

**Beacon Lighting Group
Limited**

Performance Rights

Plan Rules

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Beacon Lighting Group Limited

Performance Rights

Plan Rules

1. Definitions and interpretation

Definitions

1.1 In these Rules the following words and expressions have the meanings indicated unless the context indicates a contrary intention:

ASX means ASX Limited ACN 008 624 691 or the financial market operated by (it as the context requires).

Board means all or some of the Directors acting as a board, or a committee of the Board appointed for, or the functions of which are determined to include, the purposes of this Plan or these Rules.

Change of Control means when in relation to the Company:

- (a) any person, either alone or together with any associate (as defined in the Corporations Act) acquires a relevant interest (as defined in the Corporations Act) in more than 50% of the issued Shares in the Company; or
- (b) a court orders a meeting to be held in relation to a proposed scheme of arrangement in relation to the Company the effect of which may be that a person will have a relevant interest in at least 50% of the ordinary shares in the Company and shareholders pass the resolution by the requisite majorities,

or any similar event which the Board determines, in its discretion, is a Change of Control.

Company means Beacon Lighting Group Limited ACN 164 122 785.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Disposal Restriction means such restriction on disposal or dealing in a Share to be delivered upon the exercise of a Right, as determined by the Board in its discretion and notified to a Participant at the Time of Grant.

Eligible Employee means such employees of the Company or a Related Company, including executive Directors, or such other person as the Board, in its discretion, determines.

Entitlements means any rights to acquire shares, options or other securities granted or issued by the Company or by any other company to shareholders of the Company.

Holding Lock means a holding lock as defined in the Listing Rules.

Listing Rules means the official Listing Rules of ASX as amended or waived from time to time.

Participant means an Eligible Employee to whom a Right has been granted under the Plan.

Plan means the plan established in accordance with these Rules.

Related Company means a company which is a related body corporate (as defined in the Corporations Act) of the Company.

Right means a Right granted under Rule 3 to acquire a Share or obtain a cash payment or a combination.

Rules means the rules of the Plan.

Share means a fully paid ordinary share in the capital of the Company.

Special Circumstance means Total and Permanent Disablement or death of a Participant and such other circumstances as determined by the Board in its discretion and notified to a Participant in writing.

Time of Grant means the time of grant of a Right under Rule 3.

Total and Permanent Disablement in relation to a Participant means that the Participant has, in the opinion of the Board, after considering such medical and other evidence as it in its discretion determines, become incapacitated to such an extent as to render the Participant unlikely to engage in an equivalent occupation for which he or she is reasonably qualified by education, training or experience.

Unvested Rights means Rights which have Vesting Conditions attached and in respect of which a Vesting Notice has not been given to a Participant.

Vested Rights means Rights in respect of which a Vesting Notice has been given to a Participant or Rights which have no Vesting Conditions attached.

Vesting Conditions means one or more conditions, including time or performance conditions, as determined by the Board in its discretion and advised to a Participant at the Time of Grant.

Vesting Notice means a notice to a holder of a Right that, to the extent specified in the Vesting Notice, the Vesting Conditions applicable to the Right have been satisfied, or waived by the Board at its discretion.

Vesting Period means the period referred to at the Time of Grant during which Vesting Conditions must be satisfied, or waived by the Board at its discretion.

Interpretation

1.2 In these Rules unless the context indicates a contrary intention:

- (a) the singular includes the plural and vice versa;
- (b) a reference to any legislation or to any provision of any legislation includes any modification or re-enactment of it, any legislative provision substituted for it and all regulations and statutory instruments issued under it;
- (c) a reference to these Rules or any particular part of these Rules means these Rules or the relevant part as amended from time to time;
- (d) a reference to a person includes a reference to the person's executors, administrators and successors, a firm or a body corporate; and
- (e) "includes" in any form is not a word of limitation.

2. Commencement of Plan

Commencement

- 2.1 The Plan will commence on the date determined by the Board.
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3. Rights

Grants of Rights

- 3.1 The Board may from time to time at its discretion grant Rights to Eligible Employees under the Plan.
- 3.2 The Board will determine the procedure for granting Rights and any Vesting Conditions, including the form and content of any invitation, offer or acceptance procedure.
- 3.3 An offer of Rights shall be in such form and content and with such terms and conditions as the Board determines on or after vesting, including:
- (a) whether to settle the Rights vested by means of Shares, a cash payment or a combination, including whether the Board has a discretion to settle the Rights vested in its discretion in a Vesting Notice or in such other form or time;
 - (b) Disposal Restrictions (if any); and
 - (c) the terms of expiry of the Rights.
- 3.4 Unless otherwise determined by the Board at its discretion when making a grant of any Rights under Rule 3.1, no amount shall be payable by a Participant in respect of Shares delivered to a Participant upon the exercise of Rights under Rule 4.
- 3.5 To avoid any doubt, a grant of any Rights (or an issue of Shares or cash payment or a combination on vesting) can be made with respect to Eligible Employees where that grant or issue is held through an employee share trust structure.

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- 3.6 Unless the Board determines otherwise, the Company will not issue any Shares on exercise of Rights if the total number of Shares that would be issued thereunder, when aggregated with:
- (a) the number of Shares which could be issued were each outstanding offer or grant with respect to Shares, units of Shares and options or rights to acquire unissued Shares, under the Plan or any other employee or non-executive Director share scheme of the Company to be accepted or exercised; and
 - (b) the number of Shares issued, during the previous 5 years pursuant to the Plan or any other employee or non-executive Director share scheme of the Company,
- but disregarding any offer made, or option or right acquired or Share issued by way of or as a result of:
- (c) an offer to a person situated at the time of receipt of the offer outside Australia; or
 - (d) an offer that did not need disclosure to investors because of section 708 of the Corporations Act or was an excluded offer or offer or invitation under the Corporations Law; or

(e) an offer that did not require the giving of a Product Disclosure Statement because of section 1012D of the Corporations Act; or

(f) an offer made under a disclosure document (as defined in section 9 of the Corporations Act) or Product Disclosure Statement,

would exceed 5% of the total number of issued Shares at that time.

Compliance with laws

3.7 No offer will be made to the extent that any such offer would contravene the Company's Constitution, the Listing Rules, the Corporations Act or any other applicable law.

Cash Settlement

3.8 If a Right may be cash settled then the Company may elect to cash settle the Right by giving notice to the Participant at any time before Shares are issued.

3.9 If the Company elects to cash settle a Right, within 21 days of the settling of the Rights it must pay the Participant a cash amount given by the following formula (subject to Rule 17.2):

$$c = MV - EP$$

Where,

c = The cash amount that must be paid to the Participant.

MV = The closing price of the Shares on the ASX on the date on which the Rights are settled.

EP = If:

- (a) the Participant has paid the exercise price in respect of the Right or if there is no exercise price, nil; or
- (b) the Participant has not paid the exercise price in respect of the Right, the exercise price.

3.10 The Company may deduct from any payment under Rule 3.9 any amount it is required to withhold by law or in respect of any tax with respect to the Rights.

4. Terms

Exercise

4.1 A Share in respect of which a Right has been exercised may, at the discretion of the Company, be delivered to the Participant by being issued to the Participant or by the Company procuring its transfer to the Participant.

Transfers or encumbrances

4.2 Without the prior approval of the Board, Rights may not be transferred or encumbered.

Expiry of Rights

4.3 Unless otherwise determined by the Board at its discretion, Rights which have not been exercised will expire and cease to exist on the first to occur of the following.

- (a) The occurrence of a Special Circumstance.
- (b) The operation of Rule 5.
- (c) The fifteenth anniversary of the Time of Grant, unless the Board in its discretion has determined at the Time of Grant that another expiry date is to apply to the Right.

Participation in future issues

Participation generally

4.4 A Participant cannot participate in new issues of Shares or other securities to holders of Shares unless any Shares in respect of the Rights held by the Participant have been issued or transferred, as the case requires, to and registered in the name of, the Participant before the record date for determining entitlements to the new issue.

Bonus issues

4.5 If the Company makes a pro rata bonus issue of Shares or other securities to holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and Shares in respect of Rights held by a Participant have not been issued or purchased and transferred, as the case requires, to and registered in the name of, the Participant before the record date for determining entitlements to the bonus issue, then the number of Shares subject of the Rights held by the Participant shall be increased by the number of Shares that the Participant would have received if the Shares subject of the Rights had been registered in the name of the Participant before the record date for the bonus issue.

Rights issues

4.6 If the Company makes a pro rata issue of securities (except a bonus issue) to the holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of any Rights (or other terms and conditions, if any, applicable to the Rights) held by a Participant will be adjusted in accordance with the requirements of the Listing Rules, the Corporations Act and any other applicable law.

Reorganisation

4.7 In the event of any reorganisation of the issued ordinary share capital of the Company, the number of Shares to be delivered in respect of each Right or the amount payable, if any, by a Participant in respect of Shares to be delivered to a Participant will be reorganised in the manner as specified in the Listing Rules as applicable to options at the time of the reorganisation.

5. Forfeiture

Forfeiture

- 5.1 While any Rights held by a Participant are subject to Vesting Conditions which have not been satisfied or waived, if:
- (a) those Rights have not become Vested Rights by the end of the applicable Vesting Period or the Board determines that the Vesting Conditions are incapable of being satisfied by the end of the Vesting Period, the Participant shall forfeit any right or interest in the Rights; or
 - (b) the Board determines that the Participant has committed any act of fraud, defalcation or gross misconduct, or such other circumstances occur as may be specified at the Time of Grant, in relation to the affairs of the Company or a Related Company, the Participant shall forfeit any right or interest in the Rights or other entitlements of the Participant under the Plan.

Forfeited Rights

- 5.2 Rights which are forfeited shall cease to exist.

No transfer of Rights

- 5.3 Other than as provided by these Rules, the Company must not register or permit the share registry to register a transfer of a Right to which this Rule 5 applies and for that purpose the Company may do such things and enter into such arrangements with the share registry or otherwise as it considers necessary including the application of a Holding Lock, to enforce such restrictions on the transfer of such Rights and Participants will upon request by the Company do all things necessary to give effect thereto and shall be bound by such arrangements.

6. Change of Control

- 6.1 Upon the occurrence of a Change of Control, the Board may at its discretion and subject to such terms and conditions as it determines, resolve that the Vesting Conditions applicable to Unvested Rights be waived.

7. Removal of restrictions

- 7.1 Without limiting Rule 6, the Board may at its discretion determine at any time that a Disposal Restriction is no longer to apply and shall notify relevant Participants of such a determination in writing.
- 7.2 The Board may establish such procedures as it considers appropriate for the purpose of making a determination under Rule 7.1.

8. Plan costs

Acquisition costs

- 8.1 The Company will pay all costs and expenses in relation to the establishment and operation of the Plan including all costs and expenses in relation to an issue, or purchase and transfer of

Shares to a Participant (including any brokerage, commission, stamp duty or other transaction costs).

Disposal costs

- 8.2 Any brokerage, commission, stamp duty or other transaction costs in connection with the disposal of a Participant's Shares acquired under the Plan will be paid for by the Participant.
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9. Administration of the Plan

- 9.1 The Plan will be administered by the Board in accordance with these Rules. The Board may make rules and regulations for the operation of the Plan which are consistent with these Rules.
- 9.2 Any power or discretion which is conferred on the Board by these Rules may be exercised by the Board at its absolute discretion and in the interests or for the benefit of the Company, and the Board is not, in exercising any such power or discretion, under any fiduciary or other obligation to any other person.
- 9.3 Any power or discretion which is conferred on the Board by these Rules may be delegated by the Board for such period and upon such conditions as the Board may determine to:
- (a) a committee consisting of such Directors as the Board determines; or
 - (b) any one or more persons selected by the Board.
- 9.4 Every exercise of a power or discretion by the Board (or its delegate) and every decision of the Board (or its delegate) as to the interpretation, effect or application of these Rules is final, conclusive, and binding.
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10. Rights of Participants

- 10.1 Nothing in these Rules:
- (a) confers on an Eligible Employee the right to be granted any Rights;
 - (b) confers on a Participant the right to continue as an employee of the Company or a Related Company;
 - (c) affects any rights which the Company or a Related Company may have to terminate the employment of any employee; or
 - (d) may be used to increase damages in any action brought against the Company or a Related Company in respect of any such termination.
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11. Amendment of these Rules

Amendments

- 11.1 Subject to the Listing Rules and Rule 11.3, the Company may at any time by written instrument or by resolution of the Board, amend all or any of the provisions of these Rules (including this Rule 11).
- 11.2 Where the Board determines that the laws of a particular jurisdiction require the grant of Rights to be made subject to certain terms and conditions, the Board may direct that for the

purpose of that jurisdiction these Rules will be read subject to such provisions as shall be specified in an addendum to be appended hereto for that purpose.

No material reduction of rights

- 11.3 No amendment of these Rules is to reduce in a material way the rights of any Participant in respect of Rights granted under the Plan to or on behalf of a Participant prior to the date of the amendment, other than:
- (a) an amendment introduced primarily;
 - (i) for the purpose of complying with or conforming to present or future State, Territory or Commonwealth or foreign legislation governing or regulating the maintenance or operation of the Plan or like plans; or
 - (ii) to correct any manifest error or mistake; or
 - (iii) to enable the Company or a Related Company to comply with the Corporations Act, the Listing Rules, any other Australian laws, applicable foreign laws, or a requirement, policy or practice of the Australian Securities and Investments Commission or other foreign or Australian regulatory body; or
 - (b) an amendment agreed in writing by a Participant.

Retrospectivity

- 11.4 Subject to Rules 11.1 to 11.3 (inclusive), any amendment made pursuant to Rule 11 may be given such retrospective effect as is specified in the written instrument or resolution by which the amendment is made.

12. Attorney

- 12.1 Each Participant, in consideration of a grant of Rights, shall be deemed to irrevocably appoint each Director, the Company and any person nominated from time to time by the Company (each an **Attorney**), severally, as the Participant's attorney to complete and execute any documents including applications for Shares and Share transfers or any other document or agreement to give effect to these Rules and to do all acts or things on behalf of and in the name of the Participant which may be convenient or necessary for the purpose of giving effect to the provisions of these Rules and the Participant shall be deemed to covenant that the Participant shall ratify and confirm any act or thing done pursuant to this power and shall release the Company, each Director, each Related Company and the Attorney from any liability whatsoever arising from the exercise of the powers conferred by this Rule and shall indemnify and hold harmless the Company, each Director, each Related Company and the Attorney in respect thereof.

13. Notices

- 13.1 Any notice to Participants may be given in such manner as the Board determines.

14. Participants bound

- 14.1 Participants issued Rights or Shares under this Plan are bound by these Rules and by the Company's Constitution.

15. Termination and suspension of the Plan

- 15.1 The Board may resolve at any time to terminate, suspend or reinstate the operation of the Plan.
- 15.2 If the Plan is suspended or terminated, the Board shall decide how Shares then held for Participants under the Plan are to be dealt with.

16. Governing law

- 16.1 This Plan is governed by and shall be construed and take effect in accordance with the laws of Victoria, Australia.

17. Taxes

- 17.1 The Company is not responsible for any taxes which may become payable by a Participant in connection with the issue or transfer of Rights, the issue, transfer or allocation of Shares, or any other dealing by a Participant with such Rights or Shares including the payment of any cash amount. Participants are solely responsible for all such amounts.
- 17.2 Notwithstanding any other Rule, if the Company is required to make or deemed to make a payment to a Participant under these Rules, the Company may deduct or withhold any amount in respect of taxes payable as a result of the payment (including by withholding Rights or Shares and selling them to raise the necessary funds at any price reasonably obtainable by the Company).