictly confidential and shall not disclose to any other person or use any information (including written information and information transferred or obtained orally, visually, electronically or by any other means) received or obtained as a result of entering into or performing this Agreement which relates to:

(a) the provisions of this Agreement;

(b) the negotiations and subject matter of this Agreement; and

(c) the other party,

(collectively, ***Confidential Information***).

10.3 Subscriber's investment in the Issuer

Subject to clause 10.4, a party will not make any public announcements or statements in relation to this Agreement or its subject matter, the involvement of the Subscriber in the Group or any strategic relationships or investments involving the Subscriber and the Group, except in accordance with the prior written consent of the other party, which consent will not be unreasonably withheld or delayed.

10.4 Exceptions

Notwithstanding the other provisions of this clause 10, a party may disclose or use Confidential Information or make any other public announcements or statements which would otherwise be subject to the provisions of clause 10.2 or clause 10.3 (as applicable), if and to the extent:

(a) the disclosure or use is required to be made by Law or the rules of a recognised stock or securities exchange and the party whose obligation it is to keep matters confidential or procure that those matters are kept confidential has, before disclosure is made, notified the other party of the requirement to disclose;

(b) the disclosure or use is required for the purpose of any arbitral or judicial proceedings arising out of this Agreement;

(c) Confidential Information is disclosed on a need to know and strictly confidential basis to a party's Affiliates and representatives (and their officers/employees), provided that such recipients agree to be bound by equivalent confidentiality restrictions;

(d) Confidential Information was lawfully in its possession, without breach of any obligation owed to a party to this Agreement or in the possession of any of its Affiliates or representatives (in either case as evidenced by written records) free of any restriction as to its use or disclosure prior to it being so disclosed;

(e) Confidential Information is or becomes in the public domain other than by breach of that party or any of its Affiliates or representatives;

(f) that the other party has given prior written consent to the disclosure (which may be withheld at the absolute discretion of the other party);

(g) Confidential Information is independently developed after Completion; or

(h) the disclosure or use is required to enable that party to perform this Agreement or enforce its rights under this Agreement or otherwise vest the full benefit of this Agreement in that party;

and provided that, to the extent permitted by Law and as is reasonably practicable in the circumstances, any Confidential Information to be disclosed in reliance on clauses 10.4(a) or (b) shall be disclosed only after consultation with the other party with a view to providing the other party with the opportunity to contest such disclosure or use or otherwise agree the timing and content of such disclosure or use and the party intending to disclose the Confidential Information shall take into account reasonable comments or requests of the other party and, in the case of either party, it must as far as practicable seek to obtain the other party's consent and, should such disclosure obligation be required in less than 4 hours, then the disclosing party must as a minimum use best endeavours to provide the other party with an email and a courtesy call to inform of the circumstances.

The restrictions contained in this Clause 10 shall continue to apply after the termination of this Agreement without limit in time.

11 GST

11.1 Definitions

Unless the context requires otherwise, words and phrases used in this clause that have a specific meaning in the GST Law will have the same meaning in this clause.

11.2 Recovery of GST

If GST is payable, or notionally payable, by a party (***Supplier***) on a supply it makes under or in connection with this Agreement, the party providing the consideration for that supply (***Recipient***) must pay as additional consideration an amount equal to the amount of GST payable, or notionally payable, on that supply (the ***GST Amount***). Subject to the prior receipt of a tax invoice (or an adjustment note, as applicable), the GST Amount is payable at the same time that the other consideration for the supply is provided. This clause does not apply to the extent that the consideration for the supply is expressly stated to be GST inclusive or the supply is subject to reverse charge.

11.3 Liability for penalties

If the Recipient fails to make the payment of an amount in accordance with this clause 11, the Recipient must pay to the Supplier (or the representative member liable for the GST on the relevant supply under the GST Act) on demand the amount of any loss, cost expense, penalty, fine, interest, fee or other amount to which the Supplier (or the representative member liable for such amount,) becomes liable as a direct result of the Recipient's failure to make such payment. It will not be a defence to any claim against the Recipient that the Supplier (or the representative member liable for such amount) has failed to mitigate damages by paying an amount of GST when it fell due under the GST Law.

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11.4 Liability net of GST

Where any indemnity, reimbursement or similar payment under this Agreement is based on any cost, expense or other liability, it will be reduced by any input tax credit entitlement, or notional input tax credit entitlement, in relation to the relevant cost, expense or other liability.

11.5 Adjustment events

If an adjustment event occurs in relation to a supply made under or in connection with this Agreement, the GST Amount will be recalculated to reflect that adjustment and an appropriate payment will be made between the parties. The supplier will promptly issue an adjustment note to the recipient in respect of the adjustment event.

11.6 Survival

This clause will not merge upon completion and will continue to apply after expiration or termination of this Agreement.

11.7 Revenue exclusive of GST

Any reference in this Agreement to value, sales, revenue or a similar amount (***Revenue***), is a reference to that Revenue exclusive of GST.

11.8 Cost exclusive of GST

Any reference in this Agreement to a cost, expense or other similar amount (***Cost***), is a reference to that Cost exclusive of GST.

12 General

12.1 Governing Law and Jurisdiction

This Agreement is governed by the laws of Queensland, Australia. In relation to it and related non-contractual matters each party irrevocably submits to the non-exclusive jurisdiction of courts with jurisdiction there.

12.2 Notices

Any notice, demand, consent approval or other communication (a ***Notice***) given or made under this Agreement:

(a) must be in writing and signed by the sender or a person duly authorised by the sender (or, in the case of email, set out the full name and position or title of the sender);

(b) must be delivered to the intended recipient by prepaid post (if posted to an address in another country, by registered airmail) or by hand or email to the address or email address below or the address or email address last notified by the intended recipient to the sender after the date of this Agreement:

to the Issuer:	**Sovereign Cloud Holdings Limited** Attention: Ross Walker (Director) Address: Level 38, Central Plaza One, 345 Queen Street, Brisbane QLD 4000 Email: RWalker@pitcherpartners.com.au with a copy (in the event of notice given by email) to Derek Pocock (derek.pocock@bakermckenzie.com)

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to the Subscriber:	**NEXTDC Ventures Holdings No. 1 Pty Ltd** Attention: Michael Helmer (Chief Legal Officer and Company Secretary) Address: 20 Wharf Street, Brisbane, Queensland 4000 Email: Michael.Helmer@nextdc.com

(c) will be conclusively taken to be duly given or made:

(i) in the case of delivery in person, when delivered;

(ii) in the case of delivery by post, two Business Days after the date of posting (if posted to an address in the same country) or seven Business Days after the date of posting (if posted to an address in another country); and

(iii) in the case of email, on the earlier of:

(A) when the sender receives an automated message from the email system of the intended recipient confirming delivery; and

(B) three hours after the time the email is sent (as recorded on the device from which the sender sent the email) unless the sender receives, within that three hour period, an automated message that the email has not been delivered,

but if the result is that a Notice would be taken to be given or made on a day that is not a Business Day in the place to which the Notice is sent or at a time that is later than 5pm in the place to which the Notice is sent, it will be conclusively taken to have been duly given or made at the start of business on the next Business Day in that place.

12.3 Assignment

(a) Subject to clause 12.3(b), no party may assign, charge, create a security interest over, encumber or otherwise deal with any of its rights or obligations under this Agreement, or attempt or purport to do so, without the prior written consent of the other party.

(b) The Subscriber may freely and without restriction assign or transfer its rights and obligations under this Agreement to any of its Related Bodies Corporate by no less than 5 Business Days' written notice to the Issuer.

12.4 No waiver

(a) No acquiescence, waiver or other indulgence granted by either party to any other party will in any way discharge or relieve that other party from any of its other obligations under this Agreement.

(b) A failure to exercise or a delay in exercising any right, power or remedy under this Agreement does not operate as a waiver. A single or partial exercise or waiver of the exercise of any right, power or remedy does not preclude any other or further exercise of that or any other right, power or remedy. A waiver is not valid or binding on the party granting that waiver unless made in writing.

12.5 Costs

Each party must bear its own costs arising out of the negotiation, preparation and execution of this Agreement.

12.6 Severability

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will be ineffective as to that jurisdiction to the extent of the prohibition or unenforceability. That will not invalidate the remaining provisions of this Agreement nor affect the validity or enforceability of that provision in any other jurisdiction.

12.7 Extent of obligations

If any payment under this Agreement becomes void by any statutory provision or otherwise, the obligations of the party that made the payment will be taken not to have been discharged in respect of that payment and the parties will be restored to the rights which each respectively would have had if that payment had not been made.

12.8 Entire agreement

This Agreement contains the entire agreement between the parties with respect to its subject matter. It sets out the only conduct, representations, warranties, covenants, conditions, agreements or understandings (collectively ***Conduct***) relied on by the parties and supersedes all earlier Conduct by or between the parties in connection with its subject matter. Neither party has relied on or is relying on any other Conduct in entering into this Agreement and completing the transactions contemplated by it.

12.9 Amendment

This Agreement may be amended only by another agreement executed by all the parties.

12.10 Further assurances

Each party must do anything necessary or desirable (including executing agreements and documents) to give full effect to this Agreement and the transactions contemplated by it.

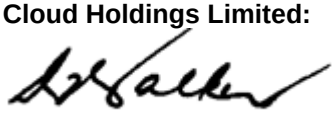
12.11 Counterparts

This Agreement may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument.

For personal use only

Executed as an Agreement

Executed in accordance with section 127 of the ***Corporations Act 2001*** by **Sovereign Cloud Holdings Limited:**





Director Signature

Ross Walker

Print Name

Secretary Signature

Michelle Crouch

Print Name

Executed in accordance with section 127 of the ***Corporations Act 2001*** by **NEXTDC Ventures Holdings No. 1 Pty Ltd:**

Director Signature

Print Name

Director/Secretary Signature

Print Name

For personal use only

DocuSign Envelope ID: 6F88074C-0FA4-4223-8565-9C2712C47546

Executed as an Agreement

Executed in accordance with section 127 of the *Corporations Act 2001* by **Sovereign Cloud Holdings Limited:**

Director Signature	Director/Secretary Signature
Print Name	Print Name

Executed in accordance with section 127 of the *Corporations Act 2001* by **NEXTDC Ventures Holdings No. 1 Pty Ltd:**

DocuSigned by:
EA01832C7ADA4CF...

CEO & Managing Director

DocuSigned by:
146518290F8A491...

Company Secretary

Director Signature Craig Scroggie	Director/Secretary Signature Michael Helmer
Print Name	Print Name

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