

Terms of Options granted to Directors and Officers

The terms and conditions of the options granted to Directors and Consultants are as follows: namely, the Optionholder will be entitled to subscribe for and be allotted an ordinary share on the following basis and terms:

- (a) The option shall expire at 5.00pm (AEST) on 31 July 2012 ("Expiry Date").
- (b) The option shall entitle the Optionholder to subscribe for an ordinary share in the capital of the Company. A share issued on the exercise of the option will be a fully paid ordinary share and will rank equally in all respects with the then existing issued ordinary fully paid shares in the capital of the Company, from the date of issue, and will be subject to the provisions of the constitution of the Company.
- (c) The option may be transferred at any time, in accordance with the Corporations Act 2001, the ASTC Settlement Rules and the Listing Rules, with the consent of the Board.
- (d) The option shall be exercisable at 25 cents ("Exercise Price").
- (e) The Option may be exercised at any time prior to the Expiry Date by notice of exercise in or to the effect of the form provided to the Optionholder by the Company at the time of grant of the Option or otherwise, accompanied by payment of the Exercise Price.
- (f) Other than as detailed herein an Optionholder has no right to a change in the Exercise Price or to any change to the number of shares over which the option can be exercised.
- (g) The option shall not entitle the holder to participate in new issues of ordinary shares offered to members of the Company during the currency of the option.
- (h) In the event of any reorganisation of the capital of the Company, the option shall be treated in the manner required by the Listing Rules in force as at the date of any such reorganisation, and as appropriate to the type of reorganisation proposed.