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Felix Group Holdings Ltd (ACN: 159 858 509)

ASX Announcement **19 August 2025**

Strategic acquisition to accelerate Vendor monetisation and capital raising

Key highlights

- Felix has entered into a binding agreement to acquire 100% of the issued capital in Nexvia, a Brisbane-based SaaS platform for construction-focused SMEs
- Acquisition accelerates Felix's Vendor monetisation strategy, unlocking a significant opportunity across its ~110,000-strong Vendor Marketplace
- Acquisition delivers FY25 pro-forma ARR of $11.9m, a 38% increase on Felix's standalone FY25 ARR
- Purchase price of $12.0m, comprising $6.0m cash, $3.6m in Felix shares, and $2.4m in performance rights linked to FY26 subscription revenue growth targets
- Acquisition to be funded via a fully underwritten two-tranche placement to raise approximately $16.0m and a non-underwritten $1.0m share purchase plan
- Global investment manager, Briarwood Chase Management LLC and its private investment fund, Briarwood Capital Partners LP, has provided strong support for the Placement and is expected to hold a ~16.1% pro forma shareholding
- Integration plan underway, with commercial launch of combined Felix–Nexvia solution targeted in FY26

Felix Group Holdings Limited (ASX: FLX) ("**Felix**" or the "**Company**") today announced it has entered into a binding conditional agreement to acquire 100% of the issued capital of Nexvia Pty Ltd and its subsidiaries ("**Nexvia**"), a subscription-based SaaS platform that provides project and business management solutions to project-led SMEs in the construction sector, including strong overlap with Felix Vendors. Nexvia is highly complementary to Felix's enterprise procurement platform, enabling direct Vendor monetisation through integrated project management, budgeting, scheduling, and compliance tools.

Felix's Co-Founder and CEO, Mike Davis commented:

"We are excited to announce the highly strategic acquisition of Nexvia to accelerate our Vendor monetisation strategy. Nexvia brings a proven, highly complementary platform and capability set to Felix, delivering a turn-key solution to activate and scale monetisation. With a large and growing Vendor base already in place, we are now well positioned to unlock the value of the ecosystem we have built.

We are grateful for the ongoing support shown by institutional shareholders and the strong interest from new investors. This capital raising has further strengthened our share register through the addition of a number of high quality domestic and international funds who we believe are highly aligned with our long-term value creation strategy. In addition, we are pleased to offer a Share Purchase Plan to eligible shareholders."

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Overview of Nexvia

Nexvia is a subscription-based SaaS platform purpose-built for project-led SMEs, including subcontractors, fit-out specialists, and builders. The platform digitises manual workflows and unifies project and business management in one system, offering centralised tools for project budgeting, scheduling, compliance management, dashboards, live reporting, and document management. Its centralised, purpose-built SaaS solution replaces fragmented systems and manual processes, driving operational efficiency and enhanced visibility for SME businesses in the construction sector.

As of FY25, Nexvia has reached an annual recurring revenue (**"ARR"**) of $3.3m, reflecting strong organic growth at a 25% compound annual rate since FY22. With 172 customers and achieving EBITDA breakeven in FY25, Nexvia has a median ARR per customer of $13k, and an FY25 LTV/CAC ratio of 10.6x.

Strategic Rationale

The acquisition of Nexvia ("**Acquisition**") is expected to accelerate Felix's vendor monetisation strategy by equipping Vendor SMEs with a fully integrated suite of project and business management tools. Nexvia's capabilities will expand Felix's platform ecosystem, helping to digitise manual workflows, improve project visibility, and increase operational efficiency, directly addressing pain points experienced by Vendor SMEs within Felix's Vendor Marketplace. The Acquisition will also unlock additional addressable segments of Vendors which Felix's Vendor Marketplace previously did not capture, such as fit-out specialists and SME builders.

By adding Nexvia's capabilities into Felix's platform offering, the Acquisition significantly expands product breadth and unlocks strong interoperability between enterprise procurement workflows and Vendor project delivery. The planned deep integration between the existing enterprise solution and Nexvia will strengthen network effects, enhance data insights, and deliver an end-to-end procurement management solution for enterprises and SMEs.

The Acquisition also unlocks cross-selling potential to Felix's large Vendor base of 110k+ Vendors by providing existing Vendors with access to Nexvia's project management tools, purpose-built for SME subcontractors and Vendors. This will help drive a new high-margin, recurring revenue stream while also deepening Vendor engagement and loyalty, positioning Felix as the go-to digital platform for contracting and asset-owner enterprises, and now their supply chains.

Nexvia achieved $3.3m ARR in FY25, which in turn delivers Felix a pro-forma FY25 ARR of $11.9m, an increase of 38% on FY25 standalone ARR of $8.6m. Nexvia has delivered strong organic growth of 25% CAGR since FY22 and strong customer economics, demonstrating the platform's strong momentum and foundation for continued growth.

This is a turn-key alternative to building the equivalent Vendor solutions internally and positions the combined business to accelerate growth, supported by a clear integration and commercial launch plan.

Acquisition details

Felix has entered into a binding conditional agreement (**Share Purchase Agreement**) to acquire 100% of the issued capital in Nexvia for total cash and scrip consideration of $12.0m, representing a FY25 EV/ARR of ~3.8x. The purchase price for the Acquisition will be structured as follows:

- Cash in the amount of $6.0m[1] ("**Cash Consideration**")
- Ordinary shares in Felix ("**Consideration Shares**")
  - The number of Consideration Shares was determined by dividing $3.6m by the Offer Price of the Placement, resulting in the issue of 16.4m Consideration Shares
- Performance rights in Felix ("**Performance Rights**")
  - The number of Performance Rights was determined by dividing $2.4m by $0.25, resulting in the issue of 9.6m Performance Rights

As part of the Acquisition, Nexvia founder, Mr Robert Rowe will enter into a 12-month consulting agreement with Felix.

The Consideration Shares will be subject to a 12-month escrow following their issue.
A summary of the material terms of the Share Purchase Agreement is appended to this ASX Announcement at **Schedule 1**.

Under the Share Purchase Agreement, the approval of Felix Shareholders is required under ASX Listing 7.1 for the issue of both the Consideration Shares and the Performance Rights.

Details of the Placement

Felix also announces a fully underwritten[2] $16.0m two-tranche placement launching today ("**Placement**") at an offer price of $0.22 ("**Offer Price"**) per fully paid ordinary share in Felix ("**New Share"**).

The Placement will utilise the Company's Listing Rule 7.1 Placement Capacity and will be structured as below:

- The issue of ~24.545m New Shares to raise $5.4m under the Company's Listing Rule 7.1 Placement Capacity ("**Tranche 1**"); and
- The issue of ~48.182m New Shares, to raise $10.6m, subject to shareholder approval to be obtained at an extraordinary general meeting to be held in September ("**EGM**") ("**Tranche 2**").

Global investment manager, Briarwood Capital Partners LP (managed by Briarwood Chase Management LLC) ("**Briarwood"**) has provided strong support for the Placement and is anticipated to hold a ~16.1% pro forma shareholding in Felix (subject to shareholder approval and post issuance of Consideration Shares, which will be issued contemporaneously with the shares under the Tranche 2 Placement and assuming $1.0m take-up under the SPP).

Approximately 72.7m of New Shares will be issued to new institutional and existing institutional shareholders under the Placement at the Offer Price. New Shares will rank equally with existing Felix ordinary shares on issue and Felix will see quotation on the ASX of those New Shares following their issue.

Participants in the Placement will receive, subject to shareholder approval to be obtained at the EGM, five (5) free attaching options for every seven (7) New Shares issued, exercisable at $0.31 and expiring 5 years from the date of issue ("**New Options**").

The New Options will be unlisted.

[1] The Company will also pay an additional $275,000 by way of loan to assist Nexvia employee optionholders exercise their options contemporaneously with completion, this amount will be repaid by those optionholders to Nexvia in reduction of that loan and will remain on the Nexvia balance sheet.
[2] Refer to the Investor Presentation released on the same day as this ASX Announcement for a summary of the termination events under the Underwriting Agreement.

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The full terms of issue of the New Options are appended to this ASX Announcement at **Schedule 2**.

All New Shares offered under the Placement will be issued at a price of $0.22 ("**Offer Price**"), which represents a:

- 2.7% premium to 5-day VWAP of $0.214 on 15 August 2025
- 0.9% premium to 10-day VWAP of $0.218 on 15 August 2025

Canaccord Genuity is acting as Lead Manager, Global Bookrunner and Underwriter to the Placement. Canaccord Genuity will be issued with 5,905,254 unlisted options, exercisable at $0.33 and expiring 3 years from the date of their issue (**Broker Options**). The Broker Options are also subject to shareholder approval at the EGM for the purposes of Listing Rule 7.1.

The full terms of issue of the Broker Options are appended to this ASX Announcement at **Schedule 3**.

It is anticipated the Directors, George Rolleston and Rob Phillpot (or their associates), will also subscribe for a total of $0.6m in New Shares (with corresponding New Options). These New Shares and New Options will be issued under Tranche 2 of the Placement. Such issue will be subject to shareholder approval to be obtained at the EGM.

Details of the Share Purchase Plan

Felix will also offer eligible shareholders the opportunity to participate in a non-underwritten SPP to raise up to an additional capped amount of $1.0m.

Under the SPP, eligible Felix shareholders, being shareholders with a registered address in Australia or New Zealand on Felix' register as at 7:00pm (AEST) on Monday 18 August 2025, being the record date ("**Eligible Shareholders**"), can apply for up to $30,000 worth of new fully paid ordinary shares in the Company ("**SPP Shares**") without incurring brokerage or other transaction costs.

The SPP Shares will be issued at $0.21 which is $0.01 below the Offer Price of the Placement ("**SPP Issue Price**"). The SPP Issue Price reflects a

- 2.0% discount to 5-day VWAP of $0.214 on 15 August 2025
- 3.7% discount to 10-day VWAP of $0.218 on 15 August 2025

The SPP offer period will open on Tuesday, 26 August 2025 and is expected to close at 5:00pm (Sydney time) on Tuesday, 9 September 2025 (unless extended or closed earlier at the discretion of the Company).

The terms and conditions of the SPP will be set out in the SPP Offer Booklet, which is expected to be released to the ASX on Tuesday, 26 August 2025. A letter to Eligible Shareholders will be despatched to Eligible Shareholders via their preferred method of contact on the same date.

Given the SPP is capped at $1.0m, in the event of oversubscription, the Company will scale back applications. Any scale back will be applied on a pro rata basis, having regard to the applicant's shareholding at the record date and will be conducted having regard to all applicable regulatory requirements.

There will be no New Options attaching to the SPP Shares.

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It is anticipated the Directors, Mike Davis, Michael Bushby and Joycelyn Morton (or their associates), will also subscribe under the SPP Shares under the SPP.

Proceeds of Placement and SPP

The Proceeds of the Placement and the SPP will partially fund the acquisition of Nexvia, drive organic growth initiatives, provide working capital and transaction costs.

Timetable

Event	Expected Date
Record Date (SPP)	Monday, 18 August 2025
Announcement of Acquisition and Placement	Tuesday, 19 August 2025
Announce the results of the Placement Resume Trading	Wednesday, 20 August 2025
Settlement of Tranche 1 of the Placement	Tuesday, 26 August 2025
Opening Date for SPP Offer	Tuesday, 26 August 2025
Issue date of Shares under Tranche 1 of the Placement	Wednesday, 27 August 2025
Closing Date of SPP	Tuesday, 9 September 2025
Issue date of Shares under the SPP Offer	Monday. 15 September 2025
Extraordinary General Meeting	Tuesday, 30 September 2025
Settlement of Tranche 2 of the Placement	Friday, 3 October 2025
Issue date of Shares under Tranche 2 of the Placement and Options under Tranche 1 and Tranche 2 of the Placement Completion of the Acquisition and the issue of the Consideration Shares and the Performance Rights	Tuesday, 7 October 2025

This timetable is indicative only and may be subject to change without notice. Felix reserves the right to amend any or all of these dates and times subject to the Corporations Act, the ASX Listing Rules and other applicable laws.

Authorised for release by:

Mike Davis
Co-Founder & CEO
Felix Group Holdings Ltd

For further information please contact:

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About Felix – see more at felix.net

Felix operates a cloud-based enterprise Software as a Service (SaaS) procurement management platform and vendor marketplace. Felix connects enterprises and third-party vendors by digitising, automating, and streamlining a range of critical procurement-related business processes – reducing supply chain risk and improving transparency and governance.

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Disclaimer

All dollar amounts are in Australian dollars unless otherwise indicated.

Forward looking statements

This document contains certain "forward-looking statements". The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this document are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks and uncertainties and other factors that are beyond the control of Felix, its directors and management. This includes statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in such statements and any projections and assumptions on which these statements are based. These statements may assume the success of Felix's business strategies. The success of any of those strategies will be realised in the period for which the forward-looking statement may have been prepared or otherwise. Readers are cautioned not to place undue reliance on forward-looking statements and except as required by law or regulation, none of Felix, its representatives or advisers assumes any obligation to update these forward-looking statements. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this document. The forward-looking statements are based on information available to Felix as at the date of this document. Except as required by law or regulation (including the ASX Listing Rules), none of Felix, its representatives or advisers undertakes any obligation to provide any additional or updated information whether as a result of a change in expectations or assumptions, new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

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Schedule 1 – Key Terms of the Share Purchase Agreement

Sale and Purchase:	Under the Share Purchase Agreement, Felix will buy, and the holders of the shares in Nexvia (**Sellers**) will sell, 100% of the issued share capital in Nexvia Pty Ltd (**Target Shares**).
Consideration:	**Purchase Price** The purchase price for the Target Shares will be as follows: (a) Cash in the amount of $6.0 million[3] (**Cash Consideration**) payable at Completion. (b) Ordinary shares in Felix (**Consideration Shares**). The number of Consideration Shares was determined by dividing $3.6 million by the price per ordinary share (**Share**) issued under the capital raising of Felix (**Capital Raising**), to fund the Cash Consideration. This will therefore result in 16.36 million Consideration Shares being issued. (c) performance rights in Felix (**Performance Rights**). The number of Performance Rights was determined by dividing $2.4 million by $0.25. This will therefore result in 9.6 million Performance Rights being issued. The Performance Rights will be convertible into Shares on a 1:1 basis as follows: (a) If, over a 12 month period, commencing on 1 October 2025 and ending on 30 September 2026 (**Calculation Period**), Nexvia achieves: (i) a growth in the monthly recurring subscription revenue (**Subscription Revenue Growth**) of 15%, then 50% of the Performance Rights will convert into Shares; (ii) Subscription Revenue Growth of 25%, then 100% of the Performance Rights will convert into Shares; (b) If in the Calculation Period, Nexvia achieves less than 15% Subscription Revenue Growth, the Performance Rights will lapse and not convert into Shares; (c) If in the Calculation Period, Nexvia achieves more than 15% Subscription Revenue Growth but less than 25% Subscription Revenue Growth, then the Performance Rights will convert into Shares on a pro-rata basis, based on the level of Subscription Revenue Growth achieved. The Performance Rights are automatically convertible in certain events, including where Felix fails to allocate the agreed amount for sales and marketing expenditure to Nexvia, a change in control or exit event occurs or where Felix implements price increases or decreases of Nexvia customer contracts or subscriptions for Nexvia or discontinues or removes from offering any product offered by Nexvia as at the completion date, without agreement.
Escrow:	100% of the Consideration Shares will be escrowed for 12 months from their respective dates of issue. The Shares on conversion of the Performance Rights will not be subject to any escrow.
Condition Precedent:	Felix and the Nexvia shareholders are only obliged to complete the Acquisition if the following key outstanding conditions are satisfied (or waived, by the party having the benefit of the relevant warranty): (a) a minimum of $15 million is raised under the Placement; (b) shareholder approval under ASX Listing Rule 7.1 for the issue of the Consideration Shares and Performance Rights and securities under Tranche 2 of the Placement is obtained; (c) all relevant landlord and change in control consents are obtained; (d) no material adverse change has occurred with respect to Felix or Nexvia;

[3] The Company will also pay an additional $275,000 by way of loan to assist Nexvia employee optionholders exercise their options contemporaneously with completion, this amount will be repaid by those optionholders to Nexvia in reduction of that loan and will remain on the Nexvia balance sheet.

	(e) there is no material breach of any warranties provided by the Nexvia sellers.
Completion Date:	Completion will be on the day which is 5 Business Days after the Condition Precedent is satisfied. As such, it is anticipated that the date of completion will be 7 October 2025.
Warranties and indemnities	The Nexvia sellers have provided market standard warranties and restraints for a transaction of this nature. The warranties are supported by a warranty indemnity. Where a Nexvia Shareholder is a corporate entity, the relevant warranty is also provided by the individual that controls the relevant corporate Nexvia Shareholder. The warranties and warranty indemnity are subject to customary limitations.

Schedule 2 – Term of the New Options

The New Options are proposed to be issued on the following terms:

Entitlement and Shareholder approval	Each option (**New Option**) entitles the holder (**Optionholder**) to subscribe for one fully paid ordinary share (**Share**) in the capital of the Felix Group Holdings Limited (**Company**) upon exercise of the New Option and at all times subject to the *Corporations Act 2001 (Cth)* (**Corporations Act**).
Exercise Price	Each New Option has an exercise price of a A$0.31 per New Option.
Expiry Date	The New Options will expire at 5:00pm (Sydney time) on the date that is 5 years following their issue (**Expiry Date**). Any New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
Exercise Period	The New Options are exercisable at any time and from time to time on or prior to the Expiry Date in minimum parcels of 100,000, or such lesser number, in the event less than 100,000 New Options are held. The exercise of the New Options is at all time subject to compliance with the Corporations Act 2001 (Cth) (**Corporations Act**).
Notice of Exercise	The New Options may be exercised by delivering a completed notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each New Option being exercised in Australian currency BPAY or electronic funds transfer. Subject to compliance with the Corporations Act, the New Options will be deemed to have been exercised on the date that the aggregate Exercise Price has been paid (in cleared funds) and evidence of such payment has been provided to the Company in respect of the New Options exercised in accordance with the Notice of Exercise (**Exercise Date**).
Timing of Issue of Shares and Quotation of Shares on Exercise	Within 10 Business Days after the later of the following: • the Exercise Date; and • when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information, but in any case, no later than 15 Business Days after the Exercise Date, the Company will: • allot and issue the number of Shares required under these terms and conditions in respect of the number of New Options specified in the Notice of Exercise; • if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act (**cleansing notice**), or, if the Company is unable to issue a cleansing notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors. The Company must notify the Optionholder as soon as

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	possible (whether or not a Notice of Exercise has been delivered) if the Company will not be able to issue a cleansing notice in response to a Notice of Exercise in accordance with these Terms and expects to prepare a cleansing prospectus instead; and • if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the New Options.
Shares Issued on Exercise	Shares issued on exercise of the New Options will rank equally with the then Shares of the Company and are free of all encumbrances, liens and third party interests. Upon issue of the Shares, the Optionholder agrees to become a member of the Company and to be bound by the Constitution.
Quotation of the New Options	No application for quotation of the New Options will be made by the Company.
Transferability of the New Options	The New Options are only transferable provided that the transfer of New Options complies with section 707(3) of the Corporations Act. The Company and Optionholder acknowledge and agree that the New Options are not issued with the purpose of selling or transferring them and no Optionholder currently intends to transfer the New Options. Subject to the foregoing, the Company agrees to do all things reasonably necessary to allow the Optionholder to transfer one or more Options to another person if requested by the Optionholder in writing
Participation in New Issues	With respect to the New Options, an Optionholder is not entitled to: • a notice of, or to vote or attend at, a meeting of the shareholders; • receive any dividends declared by the Company; or • participate in any new issues of securities offered to shareholders during the term of the New Options, unless and until the New Options are exercised and the Optionholder holds Shares.
Adjustment for Bonus Issues of Shares	If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu of in satisfaction of dividends or by way of dividend reinvestment): • the number of Shares which must be issued on the exercise of an New Option will be increased by the number of Shares which the Optionholder would have received if the Optionholder had exercised the New Option before the record date for the bonus issue; and • no change will be made to the Exercise Price.
Adjustments for rights issues	If the Company makes an issue of Shares pursuant to a pro rata to existing Shareholders (other than a bonus issue) the Exercise Price of an New Option will be reduced according to the following formula: New exercise price = $O - \frac{E[P-(S+D)]}{N+1}$ O = the old Exercise Price of the New Option. E = the number of underlying Shares into which one New Option is exercisable. P = average market price per Share weighted by reference to volume of the underlying Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date. S = the subscription price of a Share under the pro rata issue.

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	D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue). N = the number of Shares with rights or entitlements that must be held to receive a right to one new share.
Adjustments for Reorganisation	If there is any reorganisation of the issued share capital of the Company, the rights of the Optionholders will be varied in accordance with the Listing Rules.
Winding up	In the event of a winding up of the Company, unexercised New Options will have no right to a distribution of surplus assets of the Company.

Schedule 3 – Term of the Broker Options

The Broker Options are proposed to be issued on the following terms:

Entitlement and Shareholder approval	Each broker option (**Broker Option**) entitles the holder (**Optionholder**) to subscribe for one fully paid ordinary share (**Share**) in the capital of the Felix Group Holdings Limited (**Company**) upon exercise of the Broker Option and at all times subject to the *Corporations Act 2001 (Cth)* (**Corporations Act**).
Exercise Price	Each Broker Option has an exercise price of a A$0.33 per Broker Option.
Expiry Date	The Broker Options will expire at 5:00pm (Sydney time) on the date that is 3 years following their issue (**Expiry Date**). Any Broker Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
Exercise Period	The Broker Options are exercisable at any time and from time to time on or prior to the Expiry Date in minimum parcels of 100,000, or such lesser number, in the event less than 100,000 Broker Options are held. The exercise of the Broker Options is at all time subject to compliance with the Corporations Act 2001 (Cth) (**Corporations Act**).
Notice of Exercise	The Broker Options may be exercised by delivering a completed notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Broker Option being exercised in Australian currency BPAY or electronic funds transfer. Subject to compliance with the Corporations Act, the Broker Options will be deemed to have been exercised on the date that the aggregate Exercise Price has been paid (in cleared funds) and evidence of such payment has been provided to the Company in respect of the Broker Options exercised in accordance with the Notice of Exercise (**Exercise Date**).
Timing of Issue of Shares and Quotation of Shares on Exercise	Within 10 Business Days after the later of the following: • the Exercise Date; and • when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information, but in any case, no later than 15 Business Days after the Exercise Date, the Company will: • allot and issue the number of Shares required under these terms and conditions in respect of the number of Broker Options specified in the Notice of Exercise; • if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act (**cleansing notice**), or, if the Company is unable to issue a cleansing notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require

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	disclosure to investors. The Company must notify the Optionholder as soon as possible (whether or not a Notice of Exercise has been delivered) if the Company will not be able to issue a cleansing notice in response to a Notice of Exercise in accordance with these Terms and expects to prepare a cleansing prospectus instead; and • if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Broker Options.
Shares Issued on Exercise	Shares issued on exercise of the Broker Options will rank equally with the then Shares of the Company and are free of all encumbrances, liens and third party interests. Upon issue of the Shares, the Optionholder agrees to become a member of the Company and to be bound by the Constitution.
Quotation of the Broker Options	No application for quotation of the Broker Options will be made by the Company.
Transferability of the Broker Options	The Broker Options are only transferable provided that the transfer of Broker Options complies with section 707(3) of the Corporations Act. The Company and Optionholder acknowledge and agree that the Broker Options are not issued with the purpose of selling or transferring them and no Optionholder currently intends to transfer the Broker Options. Subject to the foregoing, the Company agrees to do all things reasonably necessary to allow the Optionholder to transfer one or more Options to another person if requested by the Optionholder in writing
Participation in New Issues	With respect to the Broker Options, an Optionholder is not entitled to: • a notice of, or to vote or attend at, a meeting of the shareholders; • receive any dividends declared by the Company; or • participate in any new issues of securities offered to shareholders during the term of the Broker Options, unless and until the Broker Options are exercised and the Optionholder holds Shares.
Adjustment for Bonus Issues of Shares	If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu of in satisfaction of dividends or by way of dividend reinvestment): • the number of Shares which must be issued on the exercise of a Broker Option will be increased by the number of Shares which the Optionholder would have received if the Optionholder had exercised the Broker Option before the record date for the bonus issue; and • no change will be made to the Exercise Price.
Adjustments for rights issues	If the Company makes an issue of Shares pursuant to a pro rata to existing Shareholders (other than a bonus issue) the Exercise Price of a Broker Option will be reduced according to the following formula: New exercise price = $O - \frac{E[P-(S+D)]}{N+1}$ O = the old Exercise Price of the Broker Option. E = the number of underlying Shares into which one Broker Option is exercisable. P = average market price per Share weighted by reference to volume of the underlying Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date.

	S = the subscription price of a Share under the pro rata issue. D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue). N = the number of Shares with rights or entitlements that must be held to receive a right to one new share.
Adjustments for Reorganisation	If there is any reorganisation of the issued share capital of the Company, the rights of the Optionholders will be varied in accordance with the Listing Rules.
Winding up	In the event of a winding up of the Company, unexercised Broker Options will have no right to a distribution of surplus assets of the Company.

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