

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme Duratec Limited

ACN/ARSN 141 614 075

1. Details of substantial holder (1)

Name Duratec Limited

ACN/ARSN (if applicable) 141 614 075

The holder became a substantial holder on 03/11/2020

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
ORD	131,594,801	131,594,801	55.42%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Duratec Limited	Restrictions on the disposal of shares under the voluntary escrow arrangements disclosed in the Replacement Prospectus dated 15 October 2020 give Duratec Limited a deemed relevant interest in its own shares under section 608(1)(c) of the Corporations Act. See Annexure A for copies of the voluntary escrow deeds. Duratec Limited has no right to acquire these shares or to exercise, or control the exercise of, a right to vote attached to these shares.	131,594,801 ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Duratec Limited	Ertech Holdings Pty Ltd	Ertech Holdings Pty Ltd	47,348,514 ordinary shares
Duratec Limited	Dencort Pty Ltd as trustee for the Harcourt Family Trust	Dencort Pty Ltd as trustee for the Harcourt Family Trust	26,553,389 ordinary shares
Duratec Limited	Kent Colony Ventures Pty Ltd as trustee for the Diprose Richards Family Trust	Kent Colony Ventures Pty Ltd as trustee for the Diprose Richards Family Trust	26,553,389 ordinary shares
Duratec Limited	Christopher John Oates and Pamela Michelle Oates as trustee for the Oates Family Trust	Christopher John Oates and Pamela Michelle Oates as trustee for the Oates Family Trust	26,553,389 ordinary shares
Duratec Limited	Oliver McKeon as trustee for the MT Pockets Business Trust	Oliver McKeon as trustee for the MT Pockets Business Trust	4,586,120 ordinary shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Duratec Limited	03/11/2020	None – acquisition of a relevant interest by virtue of the entry into escrow deeds by the registered holders with Duratec Limited		131,594,801 ordinary shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Duratec Limited	108 Motivation Drive, Wangara, Western Australia 6065
Ertech Holdings Pty Ltd	118 Motivation Drive, Wangara, Western Australia 6065
Dencort Pty Ltd as trustee for the Harcourt Family Trust	16 Birrignon Loop, Swanbourne, Western Australia 6010
Kent Colony Ventures Pty Ltd as trustee for the Diprose Richards Family Trust	Unit 5, 59 Mill Point Road, South Perth Western Australia 6151
Christopher John Oates and Pamela Michelle Oates as trustee for the Oates Family Trust	6 Spence Street, Trigg, Western Australia 6029
Oliver McKeon as trustee for the MT Pockets Business Trust	Unit 3, 6 Rocklea Road, South Yarra, Victoria 3141

Signature

print name	Robert Phillip Harcourt		capacity	Director
sign here			date	03/11/2020

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."

- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

GUIDE

This guide does not form part of the prescribed form and is included by ASIC to assist you in completing and lodging form 603.

Signature	This form must be signed by either a director or a secretary of the substantial holder.
Lodging period	Nil
Lodging Fee	Nil
Other forms to be completed	Nil
Additional information	<p>(a) If additional space is required to complete a question, the information may be included on a separate piece of paper annexed to the form.</p> <p>(b) This notice must be given to a listed company, or the responsible entity for a listed managed investment scheme. A copy of this notice must also be given to each relevant securities exchange.</p> <p>(c) The person must give a copy of this notice:</p> <ul style="list-style-type: none"> (i) within 2 business days after they become aware of the information; or (ii) by 9.30 am on the next trading day of the relevant securities exchange after they become aware of the information if: <ul style="list-style-type: none"> (A) a takeover bid is made for voting shares in the company or voting interests in the scheme; and (B) the person becomes aware of the information during the bid period.
Annexures	<p>To make any annexure conform to the regulations, you must</p> <ol style="list-style-type: none"> 1 use A4 size paper of white or light pastel colour with a margin of at least 10mm on all sides 2 show the corporation name and ACN or ARBN 3 number the pages consecutively 4 print or type in BLOCK letters in dark blue or black ink so that the document is clearly legible when photocopied 5 identify the annexure with a mark such as A, B, C, etc 6 endorse the annexure with the words: <i>This is annexure (mark) of (number) pages referred to in form (form number and title)</i> 7 sign and date the annexure. <p>The annexure must be signed by the same person(s) who signed the form.</p>

Information in this guide is intended as a guide only. Please consult your accountant or solicitor for further advice.

K&L GATES

Voluntary Escrow Deed

Duratec Limited
ACN 141 614 075

and

Ertech Holdings Pty Ltd
ACN 008 999 353

Voluntary Escrow Deed

Date 2020

Parties

1. **Duratec Limited ACN 141 614 075** of 108 Motivation Drive, Wangara, Western Australia 6065 (**Company**)
2. **Ertech Holdings Pty Ltd ACN 008 999 353** of 118 Motivation Drive, Wangara, Western Australia 6065 (**Holder**)

Background

The Holder has agreed to voluntarily escrow the Shares on the terms set out in this Deed.

Agreed terms

1. Definitions and interpretation

1.1 Definitions

ASX means ASX Limited or the Australian Securities Exchange currently operated by ASX Limited, as the context may require.

Deed means this deed, including the background, any schedules and annexures.

Encumbrance means:

- (a) any:
 - (i) legal or equitable interest or power created, arising in or reserved in or over an interest in any property or asset, which provides security for or protects against default by a person in, the payment or satisfaction of a debt, obligation or liability; or
 - (ii) security for payment of money, performance of obligations or protection against default (including a mortgage, bill of sale, charge, lien, pledge, trust, power or retention of title arrangement, right of set-off, assignment of income, garnishee order and monetary claim);
- (b) any preferential interest or arrangement of any kind giving a person priority or preference over claims or other persons with respect to any property or asset;
- (c) a PPSA Security Interest; or
- (d) any agreement or arrangement (whether legally binding or not) to grant or create anything referred to in sub-paragraphs (a), (b) or (c) above.

Escrow Period means the period from the Listing Date until the date the Company releases its financial statements for the financial year ended 30 June 2021 on ASX.

Listing Date means the date the Company is admitted to the official list of the ASX.

Listing Rules means the official listing rules of ASX, as amended, varied or waived by ASX from time to time.

Related Party has the meaning given to it in the *Corporations Act 2001* (Cth).

Security Interest means:

- (a) a mortgage, charge, hypothecation, assignment by way of security, pledge, lien, title retention arrangement set-off arrangement, flawed asset arrangement or other arrangement having the same or equivalent commercial effect as a grant of security; or
- (b) any agreement to create or give rise to any interest or arrangement of the type referred to in sub-paragraph (a) above.

PPSA means the *Personal Property Securities Act 2009* (Cth).

PPSA Security Interest means a security interest as defined in the PPSA.

Shares means that number of fully paid ordinary shares in the Company held by the Holder as at the Listing Date.

1.2 Interpretation

In this Deed, unless the context requires otherwise:

- (a) the singular includes the plural and vice versa;
- (b) a gender includes the other genders;
- (c) the headings are used for convenience only and do not affect the interpretation of this Deed;
- (d) other grammatical forms of defined words or expressions have corresponding meanings;
- (e) a reference to a document includes the document as modified from time to time and any document replacing it;
- (f) a reference to a party is to a party to this Deed and a reference to a party to a document includes the party's executors, administrators, successors and permitted assigns and substitutes;
- (g) the word "person" includes a natural person, partnership, body corporate, association, government or local authority, agency and any body or entity whether incorporated or not;
- (h) the word "month" means calendar month and the word "year" means 12 months;
- (i) the words "in writing" include any communication sent by letter, facsimile transmission or email or any other form of communication capable of being read by the recipient;
- (j) a reference to a thing includes a part of that thing;
- (k) a reference to all or any part of a statute, rule, regulation or ordinance (**statute**) includes that statute as amended, consolidated, re-enacted or replaced from time to time;

- (l) wherever "include", "for example" or any form of those words or similar expression is used, it must be construed as if it were followed by "(without being limited to)"; and
- (m) a reference to time is to Perth Australia time.

2. Escrow restrictions

- (a) Except as permitted under clause 4, the Holder will not do any of the following during the Escrow Period:
 - (i) dispose of, or agree or offer to dispose of, the Shares;
 - (ii) create, or agree or offer to create, any Security Interest in the Shares; or
 - (iii) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership, including beneficial ownership, or control of the Shares,

unless the Company gives its prior written consent (which the Company may withhold in its sole discretion).
- (b) Subject to clause 5(b)(iv), no provision of this clause 2 or any other provision of this Deed shall be taken to restrict the Holder from exercising in full the voting entitlements in respect of the Shares.

3. Holding lock

- (a) The Holder agrees to a holding lock being applied to the Shares.
- (b) The Company agrees to do all things necessary to release the holding lock (including notifying ASX in accordance with Listing Rule 3.10A and procuring release of the holding lock by the Company's share registry):
 - (i) to the extent necessary to permit the release of the Shares as contemplated in clause 4; and
 - (ii) in full, at the conclusion of the Escrow Period.

4. Release from escrow restrictions

4.1 Takeover bid

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to permit the Holder to accept an offer under a takeover bid provided the following conditions are met:

- (a) the offers are either for all of the ordinary securities on issue in the capital of the Company or if the offers are for a specified proportion of the ordinary securities on issue in the capital of the Company, the shareholders of the Company pass a resolution to approve the proportional takeover bid in accordance with the Company's constitution;
- (b) the bidder receives acceptances or is entitled to 50% or more of the fully paid ordinary shares on issue in the Company in respect of which the takeover bid is made that are not subject to escrow; and

- (c) the Holder agrees that in the case of an off-market bid, if the offer is conditional the restrictions in clause 2 and the holding lock referred to in clause 3 will continue to apply to the Shares for the duration of the Escrow Period if the takeover bid does not become unconditional.

4.2 Merger by way of scheme of arrangement

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to enable the Shares to be transferred or cancelled as part of a merger by way of a scheme of arrangement under Part 5.1 of the Corporations Act provided the Holder agrees that the restrictions in clause 2 and the holding lock referred to in clause 3 will continue to apply to the Shares for the duration of the Escrow Period if the merger does not take effect.

4.3 Buy back, capital reduction or return of capital

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow the Shares to be transferred or cancelled as part of any off market share buyback, capital reduction or other return of capital or other similar pro rata reorganisation or an acquisition of all shares provided the following conditions are met:

- (a) all necessary approvals are received, including any such necessary approvals by shareholders of the Company and any court of law;
- (b) in the case of an off market buy back, the maximum number of Shares to be transferred must be on a pro rata basis to the size of the buyback; and
- (c) if for any reason any or all of the Shares are not transferred or cancelled in accordance with the transactions contemplated by this clause 4.3, the Holder agrees that the restrictions applying to the Shares that are not transferred or cancelled will continue to apply in accordance with this Deed.

4.4 Reorganisation

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow a disposal of Shares to enable the Holder to undertake a reorganisation, subject to:

- (a) the prior consent of the Company in writing, acting reasonably; and
- (b) any new holder of the Shares agreeing to be bound by a deed in substantially the same terms as this Deed.

4.5 Insolvency Event

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow a disposal of Shares if any of the following matters occur in respect of the Company or any of its subsidiaries:

- (a) an order is made or an effective resolution is passed for the winding up or dissolution without winding up (otherwise than for the purposes of reconstruction or amalgamation) of the Company;
- (b) a receiver, receiver and manager, judicial manager, liquidator, administrator or like official is appointed over the whole or a substantial part of the undertaking or property of the Company;

- (c) a holder of an Encumbrance takes possession of the whole or any substantial part of the undertaking and property of the Company.

4.6 Voluntary de-listing from ASX

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow a disposal of Shares if the Company announces that it is seeking to voluntarily de-list from ASX under Listing Rule 17.11 or to remove the class of securities that includes the Shares from official quotation on ASX.

4.7 Death or incapacity

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow a disposal of Shares in the event:

- (a) of the death; or
- (b) the total or partial disablement or incapacitation,

of the Holder, or in the case where the Holder is a trust, the controller of the Holder.

4.8 Disposal required by law

Notwithstanding any other term of this Deed, Shares may be disposed if required by any applicable law including if required under an order of a court of competent jurisdiction. A reference in this clause to 'applicable law' includes all laws and regulations of jurisdictions applicable to the SPA, the Company or any of its subsidiaries or other entities, as the case may be (including the *Corporations Act 2001* (Cth)), and rules, policies, official directives, orders or requirements of any government agency, including the Listing Rules, ASX Settlement Operating Rules and the applicable listing requirements of ASX.

4.9 Other exceptions

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow a disposal of Shares if the disposal constitutes a disposal of, but not the creation of a Security Interest in, some or all of the Shares to:

- (a) a company wholly-owned by the Holder or a controller of the Holder;
- (b) a trust in relation to which the Holder or a controller of the Holder is the beneficiary;
or
- (c) a Related Party of the Holder or a controller of the Holder,

(each a **Transferee**),

subject to:

- (d) the prior consent of the Company in writing, acting reasonably; and
- (e) the Transferee also entering into an escrow arrangement with the Company in respect of those Shares transferred on substantially the same terms as this Deed for the remainder of the Escrow Period.

5. Consequences of breaching this Deed

- (a) If it appears that the Holder may breach this Deed the Company may take the steps necessary to prevent the breach or enforce this Deed.
- (b) If the Holder breaches this Deed, each of the following applies.
 - (i) The Holder must promptly rectify the breach.
 - (ii) The Company may take all the steps necessary to enforce this Deed, or to rectify the breach.
 - (iii) Notwithstanding anything in the Company's constitution, the Company may refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the Shares. This is in addition to other rights and remedies of the Company.
 - (iv) subject to the Company's ongoing compliance with the Listing Rules, the Holder ceases to be entitled to any dividends, distributions or voting rights while the breach continues.

6. Termination

- (a) For the avoidance of doubt, this Deed terminates with immediate effect and without the action of any party on the expiry of the Escrow Period.
- (b) For the avoidance of doubt, the Shares will no longer be escrowed under the terms of this Deed at the expiration of the Escrow Period.
- (c) The Company will procure that the any holding lock in respect of the Shares, if still in effect, is removed as soon as possible following termination of this Deed. This clause 7(c) will survive termination of this Deed.

7. General

7.1 Counterparts

If this Deed consists of a number of signed counterparts, each is an original and all of the counterparts together constitute the same document.

7.2 No variation

This Deed cannot be amended or varied except in writing signed by the parties.

7.3 No assignment

A party cannot assign or otherwise transfer the benefit of this Deed without the prior written consent of each other party.

7.4 No waiver

- (a) A failure, delay, relaxation or indulgence by a party in exercising any power or right conferred on the party by this Deed does not operate as a waiver of the power or right.
- (b) A single or partial exercise of the power or right does not preclude a further exercise of it or the exercise of any other power or right under this Deed.

(c) A waiver of a breach does not operate as a waiver of any other breach.

7.5 Jurisdiction

The laws of Western Australia apply to this Deed. The parties submit to the non-exclusive jurisdiction of the courts of Western Australia.

EXECUTED as a deed

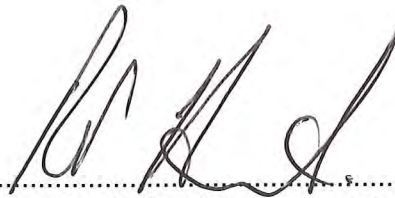
Executed by Duratec Limited ACN 141 614 075 in accordance with section 127(1) of the *Corporations Act 2001 (Cth)*:



.....
Signature of director

MARTIN BRYDON

.....
Name (please print)



.....
Signature of director or company secretary*
*delete whichever does not apply

ROBERT PHILIP HARCOURT

.....
Name (please print)

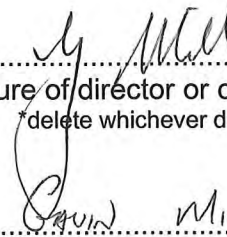
Executed by Ertech Holdings Pty Ltd ACN 008 999 353 in accordance with section 127(1) of the *Corporations Act 2001 (Cth)*:



.....
Signature of director

JAMES PATRICK GIUMELLI

.....
Name (please print)



.....
Signature of director or company secretary*
*delete whichever does not apply

.....
Name (please print)

K&L GATES

Voluntary Escrow Deed

Duratec Limited
ACN 141 614 075

and

Dencort Pty Ltd ACN 125 962 601
as trustee for the Harcourt Family Trust

Perth office
Ref: AJL: 7600221.00064

Voluntary Escrow Deed

Date 24 September 2020

Parties

1. **Duratec Limited** ACN 141 614 075 of 108 Motivation Drive, Wangara, Western Australia 6065 (**Company**)
2. **Dencort Pty Ltd** ACN 125 962 601 as trustee for the Harcourt Family Trust of 268D West Coast Highway, Scarborough, WA (**Holder**)

Background

The Holder has agreed to voluntarily escrow the Shares on the terms set out in this Deed.

Agreed terms

1. Definitions and interpretation

1.1 Definitions

ASX means ASX Limited or the Australian Securities Exchange currently operated by ASX Limited, as the context may require.

Deed means this deed, including the background, any schedules and annexures.

Encumbrance means:

- (a) any:
 - (i) legal or equitable interest or power created, arising in or reserved in or over an interest in any property or asset, which provides security for or protects against default by a person in, the payment or satisfaction of a debt, obligation or liability; or
 - (ii) security for payment of money, performance of obligations or protection against default (including a mortgage, bill of sale, charge, lien, pledge, trust, power or retention of title arrangement, right of set-off, assignment of income, garnishee order and monetary claim);
- (b) any preferential interest or arrangement of any kind giving a person priority or preference over claims or other persons with respect to any property or asset;
- (c) a PPSA Security Interest; or
- (d) any agreement or arrangement (whether legally binding or not) to grant or create anything referred to in sub-paragraphs (a), (b) or (c) above.

Escrow Period means:

- (a) for the Tranche A Shares, the period from the Listing Date until the date the Company releases its financial statements for the financial year ended 30 June 2021 on ASX; and

- (b) for the Tranche B Shares, the period from the Listing Date until the earlier of:
- (i) the date the Company releases its financial statements for the financial year ended 30 June 2022 on ASX; and
 - (ii) the date that is 2 years from the Listing Date.

Listing Date means the date the Company is admitted to the official list of the ASX.

Listing Rules means the official listing rules of ASX, as amended, varied or waived by ASX from time to time.

Related Party has the meaning given to it in the *Corporations Act 2001* (Cth).

Security Interest means:

- (a) a mortgage, charge, hypothecation, assignment by way of security, pledge, lien, title retention arrangement set-off arrangement, flawed asset arrangement or other arrangement having the same or equivalent commercial effect as a grant of security; or
- (b) any agreement to create or give rise to any interest or arrangement of the type referred to in sub-paragraph (a) above.

PPSA means the *Personal Property Securities Act 2009* (Cth).

PPSA Security Interest means a security interest as defined in the PPSA.

Shares means that number of fully paid ordinary shares in the Company held by the Holder as at the Listing Date.

Tranche A Shares means 75% of the total number of Shares.

Tranche B Shares means 25% of the total number of Shares.

1.2 Interpretation

In this Deed, unless the context requires otherwise:

- (a) the singular includes the plural and vice versa;
- (b) a gender includes the other genders;
- (c) the headings are used for convenience only and do not affect the interpretation of this Deed;
- (d) other grammatical forms of defined words or expressions have corresponding meanings;
- (e) a reference to a document includes the document as modified from time to time and any document replacing it;
- (f) a reference to a party is to a party to this Deed and a reference to a party to a document includes the party's executors, administrators, successors and permitted assigns and substitutes;

- (g) the word "person" includes a natural person, partnership, body corporate, association, government or local authority, agency and any body or entity whether incorporated or not;
- (h) the word "month" means calendar month and the word "year" means 12 months;
- (i) the words "in writing" include any communication sent by letter, facsimile transmission or email or any other form of communication capable of being read by the recipient;
- (j) a reference to a thing includes a part of that thing;
- (k) a reference to all or any part of a statute, rule, regulation or ordinance (**statute**) includes that statute as amended, consolidated, re-enacted or replaced from time to time;
- (l) wherever "include", "for example" or any form of those words or similar expression is used, it must be construed as if it were followed by "(without being limited to)"; and
- (m) a reference to time is to Perth Australia time.

2. Escrow restrictions

- (a) Except as permitted under clause 4, the Holder will not do any of the following during the Escrow Period:
 - (i) dispose of, or agree or offer to dispose of, the Shares;
 - (ii) create, or agree or offer to create, any Security Interest in the Shares; or
 - (iii) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership, including beneficial ownership, or control of the Shares,

unless the Company gives its prior written consent (which the Company may withhold in its sole discretion).
- (b) Subject to clause 5(b)(iv), no provision of this clause 2 or any other provision of this Deed shall be taken to restrict the Holder from exercising in full the voting entitlements in respect of the Shares.

3. Holding lock

- (a) The Holder agrees to a holding lock being applied to the Shares.
- (b) The Company agrees to do all things necessary to release the holding lock (including notifying ASX in accordance with Listing Rule 3.10A and procuring release of the holding lock by the Company's share registry):
 - (i) to the extent necessary to permit the release of the Shares as contemplated in clause 4; and
 - (ii) in full, at the conclusion of the Escrow Period.

4. Release from escrow restrictions

4.1 Takeover bid

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to permit the Holder to accept an offer under a takeover bid provided the following conditions are met:

- (a) the offers are either for all of the ordinary securities on issue in the capital of the Company or if the offers are for a specified proportion of the ordinary securities on issue in the capital of the Company, the shareholders of the Company pass a resolution to approve the proportional takeover bid in accordance with the Company's constitution;
- (b) the bidder receives acceptances or is entitled to 50% or more of the fully paid ordinary shares on issue in the Company in respect of which the takeover bid is made that are not subject to escrow; and
- (c) the Holder agrees that in the case of an off-market bid, if the offer is conditional the restrictions in clause 2 and the holding lock referred to in clause 3 will continue to apply to the Shares for the duration of the Escrow Period if the takeover bid does not become unconditional.

4.2 Merger by way of scheme of arrangement

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to enable the Shares to be transferred or cancelled as part of a merger by way of a scheme of arrangement under Part 5.1 of the Corporations Act provided the Holder agrees that the restrictions in clause 2 and the holding lock referred to in clause 3 will continue to apply to the Shares for the duration of the Escrow Period if the merger does not take effect.

4.3 Buy back, capital reduction or return of capital

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow the Shares to be transferred or cancelled as part of any off market share buyback, capital reduction or other return of capital or other similar pro rata reorganisation or an acquisition of all shares provided the following conditions are met:

- (a) all necessary approvals are received, including any such necessary approvals by shareholders of the Company and any court of law;
- (b) in the case of an off market buy back, the maximum number of Shares to be transferred must be on a pro rata basis to the size of the buyback; and
- (c) if for any reason any or all of the Shares are not transferred or cancelled in accordance with the transactions contemplated by this clause 4.3, the Holder agrees that the restrictions applying to the Shares that are not transferred or cancelled will continue to apply in accordance with this Deed.

4.4 Reorganisation

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow a disposal of Shares to enable the Holder to undertake a reorganisation, subject to:

- (a) the prior consent of the Company in writing, acting reasonably; and
- (b) any new holder of the Shares agreeing to be bound by a deed in substantially the same terms as this Deed.

4.5 Insolvency Event

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow a disposal of Shares if any of the following matters occur in respect of the Company or any of its subsidiaries:

- (a) an order is made or an effective resolution is passed for the winding up or dissolution without winding up (otherwise than for the purposes of reconstruction or amalgamation) of the Company;
- (b) a receiver, receiver and manager, judicial manager, liquidator, administrator or like official is appointed over the whole or a substantial part of the undertaking or property of the Company;
- (c) a holder of an Encumbrance takes possession of the whole or any substantial part of the undertaking and property of the Company.

4.6 Voluntary de-listing from ASX

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow a disposal of Shares if the Company announces that it is seeking to voluntarily de-list from ASX under Listing Rule 17.11 or to remove the class of securities that includes the Shares from official quotation on ASX.

4.7 Death or incapacity

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow a disposal of Shares in the event:

- (a) of the death; or
- (b) the total or partial disablement or incapacitation,

of the Holder, or in the case where the Holder is a trust, the controller of the Holder.

4.8 Disposal required by law

Notwithstanding any other term of this Deed, Shares may be disposed if required by any applicable law including if required under an order of a court of competent jurisdiction. A reference in this clause to 'applicable law' includes all laws and regulations of jurisdictions applicable to the SPA, the Company or any of its subsidiaries or other entities, as the case may be (including the *Corporations Act 2001* (Cth)), and rules, policies, official directives, orders or requirements of any government agency, including the Listing Rules, ASX Settlement Operating Rules and the applicable listing requirements of ASX.

4.9 Other exceptions

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow a disposal of Shares if the disposal constitutes a disposal of, but not the creation of a Security Interest in, some or all of the Shares to:

- (a) a company wholly-owned by the Holder or a controller of the Holder;

(b) a trust in relation to which the Holder or a controller of the Holder is the beneficiary;
or

(c) a Related Party of the Holder or a controller of the Holder,

(each a **Transferee**),

subject to:

(d) the prior consent of the Company in writing, acting reasonably; and

(e) the Transferee also entering into an escrow arrangement with the Company in respect of those Shares transferred on substantially the same terms as this Deed for the remainder of the Escrow Period.

5. Consequences of breaching this Deed

(a) If it appears that the Holder may breach this Deed the Company may take the steps necessary to prevent the breach or enforce this Deed.

(b) If the Holder breaches this Deed, each of the following applies.

(i) The Holder must promptly rectify the breach.

(ii) The Company may take all the steps necessary to enforce this Deed, or to rectify the breach.

(iii) Notwithstanding anything in the Company's constitution, the Company may refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the Shares. This is in addition to other rights and remedies of the Company.

(iv) subject to the Company's ongoing compliance with the Listing Rules, the Holder ceases to be entitled to any dividends, distributions or voting rights while the breach continues.

6. Party as trustee

6.1 Capacity

If the Holder (**Trustee**) enters into this Deed in the capacity as trustee of any trust (**Trust**) under any trust deed, deed of settlement or other instrument (**Trust Deed**), and whether or not any other party has notice of the Trust, then the Trustee enters into this Agreement both as trustee of the Trust and in its personal capacity.

6.2 Trustee's warranties

The Trustee represents and warrants that:

(a) it is the only trustee of the Trust and no action has been taken or is proposed to remove it as trustee of the Trust;

(b) the Trustee has power under the Trust Deed and, in the case of a corporation, under its constitution, to enter into and execute this Deed and to perform the obligations imposed under this Deed as trustee;

- (c) all necessary resolutions have been passed as required by the Trust Deed and, in the case of a corporate Trustee, by its constitution, in order to make this Deed fully binding on the Trustee;
- (d) the execution of this Deed is for the benefit of the Trust;
- (e) the Trustee is not, and has never been, in default under the Trust Deed;
- (f) it has a right to be fully indemnified out of the Trust assets in respect of obligations incurred by it under this Deed and the assets of the Trust are sufficient to satisfy that right of indemnity;
- (g) there is not now, and the Trustee will not do anything by virtue of which there will be in the future, any restriction or limitation on the right of the Trustee to be indemnified out of the assets of the Trust; and
- (h) there is no material fact or circumstance relating to the assets, matters or affairs of the Trust that might, if disclosed, be expected to affect the decision of the other parties, acting reasonably, to enter into this Deed.

A breach of any of these warranties is a breach of this Deed.

6.3 Change of Trustee

No change of trustee of the Trust (including any appointment of an additional trustee) can occur without the prior written consent of the other party, which consent must not be unreasonably withheld or delayed.

7. Termination

- (a) For the avoidance of doubt, this Deed terminates with immediate effect and without the action of any party on the expiry of the Escrow Period.
- (b) For the avoidance of doubt, the Shares will no longer be escrowed under the terms of this Deed at the expiration of the Escrow Period.
- (c) The Company will procure that the any holding lock in respect of the Shares, if still in effect, is removed as soon as possible following termination of this Deed. This clause 7(c) will survive termination of this Deed.

8. General

8.1 Allocation

If the total number of Shares is an odd number, it is agreed that, for the purpose of allocating the Shares between the Tranche A Shares and the Tranche B Shares on an equal basis, one additional Share will be allocated to the Tranche A Shares and one less Share will be allocated to the Tranche B Shares.

8.2 Counterparts

If this Deed consists of a number of signed counterparts, each is an original and all of the counterparts together constitute the same document.

8.3 No variation

This Deed cannot be amended or varied except in writing signed by the parties.

8.4 No assignment

A party cannot assign or otherwise transfer the benefit of this Deed without the prior written consent of each other party.

8.5 No waiver

- (a) A failure, delay, relaxation or indulgence by a party in exercising any power or right conferred on the party by this Deed does not operate as a waiver of the power or right.
- (b) A single or partial exercise of the power or right does not preclude a further exercise of it or the exercise of any other power or right under this Deed.
- (c) A waiver of a breach does not operate as a waiver of any other breach.

8.6 Jurisdiction

The laws of Western Australia apply to this Deed. The parties submit to the non-exclusive jurisdiction of the courts of Western Australia.

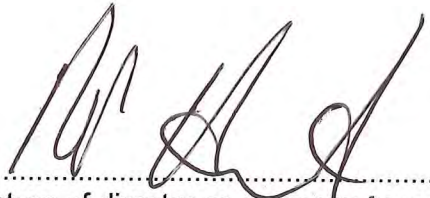
EXECUTED as a deed

Executed by Duratec Limited ACN 141 614 075 in accordance with section 127(1) of the *Corporations Act 2001 (Cth)*:



.....
Signature of director

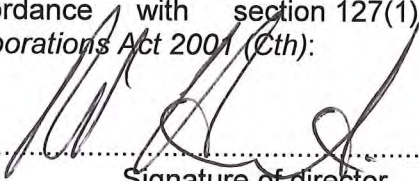
Christopher John Oates
.....
Name (please print)



.....
Signature of director or company secretary*
*delete whichever does not apply

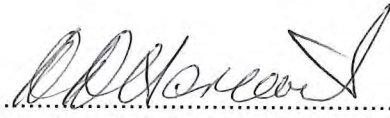
ROBERT PHILIP HARCOURT
.....
Name (please print)

Executed by Dencort Pty Ltd ACN 125 962 601 as trustee for the Harcourt Family Trust in accordance with section 127(1) of the *Corporations Act 2001 (Cth)*:



.....
Signature of director

ROBERT PHILIP HARCOURT
.....
Name (please print)



.....
Signature of director or company secretary*
*delete whichever does not apply

Denise D HARCOURT
.....
Name (please print)

K&L GATES

Voluntary Escrow Deed

Duratec Limited
ACN 141 614 075

and

Kent Colony Ventures Pty Ltd ACN 143 341 119
as trustee for the Diprose Richards Family Trust

Perth office
Ref: AJL: 7600221.00064

Voluntary Escrow Deed

Date *29 September* 2020

Parties

1. **Duratec Limited** ACN 141 614 075 of 108 Motivation Drive, Wangara, Western Australia 6065 (**Company**)
2. **Kent Colony Ventures Pty Ltd** ACN 143 341 119 as trustee for the Diprose Richards Family Trust of 5/59 Mill Point Road, South Perth, WA (**Holder**)

Background

The Holder has agreed to voluntarily escrow the Shares on the terms set out in this Deed.

Agreed terms

1. Definitions and interpretation

1.1 Definitions

ASX means ASX Limited or the Australian Securities Exchange currently operated by ASX Limited, as the context may require.

Deed means this deed, including the background, any schedules and annexures.

Encumbrance means:

- (a) any:
 - (i) legal or equitable interest or power created, arising in or reserved in or over an interest in any property or asset, which provides security for or protects against default by a person in, the payment or satisfaction of a debt, obligation or liability; or
 - (ii) security for payment of money, performance of obligations or protection against default (including a mortgage, bill of sale, charge, lien, pledge, trust, power or retention of title arrangement, right of set-off, assignment of income, garnishee order and monetary claim);
- (b) any preferential interest or arrangement of any kind giving a person priority or preference over claims or other persons with respect to any property or asset;
- (c) a PPSA Security Interest; or
- (d) any agreement or arrangement (whether legally binding or not) to grant or create anything referred to in sub-paragraphs (a), (b) or (c) above.

Escrow Period means:

- (a) for the Tranche A Shares, the period from the Listing Date until the date the Company releases its financial statements for the financial year ended 30 June 2021 on ASX; and

- (b) for the Tranche B Shares, the period from the Listing Date until the earlier of:
- (i) the date the Company releases its financial statements for the financial year ended 30 June 2022 on ASX; and
 - (ii) the date that is 2 years from the Listing Date.

Listing Date means the date the Company is admitted to the official list of the ASX.

Listing Rules means the official listing rules of ASX, as amended, varied or waived by ASX from time to time.

Related Party has the meaning given to it in the *Corporations Act 2001* (Cth).

Security Interest means:

- (a) a mortgage, charge, hypothecation, assignment by way of security, pledge, lien, title retention arrangement set-off arrangement, flawed asset arrangement or other arrangement having the same or equivalent commercial effect as a grant of security; or
- (b) any agreement to create or give rise to any interest or arrangement of the type referred to in sub-paragraph (a) above.

PPSA means the *Personal Property Securities Act 2009* (Cth).

PPSA Security Interest means a security interest as defined in the PPSA.

Shares means that number of fully paid ordinary shares in the Company held by the Holder as at the Listing Date.

Tranche A Shares means 75% of the total number of Shares.

Tranche B Shares means 25% of the total number of Shares.

1.2 Interpretation

In this Deed, unless the context requires otherwise:

- (a) the singular includes the plural and vice versa;
- (b) a gender includes the other genders;
- (c) the headings are used for convenience only and do not affect the interpretation of this Deed;
- (d) other grammatical forms of defined words or expressions have corresponding meanings;
- (e) a reference to a document includes the document as modified from time to time and any document replacing it;
- (f) a reference to a party is to a party to this Deed and a reference to a party to a document includes the party's executors, administrators, successors and permitted assigns and substitutes;

- (g) the word "person" includes a natural person, partnership, body corporate, association, government or local authority, agency and any body or entity whether incorporated or not;
- (h) the word "month" means calendar month and the word "year" means 12 months;
- (i) the words "in writing" include any communication sent by letter, facsimile transmission or email or any other form of communication capable of being read by the recipient;
- (j) a reference to a thing includes a part of that thing;
- (k) a reference to all or any part of a statute, rule, regulation or ordinance (**statute**) includes that statute as amended, consolidated, re-enacted or replaced from time to time;
- (l) wherever "include", "for example" or any form of those words or similar expression is used, it must be construed as if it were followed by "(without being limited to)"; and
- (m) a reference to time is to Perth Australia time.

2. Escrow restrictions

- (a) Except as permitted under clause 4, the Holder will not do any of the following during the Escrow Period:
 - (i) dispose of, or agree or offer to dispose of, the Shares;
 - (ii) create, or agree or offer to create, any Security Interest in the Shares; or
 - (iii) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership, including beneficial ownership, or control of the Shares,

unless the Company gives its prior written consent (which the Company may withhold in its sole discretion).
- (b) Subject to clause 5(b)(iv), no provision of this clause 2 or any other provision of this Deed shall be taken to restrict the Holder from exercising in full the voting entitlements in respect of the Shares.

3. Holding lock

- (a) The Holder agrees to a holding lock being applied to the Shares.
- (b) The Company agrees to do all things necessary to release the holding lock (including notifying ASX in accordance with Listing Rule 3.10A and procuring release of the holding lock by the Company's share registry):
 - (i) to the extent necessary to permit the release of the Shares as contemplated in clause 4; and
 - (ii) in full, at the conclusion of the Escrow Period.

4. Release from escrow restrictions

4.1 Takeover bid

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to permit the Holder to accept an offer under a takeover bid provided the following conditions are met:

- (a) the offers are either for all of the ordinary securities on issue in the capital of the Company or if the offers are for a specified proportion of the ordinary securities on issue in the capital of the Company, the shareholders of the Company pass a resolution to approve the proportional takeover bid in accordance with the Company's constitution;
- (b) the bidder receives acceptances or is entitled to 50% or more of the fully paid ordinary shares on issue in the Company in respect of which the takeover bid is made that are not subject to escrow; and
- (c) the Holder agrees that in the case of an off-market bid, if the offer is conditional the restrictions in clause 2 and the holding lock referred to in clause 3 will continue to apply to the Shares for the duration of the Escrow Period if the takeover bid does not become unconditional.

4.2 Merger by way of scheme of arrangement

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to enable the Shares to be transferred or cancelled as part of a merger by way of a scheme of arrangement under Part 5.1 of the Corporations Act provided the Holder agrees that the restrictions in clause 2 and the holding lock referred to in clause 3 will continue to apply to the Shares for the duration of the Escrow Period if the merger does not take effect.

4.3 Buy back, capital reduction or return of capital

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow the Shares to be transferred or cancelled as part of any off market share buyback, capital reduction or other return of capital or other similar pro rata reorganisation or an acquisition of all shares provided the following conditions are met:

- (a) all necessary approvals are received, including any such necessary approvals by shareholders of the Company and any court of law;
- (b) in the case of an off market buy back, the maximum number of Shares to be transferred must be on a pro rata basis to the size of the buyback; and
- (c) if for any reason any or all of the Shares are not transferred or cancelled in accordance with the transactions contemplated by this clause 4.3, the Holder agrees that the restrictions applying to the Shares that are not transferred or cancelled will continue to apply in accordance with this Deed.

4.4 Reorganisation

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow a disposal of Shares to enable the Holder to undertake a reorganisation, subject to:

- (a) the prior consent of the Company in writing, acting reasonably; and
- (b) any new holder of the Shares agreeing to be bound by a deed in substantially the same terms as this Deed.

4.5 Insolvency Event

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow a disposal of Shares if any of the following matters occur in respect of the Company or any of its subsidiaries:

- (a) an order is made or an effective resolution is passed for the winding up or dissolution without winding up (otherwise than for the purposes of reconstruction or amalgamation) of the Company;
- (b) a receiver, receiver and manager, judicial manager, liquidator, administrator or like official is appointed over the whole or a substantial part of the undertaking or property of the Company;
- (c) a holder of an Encumbrance takes possession of the whole or any substantial part of the undertaking and property of the Company.

4.6 Voluntary de-listing from ASX

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow a disposal of Shares if the Company announces that it is seeking to voluntarily de-list from ASX under Listing Rule 17.11 or to remove the class of securities that includes the Shares from official quotation on ASX.

4.7 Death or incapacity

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow a disposal of Shares in the event:

- (a) of the death; or
- (b) the total or partial disablement or incapacitation,

of the Holder, or in the case where the Holder is a trust, the controller of the Holder.

4.8 Disposal required by law

Notwithstanding any other term of this Deed, Shares may be disposed if required by any applicable law including if required under an order of a court of competent jurisdiction. A reference in this clause to 'applicable law' includes all laws and regulations of jurisdictions applicable to the SPA, the Company or any of its subsidiaries or other entities, as the case may be (including the *Corporations Act 2001* (Cth)), and rules, policies, official directives, orders or requirements of any government agency, including the Listing Rules, ASX Settlement Operating Rules and the applicable listing requirements of ASX.

4.9 Other exceptions

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow a disposal of Shares if the disposal constitutes a disposal of, but not the creation of a Security Interest in, some or all of the Shares to:

- (a) a company wholly-owned by the Holder or a controller of the Holder;

- (b) a trust in relation to which the Holder or a controller of the Holder is the beneficiary;
or
- (c) a Related Party of the Holder or a controller of the Holder,

(each a **Transferee**),

subject to:

- (d) the prior consent of the Company in writing, acting reasonably; and
- (e) the Transferee also entering into an escrow arrangement with the Company in respect of those Shares transferred on substantially the same terms as this Deed for the remainder of the Escrow Period.

5. Consequences of breaching this Deed

- (a) If it appears that the Holder may breach this Deed the Company may take the steps necessary to prevent the breach or enforce this Deed.
- (b) If the Holder breaches this Deed, each of the following applies.
 - (i) The Holder must promptly rectify the breach.
 - (ii) The Company may take all the steps necessary to enforce this Deed, or to rectify the breach.
 - (iii) Notwithstanding anything in the Company's constitution, the Company may refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the Shares. This is in addition to other rights and remedies of the Company.
 - (iv) subject to the Company's ongoing compliance with the Listing Rules, the Holder ceases to be entitled to any dividends, distributions or voting rights while the breach continues.

6. Party as trustee

6.1 Capacity

If the Holder (**Trustee**) enters into this Deed in the capacity as trustee of any trust (**Trust**) under any trust deed, deed of settlement or other instrument (**Trust Deed**), and whether or not any other party has notice of the Trust, then the Trustee enters into this Agreement both as trustee of the Trust and in its personal capacity.

6.2 Trustee's warranties

The Trustee represents and warrants that:

- (a) it is the only trustee of the Trust and no action has been taken or is proposed to remove it as trustee of the Trust;
- (b) the Trustee has power under the Trust Deed and, in the case of a corporation, under its constitution, to enter into and execute this Deed and to perform the obligations imposed under this Deed as trustee;

- (c) all necessary resolutions have been passed as required by the Trust Deed and, in the case of a corporate Trustee, by its constitution, in order to make this Deed fully binding on the Trustee;
- (d) the execution of this Deed is for the benefit of the Trust;
- (e) the Trustee is not, and has never been, in default under the Trust Deed;
- (f) it has a right to be fully indemnified out of the Trust assets in respect of obligations incurred by it under this Deed and the assets of the Trust are sufficient to satisfy that right of indemnity;
- (g) there is not now, and the Trustee will not do anything by virtue of which there will be in the future, any restriction or limitation on the right of the Trustee to be indemnified out of the assets of the Trust; and
- (h) there is no material fact or circumstance relating to the assets, matters or affairs of the Trust that might, if disclosed, be expected to affect the decision of the other parties, acting reasonably, to enter into this Deed.

A breach of any of these warranties is a breach of this Deed.

6.3 Change of Trustee

No change of trustee of the Trust (including any appointment of an additional trustee) can occur without the prior written consent of the other party, which consent must not be unreasonably withheld or delayed.

7. Termination

- (a) For the avoidance of doubt, this Deed terminates with immediate effect and without the action of any party on the expiry of the Escrow Period.
- (b) For the avoidance of doubt, the Shares will no longer be escrowed under the terms of this Deed at the expiration of the Escrow Period.
- (c) The Company will procure that the any holding lock in respect of the Shares, if still in effect, is removed as soon as possible following termination of this Deed. This clause 7(c) will survive termination of this Deed.

8. General

8.1 Allocation

If the total number of Shares is an odd number, it is agreed that, for the purpose of allocating the Shares between the Tranche A Shares and the Tranche B Shares on an equal basis, one additional Share will be allocated to the Tranche A Shares and one less Share will be allocated to the Tranche B Shares.

8.2 Counterparts

If this Deed consists of a number of signed counterparts, each is an original and all of the counterparts together constitute the same document.

8.3 No variation

This Deed cannot be amended or varied except in writing signed by the parties.

8.4 No assignment

A party cannot assign or otherwise transfer the benefit of this Deed without the prior written consent of each other party.

8.5 No waiver

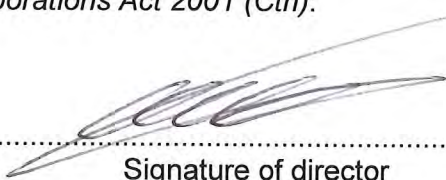
- (a) A failure, delay, relaxation or indulgence by a party in exercising any power or right conferred on the party by this Deed does not operate as a waiver of the power or right.
- (b) A single or partial exercise of the power or right does not preclude a further exercise of it or the exercise of any other power or right under this Deed.
- (c) A waiver of a breach does not operate as a waiver of any other breach.

8.6 Jurisdiction

The laws of Western Australia apply to this Deed. The parties submit to the non-exclusive jurisdiction of the courts of Western Australia.

EXECUTED as a deed

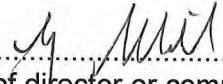
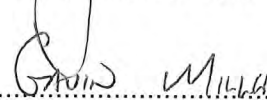
Executed by Duratec Limited ACN 141 614 075 in accordance with section 127(1) of the *Corporations Act 2001 (Cth)*:



Signature of director

Christopher John Oates

Name (please print)


Signature of director or company secretary*
*delete whichever does not apply

Name (please print)

Executed by Kent Colony Ventures Pty Ltd ACN 143 341 119 as trustee for the Diprose Richards Family Trust in accordance with section 127(1) of the *Corporations Act 2001 (Cth)*:



Signature of director

DEANE DIPROSE

Name (please print)



Signature of director or company secretary*
*delete whichever does not apply

LOUISE RICHARDS

Name (please print)

K&L GATES

Voluntary Escrow Deed

Duratec Limited
ACN 141 614 075

and

Christopher John Oates and Pamela Michelle Oates
as trustees for the Oates Family Trust

Perth office
Ref: AJL: 7600221.00064

Voluntary Escrow Deed

Date *29 September* 2020

Parties

1. **Duratec Limited** ACN 141 614 075 of 108 Motivation Drive, Wangara, Western Australia 6065 (**Company**)
2. **Christopher John Oates and Pamela Michelle Oates** as trustees for the Oates Family Trust of 8A Smith Street, Dianella, WA (**Holder**)

Background

The Holder has agreed to voluntarily escrow the Shares on the terms set out in this Deed.

Agreed terms

1. Definitions and interpretation

1.1 Definitions

ASX means ASX Limited or the Australian Securities Exchange currently operated by ASX Limited, as the context may require.

Deed means this deed, including the background, any schedules and annexures.

Encumbrance means:

- (a) any:
 - (i) legal or equitable interest or power created, arising in or reserved in or over an interest in any property or asset, which provides security for or protects against default by a person in, the payment or satisfaction of a debt, obligation or liability; or
 - (ii) security for payment of money, performance of obligations or protection against default (including a mortgage, bill of sale, charge, lien, pledge, trust, power or retention of title arrangement, right of set-off, assignment of income, garnishee order and monetary claim);
- (b) any preferential interest or arrangement of any kind giving a person priority or preference over claims or other persons with respect to any property or asset;
- (c) a PPSA Security Interest; or
- (d) any agreement or arrangement (whether legally binding or not) to grant or create anything referred to in sub-paragraphs (a), (b) or (c) above.

Escrow Period means:

- (a) for the Tranche A Shares, the period from the Listing Date until the date the Company releases its financial statements for the financial year ended 30 June 2021 on ASX; and

- (b) for the Tranche B Shares, the period from the Listing Date until the earlier of:
- (i) the date the Company releases its financial statements for the financial year ended 30 June 2022 on ASX; and
 - (ii) the date that is 2 years from the Listing Date.

Listing Date means the date the Company is admitted to the official list of the ASX.

Listing Rules means the official listing rules of ASX, as amended, varied or waived by ASX from time to time.

Related Party has the meaning given to it in the *Corporations Act 2001* (Cth).

Security Interest means:

- (a) a mortgage, charge, hypothecation, assignment by way of security, pledge, lien, title retention arrangement set-off arrangement, flawed asset arrangement or other arrangement having the same or equivalent commercial effect as a grant of security; or
- (b) any agreement to create or give rise to any interest or arrangement of the type referred to in sub-paragraph (a) above.

PPSA means the *Personal Property Securities Act 2009* (Cth).

PPSA Security Interest means a security interest as defined in the PPSA.

Shares means that number of fully paid ordinary shares in the Company held by the Holder as at the Listing Date.

Tranche A Shares means 75% of the total number of Shares.

Tranche B Shares means 25% of the total number of Shares.

1.2 Interpretation

In this Deed, unless the context requires otherwise:

- (a) the singular includes the plural and vice versa;
- (b) a gender includes the other genders;
- (c) the headings are used for convenience only and do not affect the interpretation of this Deed;
- (d) other grammatical forms of defined words or expressions have corresponding meanings;
- (e) a reference to a document includes the document as modified from time to time and any document replacing it;
- (f) a reference to a party is to a party to this Deed and a reference to a party to a document includes the party's executors, administrators, successors and permitted assigns and substitutes;

- (g) the word "person" includes a natural person, partnership, body corporate, association, government or local authority, agency and any body or entity whether incorporated or not;
- (h) the word "month" means calendar month and the word "year" means 12 months;
- (i) the words "in writing" include any communication sent by letter, facsimile transmission or email or any other form of communication capable of being read by the recipient;
- (j) a reference to a thing includes a part of that thing;
- (k) a reference to all or any part of a statute, rule, regulation or ordinance (**statute**) includes that statute as amended, consolidated, re-enacted or replaced from time to time;
- (l) wherever "include", "for example" or any form of those words or similar expression is used, it must be construed as if it were followed by "(without being limited to)"; and
- (m) a reference to time is to Perth Australia time.

2. Escrow restrictions

- (a) Except as permitted under clause 4, the Holder will not do any of the following during the Escrow Period:
 - (i) dispose of, or agree or offer to dispose of, the Shares;
 - (ii) create, or agree or offer to create, any Security Interest in the Shares; or
 - (iii) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership, including beneficial ownership, or control of the Shares,

unless the Company gives its prior written consent (which the Company may withhold in its sole discretion).
- (b) Subject to clause 5(b)(iv), no provision of this clause 2 or any other provision of this Deed shall be taken to restrict the Holder from exercising in full the voting entitlements in respect of the Shares.

3. Holding lock

- (a) The Holder agrees to a holding lock being applied to the Shares.
- (b) The Company agrees to do all things necessary to release the holding lock (including notifying ASX in accordance with Listing Rule 3.10A and procuring release of the holding lock by the Company's share registry):
 - (i) to the extent necessary to permit the release of the Shares as contemplated in clause 4; and
 - (ii) in full, at the conclusion of the Escrow Period.

4. Release from escrow restrictions

4.1 Takeover bid

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to permit the Holder to accept an offer under a takeover bid provided the following conditions are met:

- (a) the offers are either for all of the ordinary securities on issue in the capital of the Company or if the offers are for a specified proportion of the ordinary securities on issue in the capital of the Company, the shareholders of the Company pass a resolution to approve the proportional takeover bid in accordance with the Company's constitution;
- (b) the bidder receives acceptances or is entitled to 50% or more of the fully paid ordinary shares on issue in the Company in respect of which the takeover bid is made that are not subject to escrow; and
- (c) the Holder agrees that in the case of an off-market bid, if the offer is conditional the restrictions in clause 2 and the holding lock referred to in clause 3 will continue to apply to the Shares for the duration of the Escrow Period if the takeover bid does not become unconditional.

4.2 Merger by way of scheme of arrangement

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to enable the Shares to be transferred or cancelled as part of a merger by way of a scheme of arrangement under Part 5.1 of the Corporations Act provided the Holder agrees that the restrictions in clause 2 and the holding lock referred to in clause 3 will continue to apply to the Shares for the duration of the Escrow Period if the merger does not take effect.

4.3 Buy back, capital reduction or return of capital

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow the Shares to be transferred or cancelled as part of any off market share buyback, capital reduction or other return of capital or other similar pro rata reorganisation or an acquisition of all shares provided the following conditions are met:

- (a) all necessary approvals are received, including any such necessary approvals by shareholders of the Company and any court of law;
- (b) in the case of an off market buy back, the maximum number of Shares to be transferred must be on a pro rata basis to the size of the buyback; and
- (c) if for any reason any or all of the Shares are not transferred or cancelled in accordance with the transactions contemplated by this clause 4.3, the Holder agrees that the restrictions applying to the Shares that are not transferred or cancelled will continue to apply in accordance with this Deed.

4.4 Reorganisation

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow a disposal of Shares to enable the Holder to undertake a reorganisation, subject to:

- (a) the prior consent of the Company in writing, acting reasonably; and
- (b) any new holder of the Shares agreeing to be bound by a deed in substantially the same terms as this Deed.

4.5 Insolvency Event

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow a disposal of Shares if any of the following matters occur in respect of the Company or any of its subsidiaries:

- (a) an order is made or an effective resolution is passed for the winding up or dissolution without winding up (otherwise than for the purposes of reconstruction or amalgamation) of the Company;
- (b) a receiver, receiver and manager, judicial manager, liquidator, administrator or like official is appointed over the whole or a substantial part of the undertaking or property of the Company;
- (c) a holder of an Encumbrance takes possession of the whole or any substantial part of the undertaking and property of the Company.

4.6 Voluntary de-listing from ASX

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow a disposal of Shares if the Company announces that it is seeking to voluntarily de-list from ASX under Listing Rule 17.11 or to remove the class of securities that includes the Shares from official quotation on ASX.

4.7 Death or incapacity

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow a disposal of Shares in the event:

- (a) of the death; or
- (b) the total or partial disablement or incapacitation,

of the Holder, or in the case where the Holder is a trust, the controller of the Holder.

4.8 Disposal required by law

Notwithstanding any other term of this Deed, Shares may be disposed if required by any applicable law including if required under an order of a court of competent jurisdiction. A reference in this clause to 'applicable law' includes all laws and regulations of jurisdictions applicable to the SPA, the Company or any of its subsidiaries or other entities, as the case may be (including the *Corporations Act 2001* (Cth)), and rules, policies, official directives, orders or requirements of any government agency, including the Listing Rules, ASX Settlement Operating Rules and the applicable listing requirements of ASX.

4.9 Other exceptions

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow a disposal of Shares if the disposal constitutes a disposal of, but not the creation of a Security Interest in, some or all of the Shares to:

- (a) a company wholly-owned by the Holder or a controller of the Holder;

- (b) a trust in relation to which the Holder or a controller of the Holder is the beneficiary;
or
- (c) a Related Party of the Holder or a controller of the Holder,
(each a **Transferee**),

subject to:

- (d) the prior consent of the Company in writing, acting reasonably; and
- (e) the Transferee also entering into an escrow arrangement with the Company in respect of those Shares transferred on substantially the same terms as this Deed for the remainder of the Escrow Period.

5. Consequences of breaching this Deed

- (a) If it appears that the Holder may breach this Deed the Company may take the steps necessary to prevent the breach or enforce this Deed.
- (b) If the Holder breaches this Deed, each of the following applies.
 - (i) The Holder must promptly rectify the breach.
 - (ii) The Company may take all the steps necessary to enforce this Deed, or to rectify the breach.
 - (iii) Notwithstanding anything in the Company's constitution, the Company may refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the Shares. This is in addition to other rights and remedies of the Company.
 - (iv) subject to the Company's ongoing compliance with the Listing Rules, the Holder ceases to be entitled to any dividends, distributions or voting rights while the breach continues.

6. Party as trustee

6.1 Capacity

If the Holder (**Trustee**) enters into this Deed in the capacity as trustee of any trust (**Trust**) under any trust deed, deed of settlement or other instrument (**Trust Deed**), and whether or not any other party has notice of the Trust, then the Trustee enters into this Agreement both as trustee of the Trust and in its personal capacity.

6.2 Trustee's warranties

The Trustee represents and warrants that:

- (a) it is the only trustee of the Trust and no action has been taken or is proposed to remove it as trustee of the Trust;
- (b) the Trustee has power under the Trust Deed and, in the case of a corporation, under its constitution, to enter into and execute this Deed and to perform the obligations imposed under this Deed as trustee;

- (c) all necessary resolutions have been passed as required by the Trust Deed and, in the case of a corporate Trustee, by its constitution, in order to make this Deed fully binding on the Trustee;
- (d) the execution of this Deed is for the benefit of the Trust;
- (e) the Trustee is not, and has never been, in default under the Trust Deed;
- (f) it has a right to be fully indemnified out of the Trust assets in respect of obligations incurred by it under this Deed and the assets of the Trust are sufficient to satisfy that right of indemnity;
- (g) there is not now, and the Trustee will not do anything by virtue of which there will be in the future, any restriction or limitation on the right of the Trustee to be indemnified out of the assets of the Trust; and
- (h) there is no material fact or circumstance relating to the assets, matters or affairs of the Trust that might, if disclosed, be expected to affect the decision of the other parties, acting reasonably, to enter into this Deed.

A breach of any of these warranties is a breach of this Deed.

6.3 Change of Trustee

No change of trustee of the Trust (including any appointment of an additional trustee) can occur without the prior written consent of the other party, which consent must not be unreasonably withheld or delayed.

7. Termination

- (a) For the avoidance of doubt, this Deed terminates with immediate effect and without the action of any party on the expiry of the Escrow Period.
- (b) For the avoidance of doubt, the Shares will no longer be escrowed under the terms of this Deed at the expiration of the Escrow Period.
- (c) The Company will procure that the any holding lock in respect of the Shares, if still in effect, is removed as soon as possible following termination of this Deed. This clause 7(c) will survive termination of this Deed.

8. General

8.1 Allocation

If the total number of Shares is an odd number, it is agreed that, for the purpose of allocating the Shares between the Tranche A Shares and the Tranche B Shares on an equal basis, one additional Share will be allocated to the Tranche A Shares and one less Share will be allocated to the Tranche B Shares.

8.2 Counterparts

If this Deed consists of a number of signed counterparts, each is an original and all of the counterparts together constitute the same document.

8.3 No variation

This Deed cannot be amended or varied except in writing signed by the parties.

8.4 No assignment

A party cannot assign or otherwise transfer the benefit of this Deed without the prior written consent of each other party.

8.5 No waiver

- (a) A failure, delay, relaxation or indulgence by a party in exercising any power or right conferred on the party by this Deed does not operate as a waiver of the power or right.
- (b) A single or partial exercise of the power or right does not preclude a further exercise of it or the exercise of any other power or right under this Deed.
- (c) A waiver of a breach does not operate as a waiver of any other breach.


8.6 Jurisdiction


The laws of Western Australia apply to this Deed. The parties submit to the non-exclusive jurisdiction of the courts of Western Australia.

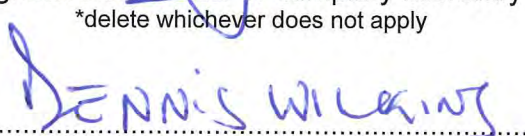
EXECUTED as a deed

Executed by Duratec Limited ACN 141 614 075 in accordance with section 127(1) of the *Corporations Act 2001 (Cth)*:

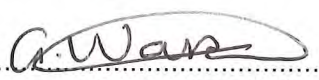

.....
Signature of director

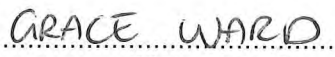

.....
Name (please print)



.....
Signature of director or company secretary*
*delete whichever does not apply

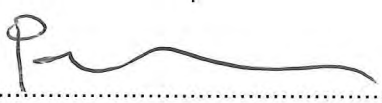

.....
Name (please print)

Signed by and Christopher John Oates and Pamela Michelle Oates as joint trustees for the **Oates Family Trust** in the presence of:


.....
Signature of witness


.....
Name of witness
(please print)


.....
Signature of Christopher John Oates


.....
Signature of Pamela Michelle Oates

K&L GATES

Voluntary Escrow Deed

Duratec Limited
ACN 141 614 075

and

Oliver McKeon
as trustee for the MT Pockets Business Trust

Perth office
Ref: AJL: 7600221.00064

Voluntary Escrow Deed

Date 2020

Parties

1. **Duratec Limited** ACN 141 614 075 of 108 Motivation Drive, Wangara, Western Australia 6065 (**Company**)
2. **Oliver McKeon** as trustee for the MT Pockets Business Trust of Unit 3, 6 Rocklea Road, South Yarra VIC (**Holder**)

Background

The Holder has agreed to voluntarily escrow the Shares on the terms set out in this Deed.

Agreed terms

1. Definitions and interpretation

1.1 Definitions

ASX means ASX Limited or the Australian Securities Exchange currently operated by ASX Limited, as the context may require.

Deed means this deed, including the background, any schedules and annexures.

Encumbrance means:

- (a) any:
 - (i) legal or equitable interest or power created, arising in or reserved in or over an interest in any property or asset, which provides security for or protects against default by a person in, the payment or satisfaction of a debt, obligation or liability; or
 - (ii) security for payment of money, performance of obligations or protection against default (including a mortgage, bill of sale, charge, lien, pledge, trust, power or retention of title arrangement, right of set-off, assignment of income, garnishee order and monetary claim);
- (b) any preferential interest or arrangement of any kind giving a person priority or preference over claims or other persons with respect to any property or asset;
- (c) a PPSA Security Interest; or
- (d) any agreement or arrangement (whether legally binding or not) to grant or create anything referred to in sub-paragraphs (a), (b) or (c) above.

Escrow Period means:

- (a) for the Tranche A Shares, the period from the Listing Date until the date the Company releases its financial statements for the financial year ended 30 June 2021 on ASX; and

- (b) for the Tranche B Shares, the period from the Listing Date until the earlier of:
- (i) the date the Company releases its financial statements for the financial year ended 30 June 2022 on ASX; and
 - (ii) the date that is 2 years from the Listing Date.

Listing Date means the date the Company is admitted to the official list of the ASX.

Listing Rules means the official listing rules of ASX, as amended, varied or waived by ASX from time to time.

Related Party has the meaning given to it in the *Corporations Act 2001* (Cth).

Security Interest means:

- (a) a mortgage, charge, hypothecation, assignment by way of security, pledge, lien, title retention arrangement set-off arrangement, flawed asset arrangement or other arrangement having the same or equivalent commercial effect as a grant of security; or
- (b) any agreement to create or give rise to any interest or arrangement of the type referred to in sub-paragraph (a) above.

PPSA means the *Personal Property Securities Act 2009* (Cth).

PPSA Security Interest means a security interest as defined in the PPSA.

Shares means that number of fully paid ordinary shares in the Company held by the Holder as at the Listing Date.

Tranche A Shares means 75% of the total number of Shares.

Tranche B Shares means 25% of the total number of Shares.

1.2 Interpretation

In this Deed, unless the context requires otherwise:

- (a) the singular includes the plural and vice versa;
- (b) a gender includes the other genders;
- (c) the headings are used for convenience only and do not affect the interpretation of this Deed;
- (d) other grammatical forms of defined words or expressions have corresponding meanings;
- (e) a reference to a document includes the document as modified from time to time and any document replacing it;
- (f) a reference to a party is to a party to this Deed and a reference to a party to a document includes the party's executors, administrators, successors and permitted assigns and substitutes;

- (g) the word "person" includes a natural person, partnership, body corporate, association, government or local authority, agency and any body or entity whether incorporated or not;
- (h) the word "month" means calendar month and the word "year" means 12 months;
- (i) the words "in writing" include any communication sent by letter, facsimile transmission or email or any other form of communication capable of being read by the recipient;
- (j) a reference to a thing includes a part of that thing;
- (k) a reference to all or any part of a statute, rule, regulation or ordinance (**statute**) includes that statute as amended, consolidated, re-enacted or replaced from time to time;
- (l) wherever "include", "for example" or any form of those words or similar expression is used, it must be construed as if it were followed by "(without being limited to)"; and
- (m) a reference to time is to Perth Australia time.

2. Escrow restrictions

- (a) Except as permitted under clause 4, the Holder will not do any of the following during the Escrow Period:
 - (i) dispose of, or agree or offer to dispose of, the Shares;
 - (ii) create, or agree or offer to create, any Security Interest in the Shares; or
 - (iii) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership, including beneficial ownership, or control of the Shares,

unless the Company gives its prior written consent (which the Company may withhold in its sole discretion).
- (b) Subject to clause 5(b)(iv), no provision of this clause 2 or any other provision of this Deed shall be taken to restrict the Holder from exercising in full the voting entitlements in respect of the Shares.

3. Holding lock

- (a) The Holder agrees to a holding lock being applied to the Shares.
- (b) The Company agrees to do all things necessary to release the holding lock (including notifying ASX in accordance with Listing Rule 3.10A and procuring release of the holding lock by the Company's share registry):
 - (i) to the extent necessary to permit the release of the Shares as contemplated in clause 4; and
 - (ii) in full, at the conclusion of the Escrow Period.

4. Release from escrow restrictions

4.1 Takeover bid

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to permit the Holder to accept an offer under a takeover bid provided the following conditions are met:

- (a) the offers are either for all of the ordinary securities on issue in the capital of the Company or if the offers are for a specified proportion of the ordinary securities on issue in the capital of the Company, the shareholders of the Company pass a resolution to approve the proportional takeover bid in accordance with the Company's constitution;
- (b) the bidder receives acceptances or is entitled to 50% or more of the fully paid ordinary shares on issue in the Company in respect of which the takeover bid is made that are not subject to escrow; and
- (c) the Holder agrees that in the case of an off-market bid, if the offer is conditional the restrictions in clause 2 and the holding lock referred to in clause 3 will continue to apply to the Shares for the duration of the Escrow Period if the takeover bid does not become unconditional.

4.2 Merger by way of scheme of arrangement

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to enable the Shares to be transferred or cancelled as part of a merger by way of a scheme of arrangement under Part 5.1 of the Corporations Act provided the Holder agrees that the restrictions in clause 2 and the holding lock referred to in clause 3 will continue to apply to the Shares for the duration of the Escrow Period if the merger does not take effect.

4.3 Buy back, capital reduction or return of capital

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow the Shares to be transferred or cancelled as part of any off market share buyback, capital reduction or other return of capital or other similar pro rata reorganisation or an acquisition of all shares provided the following conditions are met:

- (a) all necessary approvals are received, including any such necessary approvals by shareholders of the Company and any court of law;
- (b) in the case of an off market buy back, the maximum number of Shares to be transferred must be on a pro rata basis to the size of the buyback; and
- (c) if for any reason any or all of the Shares are not transferred or cancelled in accordance with the transactions contemplated by this clause 4.3, the Holder agrees that the restrictions applying to the Shares that are not transferred or cancelled will continue to apply in accordance with this Deed.

4.4 Reorganisation

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow a disposal of Shares to enable the Holder to undertake a reorganisation, subject to:

- (a) the prior consent of the Company in writing, acting reasonably; and
- (b) any new holder of the Shares agreeing to be bound by a deed in substantially the same terms as this Deed.

4.5 Insolvency Event

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow a disposal of Shares if any of the following matters occur in respect of the Company or any of its subsidiaries:

- (a) an order is made or an effective resolution is passed for the winding up or dissolution without winding up (otherwise than for the purposes of reconstruction or amalgamation) of the Company;
- (b) a receiver, receiver and manager, judicial manager, liquidator, administrator or like official is appointed over the whole or a substantial part of the undertaking or property of the Company;
- (c) a holder of an Encumbrance takes possession of the whole or any substantial part of the undertaking and property of the Company.

4.6 Voluntary de-listing from ASX

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow a disposal of Shares if the Company announces that it is seeking to voluntarily de-list from ASX under Listing Rule 17.11 or to remove the class of securities that includes the Shares from official quotation on ASX.

4.7 Death or incapacity

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow a disposal of Shares in the event:

- (a) of the death; or
- (b) the total or partial disablement or incapacitation,

of the Holder, or in the case where the Holder is a trust, the controller of the Holder.

4.8 Disposal required by law

Notwithstanding any other term of this Deed, Shares may be disposed if required by any applicable law including if required under an order of a court of competent jurisdiction. A reference in this clause to 'applicable law' includes all laws and regulations of jurisdictions applicable to the SPA, the Company or any of its subsidiaries or other entities, as the case may be (including the *Corporations Act 2001* (Cth)), and rules, policies, official directives, orders or requirements of any government agency, including the Listing Rules, ASX Settlement Operating Rules and the applicable listing requirements of ASX.

4.9 Other exceptions

The restrictions in clause 2 will not apply and the holding lock referred to in clause 3 will be removed to the extent necessary to allow a disposal of Shares if the disposal constitutes a disposal of, but not the creation of a Security Interest in, some or all of the Shares to:

- (a) a company wholly-owned by the Holder or a controller of the Holder;

- (b) a trust in relation to which the Holder or a controller of the Holder is the beneficiary; or
- (c) a Related Party of the Holder or a controller of the Holder,

(each a **Transferee**),

subject to:

- (d) the prior consent of the Company in writing, acting reasonably; and
- (e) the Transferee also entering into an escrow arrangement with the Company in respect of those Shares transferred on substantially the same terms as this Deed for the remainder of the Escrow Period.

5. Consequences of breaching this Deed

- (a) If it appears that the Holder may breach this Deed the Company may take the steps necessary to prevent the breach or enforce this Deed.
- (b) If the Holder breaches this Deed, each of the following applies.
 - (i) The Holder must promptly rectify the breach.
 - (ii) The Company may take all the steps necessary to enforce this Deed, or to rectify the breach.
 - (iii) Notwithstanding anything in the Company's constitution, the Company may refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the Shares. This is in addition to other rights and remedies of the Company.
 - (iv) subject to the Company's ongoing compliance with the Listing Rules, the Holder ceases to be entitled to any dividends, distributions or voting rights while the breach continues.

6. Party as trustee

6.1 Capacity

If the Holder (**Trustee**) enters into this Deed in the capacity as trustee of any trust (**Trust**) under any trust deed, deed of settlement or other instrument (**Trust Deed**), and whether or not any other party has notice of the Trust, then the Trustee enters into this Agreement both as trustee of the Trust and in its personal capacity.

6.2 Trustee's warranties

The Trustee represents and warrants that:

- (a) it is the only trustee of the Trust and no action has been taken or is proposed to remove it as trustee of the Trust;
- (b) the Trustee has power under the Trust Deed and, in the case of a corporation, under its constitution, to enter into and execute this Deed and to perform the obligations imposed under this Deed as trustee;

- (c) all necessary resolutions have been passed as required by the Trust Deed and, in the case of a corporate Trustee, by its constitution, in order to make this Deed fully binding on the Trustee;
- (d) the execution of this Deed is for the benefit of the Trust;
- (e) the Trustee is not, and has never been, in default under the Trust Deed;
- (f) it has a right to be fully indemnified out of the Trust assets in respect of obligations incurred by it under this Deed and the assets of the Trust are sufficient to satisfy that right of indemnity;
- (g) there is not now, and the Trustee will not do anything by virtue of which there will be in the future, any restriction or limitation on the right of the Trustee to be indemnified out of the assets of the Trust; and
- (h) there is no material fact or circumstance relating to the assets, matters or affairs of the Trust that might, if disclosed, be expected to affect the decision of the other parties, acting reasonably, to enter into this Deed.

A breach of any of these warranties is a breach of this Deed.

6.3 Change of Trustee

No change of trustee of the Trust (including any appointment of an additional trustee) can occur without the prior written consent of the other party, which consent must not be unreasonably withheld or delayed.

7. Termination

- (a) For the avoidance of doubt, this Deed terminates with immediate effect and without the action of any party on the expiry of the Escrow Period.
- (b) For the avoidance of doubt, the Shares will no longer be escrowed under the terms of this Deed at the expiration of the Escrow Period.
- (c) The Company will procure that the any holding lock in respect of the Shares, if still in effect, is removed as soon as possible following termination of this Deed. This clause 7(c) will survive termination of this Deed.

8. General

8.1 Allocation

If the total number of Shares is an odd number, it is agreed that, for the purpose of allocating the Shares between the Tranche A Shares and the Tranche B Shares on an equal basis, one additional Share will be allocated to the Tranche A Shares and one less Share will be allocated to the Tranche B Shares.

8.2 Counterparts

If this Deed consists of a number of signed counterparts, each is an original and all of the counterparts together constitute the same document.

8.3 No variation

This Deed cannot be amended or varied except in writing signed by the parties.

8.4 No assignment

A party cannot assign or otherwise transfer the benefit of this Deed without the prior written consent of each other party.

8.5 No waiver

- (a) A failure, delay, relaxation or indulgence by a party in exercising any power or right conferred on the party by this Deed does not operate as a waiver of the power or right.
- (b) A single or partial exercise of the power or right does not preclude a further exercise of it or the exercise of any other power or right under this Deed.
- (c) A waiver of a breach does not operate as a waiver of any other breach.

8.6 Jurisdiction

The laws of Western Australia apply to this Deed. The parties submit to the non-exclusive jurisdiction of the courts of Western Australia.

EXECUTED as a deed

Executed by Duratec Limited ACN 141 614 075 in accordance with section 127(1) of the *Corporations Act 2001 (Cth)*:



.....
Signature of director

MARTIN BRYDON

.....
Name (please print)



.....
Signature of director or company secretary*
*delete whichever does not apply

DENNIS WILKINS

.....
Name (please print)

Signed by Oliver McKeon as trustee for the MT Pockets Business Trust in the presence of:

.....
Signature of witness

.....
Signature

.....
Name of witness
(please print)

EXECUTED as a deed

Executed by Duratec Limited ACN 141 614 075 in accordance with section 127(1) of the *Corporations Act 2001 (Cth)*:

.....
Signature of director

.....
Signature of director or company secretary*
*delete whichever does not apply

.....
Name (please print)

.....
Name (please print)

Signed by Oliver McKeon as trustee for the MT Pockets Business Trust in the presence of:



.....
Signature of witness



.....
Signature

Lisa O'Brien

.....
Name of witness
(please print)