

## SUMMARY

### LONG-TERM EXECUTIVE INCENTIVE PLAN 2009 ("PLAN")

#### **PURPOSE OF THE PLAN**

The purpose of the Plan is to:

- recognise the ability and efforts of the senior employees of the Company who have contributed to the success of the Company;
- provide an incentive to the senior employees to achieve the long term objectives of the Company and improve the performance of the Company; and
- attract persons of experience and ability to employment with the Company and foster and promote loyalty between the Company and its senior employees.

#### **ELIGIBILITY**

The Board may from time to time determine that any full-time employee ("**Eligible Participant**") is entitled to participate in the Plan and the extent of that participation ("**Participant**"). Prior to making that determination, the Board may consider:

- the length of service of the Eligible Participant with the Company;
- the record of employment of the Eligible Participant with the Company;
- the potential contribution of the Eligible Participant to the growth of the Company;
- the extent (if any) of the existing participation of the Eligible Participant in the Plan; and
- any other matters which the Board considers relevant.

No Options may be issued to any director of the Company or of any of its subsidiaries under the Plan.

#### **TERM OF PLAN**

The term of the Plan is 5 years from 29 April 2009.

The Board may terminate the Plan, or suspend its operation for any period it considers desirable, at any time that it considers appropriate.

## PLAN RULES

**Vesting of Options:** Options granted to a Participant vest in three tranches on each of the first three anniversaries of the Option issue date as follows:

<b>Anniversary Date</b>	<b>Percentage of Options to Vest</b>
One (1) year after the issue date	10%
Two (2) years after the issue date	20%
Three (3) years after the issue date	70%

If there is a takeover bid for the Company the Board may in its discretion declare Options that have already been issued to be vested on a date specified by the Board.

Each such anniversary date (or date specified by the Board if there is a Takeover Proposal) is a "**Vesting Date**". "**Vest**" means the Options become capable of being exercised by the Participant, subject to and to the extent of the satisfaction of the Option Exercise Criteria.

**Hurdles for the exercise of Vested Options - the Option Exercise Criteria:** The exercise of Vested Options depends on the achievement of Company performance hurdles defined as the Option Exercise Criteria. These are based on two separate and equal measures of Company performance, being:

- (a) **EPS growth year-on-year ranking against companies in the ASX 300:** Up to 50% of Vested Options may be exercised depending on the extent to which the increase in Earnings Per Share ("**EPS**") in the financial year immediately preceding the Vesting Date of the Options over the Earnings Per Share in the previous financial year ranks against the EPS growth performance of companies in the ASX 300 over the same period, as follows:

<b>Ranking of increase in EPS against companies in the ASX 300</b>	<b>% of Vested Options that may be exercised</b>
Below the top 50% of companies	Nil
Equal to the mid-ranked company	25.00%
In the range between 50% to 75%	Increase linear from 25.01% to 49.99%
75% or higher	50.00%

For Participants offered participation in the Plan before the end of the 2009/10 financial year, the baseline EPS will be that for the 2008/09 financial year.

For Participants offered participation in the Plan commencing in the second half of a financial year (from 1 January to 30 June inclusive), the EPS increase will be measured over the year from the end of the first half of the financial year (31 December) to the end of the first half of the next financial year.

- (b) **Total Shareholder Return ranking against companies in the ASX300 Accumulation Index:** Up to 50% of Vested Options may be exercised depending on the extent to which the "Total Shareholder Return" on the Company's Shares from the date of the establishment of the Plan (or a later date set by the Board where a Participant is offered the opportunity to participate materially after the Plan is established) up to the relevant Vesting Date ranks against the performance of companies as measured in the ASX 300 AI over the same period, as follows:

<b>Ranking of Total Shareholder Return against companies in the ASX300 AI</b>	<b>% of Vested Options that may be exercised</b>
Below the top 50% of companies	Nil
Equal to the mid-ranked company	25.00%
In the range between 50% to 75%	Increase linear from 25.01% to 49.99%
75% or higher	50.00%

**"Total Shareholder Return"** means the percentage by which the VWAP of the Company's Shares as at the relevant Vesting Date, plus the amount of dividends paid since the date of the establishment of the Plan by the Board, exceeds the VWAP of the Company's Shares as at either:

- the date the Plan is established; or
- if the Board so determines in relation to an Eligible Participant offered the ability to participate in the Plan at a time materially later than the date the Plan is established, the VWAP at the half year (30 June or 31 December) immediately before the offer to participate is made.

**"VWAP"** is measured over the five trading days immediately preceding the date of offer approval.

**Hurdles may be met on subsequent Vesting Dates on an accumulated basis:** If a performance hurdle in the form of an Option Exercise Criteria is not met in whole or in part on a Vesting Date, Options which as a result may not be exercised at that time may be exercised if, at a later date which is an Option Exercise Date, the Option Exercise Criteria are satisfied on a cumulative basis.

**Exercise of Options:** Subject to satisfaction of the Option Exercise Criteria, Vested Options may be exercised at any time before the expiry of the Option, provided that:

- (a) Options of a Participant will immediately and automatically lapse upon the Participant ceasing to be employed by the Company for any reason other than Board approved Retirement, Permanent Disablement, Redundancy or death.
- (b) A Participant who ceases to be an employee as a result of Board approved Retirement, Permanent Disablement, Redundancy or death must exercise Vested Options to the extent the Option Exercise Criteria have been met within 180 days of so ceasing to be an employee. All unexercised Options will then lapse.

**Exercise Price:** The Exercise Price is the VWAP of Shares on ASX over the five (5) trading days immediately before the date of the Board meeting at which the issue of the options to the Eligible Participant is approved.

**Lapse:** Options which have not been exercised by the date of termination of the plan – 28<sup>th</sup> April 2014, being the date five years after the plan was established by the Board – will lapse.

**Escrow of shares on the exercise of Options:** All Shares issued upon exercise of Options will be held in escrow until the end of the Escrow Period, and may not be sold until the end of the Escrow Period. During the Escrow Period the Shares will be held by an escrow agent appointed by the Board, but the Participant will be entitled to the benefits of ownership of the Shares other than the right to dispose or encumber them. The Escrow Period will be deemed to end in respect of a Participant who ceases to be a Participant as a result of Board-approved Retirement, Permanent Disablement, Redundancy or death, but not otherwise.

The Escrow Period in respect of Shares issued upon exercise of each of the three tranches of Vested Options, determined separately, is:

<b>Proportion of Shares issued</b>	<b>End of the Escrow Period</b>
One half	36 months after the Issue Date of the Options
One sixth	42 months after the Issue Date of the Options
One sixth	48 months after the Issue Date of the Options
One sixth	54 months after the Issue Date of the Options

provided that:

- (1) the Board may declare an Escrow Period to have ended in respect of any Participant;
- (2) the Escrow Period will be deemed to have ended in respect of a Participant if the Participant ceases to be a Participant as a result of Board-approved Retirement, Permanent Disablement, Redundancy or death, but in any other circumstance the Shares will continue to be held in escrow for the Escrow Period; and
- (3) the Escrow Period will be deemed to have ended if any person acquires control of the Company pursuant to a takeover offer or scheme of arrangement.