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## TERMS AND CONDITIONS OF CLASS D PERFORMANCE RIGHTS

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A summary of the terms and conditions of the Class D Performance Rights is set out below:

- (a) **(Milestones)** The Class D Performance Right will vest upon the publishing of the audited accounts of NZCS Operations Limited (and all its subsidiaries) showing a net profit before tax of at least \$1 for the Financial Year ending 30 June 2023.
- (b) **(Vesting Deadline)** Each of the Performance Rights shall lapse on 30 June 2024 **(Vesting Deadline)**. If the relevant Milestone attached to a class of Performance Rights has not been achieved by the Vesting Deadline, then the relevant Performance Rights will automatically lapse. For the avoidance of doubt, a Performance Right will not lapse in the event the relevant Milestone is met before the Vesting Deadline and the Shares the subject of a conversion are deferred in accordance with paragraph (o) below.
- (c) **(Notification to holder)** The Company shall notify the holder in writing when the relevant Milestone has been satisfied.
- (d) **(Conversion)** Subject to paragraph (o), upon vesting, each Performance Right will, at the election of the holder (such election to be in writing and provided to the Company Secretary), convert into one Share.
- (e) **(Expiry Date)** subject to the continued engagement of the executive to whom the offer of Performance Rights was made remaining employed by the Company or its subsidiaries, each Performance Right shall otherwise expire on 30 June 2024. Should the executive to whom the offer of Performance Rights was made cease to be employed by the Company or its subsidiaries, in the absence of a resolution of the Board confirming that the Performance Rights shall not lapse at that time, the Performance Rights shall lapse 30 days from the date upon which the executive to whom the offer of Performance Rights was made ceasing to be employed by the Company or its subsidiaries **(Expiry Date)**. If the relevant Milestone attached to the Performance Rights has been achieved by the Expiry Date, all unconverted Performance Rights of the relevant class will automatically lapse at that time. The holder may elect to cancel the Performance Rights at any time (such election to be in writing and provided to the Company Secretary). If the relevant Milestone attached to the Performance Rights can no longer be satisfied, the Board can resolve to lapse the Performance Rights at its absolute discretion.
- (f) **(Consideration)** The Performance Rights will be issued for nil consideration and no consideration will be payable upon the conversion of the Performance Rights into Shares.
- (g) **(Share ranking)** All Shares issued upon the vesting of Performance Rights will upon issue rank pari passu in all respects with other Shares.
- (h) **(Application to ASX)** The Performance Rights will not be quoted on ASX. The Company must apply for the official quotation of a Share issued on conversion of a Performance Right on ASX within the time period required by the ASX Listing Rules.

- (i) **(Timing of issue of Shares on Conversion)** Within 5 Business Days after date that the Performance Rights are converted, the Company will:
- (i) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights converted;
  - (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a 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; and
  - (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the conversion of the Performance Rights.

If a notice delivered under (j)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, 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.

- (j) **(Transfer of Performance Rights)** The Performance Rights are not transferrable other than by force of law upon death, to the relevant holder's legal personal representative or upon bankruptcy to the holder's trustee in bankruptcy.
- (k) **(Participation in new issues)** A Performance Right does not entitle a holder (in their capacity as a holder of a Performance Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues without exercising the Performance Right.
- (l) **(Reorganisation of capital)** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder will be changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation.
- (m) **(Dividend and voting rights)** The Performance Rights do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.
- (n) **(Change in control)** Subject to paragraph (o), upon:
- (i) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
    - (A) having received acceptances for not less than 50% of the Company's Shares on issue; and
    - (B) having been declared unconditional by the bidder; or
  - (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the

reconstruction of the Company or its amalgamation with any other company or companies,

the Performance Rights will automatically convert into an equivalent number of Shares.

- (o) **(Deferral of conversion if resulting in a prohibited acquisition of Shares)** If the conversion of a Performance Right under paragraph (d) or (n) would result in any person being in contravention of section 606(1) of the *Corporations Act 2001* (Cth) **(General Prohibition)** then the conversion of that Performance Right shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Right would result in a contravention of the General Prohibition:
  - (i) holders may give written notification to the Company if they consider that the conversion of a Performance Right may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition; and
  - (ii) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (o)(i) within seven (7) days if the Company considers that the conversion of a Performance Right may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition.
- (p) **(No rights to return of capital)** A Performance Right does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (q) **(Rights on winding up)** A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.
- (r) **(No other rights)** A Performance Right gives the holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.
- (s) **(Tax)** Subdivision 83A-C of the Income Tax Assessment Act 1997, which enables tax deferral on performance rights, will apply (subject to the conditions in that Act), to the Performance Rights.