

Form 604
Corporations Act 2001
Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme Freelancer Limited

ACN/ARSN 141 959 042

1. Details of substantial holder (1)

Name Simon Clausen, Startive Holdings Limited, and its related bodies corporate

ACN/ARSN (if applicable) _____

There was a change in the interests of the substantial holder on

10/08/2015

The previous notice was given to the company

15/11/2014

The previous notice was dated

15/11/2014

2. Previous and present 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) relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
ORD	177,230,004	40.62%	163,925,101	35.99%

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
19/11/2014	Freelancer Limited	Release of restriction on shares in the Company's Employee Share Plan	n/a	26,687 ordinary shares	(28,687)
20/11/2014	HSBC Custody Nominees (Australia) Limited	On-market trade	\$91,002.92	164,592 ordinary shares	164,592
21/11/2014	HSBC Custody Nominees (Australia) Limited	On-market trade	\$46,897.53	85,408 ordinary shares	85,408
10/12/2014	HSBC Custody Nominees (Australia) Limited	On-market trade	\$12,606.72	22,938 ordinary shares	22,938
11/12/2014	HSBC Custody Nominees (Australia) Limited	On-market trade	\$63,997.96	116,742 ordinary shares	116,742
12/12/2014	HSBC Custody Nominees (Australia) Limited	On-market trade	\$60,664.97	110,320 ordinary shares	110,320
23/12/2014	HSBC Custody Nominees (Australia) Limited	On-market trade	\$12,327.15	22,413 ordinary shares	22,413
13/01/2015	Freelancer Limited	Release of restriction on shares in the Company's Employee Share Plan	n/a	7,500 ordinary shares	(7,500)
9/02/2015	Freelancer Limited	Release of restriction on shares in the Company's Employee Share Plan	n/a	20,000 ordinary shares	(20,000)
20/02/2015	Freelancer Limited	Issue of shares in accordance with the Company's Employee Share Plan	n/a	1,200,000 ordinary shares	1,200,000
25/02/2015	Freelancer Limited	Release of restriction on shares in the Company's Employee Share Plan	n/a	16,590 ordinary shares	(16,590)
03/03/2015	HSBC Custody Nominees (Australia) Limited	On-market trade	\$219,456.05	244,057 ordinary shares	244,057
04/03/2015	HSBC Custody Nominees (Australia) Limited	On-market trade	\$110,001.81	126,701 ordinary shares	126,701
05/03/2015	HSBC Custody Nominees (Australia) Limited	On-market trade	\$55,456.47	63,575 ordinary shares	63,575
06/03/2015	HSBC Custody Nominees (Australia) Limited	On-market trade	\$79,157.17	93,148 ordinary shares	93,148
09/03/2015	HSBC Custody Nominees (Australia) Limited	On-market trade	\$9,273.60	11,040 ordinary shares	11,040
10/03/2015	Freelancer Limited	Issue of shares in accordance with the Company's Employee Share Plan	n/a	1,500,000 ordinary shares	1,500,000

10/03/2015	Freelancer Limited	Release of restriction on shares in the Company's Employee Share Plan	n/a	1,185 ordinary shares	(1,185)
10/03/2015	HSBC Custody Nominees (Australia) Limited	On-market trade	\$17,557.73	20,803 ordinary shares	20,803
11/03/2015	HSBC Custody Nominees (Australia) Limited	On-market trade	\$47,350.62	55,838 ordinary shares	55,838
16/03/2015	HSBC Custody Nominees (Australia) Limited	On-market trade	\$18,275.71	21,549 ordinary shares	21,549
17/03/2015	Freelancer Limited	Release of restriction on shares in the Company's Employee Share Plan	n/a	28,768 ordinary shares	(28,768)
17/03/2015	HSBC Custody Nominees (Australia) Limited	On-market trade	\$19,057.50	22,500 ordinary shares	22,500
20/03/2015	Freelancer Limited	Off-market buy-back in accordance with the Company's Employee Share Plan	n/a	1,499,441 ordinary shares	(1,499,441)
08/04/2015	HSBC Custody Nominees (Australia) Limited	On-market trade	\$34,554.60	38,394 ordinary shares	38,394
09/04/2015	HSBC Custody Nominees (Australia) Limited	On-market trade	\$59,491.57	67,382 ordinary shares	67,382
10/04/2015	Freelancer Limited	Issue of shares in accordance with the Company's Employee Share Plan	n/a	950,000 ordinary shares	950,000
07/05/2015	HSBC Custody Nominees (Australia) Limited	On-market trade	\$10,642.50	10,750 ordinary shares	10,750
08/05/2015	HSBC Custody Nominees (Australia) Limited	On-market trade	\$251.46	254 ordinary shares	254
11/05/2015	HSBC Custody Nominees (Australia) Limited	On-market trade	\$273,821.13	276,587 ordinary shares	276,587
25/05/2015	Freelancer Limited	Release of restriction on shares in the Company's Employee Share Plan	n/a	37,119 ordinary shares	(37,119)
03/06/2015	Freelancer Limited	Issue of shares in accordance with the Company's Employee Share Plan	n/a	400,000 ordinary shares	400,000
22/06/2015	Freelancer Limited	Release of restriction on shares in the Company's Employee Share Plan	n/a	11,605 ordinary shares	(11,605)
26/06/2015	Freelancer Limited	Off-market buy-back in accordance with the Company's Employee Share Plan	n/a	858,802 ordinary shares	(858,802)
29/06/2015	HSBC Custody Nominees (Australia) Limited	On-market trade	\$2,759.28	2,263 ordinary shares	2,263
30/06/2015	HSBC Custody Nominees (Australia) Limited	On-market trade	\$28,161.82	22,746 ordinary shares	22,746
29/07/2015	Freelancer Limited	Release of restriction on shares in the Company's Employee Share Plan	n/a	16,635 ordinary shares	(16,635)
10/08/2015	Startive Holdings Limited	Sale of Shares (See annexed Block Trade Agreement)	\$22,999,999.40	16,428,571 ordinary shares	(16,428,571)

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
Simon Clausen	HSBC Custody Nominees (Australia) Limited	Simon Clausen	Registered holder	156,071,429	156,071,429
Simon Clausen, Startive Holdings Limited & Freelancer Limited	Various	Various	Freelancer has the power to control the disposal of these shares by virtue of trading restrictions under the employee incentive plan, Startive Holdings has a voting power of more than 20% in Freelancer Limited and therefore has the same relevant interests as Freelancer Limited, and Simon Clausen controls Startive Holdings Limited	7,853,672 ORDs	7,853,672

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:


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

6. Addresses

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

Name	Address
Simon Clausen & Startive Holdings Limited	c/- Freelancer Limited, Level 20, 680 George Street, Sydney NSW 2000
Freelancer Limited	Level 20, 680 George Street, Sydney NSW 2000

Signature

print name	Simon Clausen	capacity	Personal capacity and as director of Startive Holdings Limited
sign here		date	10/08/2015

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 6 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 person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. 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.
- (7) Details of the consideration must include any and all benefits, money 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 on 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.
- (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) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.



Simon Clausen
Director
Freelancer Limited

CANACCORD Genuity

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AFSL 234666

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COMMERCIAL-IN CONFIDENCE

3 August 2015

Startive Holdings Limited
Palm Grove House
P.O. Box 438
Road Town, Tortola
British Virgin Islands

Dear Sirs

Sale of Shares in Freelancer Limited

1. Introduction

This Agreement sets out the terms and conditions upon which Startive Holdings Limited (the "**Vendor**") engages each of Canaccord Genuity (Australia) Limited (ABN 19 075 071 466) ("**Canaccord**") and UBS AG, Australia Branch (ABN 47 088 129 613) ("**UBS**") (together the "**Lead Managers**") to jointly dispose of up to 16,428,571 existing fully paid ordinary shares in Freelancer Limited (ABN 66 141 959 042) (the "**Company**") (the "**Sale Shares**") (the "**Sale**") and the Lead Managers agree to jointly manage the disposal of the Sales Shares, in accordance with the terms of this Agreement. Nothing in this Agreement constitutes an agreement by the Lead Managers to underwrite the Sale.

2. Sale of shares

2.1 **Sale.** The Vendor agrees to sell such number of Sale Shares as shall be agreed between it, the Company and the Joint Lead Managers.

The Lead Managers agree to manage the sale of the Sale Shares by procuring purchasers for the Sale Shares at the price of \$1.40 per Sale Share ("**Sale Price**"). Purchasers may include each Lead Manager's related bodies corporate and Affiliates (as defined in clause 11.8) and may be determined by the Lead Managers in their discretion provided that the identities of the purchasers satisfy, and offers to them comply with, the requirements of clauses 2.7 and 2.8, in accordance with the terms of this Agreement.

- 2.2 **Conditions Precedent.** The obligations of the Lead Managers under clause 2.8 are conditional on:
- (a) the Vendor procuring an announcement having been made in accordance with clause 2.3; and
 - (b) the Vendor procuring that Sidley Austin, special US counsel to the Vendor, provide the Lead Managers with an opinion by 9.00am on the Settlement Date and dated as of that date and expressed to be for its benefit to the effect that no registration of the Sale Shares required under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") for the initial offer, sale and delivery of the Sale Shares, and the initial resale of the Sale Shares by the Lead Manager, in each case in the manner contemplated by this Agreement.
- 2.3 **Announcement.** The Vendor shall procure that the Company announces the Sale (including the seller's name and the number of Sale Shares to be sold under the Sale) through the Company's Announcement Platform of ASX substantially in a form and content agreed with the Lead Managers.
- 2.4 **Timetable.** The Vendor and the Lead Managers must conduct the Sale in accordance with the timetable set out in Schedule 1 (the "**Timetable**") (unless the parties agree in writing to a variation).
- 2.5 **Account Opening.** On the date of this Agreement each Lead Manager or its nominated Affiliate will (where relevant) open an account in the name of the Vendor in accordance with its usual practice, and do all such things necessary to enable it to act as lead manager to sell the Sale Shares in accordance with this Agreement.
- 2.6 **Manner of Sale.** The Lead Managers will conduct the Sale by way of an offer only to persons:
- (a) if in Australia, who do not need disclosure under Part 6D.2 of the Corporations Act 2001 (Cth) ("**Corporations Act**"); and
 - (b) if outside Australia, to certain eligible institutional and professional investors in China, Hong Kong, New Zealand, Singapore, Switzerland, the United Kingdom and the United States to whom offers for sale of securities may lawfully be made without requiring the preparation, delivery, lodgement or filing of any prospectus or other disclosure document or any other lodgement, registration or filing with, or approval by, a government agency (other than any such requirement with which the Vendor, in its sole and absolute discretion, has undertaken in writing to comply), as determined by agreement between the Vendor and the Lead Managers, and in each case, in accordance with clause 2.7 of this Agreement. Any investor that purchases Sale Shares will be required to execute a confirmation letter prior to the Settlement Date substantially in the form agreed by the parties (and as may be amended by mutual agreement) (the "**Confirmation Letter**") confirming, among other things:
 - (a) its status as an investor meeting the requirements of this clause 2.6 and clause 2.7; and

- (b) its compliance with all relevant laws and regulations (including the takeover and insider trading provisions of the Corporations Act and FATA).

2.7 U.S. Securities Act. The Sale Shares shall only be offered and sold:

- (a) to persons that are not in the United States in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S; and
- (b) to persons that are either (A) in the United States whom the Lead Managers reasonably believe to be qualified institutional buyers ("**QIBs**"), as defined in Rule 144A under the U.S. Securities Act, in transactions exempt from the registration requirements of the U.S. Securities Act pursuant to Rule 144A thereunder or (B) dealers or other professional fiduciaries organised, incorporated or (if an individual) resident in the United States that are acting for an account (other than an estate or trust) held for the benefit or account of persons that are not "U.S. Persons" (as defined in Rule 902(k) under the Securities Act), for which they have and are exercising investment discretion, within the meaning of Rule 902(k)(2)(i) of Regulation S ("**Eligible U.S. Fund Managers**"), in reliance on Regulation S.

2.8 Effecting of Sale and settlement.

- (a) **Sale and Settlement Date.** The Lead Managers shall procure that the Sale shall be effected by UBS on the Trade Date (as defined in the Timetable in Schedule 1), by way of a special crossing (in accordance with the ASX Operating Rules) at the Sale Price, with settlement to follow on a T+3 basis in accordance with the ASX Settlement Operating Rules ("**Settlement Date**").
- (b) **Sale Shares.** Subject to clauses 2.2 and 10, by 3pm on the Settlement Date, the Lead Managers (in respect of their Respective Proportions (set out in Schedule 2)) shall arrange for the payment to the Vendor of an amount equal to:
 - (i) the Sale Price multiplied by the number of Sale Shares being sold by the Vendor; less
 - (ii) any fees payable under clause 3 (together with any GST payable on those fees),

by transfer to the Vendor's account for value (in cleared funds) against delivery of the Sale Shares. The Vendor appoints UBS, or an affiliate of UBS, as its agent to act on behalf of it in relation to the settlement of the Sale Shares.

3. Fees

In consideration of performing its obligations under this Agreement the Vendor must pay the Joint Lead Managers such fees as may be agreed between them in writing.

4. GST

- (a) In this clause the following definitions apply:

- (i) "**GST**" means the goods and services tax as imposed by the GST Law together with any related interest, penalties, fines or other charge.
 - (ii) "**GST Amount**" means any Payment (or the relevant part of that Payment) multiplied by the appropriate rate of GST (currently 10%).
 - (iii) "**GST Law**" has the meaning given to that term in *A New Tax System (Goods and Services Tax) Act 1999*, or, if that Act does not exist for any reason, means any Act imposing or relating to the imposition or administration of a goods and services tax in Australia and any regulation made under that Act.
 - (iv) "**Payment**" means any amount payable under or in connection with this Placement Agreement including any amount payable by way of indemnity, reimbursement or otherwise and includes the provision of any non-monetary consideration.
 - (v) "**Tax Invoice**" has the meaning given to that term by the GST Law.
 - (vi) "**Taxable Supply**" has the meaning given to that term by the GST Law.
- (b) The parties agree that:
- (i) all Payments have been calculated without regard to GST;
 - (ii) subject to compliance with sub-paragraph (iii) if the whole or any part of any Payment is the consideration for a Taxable Supply for which the payee is liable to GST, the payer must pay to the payee an additional amount equal to the GST Amount, either concurrently with that Payment or as otherwise agreed in writing; and
 - (iii) the payee will provide to the payer a Tax Invoice.

5. Undertakings

5.1 Restricted Activities. The Vendor undertakes to the Lead Managers to:

- (a) not, prior to settlement on the Settlement Date, be involved in or acquiesce in any activity which breaches:
 - (i) the Corporations Act and any other applicable laws;
 - (ii) its constitution;
 - (iii) the ASX Listing Rules;
 - (iv) any legally binding requirement of ASIC or the ASX;
- (b) immediately notify the Lead Managers of any breach of any warranty or undertaking given by it under this Agreement; and
- (c) not withdraw the Sale of its Sale Shares following allocation of the Sale Shares to transferee(s),

each of these undertakings being material terms of this Agreement.

- 5.2 **Cleansing Notices.** The Vendor does not control the Company (with "control" having the meaning given to that term in section 50AA of the Corporations Act).
- 5.3 **Conduct of sale.** The allocation of Sale Shares among those purchasers who have lodged a valid bid for Sale Shares is to be determined by agreement between the Vendor and the Lead Managers.

6. Representations and Warranties

6.1 **Representations and warranties by the Vendor.** As at the date of this Agreement and on each day until and including the Settlement Date the Vendor represents and warrants to the Lead Managers that each of the following statements is true, accurate and not misleading.

- (a) **(body corporate)** it is a body corporate validly existing and duly established under the laws of its place of incorporation;
- (b) **(capacity)** it has full legal capacity and power to enter into this Agreement and to carry out the transactions that this Agreement contemplates;
- (c) **(authority)** it has taken, or will have taken by the time required, all corporate action that is necessary or desirable to authorise its entry into this Agreement and its carrying out of the transactions that this Agreement contemplates;
- (d) **(agreement effective)** this Agreement constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms;
- (e) **(ownership, encumbrances)** it is the registered holder and sole legal owner of its Sale Shares. It will transfer, or procure the transfer of, the full legal and beneficial ownership of its Sale Shares free and clear of all liens, charges, security interests, claims, equities and pre-emptive rights, subject to registration of the transferee(s) in the register of shareholders of the Company;
- (f) **(Sale Shares)** following sale by it, the Sale Shares will rank equally in all respects with all other outstanding ordinary shares of the Company, including their entitlement to dividends, and following the issue of cleansing notices as contemplated by this Agreement, may be offered for sale on the financial market operated by ASX without disclosure to investors under Part 6D.2 of the Corporations Act;
- (g) **(power to sell)** it has all the necessary authorities and instructions (which are irrevocable) and power to sell the Sale Shares under this Agreement and no person has a conflicting right, whether contingent or otherwise, to purchase or to be offered for purchase the Sale Shares;
- (h) **(no insider trading offence)** the sale of the Sale Shares will not constitute a violation by it of Division 3 of Part 7.10 of the Corporations Act;

- (i) **(ASX listing)** the Sale Shares are quoted on the financial market operated by ASX;
- (k) **(no general solicitation or general advertising)** none of it, any of its Affiliates or any person acting on behalf of any of them (other than the Company, the Lead Managers or their respective Affiliates or any person acting on behalf of any of them, as to whom it makes no representation) has offered or sold, or will offer or sell, any of the Sale Shares in the United States using any form of "general solicitation" or "general advertising" within the meaning of Rule 502(c) under the U.S. Securities Act or in any manner involving a public offering in the United States within the meaning of Section 4(a)(2) of the U.S. Securities Act;
- (l) **(no directed selling efforts)** with respect to those Sale Shares offered and sold in reliance on Regulation S, none of it, any of its Affiliates, or any person acting on behalf of any of them (other than the Company, the Lead Managers or their respective Affiliates or any person acting on behalf of any of them, as to whom it makes no representation) has engaged or will engage in any "directed selling efforts" (as that term is defined in Rule 902(c) under the U.S. Securities Act);
- (m) **(foreign private issuer and no substantial U.S. market interest)** to the best of its knowledge, the Company is a 'foreign private issuer' as defined in Rule 405 under the U.S. Securities Act and there is no 'substantial U.S. market interest' (as defined in Rule 902(j) under the U.S. Securities Act) in the Sale Shares or any security of the same class or series as the Sale Shares;
- (n) **(no stabilisation or manipulation)** neither it nor any of its Affiliates has taken or will take, directly or indirectly, any action designed to, or that might reasonably be expected to, cause or result in the stabilisation or manipulation of the price of the Sale Shares in violation of any applicable law;
- (o) **(no integrated offers)** none of it, any of its Affiliates or any person acting on behalf of any of them (other than the Lead Managers or their respective Affiliates or any person acting on behalf of any of them, as to whom no representation or warranty is made), has solicited any offer to buy, offered to sell or sold, and none of them will solicit any offer to buy, offer to sell or sell in the United States any security which could be integrated with the sale of the Sale Shares in a manner that would require the offer and sale of the Sale Shares to be registered under the U.S. Securities Act;
- (p) **(no registration required)** subject to compliance by the Lead Managers with their obligations under paragraphs (g), (h), (i) and (j) of clause 6.2, it is not necessary in connection with the offer, sale and delivery of the Sale Shares to register under the U.S. Securities Act the initial offer, sale and delivery of the Sale Shares, or the initial resale of any Sale Shares by the Lead Managers pursuant to their obligations under this Agreement, in each case in the manner contemplated in this Agreement, it being understood that the Vendor makes no representation or

warranty about any subsequent resale of the Sale Shares under the U.S. Securities Act;

- (q) **(not an investment company)** the Vendor reasonably believes that the Company is not, and immediately after giving effect to the offering and sale of the Sale Shares will not be, required to register as an "investment company" under U.S. Investment Company Act of 1940, as amended;
- (r) **(144A eligibility)** the Sale Shares are eligible for resale pursuant to Rule 144A and are not of the same class as securities listed on a national securities exchange registered under Section 6 of the U.S. Securities Exchange Act of 1934 (the "**Exchange Act**") or quoted in a U.S. automated interdealer quotation system;
- (s) **(Rule 12g3-2(b) status)** the Vendor reasonably believes the Company is exempt from reporting under Section 13 or 15(d) of the Exchange Act pursuant to Rule 12g3-2(b) thereunder; and
- (t) **(breach of law)** it will perform its obligations under this Agreement so as to comply with all applicable laws in any jurisdiction including in particular the Corporations Act and the FATA.

For the purposes of the representations and warranties of the Vendor above, the term "Affiliate" does not include the Company or any Affiliate of the Company that the Company controls.

6.2 **Representations and warranties of Lead Managers.** As at the date of this Agreement and on each day until and including the Settlement Date, each Lead Manager, in respect of itself, represents to the Vendor that each of the following statements is correct.

- (a) **(body corporate)** it is a body corporate validly existing and duly established and duly incorporated under the laws of its place of incorporation;
- (b) **(capacity)** it has full legal capacity and power to enter into this Agreement and to carry out the transactions that this Agreement contemplates;
- (c) **(authority)** it has taken, or will have taken by the time required, all corporate action that is necessary or desirable to authorise its entry into this Agreement and its carrying out of the transactions that this Agreement contemplates;
- (d) **(agreement effective)** this Agreement constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms;
- (e) **(status)** it is an institutional accredited investor within the meaning of Rule 501(a)(1), (2), (3) or (7) under the U.S. Securities Act or is not in the United States;
- (f) **(no registration)** it acknowledges that the Sale Shares have not been and will not be registered under the U.S. Securities Act and, accordingly, may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
- (g) **(no general solicitation or general advertising)** none of it, its Affiliates nor any person acting on behalf of any of them has solicited offers for or offered to sell,

and none of them will solicit offers for, or offer or sell, the Sale Shares in the United States using any form of "general solicitation" or "general advertising" within the meaning of Rule 502(c) under the U.S. Securities Act or in any manner involving a public offering in the United States within the meaning of Section 4(a)(2) of the U.S. Securities Act;

- (h) **(broker-dealer requirements)** all offers and sales of the Sale Shares in the United States by it and any of its Affiliates will be effected by its registered broker-dealer affiliate in accordance with all applicable U.S. broker-dealer requirements;
- (i) **(U.S. selling restrictions)** it, its Affiliates and any person acting on behalf of any of them has offered and sold, and will offer and sell, the Sale Shares only to such persons that have executed a confirmation letter and:
 - (i) within the United States, either (A) to persons whom it reasonably believes are QIBs pursuant to Rule 144A under the Securities Act, or (B) to Eligible U.S. Fund Managers in reliance on Regulation S; and
 - (ii) to persons that are not in the United States in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in accordance with Regulation S;
- (j) **(no directed selling efforts)** with respect to those Sale Shares offered and sold in reliance on Regulation S, none of it, its Affiliates nor any person acting on behalf of any of them has engaged or will engage in any "directed selling efforts" (as that term is defined in Rule 902(c) under the U.S. Securities Act); and
- (k) **(no stabilisation or manipulation)** neither it, nor any of its Affiliates, nor any person acting on behalf of any of them, has taken or will take, directly or indirectly, any action designed to, or that would be expected to, cause or result in the stabilisation or manipulation of the price of the Sale Shares in violation of any applicable law.

6.3 **Reliance.** Each party giving a representation and warranty acknowledges that the other parties have relied on the above representations and warranties in entering into this Agreement and will continue to rely on these representations and warranties in performing their obligations under this Agreement. The above representations and warranties continue in full force and effect notwithstanding completion of this Agreement.

6.4 **Notification.** Each party agrees that it will tell the other parties promptly upon becoming aware of any of the following occurring prior to the completion of the sale of the Sale Shares:

- (a) any material change affecting any of the foregoing representations and warranties; or
- (b) any of the foregoing representations or warranties becoming materially untrue or materially incorrect.

7. Indemnity

- 7.1 The Vendor agrees with the Lead Managers that it will keep the Lead Managers and their respective Related Bodies Corporate (as that term is defined in the Corporations Act), and their respective directors, officers and employees ("**Indemnified Parties**") indemnified against any losses, damages, liabilities, costs, claims, actions and demands (including any reasonable legal expenses arising in connection therewith) ("**Losses**") to the extent that such Losses are incurred or made in connection with the Sale or as a result of a breach of this Agreement by it, including any breach of any of the above representations or warranties given by it, and will reimburse the Lead Managers for all out of pocket costs, charges and expenses which either of them may reasonably pay or incur in connection with investigating, disputing or defending any such action, demand or claim for which it is indemnified under this Agreement.
- 7.2 The indemnity in clause 7.1 does not extend to and is not to be taken as an indemnity against any Losses of an Indemnified Party to the extent any Losses have resulted from:
- (a) any fraud, recklessness, wilful misconduct or gross negligence of that Indemnified Party; or
 - (b) any amount in respect of which the indemnity would be illegal, void or unenforceable under any applicable law.
- 7.3 The Vendor and an Indemnified Party must not settle any action, demand or claim to which the indemnity in clause 7.1 relates without the prior written consent of the Vendor or the Lead Managers, as applicable, such consent not to be unreasonably withheld.
- 7.4 The indemnity in clause 7.1 is a continuing obligation, separate and independent from the other obligations of the parties under this Agreement and survives termination or completion of this Agreement. It is not necessary for a Lead Manager to incur expense or make payment before enforcing that indemnity.
- 7.5 The indemnity in clause 7.1 is granted to each Lead Manager both for itself and on trust for each of the Indemnified Parties associated with it.
- 7.6 Subject to clause 7.7, the parties agree that if for any reason the indemnity in clause 7.1 is unavailable or insufficient to hold harmless any Indemnified Party against any Losses against which the Indemnified Party is stated to be indemnified (other than expressly excluded), the respective proportional contributions of the Vendor and the Indemnified Party or the Indemnified Parties in relation to the relevant Losses will be as agreed, or failing agreement as determined by a court of competent jurisdiction, having regard to the participation in, instigation of or other involvement of the Vendor and the Indemnified Party or the Indemnified Parties in the act complained of, having particular regard to relative intent, knowledge, access to information and opportunity to correct any untrue statement or omission.
- 7.7 Absent fraud, recklessness, wilful misconduct or gross negligence, the Vendor agrees with each of the Indemnified Parties that in no event will a Lead Manager and its associated

Indemnified Parties be required to contribute under clause 7.6 to any Losses in an aggregate amount that exceeds the aggregate of the fees paid to that Lead Manager under this Agreement.

- 7.8 If an Indemnified Party pays an amount in relation to Losses where it is entitled to contribution from the Vendor under clause 7.6 the Vendor agrees promptly to reimburse the Indemnified Party for that amount.
- 7.9 If the Vendor pays an amount to the Indemnified Parties in relation to Losses where it is entitled to contribution from the Indemnified Parties under clause 7.6 the Indemnified Parties must promptly reimburse the Vendor for that amount.
- 7.10 Notwithstanding the limitation on the indemnity and the limitation of liability expressed in clause 7.2, such limitations shall not apply in respect of any action, demand or claim under U.S. Law (as defined below), to the extent that such Losses arise out of or are based upon any untrue statement of material fact or alleged untrue statement of a material fact in any information related to the Company made public by the Company on the ASX or otherwise provided to one or more investors (either specifically or generally) by the Vendor in connection with the Sale or arise out of or are based upon any omission or alleged omission to state a material fact necessary in order to make the statements in any such information, taken together as a whole with the ASX and other public disclosures of the Company, in the light of the circumstances under which they were made, not misleading.
- For the purposes of this clause 7.10, "U.S. Law" means all applicable laws, rules and regulations of the United States and any state or governmental authority or agency thereof or therein.

8. Announcements

- 8.1 The Vendor and the Lead Managers will consult each other in respect of any material public releases by any of them concerning the sale of the Sale Shares. The prior written consent of the Vendor must be obtained prior to a Lead Manager making any release or announcement or engaging in publicity in relation to the Sale of the Sale Shares and such release, announcement or engagement must be in compliance with all applicable laws, including the securities laws of Australia, the United States and any other jurisdiction.
- 8.2 Each Lead Manager may, after completion of its other obligations under this Agreement, place advertisements in financial and other newspapers and journals at its own expense describing their service to the Vendor provided such advertisements are in compliance with all applicable laws, including the securities laws of Australia, the United States and any other jurisdiction and are consistent with other publicly available information in relation to the subject matter of the announcement.

9. Confidentiality

Each party agrees to keep the terms and subject matter of this Agreement confidential, except:

- (a) where disclosure is required by applicable law, a legal or regulatory authority or the ASX Listing Rules;
- (b) disclosure is made to an adviser or to a person who must know for the purposes of this Agreement, on the basis that the adviser or person keeps the information confidential; and
- (c) to a person to the extent reasonably necessary in connection with any actual or potential claim or judicial or administrative process involving that party in relation to the Sale.

10. Events of Termination

10.1 **Right of termination.** If any of the following events occurs at any time during the Risk Period (as defined in clause 10.4), then a Lead Manager may terminate its obligations under this Agreement without cost or liability to itself at any time before the expiry of the Risk Period by giving written notice to the Vendor and the other Lead Manager:

- (a) **ASX actions.** ASX does any of the following:
 - (i) announces that the Company will be removed from the official list of ASX or ordinary shares in the Company will be suspended from quotation;
 - (ii) removes the Company from the official list; or
 - (iii) suspends the trading of ordinary shares in the Company for any period of time (which, for the avoidance of doubt, does not include any trading halt granted at the request of the Company).
- (b) **ASIC inquiry.** A Regulatory Body:
 - (i) makes an adverse declaration or order;
 - (ii) issues, or publicly announces or indicates to the Company its intention to issue, proceedings; or
 - (iii) commences, or publicly announces or indicates to the Company its intention to commence, any inquiry or investigation,

in relation to the Sale; or there is an application to a Regulatory Body for an order, declaration or other remedy in relation to the Vendor or the Company which, in the Lead Manager's reasonable opinion, is a serious action with reasonable prospects of success. In this clause, **Regulatory Body** means any government or government department or other body, any governmental, semi-governmental or quasi-judicial body or a person (whether autonomous or not) who is charged with the administration of a law including without limitation ASIC, ASX, the Foreign Investments Review Board and the Takeovers Panel.
- (c) **Placement Agreement.** The placement agreement to be entered into between the Lead Managers and the Company on or about the date of this agreement is terminated.
- (d) **Other termination events.** Subject to clause 10.2, any of the following occurs:

- (A) **Banking moratorium.** A general moratorium on commercial banking activities in Australia, United States of America or the United Kingdom is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries.
- (B) **Breach of Agreement.** The Vendor is in default of any of the terms and conditions of this Agreement or breaches any representation or warranty given or made by it under this Agreement; or
- (C) **Change in law.** there is introduced, or there is a public announcement of a proposal to introduce, a new law or regulation or government policy in Australia (including a policy of the Reserve Bank of Australia) or in the United States or the United Kingdom (other than a law or policy which has been publicly announced before the date of this Agreement).

10.2 **Materiality.** No event listed in clause 10.1(d) entitles a Lead Manager to exercise its termination rights unless it has reasonable grounds to believe and does believe that:

- (a) the event has had, or is likely to have, a materially adverse effect on the outcome or success of the Sale or the likely price at which the Sale Shares will trade on ASX or on the ability of the Lead Manager to settle the Sale; or
- (b) the event would reasonably be expected to give rise to a contravention by the Lead Manager, of or liability for the Lead Manager under, the Corporations Act or any applicable laws.

10.3 **Termination by a Lead Manager.** If, in accordance with this clause 10, a Lead Manager (the "**Terminating Lead Manager**") terminates its obligations under this Agreement, the other Lead Manager (the "**Remaining Lead Manager**") may elect by giving a notice in writing to the Terminating Lead Manager and the Vendor to:

- (a) also terminate its obligations under this Agreement; or
- (b) assume the obligations of the Terminating Lead Manager under this Agreement.

If the Remaining Lead Manager fails to give a notice under this clause 10.3 it shall be treated as having terminated its obligations under this Agreement. If the Remaining Lead Manager gives a notice under clause 10.3 that it will assume all of the obligations of the Terminating Lead Manager under this Agreement, then the Remaining Lead Manager's Respective Proportion will be adjusted accordingly, and in addition to the fees to which it is entitled under clause 3, will also be entitled to the fees that would have been payable to the Terminating Lead Manager under clause 3 if it had not terminated this Agreement.

10.4 **Effect of termination.** Where, in accordance with this clause 10, a Lead Manager terminates its obligations under this Agreement:

- (a) the obligations of that Lead Manager under this Agreement immediately end; and

- (b) any entitlements of that Lead Manager accrued under this Agreement, including the right to be indemnified, up to the date of termination survive.

10.45 **Risk Period.** For the purposes of this clause, the "Risk Period" means the period commencing on the execution of this Agreement and ending at 10.00am on the Settlement Date.

11. Miscellaneous

11.1 **Entire agreement.** This Agreement constitutes the entire agreement of the parties about its subject matter and supersedes all previous agreements, understandings and negotiations on that matter.

11.2 **Governing law.** This Agreement is governed by the laws of New South Wales, Australia except that the interpretation of the exception contained in clause 7.10 in respect of actions brought pursuant to U.S. Law shall be governed by and construed in accordance with the Federal laws of the United States and the laws of the State of New York without regard to any conflict of laws principles that would indicate the applicability of the laws of any other jurisdiction. Each party submits to the non-exclusive jurisdiction of courts exercising jurisdiction in New South Wales, and waives any right to claim that those courts are an inconvenient forum.

11.3 **Severability.** Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will be ineffective as to that jurisdiction to the extent of the prohibition or unenforceability. That will not invalidate the remaining provisions of this Agreement nor affect the validity or enforceability of that provision in any other jurisdiction.

11.4 **Waiver and variation.** A provision of or right vested under this Agreement may not be:

- (a) waived except in writing signed by the party granting the waiver; or
- (b) varied except in writing signed by the parties.

11.5 **No merger.** The rights and obligations of the parties will not merge on the termination or expiration of this Agreement. Any provision of this Agreement remaining to be performed or observed by a party, or having effect after the termination of this Agreement for whatever reason remains in full force and effect and is binding on that party.

11.6 **No assignment.** No party may assign its rights or obligations under this Agreement without the prior written consent of the other parties.

11.7 **Notices.** Any notice, approval, consent, agreement, waiver or other communication in connection with this Agreement must be in writing.

11.8 **Affiliates.** In this Agreement the term "Affiliates" has the meaning given to that term in Rule 501(b) under the U.S. Securities Act and means any person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, a person; "control" (including the terms "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or

cause the direction of the management and policies of a person, whether through the ownership of securities by contract or agency or otherwise and the term "person" is deemed to include a partnership.

11.9 **Business Day.** In this Agreement "Business Day" means a day on which:

- (a) ASX is open for trading in securities; and
- (b) banks are open for general banking business in Sydney, Australia.

11.10 **Interpretation.** In this Agreement:

- (a) headings and sub-headings are for convenience only and do not affect interpretation;
- (b) a reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it;
- (c) a reference to "dollars" and "\$" is to Australian currency; and
- (d) all references to time are to Sydney, New South Wales, Australia time.

11.11 **Counterparts.** This Agreement may be executed in any number of counterparts. All counterparts together will be taken to constitute one agreement.

11.12 **Acknowledgements.** The Vendor acknowledges that:

- (a) each Lead Manager is not obliged to disclose to the Vendor or utilise for the benefit of the Vendor, any non-public information which that Lead Manager obtains in the normal course of its business where such disclosure or use would result in a breach of any obligation of confidentiality and any internal Chinese wall policies of that Lead Manager;
- (b) without prejudice to any claim the Vendor may have against a Lead Manager, no proceedings may be taken against any director, officer, employee or agent of a Lead Manager in respect of any claim that the Vendor may have against that Lead Manager; and
- (c) it is contracting with each Lead Manager on an arm's length basis to provide the services described in this agreement and each Lead Manager has not and is not assuming any duties or obligations (fiduciary or otherwise) in respect of it other than those expressly set out in this Agreement.

12. Lead Managers' relationship

- 12.1 Unless expressly stated otherwise, an obligation of a Lead Manager under this Agreement (including an obligation to pay) is several and not joint nor joint and several.
- 12.2 Unless expressly stated otherwise, any reference to the Lead Managers in this Agreement is a reference to the Lead Managers acting separately so that (for example) a representation, warranty or undertaking is given by each of them separately.
- 12.3 A right of a Lead Manager under this Agreement (including a Lead Manager's right to terminate its obligations or assume the rights and obligations of the other Lead Manager under clause 10 of this Agreement) is held by that Lead Manager severally and no Lead Manager may exercise its right, powers and benefits under this Agreement on behalf of another Lead Manager unless expressly provided for by this Agreement.
- 12.4 Where the consent or approval of the Lead Managers is required under this Agreement, that consent or approval must be obtained from both Lead Managers.

Yours sincerely,

SIGNED on behalf of)
Canaccord Genuity (Australia) Limited)
)
by its duly authorised signatories)
)



Signature of Authorised Signatory

Marcus Freeman
Managing Director

Print name:



Signature of Authorised Signatory

David Barlow
CFO and COO

Print name:

SIGNED on behalf of)
UBS AG, Australia Branch)
by its duly authorised signatories)
)



Signature of Authorised Signatory

Print name:
Nick Alexander
Executive Director

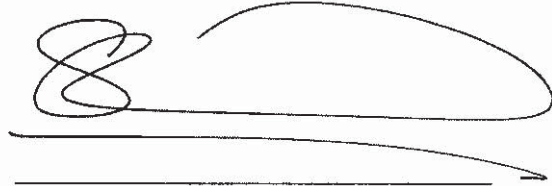


Signature of Authorised Signatory

Print name:
Richard Sleijpen
Executive Director

Accepted and agreed to as of the date of this Agreement:

SIGNED by **STARTIVE HOLDINGS**)
LIMITED by its sole director)

A handwritten signature in black ink, consisting of a large, stylized 'S' followed by a long horizontal stroke that tapers to a point on the right.

Sole director

SIMON CLAUSEN
Print name