

Employee Share Option Plan

Kalina Power Limited

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Contents

1. Purpose	2
2. Commencement	2
3. Regulatory Compliance	2
4. Offers and Applications	3
5. Rights attaching to Options and Performance Rights	6
6. Dealings with Options and Performance Rights	7
7. Issue of Shares upon exercise of Options and vesting of Performance Rights	7
8. Lapse of Options and Performance Rights	9
9. Cessation of employment	9
10. Participation rights in new issues, reorganisations of capital and winding up	11
11. Change of Control Event	12
12. Administration	12
13. Forfeiture	14
14. No effect	14
15. Power of attorney	15
16. ASIC relief	15
17. General	15
18. Glossary	16
ANNEXURE – OFFER DOCUMENT	23

Employee Share Option Plan

Kalina Power Limited

1. Purpose

The purpose of this Plan is to:

- (a) align the interests of employees and contractors of the Company Group who are Eligible Participants with those of the Shareholders;
- (b) provide incentives to attract, retain and/or motivate Eligible Participants in the interests of the Company; and
- (c) provide Eligible Participants with the opportunity to receive securities in the Company in accordance with this Plan.

2. Commencement

This Plan will commence on the date determined by resolution of the Board.

3. Regulatory Compliance

3.1 Compliance with laws

Notwithstanding this Plan or the terms of any Option or Performance Right, no Option or Performance Right may be offered, issued, converted or exercised, and no Share may be issued pursuant to the exercise of Options or vesting of Performance Rights under the Plan:

- (a) if to do so:
 - (i) would contravene the Corporations Act, ASIC CO 14/1000 (where ASIC CO 14/1000 is being relied on), the Listing Rules or any other Applicable Law; or
 - (ii) would contravene the local laws or customs of an Eligible Participant's country of residence or in the opinion of the Board would require actions to comply with those local laws or customs which are impractical or unreasonably onerous; or
- (b) to any person referred to in Listing Rule 10.14 (which includes a Director) without shareholder approval.

3.2 Reliance on Class Order or other exceptions

An Offer under this Plan may be made in reliance on ASIC CO 14/1000, section 708 of the Corporations Act, another class order issued by ASIC or case-by-case relief granted by ASIC.

3.3 No prohibited financial assistance

No person may, whether directly or indirectly, provide financial assistance that is prohibited by the Corporations Act to an Eligible Participant for the purposes of, or in connection with, the exercise of Options or vesting of Performance Rights under this Plan.

3.4 ASIC CO 14/1000 – Plan limit

Where an Offer is made under the Plan in reliance on ASIC CO 14/1000, the Board must, at the time of making the Offer, have reasonable grounds to believe that the total number of Shares (or, in respect of Options or Performance Rights, the total number of Shares which would be issued if those Options were exercised or Performance Rights were vested into Shares) will not exceed 5% of the total number of Shares on issue when aggregated with the number of Shares issued or that may be issued as a result of Offers made at any time during the previous 3 year period under:

- (a) the Plan or any other employee incentive scheme covered by the Class Order; or
- (b) an ASIC exempt arrangement of a similar kind to an employee incentive scheme,
(5% Limit).

Offers under the Plan that are not made in reliance on either the Class Order, other ASIC class orders or case-by-case relief are not included in the 5% Limit calculation.

For example, the following Offers will not be included when calculating of the 5% Limit:

- (c) an Offer to a person situated at the time of receipt of the offer outside Australia; or
- (d) an Offer that did not need disclosure to investors because of section 708 of the Corporations Act;

4. Offers and Applications

4.1 Board to make Offer

Subject to section 3.4 and all Applicable Laws, the Board, acting in its absolute discretion, may offer Options and/or Performance Rights to any Eligible Participant from time to time as determined by the Board and in exercising that discretion, may have regard to some or all of the following:

- (a) the Eligible Participant's length of service with the Company Group;
- (b) the contribution made by the Eligible Participant to the Company Group;
- (c) the potential contribution of the Eligible Participant to the Company Group; or
- (d) any other matter the Board considers relevant,

subject to the terms of the Options and Performance Rights being consistent with the Listing Rules.

4.2 Prospective Eligible Participants

Subject to section 3.4 and all Applicable Laws, the Board, acting in its sole and absolute discretion, may offer Options and/or Performance Rights in accordance with this Plan to a person where the Offer is conditional on the person becoming an Eligible Participant.

4.3 Number of Options and Performance Rights

Subject to section 3.4, the number of Options and/or Performance Rights the subject of an Offer to an Eligible Participant will be determined by the Board in its discretion and in accordance with this Plan and Applicable Law.

4.4 Form of Offer

An Offer must be made in an Offer Document.

4.5 Information contained in Offer Document

An Offer Document must include or be accompanied by:

- (a) the date of the Offer;
- (b) the name and address of the Eligible Participant to whom the Offer is made;
- (c) the final date for accepting the Offer in accordance with section 4.6(a);
- (d) the maximum number of Options and Performance Rights which the Eligible Participant may apply for;
- (e) in respect of an Offer of Options or Performance Rights:
 - (i) the issue price (if any) or the manner of determining the issue price (if any) of the Options or Performance Rights the subject of the Offer;
 - (ii) details of the vesting conditions applicable to the relevant Options and/or Performance Rights (if any) attaching to the Options or Performance Rights the subject of the Offer;
 - (iii) details of the Exercise Period applicable to the Options the subject of the Offer;
 - (iv) the Expiry Date of the Options or Performance Rights the subject of the Offer; and
 - (v) the Exercise Price (if any) or the manner of determining the Exercise Price (if any) of the Options the subject of the Offer;
- (f) a prominent statement to the effect that:
 - (i) any advice given by the Company in relation to Options and/or Performance Rights issued under the Plan, and Shares issued upon exercise of the Options or vesting of Performance Rights, does not take into account an Eligible Participant's objectives, financial situation and needs; and
 - (ii) the Eligible Participant should consider obtaining their own financial product advice from a person who is licensed by ASIC to give such advice;
- (g) general information about the risks of acquiring and holding the Options or Performance Rights (and underlying Shares) the subject of the Offer;
- (h) an explanation of how an Eligible Participant could, from time to time, ascertain the market price of the Shares underlying the Options or Performance Rights;
- (i) a copy of this Plan;

- (j) any other terms and conditions relating to the Offer which in the opinion of the Board are fair and reasonable but not inconsistent with this Plan; and
- (k) any other information that is required by the ASIC CO 14/1000.

4.6 Application by Eligible Participant and Grant of Options

- (a) To apply for Options or Performance Rights an Eligible Participant must receive an Offer and must complete and sign the Application Form accompanying that Offer and return it to the person designated by the Board in the Offer before the time and date specified in the Offer.
- (b) The Application Form must be completed in the name of the Eligible Participant or its Nominated Party and cannot be completed in the name of anyone else.
- (c) By completing and signing an Application Form, an Eligible Participant or its Nominated Party (as the case may be) agrees to:
 - (i) participate in the Plan and to be bound by its terms;
 - (ii) be bound by any other additional terms set out in the Offer, and if Shares are allocated to the Holder under this Plan, the Company's Constitution.
- (d) An Eligible Participant or Nominated Party will only become a Holder if the Board resolves to accept the Application Form.
- (e) All Application Forms must be returned to the Company before the relevant 'Closing Date' as specified in the Offer Document.
- (f) The Board must, upon accepting an Application Form from an Eligible Participant or Nominated Party (as the case may be):
 - (i) grant the Options or Performance Rights; and
 - (ii) issue to the Holder a certificate in respect of the Options or Performance Rights (**Certificates**),
specified in the Offer to the Eligible Participant.
- (g) Mere participation in the Plan does not give the Holder a legal or beneficial interest in a Share. A Holder will only have an entitlement to a Share upon the vesting of an Option or Performance Right (as the case may be), and otherwise in accordance with the Offer and this Plan.

4.7 Nominated Party

- (a) Upon receipt of an Offer, an Eligible Participant may, by notice in writing to the Board, nominate a Nominated Party of that Eligible Participant in whose favour the Eligible Participant wishes the Options or Performance Rights the subject of the Offer to be issued.
- (b) The Board may, in its absolute discretion, decide not to permit the Options or Performance Rights the subject of an Offer to be issued to a Nominated Party without giving any reason for that decision.
- (c) If the Board decides not to permit the Options or Performance Rights the subject of an Offer to be issued to a Nominated Party, the Board must notify the Eligible Participant of its decision. The Eligible Participant may then, within 5 days of receiving notice from the Company regarding its decision not to permit the issue of securities to the Nominated

Party, direct the Company to grant the Options or Performance Rights to the Eligible Participant instead of its Nominated Party.

- (d) If the Board decides to permit the Options or Performance Rights the subject of an Offer to be issued to a Nominated Party, the Eligible Participant must procure that the Nominated Party also agrees to be bound by this Plan.

4.8 Offer personal

Subject to section 4.7, an Offer is personal and can only be accepted by the Eligible Participant to whom the Offer is made.

4.9 Quotation

Options and Performance Rights will not be quoted on ASX. However, in accordance with Listing Rule 2.4, the Company will apply to ASX for official quotation of any Shares issued under this Plan (including pursuant to the exercise of Options and vesting of Performance Rights).

5. Rights attaching to Options and Performance Rights

5.1 No vesting conditions specified in Offer

If vesting conditions or vesting events are not specified in an Offer, unless the Offer states there are no vesting conditions or vesting events, the following vesting conditions apply to any Options or Performance Rights offered under the Plan:

- (a) the Options or Performance Rights (as the case may be):
 - (i) only vest while the Eligible Participant remains employed with the Company Group, continues to provide consulting services to a Company Group Member or acts as a director of a Company Group Member (as applicable); and
 - (ii) cease to vest for the duration of any unpaid leave of absence. If the unpaid leave period includes part of a month, no vesting will occur in that month.
- (b) in the case of Options, the Options vest:
 - (i) in respect of 25% of the Options the subject of an Offer, on the date which is 12 months after the issue date of the Options (Year 1), and
 - (ii) in respect of the remaining 75% of the Options the subject of the Offer, on a quarterly basis over the 3 year period after the end of Year 1 (i.e. 1/12th of the remaining Options vest at the end of each quarter following the end of Year 1); and
- (c) in the case of Performance Rights, the Performance Rights shall vest once performance measures determined by the Board from time to time are satisfied.

5.2 Options and Performance Rights only vest if vesting conditions/events satisfied

An Option or Performance Right will only vest on the occurrence or satisfaction of the condition or other vesting events specified in respect of that Option or Performance Right (as the case may be).

5.3 How to exercise an Option

An Optionholder may exercise an Outstanding Option during the Exercise Period, by:

- (a) giving to the Company a signed Exercise Notice; and
- (b) paying the Exercise Price multiplied by the number of Options being exercised.

5.4 Vesting of Performance Rights to Shares

Subject to the terms of the Offer made, a Holder's Performance Rights will vest into Shares and Shares will automatically be issued to a Holder once all vesting conditions (including performance measures (if any)) have been satisfied.

5.5 Dividend and Voting Rights

Options and Performance Rights do not carry any voting rights or entitlements to dividends.

6. Dealings with Options and Performance Rights

6.1 Securities Trading Policy

The requirements set out in this section 6 are in addition to (rather than instead of) the requirements set out under the Company's Securities Trading Policy.

6.2 No Dealing

- (a) A Holder may not engage in any Dealing with any Options or Performance Rights issued under the Plan, unless:
 - (i) the prior consent of the Board is obtained, which consent may impose such terms and conditions on such assignment, transfer, novation, encumbrance or disposal as the Board sees fit in its sole and absolute discretion; or
 - (ii) such assignment or transfer occurs by force of law upon the death of a Holder to the Holder's legal personal representative.
- (b) Unless otherwise decided by the Board, where a Holder purports to Deal with an Option or Performance Right other than in accordance with section 6.2(a), the Option or Performance Right immediately lapses.

6.3 No hedging

If restricted by Applicable Law, a Holder may not enter into any arrangement for the purpose of hedging, or otherwise affecting their economic exposure to any Options or Performance Rights.

7. Issue of Shares upon exercise of Options and vesting of Performance Rights

7.1 General

Notwithstanding any section of this Plan, Options and Performance Rights must not be granted, and Shares must not be allocated, if to do so would contravene the Corporations Act, the Listing Rules or any Applicable Law.

7.2 Issue of Shares upon exercise of Options*

If an Optionholder exercises Outstanding Options that it holds, the Company must:

- (a) apply to ASX for official quotation of the number of Shares which corresponds with the number of Outstanding Options exercised;
- (b) notify the Share Registry to reflect the allotment and issue of the Shares to the Optionholder;
- (c) procure that the Share Registry issue to the Optionholder a holding statement in respect of the number of Shares which corresponds with the number of Outstanding Options exercised; and
- (d) update the Company's ASIC records to reflect to the issue of Shares to the Optionholder.

**NB: Immediately prior to the issue of Shares pursuant to this Plan, the Company should issue a cleansing notice pursuant to section 708A(5) of the Corporations Act. If the Company is unable to issue a cleansing notice under section 708A(5) of the Corporations Act, it may apply to ASIC for a waiver permitting it to issue a cleansing notice so that the Shares may be traded and in the event that ASIC refuses to grant relief, the Company may require the holder to execute a restriction agreement for a period of 12 months.*

7.3 Issue of Shares upon vesting of Performance Rights*

If the vesting conditions and performance measures and other terms of an Offer to a Performance Rights Holder are satisfied the Company must:

- (a) apply to ASX for official quotation of the number of Shares which corresponds with the number of Performance Rights that are vested into Shares;
- (b) notify the Share Registry to reflect the allotment and issue of the Shares to the Performance Rights Holder;
- (c) procure that the Share Registry issue to the Performance Rights Holder a holding statement in respect of the number of Shares which corresponds with the number of Performance Rights that have vested into Shares; and
- (d) update the Company's ASIC records to reflect to the issue of Shares to the Performance Rights Holder.

**NB: Immediately prior to the issue of Shares pursuant to this Plan, the Company should issue a cleansing notice pursuant to section 708A(5) of the Corporations Act. If the Company is unable to issue a cleansing notice under section 708A(5) of the Corporations Act, it may apply to ASIC for a waiver permitting it to issue a cleansing notice so that the Shares may be traded and in the event that ASIC refuses to grant relief, the Company may require the holder to execute a restriction agreement for a period of 12 months.*

7.4 Entitlement

All Shares issued on exercise of Options or vesting of Performance Rights in accordance with this section 7 will:

- (a) be issued as fully paid;
- (b) be free of any Encumbrance; and
- (c) rank equally in all respects with the other Shares on issue in the Company.

8. Lapse of Options and Performance Rights

8.1 Lapse of Options of Performance Rights

Unless otherwise specified in the vesting conditions or vesting events applicable to an Option or Performance Right or determined otherwise by the Board, an Option or a Performance Right will lapse on the earlier of:

- (a) the Board determining that a vesting condition or vesting event applicable to an Option or Performance Right has not been satisfied, reached or met or is not capable of being satisfied;
- (b) the day immediately following the Expiry Date; or
- (c) the Option or Performance Right lapsing in accordance with section 6.2(b), 9 or 11.

8.2 On lapsing

Where a Holder's Options or Performance Rights have lapsed under section 8.1:

- (a) all rights of a Holder under the Plan in respect of those Options or Performance Rights are forfeited; and
- (b) the Company will:
 - (i) notify the Holder that the Options or Performance Rights have lapsed;
 - (ii) cancel the Options or Performance Rights;
 - (iii) if only part of the Options or Performance Rights covered by a Certificate have lapsed, issue a Certificate stating the remaining number of Options or Performance Rights held by the Holder that have not lapsed; and
 - (iv) not be liable for any damages or other amounts to the Holder in respect of the Options or Performance Rights.

9. Cessation of employment

9.1 Bad Leaver

Subject to clause 9.3, if an Eligible Participant who is a Holder or who has nominated a Nominated Party to receive unvested Options or Performance Rights under the Plan ceases to be an Eligible Participant due to:

- (a) resignation (other than due to a Special Circumstance);
- (b) dismissal for cause or poor performance; or
- (c) any other circumstances (other than due to a Special Circumstance) determined by the Board to constitute a Bad Leaver,

(Bad Leaver),

then, subject to compliance with the Listing Rules and the Corporations Act:

- (d) unvested Options or unvested Performance Rights held by the relevant Holder will immediately lapse in accordance with section 8; and

- (e) any Options or Performance Rights that have vested but which have not been exercised will lapse in accordance with section 8,

on the date the Relevant Person ceases to be an Eligible Participant.

9.2 Good Leaver

Subject to section 9.3, if an Eligible Participant who is a Holder or has nominated a Nominated Party to receive unvested Options or Performance Rights under the Plan ceases to be an Eligible Participant due to a Special Circumstance or otherwise for reasons other than as a Bad Leaver (**Good Leaver**):

- (a) unvested Options or unvested Performance Rights held by the relevant Holder will lapse in accordance with section 8; and
- (b) vested Options or vested Performance Rights that have not been exercised will continue in force and remain exercisable until the Expiry Date.

9.3 Board discretion

- (a) If an Eligible Participant who:

- (i) is a Holder; or
- (ii) has nominated a Nominated Party to receive unvested Options or Performance Rights under the Plan,

ceases to be an Eligible Participant prior to Options becoming exercisable or Performance Rights vesting, notwithstanding the provisions of section 9.1 or 9.2, the Board may, subject to compliance with the Listing Rules and the Corporations Act (which may require Shareholder approval), determine to treat any unvested Options or Performance Rights held by the relevant Holder in any way other than in the manner set out in section 9.1 or 9.2, if the Board determines that the relevant circumstances warrant such treatment.

- (b) The Company must, within 14 days of the Board making a determination as to how to treat any unvested Options or Performance Rights in accordance with section 9.3(a):
 - (i) give notice to the Holder affected by the determination of the effect of the determination on the remaining unvested Options or Performance Rights held by the Holder; and
 - (ii) issue a replacement Certificate for the unvested Options or Performance Rights to the extent that the details set out in the Certificate require amendment as a result of the determination.

10. Participation rights in new issues, reorganisations of capital and winding up

10.1 Application of this Section

This section 10 applies to Holders who hold Options or Performance Rights that they have not yet exercised and which have not lapsed.

10.2 New issues

Holders holding Options or Performance Rights are not entitled to participate in any new issue of securities to existing holders of Shares in the Company unless:

- (a) in the case of Options, they have become entitled to exercise their Options, they exercise those Options and receive Shares before the record date for the determination of entitlements to the new issue of securities and participate as a holder of Shares; and
- (b) in the case of Performance Rights, the Holder receives Shares upon the vesting of their Performance Rights under the Plan.

In accordance with the Listing Rules, the Company will give Holders notice of any new issue of securities before the record date for determining entitlements to the new issue.

10.3 Bonus issues

If the Company makes a bonus issue of Shares to existing holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and no Share has been issued in respect of an Option or Performance Right before the record date for determining entitlements to the bonus issue, then the number of underlying Shares over which the Option or Performance Right is exercisable will be increased by the number of Shares which the Holder would have received if the Holder had exercised the Option or Performance Right before the record date for the bonus issue. No adjustment will be made to the Exercise Price for Options.

10.4 Reorganisation of capital

If there is a reorganisation of the issued capital of the Company (including a consolidation, subdivision, reduction or return) then the rights of a Holder (including the number of Options or Performance Rights to which each Holder is entitled and the Exercise Price for Options) will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

10.5 Winding up

If a resolution for a members' voluntary winding up of the Company is proposed (other than for the purpose of a reconstruction or amalgamation) the Board may, in its absolute discretion, give written notice to Holders of the proposed resolution. Subject to any applicable vesting conditions, the Holders may, during the period referred to in the notice, exercise their Options.

10.6 Fractions of Shares

For the purposes of this section 10, if Options or Performance Rights are exercised or vested simultaneously (as applicable), then the Holder may aggregate the number of Shares or fractions of Shares for which the Holder is entitled to subscribe. Fractions in the aggregate number only will be disregarded in determining the total entitlement of a Holder.

10.7 Calculations and adjustments

Any calculations or adjustments which are required to be made under this section 10 will be made by the Board and, in the absence of manifest error, are final and conclusive and binding on the Company and the Holder.

10.8 Notice of adjustments

Whenever the number of Shares underlying an Option or Performance Right or the Exercise Price is adjusted pursuant to this Plan, the Company will give notice of the adjustment to the Holder and the ASX.

10.9 Accumulation of adjustments

Effect will be given to this section 10 in such manner that the effect of the successive application of this section 10 will be cumulative, with the intention being that the adjustments that it progressively effects will reflect previous adjustments.

11. Change of Control Event

11.1 Change of Control Event

If a Change of Control Event occurs, the Board may in its sole and absolute discretion, and subject to the Listing Rules determine how unvested Options or unvested Performance Rights held by a Holder will be treated, including but not limited to:

- (a) determining that unvested Options or Performance Rights (or a portion of unvested Options or Performance Rights) will vest and become immediately exercisable with such vesting deemed to have taken place immediately prior to the effective date of the Change of Control Event, regardless of whether or not the employment, engagement or office of the Participant is terminated or ceases in connection with the Change of Control Event; and/or
- (b) reducing or waiving any of the vesting conditions applicable to Options or Performance Right attaching to those unvested Options or unvested Performance Rights.

11.2 Notice to Participants

Whether or not the Board determines to accelerate the vesting of any Options or Performance Rights, the Company shall give written notice of any proposed Change of Control Event to each Holder.

12. Administration

12.1 Board authority

This Plan is to be administered by the Board.

12.2 Delegation

The Board may delegate some or all of its powers in administering this Plan to a sub-committee of the Board.

12.3 Authority

Subject to the terms of this Plan, the Board or any sub-committee appointed to administer this Plan shall have the power, in its sole discretion:

- (a) to select the Eligible Participants to participate in the Plan;
- (b) to determine the terms and conditions of any Offer, including:
 - (i) the number of Options or Performance Rights the subject of the Offer;
 - (ii) in the case of Options, the exercise price for those Options;
 - (iii) any trustee or nominee holding arrangements required to be entered into in connection with those Options or Performance Rights;
 - (iv) the vesting, disposal and forfeiture restrictions applying to those Options or Performance Rights;
 - (v) vesting conditions of the Options or Performance Rights and the period in which these conditions must be satisfied; and
 - (vi) the manner in which the Offer may be accepted;
- (c) to amend any Offer related to any Option or Performance Right;
- (d) to determine appropriate procedures, regulations and guidelines for the administration of the Plan; and
- (e) to take advice in relation to the exercise of any of its powers or discretions under this Plan.

12.4 Calculations and adjustments

Any calculations or adjustments which are required to be made by the Board or any sub-committee of the Board, in connection with this Plan will, in the absence of manifest error, be final and conclusive and binding on all Eligible Participants and Holders.

12.5 Absolute discretion

Where this Plan provides for a determination, decision, declaration or approval of the Board or any sub-committee of the Board, such determination, decision, declaration or approval may be made or given by the body in its absolute discretion.

12.6 Powers to be exercised by the Board

Any power or discretion which is conferred on the Board by this Plan may be exercised by the Board in the interests, or for the benefit, of the Company and the Board is not under any fiduciary or other obligation to any other person.

12.7 Suspension and termination

The future operation of the Plan may be suspended or terminated at any time at the discretion of the Board. The suspension or termination of the Plan must not prejudice the existing rights (if any) of Holders. The Board will give notice of any suspension or termination of the Plan to all Holders.

13. Forfeiture

Where the Board makes an offer of Options or Performance Rights to an Eligible Participant, the Board may, in its discretion, determine that conditions of forfeiture apply to the Options or Performance Rights (as the case may be). These conditions may require that a Holder forfeit any Options and Performance Rights under the Plan or any other rights or entitlements under the Plan if:

- (a) the Holder is dismissed for cause;
- (b) in the Board's reasonable opinion the Holder:
 - (i) acts fraudulently or dishonestly,
 - (ii) is in serious breach of duty (under a contract or otherwise) to the Company;
 - (iii) commits any act of harassment or discrimination; or
 - (iv) has brought the Company into disrepute; or
- (c) the Board becomes aware of a material misstatement in the Company's financial statement or some other event has occurred which, as a result, means that the vesting conditions were not, or should not have been determined to have been, satisfied.

For the avoidance of doubt, no consideration or compensation will be payable to a Holder for or in relation to the forfeiture by the Holder of ownership of Options or Performance Rights held under the Plan.

14. No effect

14.1 Plan does not impact on employment relationship

This Plan does not form any part of any contract of employment, consultancy or directorship between a Company Group Member and an Eligible Participant. Nothing in this Plan:

- (a) confers on an Eligible Participant any right to continue as an employee, contractor or director of a Company Group Member;
- (b) affects the rights which a Company Group Member or any other person may have to terminate the employment, consultancy or office of an Eligible Participant; or
- (c) may be used to increase any compensation or damages in any action brought against a Company Group Member or any other person in connection with the termination of employment or consultancy or removal from office of an Eligible Participant.

14.2 Option and Performance Right grants

An Offer will be in respect of a single grant of Options and/or Performance Rights and does not entitle an Eligible Participant to participate in any subsequent grants.

14.3 Rights not conferred by Options and Performance Rights

Neither Options nor Performance Rights confer on an Eligible Participant or a Holder:

- (a) any voting rights in respect of Shares or in respect of any other equity securities of the Company;

- (b) the right to participate in new issues of Shares or other equity securities of the Company;
- (c) the right to attend or vote at any general meeting or other meeting of holders of any Shares or other equity securities of the Company;
- (d) the right to receive any dividends or other distributions or to receive or otherwise participate in any returns of capital from the Company; or
- (e) the right to participate in a liquidation or winding up of the Company.

15. Power of attorney

Each Holder, in consideration of an Offer:

- (a) irrevocably appoints the Company, each director of the Company and any person nominated from time to time by the Company (each an "attorney"), severally, as the Holder's attorney to complete and execute any documents relating to Shares allocated pursuant to this Plan and to do all acts or things on behalf of and in the name of the Holder which may be convenient or necessary for the purpose of giving effect to the provisions of this Plan;
- (b) covenants that the Holder shall ratify and confirm any act or thing done pursuant to this power;
- (c) releases the Company and the attorney from any liability whatsoever arising from the exercise of the powers conferred by this section; and
- (d) indemnifies and holds harmless the Company and the attorney in respect thereof.

16. ASIC relief

Notwithstanding any other provisions of this Plan, every covenant or other provision set out in an exemption or modification granted from time to time by ASIC in respect of this Plan pursuant to its power to exempt and modify the Corporations Act and required to be included in the Plan in order for that exemption or modification to have full effect, is deemed to be contained in this Plan. To the extent that any covenant or other provision deemed by this Rule to be contained in the Plan is inconsistent with any other provision in the Plan, the deemed covenant or other provision shall prevail.

17. General

17.1 Duties and taxes

The Company is not responsible for any duties or taxes which may become payable by the Holder or their Eligible Participant in connection with the issue of Options or Performance Rights or any other dealing with the Options or Performance Rights or in relation to Shares allocated and issued pursuant to this Plan.

17.2 Power to amend this Plan

Subject to section 12 and the Listing Rules, this Plan may be amended from time to time by resolution of the Board subject to the requirements from time to time of the Corporations Act. Any such amendment however, must not adversely affect the rights of Eligible Participants or Holders in respect of Options or Performance Rights granted prior to such amendment without the

consent of those Eligible Participants and Holders (as applicable), unless such amendment is required by, or necessitated by, law.

17.3 Documents to be completed

Each Eligible Participant and Holder agrees that it will complete and return to the Company such other documents as may be required by law to be completed by the Eligible Participant or Holder from time to time in respect of the transactions contemplated by the Plan, or such other documents which the Company reasonably considers should, for legal, taxation or administrative reasons, be completed by the Eligible Participant or Holder in respect of the transactions contemplated by the Plan.

17.4 Offers and regulations

The Company may, in its sole discretion:

- (a) make Offers to Eligible Participants who reside outside of Australia; and
- (b) make regulations for the operation of the Plan which are not inconsistent with this Plan to apply to Eligible Participants who reside outside of Australia.

17.5 Notices

Any notice regarding the Options or Performance Rights will be sent to the registered address of the referable Holder as recorded in the register of Optionholders or Performance Rights Holders (as the case may be) maintained by the Company.

17.6 Governing Laws

This Plan is governed by and shall be construed in accordance with the laws of the State of Victoria.

18. Glossary

18.1 Definitions

The meaning of capitalised terms used in this Plan are set out below.

Term	Meaning
Applicable Laws	any one or more or all, as the context requires of: <ul style="list-style-type: none"> (a) the Corporations Act; (b) the Listing Rules; (c) the constitution of the Company; (d) Tax Act; (e) any practice note, regulation, exemption notice, policy statement, regulatory guide, class order, declaration, guideline, policy, procedure, ruling, judicial interpretation or other guidance note made to clarify, expand or amend paragraphs (a) to (d) above; and (f) any other legal requirement that applies to the Plan.
Application Form	a duly completed and executed application for the issue of Options or Performance Rights submitted by an Eligible Participant in response to an

Term	Meaning
	Offer, and which is in a form which is substantially similar to that set out in Schedule 1 of the Offer Document, or as otherwise approved by the Board from time to time.
ASIC	Australian Securities and Investments Commission.
ASIC 14/1000 or Class Order	CO <i>ASIC Class Order 14/1000 – Listed Bodies: Employee Incentive Schemes</i>
ASX	ASX Limited (ACN 008 624 691), or if the context requires, the financial market conducted by it.
Bad Leaver	has the meaning given to that term under section 9.1.
Board	the board of directors of the Company from time to time.
Certificate	has the meaning given to that term in section 4.6(f)(ii).
Change of Control Event	<p>occurs where:</p> <ul style="list-style-type: none"> (a) an offer is made for Shares pursuant to a takeover bid under Chapter 6 of the Corporations Act and is, or is declared, unconditional; or (b) the Court sanctions under Part 5.1 of the Corporations Act a compromise or arrangement relating to the Company or a compromise or arrangement proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or (c) any other merger, consolidation or amalgamation involving the Company occurs which results in the holders of Shares immediately prior to the merger, consolidation or amalgamation being entitled to 50 per cent or less of the voting shares in the body corporate resulting from the merger, consolidation or amalgamation; or (d) any Company Group Members enters into agreements to sell in aggregate a majority in value of the businesses or assets (whether or not in the form of shares in a Group Company) of the Company Group to a person, or a number of persons, none of which are Company Group Members; or (e) the Board determines in its reasonable opinion, control of the Company has or is likely to change or pass to one or more persons, none of which are Company Group Members.
Commissioner of Taxation	the office of Commissioner of Taxation created by section 4 of the <i>Taxation Administration Act 1953</i> (Cth).
Company	Kalina Power Limited ACN 000 090 997.
Company Group	the Company and each wholly owned Subsidiary (if any) of the Company from time to time.

Term	Meaning
Company Group Member	any company forming part of the Company Group.
Constitution	the constitution of the Company from time to time.
Corporations Act	the <i>Corporations Act 2001</i> (Cth).
Dealing or Deal	<p>has the meaning given to that term in the Securities Trading Policy, or where the Securities Trading Policy does not provide such definition, means in relation to an Option or Performance Right:</p> <p>(a) to sell, transfer, assign, novate, swap, declare a trust over, grant an Encumbrance over, dispose of or otherwise alienate or deal with any legal or equitable interest in the Share, Option or Performance Right (as applicable); or</p> <p>(b) taking any steps or attempting to do any of the things set out in paragraph (a).</p>
Eligible Financial Market	has the meaning given to that term under ASIC CO 14/1000.
Eligible Participant	<p>(a) where an Offer is made under ASIC CO 14/1000:</p> <p>(i) full-time or part-time employee (including an executive director);</p> <p>(ii) non-executive director;</p> <p>(iii) contractor;</p> <p>(iv) casual employee*;</p> <p>(v) prospective participant; and</p> <p>(b) where the Offer is not made under ASIC CO 14/1000 but pursuant to section 708 of the Corporations Act, a senior manager of the Company,</p> <p>of one or more Company Group Members selected by the Board to participate in the Plan or, where applicable, the Nominated Party of an Eligible Participant that is approved by the Board in accordance with section 4.7.</p> <p><i>*Casual Employee in relation to a listed body or an unassociated body corporate, means an individual who is, or might reasonably be expected to be, engaged to work the number of hours that are the pro-rata equivalent of 40% or more of a comparable full-time position with the body.</i></p>
Encumber	any legal or equitable interest, mortgage, charge, Security Interest, lien, pledge or other encumbrance over an interest in an asset, including a retention of title, and Encumber has a corresponding meaning.
Exercise Notice	a notice substantially in the form as set out in Schedule 1.
Exercise Period	in relation to an Option the period commencing on the date (or event) on which the Option or vests and ending on the Expiry Date.

Term	Meaning
Exercise Price	in respect of an Option or Performance Right means the exercise price determined by the Board and included in the Offer giving rise to that Option or Performance Right, as amended pursuant to the terms of this Plan.
Expiry Date	the date on which the Option or Performance Right expires under section 7, or in the absence of any such date, the date which falls on the fifth anniversary of the issue date of that Option.
Good Leaver	has the meaning given to that term under section 9.2.
Holder	an Optionholder or Performance Rights Holder (as the case may be).
Listing Rules	the Listing Rules published by ASX from time to time and any other rules of ASX which apply to an entity while it is a listed entity (or the rules of any other Eligible Financial Market (if applicable)), each as amended or replaced from time to time, except to the extent of any express written waiver by ASX (or any other recognised stock exchange (if applicable)).
Nominated Party	<p>in respect of an Eligible Participant:</p> <ul style="list-style-type: none"> (a) an immediate family member of the Eligible Participant; (b) a corporate trustee of a self-managed superannuation fund (within the meaning of the <i>Superannuation Industry (Supervision) Act 1993</i>) where the Eligible Participant is a director of the trustee; or (c) a company whose members comprise no persons other than the Eligible Participant or immediate family members of the Eligible Participant.
Offer	an offer made to an Eligible Participant by or on behalf of the Board to participate in this Plan.
Offer Document	an offer document that complies with section 4.5 and the ASIC CO 14/1000 and is substantially in the same form as Annexure A or is otherwise in the form approved by the Board from time to time.
Option	an option, issued under this Plan, to acquire a Share.
Optionholder	a person registered in the Company's register of people that hold Options from time to time.
Outstanding Option	an Option which has vested, has not been exercised and has not expired.
Performance Rights Holder	a person who is recorded in the Company's Performance Rights register as the registered holder of a Performance Right.
Performance Right	a right to one Share that is subject to conditions determined by the Company, calculated on the basis set out in the terms of the Offer.
Plan	this plan (including all applicable terms and conditions) as amended from time to time.

Term	Meaning
Related Body Corporate	has the meaning given to that term under the Corporations Act.
Relevant Person	either: (a) in respect of an Eligible Participant, that person; and (b) in respect of a Nominated Party of an Eligible Participant being a Nominated Party under section 4.7, that Eligible Participant.
Securities Trading Policy	the Securities Trading Policy adopted by the Company in accordance with the Listing Rules from time to time.
Security Interest	has the meaning given to that term under section 12 of the <i>Personal Property Securities Act 2009</i> (Cth).
Shareholder	a person who is recorded in the Company's share register as the registered holder of a Share.
Share Registry	the share registry of the Company from time to time.
Special Circumstances	in respect of a Relevant Person: (a) total and permanent disablement; (b) mental illness; (c) redundancy; or (d) the death, or terminal illness, of the Relevant Person.
Subsidiary	has the meaning given to that term in the Corporations Act.
Shares	a fully paid ordinary share in the capital of the Company.
Tax Act	the <i>Income Tax Assessment Act 1997</i> (Cth).

18.2 Interpretation

In this Plan, unless the context otherwise requires:

- (a) headings and guidance notes are for convenience only and do not affect the interpretation of this Plan;
- (b) the singular includes the plural and vice versa;
- (c) the word person includes a firm, a body corporate, an unincorporated association and an authority;
- (d) a reference to any statute, ordinance, code or other law includes regulations and other instruments under, and consolidations, amendments, re-enactments or replacements of, any of them;
- (e) a reference to a document includes an amendment or supplement to, or replacement or novation of, that document;

- (f) a reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including, without limitation, persons taking by novation) and assigns;
- (g) an agreement, representation or warranty on the part of or in favour of two or more persons binds or is for the benefit of them jointly and severally;
- (h) if a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;
- (i) a reference to a currency is a reference to Australian currency unless otherwise indicated;
- (j) where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings;
- (k) specifying anything after the words 'including' or 'for example' or similar expressions does not limit what else is included; and
- (l) a reference to time is a reference to the time in the capital city of the state where the Company is incorporated.