

## ASX / TSX ANNOUNCEMENT

19 April 2021

**Orocobre and Galaxy agree to a proposed A\$4B merger of equals, establishing a new force in the global lithium sector**

**Merger creates the 5<sup>th</sup> largest global lithium chemicals company with a diversified production base and exciting growth platform, with potential to unlock significant synergies and realise value to be shared by all shareholders.**

Orocobre Limited (ASX:ORE, TSX:ORL) (**Orocobre**) and Galaxy Resources Limited (ASX:GXY) (**Galaxy**) are pleased to announce that they have entered into a binding Merger Implementation Deed (**MID**) under which the two companies will merge via a Galaxy Scheme of Arrangement (**Scheme**) pursuant to which Orocobre will acquire 100% of the shares in Galaxy.

Galaxy shareholders will receive 0.569 Orocobre shares for each Galaxy share held at the Scheme record date. Upon implementation of the Scheme, Orocobre shareholders will own 54.2% of the fully diluted share capital of the combined entity and Galaxy shareholders will own the remaining 45.8%.

The Scheme is unanimously recommended by the Board of Galaxy and each Galaxy Director intends to vote all the shares that they hold in Galaxy in favour of the Scheme (in both cases, subject to no superior proposal emerging and the Independent Expert concluding (and continuing to conclude) that the Scheme is in the best interests of Galaxy shareholders).

The Scheme is endorsed and supported by the Board of Orocobre, subject to no proposal for Orocobre emerging.

As part of the proposed Scheme, Martin Rowley would become Non-Executive Chairman, Robert Hubbard would become Deputy Chairman, and Martín Pérez de Solay would remain CEO and Managing Director of the group, with a highly experienced and complementary Board and management team drawn from the combined group.

A new name for the merged entity will be selected in due course representing the global reach of the new entity, which will have its head office in Buenos Aires, Argentina, a corporate headquarters on the Australian East Coast and an office in Perth.

**Highlights Summary**

- Creating a Top 5 global lithium chemicals company<sup>1</sup>
- Highly complementary portfolio of assets delivering geographical and product diversification across brine, hard rock and vertical integration across the supply chain
- Industry leading growth profile with enhanced financial position to optimise and potentially accelerate development with the ability and intent to capture further downstream value
- Compelling industrial logic with significant value creation opportunities unique to this merger
- Highly experienced and complementary Board and senior management teams to drive growth
- Potential to generate significant shareholder value with enhanced scale and financial capacity

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<sup>1</sup> Based on market capitalisation as at ASX market close on 16 April 2021.

Galaxy Chairman Martin Rowley commented: *"This transaction has the potential to be a significant value-creating opportunity for Galaxy and Orocobre shareholders. The Scheme provides shareholders of Galaxy with the opportunity to share in the significant benefits of being part of a larger diversified group and the synergies expected to be available to help enhance and progress our portfolio of world class assets. The merged entity's growth opportunities in both brine and hard rock position it uniquely to take advantage of expected rising EV demand for lithium."*

Orocobre Chairman Robert Hubbard commented: *"The logic of this merger is compelling. Both Orocobre and Galaxy shareholders, will benefit from the diversification, growth and scale of a top 5 global lithium chemicals company. I take this opportunity to re-iterate the group's ongoing commitment to the principles of delivering the highest level of transparency of our environmental, social and governance performance, the foundations upon which our assets have and will continue to be developed."*

Orocobre CEO and Managing Director Martín Pérez de Solay commented: *"The merger brings together assets and teams with highly complementary skills and knowledge, with a unique opportunity to create a leading independent lithium company. The merger consolidates the combined group's position in Argentina and will give us significant operational, technical and financial flexibility to deliver the full value of our combined portfolio."*

Galaxy CEO Simon Hay commented: *"The merger with Orocobre represents an exciting opportunity for both Orocobre and Galaxy shareholders to consolidate and realise the full potential of our asset portfolios and technical capabilities. The transaction will allow the group to materially accelerate the development of our combined growth projects."*

Orocobre and Galaxy will be hosting a joint investor call at 10.30am AEST (8.30am AWST) today, 19 April 2021. Orocobre and Galaxy are announcing their respective quarterly results today.

The call can be accessed via the following link:

<https://services.choruscall.com.au/webcast/ubs-210419.html>

## Transaction Summary

Orocobre Limited (ASX:ORE, TSX:ORL) and Galaxy Resources Limited (ASX:GXY) have entered into a binding Merger Implementation Deed (**MID**) under which the two companies will merge via a Galaxy Scheme.

Under the Scheme, Galaxy shareholders will receive 0.569 Orocobre shares for each Galaxy share held on the record date for the Scheme. Orocobre shareholders will own 54.2% of the fully diluted share capital of the combined entity and Galaxy shareholders will own the remaining 45.8%.

The Galaxy Board of Directors unanimously recommends that Galaxy shareholders vote in favour of the Scheme and each Galaxy Director intends to vote all the shares that they hold in Galaxy in favour of the Scheme (in both cases, subject to the Independent Expert opining that the Scheme is in the best interests of Galaxy shareholders and in the absence of a superior proposal).

The Orocobre Board endorses and supports the transaction in the absence of a proposal for Orocobre.

Under the Scheme, Galaxy Chairman Martin Rowley would become Non-Executive Chairman, Orocobre Chairman Robert Hubbard would become Deputy Chairman, Martín Pérez de Solay would remain CEO of the group and Simon Hay will become President of International Business reporting to the CEO. The CEO together with the Board will commence an integration process to determine the optimal management team drawing from employees from both companies based on a best fit basis.

On implementation of the Scheme, the Board of Directors will comprise four Independent Directors from Orocobre (including Mr Hubbard), four Independent Directors from Galaxy (including Mr Rowley), and the CEO Mr Pérez de Solay. It is agreed that both Mr Rowley and Mr Hubbard will retire from their roles within 12 months of implementation. They will lead a process to ensure that the longer-term Board composition is ideally placed to lead the merged entity going forward.

## Strategic Rationale

- Creating a Top 5 global lithium chemicals company
  - Creates the leading ASX lithium company and a top 5 global lithium chemicals company<sup>2</sup>
  - One of the world's largest, most geographically diversified producers of lithium chemicals
  - Vertically integrated and able to service multiple markets and customers
- Highly complementary portfolio of assets delivering diversification of production and vertical integration
  - Diversified across geography, lithium source and end products
  - Combines two complementary, large scale tier-one assets
  - Vertically integrated product strategy for all key assets
- Industry leading growth profile with enhanced financial position to optimise and potentially accelerate development with the ability and intent to capture further downstream value
  - Significant portfolio of upstream and downstream growth projects
  - Growth pipeline evenly balanced between production optimisation, construction, advanced projects, brownfield expansions and early-stage projects
  - Unique platform of expertise, capacity and geographic presence to consider further inorganic growth opportunities

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<sup>2</sup> Based on market capitalisation as at ASX market close on 16 April 2021.

- Compelling industrial logic with potentially significant value creation unique to this merger
  - Ability to apply combined management and technical expertise across the merged group and shared IP to further de-risk Sal de Vida and optimise Olaroz
  - Potential for substantial savings in Argentina from expertise sharing, employee and contractor sharing and procurement savings
  - Marketing synergies expected from expanded customer relationships and a broader product base
- Highly experienced and complementary Board and senior management teams to drive growth
  - Global team with significant technical expertise to deliver brine projects in Argentina
  - Proven track record of successfully delivering projects across brine, hard rock, and processing
  - Extensive experience within Argentina shared across the combined board and senior management team
- Potential to generate significant shareholder value with enhanced scale and financial capacity
  - Combined entity expected to be included in the ASX 200 index and approach ASX 100 index thresholds
  - Significantly enhanced liquidity and capital markets profile
  - Strengthened balance sheet with pro forma gross cash of US\$487m<sup>3</sup> well placed to deliver a world class project pipeline

## Conditions

Key conditions to the implementation of the Scheme include:

- Galaxy shareholder approval;
- Approval by the Court;
- The Independent Expert concluding that the Scheme is in the best interests of Galaxy shareholders and not changing, withdrawing or qualifying that conclusion;
- No material adverse effect or prescribed event (as each defined in the MID) occurring in relation to either Orocobre or Galaxy (as applicable); and
- Other conditions customary for a transaction of this nature.

The MID includes reciprocal exclusivity arrangements (including “no shop”, “no talk” and “no due diligence” restrictions and notification obligations) in favour of both parties, a matching right regime in favour of Orocobre and break fees in favour of both parties. The exclusivity arrangements are subject to customary exceptions that enable the directors of Galaxy and Orocobre to comply with their respective fiduciary and / or statutory duties.

Full details of the terms and conditions are set out in the MID, a copy of which is set out in Annexure A.

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<sup>3</sup> As at 31 March 2021 and includes restricted cash of US\$108m.

### Timetable and next steps

Galaxy shareholders do not need to take any action in relation to the Scheme at this stage.

A scheme booklet containing information in relation to the Scheme, including the basis for the Galaxy Board's unanimous recommendation, an Independent Expert Report and details of the Scheme is expected to be circulated to all Galaxy shareholders in late June 2021.

An indicative timetable (which remains subject to change) is set out below:

Event	Estimated date
First Court Hearing	Late June 2021
Dispatch scheme booklet to Galaxy shareholders	Late June 2021
Scheme Meeting	Late July 2021
Second Court hearing	Late July – Early August 2021
Effective Date	Late July – Early August 2021
Record Date	Early – Mid August 2021
Implementation Date	Mid August 2021

### Advisers

Orocobre's financial adviser is UBS AG, Australia Branch and its legal adviser is Jones Day.

Galaxy's financial adviser is Standard Chartered Bank and its legal adviser is Ashurst.

### Conference Call

Orocobre and Galaxy will host a joint investor call at 10.30am AEST (8.30am AWST) today, 19 April 2021. The call can be accessed via the following link:

<https://services.choruscall.com.au/webcast/ubs-210419.html>

This release was authorised by the Board of Galaxy Resources Limited and the Board of Orocobre Limited.

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### **IMPORTANT NOTICES**

This announcement is a joint announcement by Galaxy Resources Limited ACN 071 976 442 (**Galaxy**) and Orocobre Limited ACN 112 589 910 (**Orocobre**).

This presentation has been prepared in relation to the proposed merger between Galaxy and Orocobre by way of scheme of arrangement under Part 5.1 of the *Corporations Act 2001* (Cth) (**Scheme**). Under the Scheme, Orocobre would acquire 100% of the fully paid ordinary shares in Galaxy in exchange for the issue of new fully paid ordinary shares in Orocobre. The Scheme is subject to the terms and conditions described in the merger implementation deed entered into between Galaxy and Orocobre on or about the date of this announcement (**Merger Implementation Deed**). A copy of the Merger Implementation Deed is attached to this announcement and available on the ASX website (at [www.asx.com.au](http://www.asx.com.au)).

Galaxy and Orocobre have jointly prepared this announcement based on information available to them as at the date of this announcement. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this announcement. To the maximum extent permitted by law, none of Galaxy or Orocobre, their respective directors, employees, agents or advisers, or any other person, accepts any liability, including, without limitation, any liability arising from fault or negligence on the part of any of them or any other person, for any loss arising from the use of this announcement or its contents or otherwise arising in connection with it.

### **Forward Looking Statements**

This announcement contains forward looking statements concerning Galaxy, Orocobre and the merged group which are made as at the date of this announcement (unless otherwise indicated), including statements about intentions, beliefs and expectations, plans, strategies and objectives of the directors and management of Galaxy and Orocobre for Galaxy, Orocobre and the merged group, the anticipated timing for and outcome and effects of the Scheme (including expected benefits to shareholders of Galaxy and Orocobre), indications of and guidance on synergies, future earnings or financial position or performance, anticipated production or construction or development commencement dates, costs or production outputs, capital expenditure and future demand for lithium, expectations for the ongoing development and growth potential of the merged group and the future operation of Galaxy and Orocobre.

Forward looking statements are not statements of historical fact and actual events and results may differ materially from those contemplated by the forward looking statements as a result of a variety of risks, uncertainties and other factors, many of which are outside the control of Galaxy, Orocobre and the merged group. Such factors may include, among other things, risks relating to funding requirements, lithium and other commodity prices, exploration, development and operating risks (including unexpected capital or operating cost increases), production risks, competition and market risks, regulatory restrictions (including environmental regulations and associated liability, changes in regulatory restrictions or regulatory policy and potential title disputes) and risks associated with general economic conditions. Any forward-looking statements, as well as any other opinions and estimates, provided in this announcement are based on assumptions and contingencies which are subject to change without notice and may prove ultimately to be materially incorrect, as are statements about market and industry trends, which are based on interpretations of current market conditions.

There can be no assurance that the Scheme will be implemented or that plans of the directors and management of Galaxy and Orocobre for the merged group will proceed as currently expected or will ultimately be successful. You are strongly cautioned not to place undue reliance on forward looking statements, including in respect of the financial or operating outlook for Galaxy, Orocobre or the merged group (including the realisation of any expected synergies), particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the ongoing COVID-19 pandemic.

Except as required by law or the ASX listing rules, Galaxy and Orocobre assume no obligation to provide any additional or updated information or to update any forward looking statements, whether as a result of new information, future events or results, or otherwise. Nothing in this announcement will, under any circumstances (including by reason of this announcement remaining available and not being superseded or replaced by any other presentation or publication with respect to Galaxy, Orocobre or the merged group, or the subject matter of this announcement), create an implication that there has been no change in the affairs of Galaxy or Orocobre since the date of this announcement.

### **Mineral Resources and Ore Reserves reporting (by Galaxy and Orocobre)**

Any information in this announcement that relates to Sal de Vida Project Mineral Resources and Ore Reserves is extracted from the ASX announcement entitled "Sal de Vida Resource and Reserve Update" dated 14 April 2021 which is available to view on

www.gxy.com and www.asx.com.au. Galaxy confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the Mineral Resources and Ore Reserves estimates in the relevant market announcement continue to apply and have not materially changed. Galaxy confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Any information in this announcement that relates to James Bay Mineral Resources is extracted from the ASX announcement, entitled "James Bay Resource Update" dated 4 December 2017 which is available to view on www.gxy.com and www.asx.com.au. Galaxy confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the Mineral Resources in the relevant market announcement continue to apply and have not materially changed. Galaxy confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Any information in this announcement that relates to Mt Cattlin Mineral Resources and Ore Reserves is extracted from the report entitled "2020 Resource & Reserve Update" dated 17 March 2021 which is available to view on www.gxy.com and www.asx.com.au. Galaxy confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the Mineral Resources and Ore Reserves estimates in the relevant market announcement continue to apply and have not materially changed. Galaxy confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Orocobre is not in possession of any new information or data relating to historical estimates that materially impacts on the reliability of the estimates or Orocobre's ability to verify the historical estimates as mineral resources, in accordance with the JORC Code. The supporting information provided in the initial market announcement on 21/08/12 continues to apply and has not materially changed. Additional information relating to Orocobre's Olaroz Lithium Facility is available on Orocobre's website in "Technical Report – Salar de Olaroz Lithium-Potash Project, Argentina" dated May 13 2011, which was prepared by John Houston, Consulting Hydrogeologist, together with Mr. Michael Gunn, Consulting Processing Engineer, in accordance with NI 43-101.

The information in this report that relates to exploration reporting at the Cauchari project has been prepared by Mr. Murray Brooker. Mr. Brooker is a geologist and hydrogeologist and is a Member of the Australian Institute of Geoscientists. Mr. Brooker is an employee of Hydrominex Geoscience Pty Ltd and is independent of Orocobre. Mr. Brooker has sufficient relevant experience to qualify as a competent person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. He is also a "Qualified Person" as defined in NI 43-101. Mr. Brooker consents to the inclusion in this announcement of this information in the form and context in which it appears.

#### **Note on synergies**

Please also refer to the investor presentation (including slides 7, 8, 13, 14 and 15) released by Galaxy and Orocobre to ASX simultaneously with this announcement for further information about the basis and assumptions underlying any statements about expected synergies in this announcement.

#### **Not for release or distribution in the United States**

This announcement has been prepared for publication in Australia and may not be released to U.S. wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction, and neither this announcement or anything attached to this announcement shall form the basis of any contract or commitment. Any securities described in this announcement have not been, and will not be, registered under the U.S. Securities Act of 1933 and may not be offered or sold in the United States except in transactions registered under the U.S. Securities Act of 1933 or exempt from, or not subject to, the registration of the U.S. Securities Act of 1933 and applicable U.S. state securities laws.

#### **TSX matters**

Orocobre is an "Eligible Interlisted Issuer" for purposes of the TSX and intends to rely on the exemptions set forth in Section 602.1 of the TSX Company Manual in respect of the Scheme. The issuance of shares by Orocobre pursuant to the Scheme is subject to acceptance by the TSX.





## Merger Implementation Deed

Orocobre Limited

ABN 31 112 589 910

Galaxy Resources Limited

ABN 11 071 976 442



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**THIS DEED** is made on

2021

**BETWEEN:**

- (1) **Orocobre Limited** ABN 31 112 589 910 whose registered office is at Level 35, Riparian Plaza, 71 Eagle Street, Brisbane, Queensland (**Orocobre**); and
- (2) **Galaxy Resources Limited** ABN 11 071 976 442 whose registered office is at Level 4, 21 Kintail Road, Applecross, Western Australia (**Galaxy**).

**RECITALS:**

- (A) Orocobre and Galaxy have agreed to merge through Orocobre acquiring all of the Galaxy Shares by way of a scheme of arrangement between Galaxy and Scheme Shareholders under Part 5.1 of the Corporations Act.
- (B) Galaxy intends to propose the Scheme and issue the Scheme Booklet.
- (C) Orocobre and Galaxy have agreed to implement the Scheme, and to undertake other associated matters, in accordance with this document.

**THE PARTIES AGREE AS FOLLOWS:**

1. **INTERPRETATION**

1.1 **Definitions**

The following definitions apply in this document.

**Announcement** means a press release, announcement or other public statement (other than a draft explanatory statement, an explanatory statement or supplementary explanatory statement as required under Part 5.1 of the Corporations Act).

**Approach Notice** means a notice setting out:

- (a) in the case of a Competing Proposal:
  - (i) that a Competing Proposal has been received by Galaxy; and
  - (ii) all material terms of the Competing Proposal received by Galaxy, including details of the:
    - (A) price;
    - (B) conditions precedent;
    - (C) timetable;
    - (D) break fee; and
    - (E) name of the Competing Bidder; and
- (b) in the case of an Orocobre Proposal:
  - (i) that an Orocobre Proposal has been received by Orocobre; and
  - (ii) all material terms of the Orocobre Proposal received by Orocobre, including details of the:

- (A) price;
- (B) conditions precedent;
- (C) timetable;
- (D) break fee; and
- (E) name of the Competing Bidder.

**ASIC** means the Australian Securities and Investments Commission.

**ASIC Review Draft** means the draft of the Scheme Booklet which is provided to ASIC for approval under section 411(2) of the Corporations Act.

**ASX** means the Australian Securities Exchange or ASX Limited (ABN 98 008 624 691), as the context requires.

**ASX Listing Rules** means the listing rules of ASX.

**Authorisation** means:

- (a) an approval, authorisation, consent, declaration, exemption, licence, notarisation, permit or waiver, however it is described, including any renewal or amendment and any condition attaching to it from or by a Government Agency; and
- (b) in relation to anything that could be prohibited or restricted by law, if a Government Agency acts in any way within a specified period, the expiry of that period without that action being taken.

**BNP** means BNP Paribas ABN 23 000 000 117.

**BNP Facility Agreement** means the amendment deed facility agreement dated 31 December 2020 between Galaxy, GLAL, Galaxy Lithium One Inc., Galaxy Lithium (Ontario) Inc. and BNP.

**Business Day:**

- (a) when used in relation to the Implementation Date and the Scheme Record Date, has the meaning given in the ASX Listing Rules; and
- (b) in all other cases, means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth, Western Australia.

**Claim**, in relation to a person, means any claim, allegation, cause of action, proceeding, liability, suit or demand made against the person concerned however it arises and whether it is present or future, fixed or unascertained, actual or contingent, or known or unknown.

**Competing Bidder** means, in relation to:

- (i) a Competing Proposal, the person(s) who made that Competing Proposal; and
- (ii) an Orocobre Proposal, the person(s) who made that Orocobre Proposal.

**Competing Proposal** means any proposal, offer, transaction, agreement or arrangement in relation to Galaxy which is publicly announced or is in writing and which, if entered into by Galaxy or completed in accordance with its terms:

- (i) would result in a person (either alone or together with one or more associates) other than a member of the Orocobre Group, directly or indirectly:
- (A) acquiring control (within the meaning given in section 50AA of the Corporations Act) of Galaxy or any member or members of the Galaxy Group holding all, a substantial part or a material part of the business or assets of the Galaxy Group;
  - (B) acquiring an interest (including an economic interest by way of an equity swap, contract for difference or similar transaction or arrangement) or a relevant interest in more than 20% of the Galaxy Shares; or
  - (C) acquiring, becoming the holder of, or having a right to acquire an economic interest in all, a substantial part or a material part of the business or assets of the Galaxy Group,  
  
whether by way of takeover bid, members' or creditors' scheme of arrangement, shareholder approved acquisition, capital reduction, buy-back, sale or purchase of shares, other securities or assets, assignment of assets and liabilities, incorporated or unincorporated joint venture, dual-listed company (or other synthetic merger), deed of company arrangement, any debt for equity arrangement or other transaction or arrangement; or
- (ii) would result in the Scheme not being able to be Implemented substantially on the basis set out in this document.

**Condition** means a condition precedent set out in clause 3.2 and **Conditions** means all of them.

**Confidentiality Agreement** means the confidentiality agreement dated 5 February 2021 between Orocobre and Galaxy.

**Consideration Share** means an Orocobre Share to be issued under the Scheme as Scheme Consideration.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Counter Proposal** has the meaning given in clause 12.2(b)(iii).

**Court** means the Supreme Court of Western Australia or such other court of competent jurisdiction under the Corporations Act agreed to in writing by Orocobre and Galaxy.

**D&O run-off policy** has the meaning given in clause 7.3(b).

**DD Cut-off Time** means 5.00 pm (Perth time) on the Business Day that is two Business Days prior to the date of this document, or such later date as Orocobre and Galaxy agree in writing.

**Deed Poll** means a document in the form of Schedule 4, or in such other form as is agreed in writing between Orocobre and Galaxy.

**Defaulting Party** has the meaning given in clause 14.1(c).

**Effective** means the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Scheme.

**Effective Date** means the date on which the Scheme becomes Effective.

**Encumbrance** means:

- (a) a Security Interest; or
- (b) an easement, restrictive covenant, caveat or similar restriction over property.

**End Date** means the date that is six months after the date of this document, subject to any extension to that date made under clause 3.7.

**Exclusivity Period** means the period commencing on the date of this document and ending on the earlier of:

- (a) termination of this document in accordance with its terms;
- (b) the Implementation Date; and
- (c) the End Date.

**Fairly Disclosed** means any information disclosed in writing by or on behalf of a party, or during the course of management presentations or due diligence telephone discussions between the parties, in sufficient detail and with sufficient specificity so as to enable a reasonable and sophisticated recipient of the relevant information, who is experienced in transactions similar to the transactions contemplated by this document and experienced in an industry similar to the industry in which the businesses conducted by Orocobre and Galaxy operate, to identify the nature and scope of the relevant matter, event or circumstance and the fact it may have financial, operational or other consequences and be capable of properly assessing those consequences.

**First Court Date** means the first day of the hearing of the Court of an application for an order under section 411(1) of the Corporations Act convening of the Scheme Meeting.

**Galaxy 2021 Performance Right** means a Galaxy Performance Right identified as a "Galaxy 2021 Performance Right" in Part A of Schedule 2.

**Galaxy Break Fee** means \$18.6 million.

**Galaxy Board** means the board of directors of Galaxy.

**Galaxy Consolidated Tax Group** means the consolidated group of which Galaxy is the head company. In this definition, "consolidated group" and "head company" have the respective meanings given by the *Income Tax Assessment Act 1997* (Cth).

**Galaxy Data Room** means the online data room established by or on behalf of Galaxy in connection with the Scheme, to which Orocobre and its Representatives have been given access.

**Galaxy Disclosure Material** means:

- (a) the Galaxy Due Diligence Information; and
- (b) information that would have been disclosed to Orocobre had Orocobre conducted searches of the Public Registers on the Business Day prior to the date of this document.

**Galaxy Due Diligence Information** means all documents and other written information provided or made available in the Galaxy Data Room prior to the DD Cut-off Time as part of the due diligence investigations carried out in connection with the Scheme, as recorded



in the external hard drive provided by Galaxy to Orocobre, an index of the contents of which will be initialled for the purposes of identification by Galaxy's authorised representative (on behalf of Galaxy) and by Orocobre's authorised representative (on behalf of Orocobre) by no later than five Business Days after the date of this document (on the basis that, in the period prior to initialling, the Galaxy Data Room is secured in such manner so that access by any person other than the authorised representative Orocobre and Galaxy will be restricted and, if granted, recorded by way of metadata).

**Galaxy Excluded Transaction** means:

- (a) a transaction Fairly Disclosed in the Galaxy Disclosure Material or which ought to have been expected to arise from a matter, event or circumstance that was so disclosed, including refinancing and capital expenditure in respect of:
  - (i) James Bay project; and
  - (ii) Sal de Vida project;
- (b) a member of the Galaxy Group entering into or announcing, or performing its obligations under, any offtake agreements or otherwise engaging in any marketing activities or negotiations in relation to any of these matters;
- (c) a transaction consistent with a policy relating to employment which was Fairly Disclosed in the Galaxy Disclosure Material;
- (d) anything required or expressly permitted to be done or procured by Galaxy under this document or the Scheme or the transactions contemplated by either;
- (e) anything referred to in or otherwise contemplated by any work program or budget for activity planned to be conducted during the Exclusivity Period shared with Orocobre as part of the Galaxy Due Diligence Information;
- (f) anything done in connection with the transactions contemplated by clause 8;
- (g) the grant of Galaxy 2021 Performance Rights;
- (h) subject to clause 8, the issue of any Galaxy Shares on the exercise of any Galaxy Unlisted Securities; or
- (i) any transaction in relation to which Orocobre has expressly consented in writing.

**Galaxy Group** means Galaxy and its subsidiaries (Galaxy and each subsidiary being a **member of the Galaxy Group**).

**Galaxy Incentive Award Plan** means the incentive award plan last approved by Galaxy Shareholders at Galaxy's annual general meeting on 28 May 2019

**Galaxy Information** means all the information in the Scheme Booklet or any supplementary disclosure to Galaxy Shareholders in respect of the Scheme (other than the Orocobre Information, the Independent Expert's Report, any "Investigating Accountant's Report" to be included in or accompany the Scheme Booklet and any report or opinion prepared by a third party in relation to the potential taxation consequences of the Scheme on Scheme Shareholders in the Scheme Booklet), and includes any information about the Galaxy Group:

- (a) provided by Galaxy to Orocobre in writing for use in the preparation of the Merged Group Information; or

- (b) obtained by Orocobre from an announcement made by Galaxy to ASX or from a publicly available document lodged by Galaxy with ASIC, and used in the preparation of the Merged Group Information, provided that Orocobre has obtained written confirmation from Galaxy that the information can be used in the preparation of the Merged Group Information.

**Galaxy Joint Announcement Information** means any information regarding the Galaxy Group or the Merged Group in the Joint Announcement and Investor Presentation.

**Galaxy Long-Term Incentive Plan** means the long-term incentive plan last approved by Galaxy Shareholders at Galaxy's annual general meeting on 29 May 2015.

**Galaxy Material Adverse Effect** means an event, matter or circumstance that occurs, is announced or becomes known to Orocobre after the date of this document which, either individually or when aggregated with all such events or circumstances which have occurred, has had the effect of, or is reasonably likely to have the effect of diminishing the net asset value of the Galaxy Group by an amount of at least \$150,000,000, other than any event, matter or circumstance:

- (a) required or expressly permitted by this document, the Scheme or the transactions contemplated by either;
- (b) that is Fairly Disclosed in the Galaxy Disclosure Material (or which ought reasonably to have been expected to arise from a matter, event or circumstance which was so disclosed);
- (c) consented to in writing by Orocobre (in its absolute discretion);
- (d) resulting from:
  - (i) a change to legislation or regulation, any judicial or administrative interpretation of the law or any practice or policy of a Government Agency (whether or not retrospective in effect), including in relation to Tax; or
  - (ii) general changes in economic, political or business conditions (including interest rates, spodumene and tantalum prices and exchange rates), or in securities, credit or financial markets, including material adverse changes or major disruptions to, or fluctuations in, domestic or international financial markets, and acts of terrorism, war (whether or not declared), any pandemic (including COVID-19) or escalation of the same, affecting Australian, North American or South American lithium mining businesses generally; or
- (e) which has a similar or substantially similar impact on Orocobre.

**Galaxy Option** means an option set out in Part A of Schedule 2.

**Galaxy Performance Right** means a performance right set out in Part A of Schedule 2 (including, for the avoidance of doubt, a Galaxy 2021 Performance Right).

**Galaxy Prescribed Event** means the occurrence of any of the following:

- (a) **(share conversions)** Galaxy converting all or any of its shares into a larger or smaller number of shares;

- (b) **(capital reduction)** Galaxy resolving to reduce its share capital in any way or reclassifying, combining, splitting or redeeming or repurchasing directly or indirectly any of its shares;
- (c) **(buy-back)** Galaxy:
- (i) entering into a buy-back agreement; or
  - (ii) resolving to approve the terms of a buy-back agreement under the Corporations Act;
- (d) **(distribution)** Galaxy declaring, paying or distributing any dividend, bonus or other share of its profits or assets or returning or agreeing to return any capital to its members;
- (e) **(issue of securities)** a member of the Galaxy Group issuing shares or securities convertible into shares, or granting an option over its shares, or agreeing to make such an issue or grant such an option other than to Galaxy or a wholly-owned subsidiary of Galaxy;
- (f) **(convertible notes)** a member of the Galaxy Group issues, or agrees to issue, convertible notes, other than to Galaxy or a wholly-owned subsidiary of Galaxy;
- (g) **(change to constitution)** a member of the Galaxy Group making any change to its constitution;
- (h) **(deregistration)** a member of the Galaxy Group being deregistered as a company or otherwise dissolved except in the case of a Galaxy Group member with less than \$1 million in net assets as at the date of this document; or
- (i) **(Insolvency Event)** an Insolvency Event occurring in relation to a member of the Galaxy Group,

excluding any Galaxy Excluded Transaction.

**Galaxy Regulated Event** means the occurrence of any of the following:

- (a) a member of the Galaxy Group acquiring or disposing of, or entering into or announcing any agreement for the acquisition or disposal of any asset or business, other than in the usual and ordinary course of business and consistent with past practice, including in respect of the maintenance and surrender of immaterial tenements and the expansion or reduction of existing project tenement areas undertaken in the usual and ordinary course of business and consistent with past practice;
- (b) a member of the Galaxy Group varying in any materially adverse respect or terminating any Material Galaxy Contract;
- (c) a member of the Galaxy Group varying in any materially adverse respect or terminating or allowing to lapse or expire (without renewal or replacement on terms and conditions that are no less favourable to the Galaxy Group) any Material Galaxy Authorisation;
- (d) a member of the Galaxy Group entering into, agreeing or announcing a joint venture, asset or profit sharing arrangement or partnership

- For personal use only
- (e) a member of the Galaxy Group creating, granting or agreeing to any Encumbrance over any of the assets of any member of the Galaxy Group, other than a lien that arises by operation of law, legislation or in the usual and ordinary course of business;
  - (f) a member of the Galaxy Group entering into a contract or commitment restraining a member of the Galaxy Group from competing with any person or conducting activities in any market;
  - (g) a member of the Galaxy Group:
    - (i) other than in the usual and ordinary course of business and consistent with past practice:
      - (A) incurring any additional financial indebtedness by way of borrowings, hedging and other financial facilities, including operating and finance leases (except for draw-downs on existing banking facilities or utilisation of existing securitisation programs); or
      - (B) guaranteeing or indemnifying the obligations of any person other than a member of the Galaxy Group;
    - (ii) entering into any new financing arrangement, agreement or otherwise providing financial accommodation in excess of \$2.5 million other than to a member of the Orocobre Group or a member of the Galaxy Group, or amending the terms of any existing financial arrangement, agreement or instrument which provides for financial accommodation to be provided by a member of the Galaxy Group in excess of excess of \$2.5 million;
    - (iii) incurring capital expenditure in excess of \$5 million;
    - (iv) waiving any material third party default where the financial impact on the Galaxy Group will be in excess of \$2.5 million individually or in aggregate;
    - (v) accepting as a compromise of a matter less than the full compensation due to a member of the Galaxy Group where the financial impact of the compromise on the Galaxy Group is more than \$2.5 million individually or in aggregate; or
    - (vi) agreeing to do any of the matters listed in paragraphs (i) to (v);
  - (h) a member of the Galaxy Group entering into, or resolving to enter into, a transaction with any related party of Galaxy (other than a related party which is a member of the Galaxy Group), as defined in section 228 of the Corporations Act;
  - (i) a member of the Galaxy Group entering into any employment, consulting, severance or similar agreement or arrangement other than in the ordinary course of business and on terms consistent with past and market practice;
  - (j) a member of the Galaxy Group materially altering, varying or amending any employment, consulting, severance or similar agreement or arrangement with one or more of its officers, directors, other executives or employees, or accelerating or otherwise materially increasing compensation or benefits for any of the above, in each case other than pursuant to:
    - (i) contractual arrangements in effect on the date of this document; or

- (ii) Galaxy's policies and guidelines in effect on the date of this document, provided that such increases in compensation or benefits are no greater than:
- (iii) 5% in respect of any one officer, director, other executive or employee; and
- (iv) \$1 million in aggregate;
- (k) a member of the Galaxy Group entering into any enterprise bargaining agreement other than in the ordinary course of business or pursuant to contractual arrangements in effect on the date of this document;
- (l) a member of the Galaxy Group changing any accounting policy applied by them to report their financial position other than any change in policy required by a change in accounting standards;
- (m) a member of the Galaxy Group doing anything that would result in a change in the Galaxy Consolidated Tax Group; or
- (n) the variation or replacement of the BNP Facility Agreement,
- excluding any Galaxy Excluded Transaction.

**Galaxy Share** means a fully paid ordinary share in Galaxy.

**Galaxy Share Appreciation Right** means a share appreciation right set out in Part A of Schedule 2.

**Galaxy Shareholder** means a person entered in the Galaxy Share Register as a holder of a Galaxy Share.

**Galaxy Shareholder Approval** means a resolution in favour of the Scheme being passed by the required majorities of Galaxy Shareholders under section 411(4)(a)(ii) of the Corporations Act.

**Galaxy Share Register** means the register of members of Galaxy.

**Galaxy Unlisted Securities** means the:

- (a) Galaxy Performance Rights;
- (b) Galaxy Share Appreciation Rights; and
- (c) Galaxy Options.

**GLAL** means Galaxy Lithium Australia Limited ACN 130 182 099.

**Government Agency** means a government, government department or a governmental, semi-governmental, administrative, statutory or judicial entity, agency, authority, commission, department, tribunal, or person charged with the administration of a law or agency, whether in Australia or elsewhere, including the Australian Competition and Consumer Commission, ASIC, ASX, the Takeovers Panel, and any self-regulatory organisation established under statute or by ASX.

**GST** means a goods and services tax or similar value added tax levied or imposed in Australia under the GST Law.

**GST Law** means the same as "GST Law" in *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

**Headcount Test** means the requirement under section 411(4)(a)(ii)(A) of the Corporations Act that the resolution to approve the Scheme is passed by a majority in number of Galaxy Shareholders present and voting, either in person or by proxy at the Scheme Meeting.

**Implementation** means the implementation of the Scheme.

**Implementation Date** means the fifth Business Day following the Scheme Record Date, or such other date as ordered by the Court or agreed in writing between Orocobre and Galaxy.

**Impugned Amount** means all or any part of the payment required to be made under clause 13.2 or 13.3 (as the case may be) that is found by the Takeovers Panel or Court to:

- (a) be unlawful;
- (b) involve a breach of directors' duties; or
- (c) constitute Unacceptable Circumstances.

**Incoming Director** means each of the current directors of Galaxy listed in clause 7.1(a) (that is, those who will join the Orocobre Board on and from the Implementation Date).

**Independent Expert** means the independent expert appointed by Galaxy to provide an opinion on whether the Scheme is in the best interest of Galaxy Shareholders.

**Independent Expert's Report** means the report prepared by the Independent Expert on whether the Scheme is in the best interest of Galaxy Shareholders, including any updates or amendments to that report.

**Ineligible Overseas Shareholder** means a Galaxy Shareholder whose address, shown in the Galaxy Share Register at the Scheme Record Date, is a place outside Australia, New Zealand and their respective external territories or any other jurisdictions agreed by the parties in writing (each acting reasonably), other than any Galaxy Shareholder in respect of whom Orocobre determines (in its sole and absolute discretion) that it is lawful and not unduly impracticable or onerous for Orocobre to issue that Galaxy Shareholder with Consideration Shares on Implementation in accordance with the terms of this document.

**Insolvency Event** means, in respect of a person:

- (a) an administrator being appointed to the person;
- (b)
  - (i) a controller or analogous person being appointed to the person or any of the person's property;
  - (ii) an application being made to a court for an order to appoint a controller, provisional liquidator, trustee for creditors or in bankruptcy or analogous person to the person or any of the person's property, other than where the application is stayed, withdrawn, dismissed or set aside within 14 days; or
  - (iii) an appointment of the kind referred to in subparagraph (ii) being made (whether or not following a resolution or application);
- (c) the person being taken under section 459F(1) of the Corporations Act to have failed to comply with a statutory demand;

- (d) an application being made to a court for an order for its winding up which is not set aside within 14 days;
- (e) an order being made, or the person passing a resolution, for its winding up;
- (f) the person:
- (i) suspending payment of its debts, ceasing (or threatening to cease) to carry on all or a material part of its business, stating that it is unable to pay its debts or being or becoming otherwise insolvent; or
  - (ii) being unable to pay its debts or otherwise insolvent;
- (g) the person entering into a compromise or arrangement with, or assignment for the benefit of, its members or creditors generally;
- (h) a court or other authority enforcing any judgment or order against the person for the payment of money or the recovery of any property; or
- (i) any analogous event under the laws of any applicable jurisdiction,

unless this takes place as part of a solvent reconstruction, amalgamation, merger or consolidation that has been approved by Orocobre or Galaxy.

**Investor Presentation** means the investor presentation announced to ASX by each of Orocobre and Galaxy on the date of this document.

**Joint Announcement** means the announcement contemplated in clause 10.1.

**Loss** includes any loss, damage, liability, obligation, compensation, fine, penalty, charge, payment, cost or expense (including any legal cost and expense) however it arises and whether it is present or future, fixed or unascertained, actual or contingent but excluding any consequential or indirect loss, economic loss or loss of profits.

**Matching Period** has the meaning given in clause 12.2(b).

**Matching Right Notice** means a notice setting out:

- (a) that the Galaxy Board has determined that a Competing Proposal is a Superior Proposal; and
- (b) all material details of such Competing Proposal, including details of the:
  - (i) price;
  - (ii) conditions precedent;
  - (iii) timetable;
  - (iv) break fee; and
  - (v) name of the Competing Bidder.

**Material Galaxy Authorisation** means any Authorisation held by a member of the Galaxy Group at the date of this document, which, if that Authorisation was revoked or terminated, would materially adversely impact the ability of any member of the Galaxy Group to conduct its business in substantially the same manner and at the same locations as conducted in the six months preceding the date of this document.



**Material Galaxy Contract** means any contract to which a member of the Galaxy Group is a party at the date of this document, which, if revoked or terminated, would materially adversely impact the ability of any member of the Galaxy Group to conduct its business in substantially the same manner and at the same locations as conducted in the six months preceding the date of this document.

**Material Orocobre Authorisation** means any Authorisation held by a member of the Orocobre Group at the date of this document, which, if that Authorisation was revoked or terminated, would materially adversely impact the ability of any member of the Orocobre Group to conduct business in substantially the same manner and at the same locations as conducted in the six months preceding the date of this document.

**Material Orocobre Contract** means any contract to which a member of the Orocobre Group is a party at the date of this document, which, if revoked or terminated, would materially adversely impact the ability of any member of the Orocobre Group to conduct its business in substantially the same manner and at the same locations as conducted in the six months preceding the date of this document.

**Merged Group** means the combination of Orocobre and Galaxy following implementation of the Scheme, comprising Orocobre and its then subsidiaries.

**Merged Group Information** means any information in the Scheme Booklet or any supplementary disclosure to Galaxy Shareholders in respect of the Scheme, regarding the Merged Group.

**Orocobre 2021 Performance Right** means an Orocobre Performance Right identified as an "Orocobre 2021 Performance Right" in Part B of Schedule 2.

**Orocobre Board** means the board of directors of Orocobre.

**Orocobre Break Fee** means \$18.6 million.

**Orocobre Consolidated Tax Group** means the consolidated group of which Orocobre is the head company. In this definition, "consolidated group" and "head company" have the respective meanings given by the *Income Tax Assessment Act 1997* (Cth).

**Orocobre Data Room** means the online data room established by or on behalf of Orocobre in connection with the Scheme, to which Galaxy and its Representatives have been given access.

**Orocobre Declared Dividend** has the meaning given in clause 9.1.

**Orocobre Disclosure Material** means:

- (a) the Orocobre Due Diligence Information; and
- (b) information that would have been disclosed to Galaxy had Galaxy conducted searches of the Public Registers on the Business Day prior to the date of this document.

**Orocobre Due Diligence Information** means all documents and other written information provided or made available in the Orocobre Data Room prior to the DD Cut-off Time as part of the due diligence investigations carried out in connection with the Scheme, as recorded in the external hard drive provided by Orocobre to Galaxy, an index of the contents of which will be initialled for the purposes of identification by Galaxy's Company Secretary (on behalf of Galaxy) and by Orocobre's Company Secretary (on behalf of Orocobre) by no later than five Business Days after the date of this document (on the basis that, in the period prior to

initialling, the Galaxy Data Room is secured in such manner so that access by any person other than the Company Secretaries of Orocobre and Galaxy will be restricted and, if granted, recorded by way of metadata).

**Orocobre Excluded Transaction** means:

- (a) a transaction Fairly Disclosed in the Orocobre Disclosure Material or which ought to have been expected to arise from a matter, event or circumstance that was so disclosed, including refinancing and capital expenditure in respect of:
  - (i) stage 1 and stage 2 expansion of the Olaroz Lithium Facility;
  - (ii) the Naraha Lithium Hydroxide Plant; and
  - (iii) Borax Argentina S.A.
- (b) a member of the Orocobre Group entering into or announcing, or performing its obligations under, any offtake agreements or otherwise engaging in any marketing activities or negotiations in relation to any of these matters;
- (c) a transaction consistent with a policy relating to employment which was Fairly Disclosed in the Orocobre Disclosure Material;
- (d) anything required or expressly permitted to be done or procured by Orocobre under this document or the Scheme or the transactions contemplated by either;
- (e) anything referred to in or otherwise contemplated by any work program or budget for activity planned to be conducted during the Exclusivity Period shared with Galaxy as part of the Orocobre Due Diligence Information;
- (f) the grant of Orocobre 2021 Performance Rights;
- (g) the issue of any Orocobre Shares on the exercise of any Orocobre Performance Rights;
- (h) any refinancing of the Orocobre Group's existing Argentinian and Japanese working capital facilities as at the date of this document;
- (i) any refinancing of the Orocobre Group's existing 6,100,000,000 Japanese Yen project facility for the Naraha Lithium Hydroxide Plant as at the date of this document; and
- (j) any transaction in relation to which Galaxy has expressly consented in writing.

**Orocobre Group** means Orocobre and its subsidiaries (Orocobre and each subsidiary being a **member of the Orocobre Group**).

**Orocobre Information** means the information regarding the Orocobre Group and the Merged Group provided by Orocobre to Galaxy in writing for inclusion in the Scheme Booklet or any supplementary disclosure to Galaxy Shareholders in respect of the Scheme (in each case, excluding any Galaxy Information contained in, or used in the preparation of, the Merged Group Information), including:

- (a) a letter from Orocobre's Chairman;
- (b) information about Orocobre, Orocobre Shares and rights attaching to Orocobre Shares, other members of the Orocobre Group, the businesses of the Orocobre

Group, Orocobre's interests and dealings in Galaxy Shares and Orocobre's intentions for Galaxy's business and employees;

- (c) the Merged Group Information (excluding any Galaxy Information contained in, or used in the preparation of, the Merged Group Information); and
- (d) any other information required under the Corporations Act or ASIC Regulatory Guide 60 Schemes of arrangement to enable the Scheme Booklet to be prepared, that the parties agree is "Orocobre Information" and that is identified in the Scheme Booklet or supplementary disclosure as such.

To avoid doubt, the Orocobre Information excludes the Galaxy Information, the Independent Expert's Report, any "Investigating Accountant's Report" to be included in or accompany the Scheme Booklet, and any information about the potential taxation consequences of the Scheme on Scheme Shareholders in the Scheme Booklet.

**Orocobre Joint Announcement Information** means any information regarding the Orocobre Group or the Merged Group in the Joint Announcement and Investor Presentation.

**Orocobre Material Adverse Effect** means an event, matter or circumstance that occurs, is announced or becomes known to Galaxy after the date of this document which, either individually or when aggregated with all such events or circumstances which have occurred, has had the effect of, or is reasonably likely to have the effect of diminishing the net asset value of the Orocobre Group by an amount of at least \$150,000,000, other than any event, matter or circumstance:

- (a) required or expressly permitted by this document, the Scheme or the transactions contemplated by either;
- (b) that is Fairly Disclosed in the Orocobre Disclosure Material (or which ought reasonably to have been expected to arise from a matter, event or circumstance which was so disclosed);
- (c) consented to in writing by Galaxy (in its absolute discretion);
- (d) resulting from:
  - (i) a change to legislation or regulation, any judicial or administrative interpretation of the law or any practice or policy of a Government Agency (whether or not retrospective in effect), including in relation to Tax;
  - (ii) general changes in economic, political or business conditions (including interest rates, lithium chemical prices and exchange rates), or in securities, credit or financial markets, including material adverse changes or major disruptions to, or fluctuations in, domestic or international financial markets, and acts of terrorism, war (whether or not declared), any pandemic (including COVID-19) or escalation of the same,

affecting South American or Japanese lithium mining businesses generally; or

- (e) which has a similar or substantially similar impact on Galaxy.

**Orocobre Performance Right** means a performance right set out in Part B of Schedule 2 (including, for the avoidance of doubt, an Orocobre 2021 Performance Right).

**Orocobre Prescribed Event** means the occurrence of any of the following:

- (a) **(share conversions)** Orocobre converting all or any of its shares into a larger or smaller number of shares;
- (b) **(capital reduction)** Orocobre resolving to reduce its share capital in any way or reclassifying, combining, splitting or redeeming or repurchasing directly or indirectly any of its shares;
- (c) **(buy-back)** Orocobre:
  - (i) entering into a buy-back agreement; or
  - (ii) resolving to approve the terms of a buy-back agreement under the Corporations Act;
- (d) **(distribution)** other than in respect of an Orocobre Declared Dividend in accordance with clause 8.1, Orocobre declaring, paying or distributing any dividend, bonus or other share of its profits or assets or returning or agreeing to return any capital to its members;
- (e) **(issue of securities)** a member of the Orocobre Group issuing shares or securities convertible into shares, or granting an option over its shares, or agreeing to make such an issue or grant such an option other than to Orocobre or a wholly-owned subsidiary of Orocobre;
- (f) **(convertible notes)** a member of the Orocobre Group issues, or agrees to issue, convertible notes, other than to Orocobre or a wholly-owned subsidiary of Orocobre;
- (g) **(change to constitution)** a member of the Orocobre Group making any change to its constitution;
- (h) **(deregistration)** a member of the Orocobre Group being deregistered as a company or otherwise dissolved except in the case of an Orocobre Group member with less than \$1 million in net assets as at the date of this document;
- (i) **(Insolvency Event)** an Insolvency Event occurring in relation to a member of the Orocobre Group,

excluding any Orocobre Excluded Transaction.

**Orocobre Proposal** means any proposal, offer, transaction, agreement or arrangement in relation to Orocobre which is publicly announced or is in writing and which, if entered into by Orocobre or completed in accordance with its terms:

- (i) would result in a person (either alone or together with one or more associates) other than a member of the Galaxy Group, directly or indirectly:
  - (A) acquiring control (within the meaning given in section 50AA of the Corporations Act) of Orocobre or any member or members of the Orocobre Group holding all, a substantial part or a material of the business or assets of the Orocobre Group;
  - (B) acquiring an interest (including an economic interest by way of an equity swap, contract for difference or similar transaction or arrangement) or a relevant interest in more than 20% of the Orocobre Shares; or

- (C) acquiring, becoming the holder of, or having a right to acquire an economic interest in all, a substantial part or a material part of the business or assets of the Orocobre Group,

whether by way of takeover bid, members' or creditors' scheme of arrangement, shareholder approved acquisition, capital reduction, buy-back, sale or purchase of shares, other securities or assets, assignment of assets and liabilities, incorporated or unincorporated joint venture, dual-listed company (or other synthetic merger), deed of company arrangement, any debt for equity arrangement or other transaction or arrangement; or

- (ii) would result in the Scheme not being able to be Implemented substantially on the basis set out in this document.

**Orocobre Regulated Event** means the occurrence of any of the following:

- (a) a member of the Orocobre Group acquiring or disposing of, or entering into or announcing any agreement for the acquisition or disposal of any asset or business other than in the usual and ordinary course of business and consistent with past practice, including in respect of the maintenance and surrender of immaterial tenements and the expansion or reduction of existing project tenement areas undertaken in the usual and ordinary course of business and consistent with past practice;
- (b) a member of the Orocobre Group varying in any materially adverse respect or terminating any Material Orocobre Contract;
- (c) a member of the Orocobre Group varying in any materially adverse respect or terminating or allowing to lapse or expire (without renewal or replacement on terms and conditions that are no less favourable to the Orocobre Group) any Material Orocobre Authorisation;
- (d) a member of the Orocobre Group entering into, agreeing or announcing a joint venture, asset or profit sharing arrangement or partnership;
- (e) a member of the Orocobre Group creating, granting or agreeing to any Encumbrance over any of the assets of any member of the Orocobre Group, other than a lien that arises by operation of law, legislation or in the usual and ordinary course of business;
- (f) a member of the Orocobre Group entering into a contract or commitment restraining a member of the Orocobre Group from competing with any person or conducting activities in any market;
- (g) a member of the Orocobre Group:
  - (i) other than in the usual and ordinary course of business and consistent with past practice:
    - (A) incurring any additional financial indebtedness by way of borrowings, hedging and other financial facilities, including operating and finance leases (except for draw-downs on existing banking facilities or utilisation of existing securitisation programs); or
    - (B) guaranteeing or indemnifying the obligations of any person other than a member of the Orocobre Group,

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- (ii) entering into any new financing arrangement, agreement or otherwise providing financial accommodation in excess of \$2.5 million other than to a member of the Galaxy Group or another member of the Orocobre Group, or amending the terms of any existing financial arrangement, agreement or instrument which provides for financial accommodation to be provided by a member of the Orocobre Group in excess of \$2.5 million;
  - (iii) incurring capital expenditure in excess of \$5 million;
  - (iv) waiving any material third party default where the financial impact on the Orocobre Group will be in excess of \$2.5 million individually or in aggregate;
  - (v) accepting as a compromise of a matter less than the full compensation due to a member of the Orocobre Group where the financial impact of the compromise on the Orocobre Group is more than \$2.5 million individually or in aggregate; or
  - (vi) agreeing to do any of the matters listed in paragraphs (i) to (v);
  - (h) a member of the Orocobre Group entering into, or resolving to enter into, a transaction with any related party of Orocobre (other than a related party which is a member of the Orocobre Group), as defined in section 228 of the Corporations Act;
  - (i) a member of the Orocobre Group entering into any employment, consulting, severance or similar agreement or arrangement other than in the ordinary course of business and on terms consistent with past and market practice;
  - (j) a member of the Orocobre Group materially altering, varying or amending any employment, consulting, severance or similar agreement or arrangement with one or more of its officers, directors, other executives or employees, or accelerating or otherwise materially increasing compensation or benefits for any of the above, in each case other than pursuant to:
    - (i) contractual arrangements in effect on the date of this document; or
    - (ii) Orocobre's policies and guidelines in effect on the date of this document, provided that such increases in compensation or benefits are no greater than:
      - (iii) 5% in respect of any one officer, director, other executive or employee; and
      - (iv) \$1 million in aggregate;
  - (k) a member of the Orocobre Group entering into any enterprise bargaining agreement other than in the ordinary course of business or pursuant to contractual arrangements in effect on the date of this document;
  - (l) a member of the Orocobre Group changing any accounting policy applied by them to report their financial position other than any change in policy required by a change in accounting standards; or
  - (m) a member of the Orocobre Group doing anything that would result in a change in the Orocobre Consolidated Tax Group,

excluding any Orocobre Excluded Transaction.

**Orocobre Share** means a fully paid ordinary share in Orocobre.

**Orocobre Shareholder** means a person entered in the register of members of Orocobre as a holder of an Orocobre Share.

**Opt-in Notice** means a notice by an Unmarketable Parcel Shareholder requesting to receive the Scheme Consideration as Consideration Shares.

**Order** has the meaning given in clause 3.9.

**Outgoing Director** means each of the current directors of Orocobre, other than those listed in clause 7.1(a) (that is, those who will step down from the Orocobre Board on and from the Implementation Date).

**PPS Security Interest** means a security interest that is subject to the PPSA.

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

**Public Registers** means:

- (a) the records made available for public inspection by ASIC and which are revealed on an electronic search under a party's name, ACN or ABN; and
- (b) the announcements made by a party to ASX.

**Regulatory Approvals** means the consents, approvals, waivers and modifications referred to in item 1 of clause 3.2.

**Relevant Agreement** means each agreement entered into by a member of the Galaxy Group that Orocobre and Galaxy agree in writing to be Relevant Agreement for the purposes of this document.

**Relevant Unmarketable Parcel Shareholder** means an Unmarketable Parcel Shareholder who has not provided Galaxy with an Opt-in Notice before 5.00 pm (Perth time) on the Business Day prior to the Scheme Record Date.

**Representatives**, in relation to an entity, means:

- (a) each of the entity's subsidiaries and each of the directors, officers and employees of the entity and its subsidiaries; and
- (b) each of the legal, financial and other expert advisers of the entity or any of its subsidiaries in connection with the Scheme.

**Sale Nominee** has the meaning given in clause 2.7(a).

**Scheme** means a scheme of arrangement under Part 5.1 of the Corporations Act between Galaxy and Scheme Shareholders in the form of Schedule 3, or in such other form as is agreed in writing between Orocobre and Galaxy, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and approved by each party.

**Scheme Booklet** means the information memorandum in respect of the Scheme to be approved by the Court and dispatched to Galaxy Shareholders, and that includes the Scheme, a copy of the Deed Poll executed by Orocobre, an explanatory statement (as that term is defined in section 412 of the Corporations Act), the Independent Expert's Report and a notice of meeting and proxy form in respect of the Scheme Meeting.

**Scheme Consideration** means the consideration to be provided by Orocobre to each Scheme Shareholder for the transfer of each Scheme Share under the Scheme, being,



subject to clauses 2.6 and 2.7, the number of Consideration Shares per Scheme Share set out in clause 2.4.

**Scheme Meeting** means the meeting of Galaxy Shareholders to be convened as ordered by the Court under section 411(1) of the Corporations Act, to consider the Scheme.

**Scheme Record Date** means 7.00 pm (Sydney time) on the day which is two Business Days after the Effective Date, or such other date as may be agreed in writing between Orocobre and Galaxy or as may be required by ASX.

**Scheme Shareholder** means a Galaxy Shareholder recorded as such in the Galaxy Share Register at the Scheme Record Date.

**Second Court Date** means the first day on which the Court hears the application for an order under section 411(4)(b) of the Corporations Act approving the Scheme or, if the application is adjourned or subject to appeal for any reason, the first day on which the adjourned or appealed application is heard.

**Security Interest** means any security interest, including:

- (a) a PPS Security Interest;
- (b) any other mortgage, charge, pledge or lien; or
- (c) any other interest or arrangement of any kind that in substance secures the payment of money or the performance of an obligation, or that gives a creditor priority over unsecured creditors in relation to any property.

**Share Splitting** means the splitting, by a holder of Galaxy Shares, of their single holding of Galaxy Shares into two or more parcels of Galaxy Shares, whether or not it results in any change in beneficial ownership of the Galaxy Shares.

**Superior Proposal** means a bona fide Competing Proposal which the Galaxy Board, acting in good faith and after taking advice from Galaxy's financial and legal advisers, determines:

- (a) is reasonably capable of being implemented within a reasonable timeframe and substantially in accordance with its terms; and
- (b) would, if so implemented, likely result in a more favourable outcome for Galaxy Shareholders than would result from Implementation.

**Takeovers Panel** means the Takeovers Panel constituted under the *Australian Securities and Investments Commission Act 2001* (Cth).

**Tax** means any tax, levy, charge, impost, fee, deduction, GST, compulsory loan or withholding, stamp, transaction or registration duty or similar charge that is assessed, levied, imposed or collected by any Government Agency and includes any interest, fine, penalty, charge, fee or any other amount imposed on, or in respect of any of the above.

**Terminating Party** has the meaning given in clause 14.1.

**Timetable** means the timetable set out in Schedule 1, subject to any modifications as the parties may agree in writing.

**Transition Team** means the committee comprised of senior Galaxy executives and senior Orocobre executives established in accordance with clause 6.4.

**Unacceptable Circumstances** has the meaning given to that term in section 657A of the Corporations Act.

**Unmarketable Parcel Shareholder** means a Scheme Shareholder (other than an Ineligible Overseas Shareholder) who, based on their holding of Scheme Shares on the Scheme Record Date, would, on Implementation, be entitled to receive less than a marketable parcel (as that term is defined in the ASX Listing Rules) of Consideration Shares (assessed by reference to the price of Orocobre Shares on ASX at the close of trade on the trading day prior to the Scheme Record Date).

## 1.2 Rules for interpreting this document

Headings and catchwords are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this document, except where the context makes it clear that a rule is not intended to apply.

- (a) A reference to:
  - (i) a legislative provision or legislation (including subordinate legislation) is to that provision or legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
  - (ii) a document (including this document) or agreement, or a provision of a document (including this document) or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;
  - (iii) a party to this document or to any other document or agreement includes a permitted substitute or a permitted assign of that party;
  - (iv) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
  - (v) anything (including a right, obligation or concept) includes each part of it.
- (b) A singular word includes the plural, and vice versa.
- (c) A word which suggests one gender includes the other genders.
- (d) If a word or phrase is defined, any other grammatical form of that word or phrase has a corresponding meaning.
- (e) If an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.
- (f) The words **associate, controller, entity, officer, related body corporate, relevant interest, security interest** and **subsidiary** have the same meanings as given by the Corporations Act.
- (g) A reference to **\$** or **dollar** is to Australian currency.
- (h) The expression **this document** includes the agreement, arrangement, understanding or transaction recorded in this document.
- (i) Terms defined in the GST Law have the same meaning in this document unless the context otherwise requires.

- (j) If a person is a member of a GST group, references to GST for which the person is liable and to input tax credits to which the person is entitled include GST for which the representative member of the GST group is liable and input tax credits to which the representative member is entitled.
- (k) A reference to time in this document is a reference to time in Perth, Western Australia.

### 1.3 **Non-Business Days**

If the day on or by which a person must do something under this document is not a Business Day the person must do it on or by the next Business Day.

### 1.4 **Best and reasonable endeavours**

In this document a reference to a party using or obligation on a party to use its best endeavours or reasonable endeavours or to take reasonable steps does not oblige that party to:

- (a) pay money in the form of an inducement or consideration to a third party to procure something (other than the payment of immaterial expenses or costs, including costs of advisers, to procure the relevant thing, including payment of any applicable fee for the lodgement or filing of any relevant application with any Government Agency); or
- (b) commence any action or proceeding against a third party (including a Government Agency).

### 1.5 **Imputed knowledge of Galaxy and Orocobre**

In this document:

- (a) a reference to the knowledge or belief of Galaxy is limited to the actual knowledge and belief of the members of the Galaxy Board, Galaxy chief executive officer and Galaxy chief financial officer, having made reasonable enquiries; and
- (b) a reference to the knowledge or belief of Orocobre is limited to the actual knowledge and belief of the members of the Orocobre Board and Orocobre chief financial officer, having made reasonable enquiries.

## 2. **SCHEME**

### 2.1 **Agreement to propose and implement Scheme**

- (a) Galaxy agrees to propose the Scheme to Galaxy Shareholders and implement the Scheme in accordance with Part 5.1 of the Corporations Act and subject to the terms of this document, and must use reasonable endeavours to do so substantially in accordance with the Timetable.
- (b) Orocobre agrees to assist Galaxy to propose and implement the Scheme in accordance with Part 5.1 of the Corporations Act and subject to the terms of this document, and must use reasonable endeavours to do so substantially in accordance with the Timetable.
- (c) Subject to the terms of this document, Orocobre covenants in favour of Galaxy (in its own right and separately as trustee or nominee for each Scheme Shareholder) that, if the Scheme becomes Effective, in consideration for the transfer to Orocobre of each Galaxy Share held by a Scheme Shareholder under the terms of the Scheme, Orocobre will, on the Implementation Date, subject to the terms of the Deed Poll and

the Scheme, provide to each Scheme Shareholder the Scheme Consideration for each Galaxy Share held by that Scheme Shareholder at the Scheme Record Date.

## 2.2 **Outline of Scheme**

Subject to the terms of this document and the Scheme, on the Implementation Date:

- (a) all of the Galaxy Shares held by Scheme Shareholders will be transferred to Orocobre; and
- (b) the Scheme Shareholders will receive the Scheme Consideration for each Galaxy Share they held on the Scheme Record Date.

## 2.3 **No amendments to Scheme without consent**

Galaxy must not consent to:

- (a) any modification of;
- (b) any amendment to; or
- (c) the making or imposition by the Court of any condition in respect of,

the Scheme without the prior written consent of Orocobre.

## 2.4 **Scheme Consideration**

The Scheme Consideration in respect of each Galaxy Share held on the Scheme Record Date is 0.569 Consideration Shares.

## 2.5 **Issue of Consideration Shares**

- (a) Orocobre covenants in favour of Galaxy (in its own right and separately as trustee or nominee for each Scheme Shareholder) that:
  - (i) subject to clauses 2.6 and 2.7 and to the Scheme becoming Effective, Orocobre will issue to the Scheme Shareholders the Consideration Shares that comprise the Scheme Consideration in accordance with the Scheme on terms such that each Consideration Share will rank equally in all respects with each existing Orocobre Share on issue at the Implementation Date; and
  - (ii) Orocobre will apply to ASX for the official quotation of the Consideration Shares on ASX and use all reasonable endeavours to ensure that the Consideration Shares are approved for official quotation on ASX and that trading in the Consideration Shares commences with effect from the Business Day after the Effective Date (or such later date as ASX may require), initially on a deferred settlement basis, and with effect from the first Business Day after the Implementation Date, on an ordinary (T+2) basis.
- (b) Orocobre covenants in favour of Galaxy (in its own right and separately as trustee or nominee for each Scheme Shareholder) that:
  - (i) the Consideration Shares will entitle the holder to participate in and receive any dividends or distribution of capital and any other entitlements accruing in respect of Orocobre Shares on and from the Implementation Date; and
  - (ii) on issue, each such Consideration Share will be validly issued, fully paid and free from any Encumbrance.

## 2.6 Fractional entitlements and Share Splitting

- (a) Any fractional entitlement of a Scheme Shareholder to part of a Consideration Share will be rounded up or down to the nearest whole number of Consideration Shares in accordance with the Scheme.
- (b) The Scheme will contain standard provisions under which Orocobre will have the discretion to deem the holdings of two or more Scheme Shareholders to be held by one Scheme Shareholder, to prevent any Share Splitting designed to obtain an unfair advantage by reference to such rounding.

## 2.7 Ineligible Overseas Shareholders and Relevant Unmarketable Parcel Shareholders

- (a) Orocobre will be under no obligation under the Scheme or Deed Poll to issue, and will not issue, any Consideration Shares to any Ineligible Overseas Shareholder or any Relevant Unmarketable Parcel Shareholder and instead Orocobre must issue the Consideration Shares to which each Ineligible Overseas Shareholder and each Relevant Unmarketable Parcel Shareholder would otherwise have become entitled to a nominee appointed by Galaxy and Orocobre (**Sale Nominee**) to be dealt with in accordance with the Scheme.
- (b) Galaxy and Orocobre must appoint the Sale Nominee at least five Business Days prior to the Scheme Meeting.
- (c) The terms of appointment of the Sale Nominee under clause 2.7(a) must provide for the Sale Nominee to deal with the Consideration Shares to which each Ineligible Overseas Shareholder and each Relevant Unmarketable Parcel Shareholder would otherwise be entitled to be issued, in accordance with the requirements of the Scheme.

## 2.8 Unmarketable parcels

- (a) Galaxy must provide each Unmarketable Parcel Shareholder with, or procure the provision to each Unmarketable Parcel Shareholder of, an Opt-in Notice.
- (b) Unless an Unmarketable Parcel Shareholder provides Galaxy with a duly completed Opt-in Notice prior to 5.00 pm (Perth time) on the Business Day prior to the Scheme Record Date requesting to receive the Scheme Consideration as Consideration Shares, Orocobre will be under no obligation under the Scheme or Deed Poll to issue, and will not issue, any Consideration Shares to any Unmarketable Parcel Shareholder, and instead, unless Orocobre and Galaxy otherwise agree, Orocobre must procure that the Consideration Shares that each Unmarketable Parcel Shareholder would otherwise be entitled to receive as Scheme Consideration are dealt with in accordance with clause 2.7.
- (c) Galaxy must notify Orocobre by 12.00 noon (Perth time) on the Scheme Record Date of the details of each Unmarketable Parcel Shareholder who provided Galaxy with a duly completed Opt-in Notice prior to 5.00 pm (Perth time) on the Business Day prior to the Scheme Record Date.

## 3. CONDITIONS

### 3.1 Obligations not binding until Conditions satisfied

Subject to this clause 3, the obligations of the parties with respect to Implementation (including the obligations of Orocobre under clauses 2.1(c), 2.5 and 4.3(p)) do not become binding unless and until each Condition is satisfied or waived under clause 3.3.

### 3.2 Conditions

The Conditions are as follows.

	CONDITION	PARTY ENTITLED TO BENEFIT	PARTY RESPONSIBLE
<b><i>For the benefit of both parties</i></b>			
1.	<b>Regulatory Approvals</b> Before 7.00 am (Perth time) on the Second Court Date: (a) all consents, approvals, waivers and modifications that are necessary to implement the Scheme are obtained on terms acceptable to the parties (acting reasonably); and (b) none of those approvals, waivers and modifications have been withdrawn, cancelled or revoked.	Orocobre and Galaxy, but cannot be waived	Orocobre and Galaxy
2.	<b>Orders convening Meeting</b> The Court makes orders convening the Scheme Meeting under section 411(1) of the Corporations Act.	Orocobre and Galaxy, but cannot be waived	Galaxy
3.	<b>Galaxy Shareholder Approval</b> Before 7.00 am (Perth time) on the Second Court Date, Galaxy Shareholder Approval is obtained at the Scheme Meeting (or any adjournment or postponement of it) convened in accordance with the orders made under section 411(1) of the Corporations Act.	Orocobre and Galaxy, but cannot be waived	Galaxy
4.	<b>Court approval of Scheme</b> Subject to clause 3.8, the Court makes orders under section 411(4)(b) of the Corporations Act approving the Scheme.	Orocobre and Galaxy, but cannot be waived	Galaxy
5.	<b>Order lodged with ASIC</b> An office copy of the Court order approving the Scheme under section 411(4)(b) of the Corporations Act is lodged with ASIC.	Orocobre and Galaxy, but cannot be waived	Galaxy
6.	<b>No regulatory actions</b> At 7.00 am (Perth time) on the Second Court Date, there is not in effect: (a) any temporary, preliminary or final decision, order, injunction or decree issued by a court of competent	Orocobre and Galaxy	Orocobre and Galaxy

	CONDITION	PARTY ENTITLED TO BENEFIT	PARTY RESPONSIBLE
	<p>jurisdiction or other Government Agency; or</p> <p>(b) any action or investigation by any Government Agency, in consequence of or in connection with the Scheme which restrains, prohibits or impedes the implementation of the Scheme (including the acquisition of any or all of the Galaxy Shares by Orocobre).</p>		
7.	<p><b>ASX quotation</b></p> <p>Before 7.00 am (Perth time) on the Second Court Date, ASX has not indicated to Orocobre that it will not grant permission for the official quotation of the Consideration Shares on ASX from the Business Day following the Implementation Date.</p>	Orocobre and Galaxy	Orocobre
<b>For the benefit of Orocobre</b>			
8.	<p><b>No Galaxy Material Adverse Effect</b></p> <p>No Galaxy Material Adverse Effect occurs between the date of this document and 7.00 am (Perth time) on the Second Court Date.</p>	Orocobre	Galaxy
9.	<p><b>No Galaxy Prescribed Event</b></p> <p>No Galaxy Prescribed Event occurs between the date of this document and 7.00 am (Perth time) on the Second Court Date.</p>	Orocobre	Galaxy
10.	<p><b>Galaxy representations and warranties</b></p> <p>Each of the representations and warranties given or made by Galaxy under clause 15 is true and correct in all material respects as at the time it is given or made or if this is not the case the breach has been remedied in accordance with clause 14.1(a)(i)(C) or is not of such materiality that Orocobre could rely on clause 14.1(c) to terminate this document as a result of the breach.</p>	Orocobre	Galaxy
11.	<p><b>BNP Facility Agreement</b></p> <p>Before 7.00 am (Perth time) on the Second Court Date, BNP has given its consent to the change in control of Galaxy and the delisting of Galaxy from ASX that will occur on Implementation as not being "review events" for the purposes of the BNP Facility</p>	Orocobre	Galaxy



	CONDITION	PARTY ENTITLED TO BENEFIT	PARTY RESPONSIBLE
	Agreement, on terms reasonably acceptable to Orocobre.		
<b>For the benefit of Galaxy</b>			
12.	<b>Independent Expert's Report</b> The Independent Expert issues the Independent Expert's Report, which concludes that the Scheme is in the best interest of Galaxy Shareholders and the Independent Expert does not change, withdraw or qualify its conclusion in any written update to its Independent Expert's Report or withdraw the Independent Expert's Report prior to 7.00 am (Perth time) on the Second Court Date.	Galaxy	Galaxy
13.	<b>No Orocobre Material Adverse Effect</b> No Orocobre Material Adverse Effect occurs between the date of this document and 7.00 am (Perth time) on the Second Court Date.	Galaxy	Orocobre
14.	<b>No Orocobre Prescribed Event</b> No Orocobre Prescribed Event occurs between the date of this document and 7.00 am (Perth time) on the Second Court Date.	Galaxy	Orocobre
15.	<b>Orocobre representations and warranties</b> Each of the representations and warranties given or made by Orocobre under clause 15 is true and correct in all material respects as at the time it is given or made or if this is not the case the breach has been remedied in accordance with clause 14.1(a)(i)(C) or is not of such materiality that Galaxy could rely on clause 14.1(c) to terminate this document as a result of the breach.	Galaxy	Orocobre

### 3.3

#### Waiver of Conditions

- (a) To avoid any doubt, the Conditions that the table in clause 3.2 specifies "cannot be waived", cannot be waived.
- (b) Subject to clause 3.3(a), if a Condition has been included for the benefit of:
  - (i) one party only, only that party may, in its sole and absolute discretion, waive the breach or non-fulfilment of the Condition;
  - (ii) more than one party, the breach or non-fulfilment of the Condition may be waived only by the consent of all those parties.

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- (c) The breach or non-fulfilment of a Condition may only be waived in writing.
  - (d) If a party waives the breach or non-fulfilment of a Condition, that waiver precludes the party from suing another party for any breach of this document that resulted in the breach or non-fulfilment of the Condition.
  - (e) Waiver of a breach or non-fulfilment in respect of one Condition does not constitute:
    - (i) a waiver of breach or non-fulfilment of any other Condition resulting from the same event; or
    - (ii) a waiver of breach or non-fulfilment of that Condition resulting from any other event.
  - (f) Subject to clause 3.7, any waiver of a breach or non-fulfilment of a Condition must take place prior to 7.00 am (Perth time) on the Second Court Date.

#### 3.4 **Satisfaction of Conditions**

Each party must:

- (a) use its best endeavours (other than waiver) to ensure and procure that each Condition for which that party is responsible (as set out in the table in clause 3.2, and whether solely or jointly) is satisfied as soon as practicable after the date of this document and continues to be satisfied until the last time it is to be satisfied (as the context requires);
- (b) not take any action or refrain from taking any action (except as required by law) designed to prevent the Conditions being satisfied, without the prior consent of the other party; and
- (c) where it is reasonable and lawful for it to do so, provide any information or assistance reasonably requested by the other party to satisfy a Condition for which the other party is solely responsible for satisfying.

#### 3.5 **Notifications**

Each party must:

- (a) keep the other party promptly and reasonably informed of the steps it has taken and of its progress towards satisfaction of the Conditions;
- (b) promptly notify the other party in writing if it becomes aware that any Condition has been satisfied, in which case the notifying party must provide reasonable evidence to the other party that the Condition has been satisfied if requested by the other party;
- (c) promptly notify the other party in writing of any circumstances of which it becomes aware which has resulted in or may result in any of the Conditions being breached or not being satisfied in accordance with its terms; and
- (d) on receipt of a notice given under clause 3.5(c), as soon as reasonably practicable and in any event no later than 7.00 am (Perth time) on the Second Court Date, give notice to the other party stating whether or not the breach or non-fulfilment of any Condition the subject of the notice given under clause 3.5(c) is waived.

### 3.6 **Parties to provide certificate to Court**

- (a) Before 8.00 am (Perth time) on the Second Court Date, each party must provide:
  - (i) to the other party, and to the Court, a certificate signed by a duly authorised representative (or such other evidence as the Court requests) confirming whether or not the Conditions set out in clause 3.2 included for its benefit (whether solely or jointly), other than the Conditions in items 4 and 5 in clause 3.2, have been satisfied or waived in accordance with this document; and
  - (ii) to the other party a certificate signed by a duly authorised representative stating whether or not:
    - (A) it has materially breached any of its obligations under this document; and
    - (B) each of the representations and warranties given by it under clause 15 is true and accurate in all material respects as at the time(s) it is given or made under clause 15.
- (b) A certificate provided under clause 3.6(a)(i) constitutes conclusive evidence that the relevant Conditions have been fulfilled, waived or taken to be waived.

### 3.7 **If a Condition is not fulfilled or waived**

If:

- (a) any Condition is not satisfied or (where capable of waiver) waived by the time or date specified in this document for its satisfaction;
  - (b) for any reason, a Condition is not capable of being satisfied, or a circumstance occurs which is reasonably likely to result in a Condition not being capable of being satisfied, and the Condition has not for the time being been waived in accordance with clause 3.3 or cannot be waived; or
  - (c) the Scheme has not become Effective by 11.59 pm (Perth time) on the End Date,
- then the parties must promptly consult in good faith to determine whether to:
- (d) proceed by way of alternative means or method so as to achieve an outcome that is:
    - (i) commercially substantially the same as the Scheme; and
    - (ii) no less favourable for Galaxy Shareholders than would result from the implementation of the Scheme;
  - (e) extend the relevant time or date for satisfaction of a particular Condition or Conditions;
  - (f) change the date of the application to be made to the Court for orders under section 411(4)(b) of the Corporations Act approving the Scheme or adjourning that application (as applicable) to another date agreed by the parties;
  - (g) extend the End Date; or
  - (h) do all, or any combination of, the matters listed in clauses 3.7(d) to 3.7(g) (inclusive).

### 3.8 **Court approval**

If the Court's approval of the Scheme in accordance with section 411(4) of the Corporations Act would impose any terms or conditions other than those set out in the Scheme, then each such term or condition must be approved in writing by Orocobre and Galaxy (both acting reasonably) prior to the Court granting the final orders and if not so agreed, the Condition in item 4 of clause 3.2 will not be satisfied.

### 3.9 **Scheme voted down**

If Galaxy Shareholder Approval is not obtained at the Scheme Meeting by reason only of the non-satisfaction of the Headcount Test, and it appears to either party (acting reasonably) that there are reasonable grounds on which an application could be made to the Court to exercise its discretion under section 411(4)(a)(ii)(A) of the Corporations Act to disregard the Headcount Test (**Order**), that party may give notice to the other within three Business Days after the Scheme Meeting setting out those grounds and if such notice is given:

- (a) Galaxy must, promptly after such notice is given, apply to Court for the Order by making such submissions to the Court, and filing such evidence, as counsel engaged by Galaxy to represent it in Court proceedings related to the Scheme, in consultation with Orocobre, considers is reasonably required to persuade the Court to exercise its discretion; and
- (b) the cost of the application for the Order is to be borne equally between the parties.

## 4. **OBLIGATIONS OF THE PARTIES**

### 4.1 **Timetable**

Without limiting clause 2.1, each of Orocobre and Galaxy acknowledges and agrees that:

- (a) failure by a party to meet any timeframe or deadline set out in the Timetable will not constitute a breach of clause 4.2 (by Galaxy) or clause 4.3 (by Orocobre) provided that the party has been working in good faith and in a timely manner to meet the timeframe or deadline or to the extent that such failure is due to circumstances and matters outside the party's control;
- (b) each party must:
  - (i) keep the other party informed about their progress against the Timetable; and
  - (ii) notify each other if it believes that any of the dates in the Timetable are unachievable; and
- (c) where any dates in the Timetable become unachievable, the parties will consult in good faith to agree how to implement the Scheme as soon as reasonably practicable.

### 4.2 **Galaxy obligations**

Galaxy must take all steps reasonably necessary to propose and implement the Scheme in accordance with this document as soon as reasonably practicable, and use reasonable endeavours to do so in accordance with the Timetable, including that Galaxy must:

- (a) (**Galaxy Board recommendation and director intentions**) on the date of this document, and in accordance with clause 10.1, make an Announcement, in a form agreed between Orocobre and Galaxy, which includes a statement (on the basis of written statements made to it by each of its directors) that:

- (i) the Galaxy directors unanimously recommend that Galaxy Shareholders vote in favour of the Scheme at the Scheme Meeting; and
- (ii) each director of Galaxy who holds Galaxy Shares intends to vote his or her Galaxy Shares in favour of the Scheme at the Scheme Meeting,

in each case, subject only to no Superior Proposal emerging and to the Independent Expert concluding (and continuing to conclude) that the Scheme is in the best interest of Galaxy Shareholders;

(b) **(directors' support):**

- (i) use reasonable endeavours to procure that Galaxy's directors maintain the recommendation referred to in clause 4.2(a)(i) and the voting intention referred to in clause 4.2(a)(ii) until the Implementation Date, unless:
  - (A) the Galaxy Board, acting in good faith and after taking advice from Galaxy's external legal advisers, determines that maintaining the recommendation referred to in clause 4.2(a)(i) may constitute a breach of the fiduciary duties or statutory obligations of any member of the Galaxy Board to Galaxy;
  - (B) a Superior Proposal is received by Galaxy or announced; or
  - (C) the Independent Expert concludes (either in its initial Independent Expert's Report or in any written update, revision, amendment, addendum or supplementary reports to it) that the Scheme is not in the best interest of Galaxy Shareholders, or the Independent Expert withdraws its Independent Expert's Report prior to 7.00 am (Perth time) on the Second Court Date,

and provided that, in each case, Galaxy has complied with its obligations under clause 11.

For the purposes of this document, if a Competing Proposal is publicly announced in respect of Galaxy, the release by Galaxy of one or more Announcements to the effect that Galaxy Shareholders should take no action while the Galaxy Board considers its response will not (in and of itself) be regarded as a failure of Galaxy directors to maintain the recommendation referred to in clause 4.2(a)(i) and the voting intention referred to in clause 4.2(a)(ii).

- (c) **(Regulatory Approvals)** consult with Orocobre on all aspects of communications with Government Agencies in relation to the Scheme and, as expeditiously as practicable:
  - (i) apply for the Regulatory Approvals and provide Orocobre with a copy of all applications;
  - (ii) take all steps it is responsible for in the approval process;
  - (iii) respond to requests for information from the relevant Government Agencies in relation to the Regulatory Approvals at the earliest practicable time;
  - (iv) provide Orocobre with all information reasonably requested in connection with the applications for Regulatory Approvals for which Orocobre must apply under clause 4.3(b);

- (d) **(Independent Expert's Report)** commission the preparation of the Independent Expert's Report and provide all assistance and information reasonably requested by the Independent Expert to enable it to prepare the Independent Expert's Report as soon as practicable;
- (e) **(prepare Scheme Booklet)** as soon as practicable after the date of this document, prepare the Scheme Booklet and, subject to Orocobre complying with its obligations under clauses 4.3(d) and 4.3(e) in respect of the Orocobre Information, ensure that the Scheme Booklet includes all information required by applicable laws, ASIC regulatory guides, Takeovers Panel policy and guidance notes and the ASX Listing Rules and unless there has been a change of recommendation permitted by clause 5, include in the Scheme Booklet a statement (on the basis of written statements made to it by each of its directors) that:
- (i) the Galaxy directors unanimously recommend that Galaxy Shareholders vote in favour of the Scheme at the Scheme Meeting; and
  - (ii) each director of Galaxy who holds Galaxy Shares intends to vote his or her Galaxy Shares in favour of the Scheme at the Scheme Meeting,
- in each case, subject only to no Superior Proposal emerging and to the Independent Expert concluding (and continuing to conclude) that the Scheme is in the best interest of Galaxy Shareholders;
- (f) **(Merged Group Information)** promptly prepare and provide to Orocobre any information regarding the Galaxy Group reasonably required in order for Orocobre to prepare the Merged Group Information for inclusion in the Scheme Booklet;
- (g) **(Court documents)** prepare all documents necessary for the Court proceedings relating to the Scheme in accordance with all applicable laws;
- (h) **(due diligence and verification)** undertake appropriate due diligence and verification processes in relation to the Galaxy Information and, after those processes have been completed, provide on or before the First Court Date an affidavit to the Court confirming the due diligence and verification processes undertaken and their completion;
- (i) **(consult with Orocobre)** in a timely manner consult with Orocobre as to the form and content of all material documents required for the purposes of the Scheme, including:
- (i) the Scheme Booklet, including:
    - (A) providing Orocobre with drafts of the Scheme Booklet for the purpose of providing Orocobre reasonable opportunity to review and make comments on drafts of the Scheme Booklet (accepting that any review of the Independent Expert's Report is limited to review for factual accuracy including of those parts that include information relating to Orocobre);
    - (B) taking into account Orocobre's reasonable comments on drafts of the Scheme Booklet in good faith, and incorporating the Orocobre Information;
    - (C) providing to Orocobre a revised draft of the Scheme Booklet within a reasonable time before the ASIC Review Draft is finalised and to enable Orocobre to review the ASIC Review Draft before the date of its submission; and

- For personal use only
- (D) obtaining Orocobre's consent to the inclusion of the Orocobre Information (including in respect of the form and context in which the Orocobre Information appears in the Scheme Booklet); and
  - (ii) the Court proceedings relating to the Scheme, including
    - (A) providing successive drafts of each affidavit or other document to be provided by Galaxy (or its Representatives) necessary for the Court proceedings in relation to the Scheme to Orocobre for the purpose of enabling Orocobre to review and comment on those drafts;
    - (B) taking into account in good faith Orocobre's reasonable comments on such documents;
  - (j) **(lodgement of ASIC Review Draft):**
    - (i) as soon as reasonably practicable, and no later than 14 days before the First Court Date, provide a draft of the Scheme Booklet to ASIC as contemplated by section 411(2) of the Corporations Act; and
    - (ii) keep Orocobre reasonably informed of any material issues raised by ASIC in relation to the ASIC Review Draft and use reasonable endeavours, in consultation with Orocobre, to resolve any such matters;
  - (k) **(apply to Court for order to convene Meeting)** apply to the Court under section 411(1) of the Corporations Act for an order directing Galaxy to convene the Scheme Meeting;
  - (l) **(register Scheme Booklet)** if the Court directs Galaxy to convene the Scheme Meeting, request ASIC to register the Scheme Booklet under section 412(6) of the Corporations Act;
  - (m) **(convene Scheme Meeting)** convene the Scheme Meeting in accordance with any order made by the Court under section 411(1) of the Corporations Act;
  - (n) **(representation)** allow, and not oppose, any application by Orocobre for leave of the Court to be represented, or the separate representation of Orocobre by counsel, at any Court hearings in relation to the Scheme, provided that in making any application for representation or in appearing before the Court, Orocobre acts in accordance with this document and does not oppose any application by Galaxy in exercise of its rights under this document;
  - (o) **(approval of Scheme Booklet)** procure that a meeting of the Galaxy Board is convened to approve the Scheme Booklet for despatch to Galaxy Shareholders subject to the making of an order by the Court under section 411(1) of the Corporations Act and provide Orocobre with a copy of an extract of the applicable resolutions from the applicable minutes of meeting, as soon as practicable after those minutes have been prepared and signed;
  - (p) **(dispatch Scheme Booklet)** as expeditiously as practicable following an order made by the Court under section 411(1) of the Corporations Act, dispatch a copy of the Scheme Booklet to each Galaxy Shareholder and to all other persons entitled to receive notice of the Scheme Meeting;
  - (q) **(inform Galaxy Shareholders)** if it becomes aware after the date of dispatch of the Scheme Booklet that any information included in the Scheme Booklet (including by incorporation into the Merged Group Information) is or has become misleading or deceptive in any material respect (whether by omission or otherwise) or otherwise does not comply with all applicable laws, relevant ASIC regulatory guides, Takeovers

Panel policy and guidance notes or the ASX Listing Rules, including due to any further or new information of which Galaxy becomes aware, subject to applicable laws and any order of the Court:

- (i) promptly consult with Orocobre in good faith as to the need for, and the form of, any supplementary disclosure to Galaxy Shareholders;
  - (ii) if that information is Galaxy Information, promptly provide to Orocobre such further information in relation to the Galaxy Group as may be reasonably required by Orocobre to update the Merged Group Information so that is not misleading or deceptive in any material respect (whether by omission or otherwise) and otherwise complies with all applicable laws, relevant ASIC regulatory guides, Takeovers Panel policy and guidance notes or the ASX Listing Rules; and
  - (iii) inform Galaxy Shareholders of such information in an appropriate and timely manner (with Orocobre's prior written consent, to the extent the information is Orocobre Information);
- (r) **(section 411(17)(b) statement)** apply to ASIC for the production of:
  - (i) an indication of intent letter stating that it does not intend to appear before the Court on the First Court Date; and
  - (ii) if Galaxy Shareholder Approval is obtained, a statement under section 411(17)(b) of the Corporations Act in relation to the Scheme;
- (s) **(proxy reports)** keep Orocobre informed on the status of proxy forms received by its share registry for the Scheme Meeting, including:
  - (i) on the day that is five Business Days before the Scheme Meeting;
  - (ii) on each Business Day following the day that is five Business Days before the Scheme Meeting, up to the deadline for the receipt of proxy forms; and
  - (iii) immediately following the deadline for the receipt of proxy forms;
- (t) **(Court approval)** subject to satisfaction or waiver of all Conditions other than the Conditions in items 4 and 5 of clause 3.2, apply to the Court for orders approving the Scheme under section 411(4) of the Corporations Act;
- (u) **(provide certificate)** before 8.00 am (Perth time) on the Second Court Date, give to Orocobre and the Court the certificate referred to in clause 3.6;
- (v) **(lodge copy of order)** if the Court approves the Scheme under section 411(4)(b) of the Corporations Act (and, if applicable, section 411(6) of the Corporations Act),



lodge an office copy of the Court order with ASIC in accordance with section 411(10) of the Corporations Act by:

- (i) 5.00 pm (Perth time) on the later of:
  - (A) the first Business Day after the day on which the Court approves the Scheme;
  - (B) the Business Day on which the Court Orders are entered; or
- (ii) such other Business Day and by such other time as agreed to in writing by Orocobre and Galaxy;
- (w) **(third party consents)** keep Orocobre informed as to Galaxy's progress in obtaining the consents referred to in the Conditions in item 11 of clause 3.2, whether or not Orocobre and Galaxy waive those Conditions at any time in accordance with clause 3.3;
- (x) **(Implementation):** subject to the Scheme becoming Effective:
  - (i) apply to ASX to suspend trading in Galaxy Shares with effect from the close of trading on the Effective Date, or such other date and time agreed between Orocobre and Galaxy;
  - (ii) finalise and close the Galaxy Share Register as at the Scheme Record Date and give to the share registry of Orocobre details of the names, registered addresses and holdings of Galaxy Shares of every Galaxy Shareholder as shown in the Galaxy Share Register on the Scheme Record Date, in such form as Orocobre may reasonably require, and determine Galaxy Shareholders' respective entitlements to the Scheme Consideration in accordance with the Scheme;
  - (iii) execute, on behalf of the Scheme Shareholders, proper instruments of transfer and effect the transfer of Galaxy Shares to Orocobre in accordance with the Scheme and register all transfers of Galaxy Shares to Orocobre on the Implementation Date (subject to provision of the Scheme Consideration in accordance with the Scheme and Deed Poll); and
  - (iv) take all steps reasonably necessary for Galaxy to be removed from the official list of ASX on the Business Day following Implementation, including lodging a request for removal with ASX prior to the Implementation Date and satisfying any conditions reasonably required by ASX for it to act on that request; and
- (y) **(Scheme)** if the Scheme becomes Effective, do all things contemplated of it under the Scheme and all other things within its power that are reasonably necessary to lawfully give effect to the Scheme and the orders of the Court approving the Scheme.

#### 4.3 **Orocobre obligations**

Orocobre must take all steps reasonably necessary to assist Galaxy to propose and implement the Scheme in accordance with this document as soon as reasonably practicable, and use reasonable endeavours to do so in accordance with the Timetable, including that Orocobre must:

- (a) **(Announcement)** on the date of this document, and in accordance with clause 10.1, make an Announcement, in a form agreed between Orocobre and Galaxy;

- (b) **(Regulatory Approvals)** consult with Galaxy on all aspects of communications with Government Agencies in relation to the Scheme and, as expeditiously as practicable:
- (i) apply for the Regulatory Approvals and provide Galaxy with a copy of all applications;
  - (ii) take all steps it is responsible for in the approval process;
  - (iii) respond to requests for information from the relevant Government Agencies in relation to the Regulatory Approvals at the earliest practicable time;
  - (iv) provide Galaxy with all information reasonably requested in connection with the applications for Regulatory Approvals for which Galaxy must apply under clause 4.2(c);
- (c) **(Independent Expert's Report)** provide all assistance and information reasonably requested by Galaxy or the Independent Expert in connection with the preparation of the Independent Expert's Report (and any update or variation to the Independent Expert's Report);
- (d) **(Scheme Booklet):**
- (i) as expeditiously as practicable, prepare the Orocobre Information in accordance with all applicable laws, relevant ASIC regulatory guides, Takeovers Panel policy and guidance notes and the ASX Listing Rules and provide such information to Galaxy for inclusion in the Scheme Booklet (in reasonable time to allow Galaxy to prepare the Scheme Booklet in accordance with its obligations under this document); and
  - (ii) provide Galaxy with drafts of the Orocobre Information in a timely manner and consider in good faith any reasonable comments provided by or on behalf of Galaxy;
- (e) **(assistance)** provide any assistance or information reasonably requested by Galaxy in connection with the preparation of the Scheme Booklet (including any supplementary disclosure to Galaxy Shareholders) including promptly reviewing and providing comments on drafts of the Scheme Booklet given to Orocobre by Galaxy;
- (f) **(due diligence and verification)** undertake appropriate due diligence and verification processes in relation to the Orocobre Information and, after those processes have been completed, provide on or before the First Court Date an affidavit to the Court confirming the due diligence and verification processes undertaken and their completion;
- (g) **(consent)** subject to Galaxy complying with clause 4.2(i), promptly after Galaxy requests that it does so, confirm in writing to Galaxy that it consents in writing to the inclusion of the Orocobre Information in the Scheme Booklet (or any supplementary disclosure to Galaxy Shareholders in respect of the Scheme), such consent is to not be unreasonably withheld;
- (h) **(Court documents)** promptly:
- (i) review and provide comments on the drafts of the documents necessary to the Court proceedings relating to the Scheme given to Orocobre by Galaxy;
  - (ii) provide Galaxy with such evidence as is reasonably recommended by Galaxy's counsel to be provided by Orocobre in connection with the Court proceedings; and

- (iii) provide successive drafts of each affidavit or other document to be provided by Orocobre (or its Representatives) necessary for the Court proceedings in relation to the Scheme to Galaxy for the purpose of enabling Galaxy to review and comment on those drafts;
- (i) **(liaison with ASIC and ASX)** promptly provide assistance reasonably requested by Galaxy in resolving any matter raised by ASIC or ASX regarding the Scheme, Scheme Booklet, or any supplementary disclosure by Galaxy to Galaxy Shareholders in connection with the Scheme;
- (j) **(further information)**: if it becomes aware that any information in the Scheme Booklet is or has become misleading or deceptive in any material respect (including because of any material omission) or otherwise does not comply with all applicable laws, relevant ASIC regulatory guides, Takeovers Panel policy and guidance notes or the ASX Listing Rules, including due to any further or new information of which Orocobre becomes aware after despatch of the Scheme Booklet:
- (i) promptly advise Galaxy;
- (ii) consult with Galaxy as to the form and content of any supplementary disclosure to Galaxy Shareholders; and
- (iii) if the information is Orocobre Information:
- (A) as expeditiously as possible, prepare such updates to the Orocobre Information for inclusion in supplementary disclosure by Galaxy to Galaxy Shareholders as is reasonably required to ensure that the Orocobre Information is not misleading or deceptive in any material respect (whether by omission or otherwise) and otherwise complies with all applicable laws, relevant ASIC regulatory guides, Takeovers Panel policy and guidance notes or the ASX Listing Rules; and
- (B) provide Galaxy with drafts of the updates to the Orocobre Information in a timely manner, and consider in good faith any reasonable comments provided by or on behalf of Galaxy;
- (k) **(Deed Poll)** on the date of this document, duly execute and enter into the Deed Poll and deliver it to Galaxy, and comply with its obligations under the Deed Poll;
- (l) **(provide certificate)** before 8.00 am (Perth time) on the Second Court Date, give to Galaxy and the Court the certificate referred to in clause 3.6;
- (m) **(Consideration Shares)** apply for the Consideration Shares to be approved for official quotation on ASX subject to the Scheme becoming Effective and use reasonable endeavours to obtain ASX's approval for official quotation from the Business Day after the Effective Date, initially on a deferred settlement basis, and with effect from the first Business Day after the Implementation Date on an ordinary (T+2) basis;
- (n) **(share transfer)** if the Scheme becomes Effective, execute and deliver instruments of transfer in respect of the Scheme Shares and accept a transfer of the Scheme Shares as contemplated by the Scheme;
- (o) **(director and officer changes)** comply with its obligations under clause 7.1;
- (p) **(Scheme Consideration)** subject to the Scheme becoming Effective, on the Implementation Date, provide the Scheme Consideration as contemplated by the Scheme and in accordance with the Deed Poll; and

- (q) **(Scheme)** do all things within its power that are reasonably necessary to lawfully give effect to the Scheme and the orders of the Court approving the Scheme.

#### 4.4 **Scheme Booklet content and responsibility statements**

- (a) The Scheme Booklet will contain a responsibility statement to the effect that:
- (i) Galaxy is responsible for the Galaxy Information contained in the Scheme Booklet and is not responsible for the Orocobre Information; and
  - (ii) Orocobre is responsible for the Orocobre Information contained in the Scheme Booklet and is not responsible for the Galaxy Information.
- (b) If the parties disagree on the form or content of the Scheme Booklet or any supplementary disclosure to Galaxy Shareholders in respect of the Scheme, the parties must consult in good faith to try to settle on an agreed form of the Scheme Booklet or supplementary disclosure.
- (c) If, after a reasonable period of consultation under clause 4.4(b) and in any event five Business Days (or such longer period as the parties approve in writing), Orocobre and Galaxy are unable to agree on the form or content of the Scheme Booklet:
- (i) where the determination relates to Orocobre Information or the Merged Group Information, Orocobre (acting in good faith) will make the final determination as to the form and content of that information; and
  - (ii) in any other case, Galaxy (acting in good faith) will make the final determination as to the form and content of the Scheme Booklet.

#### 4.5 **Appeal process**

If the Court refuses to make any orders or confirmations for the purposes of convening the Scheme Meeting or approving the Scheme, Galaxy must appeal the Court's decision to the fullest extent possible (except to the extent that the parties agree otherwise, or an independent barrister with at least 10 years' experience advises that, in their view, an appeal would have no reasonable prospect of success before the End Date) and the costs of any appeal under this clause 4.5 are to be borne equally between the parties.

#### 4.6 **Conduct of Court proceedings**

- (a) Galaxy and Orocobre are entitled to separate representation at all Court proceedings relating to the Scheme.
- (b) This document does not give Galaxy or Orocobre any right or power to give undertakings to the Court for or on behalf of the other party without that party's prior written consent.
- (c) Each party must give all undertakings to the Court in all Court proceedings which are reasonably required to obtain Court approval and confirmation of the Scheme as contemplated by this document.
- (d) Each of Galaxy and Orocobre must defend, or cause to be defended, any lawsuit or other legal proceeding brought against it (or any of its subsidiaries) challenging this

document or the completion of the Scheme, unless Galaxy has in good faith determined that such action is not in the best interests of Galaxy Shareholders.

#### 4.7 **Transaction costs**

- (a) Galaxy and Orocobre agree that any and all external costs incurred in relation to the Scheme (including all legal, corporate advisory, financial, printing, shareholder communication and any other costs) must be reasonable having regard to the nature and scope of the Scheme.
- (b) Without limiting clause 4.7(a), the parties agree:
  - (i) the fees payable to Galaxy's financial adviser in respect of the Scheme must not exceed the amount disclosed in writing by Galaxy to Orocobre on or before the date of this document; and
  - (ii) the fees payable to Orocobre's financial adviser in respect of the Scheme must not exceed the amount disclosed in writing by Orocobre to Galaxy on or before the date of this document.

### 5. **GALAXY BOARD RECOMMENDATION**

#### 5.1 **Withdrawal or change of recommendation**

Without limiting any other provision of this document, if Galaxy receives notice from a member of the Galaxy Board that, or Galaxy is otherwise aware that, he or she proposes to withdraw, change or modify his or her recommendation to vote in favour of the Scheme:

- (a) Galaxy must notify Orocobre in writing promptly; and
- (b) the parties must consult in good faith for one Business Day after the date on which the notification in clause 5.1(a) is received by Orocobre to consider and to determine whether there are any steps that can be taken to avoid such withdrawal, change or modification (as applicable); and
- (c) subject to clause 5.2, Galaxy must use its reasonable endeavours to procure that the recommendation is not withdrawn or changed until the end of the consultation period.

#### 5.2 **Fiduciary exception**

The restriction in clause 5.1(c) does not apply where any applicable member(s) of the Galaxy Board, acting in good faith and after taking written advice from Galaxy's external legal advisers experienced in transactions of this nature, determines that a failure to withdraw, change or modify the recommendation before the end of the consultation period in clause 5.1(b) would be reasonably likely to constitute a breach of the fiduciary duties or statutory obligations of any member of the Galaxy Board to Galaxy.

#### 5.3 **Not a material breach**

The parties agree that a failure by Galaxy to comply with clause 5.1 does not, in and of itself, constitute a material breach of this document for the purposes of clause 14.1(c).

## 6. PRE-IMPLEMENTATION OBLIGATIONS

### 6.1 Conduct of the business

- (a) Subject to clause 6.2, each of Orocobre and Galaxy must, during the period commencing on the date of this document and ending on the Implementation Date:
- (i) conduct (and must procure that each of their respective subsidiaries conducts) its business:
    - (A) in the ordinary course consistent with business plans, budgets and other information Fairly Disclosed to the other party, and in compliance with all applicable laws, regulations and regulatory approvals; and
    - (B) in substantially the same manner and at the same locations as conducted during the 12 months prior to the date of this document;
  - (ii) use reasonable efforts to:
    - (A) preserve intact its business organisation;
    - (B) retain the services of its key officers and employees;
    - (C) preserve its relationship with financiers, customers, suppliers, licensors, licensees, Government Agencies and others having business dealings with it; and
    - (D) maintain its business and assets, including maintaining at least its current level of insurance,as in place on the date of this document;
  - (iii) keep the other party informed of any material developments concerning the financial affairs or conduct of its business and the businesses of its subsidiaries; and
  - (iv) promptly provide copies of any material correspondence between a Government Agency and it or any of its subsidiaries.

### 6.2 Exception

- (a) Clause 6.1 does not apply to any action:
- (i) which the party is required to do, permitted to do or is permitted not to do, under or in accordance with this document or the Scheme;
  - (ii) which has been Fairly Disclosed in the Galaxy Disclosure Material or in the Orocobre Disclosure Material (as applicable) as being an action the party will carry out between the date of this document and the Implementation Date;
  - (iii) required by law, securities exchange listing rules or by order of a court or any applicable Government Agency;
  - (iv) required to be done to reasonably and prudently respond to an emergency or disaster, including:
    - (A) a situation giving rise to a risk of personal injury or material damage to property); and

- (B) an action taken in connection with:
- (aa) events surrounding any public health emergency, epidemic, pandemic (including COVID-19) or disease outbreak;
  - (bb) shutting down or reinitiating operation of all or a portion of the business of the Orocobre Group or Galaxy Group (as relevant) to the extent affected by the response to the events referred to in paragraph (aa); or
  - (cc) protecting the health and safety of customers, employees and other business relationships and to ensure compliance with any law providing for business closures, sheltering-in-place or other restrictions that relate to, or arise out of, health conditions (including any public health emergency, epidemic, pandemic (including COVID-19) or disease outbreak); or
- (v) in respect of which the other party has provided its consent (such consent not to be unreasonably withheld or delayed).
- (b) For the avoidance of doubt, nothing in clause 6.1 restricts the ability of Galaxy to respond to a Competing Proposal, subject to clauses 11 and 12.

### 6.3 **No Regulated Events or Prescribed Events**

- (a) During the period commencing on the date of this document and ending on the Implementation Date, Orocobre must ensure that no member of the Orocobre Group:
- (i) takes or fails to take any action that constitutes, or that could reasonably be expected to result in or otherwise give rise to, an Orocobre Regulated Event or an Orocobre Prescribed Event; or
  - (ii) authorises, commits or agrees to do any such thing.
- (b) During the period commencing on the date of this document and ending on the Implementation Date, Galaxy must ensure that no member of the Galaxy Group:
- (i) takes or fails to take any action that constitutes, or that could reasonably be expected to result in or otherwise give rise to, a Galaxy Regulated Event or a Galaxy Prescribed Event; or
  - (ii) authorises, commits or agrees to do any such thing.

### 6.4 **Transition Team and access**

- (a) As soon as practicable following the date of this document, Galaxy and Orocobre will establish a Transition Team which will comprise representatives nominated by Galaxy and Orocobre from time to time.
- (b) Subject to clause 6.4(e), the purpose of the Transition Team is to:
- (i) act as a forum for discussion and planning by Galaxy and Orocobre to oversee and implement the Scheme;
  - (ii) consider any consents required as contemplated by clause 6.5;
  - (iii) consider matters relevant to the integration of the respective businesses of Galaxy and Orocobre; and

- (iv) consider any other matters as Galaxy and Orocobre may agree from time to time.
- (c) The Transition Team will determine the frequency and format of its meetings from time to time.
- (d) From the date of this document and up to and including the Implementation Date, subject to applicable laws, each party must give (and must procure each of its subsidiaries gives) the other party reasonable access to its records (subject to any existing confidentiality obligations owed to third parties), premises, and such senior executives, as reasonably requested by the other party at mutually convenient times for the purpose of:
- (i) understanding the financial position and operations of it and its subsidiaries including the cashflow and working capital position of each of them;
  - (ii) planning for integrating the business of Galaxy with the business of Orocobre;
  - (iii) understanding the operations of the business of it and its subsidiaries;
  - (iv) planning for Implementation; and
  - (v) any other purpose which is agreed in writing between the parties.
- (e) To avoid doubt, Orocobre and Galaxy acknowledge and agree that:
- (i) the requirements of this clause 5 are subject to the prohibitions contained in the *Competition and Consumer Act 2010* (Cth) and all other applicable laws;
  - (ii) the Transition Team is a consultative body only that will make recommendations to Orocobre and Galaxy, and the members of the Transition Team have no power to bind, or to give any consent, approval or waiver on behalf of, the party of which they are a representative;
  - (iii) the business of each of Orocobre and Galaxy will continue to operate independently of the other until (and subject to) Implementation; and
  - (iv) nothing in this clause 6.4 or elsewhere in this document:
    - (A) requires either Orocobre or Galaxy to act at the direction of the other;
    - (B) constitutes the relationship of a partnership, joint venture or similar between Orocobre and Galaxy;
    - (C) requires a party to take any action that would reasonably be expected to conflict with or violate that party's constituent documents or any applicable law;
    - (D) requires a party to provide information to the other party concerning their directors' or management's consideration of the Scheme or:
      - (aa) in the case of Galaxy, a Competing Proposal (without limiting Galaxy's obligations under clauses 11 or 12); and
      - (bb) in the case of Orocobre, an Orocobre Proposal (without limiting Orocobre's obligations under clauses 11 or 12);
    - (E) requires a party to provide or procure the provision of information or access to the other party if such provision would result in unreasonable



disruptions to, or interference with, the other party or its subsidiaries' business;

- (F) requires a party to provide information concerning the party or its subsidiaries' business that, in the reasonable opinion of the disclosing party:
  - (aa) is commercially sensitive;
  - (bb) is subject to an existing confidentiality obligation to a third party;
  - (cc) would require a party to make further disclosures to any other entity or to a Government Agency;
  - (dd) would compromise legal privilege; or
  - (ee) would breach any applicable privacy laws;
- (G) gives a party any rights to undertake further due diligence; or
- (H) gives a party any rights as to the decision making of the other party (or its subsidiaries).

#### 6.5 **Change of control consents**

- (a) As soon as reasonably practicable after the date of this document, Galaxy must seek to identify any change of control or similar provisions in favour of any counterparty in any Relevant Agreement which would, or would reasonably be likely to, be triggered by Implementation (**Change of Control Right**).
- (b) In respect of any Relevant Agreement with a Change of Control Right:
  - (i) Galaxy must use reasonable endeavours to obtain, prior to 7.00 am (Perth time) on the Second Court Date, any required consents; and
  - (ii) Orocobre must provide reasonable assistance to Galaxy in connection with seeking the required consents, including by promptly providing any information reasonably required by the relevant counterparty and making Representatives available, where possible, necessary and reasonable, to meet with the relevant counterparty in connection with seeking the required consents.
- (c) To avoid doubt, subject to complying with clauses 6.5(a) and 6.5(b), and without limiting clause 3.4 insofar as item 11 of clause 3.2 is concerned, a failure by Galaxy to obtain any consent in respect of a Change of Control Right will not constitute a breach of this document by Galaxy.
- (d) The parties agree the port access licence dated 25 October 2016 between Southern Ports Authority ABN 30 044 341 250 and GLAL is a 'Relevant Agreement' for the purposes of this document.

#### 6.6 **Confidentiality Agreement and Standstill**

- (a) All information provided under or in connection with this document is subject to the terms of the Confidentiality Agreement which continues to have full force and effect subject to this document.

- (b) The parties acknowledge that the standstill in clause 6 of the Confidentiality Agreement continues in full force and effect, in accordance with the terms of the Confidentiality Agreement.
- (c) Galaxy waives the standstill in clause 6 of the Confidentiality Agreement to the extent required in connection with the Scheme and its implementation or any other transaction with Orocobre contemplated by clause 3.7(d).

## **7. DIRECTORS AND EMPLOYEES**

### **7.1 Merged Group board composition**

- (a) On and from the Implementation Date, subject to the Scheme Consideration being issued and receipt by Orocobre of duly signed consents to act, the Orocobre Board will comprise nine Directors as follows:
- (i) Mr Martin Rowley, Chairman;
  - (ii) Mr Robert Hubbard, Deputy Chairman;
  - (iii) Mr Martín Pérez de Solay, Managing Director and CEO;
  - (iv) three further Directors nominated by Orocobre; and
  - (v) three further Directors nominated by Galaxy.
- (b) To give effect to clause 7.1(a), on the Implementation Date, subject to the Scheme Consideration being issued and receipt by Orocobre of duly signed consents to act, Orocobre must:
- (i) effect the appointment of each Incoming Director to the Orocobre Board; and
  - (ii) procure that each Outgoing Director retires from the Orocobre Board, unconditionally and irrevocably releasing Orocobre from any claims they may have against Orocobre in their capacity as a director (without prejudice to any rights they may have under any deed of indemnity, access and insurance or policy of directors' and officers' insurance),

in each case, in accordance with Orocobre's constituent documents, the Corporations Act and the ASX Listing Rules.

### **7.2 Galaxy board composition**

As soon as reasonably practicable following the Implementation Date, subject to the Scheme Consideration being issued (and, as applicable, receipt by the applicable member of the Galaxy Group of duly signed consents to act), Galaxy must:

- (a) effect the appointment of each person nominated by Orocobre to the Galaxy Board and the board of directors of each other member of the Galaxy Group; and
- (b) procure that each director of Galaxy and of all other members of the Galaxy Group (other than any directors Orocobre and Galaxy agree in writing will continue to be directors) retires from their position as director and unconditionally and irrevocably releases Galaxy and each applicable other member of the Galaxy Group from any claims they may have against any member of the Galaxy Group in their capacity as

a director (without prejudice to any rights they may have under any deed of indemnity, access and insurance or policy of directors and officers insurance),

in each case, in accordance with the relevant member of the Galaxy Group's constituent documents, the Corporations Act and the ASX Listing Rules.

### 7.3 Deed of insurance and indemnity

- (a) Subject to the Scheme becoming Effective, each of Galaxy and Orocobre undertakes, in favour of the Galaxy Group and all of their respective past and present directors and officers, that it will:
  - (i) for a period of seven years after the Implementation Date, ensure that the constituent documents of Galaxy and each other member of the Galaxy Group continue to contain such rules as are contained in those constituent documents at the date of this document that provide for each company to indemnify each of its directors and officers against any liability incurred by that person in his or her capacity as a director or officer of the company to any person other than a member of the Galaxy Group; and
  - (ii) from the Implementation Date, procure that Galaxy and each member of the Galaxy Group complies with any deeds of indemnity, access and insurance made by them in favour of their respective directors and officers from time to time and, without limiting the foregoing, ensure that directors' and officers' run-off insurance cover for such directors and officers is maintained for a period of seven years from the retirement date of each director and officer.
- (b) Notwithstanding any other provision of this document, Galaxy may, prior to the Implementation Date, enter into, and pay in full the premium in respect of, a directors' and officers' run-off insurance policy in respect of any directors and officers (and relevant former directors and officers) of the Galaxy Group for a period of up to seven years following the Implementation Date (**D&O run-off policy**) with the same or substantially the same scope and terms as existing insurance policies in place for its directors or officers at the date of this document, provided that the D&O run-off policy is the lowest cost policy of at least three proposals sought by Galaxy from reputable insurers who have a rating that is similar to or better than the rating of the insurers for Galaxy's existing insurance policies in place for its directors or officers at the date of this document.
- (c) Each party acknowledges that, provided that clause 7.3(b) has been complied with, the entry into directors' and officers' run-off insurance policies and payment of the relevant premiums will not constitute a Galaxy Prescribed Event or a Galaxy Regulated Event or a breach of any provision of this document.
- (d) The undertakings contained in clause 7.3(a):
  - (i) are subject to restrictions in the Corporations Act or in any other applicable law, and will be read down accordingly; and
  - (ii) that are given by Orocobre are given until the earlier of the end of the relevant period specified in that clause, or the relevant member of the Galaxy Group ceases to be part of the Orocobre Group.
- (e) Galaxy receives and holds the benefit of clause 7.3(a) to the extent it relates to each of the respective past and present directors and officers of Galaxy and the other members of the Galaxy Group, as trustee for them.

#### 7.4 **Release of Representatives of Orocobre**

- (a) To the maximum extent permitted by law, Galaxy releases its rights against, and will not make any Claim against, any past or present Representatives of Orocobre (other than Orocobre and the other members of the Orocobre Group) in connection with:
  - (i) anything done or purported to be done in connection with this document, the Scheme or Implementation including any breach of any of the obligations, representations and warranties of Orocobre or any other member of the Orocobre Group in this document;
  - (ii) any disclosures containing any statement which is false or misleading (whether by omission or otherwise); or
  - (iii) any failure to provide information,except where the Representative has engaged in wilful misconduct or fraud.
- (b) Nothing in clause 7.4(a) limits the rights of Galaxy to make a Claim against Orocobre or any member of the Orocobre Group or to terminate this document.
- (c) Clause 7.4(a) is subject to restrictions contained in the Corporations Act or in any other applicable law and will be read down accordingly.
- (d) Orocobre holds the benefit of clause 7.4(a) to the extent it relates to each of the past and present Representatives of Orocobre, as trustee for them.

#### 7.5 **Release of Representatives of Galaxy**

- (a) To the maximum extent permitted by law, Orocobre releases its rights against, and will not make any Claim against, any past or present Representatives of Galaxy (other than Galaxy and the other members of the Galaxy Group) in connection with:
  - (i) anything done or purported to be done in connection with this document, the Scheme or Implementation including any breach of any of the obligations, representations and warranties of Galaxy or any other member of the Galaxy Group in this document;
  - (ii) any disclosures containing any statement which is false or misleading (whether by omission or otherwise); or
  - (iii) any failure to provide information,except where the Representative has engaged in wilful misconduct or fraud.
- (b) Nothing in clause 7.5(a) limits the rights of Orocobre to make a Claim against Galaxy or any member of the Galaxy Group or to terminate this document.
- (c) Clause 7.5(a) is subject to restrictions contained in the Corporations Act or in any other applicable law and will be read down accordingly.
- (d) Galaxy holds the benefit of clause 7.5(a) to the extent it relates to each of the past and present Representatives of Galaxy, as trustee for them.

## 8. GALAXY UNLISTED SECURITIES

### 8.1 Treatment of Galaxy Unlisted Securities

Upon the Court making orders under section 411(4)(b) of the Corporations Act approving the Scheme, all unvested Galaxy Unlisted Securities will automatically vest in accordance with their terms and, prior to the Scheme Record Date, Galaxy will use all reasonable endeavours to procure that:

- (a) each Galaxy Performance Right and Galaxy Share Appreciation Right is:
  - (i) exercised and either:
    - (A) the resulting Galaxy Shares are issued prior to the Scheme Record Date; or
    - (B) otherwise, a cash payment is made in lieu of the issue of the resulting Galaxy Shares in clause 8.1(a)(i)(A) in accordance with the terms of issue of the relevant rights; or
  - (ii) cancelled or extinguished pursuant to an arrangement to be agreed with the holder of the relevant Galaxy Performance Right or Galaxy Share Appreciation Right (as the case may be); and
- (b) each Galaxy Option:
  - (i) expires; or
  - (ii) is exercised, in which case any resulting Galaxy Shares are issued prior to the Scheme Record Date.

### 8.2 Covenant in respect of Galaxy Unlisted Securities

Galaxy covenants in favour of Orocobre that except as set out in Schedule 2, there are no other performance rights, retention rights, share rights, options, warrants, convertible notes, instruments, shares or other securities (or offers or agreements to issue any of the foregoing) that may convert into Galaxy Shares.

## 9. DIVIDENDS

### 9.1 Orocobre Declared Dividend

Orocobre must ensure that the record date for any dividend declared by Orocobre between the date of this document and the Implementation Date (**Orocobre Declared Dividend**) is a date after the Implementation Date so that Scheme Shareholders will be entitled to receive the Orocobre Declared Dividend payable by Orocobre in respect of the New Orocobre Shares issued on the Implementation Date as contemplated in clause 2.2.

## 10. ANNOUNCEMENT

### 10.1 Announcement of execution

Immediately following execution of this document (or as otherwise agreed by Orocobre and Galaxy), each of Orocobre and Galaxy must make a joint Announcement in respect of the execution of this document and any other documents relating to the Scheme in a form agreed by them, and the Announcement will attach a copy of this document (excluding any commercially sensitive information).

## 10.2 **No Announcement**

Neither party may make an Announcement relating to the subject matter of this document or make public this document (or any of its terms) unless the Announcement or publication:

- (a) is required by this document;
- (b) has the prior approval of the other party; or
- (c) is required to be made by any applicable law or the ASX Listing Rules.

## 10.3 **Consultation on Announcements**

- (a) Subject to clause 10.3(b), if a party is permitted to make an Announcement under clause 10.2, it may only do so after:
  - (i) giving the other party such notice as is reasonably practicable in the circumstances of its intention to make the Announcement; and
  - (ii) consulting with the other party, to the extent reasonably practicable in the circumstances, as to the form and content of that Announcement (and after having taken all reasonable steps to restrict that disclosure to the greatest extent possible); and
  - (iii) providing the other party with a draft of the Announcement and an opportunity, to the extent reasonably practicable in the circumstances, to comment on the contents of the draft Announcement.
- (b) For the avoidance of doubt, nothing in this clause 10.3 requires the giving of prior notice or the taking of any action if doing so would lead to a party breaching an applicable law or the ASX Listing Rules.

## 10.4 **Excluded Announcements**

The requirements in clauses 10.2 and 10.3 do not apply to any Announcement relating to:

- (a) a Competing Proposal or an Orocobre Proposal; or
- (b) the termination of this document in accordance with its terms.

## 11. **EXCLUSIVITY**

### 11.1 **Existing discussions – Galaxy and Orocobre**

- (a) Galaxy represents and warrants to Orocobre that, as at the date of this document:
  - (i) it is not a party to any agreement or arrangement with any third party entered into for the purposes of facilitating a Competing Proposal;
  - (ii) it is not, directly or indirectly, participating in any discussions or negotiations with a third party that concern, or that could be reasonably expected to lead to, a Competing Proposal; and
  - (iii) any due diligence access granted to any third party for the purposes of such third party making, formulating, developing or finalising, or assisting in the making, formulation, development or finalisation of, a Competing Proposal has been terminated.

- (b) Orocobre represents and warrants to Galaxy that, as at the date of this document:
- (i) it is not a party to any agreement or arrangement with any third party entered into for the purposes of facilitating an Orocobre Proposal;
  - (ii) it is not, directly or indirectly, participating in any discussions or negotiations with a third party that concern, or that could be reasonably expected to lead to, an Orocobre Proposal; and
  - (iii) any due diligence access granted to any third party for the purposes of such third party making, formulating, developing or finalising, or assisting in the making, formulation, development or finalisation of, an Orocobre Proposal has been terminated.

**11.2 No shop, no talk and no due diligence – Galaxy and Orocobre**

- (a) During the Exclusivity Period, Galaxy must not (and must ensure that none of its related bodies corporate or Representatives, nor any other person on their respective behalf) directly or indirectly:
- (i) **(no shop)** solicit, encourage, initiate or invite any offer, enquiry, expression of interest, discussion or proposal in relation to, or that may reasonably be expected to encourage or lead to, a Competing Proposal, or announce or communicate to any person any intention to do any of these things;
  - (ii) **(no talk)** subject to clause 11.3, negotiate or enter into, participate in or continue any discussion or negotiation in relation to, or that may reasonably be expected to encourage or lead to, a Competing Proposal, or otherwise facilitate a Competing Proposal, or announce or communicate to any person any intention to do any of these things, even if:
    - (A) the Competing Proposal was not directly or indirectly solicited, invited, encouraged or initiated by Galaxy or any of its Representatives; or
    - (B) the person has publicly announced the Competing Proposal; or
  - (iii) **(no due diligence)** without limiting clause 11.2(a)(ii), and at all times subject to clause 11.3:
    - (A) solicit, invite, initiate, encourage, facilitate or permit, any third party to undertake due diligence investigations in respect of Galaxy, any of its related bodies corporate or any of their businesses and operations, in connection with or with a view to obtaining or which would reasonably be expected to lead to such person formulating, developing or finalising, or assisting in the formulation, development or finalisation of, a Competing Proposal; or
    - (B) make available to any third party, or cause or permit any third party to receive, any non-public information relating to Galaxy, any of its related bodies corporate or any of their businesses and operations, that may reasonably be expected to assist such third party in formulating, developing or finalising a Competing Proposal.
- (b) If Galaxy proposes that any non-public information be provided to a third party in reliance on the exception in clause 11.3, then:
- (i) before Galaxy provides such information, the third party must enter into a confidentiality agreement with Galaxy which contains obligations on the recipient of that information which the Galaxy Board, acting in good faith and

after taking advice from Galaxy's external legal advisers experienced in transactions of this nature, determines are appropriate for a transaction of the nature of a Competing Proposal, and which contains standstill provisions that apply to the third party subject to exceptions that Galaxy (acting reasonably) considers appropriate in the circumstances having regard to (among other things) the fact that Galaxy is already subject to a public change of control proposal; and

- (ii) any non-public information provided to that third party must also be provided to Orocobre (unless the information has already been provided to Orocobre and or its Representatives).
- (c) During the Exclusivity Period, Orocobre must not (and must ensure that none of its related bodies corporate or Representatives, nor any other person on their respective behalf) directly or indirectly:
  - (i) **(no shop)** solicit, encourage, initiate or invite any offer, enquiry, expression of interest, discussion or proposal in relation to, or that may reasonably be expected to encourage or lead to, an Orocobre Proposal, or announce or communicate to any person any intention to do any of these things;
  - (ii) **(no talk)** subject to clause 11.3, negotiate or enter into, participate in or continue any discussion or negotiation in relation to, or that may reasonably be expected to encourage or lead to, an Orocobre Proposal, or otherwise facilitate an Orocobre Proposal, or announce or communicate to any person any intention to do any of these things, even if:
    - (A) the Orocobre Proposal was not directly or indirectly solicited, invited, encouraged or initiated by Orocobre or any of its Representatives; or
    - (B) the person has publicly announced the Orocobre Proposal; or
  - (iii) **(no due diligence)** without limiting clause 11.2(c)(ii), and at all times subject to clause 11.3(d)(ii):
    - (A) solicit, invite, initiate, encourage, facilitate or permit, any third party to undertake due diligence investigations in respect of Orocobre, any of its related bodies corporate or any of their businesses and operations, in connection with or with a view to obtaining or which would reasonably be expected to lead to such person formulating, developing or finalising, or assisting in the formulation, development or finalisation of, a Competing Proposal; or
    - (B) make available to any third party, or cause or permit any third party to receive, any non-public information relating to Orocobre, any of its related bodies corporate or their businesses and operations that may reasonably be expected to assist such third party in formulating, developing or finalising an Orocobre Proposal.
- (d) If Orocobre proposes that any non-public information be provided to a third party in reliance on the exception in clause 11.2(c)(iii), then
  - (i) before Orocobre provides such information, the third party must enter into a confidentiality agreement with Orocobre which contains obligations on the recipient of that information which the Orocobre Board, acting in good faith and after taking advice from Orocobre's external legal advisers experienced in transactions of this nature, determines are appropriate for a transaction of the nature of an Orocobre Proposal, and which contains standstill provisions that Orocobre (acting reasonably) considers appropriate in the circumstances



having regard to (among other things) the fact that Orocobre is already party to a public change of control proposal; and

- (ii) any non-public information provided to that third party must also be provided to Galaxy (unless the information has already been provided to Galaxy and or its Representatives).

### 11.3 **Fiduciary exception – Galaxy and Orocobre**

- (a) The restrictions in clauses 11.2(a)(ii) and 11.2(a)(iii)(B) do not apply in respect of a Competing Proposal where:
  - (i) there has not been any breach of clause 11.2(a)(i) in respect of that Competing Proposal;
  - (ii) the Competing Proposal is bona fide and is made by or on behalf of a person that the Galaxy Board considers is of sufficient commercial standing;
  - (iii) the Galaxy Board, acting in good faith and after taking advice from Galaxy's external financial and legal advisers, determines that such Competing Proposal is, or may reasonably be expected to lead to, a Superior Proposal;
  - (iv) the Galaxy Board, acting in good faith and after taking written advice from Galaxy's external legal advisers experienced in transactions of this nature, determines that failing to respond or take or refrain from taking an action in response to such Competing Proposal would be reasonably likely to constitute a breach of the fiduciary duties or statutory obligations of any member of the Galaxy Board to Galaxy.
- (b) The restrictions in clauses 11.2(c)(ii) and 11.2(c)(iii) do not apply in respect of an Orocobre Proposal where:
  - (i) there has not been any breach of clause 11.2(c) in respect of that Orocobre Proposal;
  - (ii) the Orocobre Proposal is bona fide and is made by or on behalf of a person that the Orocobre Board considers is of sufficient commercial standing; and
  - (iii) the Orocobre Board, acting in good faith and after taking written advice from Orocobre's external legal advisers experienced in transactions of this nature, determines that failing to respond or take or refrain from taking an action in response to such Orocobre Proposal would be reasonably likely to constitute a breach of the fiduciary duties or statutory obligations of any member of the Orocobre Board to Orocobre.
- (c) The restrictions in clauses 11.2(a)(ii) and 11.2(a)(iii)(B) (in the case of Galaxy) and clauses 11.2(c)(ii) and 11.2(c)(iii) (in the case of Orocobre) do not prevent either party from disclosing non-public information to its auditors or advisers, or a Government Agency or regulatory body in the ordinary course of its business or as required under the applicable party's existing contractual obligations provided it is not done in a manner which is intended to circumvent the intent of clause 11.

## 12. NOTIFICATION AND MATCHING RIGHTS

### 12.1 Initial notification – Galaxy and Orocobre

(a) If, during the Exclusivity Period:

- (i) Galaxy or any of its related bodies corporate or Representatives receives a Competing Proposal; and
- (ii) Galaxy determines to take any action in reliance on the exception in clause 11.3(a),

Galaxy must, as soon as reasonably practicable (and in any event, within two Business Days of receiving the Competing Proposal) give Orocobre an Approach Notice in relation to that Competing Proposal.

(b) If, during the Exclusivity Period:

- (i) Orocobre or any of its related bodies corporate or Representatives receives an Orocobre Proposal; and
- (ii) Orocobre determines to take any action in reliance on the exception in clause 11.3(b),

Orocobre must, as soon as reasonably practicable (and in any event, within two Business Days of receiving the Orocobre Proposal) give Galaxy an Approach Notice in relation to that Orocobre Proposal.

- (c) During the Exclusivity Period, Galaxy must notify Orocobre in writing as soon as possible after becoming aware of any material developments in relation to any Competing Proposal, including in respect of any of the information previously notified to Orocobre under this clause 12.1.
- (d) During the Exclusivity Period, Orocobre must notify Galaxy in writing as soon as possible after becoming aware of any material developments in relation to any Orocobre Proposal, including in respect of any of the information previously notified to Galaxy under this clause 12.1.

### 12.2 Matching right - Orocobre

- (a) If the Galaxy Board determines that a Competing Proposal is a Superior Proposal, Galaxy must as soon as is reasonably practicable (and in any event within two Business Days of making that determination) give Orocobre a Matching Right Notice.
- (b) During the five Business Day period starting from the time that Galaxy gives Orocobre a Matching Right Notice under clause 12.2(a) (**Matching Period**):
  - (i) Galaxy must not enter into, or agree to enter into, any binding documentation to give effect to or implement the Competing Proposal;
  - (ii) Galaxy must use reasonable endeavours to ensure that no director of Galaxy makes any public statement recommending the Competing Proposal to its shareholders; and
  - (iii) Orocobre may make an offer to Galaxy to amend the terms of the Scheme, this document or make an alternative proposal to Galaxy or the Galaxy Shareholders with a view to providing an equivalent or a superior outcome for the Galaxy Shareholders than that offered under the relevant Competing Proposal (**Counter Proposal**).

- (c) If, during the Matching Period, Orocobre makes a Counter Proposal:
- (i) Galaxy must procure that the Galaxy Board considers the Counter Proposal in good faith before entering into, or agreeing to enter into, any binding documentation to give effect to or implement the Competing Proposal; and
  - (ii) if the Galaxy Board acting reasonably and in good faith determines that the terms and conditions of the Counter Proposal taken as a whole would provide an equivalent or superior outcome to Galaxy Shareholders than those in the relevant Competing Proposal, then:
    - (A) Orocobre and Galaxy must use their reasonable endeavours to agree and enter into such documentation as is necessary to give effect to and implement the Counter Proposal as soon as reasonably practicable; and
    - (B) Galaxy must use its reasonable endeavours to procure that each director of Galaxy makes a public statement recommending the Counter Proposal to the Galaxy Shareholders, subject only to no Superior Proposal (in relation to that Counter Proposal) emerging and to the Independent Expert concluding (and continuing to conclude) that the Counter Proposal is in the best interests of Galaxy Shareholders.
- (d) Any material change to a Competing Proposal will be taken to constitute a new Competing Proposal in respect of which Galaxy must separately comply with its obligations under clauses 12.2(a) to 12.2(c) (inclusive).

### 13. **BREAK FEE**

#### 13.1 **Background**

Each of Orocobre and Galaxy:

- (a) confirms its belief that the Scheme will provide significant benefits to Galaxy, Orocobre and their respective shareholders;
- (b) has requested that provision be made in this document for the payments set out in clauses 13.2 and 13.3, in the absence of which it would not have entered into this document;
- (c) confirms its belief that it is appropriate to agree to the payment which it agrees to make under clause 13.2 or 13.3 (as applicable) in order to secure the other party's participation in the Scheme;
- (d) acknowledges that each of them has incurred, and will further incur, significant costs and expenses in connection with performing its obligations under this document and the Scheme, which will include significant opportunity costs if the Scheme is not implemented;
- (e) acknowledges the costs and expenses actually incurred by it and its subsidiaries are of such nature that they cannot accurately be ascertained;
- (f) acknowledges that it has received external legal and financial advice in relation to this clause 13 and that the amount it has agreed to pay under this clause 13 is an amount which is appropriate to compensate the other party for its reasonable external and internal costs and opportunity costs in connection with the Scheme (and is a genuine and reasonable pre-estimate thereof), including for:

- (i) reasonable advisory costs relating to the Scheme, including fees for legal, financial and other professional advice in planning and implementing the Scheme (excluding success fees);
- (ii) costs of management and directors' time in planning and implementing the Scheme;
- (iii) reasonable out-of-pocket expenses relating to the Scheme;
- (iv) damage to the parties' respective reputations associated with a failed transaction and the implications of that damage to the parties' respective businesses; and
- (v) reasonable opportunity costs incurred by Orocobre and Galaxy (as applicable) in pursuing the Scheme or in not pursuing other alternative acquisitions or strategic initiatives which Orocobre or Galaxy (as applicable) could have developed to further its business and objectives.

### 13.2 **Payment of Galaxy Break Fee by Galaxy to Orocobre**

- (a) Subject to clauses 13.5, 13.6 and 13.7 Galaxy must pay Orocobre the Galaxy Break Fee (without withhold or set-off) if:
  - (i) **(Galaxy material breach)** Orocobre has validly terminated this document in accordance with clause 14.1(c);
  - (ii) **(withdrawal of support)** during the Exclusivity Period, any Galaxy director does not recommend the Scheme or withdraws or adversely modifies (including by attaching any qualifications not expressly permitted by this document to) an earlier recommendation, or approves, endorses, recommends or makes an announcement in support of a Competing Proposal in relation to Galaxy, or announces an intention to do any of these acts, except where the Independent Expert:
    - (A) concludes (either in its initial Independent Expert's Report or in any written update, revision, amendment, addendum or supplementary report to it) that the Scheme is not in the best interest of Galaxy Shareholders; or
    - (B) withdraws its Independent Expert's Report prior to 7.00 am (Perth time) on the Second Court Date,

in either case, other than where the conclusion or withdrawal is due (whether in whole or in part) to the existence, announcement or publication of a Superior Proposal; or
  - (iii) **(completion of Competing Proposal)** during the Exclusivity Period, a Competing Proposal is announced, received by Galaxy or becomes open for acceptance and within 9 months after the date of announcement or the date that the Competing Proposal is received by Galaxy or becomes open for acceptance (whichever is earliest) (regardless of whether by that time this document has terminated) the relevant Competing Bidder (or any of its associates, together with their respective associates) acquires voting power of (or an economic interest in) more than 50% of all Galaxy Shares and that Competing Proposal (including any agreement to acquire Galaxy Shares related to the Competing Proposal) is (or becomes) free from any conditions (or if the Competing Proposal is a scheme of arrangement, the scheme becomes effective).

- (b) For the avoidance of doubt, if a Competing Proposal is publicly announced during the Exclusivity Period, the release by Galaxy of one or more Announcements in accordance with clause 4.2(b) will not (in and of itself) trigger an obligation for Galaxy to pay Orocobre the Galaxy Break Fee under clause 13.2(a)(iii).

### 13.3 **Payment of Orocobre Break Fee by Orocobre to Galaxy**

Subject to clauses 13.5, 13.6 and 13.7 Orocobre must pay Galaxy the Orocobre Break Fee (without withhold or set-off) if:

- (a) **(termination)** this document is validly terminated in accordance with:
- (i) **(Orocobre material breach)** clause 14.1(c) by Galaxy;
  - (ii) **(withdrawal of support)** clause 14.3(a) by Galaxy; or
  - (iii) **(Orocobre Proposal)** clause 14.1(d) by either party; or
- (b) **(completion of Orocobre Proposal)** during the Exclusivity Period, an Orocobre Proposal is announced, received by Orocobre or becomes open for acceptance and within 9 months after the date of announcement or the date that the Orocobre Proposal is received by Orocobre or becomes open for acceptance (whichever is earliest) (regardless of whether by that time this document has terminated) the relevant Competing Bidder (or any of its associates, together with their respective associates) acquires voting power of (or an economic interest in) more than 50% of all Orocobre Shares and that Orocobre Proposal (including any agreement to acquire Orocobre Shares related to the Orocobre Proposal) is (or becomes) free from any conditions (or if the Competing Proposal is a scheme of arrangement, the scheme becomes effective).

### 13.4 **Demand for payment**

- (a) If an event referred to in clause 13.2 occurs, any demand by Orocobre for payment under clause 13.2 must be in writing and Galaxy must pay the amount referred to in clause 13.2 to Orocobre within ten Business Days of receipt of the demand.
- (b) If an event referred to in clause 13.3 occurs, any demand by Galaxy for payment under clause 13.3 must be in writing and Orocobre must pay the amount referred to in clause 13.3 to Galaxy within ten Business Days of receipt of the demand.

### 13.5 **No payment if Scheme becomes Effective**

- (a) No amount is payable by Orocobre or Galaxy under this clause 13 if the Scheme becomes Effective, notwithstanding the occurrence of an event in clause 13.2 or clause 13.3 (as the case may be), and any amount paid under this clause 13 in circumstances where the Scheme becomes Effective is immediately repayable by the payee.
- (b) No amount is payable by Galaxy to Orocobre under this clause 13 if Orocobre acquires voting power of (or an economic interest in) 50% or more of all Galaxy Shares or otherwise acquires control (within the meaning given in section 50AA of the Corporations Act) of Galaxy within 12 months after the date of this document, notwithstanding the occurrence of an event in clause 13.2, and if any amount is paid by Galaxy to Orocobre under this clause 13 and Orocobre acquires voting power of (or an economic interest in) more than 50% of all Galaxy Shares or otherwise acquires control (within the meaning given in section 50AA of the Corporations Act) of Galaxy within 12 months after the date of this document, the amount is immediately repayable by Orocobre.

- (c) Notwithstanding anything else in this document, an amount payable by Orocobre or Galaxy (as applicable) under this clause 13 is payable only once.
- (d) The Galaxy Break Fee is not payable merely because the resolution submitted to the Scheme Meeting in respect of the Scheme is not approved by the majorities required under section 411(4)(a)(ii) of the Corporations Act.

#### 13.6 **Other Claims**

- (a) Subject to clause 13.6(c), the maximum aggregate amount that:
- (i) Galaxy is required to pay in relation to this document (including any breach of this document) is the Galaxy Break Fee and in no event will the aggregate liability of Galaxy in connection with this document exceed the Galaxy Break Fee; and.
  - (ii) Orocobre is required to pay in relation to this document (including any breach of this document) is the Orocobre Break Fee and in no event will the aggregate liability of Orocobre in connection with this document exceed the Orocobre Break Fee.
- (b) Notwithstanding any clause in this document other than clause 13.6(c), if an amount is paid by:
- (i) Galaxy under clause 13.2, that amount is received by Orocobre in complete settlement of any and all Claims that Orocobre may have against Galaxy in respect of the Scheme or in connection with this document; and
  - (ii) Orocobre under clause 13.3, that amount is received by Galaxy in complete settlement of any and all Claims that Galaxy may have against Orocobre in respect of the Scheme or in connection with this document.
- (c) This clause 13 does not limit any rights or obligations under the Deed Poll.

#### 13.7 **Compliance with law**

- (a) If the Takeovers Panel or a court of competent jurisdiction determines that an amount paid or payable under clause 13.2 or clause 13.3 is an Impugned Amount and:
- (i) the period for lodging an application for review or a notice of appeal of that decision has expired without such application or notice having been lodged; or
  - (ii) an application for review or a notice of appeal has been lodged with the Takeovers Panel or a court within the prescribed period and the relevant review Panel or court also determines that the amount is an Impugned Amount,
- then:
- (iii) the obligation under clause 13.2 or clause 13.3 (as applicable) does not apply to the extent of the Impugned Amount; and
  - (iv) if a party has been paid an Impugned Amount under this document, it must refund that Impugned Amount to the other party.
- (b) The parties must not make or cause to be made, any application to the Takeovers Panel or a court of competent jurisdiction for or in relation to a declaration or other

order that an amount paid or payable under clause 13.2 or clause 13.3 is an Impugned Amount.

#### 14. **TERMINATION**

##### 14.1 **Termination by either party**

Orocobre or Galaxy (the **Terminating Party**) may terminate this document by notice in writing to the other party if:

- (a) **(Condition not fulfilled or waived)** without limiting any other rights to terminate which may arise under another provision of this document, Orocobre and Galaxy are unable to reach agreement to do any matter listed in clauses 3.7(d) to 3.7(h) (inclusive) after consulting in good faith under clause 3.7 for a period of ten Business Days after both parties become aware of the occurrence of a circumstance in clause 3.7(a) (Condition not satisfied or waived), 3.7(b) (Condition not capable of being satisfied or waived) or 3.7(c) (Scheme not Effective), provided that:
  - (i) if clause 3.7(a) or 3.7(b) applies:
    - (A) the Terminating Party has the benefit of the relevant Condition;
    - (B) a breach of this document by the Terminating Party or one or more deliberate acts or omissions of the Terminating Party has not caused or materially contributed to:
      - (aa) the relevant Condition not being satisfied or becoming incapable of being satisfied; or
      - (bb) it becoming reasonably likely that the relevant Condition will not be satisfied; and
    - (C) where the relevant Condition is the Condition in item 10 or 15 of clause 3.2:
      - (aa) the Terminating Party has given written notice to the other party setting out the relevant circumstances giving rise to the breach, and stating an intention to terminate this document; and
      - (bb) the relevant circumstances giving rise to the breach are not remedied to the Terminating Party's reasonable satisfaction by the earlier of:
        - (a) ten Business Days after the date of the notice given by the Terminating Party under clause 14.1(a)(i)(C)(aa); or
        - (b) 7.00 am (Perth time) on the Second Court Date;
- (b) **(Shareholder approval not obtained)** Galaxy Shareholder Approval is not obtained at the Scheme Meeting and the Terminating Party:
  - (i) has not given or received a notice under clause 3.9 within three Business Days after the Scheme Meeting; or
  - (ii) has given or received a notice under clause 3.9 within three Business Days after the Scheme Meeting and any application to the Court for the Order in accordance with clause 3.9 is unsuccessful;

- (c) **(material breach)** at any time before 8.00 am (Perth time) on the Second Court Date, the other party (the **Defaulting Party**) commits a breach of this document (including a representation and warranty) and:
- (i) the breach is material;
  - (ii) the Terminating Party has given the Defaulting Party written notice setting out the relevant circumstances giving rise to the breach, and stating an intention to terminate this document; and
  - (iii) the relevant circumstances giving rise to the breach are not remedied to the Terminating Party's reasonable satisfaction by the earlier of:
    - (A) ten Business Days after the date of the notice given by the Terminating Party under clause 14.1(c)(ii); or
    - (B) 7.00 am (Perth time) on the Second Court Date;
- (d) **(Orocobre Proposal)** a member of the Orocobre Group accepts or enters into, or offers to accept or enter into, any agreement, arrangement or understanding to give effect to or implement an Orocobre Proposal; or
- (e) **(mutual termination)** agreed to in writing by Orocobre and Galaxy.

#### 14.2 Termination by Orocobre

- (a) Orocobre may terminate this document by giving notice in writing to Galaxy at any time before 8.00 am (Perth time) on the Second Court Date if:
- (i) **(withdrawal of support)** any Galaxy director:
    - (A) does not recommend the Scheme or withdraws or adversely modifies (including by attaching any qualifications not expressly permitted by this document to) an earlier recommendation;
    - (B) approves, endorses, recommends or makes an announcement in support of a Competing Proposal; or
    - (C) announces an intention to do any of these acts or otherwise publicly acts in a manner which is materially inconsistent with supporting the Scheme; or
  - (ii) **(Competing Proposal)** a member of the Galaxy Group accepts or enters into, or offers to accept or enter into, any agreement, arrangement or understanding to give effect to or implement a Competing Proposal.
- (b) For the avoidance of doubt, if a Competing Proposal is publicly announced, the release by Galaxy of one or more Announcements in accordance with clause 4.2(b) will not (in and of itself) trigger a right for Orocobre to terminate this document under this clause 14.2.

#### 14.3 Termination by Galaxy

Galaxy may terminate this document by giving notice to Orocobre at any time before 8.00 am (Perth time) on the Second Court Date if:

- (a) **(withdrawal of support)** the Orocobre Board:



- (i) approves, endorses, recommends or makes an announcement in support of an Orocobre Proposal which is materially inconsistent with supporting the Scheme; or
  - (ii) announces an intention to do any of these acts or otherwise publicly acts in a manner which is materially inconsistent with supporting the Scheme; or
- (b) **(Counter Proposal)** either of the following occurs:
- (i) Orocobre does not make a Counter Proposal during the Matching Period; or
  - (ii) Orocobre makes a Counter Proposal during the Matching Period and the Galaxy Board acting reasonably and in good faith determines that the terms and conditions of the Counter Proposal taken as a whole would not provide an equivalent or superior outcome to Galaxy Shareholders than those in the relevant Competing Proposal.

#### 14.4 **Effect of termination**

If a party terminates this document in accordance with this clause 14, this document will cease to have force and effect without any liability or obligation on or in respect of any party, except that:

- (a) this clause 14, clauses 1 (Interpretation), 7.4 (Release of Representatives of Orocobre), 7.5 (Release of Representatives of Galaxy), 10 (Announcement) (but only insofar as it relates to the Announcement each party makes in relation to the termination), 13 (Break Fee), 15 (Representations and warranties), 16 (Indemnities), 17 (GST), 18 (Notices), 19 (Amendment and Assignment) and 20 (General) will survive termination and remain in force; and
- (b) each party will retain any rights it has or may have against the other party in respect of any past breach of this document, including in respect of the breach giving rise to termination.

#### 14.5 **Notice of termination**

Where a party has a right to terminate this document, that right for all purposes will be validly exercised if the party delivers a notice in writing to the other party stating that it terminates this document and the provision under which it terminates this document.

#### 14.6 **Remedies**

- (a) The parties acknowledge and agree that damages may not be a sufficient remedy for breach of this document. Specific performance, injunctive relief or any other remedies which would otherwise be available in equity or law are available as a remedy for a breach or threatened breach of this document by any party, notwithstanding the ability of any party to terminate this document or seek damages for such a breach or threatened breach.
- (b) To avoid doubt, clause 14.6(a) is subject to clause 13.6.

### 15. **REPRESENTATIONS AND WARRANTIES**

#### 15.1 **Galaxy representations and warranties**

Galaxy represents and warrants to Orocobre that:

- (a) **(status)** it is a validly existing company limited by shares under the Corporations Act;

- For personal use only
- (b) **(power)** it has full legal capacity and power to:
    - (i) own its property and to carry on its business; and
    - (ii) enter into this document and carry out the transactions that this document contemplates in accordance with its terms;
  - (c) **(corporate authority)** it has taken all corporate action that is necessary to authorise it entering into this document and has taken or will take all necessary corporate action necessary to carrying out the transactions that this document contemplates in accordance with its terms;
  - (d) **(Authorisations)** subject to satisfaction of the Conditions, it holds each Authorisation that is necessary to:
    - (i) enable it to properly execute this document and to carry out the transactions that this document contemplates in accordance with its terms; and
    - (ii) ensure that this document is legal, valid, binding and admissible in evidence, and it is in compliance with any conditions to which any such Authorisation is subject in all material respects;
  - (e) **(document effective)** this document constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms;
  - (f) **(no contravention)** subject to satisfaction of the Conditions, neither its execution of this document nor the carrying out by it of the transactions that it contemplates in accordance with its terms, does or will contravene:
    - (i) any law to which it or any of its property is subject or any order of any Government Agency that is binding on it or any of its property;
    - (ii) any Material Galaxy Authorisation held by it;
    - (iii) any undertaking or instrument binding on it or any of its property; or
    - (iv) its constitution,disregarding any instances of non-compliance that individually and in aggregate, could not reasonably be expected to have a materially adverse effect on Galaxy or the implementation of the Scheme;
  - (g) **(no Insolvency Event)** on each day from the date of this document until 7:00 am (Perth time) on the Second Court Date neither it nor any of its subsidiaries is affected by an Insolvency Event;
  - (h) **(not representative capacity)** it is not entering into this document as trustee of any trust or settlement or otherwise in a representative capacity;
  - (i) **(information provided to the Independent Expert)** all information provided by it to the Independent Expert will be provided in good faith and on the understanding that the Independent Expert will rely on that information for the purpose of preparing the Independent Expert's Report for inclusion in the Scheme Booklet;

- (j) **(Galaxy Due Diligence Information not false or misleading)** as at the DD Cut-off Time Galaxy has not knowingly, negligently or recklessly:
- (i) omitted to disclose information to Orocobre, the disclosure of which might reasonably be expected to have resulted in Orocobre not entering into this document, or entering into it on materially different terms;
  - (ii) omitted anything from the Galaxy Due Diligence Information that would make any part of that information false or misleading in any material respect;
  - (iii) included anything in the Galaxy Due Diligence Information that is false or misleading in any material respect; or
  - (iv) denied access to requested information with the intention of misleading Orocobre;
- (k) **(Galaxy Information)** as at the First Court Date, the date of dispatch of the Scheme Booklet, the date of the Scheme Meeting and 7.00 am (Perth time) on the Second Court Date, the Galaxy Information in the Scheme Booklet, as updated by the Galaxy Information in any supplementary disclosure to Galaxy Shareholders in respect of the Scheme:
- (i) has been prepared and provided in good faith, and on the understanding that Orocobre and the Orocobre Board will rely on that information for the purposes of considering and approving the Orocobre Information in the Scheme Booklet before it is despatched, approving the entry into the Deed Poll and implementing the Scheme;
  - (ii) will not contain any material statement which is false or misleading (including because of any material omission); and
  - (iii) will otherwise comply in all material respects with all applicable laws, relevant ASIC regulatory guides, Takeovers Panel policy and guidance notes or the ASX Listing Rules;
- (l) **(Galaxy Joint Announcement Information)** as at the time of release of the Joint Announcement to ASX, the Galaxy Joint Announcement Information has been prepared and provided in good faith, will not contain any material statement which is false or misleading (including because of any material omission) and will otherwise comply in all material respects with all applicable laws, relevant ASIC regulatory guides, Takeovers Panel policy and guidance notes or the ASX Listing Rules.
- (m) **(continuous disclosure)** as at the date of this document, the First Court Date, the date of the Scheme Meeting and 7:00 am (Perth time) on the Second Court Date Galaxy is not in breach of its continuous disclosure obligation under ASX Listing Rule 3.1 and, except for information contained in the Announcement to be made in accordance with clause 4.2(a) or as otherwise Fairly Disclosed to Orocobre, there is no information to which ASX Listing Rule 3.1 does not apply because of ASX Listing Rule 3.1A;
- (n) **(compliance)** Galaxy and its subsidiaries have complied in all material respects with all applicable laws, all orders of Australian or foreign Government Agencies having jurisdiction over them and the ASX Listing Rules (disregarding any instances of non-compliance that individually and in aggregate, could not reasonably be expected to have a materially adverse effect on Galaxy);

- (o) **(no default):**
- (i) neither Galaxy nor any of its subsidiaries is in default under any document or agreement binding on it or its assets; and
  - (ii) nothing has occurred which is or would, with the giving of notice or lapse of time or both, constitute an event of default, prepayment event or similar event under any such document or agreement,
- which individually or in aggregate could reasonably be expected to have a materially adverse effect on Galaxy;
- (p) **(no litigation)** no litigation, arbitration, mediation, conciliation or administrative proceedings are taking place, pending or to its knowledge, threatened which, if adversely decided, could reasonably be expected to have a materially adverse effect on Galaxy;
- (q) **(schedule accurately details Galaxy capital)** Part A of Schedule 2 accurately records the maximum number and details of Galaxy Shares, securities convertible into Galaxy Shares, Galaxy Unlisted Securities, notes or other securities issued by Galaxy at the date of this document and Galaxy is not under any actual or contingent obligation to issue, convert or cancel any securities other than as set out in Part A of Schedule 2; and
- (r) **(disputes or breaches in relation to Material Galaxy Contracts and Material Galaxy Authorisations)** on each day from the date of this document until 7:00 am (Perth time) on the Second Court Date to Galaxy's knowledge, there are no existing or potential material disputes or breaches in relation to any Material Galaxy Contract or Material Galaxy Authorisation nor has anything occurred which is, or would with the giving of notice or lapse of time constitute, an event of default, prepayment event or similar event, or give another party a termination right or right to accelerate any right or obligation, under any Material Galaxy Contract with such an effect;
- (s) **(status of Authorisations)** on each day from the date of this document until 7:00 am (Perth time) on the Second Court Date, the Galaxy Group holds all material Authorisations necessary for it to conduct its activities as presently being conducted in all jurisdictions in which the Galaxy Group conducts business; and
- (t) **(no other approvals necessary)** to Galaxy's knowledge, no consents, approvals or other acts by a Government Agency are necessary to effect Implementation other than the Regulatory Approvals.

## 15.2 **Orocobre representations and warranties**

Orocobre represents and warrants to Galaxy that:

- (a) **(status)** it is a validly existing company limited by shares under the Corporations Act;
- (b) **(power)** it has full legal capacity and power to:
  - (i) own its property and to carry on its business; and
  - (ii) enter into this document and carry out the transactions that this document contemplates in accordance with its terms;
- (c) **(corporate authority)** it has taken all corporate action that is necessary to authorise it entering into this document and has taken or will take all necessary

corporate action necessary to carrying out the transactions that this document contemplates in accordance with its terms;

- (d) **(Authorisations)** it holds each Authorisation that is necessary to:
- (i) enable it to properly execute this document and to carry out the transactions that this document contemplates in accordance with its terms; and
  - (ii) ensure that this document is legal, valid, binding and admissible in evidence, and it is in compliance with any conditions to which any such Authorisation is subject in all material respects;
- (e) **(document effective)** this document constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms;
- (f) **(no contravention)** neither its execution of this document nor the carrying out by it of the transactions that it contemplates in accordance with its terms, does or will contravene:
- (i) any law to which it or any of its property is subject or any order of any Government Agency that is binding on it or any of its property;
  - (ii) any Material Orocobre Authorisation held by it;
  - (iii) any undertaking or instrument binding on it or any of its property; or
  - (iv) its constitution,
- disregarding any instances of non-compliance that individually and in aggregate, could not reasonably be expected to have a materially adverse effect on Orocobre or the implementation of the Scheme;
- (g) **(no Insolvency Event)** on each day from the date of this document until 7:00 am (Perth time) on the Second Court Date neither it nor any of its subsidiaries is affected by an Insolvency Event;
- (h) **(not representative capacity)** it is not entering into this document as trustee of any trust or settlement or otherwise in a representative capacity;
- (i) **(information provided to the Independent Expert)** all information provided by it to the Independent Expert will be provided in good faith and on the understanding that the Independent Expert will rely on that information for the purpose of preparing the Independent Expert's Report for inclusion in the Scheme Booklet.
- (j) **(Orocobre Due Diligence Information not false or misleading)** as at the DD Cut-off Time Orocobre has not knowingly, negligently or recklessly:
- (i) omitted to disclose information to Galaxy, the disclosure of which might reasonably be expected to have resulted in Galaxy not entering into this document, or entering into it on materially different terms;
  - (ii) omitted anything from the Orocobre Due Diligence Information that would make any part of that information false or misleading in any material respect;
  - (iii) included anything in the Orocobre Due Diligence Information that is false or misleading in any material respect; or

- (iv) denied access to requested information with the intention of misleading Galaxy;
- (k) **(Orocobre Information)** as at the First Court Date, the date of dispatch of the Scheme Booklet, the date of the Scheme Meeting and 7.00 am (Perth time) on the Second Court Date, the Orocobre Information in the Scheme Booklet, as updated by the Orocobre Information in any supplementary disclosure to Galaxy Shareholders in respect of the Scheme:
- (i) has been prepared and provided in good faith, and on the understanding that Galaxy and the Galaxy Board will rely on that information for the purposes of preparing the Scheme Booklet and proposing and implementing the Scheme;
  - (ii) will not contain any material statement which is false or misleading (including because of any material omission); and
  - (iii) will otherwise comply in all material respects with all applicable laws, relevant ASIC regulatory guides, Takeovers Panel policy and guidance notes or the ASX Listing Rules;
- (l) **(Orocobre Joint Announcement Information)** as at the time of release of the Joint Announcement to ASX, the Orocobre Joint Announcement Information has been prepared and provided in good faith, will not contain any material statement which is false or misleading (including because of any material omission) and will otherwise comply in all material respects with all applicable laws, relevant ASIC regulatory guides, Takeovers Panel policy and guidance notes or the ASX Listing Rules.
- (m) **(continuous disclosure)** as at the date of this document, the First Court Date, the date of the Scheme Meeting and 7:00 am (Perth time) on the Second Court Date Orocobre is not in breach of its continuous disclosure obligation under ASX Listing Rule 3.1 and, except for information contained in the Announcement to be made in accordance with clause 4.2(a), or as otherwise Fairly Disclosed to Galaxy, there is no information to which ASX Listing Rule 3.1 does not apply because of ASX Listing Rule 3.1A;
- (n) **(compliance)** Orocobre and its subsidiaries have complied in all material respects with all applicable laws, all orders of Australian or foreign Government Agencies having jurisdiction over them and the ASX Listing Rules (disregarding any instances of non-compliance that individually and in aggregate, could not reasonably be expected to have a materially adverse effect on Orocobre);
- (o) **(no default):**
- (i) neither Orocobre nor any of its subsidiaries is in default under any document or agreement binding on it or its assets; and
  - (ii) nothing has occurred which is or would, with the giving of notice or lapse of time or both, constitute an event of default, prepayment event or similar event under any such document or agreement,
- which individually or in aggregate could reasonably be expected to have a materially adverse effect on Orocobre;
- (p) **(no litigation)** no litigation, arbitration, mediation, conciliation or administrative proceedings are taking place, pending or to its knowledge, threatened which, if adversely decided, could reasonably be expected to have a materially adverse effect on Orocobre;

- (q) **(schedule accurately details Orocobre capital)** Part B of Schedule 2 accurately records the maximum number and details of Orocobre Shares, securities convertible into Orocobre Shares, notes or other securities issued by Orocobre at the date of this document and Orocobre is not under any actual or contingent obligation to issue, convert or cancel any securities other than as set out in Part A of Schedule 2;
- (r) **(Consideration Shares)** the Consideration Shares will, on issue:
- (i) be duly issued and fully paid;
  - (ii) be free from any Encumbrance and interest of third parties of any kind, whether legal or otherwise, or restriction on transfer of any kind, other than as provided for in the constitution of Orocobre or as contemplated by clause 8; and
  - (iii) rank equally in all respects, including for future dividends, with all existing Orocobre Shares;
- (s) **(disputes or breaches in relation to Material Orocobre Contracts and Material Orocobre Authorisations)** on each day from the date of this document until 7:00 am (Perth time) on the Second Court Date to Orocobre's knowledge, there are no existing or potential material disputes or breaches in relation to any Material Orocobre Contract or Material Orocobre Authorisation nor has anything occurred which is, or would with the giving of notice or lapse of time constitute, an event of default, prepayment event or similar event, or give another party a termination right or right to accelerate any right or obligation, under any Material Orocobre Contract with such an effect; and
- (t) **(status of Authorisations)** on each day from the date of this document until 7:00 am (Perth time) on the Second Court Date, the Orocobre Group holds all material Authorisations necessary for it to conduct its activities as presently being conducted in all jurisdictions in which the Orocobre Group conducts business; and
- (u) **(no other approvals necessary)** to Orocobre's knowledge, no consents, approvals or other acts by a Government Agency are necessary to effect Implementation other than the Regulatory Approvals.

#### 15.3 **Qualifications on representations and warranties**

- (a) Each of the representations and warranties made or given by Galaxy in clause 15.1 and the indemnity in clause 16.1 are subject to matters that:
- (i) have been Fairly Disclosed in the Galaxy Disclosure Material; or
  - (ii) are required or expressly permitted by this document or the Scheme.
- (b) Each of the representations and warranties made or given by Orocobre in clause 15.2 and the indemnity in clause 16.2 are subject to matters that:
- (i) have been Fairly Disclosed in the Orocobre Disclosure Material; or
  - (ii) are required or expressly permitted by this document or the Scheme.

#### 15.4 **Reliance on representations and warranties**

- (a) Each party acknowledges that the other party has executed this document and agreed to take part in the transactions that this document contemplates in reliance on the representations and warranties that are made in clauses 15.1 and 15.2.

- (b) Each party acknowledges and confirms that no party (nor any person acting on its behalf) has made any representation or other inducement to it to enter into this document, other than the representations and warranties made by the parties in accordance with clauses 15.1 and 15.2, and (to the maximum extent permitted by law) all other representations, warranties and conditions implied by statute or otherwise in relation to any matter relating to this document, the circumstances surrounding the parties' entry into it and the transactions contemplated by it are expressly excluded.

**15.5 When warranties are given**

Unless expressly stated otherwise in clauses 15.1 and 15.2, each representation and warranty given or made under clauses 15.1 and 15.2 is given at:

- (a) the date of this document; and
- (b) 7.00 am (Perth time) on the Second Court Date.

**15.6 Information on representations and warranties**

From the date of this document and up to and including the Implementation Date, each party must promptly (and in any event within two Business Days of it becoming aware) give to the other party details of any matter or occurrence that it becomes aware of which has resulted, will result, or it reasonably likely to result, in any representation or warranty given by the first mentioned party under this document inaccurate in any material respect with such notice to include details of the relevant circumstances and any actions taken to remedy the actual or potential breach.

**15.7 Survival of representations and warranties**

Each representation and warranty given by the parties in clause 15.1 and 15.2:

- (a) is severable;
- (b) survives the termination of this document;
- (c) is given with the intent that liability thereunder will not be confined to breaches which are discovered prior to the date of termination of this document;
- (d) is to be construed independently of all other representations and warranties given under clause 15.1 and 15.2; and
- (e) is not limited by any other representation or warranty given under clause 15.1 and 15.2.

**16. INDEMNITIES**

**16.1 Indemnities by Galaxy**

Subject to clause 13.6, Galaxy indemnifies Orocobre and members of the Orocobre Group and their respective directors, officers and employees against, and must pay on demand, any Loss, Claim or damages (including any right to common law damages) arising from or incurred in connection with a breach of the representations and warranties in clause 15.1, to the fullest extent permitted by law.

**16.2 Indemnities by Orocobre**

Subject to clause 13.6, Orocobre indemnifies Galaxy and members of the Galaxy Group and their respective directors, officers and employees against, and must pay on demand, any



Loss, Claim or damages (including any right to common law damages) arising from or incurred in connection with a breach of the representation and warranties in clause 15.2, in each case, to the fullest extent permitted by law.

### 16.3 **Survival of indemnities**

Each indemnity given in clause 16.1 and 16.2:

- (a) is severable;
- (b) survives the termination of this document;
- (c) is a continuing obligation; and
- (d) constitutes a separate and independent obligation of the party giving the indemnity from any other obligations of that party under this document.

## 17. **GST**

### 17.1 **GST pass on**

If GST is or will be payable on a supply made under or in connection with this document, to the extent that the consideration otherwise provided for that supply under this document is not stated to include an amount for GST on the supply:

- (a) the consideration otherwise provided for that supply under this document is increased by the amount of that GST; and
- (b) the recipient must make payment of the increase as and when the consideration otherwise provided for, or relevant part of it, must be paid or provided or, if the consideration has already been paid or provided, within seven days of receiving a written demand from the supplier.

### 17.2 **Tax Invoice**

The right of the supplier to recover any amount in respect of GST under this document on a supply is subject to the issuing of the relevant tax invoice or adjustment note to the recipient except where the recipient is required to issue the tax invoice or adjustment note.

### 17.3 **Consideration exclusive of GST**

Any consideration otherwise provided for a supply or payment obligation, and any reference to an amount, in connection with this document is stated exclusive of GST unless indicated otherwise.

### 17.4 **Later adjustment to price or GST**

If the amount of GST on a supply is or should be different from the amount in respect of GST already recovered by the supplier, as appropriate, the supplier:

- (a) may recover from the recipient the amount by which the amount of GST on the supply exceeds the amount already recovered by giving seven days written notice; or
- (b) must refund to the recipient the amount by which the amount already recovered exceeds the amount of GST on the supply; and
- (c) must issue an adjustment note or tax invoice reflecting any adjustment event in relation to the supply to the recipient within 28 days of the adjustment.

## 17.5 Reimbursements

Costs actually or estimated to be incurred or revenue actually or estimated to be earned or lost by a party that is required to be reimbursed or indemnified by another party, or used as the basis for calculation of consideration for a supply, under this document must exclude the amount of GST referable to the cost to the extent to which an entitlement arises or would arise to claim an input tax credit and in relation to revenue must exclude any amount in respect of GST referable to the revenue

## 18. NOTICES

### 18.1 How to give a notice

A notice, consent or other communication under this document is only effective if it is:

- (a) in writing, legible and in English, signed by or on behalf of the person giving it;
- (b) addressed to the person to whom it is to be given; and
- (c) either:
  - (i) delivered or sent by pre-paid mail (by airmail, if the addressee is overseas) to that person's address; or
  - (ii) sent in electronic form (such as email).

### 18.2 When a notice is given

A notice, consent or other communication that complies with this clause 18 is regarded as given and received:

- (a) if it is sent by mail:
  - (i) within Australia – three Business Days after posting; or
  - (ii) to or from a place outside Australia – seven Business Days after posting;
- (b) if it is sent in electronic form:
  - (i) if it is transmitted by 5.00 pm (local time of receipt) on a Business Day – when sent; or
  - (ii) if it is transmitted:
    - (A) after 5.00 pm (local time of receipt) on a Business Day; or
    - (B) on a day that is not a Business Day,  
on the next Business Day,

provided that no notice of failure of transmission or other error message is received by the sender.

### 18.3 **Address for notices**

A person's address and email address are those set out below, or as the person notifies the sender.

#### **Galaxy**

Address: Level 4, 21 Kintail Road,  
Applecross, Western Australia 6153

Email Address: [Simon.Hay@gxy.com](mailto:Simon.Hay@gxy.com)

Attention: Simon Hay

Copy to: John Sanders, General Counsel and Company Secretary  
([John.Sanders@gxy.com](mailto:John.Sanders@gxy.com))

#### **Orocobre**

Address: Level 35, Riparian Plaza, 71 Eagle Street  
Brisbane, Queensland 4000

Email Address: [mperezdesolay@orocobre.com](mailto:mperezdesolay@orocobre.com)

Attention: Martín Pérez de Solay

Copy to: Rick Anthon  
([ranthon@orocobre.com](mailto:ranthon@orocobre.com))

## 19. **AMENDMENT AND ASSIGNMENT**

### 19.1 **Amendment**

This document can only be amended or replaced by another document executed by the parties.

### 19.2 **Assignment**

A party may only assign, encumber, declare a trust over or otherwise deal with its rights under this document with the prior written consent of the other party.

## 20. **GENERAL**

### 20.1 **Governing law**

- (a) This document and any dispute arising out of or in connection with the subject matter of this document is governed by the laws of the State of Western Australia.
- (b) Each party submits to the non-exclusive jurisdiction of the courts of that State and courts of appeal from them, in respect of any proceedings arising out of or in connection with the subject matter of this document.

### 20.2 **Liability for expenses**

- (a) Orocobre must pay all stamp duty payable on this document or any instrument or transaction contemplated in or necessary to give effect to this document.
- (b) Subject to clause 20.2(a), each party must pay its own expenses incurred in negotiating, preparing, executing and registering this document.

- (c) Between the date of this document and the Implementation Date, Galaxy must provide to Orocobre any information or record in Galaxy's possession or control which Orocobre reasonably requests in order for it to estimate the stamp duty payable in respect of the transactions contemplated by this document or in order to satisfy the requirements of any Government Agency in connection with the assessment of any stamp duty referred to in clause 20.2(a).

### 20.3 **Giving effect to this document**

Each party must do anything within its power (including execute any document) that the other party may reasonably require to give full effect to this document.

### 20.4 **Variation of rights**

The exercise of a right partially or on one occasion does not prevent any further exercise of that right in accordance with the terms of this document. Neither a forbearance to exercise a right nor a delay in the exercise of a right operates as an election between rights or a variation of the terms of this document.

### 20.5 **No partnership or agency**

Nothing in this document is to be treated as creating a partnership and, except as specifically provided in this document, no party may act as agent of or in any way bind another party to any obligation.

### 20.6 **Operation of this document**

- (a) Subject to clause 6.6:
- (i) this document, the Scheme, the Deed Poll and the Confidentiality Agreement contain the entire agreement between the parties about its subject matter;
  - (ii) any previous understanding, agreement, representation or warranty relating to that subject matter is replaced by this document, the Scheme, the Deed Poll and the Confidentiality Agreement and has no further effect.
- (b) Any right that a person may have under this document is in addition to, and does not replace or limit, any other right that the person may have.
- (c) Any provision of this document which is unenforceable or partly unenforceable is, where possible, to be severed to the extent necessary to make this document enforceable, unless this would materially change the intended effect of this document.

### 20.7 **Operation of indemnities**

- (a) Without limiting clause 16.3, each indemnity in this document survives the expiry or termination of this document.
- (b) A party may recover a payment under an indemnity in this document before it makes the payment in respect of which the indemnity is given.

### 20.8 **Third party benefit**

If a provision of this document is expressed to be for the benefit of (for example, by conferring an indemnity or an exclusion of liability upon) a person such as an officer, employee, agent or adviser of Orocobre or Galaxy that is not a party to this document (**third party**, for the purposes of this clause 20.8), the third party:

- (a) **(benefit, enforcement)** is entitled to the benefit of the provision and may enforce it but only in accordance with this clause;
- (b) **(variation, cancellation)** accepts that before Implementation Orocobre and Galaxy may vary or cancel the provision as they see fit without the consent of and without having regard to the interests of or being responsible for any detriment to the third party;
- (c) **(indemnity acceptance)** may accept the benefit of an indemnity only when the third party has suffered a Loss or received a Claim to which the indemnity would apply;
- (d) **(indemnity time limit)** must accept the benefit of an indemnity and issue and serve any legal proceedings to enforce it within two years after suffering the Loss or receiving the Claim;
- (e) **(exclusion acceptance)** may accept the benefit of an exclusion from or limitation of liability only when the third party has received a Claim or a threat of a Claim to which the exclusion would apply; and
- (f) **(exclusion time limit)** must accept the benefit of an exclusion from or limitation of liability and issue and serve any legal proceedings to enforce it within two years after receiving the Claim or threat of a Claim,

provided that clauses 20.8(c) to 20.8(f) do not apply in relation to clauses 7.3, 7.4 or 7.5.

#### 20.9 **Consents**

Where this document contemplates that a party may agree or consent to something (however it is described), unless this document expressly contemplates otherwise, the party may:

- (a) agree or consent, or not agree or consent, in its sole and absolute discretion; and
- (b) agree or consent subject to conditions.

#### 20.10 **No merger**

No provisions of this document merge on Implementation.

#### 20.11 **Inconsistency with other documents**

If this document is inconsistent with any other document or agreement between the parties, this document prevails to the extent of the inconsistency.

#### 20.12 **Counterparts**

This document may be executed in counterparts. Transmission of an executed counterpart of this document by email (in PDF format) will be taken to be valid and effective delivery of a duly executed counterpart of this document.

## **SCHEDULE 1**

### **Timetable**

<b>Event</b>	<b>Date</b>
Release of Joint Announcement	19 April 2021
ASIC Review Draft provided to ASIC	Early-June 2021
First Court Hearing	Late-June 2021
Galaxy despatches Scheme Booklet to Galaxy Shareholders	Late-June 2021
Scheme Meeting	Late-July 2021
Second Court Hearing	Late-July – early-August 2021
Effective Date	Late-July – early-August 2021
Scheme Record Date	Early – mid-August 2021
Implementation Date	Mid-August 2021

## SCHEDULE 2

### Issued Capital

#### Part A - Galaxy's issued capital

For the purpose of this Part A:

**Long Term Incentive Plan** means the Galaxy Resources Long-Term Incentive Plan approved by Galaxy Shareholders on 29 May 2015 and last revised on 2 April 2019, a copy of which has been made available in the Galaxy Data Room.

**Incentive Award Plan** means the Galaxy Resources Incentive Award Plan revised on 2 April 2019 and approved by Galaxy Shareholders on 28 May 2019, a copy of which has been made available in the Galaxy Data Room.

1. **Galaxy Shares**

As at the date of this document, Galaxy has 505,284,884 fully paid ordinary shares on issue.

2. **Galaxy Performance Rights and Galaxy 2021 Performance Rights**

As at the date of this document, Galaxy has on issue the following Galaxy Performance Rights.

Class / description	Number of Galaxy Performance Rights	Number of Galaxy Shares to be issued on vesting and exercise
Galaxy STI Performance Rights	2,093,560	2,093,560
Galaxy LTI Performance Rights	6,943,239	6,943,239
Other Galaxy Performance Rights	607,271	607,271

In addition to these Galaxy Performance Rights, Galaxy is proposing to issue the following additional Galaxy Performance Rights (**Galaxy 2021 Performance Rights**).

#### Issue to certain executives in lieu of salary

Class / description	Number of Galaxy Performance Rights	Number of Galaxy Shares to be issued on vesting and exercise
Executive Performance Rights (in lieu of salary)	A\$220,264 of Performance Rights calculated as per Note 1	1 Galaxy Share per exercised Performance Right

**Note 1** – Performance Rights to be issued to certain executives in lieu of forgone salary in two tranches:

- A\$101,660 worth of Performance Rights to be issued on or about 18 April 2021 using the 20 day VWAP up to and including 18 April 2021; and
- A\$118,603 worth of Performance Rights to be issued on or about 25 July 2021 using the 20 day VWAP up to and including 25 July 2021.

**Issue to directors (subject to receipt of Shareholder Approval)**

Class / description	Number of Galaxy Performance Rights	Number of Galaxy Shares to be issued on vesting and exercise
Non-Executive Director ( <b>NED</b> ) Performance Rights	US\$140,000 worth of Performance Rights calculated as specified in the Galaxy Notice of Meeting issued on 14 April 2021	1 Galaxy Share per exercised Performance Right
Executive Director 2021 STI Performance Rights	59,495	59,495

3. **Galaxy Share Appreciation Rights**

As at the date of this document, Galaxy has the following Galaxy Share Appreciation Rights on issue.

Class / description	Number of Galaxy Share Appreciation Rights	Number of Galaxy Shares to be issued on vesting and exercise
GXYAR Share Appreciation Rights	900,000	Calculated in accordance with the Long Term Incentive Plan

4. **Galaxy Options**

As at the date of this document, Galaxy has the following Galaxy Options on issue.

Class / description	Number of Galaxy Options	Number of Galaxy Shares to be issued on vesting and exercise
GXYAK Unlisted Options exercisable at \$3.66 on or before 1 May 2021	500,000	500,000 <sup>1</sup>

**Note 1:** The number of Galaxy Shares issued on exercise of Galaxy Options may be less if the cashless exercise mechanism contained in the Incentive Award Plan is used.



## Part B - Orocobre's issued capital

### 1. Orocobre Shares

As at the date of this document, Orocobre has 344,158,072 fully paid ordinary shares on issue.

### 2. Orocobre Performance Rights

As at the date of this document, Orocobre has on issue 3,384,046 Orocobre Performance Rights, comprising the following.

Class / description	Number of Orocobre Performance Rights	Number of Orocobre Shares to be issued on vesting and exercise
OREAS FY19 LTI Performance Rights	599,270	599,270
OREAS FY20 LTI Performance Rights	1,292,960	1,292,960
OREAS FY21 LTI Performance Rights	1,294,166	1,294,166
OREAS FY20 STI Performance Rights	197,650	197,650

### 3. Orocobre Performance Rights proposed to be issued

In addition to the Orocobre Performance Rights set out in item 2, Orocobre is proposing to issue 142,000 Orocobre Performance Rights (**Orocobre 2021 Performance Rights**).

**SCHEDULE 3**

**Scheme of Arrangement**



## Scheme of Arrangement

Galaxy Resources Limited

ABN 11 071 976 442

Scheme Shareholders

For personal use only

## SCHEME OF ARRANGEMENT

### Under section 411 of the Corporations Act

#### BETWEEN:

- (1) Galaxy Resources Limited ABN 11 071 976 442 whose registered office is at Level 4, 21 Kintail Road, Applecross, Western Australia (**Galaxy**); and
- (2) Scheme Shareholders.

#### PRELIMINARY MATTERS

- (A) Galaxy is a public company limited by shares incorporated in Australia. It has its registered office at Level 4, 21 Kintail Road, Applecross, Western Australia. Galaxy is admitted to the official list of ASX and Galaxy Shares are quoted on the securities exchange operated by ASX.
- (B) As at the date of the Merger Implementation Deed, Galaxy had on issue or had granted:
  - (i) 505,284,884 Galaxy Shares;
  - (ii) 9,644,070 Galaxy Performance Rights;
  - (iii) 900,000 Galaxy Share Appreciation Rights; and
  - (iv) 500,000 Galaxy Options.
- (C) Orocobre Limited ABN 31 112 589 910 (**Orocobre**) is a public company limited by shares incorporated in Australia. It has its registered office at Level 35, Riparian Plaza, 71 Eagle Street, Brisbane, Queensland. Orocobre is admitted to the official list of ASX and Orocobre Shares are quoted on the securities exchange operated by ASX and the Toronto Stock Exchange.
- (D) Galaxy and Orocobre entered into the Merger Implementation Deed on or about 18 April 2021 to facilitate the implementation of this Scheme.
- (E) Orocobre has executed the Deed Poll under which it covenants in favour of the Scheme Shareholders to carry out its obligations under this Scheme, including to provide the Scheme Consideration in accordance with the terms of this Scheme.
- (F) If this Scheme becomes Effective, on the Implementation Date:
  - (1) Orocobre will provide the Scheme Consideration to Scheme Shareholders in accordance with the terms of this Scheme and the Deed Poll;
  - (2) all of the Scheme Shares, and all of the rights and entitlements attaching to them as at the Implementation Date, will be transferred to Orocobre; and
  - (3) Galaxy will enter Orocobre's name in the Galaxy Share Register as the holder of all of the Scheme Shares.

## OPERATIVE PROVISIONS

### 1. INTERPRETATION

#### 1.1 Definitions

The following definitions apply in this Scheme.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means the Australian Securities Exchange or ASX Limited (ABN 98 008 624 691), as the context requires.

**ASX Listing Rules** means the listing rules of ASX.

**Business Day:**

- (a) when used in relation to the Implementation Date and the Scheme Record Date, has the meaning given in the ASX Listing Rules; and
- (b) in all other cases, means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth, Western Australia.

**CHESS** means the Clearing House Electronic Subregister System for the electronic transfer of securities operated by ASX Settlement Pty Limited ABN 49 008 504 532.

**Consideration Share** means an Orocobre Share to be issued under this Scheme as Scheme Consideration.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Court** means the Supreme Court of Western Australia or such other court of competent jurisdiction under the Corporations Act agreed to in writing by Orocobre and Galaxy.

**Court Orders** has the meaning given in clause 3.1.

**Deed Poll** means the deed poll dated on or about the date of the Merger Implementation Deed under which Orocobre covenants in favour of Scheme Shareholders to (among other things) provide the Scheme Consideration in accordance with the terms of this Scheme.

**Effective** means the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to this Scheme.

**Effective Date** means the date on which this Scheme becomes Effective.

**Encumbrance** means:

- (a) a Security Interest; or
- (b) an easement, restrictive covenant, caveat or similar restriction over property.

**End Date** means the date that is six months after the date of the Merger Implementation Deed, subject to any extension to that date made under clause 3.7 of the Merger Implementation Deed.

**First Court Date** means the first day of the hearing of the Court of an application for an order under section 411(1) of the Corporations Act convening of the Scheme Meeting.

**Galaxy Option** has the meaning given in the Merger Implementation Deed.

**Galaxy Performance Right** has the meaning given in the Merger Implementation Deed.

**Galaxy Share** means a fully paid ordinary share in Galaxy.

**Galaxy Share Appreciation Right** has the meaning given in the Merger Implementation Deed.

**Galaxy Share Register** means the register of members of Galaxy.

**Galaxy Share Registry** means Computershare Investor Services Pty Limited ACN 078 279 277.

**Galaxy Shareholder** means a person entered in the Galaxy Share Register as a holder of a Galaxy Share.

**Government Agency** means a government, government department or a governmental, semi-governmental, administrative, statutory or judicial entity, agency, authority, commission, department, tribunal, or person charged with the administration of a law or agency, whether in Australia or elsewhere, including the Australian Competition and Consumer Commission, ASIC, ASX, the Takeovers Panel, and any self-regulatory organisation established under statute or by ASX.

**Implementation** means the implementation of this Scheme.

**Implementation Date** means the fifth Business Day following the Scheme Record Date, or such other date as ordered by the Court or agreed in writing between Orocobre and Galaxy.

**Ineligible Consideration Shares** has the meaning given in clause 4.4(a).

**Ineligible Overseas Shareholder** means a Galaxy Shareholder whose address shown in the Galaxy Share Register at the Scheme Record Date is a place outside Australia, New Zealand and their respective external territories, or any other jurisdictions agreed by Galaxy and Orocobre in writing (each acting reasonably), other than any Galaxy Shareholder in respect of whom Orocobre determines (in its sole and absolute discretion) that it is lawful and not unduly impracticable or onerous for Orocobre to issue that Galaxy Shareholder with Consideration Shares on Implementation in accordance with the terms of the Merger Implementation Deed.

**Ineligible Shareholder** means an Ineligible Overseas Shareholder or a Relevant Unmarketable Parcel Shareholder.

**Merger Implementation Deed** means the merger implementation deed dated on or about 18 April 2021 between Galaxy and Orocobre relating to (among other things) implementation of this Scheme.

**Net Proceeds** means the total proceeds of sale of all of the Ineligible Consideration Shares after the deduction of any applicable fees, brokerage, taxes and charges of the Sale Nominee reasonably incurred in connection with the sale of the Ineligible Consideration Shares.

**Opt-in Notice** means a notice by an Unmarketable Parcel Shareholder requesting to receive the Scheme Consideration as Consideration Shares.

**Orocobre Share** means a fully paid ordinary share in Orocobre.

**Orocobre Share Register** means the register of members of Orocobre.

**Registered Address** means, in relation to a Galaxy Shareholder, the address of the shareholder shown in the Galaxy Share Register.

**Relevant Unmarketable Parcel Shareholder** means an Unmarketable Parcel Shareholder who has not provided Galaxy with an Opt-in Notice before 5.00 pm (Perth time) on the Business Day prior to the Scheme Record Date.

**Sale Nominee** means the nominee appointed by Galaxy and Orocobre (each acting reasonably and in good faith) in accordance with clause 2.7(b) of the Merger Implementation Deed to sell the Consideration Shares that are attributable to Ineligible Shareholders under the terms of this Scheme (or any nominee of such person).

**Scheme** means this scheme of arrangement under Part 5.1 of the Corporations Act between Galaxy and the Scheme Shareholders, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to in writing by Orocobre and Galaxy.

**Scheme Consideration** means the consideration to be provided by Orocobre to each Scheme Shareholder for the transfer of each Scheme Share under this Scheme, as set out in clause 4.

**Scheme Meeting** means the meeting of Galaxy Shareholders to be convened as ordered by the Court under section 411(1) of the Corporations Act, to consider this Scheme.

**Scheme Record Date** means 7.00 pm (Sydney time) on the day which is two Business Days after the Effective Date, or such other date as may be agreed in writing between Orocobre and Galaxy or as may be required by ASX.

**Scheme Share** means a Galaxy Share held by a Scheme Shareholder as at the Scheme Record Date.

**Scheme Shareholder** means a Galaxy Shareholder as at the Scheme Record Date, taking into account registration of all registrable transfers and transmission applications in accordance with clause 5.1.

**Scheme Transfer** means a duly completed and executed proper instrument of transfer in respect of the Scheme Shares for the purposes of section 1071B of the Corporations Act, in favour of Orocobre, being a master transfer of all of the Scheme Shares.

**Second Court Date** means the first day on which the Court hears an application for an order under section 411(4)(b) of the Corporations Act approving this Scheme or, if the application is adjourned or subject to appeal for any reason, the first day on which the adjourned or appealed application is heard.

**Security Interest** means any security interest, including:

- (a) a security interest that is subject to the *Personal Property Securities Act 2009* (Cth);
- (b) any other mortgage, charge, pledge or lien; or
- (c) any other interest or arrangement of any kind that in substance secures the payment of money or the performance of an obligation, or that gives a creditor priority over unsecured creditors in relation to any property.

**Unclaimed Money Act** means the *Unclaimed Money Act 1990* (WA).

**Unmarketable Parcel Shareholder** means a Scheme Shareholder (other than an Ineligible Overseas Shareholder) who, based on their holding of Scheme Shares on the Scheme Record Date, would, on Implementation, be entitled to receive less than a

marketable parcel (as that term is defined in the ASX Listing Rules) of Consideration Shares (assessed by reference to the price of Orocobre Shares on ASX at the close of trade on the trading day prior to the Scheme Record Date) as Scheme Consideration.

## 1.2 Rules for interpreting this Scheme

Headings and catchwords are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this Scheme, except where the context makes it clear that a rule is not intended to apply.

- (a) A reference to:
  - (i) a legislative provision or legislation (including subordinate legislation) is to that provision or legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
  - (ii) a clause is to a clause of this Scheme;
  - (iii) a document (including this Scheme) or agreement, or a provision of a document (including this Scheme) or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;
  - (iv) a party to this Scheme, or to any other document or agreement, includes a permitted substitute or a permitted assign of that party;
  - (v) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
  - (vi) anything (including a right, obligation or concept) includes each part of it.
- (b) A singular word includes the plural, and vice versa.
- (c) A word which suggests one gender includes the other genders.
- (d) If a word or phrase is defined, any other grammatical form of that word or phrase has a corresponding meaning.
- (e) If an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.
- (f) The word **officer** has the same meaning as given by the Corporations Act.
- (g) A reference to **\$** or **dollar** is to Australian currency.
- (h) A reference to time in this Scheme is a reference to time in Perth, Western Australia, unless otherwise specified.
- (i) Nothing in this Scheme is to be construed adversely to a party just because that party prepared this Scheme or prepared or proposed the relevant part of this Scheme.

## 1.3 Non-Business Days

If the day on or by which a person must do something under this Scheme is not a Business Day the person must do it on or by the next Business Day.



## 2. **CONDITIONS PRECEDENT**

### 2.1 **Conditions precedent to the Scheme**

This Scheme is conditional upon, and will not become Effective unless and until, each of the following conditions precedent is satisfied.

- (a) As at 7.00 am (Perth time) on the Second Court Date, each of the conditions set out in clause 3.2 of the Merger Implementation Deed (other than the conditions in items 4 (Court approval of Scheme) and 5 (Order lodged with ASIC) of clause 3.2 of the Merger Implementation Deed) has been satisfied or waived in accordance with the terms of the Merger Implementation Deed.
- (b) Prior to 7.30 am (Perth time) on the Second Court Date, neither the Merger Implementation Deed nor the Deed Poll has been terminated in accordance with their terms.
- (c) The order of the Court made under section 411(4)(b) of the Corporations Act (and, if applicable, section 411(6) of the Corporations Act, subject to such alterations or conditions being agreed in accordance with clause 3.3) approving this Scheme comes into effect pursuant to section 411(10) of the Corporations Act on or before the End Date (or any later date agreed to in writing by Orocobre and Galaxy).

### 2.2 **Certificates**

- (a) Before 8.00 am (Perth time) on the Second Court Date, each of Galaxy and Orocobre must provide to the Court a certificate signed by a duly authorised representative confirming whether or not the conditions precedent in clause 2.1(a) and 2.1(b) have been satisfied.
- (b) The certificates referred to in clause 2.2(a) constitute conclusive evidence that the conditions precedent in clauses 2.1(a) and 2.1(b) have been satisfied.

### 2.3 **Effective Date**

Subject to clauses 2.1, this Scheme takes effect on the Effective Date.

### 2.4 **When Scheme will lapse**

Unless Galaxy and Orocobre otherwise agree in writing (and, if required, as approved by the Court), this Scheme will immediately lapse and be of no further force or effect if, without limiting any rights under the Merger Implementation Deed:

- (a) either or both of the Merger Implementation Deed and the Deed Poll are terminated in accordance with their respective terms; or
- (b) the Effective Date does not occur on or before the End Date.

## 3. **THE SCHEME**

### 3.1 **Lodgement of copy of Court Order with ASIC**

Galaxy must lodge with ASIC an office copy of the order of the Court approving this Scheme under section 411(4)(b) of the Corporations Act (and, if applicable, section 411(6) of the Corporations Act) (**Court Orders**) in accordance with section 411(10) of the Corporations Act by:

- (a) 5.00 pm (Perth time) on the later of:
- (i) the first Business Day following the day on which the Court approves this Scheme; or
  - (ii) the Business Day on which the Court Orders are entered; or
- (b) such other Business Day and by such other time as agreed to in writing by Orocobre and Galaxy.

### 3.2 **Transfer of Scheme Shares**

On the Implementation Date:

- (a) subject to the provision of the Scheme Consideration in the manner contemplated by clause 4, all of the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at the Implementation Date, will be transferred to Orocobre without the need for any further act by any Scheme Shareholder (other than acts performed by Galaxy or its directors and officers as attorney and agent for the Scheme Shareholders under this Scheme) by:
  - (i) Galaxy delivering to Orocobre a duly completed registrable Scheme Transfer to transfer the Scheme Shares to Orocobre, which Scheme Transfer has been duly executed by Galaxy (or any of its directors and officers) as the attorney and agent of each Scheme Shareholder as a transferor under clauses 6.2 and 6.4; and
  - (ii) Orocobre duly completing and executing the Scheme Transfer as transferee, attending to stamping of the Scheme Transfer (if required) and delivering it to Galaxy for registration; and
- (b) immediately following receipt of the Scheme Transfer in accordance with clause 3.2(a)(ii), Galaxy must:
  - (i) attend to registration of the Scheme Transfer; and
  - (ii) enter or procure the entry of the name and address of Orocobre in the Galaxy Share Register as the holder of all of the Scheme Shares.

### 3.3 **Alteration or condition to Scheme**

If the Court proposes to approve this Scheme subject to any alterations or conditions under section 411(6) of the Corporations Act, and those alterations or conditions have been agreed to in writing by each of Galaxy and Orocobre:

- (a) Galaxy may, by its counsel, consent on behalf of all persons concerned, including each Scheme Shareholder, to those alterations or conditions; and
- (b) each Scheme Shareholder agrees to any such alterations or conditions which counsel for Galaxy has consented to.

## 4. **SCHEME CONSIDERATION**

### 4.1 **Entitlement to Scheme Consideration**

On the Implementation Date, in consideration for the transfer to Orocobre of the Scheme Shares by each Scheme Shareholder under the terms of this Scheme, each Scheme Shareholder will be entitled to receive, and Orocobre will issue to each Scheme Shareholder

(subject to clauses 4.2 to 4.9), 0.569 Consideration Shares for each Scheme Share in accordance with clauses 4.2 to 4.9 and the Deed Poll.

#### 4.2 **Provision of Scheme Consideration**

Subject to clauses 4.3 to 4.9, Orocobre must:

- (a) on the Implementation Date:
  - (i) issue to each Scheme Shareholder the applicable Scheme Consideration in accordance with this Scheme and the Deed Poll; and
  - (ii) procure that the name and address of each Scheme Shareholder is entered in the Orocobre Share Register as the holder of the applicable Consideration Shares (being the name and Registered Address entered in the Galaxy Share Register in relation to the relevant Scheme Shares); and
- (b) no later than five Business Days after the Scheme Record Date, send or procure the dispatch to each Scheme Shareholder (other than Ineligible Shareholders), to their Registered Address as at the Scheme Record Date, a holding statement representing the Consideration Shares issued to that Scheme Shareholder.

#### 4.3 **Election by Unmarketable Parcel Shareholders**

- (a) Galaxy must provide each Unmarketable Parcel Shareholder with, or procure the provision to each Unmarketable Parcel Shareholder of, an Opt-in Notice.
- (b) Unless an Unmarketable Parcel Shareholder provides Galaxy with a duly completed Opt-in Notice prior to 5.00 pm (Perth time) on the Business Day prior to the Scheme Record Date, Orocobre will be under no obligation under this Scheme or Deed Poll to issue, and will not issue, any Consideration Shares to any Unmarketable Parcel Shareholder, and instead, unless Orocobre and Galaxy otherwise agree, Orocobre must procure that the Consideration Shares that each Unmarketable Parcel Shareholder would otherwise be entitled to receive as Scheme Consideration are dealt with in accordance with clause 4.4 of this Scheme.

#### 4.4 **Ineligible Shareholders**

- (a) Orocobre has no obligation to issue, and will not issue, any Consideration Shares under this Scheme to any Ineligible Shareholder (unless that Ineligible Shareholder is an Unmarketable Parcel Shareholder who provides Galaxy with a duly completed Opt-in Notice in accordance with clause 4.3(b)) and instead, subject to clauses 4.6 and 4.9, Orocobre must issue the Consideration Shares which would otherwise be required to be issued to any Ineligible Shareholder under this Scheme (**Ineligible Consideration Shares**) to the Sale Nominee.
- (b) Galaxy will procure that the Sale Nominee:
  - (i) sells the Ineligible Consideration Shares (on ASX or off-market) as soon as reasonably practicable and in any event no more than 10 Business Days after the Implementation Date, in the manner, and on the terms, the Sale Nominee determines in good faith (and at the risk of the Ineligible Shareholder); and
  - (ii) as soon as reasonably practicable and in any event no more than 10 Business Days after settlement of all the sales of the Ineligible Consideration Shares under clause 4.4(b)(i), remits to Galaxy the Net Proceeds.
- (c) Promptly after receipt of the Net Proceeds, Galaxy must pay each Ineligible Shareholder, or procure the payment to each Ineligible Shareholder of, such

proportion of the Net Proceeds to which that Ineligible Shareholder is entitled (rounded down to the nearest cent), to be determined in accordance with the following formula:

$$A = \left( \frac{B}{C} \right) \times D$$

where:

A = the proportion of the Net Proceeds to which that Ineligible Shareholder is entitled;

B = the number of Ineligible Consideration Shares to which that Ineligible Shareholder would have been entitled if they had not been an Ineligible Shareholder;

C = the total number of Ineligible Consideration Shares which were issued to and sold by the Sale Nominee; and

D = the Net Proceeds.

- (d) Each Ineligible Shareholder acknowledges and agrees that:
- (i) none of Galaxy, Orocobre or the Sale Nominee give any assurance as to the price that will be achieved for the sale of the Ineligible Consideration Shares described in clause 4.4(b); and
  - (ii) Galaxy, Orocobre and the Sale Nominee each expressly disclaim any fiduciary duty to any Ineligible Shareholder which may arise in connection with this clause 4.4.
- (e) Galaxy must pay or procure that each Ineligible Shareholder is paid any amounts owing under clause 4.4(c) by either (in the absolute discretion of Galaxy):
- (i) where an Ineligible Shareholder has, before the Scheme Record Date, made a valid election in accordance with the requirements of the Galaxy Share Registry to receive dividend payments from Galaxy by electronic funds transfer to a bank account nominated by the Ineligible Shareholder, paying, or procuring the payment of, the relevant amount in Australian currency by electronic means in accordance with that election; or
  - (ii) dispatching, or procuring the dispatch of, a cheque for the relevant amount in Australian currency to the Ineligible Shareholder by prepaid post to their Registered Address (as at the Scheme Record Date), such cheque being drawn in the name of the Ineligible Shareholder (in the case of joint holders, the cheque will be drawn in the name of the joint holders and dispatched in accordance with the procedures set out in clause 4.7(b)).
- (f) Each Ineligible Shareholder appoints Galaxy, and each director and officer of Galaxy, as its agent to receive on its behalf any financial services guide (or similar or equivalent document) and any other notices (including any updates of those documents) that the Sale Nominee is required to provide to Ineligible Shareholders under the Corporations Act or any other applicable law.
- (g) Payment of the relevant amounts calculated in accordance with clauses 4.4(c) to an Ineligible Shareholder in accordance with this clause 4.4 satisfies in full Orocobre's obligations to the Ineligible Shareholder under this Scheme in respect of the Scheme Consideration.

#### 4.5 **Other ineligible Scheme Shareholders**

Where the issue of Consideration Shares to which a Scheme Shareholder (other than an Ineligible Shareholder) would otherwise be entitled under this Scheme would result in a breach of law:

- (a) Orocobre will issue the maximum possible number of Consideration Shares to the Scheme Shareholder without giving rise to such a breach; and
- (b) any further Consideration Shares to which that Scheme Shareholder is entitled, but the issue of which to the Scheme Shareholder would give rise to such a breach, will instead be issued to the Sale Nominee and dealt with under clause 4.4, as if:
  - (i) references to "Ineligible Shareholders" also included that Scheme Shareholder; and
  - (ii) references to "Ineligible Consideration Shares" also included any of that Scheme Shareholder's Consideration Shares that have been issued to the Sale Nominee.

#### 4.6 **Fractional Entitlements**

Where the calculation of a total number of Consideration Shares to be issued to (or in respect of) a particular Scheme Shareholder as Scheme Consideration would result in an entitlement to a fraction of a Consideration Share, then, any such fractional entitlement:

- (a) of 0.5 or more will be rounded up to the nearest whole number; and
- (b) of less than 0.5 will be rounded down to the nearest whole number.

#### 4.7 **Joint holders**

In the case of Scheme Shares held in joint names:

- (a) any Scheme Consideration will be issued to and registered in the names of the joint holders; and
- (b) any other document required to be sent under this Scheme (including any holding statement under clause 4.2(b)) will be forwarded to the holder whose name appears first in the Galaxy Share Register as at the Scheme Record Date.

#### 4.8 **Shareholder splitting or division**

- (a) If Orocobre is of the reasonable opinion that two or more Scheme Shareholders (each of whom holds a number of Scheme Shares which results in rounding in accordance with clause 4.6), have, before the Scheme Record Date, been party to shareholder splitting or division in an attempt to obtain unfair advantage by reference to such rounding, Orocobre may give notice to those Scheme Shareholders:
  - (i) setting out their names and Registered Address;
  - (ii) stating that opinion; and
  - (iii) attributing the Scheme Shares held by all of them to one of them as specifically identified in the notice.
- (b) The Scheme Shareholder specifically identified in a notice given under clause 4.8(a) as the deemed holder of all the specified Scheme Shares will, for the purposes of this Scheme, be taken to hold all of those Scheme Shares and each of the other

Scheme Shareholders whose names and Registered Addresses are set out in the notice will, for the purposes of this Scheme, be taken to hold no Scheme Shares.

- (c) Orocobre, in complying with the other provisions of this Scheme relating to it in respect of the Scheme Shareholder specifically identified in a notice given under clause 4.8(a) as the deemed holder of all of the specified Scheme Shares, will be taken to have satisfied and discharged its obligations to the other Scheme Shareholders named in the notice under the terms of this Scheme.

#### 4.9 **Orders of a court or Government Agency**

- (a) If Galaxy (or the Galaxy Share Registry) or Orocobre receives written notice of an order or direction made by a court of competent jurisdiction or by a Government Agency that:
  - (i) requires consideration to be provided to a third party (either through payment of a sum or the issuance of a security) in respect of Scheme Shares held by a particular Scheme Shareholder, which would otherwise be payable or required to be issued to that Scheme Shareholder by Galaxy or Orocobre in accordance with this clause 4, then Galaxy or Orocobre (as applicable) will be entitled to procure that provision of that consideration is made in accordance with that order or direction; or
  - (ii) prevents Galaxy or Orocobre from providing consideration to any particular Scheme Shareholder in accordance with this clause 4, or the payment or issuance of such consideration is otherwise prohibited by applicable law, Galaxy or Orocobre (as applicable) will be entitled to:
    - (A) in the case of any Ineligible Shareholder, retain an amount, in Australian dollars, equal to the relevant Ineligible Shareholder's share of any proceeds of sale received by Galaxy pursuant to clause 4.4; and
    - (B) not issue (or, in the case of Galaxy, direct Orocobre not to issue), or issue (or, in the case of Galaxy, direct Orocobre to issue) to a permitted trustee or nominee, such number of Consideration Shares as that Scheme Shareholder would otherwise be entitled to under clause 4.2,until such time as provision of the Scheme Consideration in accordance with this clause 4 is permitted by that (or another) order or direction or otherwise by law.
- (b) To avoid doubt, any payment or retention by Galaxy or Orocobre (as applicable) under clause 4.9(a) will constitute the full discharge of Orocobre's obligations under clause 4.2 with respect to the amount so paid or retained until, in the case of clause 4.9(a)(ii), the amount is no longer required to be retained.

#### 4.10 **Consideration Shares to rank equally**

Orocobre covenants in favour of each Scheme Shareholder that:

- (a) the Consideration Shares to be issued as the Scheme Consideration will, on issue:
  - (i) be duly issued and fully paid;
  - (ii) be free from any Encumbrances and interests of third parties of any kind, whether legal or otherwise, or restriction on transfer of any kind, other than as provided for in the constitution of Orocobre; and

- (iii) rank equally in all respects, including for future dividends, with all existing Orocobre Shares then on issue; and
- (b) it will apply to ASX for the official quotation of the Consideration Shares and use all reasonable endeavours to ensure that the Consideration Shares are approved for official quotation on ASX by 8.00 am (Perth time) on the Business Day following the Effective Date (or such later day as ASX may require), initially on a deferred settlement basis, and with effect from the first Business Day after the Implementation Date on an ordinary (T+2) basis (which approval may be conditional on the issue of those Consideration Shares and other conditions customarily imposed by ASX).

#### **4.11 Unclaimed monies**

- (a) Galaxy may cancel a cheque issued under clause 4.4(e)(ii) if the cheque:
- (i) is returned to Galaxy; or
  - (ii) has not been presented for payment within 6 months after the date on which the cheque was sent.
- (b) During the period of 12 months commencing on the Implementation Date, on request in writing from a Scheme Shareholder to Galaxy (or the Galaxy Share Registry) (which request may not be made until the date which is 20 Business Days after the Implementation Date), Galaxy must reissue a cheque that was previously cancelled under clause 4.11(a).
- (c) The Unclaimed Money Act will apply in relation to any Scheme Consideration which becomes "unclaimed money" (as defined in section 6 of the Unclaimed Money Act).

#### **4.12 Title to and rights in Scheme Shares**

- (a) Immediately upon the provision of the Scheme Consideration to each Scheme Shareholder or to the Sale Nominee (as applicable, and in accordance with this clause 4), Orocobre will be beneficially entitled to the Scheme Shares transferred to it under this Scheme pending registration by Galaxy of the name and address of Orocobre in the Galaxy Share Register as the holder of the Scheme Shares.
- (b) To the extent permitted by law, the Scheme Shares (including all rights and entitlements attaching to the Scheme Shares) transferred under this Scheme to Orocobre will, at the time of transfer to Orocobre, vest in Orocobre free from all:
- (i) Encumbrances and interests of third parties of any kind, whether legal or otherwise; and
  - (ii) restrictions on transfer of any kind.
- (c) To avoid doubt, notwithstanding clause 4.12(a), to the extent that clause 4.9(a) applies to any Scheme Shareholder, Orocobre will be beneficially entitled to any Scheme Shares held by that Scheme Shareholder immediately upon compliance with clause 4.9 on the Implementation Date as if Orocobre had provided the Scheme Consideration to that Scheme Shareholder.

## 5. **DEALINGS IN GALAXY SHARES**

### 5.1 **Galaxy Share dealings that are recognised**

To establish the identity of the Scheme Shareholders, dealings in Galaxy Shares (or other alterations to the Galaxy Share Register) will be recognised only if:

- (a) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Galaxy Share Register as the holder of the relevant Galaxy Shares as at the Scheme Record Date; and
- (b) in all other cases, registrable transfers or transmission applications in respect of those dealings, or valid requests in respect of other alternations, are received by the Galaxy Share Registry at or before the Scheme Record Date,

and Galaxy must not accept for registration, nor recognise for any purpose (except a transfer to Orocobre pursuant to this Scheme and any subsequent transfer by Orocobre or its successors in title), any transfer or transmission application or other request in respect of Galaxy Shares received after the Scheme Record Date, or received prior to the Scheme Record Date but not in registrable or actionable form.

### 5.2 **Galaxy to register transfer and transmission applications**

Galaxy must register registrable transfers and transmission applications of the kind referred to in clause 5.1(b) by the Scheme Record Date, provided that, for the avoidance of doubt, nothing in this clause 5.2 requires Galaxy to register a transfer that would result in a Galaxy Shareholder holding a parcel of Galaxy Shares that is less than a "marketable parcel" (within the meaning given to that term in the operating rules of ASX).

### 5.3 **Transfers received after Scheme Record Date not recognised**

If this Scheme becomes Effective, each Scheme Shareholder (and any person claiming through any Scheme Shareholder) must not dispose of or transfer, or purport or agree to dispose of or transfer, any Scheme Share or any interest in them after the Scheme Record Date, other than pursuant to this Scheme, and any such disposal or transfer, purported disposal or transfer or attempted disposal or transfer will be void and of no legal effect whatsoever and Galaxy must disregard any disposal, transfer or transmission application in respect of Scheme Shares received after the Scheme Record Date.

### 5.4 **Galaxy to maintain Galaxy Share Register to determine entitlements**

- (a) In order to determine entitlements to the Scheme Consideration, Galaxy must maintain, or procure the maintenance of, the Galaxy Share Register in accordance with this clause 5 until the Scheme Consideration has been paid to Scheme Shareholders and Orocobre has been entered into the Galaxy Share Register as the holder of the Scheme Shares.
- (b) The Galaxy Share Register in this form will solely determine entitlements to the Scheme Consideration.

### 5.5 **Holding statements no effect from Scheme Record Date**

- (a) All holding statements for Galaxy Shares (other than holding statements in favour of Orocobre) will cease to have effect as documents of title (or evidence thereof) after the Scheme Record Date.
- (b) Each entry on the Galaxy Share Register at and from the Scheme Record Date (other than those entries in respect of Orocobre) will cease to have any effect other than



as evidence of an entitlement to the Scheme Consideration in respect of the Scheme Shares relating to that entry.

**5.6 Galaxy to provide contact information for Scheme Shareholders**

Galaxy must ensure that, as soon as practicable after the Scheme Record Date (and in any event by 8.00 am (Perth time) on the day that is two Business Days after the Scheme Record Date), Orocobre is given details of the name, Registered Address and holding of Galaxy Shares of each Scheme Shareholder, as shown in the Galaxy Share Register at the Scheme Record Date, in the form Orocobre reasonably requires.

**5.7 Suspension of trading**

Galaxy will apply to ASX to suspend trading of Galaxy Shares on the securities exchange operated by ASX with effect from the close of trading on the Effective Date or such other date as agreed between Orocobre and Galaxy, acting reasonably, following consultation with ASX.

**5.8 Termination of official quotation**

Galaxy will apply to ASX:

- (a) for termination of the official quotation of Galaxy Shares on the securities exchange operated by ASX; and
- (b) to have itself removed from the official list of ASX,

in each case, with effect on and from the close of trading on the trading day immediately following the Implementation Date, or such other date as Orocobre and Galaxy may agree, acting reasonably, following consultation with ASX.

**6. GENERAL PROVISIONS**

**6.1 Galaxy giving effect to the Scheme**

Galaxy must do all things (including executing all documents), and must ensure that its employees and agents do all things (including executing all documents), that are necessary or desirable to give full effect to the Scheme and the transactions contemplated by it.

**6.2 Scheme Shareholders' agreements and consents**

Each Scheme Shareholder irrevocably:

- (a) agrees for all purposes to:
  - (i) the transfer of their Scheme Shares, together with all rights and entitlements attaching to those Scheme Shares, to Orocobre, in accordance with this Scheme;
  - (ii) become a member of Orocobre and to have their name registered in the Orocobre Share Register as a holder of Orocobre Shares (in respect of the Consideration Shares which they are issued pursuant to this Scheme); and
  - (iii) be bound by the constitution of Orocobre;
- (b) agrees to the variation, cancellation or modification of the rights attached to their Scheme Shares constituted by or resulting from, and in accordance with, this Scheme;

- (c) acknowledges that this Scheme binds Galaxy and all Scheme Shareholders (including those who did not attend the Scheme Meeting and those who did not vote, or voted against this Scheme, at the Scheme Meeting);
- (d) consents to Galaxy and Orocobre doing all things (including executing all deeds, instruments, transfers or other documents) as may be necessary or desirable to give full effect to this Scheme and the transactions contemplated by it; and
- (e) acknowledges and agrees that Galaxy, as agent of each Scheme Shareholder, may sub-delegate its functions under this Scheme to any of its directors and officers, jointly and severally,

in each case, without the need for any further act by the Scheme Shareholder.

### 6.3 **Scheme Shareholders' warranties**

- (a) Each Scheme Shareholder is taken to have warranted to Galaxy and Orocobre on the Implementation Date, and to have appointed and authorised Galaxy as its attorney and agent to warrant to Orocobre on the Implementation Date, that:
  - (i) all their Scheme Shares (including any rights and entitlements attaching to their Scheme Shares) which are transferred under this Scheme will, at the time of transfer of them to Orocobre, be fully paid and free from all:
    - (A) Encumbrances and interests of third parties of any kind, whether legal or otherwise; and
    - (B) restrictions on transfer of any kind;
  - (ii) they have full power and capacity to transfer their Scheme Shares to Orocobre, together with any rights and entitlements attaching to those Scheme Shares, under this Scheme; and
  - (iii) as at the Scheme Record Date, they have no existing right to be issued any other Scheme Shares or any other form of securities in Galaxy.
- (b) Galaxy undertakes that it will provide such warranty to Orocobre as agent and attorney of each Scheme Shareholder.

### 6.4 **Appointment of Galaxy as attorney of Scheme Shareholders**

On and from the Effective Date, each Scheme Shareholder, without the need for any further act, irrevocably appoints Galaxy and each of its directors and officers, jointly and severally, as its attorney and agent to:

- (a) execute any document or do any other act necessary, expedient or incidental to give full effect to this Scheme and the transactions contemplated by it, including executing and delivering the Scheme Transfer under clause 3.2; and
- (b) enforce the Deed Poll against Orocobre,

and Galaxy accepts such appointment in respect of itself and on behalf of each of its directors and officers.

### 6.5 **Appointment of Orocobre as agent, attorney and sole proxy in respect of Scheme Shares**

Immediately upon the provision of the Scheme Consideration to each Scheme Shareholder or to the Sale Nominee (as applicable, and in accordance with clause 4), until Orocobre is

registered as the holder of all Scheme Shares in the Galaxy Share Register, each Scheme Shareholder:

- (a) irrevocably appoints Orocobre as its attorney and agent (and directs Orocobre as its attorney and agent to appoint any of the directors and officers of Orocobre as its sole proxy and, where applicable, corporate representative, of that Scheme Shareholder) to:
  - (i) attend shareholders' meetings of Galaxy;
  - (ii) exercise the votes attaching to the Scheme Shares registered in the name of the Scheme Shareholder; and
  - (iii) sign any Galaxy Shareholders' resolution (whether in person, by proxy or by corporate representative);
- (b) must take all other action in the capacity of a registered holder of Scheme Shares as Orocobre reasonably directs;
- (c) undertakes not to attend or vote at any shareholders' meetings of Galaxy or sign any Galaxy Shareholders' resolution (whether in person, by proxy or by corporate representative) other than pursuant to clause 6.5(a); and
- (d) acknowledges and agrees that in exercising the powers conferred by clause 6.5(a), Orocobre and any director, officer or agent nominated by Orocobre may act in the best interests of Orocobre as the intended registered holder of the Scheme Shares.

#### 6.6 **Binding effect of Scheme**

This Scheme binds Galaxy and all of the Scheme Shareholders (including those who did not attend the Scheme Meeting and those who did not vote, or voted against this Scheme, at the Scheme Meeting) and, to the extent of any inconsistency, overrides the constitution of Galaxy.

#### 6.7 **No liability when acting in good faith**

Neither Galaxy nor Orocobre, nor any of their respective directors, officers, secretaries or employees will be liable for anything done or omitted to be done in good faith in the performance of this Scheme or the Deed Poll.

#### 6.8 **Deed Poll**

Galaxy undertakes in favour of each Scheme Shareholder to enforce the Deed Poll against Orocobre for and on behalf of each Scheme Shareholder.

#### 6.9 **Notices**

- (a) Where a notice, transfer, transmission application, direction or other communication referred to in this Scheme is sent by post to Galaxy, it will be deemed to be received on the date (if any) on which it is actually received at Galaxy's registered office or at the Galaxy Share Registry and on no other date.
- (b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such notice by a Galaxy Shareholder will not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

6.10 **Stamp duty**

Orocobre will pay all stamp duty (if any) and any related fines and penalties payable on, or in connection with, the transfer by the Scheme Shareholders of the Scheme Shares to Orocobre pursuant to this Scheme or the Deed Poll.

6.11 **Governing law**

- (a) This Scheme and any dispute arising out of or in connection with the subject matter of this Scheme is governed by the laws of Western Australia.
- (b) Each party irrevocably submits to the non-exclusive jurisdiction of the courts of Western Australia and of the courts competent to determine appeals from those courts with respect to any proceedings that may be brought at any time arising out of or in connection with the subject matter of this Scheme. Each party irrevocably waives any objection to the venue of any legal process in these courts on the basis that the process has been brought in any inconvenient forum.

**SCHEDULE 4**  
**Deed Poll**

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## Deed Poll

Orocobre Limited

ABN 31 112 589 910

In favour of each person registered as a holder of a fully paid ordinary share in Galaxy Resources Limited as at the Scheme Record Date

Deed Poll relating to proposed Scheme of Arrangement between Galaxy Resources Limited and its members

## DEED POLL

THIS DEED POLL is made on

2021

BY:

Orocobre Limited ABN 31 112 589 910, whose registered office is at Level 35, Riparian Plaza, 71 Eagle Street, Brisbane, Queensland (**Orocobre**).

IN FAVOUR AND FOR THE BENEFIT OF:

Each person registered as a holder of a fully paid ordinary share in Galaxy Resources Limited ABN 11 071 976 442 (**Galaxy**) in the Galaxy Share Register as at the Scheme Record Date (each a **Scheme Shareholder**).

### BACKGROUND

- (A) On or about the date of this Deed Poll, Galaxy and Orocobre entered into a merger implementation deed with respect to the Scheme and associated matters (**Merger Implementation Deed**).
- (B) Under the Merger Implementation Deed:
  - (1) Galaxy has agreed to propose the Scheme, pursuant to which (among other things):
    - (i) the Scheme Shareholders will transfer to Orocobre, and Orocobre will acquire, all of the Scheme Shares; and
    - (ii) Orocobre will provide to each Scheme Shareholder the Scheme Consideration in respect of each of their Scheme Shares; and
  - (2) Orocobre has agreed to (among other things) enter into this Deed Poll.
- (C) Orocobre is executing this Deed Poll to covenant in favour of the Scheme Shareholders to perform the obligations attributed to Orocobre under the Merger Implementation Deed and the Scheme.

### OROCOBRE DECLARES AS FOLLOWS

#### 1. INTERPRETATION

##### 1.1 Definitions

**Insolvency Event** means, in respect of a person:

- (a) an administrator being appointed to the person;
- (b)
  - (i) a controller or analogous person being appointed to the person or any of the person's property;
  - (ii) an application being made to a court for an order to appoint a controller, provisional liquidator, trustee for creditors or in bankruptcy or analogous person to the person or any of the person's property, other than where the application is stayed, withdrawn, dismissed or set aside within 14 days; or
  - (iii) an appointment of the kind referred to in subparagraph (ii) being made (whether or not following a resolution or application);

- (c) the person being taken under section 459F(1) of the Corporations Act to have failed to comply with a statutory demand;
- (d) an application being made to a court for an order for its winding up which is not set aside within 14 days;
- (e) an order being made, or the person passing a resolution, for its winding up;
- (f) the person:
  - (i) suspending payment of its debts, ceasing (or threatening to cease) to carry on all or a material part of its business, stating that it is unable to pay its debts or being or becoming otherwise insolvent; or
  - (ii) being unable to pay its debts or otherwise insolvent;
- (g) the person entering into a compromise or arrangement with, or assignment for the benefit of, its members or creditors generally;
- (h) a court or other authority enforcing any judgment or order against the person for the payment of money or the recovery of any property; or
- (i) any analogous event under the laws of any applicable jurisdiction,

unless this takes place as part of a solvent reconstruction, amalgamation, merger or consolidation that has been approved by Galaxy.

**Scheme** means the proposed scheme of arrangement pursuant to Part 5.1 of the Corporations Act between Galaxy and Scheme Shareholders in respect of all Scheme Shares, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to in writing by Orocobre and Galaxy.

Unless the context otherwise requires, terms defined in the Scheme have the same meaning when used in this Deed Poll.

## 1.2 **Rules for interpreting this Deed Poll**

Clause 1.2 of the Scheme applies to the interpretation of this Deed Poll, except that references to "Scheme" are to be read as references to "Deed Poll".

## 2. **NATURE OF THIS DEED POLL**

Orocobre acknowledges and agrees that:

- (a) this Deed Poll may be relied on and enforced by any Scheme Shareholder in accordance with its terms even though the Scheme Shareholders are not party to it; and
- (b) under the Scheme, each Scheme Shareholder irrevocably appoints Galaxy and each of its directors and officers, jointly and severally, as its agent and attorney to enforce this Deed Poll against Orocobre.

## 3. **CONDITIONS PRECEDENT AND TERMINATION**

### 3.1 **Conditions precedent**

This Deed Poll and Orocobre's obligations under this Deed Poll are subject to the Scheme becoming Effective.



### 3.2 Termination

- (a) Unless Orocobre and Galaxy otherwise agree in writing (and, if required, as approved by the Court), Orocobre's obligations under this Deed Poll will automatically terminate, and the terms of this Deed Poll will be of no further force or effect, if:
  - (i) the Merger Implementation Deed is terminated in accordance with its terms; or
  - (ii) the Scheme has not become Effective on or before the End Date.
- (b) If this Deed Poll is terminated pursuant to clause 3.2(a) then:
  - (i) Orocobre is released from its obligations under this Deed Poll; and
  - (ii) each Scheme Shareholder retains any rights, powers or remedies it has against Orocobre in respect of any breach of this Deed Poll which occurred before it was terminated.

## 4. SCHEME OBLIGATIONS

### 4.1 Undertaking to provide Scheme Consideration

Subject to clause 3, in consideration of the transfer of each Scheme Share to Orocobre in accordance with the Scheme, Orocobre covenants in favour of each Scheme Shareholder that it will:

- (a) provide the Scheme Consideration to each Scheme Shareholder on the Implementation Date; and
- (b) undertake and perform all other actions and obligations, and give each covenant, attributed to it or otherwise contemplated of it under the Scheme, as if named as a party to the Scheme,

in each case, subject to and in accordance with the terms of the Scheme.

### 4.2 Consideration Shares to rank equally

Orocobre covenants in favour of each Scheme Shareholder that each Consideration Share will, upon issue:

- (a) be duly issued and fully paid;
- (b) be free from any Encumbrances and interests of third parties of any kind, whether legal or otherwise, or restriction on transfer of any kind, other than as provided for in the constitution of Orocobre; and
- (c) rank equally in all respects, including for future dividends, with all existing Orocobre Shares then on issue.

## 5. REPRESENTATIONS AND WARRANTIES

Orocobre represents and warrants in favour of each Scheme Shareholder that:

- (a) **(status)** it is a validly existing company limited by shares under the Corporations Act;

- (b) **(power)** it has full legal capacity and power to enter into this Deed Poll and to carry out the transactions contemplated by this Deed Poll;
- (c) **(corporate authority)** it has taken all corporate action that is necessary to authorise it to enter into this Deed Poll and it has taken or will take all corporate action that is necessary to authorise it to carry out the transactions contemplated by this Deed Poll;
- (d) **(Deed Poll effective)** this Deed Poll constitutes legal, valid and binding obligations on it, enforceable against it in accordance with its terms;
- (e) **(no contravention)** neither its execution of this Deed Poll nor the carrying out by it of the transactions contemplated by this Deed Poll contravenes or will contravene:
- (i) any law to which it is subject;
  - (ii) any order of any Government Agency that is binding on it;
  - (iii) any undertaking or instrument binding on it; or
  - (iv) its constitution; and
- (f) **(no Insolvency Event)** neither it nor any of its subsidiaries is affected by an Insolvency Event.

## 6. **CONTINUING OBLIGATIONS**

This Deed Poll is irrevocable and, subject to clause 3, remains in full force and effect until the earlier of:

- (a) Orocobre having fully performed its obligations under this Deed Poll; and
- (b) termination of this Deed Poll pursuant to clause 3.2.

## 7. **NOTICES**

### 7.1 **How to give a notice**

A notice, consent or other communication under this Deed Poll is only effective if it is:

- (a) in writing, legible and in English, signed by or on behalf of the person giving it;
- (b) addressed to the person to whom it is to be given; and
- (c) either:
  - (i) delivered or sent by pre-paid mail (by airmail, if the addressee is overseas) to that person's address; or
  - (ii) sent in electronic form (such as email).

### 7.2 **When a notice is given**

A notice, consent or other communication that complies with this clause 7 is regarded as given and received upon:

- (a) if sent by mail:
  - (i) within Australia – three Business Days after posting; or

- (ii) to or from a place outside Australia – seven Business Day after posting;
- (b) if sent in electronic form:
- (i) if it is transmitted by 5.00 pm (Perth time) on a Business Day – when sent;  
or
- (ii) if it is transmitted after 5.00 pm (Perth time) on a Business Day, or at any time on a day that is not a Business Day – on the next Business Day,
- provided that no notice of failure of transmission or other error message is received by the sender.

### 7.3 **Address for notices**

Orocobre's mail address and email address are those set out below, or as Orocobre otherwise notifies.

#### **Orocobre**

Address: Level 35, Riparian Plaza, 71 Eagle Street  
Brisbane, Queensland 4000

Email Address: mperezdesolay@orocobre.com

Attention: Martín Pérez de Solay

Copy to: Rick Anthon  
(ranthon@orocobre.com)

## 8. **GENERAL**

### 8.1 **Amendment**

A provision of this Deed Poll may not be amended or varied unless:

- (a) before the Second Court Date, the amendment or variation is agreed to in writing by Galaxy (on behalf of each Scheme Shareholder but without the need for Galaxy to refer the amendment or variation to any Scheme Shareholder) and, if required, is approved by the Court; or
- (b) on or after the Second Court Date, the amendment or variation is agreed to in writing by Galaxy (on behalf of each Scheme Shareholder but without the need for Galaxy to refer the amendment or variation to any Scheme Shareholder) and is approved by the Court,

and Orocobre executes a further deed poll in favour of each Scheme Shareholder giving effect to that amendment or variation.

### 8.2 **Assignment**

- (a) The rights created by this Deed Poll are personal to Orocobre and each Scheme Shareholder and, except with the prior written consent of Orocobre, cannot and must not be assigned, encumbered, charged or otherwise dealt with at law or in equity by a Scheme Shareholder.
- (b) Any purported dealing in contravention of clause 8.2(a) is invalid.

### 8.3 **Waiver of rights**

A right may only be waived in writing, signed by the party giving the waiver, and:

- (a) no other conduct of a party (including a failure to exercise, or delay in exercising, the right) operates as a waiver of the right or otherwise prevents the exercise of that right;
- (b) a waiver of a right on one or more occasions does not operate as a waiver of that right if it arises again; and
- (c) the exercise, or partial exercise, of a right does not prevent any further exercise of that right or of any other right.

### 8.4 **Operation of this Deed Poll**

- (a) The rights, powers and remedies of Orocobre and the Scheme Shareholders under this Deed Poll are in addition to, and do not replace, exclude or limit, any other rights, powers or remedies provided by law independently of this Deed Poll.
- (b) Any provision of this Deed Poll that is void, illegal or unenforceable:
  - (i) in a particular jurisdiction does not affect the validity, legality or enforceability of that provision in any other jurisdiction or of the remaining provisions of this Deed Poll in that or any other jurisdiction; and
  - (ii) is, where possible, to be severed to the extent necessary to make this Deed Poll valid, legal or enforceable, unless this would materially change the intended effect of this Deed Poll.

### 8.5 **Duty**

Orocobre must:

- (a) pay all stamp duty payable or assessed as being payable in connection with this Deed Poll, the Scheme, or the transfer by the Scheme Shareholders of the Scheme Shares pursuant to the Scheme (including any fees, fines, penalties and interest in connection with any of these amounts); and
- (b) indemnify each Scheme Shareholder against any liability arising from any failure by Orocobre to comply with clause 8.5(a).

### 8.6 **Consent**

Orocobre consents to Galaxy producing this Deed Poll to the Court.

### 8.7 **Further acts**

Orocobre must, at its own expense, promptly do all things and execute all documents reasonably necessary to give full effect to this Deed Poll and all transactions contemplated by it.

### 8.8 **Governing law**

- (a) This Deed Poll and any dispute arising out of or in connection with the subject matter of this Deed Poll is governed by the laws of Western Australia.
- (b) Orocobre irrevocably submits to the non-exclusive jurisdiction of the courts of Western Australia and of the courts competent to determine appeals from those

courts with respect to any proceedings that may be brought at any time arising out of or in connection with the subject matter of this Deed Poll.

**EXECUTED** as a deed poll.

**EXECUTED** by **OROCOBRE LIMITED** ABN  
31 112 589 910 in accordance with  
section 127 of the *Corporations Act 2001*  
(Cth):

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Signature of director

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Signature of director/secretary

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Name (print)

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Name (print)

**EXECUTED** as a deed.

**EXECUTED** by **OROCOBRE LIMITED ABN 31 112 589 910** in accordance with section 127 of the *Corporations Act 2001* (Cth):

\_\_\_\_\_  
Signature of director

\_\_\_\_\_  
Name

\_\_\_\_\_  
Signature of director/secretary

\_\_\_\_\_  
Name

**EXECUTED** by **GALAXY RESOURCES LIMITED ABN 11 071 976 442** in accordance with section 127 of the *Corporations Act 2001* (Cth):

\_\_\_\_\_  
Signature of director

\_\_\_\_\_  
Name

\_\_\_\_\_  
Signature of director/secretary

\_\_\_\_\_  
Name