

FARMWORKS AUSTRALIA LIMITED

Performance Rights Plan Rules

1. Purpose

The Performance Rights Plan is a long term incentive aimed at creating a stronger link between employee performance and reward and increasing shareholder value by enabling Participants to have a greater involvement with, and share in the future growth and profitability of, the Company.

2. Definitions and interpretation

i Definitions

In these Rules the following terms have the following meanings:

Application Form means an application form by which an Eligible Employee can accept an Invitation in such form as the Board may approve from time to time.

Allocate means granting an option or other right to acquire unissued Shares, or if there is no such grant, the issue and allotment of Shares.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

Board means the board of directors of the Company from time to time.

Company means FarmWorks Australia Limited (ACN 091 320 464) whose registered office is at Level 1, 59 Paraween Street, Cremorne, NSW 2090

Constitution means the constitution of the Company.

Consultant means a consultant of a Group Company whom the Board, in accordance with clause 3i of the Plan, determines in its absolute discretion is to participate in the Plan.

Controllable Event means cessation of employment or position other than by an Uncontrollable Event

Corporations Act means the Corporations Act 2001 (Cth).

Eligible Employee means a full time or permanent part time employee or director of a Group Company whom the Board determines in its absolute discretion is to participate in the Plan

Group means the Company and its Subsidiaries (if any) from time to time and a **Group Company** means any one of them

Invitation means an invitation to participate in the Plan in respect of a Performance Period in accordance with clause 3i

Last Exercise Date means the day ending at 5.00 pm EST on the date 1 year after the date of vesting of a Performance Right but in case no later than 5 years after the grant of that Performance Right, or such other date as determined by the Board in its absolute discretion and specified in the Invitation.

Law means the laws of Australia.

Listing Rules means the listing rules of the ASX as amended from time to time

Participant means an Eligible Employee or a Consultant who returns a duly completed Application Form and to whom Performance Rights are granted under the Plan.

Performance Hurdles means the conditions relating to the performance of the Group (and the manner in which those conditions will be tested) for the purposes of determining the number of a Participant's Performance Rights which may be exercised, as set out in the Invitation.

Performance Period means the period set out in the Invitation for the purpose of determining the extent (if any) to which the Performance Hurdles have been met.

Performance Right means a right granted under clause 4i to acquire a Share on the terms set out in the Plan for the relevant Performance Period, subject to the Performance Hurdles.

Plan means the Performance Rights Plan of the Company.

Security Interest means a mortgage, charge, pledge, lien or other encumbrance of any nature.

Shares means fully paid ordinary shares in the capital of the Company.

Subsidiary means a body corporate which is a subsidiary of the Company within the meaning of section 9 of the Corporations Act.

Test Date in relation to a Performance Right means the date at which Performance Hurdles are to be measured to determine whether that Performance Right becomes a Vested Performance Right.

Trustee means the trustee or trustees for the time being of any employee share ownership scheme or plan trust established by the Company, the beneficiaries of which include the Participants.

Uncontrollable Event means death, serious injury, disability or illness which renders a Participant incapable of continuing employment or position with a Group Company, forced early retirement, retrenchment or redundancy, or such other circumstances which results in the Participant leaving the employment or position of a Group Company and which the Board determines is an Uncontrollable Event

Unvested Performance Rights means Performance Rights which are not yet exercisable in accordance with the Plan.

Vested Performance Rights means Performance Rights which are immediately exercisable in accordance with the Plan.

EST means Australian Eastern Standard Time.

ii. Interpretation

Headings are for convenience only and do not affect interpretation. The following rules of interpretation apply unless the context requires otherwise.

- a) The singular includes the plural and conversely.
- b) A gender includes all genders.
- c) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- d) A reference to a person includes a body corporate an unincorporated body or other entity and conversely.
- e) A reference to a clause is to a clause of the Plan.
- f) A reference to any agreement or document is to that agreement or document as amended, novated, supplemented, varied or replaced from time to time, except to the extent prohibited by the Plan.
- g) A reference to any legislation or to any provision of any legislation includes any modification or re-enactment of it, any legislative provision substituted for it and all regulations and statutory instruments issued under it.
- h) A reference to **conduct** includes any omission and any statement or undertaking whether or not in writing.
- i) A reference to **writing** includes a facsimile transmission and any means of reproducing words in a tangible and permanently visible form.
- j) Mentioning anything after **include**, **includes** or **including** does not limit what else might be included.

3. Invitation to participate

i. Invitations

- a) The Board may from time to time in its absolute discretion issue or cause to be issued Invitations on behalf of the Company to Eligible Employees. Subject in all cases to the Company obtaining prior case by case ASIC relief to extend the disclosure and licensing relief given by ASIC Class Order 03/184 to a Consultant with respect to the Plan, the Board may in its absolute discretion issue or cause to be issued Invitations on behalf of the Company to that Consultant. The Invitation will be in such form as the Board determines from time to time and will include the following information:
- i. the date of the Invitation;
 - ii. the name of the Eligible Employee to whom the Invitation is made;
 - iii. the number of Performance Rights which are capable of becoming exercisable if the Performance Hurdles are met;
 - iv. the Performance Hurdles and Performance Period
 - v. the Test Date(s) in respect of the Performance Rights;
 - vi. the Last Exercise Date; and
 - vii. the time period in which to accept the Invitation by returning a duly completed Application Form.
- b) Invitations may be made by the Board on a differential basis to Eligible Employees, different classes of Eligible Employees or to Eligible Employees within the same class, as the case may be.

ii. Application Form

- a) An Eligible Employee or a Consultant who receives an Invitation can only participate in the Plan by returning a duly completed Application Form within the time period and as otherwise specified in the Invitation.
- b) If an Application Form is not returned within the time specified or otherwise in accordance with the requirements set out in the Invitation, the Board may nevertheless in its sole discretion treat any Application Form received from an Eligible Employee or a Consultant as being returned in accordance with paragraph (a).
- c) For the avoidance of doubt, the Board in its sole discretion can refuse to allow an Eligible Employee or a Consultant to participate in the Plan even though a duly completed Application Form is received from the Eligible Employee or Consultant in accordance with paragraph (a).

iii. Participants

Following receipt of a duly completed Application Form and subject to clause 3ii(c), and provided that the Eligible Employee is then still in the full time or part time employment of a Group Company, or a Consultant or director of a Group Company, the Eligible Employee will be entitled to participate in the Plan according to its terms.

4. Grant of Performance Rights

i. Grant

- a) As soon as practicable after the receipt of a duly completed Application Form, the Company will grant to the relevant Eligible Employee or Consultant the number of Performance Rights as set out in the Invitation.
- b) An Eligible Employee or Consultant will not pay anything for the grant of Performance Rights.
- c) An Eligible Employee or Consultant has no entitlement to be granted any Performance Rights unless and until such Performance Rights are granted.
- d) None of the Performance Rights will be listed for quotation on any stock exchange.

ii. Not transferable

Except on the death of a Participant, Performance Rights may not be transferred, assigned or novated except with the approval of the Board.

iii. Security Interest

Subject to clause 4ii, Participants will not grant any Security Interest in or over or otherwise dispose of or deal with any Performance Rights or any interest in them until the relevant Shares are either issued or transferred to that Participant, and any such Security Interest or disposal or dealing will not be recognised in any manner by the Company.

iv. New issues

A Performance Right does not confer on a Participant the right to participate in new issues of Shares by the Company including by way of bonus issue rights issue or otherwise.

5. Vesting and Exercise of Performance Rights

i Performance Hurdles

The Performance Hurdles applicable to any Performance Period relating to Performance Rights shall be as set out in the Invitation, including the Test Date.

ii. Determination of number of Vested Performance Rights

As soon as reasonably practicable after each Test Date applicable to any Performance Period, the Board shall determine in respect of each Participant as at that Test Date:

- a) whether, and to what extent, the Performance Hurdles applicable up to the Test Date have been satisfied;
- b) the number of Performance Rights (if any) that will become Vested Performance Rights as at the Test Date;
- c) the number of Performance Rights (if any) that will lapse as a result of the non-satisfaction of Performance Hurdles as at the Test Date; and
- d) the number of Performance Rights (if any) in respect of the Performance Period that continue as Unvested Performance Rights,

and shall provide written notification to each Participant as to that determination.

iii. Exercise of Performance Rights

- a) Unless and until a Performance Right is exercised and the relevant Shares are either issued or transferred to that Participant as a result of that exercise, a Participant has no interest in those Shares.
- b) A Performance Right can only be exercised if, at the time of exercise, it is a Vested Performance Right that has not lapsed under clause 6.
- c) Unless otherwise provided in the Invitation, no amount shall be payable by a Participant on the exercise of Vested Performance Rights.
- d) The exercise of any Vested Performance Right may only be effected in such form and manner as the Board may prescribe.
- e) The exercise of some Vested Performance Rights only does not affect the Participant's right to exercise other Performance Rights at a later time.

- f) Following exercise of a Performance Right, the Company must issue or procure the transfer to the person exercising the Performance Right the number of Shares in respect of which the Performance Right has been exercised (as adjusted under clause 11, if relevant), credited as fully paid.
- g) All Shares issued or transferred to a Participant under this Plan will from the date of issue or transfer rank equally with all other issued Shares. If necessary, the Company will apply for official quotation of these Shares on each stock exchange on which Shares are quoted.

6. Time of Lapse of Performance Rights

A Performance Right lapses, to the extent it has not been exercised, on the earlier to occur of:

- i. where Performance Hurdles have not been satisfied on the Test Date — the date the Board makes a determination under clause 5ii(c) that the Performance Right will lapse;
- ii. if a Participant's employment or position as a Consultant or director of a Group Company ceases because of an Uncontrollable Event - the last day of any period specified in clause 7i(c);
- iii. if a Participant's employment or position as a Consultant or director of a Group Company ceases because of a Controllable Event:
 - a) Vested Performance Right — the last day of any period specified in clause 7 ii(b);
 - b) Unvested Performance Right — the date of cessation of employment or position;
- iv. the day the Board makes a determination that the Performance Rights lapses under clause 8;
- v. the date of lapse under clause 9ii and
- vi. the Last Exercise Date

7. Cessation of Employment or Position

i. Uncontrollable Event

If a Participant's employment or position as a director or Consultant of a Group Company ceases because of an Uncontrollable Event:

- a) all of the Participant's Unvested Performance Rights that are capable of becoming exercisable if Performance Hurdles are met at the next Test Date, will become Vested Performance Rights at the next Test Date;
- b) the Board in its absolute discretion may determine the extent to which any other Unvested Performance Rights that have not lapsed will become Vested Performance Rights; and
- c) the Participant may, at any time prior to the first to occur of:
 - i. the Last Exercise Date; and
 - ii. 3 months (or such other period as the Board shall in its absolute discretion, determine) from the date on which the Participant ceased that employment or position,

exercise all Vested Performance Rights.

ii. Controllable Event

If a Participant's employment or position as a director or Consultant of a Group Company ceases because of a Controllable Event:

- a) the Board in its absolute discretion will determine the extent to which Unvested Performance Rights will become Vested Performance Rights and will notify the Participant of this determination; and

- b) the Participant may, at any time prior to the first to occur of:
- i. the Last Exercise Date; and
 - ii. 3 months (or such other period as the Board shall, in its absolute discretion, determine) from the date on which the Participant ceased that employment or position,

exercise all Vested Performance Rights (including those that have become Vested Performance Rights under clause 7ii(a)).

8. Breach, fraud or dishonesty

If in the opinion of the Board a Participant acts fraudulently or dishonestly or is in material breach of his or her obligations to any Group Company then the Board may in its absolute discretion determine that all the Participant's Performance Rights will lapse and the Board's decision will be final and binding

9. Change of Control

i Vesting and notification to Participants

Where there is publicly announced any proposal (whether by takeover bid, scheme of arrangement or otherwise) in relation to the Company which the Board reasonably believes may lead to a change in control;

- a) all of the Participant's Unvested Performance Rights that have not lapsed will become Vested Performance Rights; and
- b) the Board shall promptly notify each Participant in writing that he or she may, within the period specified in the notice (***Change of Control Notice Period***), exercise Vested Performance Rights.

ii. Lapse of Performance Rights

Unless the Board determines otherwise Vested Performance Rights that are not exercised by the end of the Change of Control Notice Period shall lapse at the end of the Change of Control Notice Period

10. Administration of the Plan

- i. The Plan will be administered by the Board. The Board will have power to delegate the exercise of its powers or discretions arising under the Plan to any one or more persons (including but not restricted to a committee or sub-committee of the Board) for such period and on such conditions as the Board may determine.
- ii. The Board may at any time appoint or engage specialist service providers for the operation and administration of the Plan.
- iii. The Board will ensure a complete register of Participants is maintained to facilitate efficient management and administration and to comply with regulatory reporting requirements.
- iv. Shares to be provided under the Plan may either be satisfied by the issue of new Shares or by the transfer of existing Shares.
- v. The Plan may be administered in conjunction with an employee share ownership scheme or plan trust and for these purposes the Company may issue Shares or grant options to the Trustee to facilitate the awards made under the Plan. The transfer of a Share by the Trustee to a Participant will satisfy the obligation of the Company to issue or transfer a Share to a Participant under the Plan.
- vi. Where the Board is required to make a determination or is entitled to exercise discretion in respect of the Plan, that determination or discretion shall be exercised reasonably and in good faith, unless specified otherwise.

11. Capital Events

i. Variation of Capital

If there are certain variations of the share capital of the Company including a capitalisation or rights issue, sub-division, consolidation or reduction of share capital, a demerger (in whatever form) or other distribution in specie, the Board may make such adjustments as it considers appropriate under clause 11ii in accordance with the provisions of the Listing Rules.

ii Adjustments

An adjustment made under this clause will be to one or more of the following:

- a) the number of Shares subject to any Performance Right;
- b) the exercise price for a Performance Right (if any); or
- c) where a Performance Right has been exercised but no Shares have been issued or transferred following the exercise, the number of Shares which may be issued or transferred.

iii. Notice of Variation

As soon as reasonably practicable after making any adjustment under clause 11ii, the Board will give notice in writing of the adjustment to any Participant affected by it.

12. Rights of Participants

Nothing in this Plan or participation in the Plan:

- i. confers on any Eligible Employee or Participant the right to continue as an employee or director or Consultant of any Group Company;
- ii. confers on any Employee the right to become or remain an Eligible Employee or Participant or to participate under the Plan;
- iii. will be taken into account in determining a Participant's salary or remuneration for the purposes of superannuation or other pension arrangements;
- iv. affects the rights and obligations of any Eligible Employee or Participant under the terms of their office, employment or position with any Group Company;
- v. affects any rights which a Group Company may have to terminate the employment or position of an Eligible Employee or Participant or will be taken into account in determining an Eligible Employee's or Participant's termination or severance pay;
- vi. may be used to increase damages in any action brought against any Group Company in respect of any such termination; and
- vii. confers any responsibility or liability on any Group Company or its directors, officers, employees, representatives or agents in respect of any taxation liabilities of the Eligible Employee or Participant.

13. Amendment, termination and suspension

- i. Subject to paragraph 13ii, the Board may at any time and from time to time by resolution alter the Plan.
- ii. Any amendment to the Plan is subject to any restrictions or procedural requirements relating to the amendment of the rules of an employee incentive scheme imposed by the Listing Rules.
- iii. The Board may at any time, and at its complete discretion, suspend or terminate the Plan without notice to Participants. The suspension or termination of the Plan will not affect any

existing grants of Performance Rights already made under the Plan and the terms of the Plan will continue to apply to such grants.

14. General

i. Law, Listing Rules and the Constitution

The Plan and all offers and issues of Performance Rights under the Plan are subject to the Law, the Listing Rules and the Constitution, each as in force from time to time.

ii. Issue limitations

- a) The number of Shares to be received on exercise of the Performance Rights the subject of an Invitation when aggregated with:
 - i. the number of Shares which would be issued were each outstanding offer or Performance Right, being an offer made or Performance Right granted pursuant to the Plan or any other employee incentive scheme extended only to employees or directors of the Company, exercised; and
 - ii. the number of Shares issued during the previous 5 years pursuant to the Plan or any other employee incentive scheme extended only to employees or directors of the Company;

but disregarding any offer made, or Performance Rights acquired or Share issued by way of or as a result of:

- iii. an offer to a person situated at the time of receipt of the offer outside Australia;
- iv. an offer that did not need disclosure to investors because of section 708 of the Corporations Act; or
- v. an offer made under a disclosure document,

must not exceed 5% (or such other maximum permitted under any ASIC Class Order providing relief from the disclosure regime of the Corporations Act) of the total number of issued Shares as at the time of the Invitation.

- b) Where the Performance Right lapses without being exercised, the Shares concerned are ignored when calculating the limits in this clause.

iii. Costs and Expenses

The Company will pay all expenses, costs and charges in relation to the establishment, implementation and administration of the Plan, including all costs incurred in or associated with the issue or purchase of Shares (except for taxes which are payable by Participants and the exercise price (if any) for the Performance Rights) for the purposes of the Plan. Each Group Company will, if required by the Board, reimburse the Company for any such costs and charges to the extent that they relate to its employees officers or former employees or officers.

iv. Data protection

By returning an Application Form, each Participant consents to the holding and processing of personal data provided by the Participant to any Group Company for all purposes relating to the operation of the Plan. These include, but are not limited to:

- a) administering and maintaining Participants' records;
- b) providing information to trustees of any employee benefit trust, registrars, brokers or third party administrators of the Plan;
- c) providing information to future purchasers of the Company or the business in which the Participant works

d) transferring information about the Participant to a country or territory outside Australia.

v. Error in Allocation

If any Performance Right is provided under this Plan in error or by mistake to a person (***Mistaken Recipient***) who is not the intended recipient the Mistaken Recipient shall have no right or interest and shall be taken never to have had any right or interest in that Performance Right and those Performance Rights will immediately lapse

vi. Dispute

Any disputes or differences of any nature arising under the Plan will be referred to the Board and its decision will be final and binding in all respects.

vii Notices

Any notice or other communication under or in connection with the Plan may be given by personal delivery or by sending it by post or fax or email, in the case of a company to its registered office (or any other address notified by that company from time to time (***Notified Address***)) or the fax number (if any) of that registered office (or Notified Address) and in the case of an individual to their last known address, fax number, email address or if they are a director or employee of a Group Company, either to their last known address, fax number or to the address of the place of business at which they carry out all or most of their duties, or to the fax number or email address relating to that address.

viii Governing Law

This Plan and the rights of Eligible Employees Consultants and Participants under the Plan are governed by the laws in force in the State of New South Wales, Australia.