

## ASX ANNOUNCEMENT

ASX:AZS



Date: 19 December 2023

### Azure Enters Joint Bid Transaction Implementation Deed with SQM and Hancock

*Superior Proposal of up to A\$3.70 per Azure share*

Azure Minerals Limited (ASX: AZS) ("**Azure**" or "**AZS**") is pleased to announce that it has entered into a new binding Transaction Implementation Deed ("**TID**") with Sociedad Química y Minera de Chile S.A. ("**SQM**") and Hancock Prospecting Pty Ltd ("**Hancock**") (together, the "**Joint Bidders**") under which it is proposed that the Joint Bidders (via SH Mining Pty Ltd ("**BidCo**") will acquire 100% of the shares in Azure by way of a scheme of arrangement for a cash amount of A\$3.70 per Azure share ("**Scheme Proposal**"), or if the Scheme Proposal is not successful by way of an off-market takeover offer for a cash amount of A\$3.65 per Azure share ("**Takeover Offer**") (together, the "**Transaction**").

To facilitate the Transaction, SQM and Hancock have entered into a joint bidding agreement governing how the joint bid will be made ("**Joint Bidding Agreement**"). The Transaction replaces the existing SQM transaction ("**Original SQM Transaction**") announced by Azure on 26 October 2023 which comprised a scheme proposal of A\$3.52 cash per Azure share and a fall-back takeover offer of A\$3.50 cash per Azure share.

#### Highlights

- **The Scheme Proposal of A\$3.70 per Azure share implies a fully-diluted equity value for Azure of ~A\$1.70 billion<sup>1</sup> and represents a premium of:**
  - 5.1% to the scheme component of the Original SQM Transaction of A\$3.52 per Azure share;
  - 63.9% to the 10-day VWAP of A\$2.26 per Azure share up to and including Friday, 20 October 2023, being the last practicable trading date prior to the announcement of the Original SQM Transaction;
  - 60.2% to SQM's NBIO of A\$2.31 per Azure share as announced on 15 August 2023; and

<sup>1</sup> Based on 458,679,575 fully-paid ordinary shares and 1,500,000 in-the-money options with an exercise price of A\$0.65 per Azure share.



## ASX ANNOUNCEMENT

ASX:AZS



- 54.2% to the offer price of A\$2.40 per Azure share from Azure's most recent equity raising announced on 21 August 2023.
- The Transaction is subject to limited conditions, including BidCo obtaining FIRB approval, specific competition law approvals and Azure shareholders approving the joint bid arrangements between SQM and Hancock. Significantly, it is not subject to any financing or due diligence conditions and the Takeover Offer is not subject to any minimum acceptance condition.
- The Azure Board unanimously recommends the Transaction in the absence of a superior proposal and subject to the independent expert concluding (and continuing to conclude) that the Scheme Proposal is in the best interests of Azure shareholders and that the Takeover Offer is fair and reasonable.<sup>2</sup>
- Two of Azure's major shareholders, Creasy Group and Delphi Group, each intend to support the Transaction, subject to no superior proposal to acquire 100% of the issued capital of Azure emerging.
- In the event that the Scheme Proposal has not, or will not, become Effective on or before the End Date and the Takeover Offer is withdrawn or lapses for any reason, SQM will in certain circumstances be required to proceed with the takeover offer component of the Original SQM Transaction of A\$3.50 per Azure share as announced on 26 October 2023.

### Unanimous Board recommendation

The Azure Board unanimously recommend that Azure shareholders support the Transaction by voting in favour of the resolutions to approve the joint bid arrangements and the Scheme Proposal and by accepting the Takeover Offer if the Scheme Proposal is not successful, in the absence of a superior proposal and subject to an independent expert concluding (and continuing to conclude) that the Scheme Proposal is in the best interests of Azure shareholders and that the Takeover Offer is fair and reasonable.

Subject to those same qualifications, each member of the Azure Board intends to vote all Azure shares held or controlled by them in support of the Transaction and, in the event that the Scheme Proposal is not successful, accept those Azure shares into the Takeover Offer.

<sup>2</sup> The Azure Board unanimously recommend that Azure shareholders vote in favour of the Scheme Proposal and accept the Takeover Offer but only if the Scheme Proposal is not successful or is terminated in certain circumstances.



## ASX ANNOUNCEMENT

ASX:AZS



Commenting on the Transaction, Azure's Managing Director, Tony Rovira, said:

*"The Transaction delivers a fantastic outcome for Azure shareholders, including a significant uplift in value from the Original SQM Transaction despite elevated market volatility and the recent deterioration in lithium prices.*

*The Transaction also represents a great outcome for wider stakeholders in Andover, who will benefit from the significant financial strength and expertise of one of Australia's largest and most well-respected mining and exploration companies, Hancock, combining with SQM to oversee the successful development of Andover.*

*We encourage all Azure shareholders to support the Transaction."*

### Major shareholder support

Yandal Investments Pty Ltd (**Creasy Group**), which currently holds, and/ or can control the votes in relation to, 58,883,978 AZS shares (representing approximately 12.84% of the total number of AZS shares on issue), and the Delphi Group, which currently holds, and/ or can control the votes in relation to, 46,557,924 AZS shares (representing approximately 10.15% of the total number of AZS shares on issue), have each confirmed to the Directors of AZS that they intend to vote those shares (and any shares they acquire in the future) in favour of any resolution proposed in connection with the Transaction seeking approval of the joint bid arrangements between SQM and Hancock for the purposes of section 611 item 7 of the Corporations Act, and in favour of the Scheme Proposal, subject to no superior proposal to acquire 100% of the issued capital of AZS emerging beforehand. Each of those shareholders have also confirmed that if the Scheme Proposal is unsuccessful, they intend to accept the Takeover Offer upon it becoming unconditional and subject to no superior proposal to acquire 100% of the issued capital of AZS emerging beforehand.

### Overview of the Scheme Proposal

If the Scheme Proposal is implemented, each Azure shareholder on the Scheme Record Date (as defined in the TID) will receive a cash amount of A\$3.70 per Azure share, which implies a fully-diluted equity value for Azure of ~A\$1.70 billion.<sup>1</sup>

The Scheme Proposal of A\$3.70 per Azure share implies a premium of:

- 5.1% to the scheme component of the Original SQM Transaction of A\$3.52 per Azure share;
- 63.9% to the 10-day VWAP of A\$2.26 per Azure share up to and including Friday, 20 October 2023, being the last date on which Azure shares traded prior to the announcement of the Original SQM Transaction;



## ASX ANNOUNCEMENT

ASX:AZS



- 60.2% to SQM's non-binding indicative offer ("**NBIO**") of A\$2.31 per Azure share as announced on 15 August 2023; and
- 54.2% to the offer price of A\$2.40 per Azure share from Azure's most recent equity raising announced on 21 August 2023.

The Scheme Proposal is subject to certain limited conditions, including:

- BidCo obtaining approval from Australia's Foreign Investment Review Board ("**FIRB**");
- BidCo obtaining specific competition law approvals;
- Azure shareholders (excluding SQM and Hancock) approving the joint bid arrangements for the purposes of item 7, section 611 of the Corporations Act;
- the independent expert concluding (and continuing to conclude) that the Scheme Proposal is in the best interests of Azure shareholders;
- customary conditions, including no material adverse change and no prescribed occurrences;
- approval of Azure shareholders of the Scheme Proposal. For the Scheme Proposal to proceed, the resolution at the Scheme Meeting must be approved by at least 75% of all votes cast by Azure shareholders and a majority by number of all Azure shareholders present and voting (in person or by proxy) at the Scheme Meeting. The Joint Bidders, holding in aggregate ~37.8% of Azure, are excluded from voting on the resolution at the Scheme Meeting;
- no shareholder (other than BidCo, SQM and Hancock) acquiring or increasing its shareholding in Azure to more than 15%; and
- the requisite Australian Court ("**Court**") approval.

The Scheme Proposal is not subject to any financing or due diligence conditions. SQM and Hancock have provided parent company guarantees in respect of the financial obligations of BidCo. Full details of the conditions of the Scheme Proposal are set out in the TID, a copy of which is attached to this announcement.

### Overview of the Takeover Offer

Under the terms of the Takeover Offer, accepting Azure shareholders will receive a cash amount of A\$3.65 per Azure share, which implies a fully-diluted equity value for Azure of ~A\$1.68 billion<sup>1</sup>.

The Takeover Offer is conditional upon, among other limited conditions:

- BidCo obtaining approval from FIRB;
- BidCo obtaining specific competition law approvals;



## ASX ANNOUNCEMENT

ASX:AZS



- Azure shareholders (excluding SQM and Hancock) approving the joint bid arrangements for the purposes of item 7, section 611 of the Corporations Act;
- the Scheme Proposal not being successful or being terminated in certain circumstances; and
- customary conditions, including no material adverse change and no prescribed occurrences.

The Takeover Offer is not subject to any financing or due diligence conditions and does not have a minimum acceptance condition thereby providing a liquidity opportunity in the event the Scheme Proposal is unsuccessful or is terminated in certain circumstances. SQM and Hancock have provided parent company guarantees in respect of the financial obligations of BidCo. Full details of the conditions of the Takeover Offer are set out in the TID, a copy of which is attached to this announcement.

The Takeover Offer will remain open for a period of at least 20 Business Days (as defined in the TID) after the Scheme Meeting. As such, Azure shareholders will have the opportunity to consider the Takeover Offer after they have voted on the Scheme Proposal and the outcome of that vote is known.

### Other key terms

The TID contains customary exclusivity obligations, including “no shop” and “no talk” obligations.

The TID also details circumstances under which Azure may be required to pay a break fee to BidCo and circumstances where BidCo may be required to pay Azure a reverse break fee. The amount of the break fee and reverse break fee, should either become payable, is A\$16.9 million.

### Termination of Original SQM Transaction

As a result of entering into the TID to give effect to the Transaction, Azure and SQM have agreed to terminate the existing transaction implementation deed in respect of the Original SQM Transaction. However, in certain circumstances described below, SQM will be required to proceed with the takeover offer component of the Original SQM Transaction at A\$3.50 per share.

### Joint Bidding Agreement

To facilitate the Transaction, SQM and Hancock have entered into the Joint Bidding Agreement. A copy of that agreement will be attached to a substantial shareholder notice to be released to ASX shortly after release of this announcement.

The Transaction is conditional upon Azure shareholders approving the joint bid arrangements and the resultant combined interest of approximately ~37.8% of Azure shares for the purposes of item 7, section 611 of the Corporations Act. This will require greater than 50% of all Azure shareholders



## ASX ANNOUNCEMENT

ASX:AZS



present and voting (in person or by proxy) to vote in favour of approving the joint bid arrangements. The Joint Bidders are excluded from voting on this resolution.

Significantly, to ensure the Joint Bidding Agreement complies with ASIC policy, the Joint Bidding Agreement contains provisions designed to replicate the conditions imposed in ASIC's customary joint bid relief including that the Joint Bidders must:

- match (either jointly, or by one party proceeding with a sole matching bid) or accept a higher rival bid (and must not vote against a higher rival scheme); and
- immediately terminate the Joint Bidding Agreement (including the Scheme Proposal and Takeover Offer) if the Scheme Proposal has not, or will not, become Effective (as defined in the TID) on or before the End Date (as defined in the TID) and the Takeover Offer is withdrawn or lapses for any reason (including non-satisfaction of a defeating condition).

### ASIC relief in respect of SQM's obligation to make a takeover bid within 2 months

ASIC has granted relief to SQM from any obligation which it may have under section 631 of the Corporations Act to make the takeover bid for Azure as part of the Original SQM Transaction within 2 months of the announcement of the Original SQM Transaction, on the basis that the Original SQM Transaction is being replaced by the Transaction.

Under the terms of the ASIC relief, SQM will be required to proceed with the takeover offer component of the Original SQM Transaction if the Transaction is terminated for any reason or the Joint Bidders seek to make an unauthorised material variation to the terms of the Joint Bidding Agreement or the TID without ASIC's consent and the Takeover Offer is withdrawn or lapses, and Azure has agreed to enter into a new implementation agreement in the same or substantially the same form as entered into with SQM at the time of announcement of the Original SQM Transaction.

### Indicative timetable and next steps

Azure shareholders do not need to take any action at this time.

A Transaction Booklet containing important information in relation to the Transaction, including reasons for the unanimous recommendation of Azure's Board and the independent expert's report, is expected to be sent to Azure shareholders in mid February 2024.

A meeting of Azure shareholders to approve the Transaction is expected to be held in mid March 2024. If approved by Azure shareholders and the Court, the Scheme Proposal would be implemented shortly thereafter.<sup>3</sup>

<sup>3</sup> Dates are indicative only and may be subject to change.



## ASX ANNOUNCEMENT

ASX:AZS



The Azure Board will keep the market informed of any material developments in accordance with its continuous disclosure requirements.

Barrenjoey is acting as Azure's financial adviser and Corrs Chambers Westgarth as Azure's legal adviser in relation to the Transaction.

This ASX announcement has been approved by Azure's Board of Directors and authorised for release by Azure's Managing Director, Tony Rovira.

**ENDS**

For enquiries, please contact:

**Tony Rovira**

Managing Director

Azure Minerals Limited

Ph: +61 8 6187 7500

E: [admin@azureminerals.com.au](mailto:admin@azureminerals.com.au)

or visit [www.azureminerals.com.au](http://www.azureminerals.com.au)

**Media & Investor Relations**

David Tasker

Chapter One Advisors

Ph: +61 433 112 936

E: [dtasker@chapteroneadvisors.com.au](mailto:dtasker@chapteroneadvisors.com.au)





HERBERT  
SMITH  
FREEHILLS

Execution Version

# Transaction Implementation Deed

---

For personal use only





## Contents

### Table of contents

<b>1</b>	<b>Definitions and interpretation</b>	<b>2</b>
	1.1 Definitions .....	2
	1.2 Interpretation .....	2
	1.3 Deed components .....	2
<b>2</b>	<b>Agreement to propose the Transactions</b>	<b>2</b>
	2.1 Overview .....	2
	2.2 Azure to propose Scheme .....	2
	2.3 BidCo to make the Takeover Bid .....	2
	2.4 Despatch of documents .....	3
	2.5 Azure Board recommendation .....	3
	2.6 SQM Parent Guarantee .....	4
	2.7 Hancock Parent Guarantee .....	5
	2.8 Termination of joint bidding arrangements .....	5
<b>3</b>	<b>Conditions to the Transactions</b>	<b>6</b>
	3.1 Scheme Conditions .....	6
	3.2 Takeover Bid Conditions .....	9
	3.3 Best endeavours .....	9
	3.4 Waiver .....	9
	3.5 Certain notices in relation to Scheme Conditions and Takeover Bid Conditions .....	10
	3.6 Failure of a Scheme Condition or a Takeover Bid Condition .....	10
<b>4</b>	<b>Disclosure documents</b>	<b>12</b>
	4.1 Primary Party's obligations .....	12
	4.2 Secondary Party's obligations .....	13
	4.3 Recommendations .....	14
	4.4 Responsibility statements .....	14
<b>5</b>	<b>Scheme implementation steps</b>	<b>14</b>
	5.1 Scheme .....	14
	5.2 No amendment to the Scheme without consent .....	14
	5.3 Scheme Consideration .....	14
	5.4 Provision of Azure Share information .....	15
	5.5 Azure's obligations .....	15
	5.6 BidCo's obligations .....	18
<b>6</b>	<b>Facilitating the Takeover Bid</b>	<b>19</b>
	6.1 Promoting the Takeover Bid .....	19
	6.2 Independent Expert's Report .....	19
	6.3 Share register .....	19
	6.4 ASX listing .....	19



<b>7</b>	<b>Provisions relevant to both Transactions</b>	<b>19</b>
7.1	Timetable .....	19
7.2	Conduct of business .....	20
7.3	Appointment of directors .....	21
7.4	Deeds of indemnity and insurance .....	22
7.5	Assistance with regulatory relief .....	23
7.6	Conduct of Court proceedings .....	23
7.7	Access to information .....	23
<b>8</b>	<b>Representations and warranties</b>	<b>25</b>
8.1	BidCo's, SQM Parent's and Hancock Parent's representations and warranties	25
8.2	BidCo's indemnity .....	25
8.3	Azure's representations and warranties .....	25
8.4	Azure's indemnity .....	25
8.5	Qualifications on Azure's representations, warranties and indemnities .....	25
8.6	Survival of representations and warranties .....	26
8.7	Survival of indemnities .....	26
8.8	Timing of representations and warranties .....	26
8.9	No representation or reliance .....	26
<b>9</b>	<b>Releases</b>	<b>27</b>
9.1	Azure and Azure directors and officers .....	27
9.2	BidCo and BidCo directors and officers .....	27
<b>10</b>	<b>Public announcement</b>	<b>28</b>
10.1	Announcement of the Transaction .....	28
10.2	Public announcements .....	28
10.3	Required disclosure .....	28
<b>11</b>	<b>Confidentiality</b>	<b>28</b>
<b>12</b>	<b>Exclusivity</b>	<b>28</b>
12.1	No existing discussions .....	28
12.2	No shop and no talk .....	29
12.3	Fiduciary exception .....	29
12.4	Notification of approaches .....	30
12.5	Matching right .....	31
<b>13</b>	<b>Reimbursement Fee</b>	<b>32</b>
13.1	Background to Reimbursement Fee .....	32
13.2	Reimbursement Fee triggers .....	33
13.3	Payment of Reimbursement Fee .....	34
13.4	Basis of Reimbursement Fee .....	34
13.5	Compliance with law .....	34
13.6	Reimbursement Fee payable only once .....	35
13.7	Other Claims .....	35
13.8	Qualifications .....	35
13.9	Limitation of liability .....	35
<b>14</b>	<b>Reverse Reimbursement Fee</b>	<b>36</b>
14.1	Background to Reverse Reimbursement Fee .....	36



	14.2 Reverse Reimbursement Fee triggers .....	37
	14.3 Satisfaction of payment obligation .....	37
	14.4 Reverse Reimbursement Fee payable only once .....	37
	14.5 Exclusive remedy .....	37
<b>15</b>	<b>Termination</b>	<b>38</b>
	15.1 Termination of this deed and the Transactions .....	38
	15.2 Termination of this deed and the Transactions for breach of representations and warranties .....	39
	15.3 Termination of Scheme Transaction only .....	40
	15.4 Effect of termination .....	40
	15.5 Termination .....	40
	15.6 No other termination .....	40
<b>16</b>	<b>Duty, costs and expenses</b>	<b>41</b>
	16.1 Stamp duty .....	41
	16.2 Costs and expenses .....	41
<b>17</b>	<b>GST</b>	<b>41</b>
<b>18</b>	<b>Notices</b>	<b>42</b>
	18.1 Form of Notice .....	42
	18.2 How Notice must be given and when Notice is received .....	43
	18.3 Notice must not be given by electronic communication .....	43
<b>19</b>	<b>General</b>	<b>44</b>
	19.1 Governing law and jurisdiction .....	44
	19.2 No merger .....	44
	19.3 Invalidity and enforceability .....	44
	19.4 Waiver .....	44
	19.5 Variation .....	44
	19.6 Assignment of rights .....	45
	19.7 Acknowledgement .....	45
	19.8 No third party beneficiary .....	45
	19.9 Further action to be taken at each party's own expense .....	45
	19.10 Entire agreement .....	45
	19.11 Counterparts .....	45
	19.12 Relationship of the parties .....	45
	19.13 Remedies cumulative .....	45
	19.14 Exercise of rights .....	46
	19.15 Withholding .....	46
	19.16 Service of process .....	46
	<b>Schedule 1</b>	
	<b>Definitions and interpretation</b>	<b>47</b>
	<b>Schedule 2</b>	
	<b>Takeover Bid Terms</b>	<b>68</b>



**Schedule 3**

<b>BidCo, SQM Parent and Hancock Parent representations and warranties</b>	<b>75</b>
--	-----------

**Schedule 4**

<b>Azure Representations and Warranties</b>	<b>78</b>
---	-----------

**Schedule 5**

<b>Azure details</b>	<b>82</b>
----------------------	-----------

<b>Signing page</b>	<b>83</b>
---------------------	-----------

**Attachment 1**

<b>Indicative Timetable</b>	
-----------------------------	--

**Attachment 2**

<b>Scheme of arrangement</b>	
------------------------------	--

**Attachment 3**

<b>Deed poll</b>	
------------------	--

**Attachment 4**

<b>Scheme Conditions certificate</b>	
--------------------------------------	--

Herbert Smith Freehills owns the copyright in this deed and using it without permission is strictly prohibited.



## Transaction Implementation Deed

---

Date ► 19 December 2023

Between the parties

---

BidCo	<b>SH Mining Pty Ltd</b> ACN 673 729 872 of Level 3, 28-42 Ventnor Avenue, West Perth WA 6005, Australia
SQM Parent	<b>Sociedad Quimica y Minera de Chile S.A.</b> a company incorporated under the laws of Chile of El Trovador 4285, Las Condes, Santiago, 7550079, Chile.
Hancock Parent	<b>Hancock Prospecting Pty Limited</b> ACN 008 676 417 of Level 3, 28-42 Ventnor Avenue, West Perth WA 6005, Australia
Azure	<b>Azure Minerals Limited</b> ACN 106 346 918 of Level 1, 34 Colin Street, West Perth WA 6005, Australia
Recitals	<ol style="list-style-type: none"><li>1 BidCo proposes to acquire all of the ordinary shares in Azure that any SQM Group Member or any Hancock Group Member do not already own, by way of:<ul style="list-style-type: none"><li>– a scheme of arrangement under Part 5.1 of the Corporations Act between Azure and the Scheme Shareholders; or</li><li>– in certain circumstances, a takeover bid under Chapter 6 of the Corporations Act.</li></ul></li><li>2 The parties have agreed to propose the Scheme and the Takeover Bid to Azure Shareholders on the terms and conditions of this deed.</li></ol>

---

This deed witnesses as follows:

---



## 1 Definitions and interpretation

---

### 1.1 Definitions

The meanings of the terms used in this deed are set out in Schedule 1.

### 1.2 Interpretation

Schedule 1 contains interpretation rules for this deed.

### 1.3 Deed components

This deed includes any schedule.

## 2 Agreement to propose the Transactions

---

### 2.1 Overview

On and subject to the terms of the deed:

- (a) BidCo proposes to acquire all the Transaction Shares under the Scheme pursuant to which Azure Shareholders will be able to receive as consideration \$3.70 cash per Transaction Share; and
- (b) simultaneously, BidCo will make the Takeover Bid for all of the Azure Shares at \$3.65 per Azure Share, which will be conditional, amongst other matters, on the Scheme not becoming Effective.

### 2.2 Azure to propose Scheme

- (a) Azure agrees to propose the Scheme on and subject to the terms and conditions of this deed.
- (b) BidCo agrees to assist Azure to propose the Scheme and, if the Scheme becomes Effective, to acquire all the Transaction Shares in exchange for payment of consideration of \$3.70 cash per Transaction Share on and subject to the terms and conditions of this deed.

### 2.3 BidCo to make the Takeover Bid

BidCo agrees to:

- (a) make offers pursuant to an off-market takeover bid under Chapter 6 of the Corporations Act to acquire all the Azure Shares on terms and conditions no less favourable to Azure Shareholders than the Takeover Bid Terms (together, the **Offers** and each, an **Offer**); and
- (b) without limiting this clause 2.3, publicly announce on the date of this deed a proposal to make the Takeover Bid constituted by the despatch of the Offers.



## 2.4 Despatch of documents

- (a) Provided that a Superior Proposal has not been received by Azure or publicly announced in the interim, each party agrees to use reasonable endeavours to mail as one document pack the Notice of Meeting and EM, Scheme Booklet, Bidder's Statement and Target's Statement to the Azure Shareholders together in accordance with the Timetable.
- (b) Azure agrees, and the Azure Board has consented, to the Offers and accompanying documents being sent by BidCo under the Takeover Bid under item 6 of section 633(1) of the Corporations Act to the Azure Shareholders where the documents are mailed as one document pack as contemplated by this clause 2.4.

## 2.5 Azure Board recommendation

- (a) Azure must use its best endeavours to procure that each Azure Board Member:
  - (1) recommends to Azure Shareholders (other than Excluded Shareholders) that they vote in favour of the Item 7 Resolution and the Scheme at the Transaction Meetings; and
  - (2) announces their intention to cause any Azure Shares in which they have a Relevant Interest to be voted in favour of the Item 7 Resolution and the resolution to approve the Scheme,and does not change or withdraw their recommendation or intention, in each case, subject to each of the following:
  - (3) there being no Superior Proposal;
  - (4) the Independent Expert concluding and continuing to conclude that the Scheme is in the best interests of Azure Shareholders; or
  - (5) the Azure Board not determining, after receiving written legal advice from its external legal advisers, that the Azure Board (or any one of them), by virtue of the directors' duties of the Azure Board Members, is required to (or is reasonably likely to be required to) change or withdraw its recommendation or abstain from making a recommendation by virtue of that Azure Board Member having an interest in the Scheme that makes it inappropriate for him or her to make a recommendation.
- (b) Azure must use its best endeavours to procure that each Azure Board Member:
  - (1) recommends that Azure Shareholders accept the Offer to be made to them under the Takeover Bid once the condition in clause 1.7(f) of Schedule 2 has been satisfied or waived; and
  - (2) announces their intention to cause any Azure Shares in which they have a Relevant Interest to be accepted into the Offer once the condition in clause 1.7(f) of Schedule 2 has been satisfied or waived,and does not change or withdraw their recommendation or intention, in each case, subject to each of the following:
  - (3) there being no Superior Proposal;
  - (4) the Independent Expert concluding and continuing to conclude that the Takeover Bid is fair and reasonable; or
  - (5) the Azure Board not determining, after receiving written legal advice from its external legal advisers, that the Azure Board (or any one of



them), by virtue of the directors' duties of the Azure Board Members, is required to (or is reasonably likely to be required to) change or withdraw its recommendation or abstain from making a recommendation by virtue of that Azure Board Member having an interest in the Takeover Bid that makes it inappropriate for him or her to make a recommendation.

- (c) Despite anything to the contrary in this clause 2.5, a statement made by Azure, the Azure Board Members, or any Azure Board Member:
- (1) to the effect that no action should be taken by Azure Shareholders pending the assessment of a Competing Proposal by Azure; or
  - (2) to only accept the Takeover Bid once the condition in clause 1.7(f) of Schedule 2 has been satisfied or waived; or
  - (3) in substantially the form of the recommendations of the Azure Board as set out in the public announcement released in accordance with clause 10.1,
- shall not contravene this clause 2.5.

## 2.6 SQM Parent Guarantee

- (a) SQM Parent unconditionally and irrevocably:
- (1) guarantees to Azure the due and punctual performance by BidCo of BidCo's obligations under clauses 5.3(b)(2), 8.2 and 14; and
  - (2) indemnifies Azure, on demand, against all losses incurred by Azure arising from any default or delay in the performance of such obligations.
- (b) The obligation of SQM Parent under clause 2.6(a) is a principal and continuing obligation and remains in full force and effect until all obligations of BidCo have been fully discharged.
- (c) The liability of SQM Parent under this clause 2.6 and 8.1:
- (1) is several, and not joint or joint and several, with Hancock Parent;
  - (2) is limited to an amount equal to 50% of the relevant loss or liability incurred by Azure; and
  - (3) is not affected by anything which, but for this clause 2.6(c), might operate to release or exonerate SQM Parent in whole or in part from its obligations.
- (d) SQM Parent represents and warrants to Azure (in its own right and separately as trustee or nominee for each of the other Azure Indemnified Parties) each of the SQM Parent Representations and Warranties.
- (e) SQM Parent agrees with Azure (in its own right and separately as trustee or nominee for each of the other Azure Indemnified Parties) to indemnify Azure and each of the Azure Indemnified Parties against any claim, action, damage, loss, liability, cost, expense or payment of whatever nature and however arising that Azure or any of the other Azure Indemnified Parties suffers, incurs or is liable for arising out of any breach of any of the SQM Parent Representations and Warranties.





## 2.7 Hancock Parent Guarantee

- (a) Hancock Parent unconditionally and irrevocably:
- (1) guarantees to Azure the due and punctual performance by BidCo of BidCo's obligations under clauses 5.3(b)(2), 8.2 and 14; and
  - (2) indemnifies Azure, on demand, against all losses incurred by Azure arising from any default or delay in the performance of such obligations.
- (b) The obligation of Hancock Parent under clause 2.7(a) is a principal and continuing obligation and remains in full force and effect until all obligations of BidCo have been fully discharged.
- (c) The liability of Hancock Parent under this clause 2.7 and 8.1:
- (1) is several, and not joint or joint and several, with SQM Parent;
  - (2) is limited to an amount equal to 50% of the relevant loss or liability incurred by Azure; and
  - (3) is not affected by anything which, but for this clause 2.7(c), might operate to release or exonerate Hancock Parent in whole or in part from its obligations.
- (d) Hancock Parent represents and warrants to Azure (in its own right and separately as trustee or nominee for each of the other Azure Indemnified Parties) each of the Hancock Parent Representations and Warranties.
- (e) Hancock Parent agrees with Azure (in its own right and separately as trustee or nominee for each of the other Azure Indemnified Parties) to indemnify Azure and each of the Azure Indemnified Parties against any claim, action, damage, loss, liability, cost, expense or payment of whatever nature and however arising that Azure or any of the other Azure Indemnified Parties suffers, incurs or is liable for arising out of any breach of any of the Hancock Parent Representations and Warranties.

## 2.8 Termination of joint bidding arrangements

- (a) Each party to this deed agrees that, in the event that the Joint Bidding Deed is terminated pursuant to clause 8.1(b)(1) or 8.1(b)(2) of that document:
- (1) the Participating Joint Bidder will assume full control of BidCo in accordance with clause 6.6(d) of the Joint Bidding Deed;
  - (2) the Parent Company of the Participating Joint Bidder must give notice of termination of the Joint Bidding Deed to each other party to this deed no later than 1 Business Day after termination of the Joint Bidding Deed;
  - (3) following provision of a notice under clause 2.8(a)(2):
    - (A) the Parent Company of the Non-Participating Joint Bidder will be released from its obligations and liabilities and no longer enjoy the benefit of its rights, under this deed, except for:
      - (i) any rights, obligations and liabilities of the Parent Company of the Non-Participating Joint Bidder which accrue prior to the date that the Joint Bidding Deed is terminated; and



- (ii) any rights, obligations and liabilities which are expressed to survive termination of this deed pursuant to clause 15.4 (except for clause 2.6 or 2.7 (as applicable));
- (B) all references to SQM, Hancock or both of them in this deed are to be read as references to the Participating Joint Bidder only;
- (C) all references to the Parent Company of the Non-Participating Joint Bidder are deemed to be deleted from this deed;
- (D) the guarantee and indemnity provided by the Parent Company of the Participating Joint Bidder pursuant to clause 2.6 or 2.7 (as applicable) will be deemed to be amended by deleting clause 2.6(c)(1), 2.6(c)(2), 2.6(d) and 2.6(e) or 2.7(c)(1), 2.7(c)(2), 2.7(d) and 2.7(e) (as applicable); and
- (E) the guarantee and indemnity provided by the Parent Company of the Non-Participating Joint Bidder pursuant to clause 2.6 or 2.7 (as applicable) will be of no further force and effect; and
- (4) unless agreed otherwise, the remaining parties to this deed must continue to do all things necessary to ensure Azure Shareholders (other than Excluded Shareholders) approve the Item 7 Resolution by the requisite majority under item 7 of section 611 of the Corporations Act within 3 months from the date of this deed.
- (b) For the avoidance of doubt, nothing in this clause 2.8 affects the rights and obligations of BidCo under this deed.

## 3 Conditions to the Transactions

---

### 3.1 Scheme Conditions

Subject to this clause 3.1, the Scheme will not become Effective, and the respective obligations of the parties in relation to the implementation of the Scheme are not binding, until each of the following conditions precedent are satisfied or waived:

- (a) **FIRB Approval:** before 5.00pm on the Business Day before the Second Court Date, one of the following has occurred:
- (1) BidCo has received written notice under the FATA, by or on behalf of the Treasurer, advising that the Australian Commonwealth Government has no objections to the Scheme either unconditionally or subject only to:
- (A) 'standard' tax conditions which are in the form, or substantially in the form, of those set out in items 1 to 6 of Part D of FIRB's Guidance Note 12 "Tax Conditions" (in the form last updated on 10 August 2023); and
- (B) conditions that SQM, BidCo or their respective Affiliates have had imposed in relation to prior notifications under the FATA and/or conditions which would not reasonably be expected to result in an adverse material financial impact on



the value BidCo could reasonably expect to derive from the Scheme;

- (2) the Treasurer becomes precluded by the passage of time from making an order or decision under Part 3 of the FATA in relation to the Scheme and the Scheme is not prohibited by section 82 of the FATA; or
- (3) where an interim order is made under section 68 of the FATA in respect of the Scheme, the subsequent period for making an order or decision under Part 3 of the FATA elapses without the Treasurer making such an order or decision.
- (b) **Competition Law Approvals:** before 5.00pm on the Business Day before the Second Court Date, a notification to each Competition Authority, in each case in connection with the Scheme, has been made and each Competition Authority has either:
- (1) granted, given or made the approvals, consents, waivers, exemptions or declarations that are required by law, to implement the Scheme on an unconditional basis or subject only to conditions which would not reasonably be expected to result in an adverse material financial impact on the value BidCo could reasonably expect to derive from the Scheme, and which approvals, consents, waivers, exemptions or declarations remain in full force and effect in all respects, and have not been withdrawn, revoked, suspended, restricted or amended (or become subject to any notice, intimation or indication of intention to do any such thing) before 8.00am on the Second Court Date;
- (2) rendered a decision that no approval, consent, waiver, exemption or declaration is required by law to implement the Scheme, and which decision remains in full force and effect in all respects, and has not been withdrawn, revoked, suspended, restricted or amended (or become subject to any notice, intimation or indication of intention to do any such thing) before 8.00am on the Second Court Date; or
- (3) failed to render a decision within the applicable waiting period prescribed by law and such failure is considered under such law to be a grant of all requisite approvals, consents, waivers, exemptions or declarations required by law to implement the Scheme.
- (c) **Item 7 of section 611 approval:** Azure Shareholders (other than Excluded Shareholders) approve the Item 7 Resolution at the General Meeting by the requisite majority under item 7 of section 611 of the Corporations Act.
- (d) **Azure Shareholder approval:** Azure Shareholders (other than Excluded Shareholders) approve the Scheme at the Scheme Meeting by the requisite majorities under subparagraph 411(4)(a)(ii) of the Corporations Act.
- (e) **Azure Options:** before 5.00pm on Business Day before the Second Court Date, each Azure Optionholder has either:
- (1) exercised all of the Azure Options held by them in accordance with their terms; or
- (2) entered into an Option Cancellation Deed in respect of all of the Azure Options held by them,
- and, in respect of any Azure Options which are to be cancelled, ASX has provided a waiver or consent permitting the relevant Azure Options to be cancelled without requiring the approval of Azure Shareholders.
- (f) **Independent Expert:** the Independent Expert:



- (1) issues an Independent Expert's Report which concludes that the Scheme is in the best interests of Azure Shareholders before the time when the Scheme Booklet is registered by ASIC; and
- (2) does not change its conclusion or withdraw its Independent Expert's Report before 8.00am on the Second Court Date.
- (g) **Court approval:** the Court approves the Scheme in accordance with paragraph 411(4)(b) of the Corporations Act.
- (h) **No competing interest:** no person acquires a Relevant Interest (including through increasing its existing Relevant Interest) in more than 15% of Azure Shares (other than BidCo, SQM, Hancock or their respective Associates) between (and including) the date of this deed and the date of the Scheme Meeting;
- (i) **restraints:** between (and including) the date of this deed and 8.00am on the Second Court Date:
- (1) there is not in effect any temporary, preliminary or final order, injunction, decision or decree issued by any court of competent jurisdiction or other Government Agency, or other material legal restraint or prohibition;
- (2) no action or investigation is announced, commenced or threatened by any Government Agency; and
- (3) no application is made to any Government Agency,
- in consequence of, or in connection with, the Scheme which:
- (4) restrains, prohibits or otherwise materially adversely affects (or could reasonably be expected to restrain, prohibit or otherwise materially adversely affect) the Scheme, completion of the Scheme or the rights of BidCo in respect of Azure or the Transaction Shares to be acquired under the Scheme; or
- (5) requires the divestiture by BidCo, SQM, Hancock or their respective Associates of any Azure Shares or the divestiture of any material assets of the SQM Group, the Hancock Group or the Azure Group,
- unless such order, injunction, decision, decree, action, investigation or application has been disposed of to the satisfaction of BidCo (acting reasonably and in good faith), or is otherwise no longer effective or enforceable, by 8.00am on the Second Court Date.
- (j) **no Azure Prescribed Occurrence:** no Azure Prescribed Occurrence occurs between (and including) the date of this deed and 8.00am on the Second Court Date.
- (k) **no Azure Regulated Event:** no Azure Regulated Event occurs between (and including) the date of this deed and 8.00am on the Second Court Date which has resulted in BidCo having a right to terminate this deed under clause 15.
- (l) **no Azure Material Adverse Change:** no Azure Material Adverse Change occurs, or is discovered, announced, disclosed or otherwise becomes known to BidCo, between (and including) the date of this deed and 8.00am on the Second Court Date.
- (m) **Azure's representations and warranties:** the Azure Representations and Warranties are true and correct in all material respects as at 8.00am on the Second Court Date as though made on and as of that time, except to the extent any such representation or warranty expressly relates to an earlier date, and if



they are not true and correct, BidCo has a right to terminate this deed under clause 15.

### 3.2 Takeover Bid Conditions

The completion of the Takeover Bid and any contract that results from an acceptance of an Offer will be subject to the conditions set out in clause 1.7 of Schedule 2.

### 3.3 Best endeavours

- (a) Azure must, to the extent it is within its power to do so, use its best endeavours to procure that each of the Scheme Conditions in clauses 3.1(c), 3.1(d), 3.1(e), 3.1(g), 3.1(j), 3.1(k), 3.1(l) and 3.1(m), and each of the Takeover Bid Conditions in clauses 1.7(c), 1.7(d), 1.7(g) and 1.7(h) of Schedule 2, is satisfied as soon as practicable after the date of this deed and continues to be satisfied at all times until the last time that the relevant clause provides that it is to be satisfied.
- (b) Each party must, to the extent it is within its respective power to do so, use its best endeavours to procure that:
  - (1) the Scheme Conditions in clauses 3.1(a) and 3.1(b), and the Takeover Bid Conditions in clauses 1.7(a) and 1.7(b) of Schedule 2, are satisfied as soon as practicable after the date of this deed and continue to be satisfied at all times until the last time that the relevant clause provides that it is to be satisfied; and
  - (2) there is no occurrence within its control or the control of any of its Subsidiaries that would prevent any of the Scheme Conditions or Takeover Bid Conditions being or remaining satisfied.

### 3.4 Waiver

- (a) The Scheme Conditions in clauses 3.1(a), 3.1(d) and 3.1(g) cannot be waived.
- (b) The Scheme Conditions in clauses 3.1(b), 3.1(e), 3.1(h), 3.1(j), 3.1(k), 3.1(l) and 3.1(m) are for the sole benefit of BidCo and may only be waived by BidCo (in its absolute discretion) in writing.
- (c) The Scheme Condition in clause 3.1(f) is for the sole benefit of Azure and may only be waived by Azure (in its absolute discretion) in writing.
- (d) The Scheme Conditions in clauses 3.1(c) and 3.1(i) are for the benefit of both parties and may only be waived by written agreement between BidCo and Azure (in each case in their respective absolute discretion).
- (e) If a party waives a breach or the non-satisfaction of any of the Scheme Conditions in clause 3.1, that waiver does not prevent that party from suing the other party for any breach of this deed that resulted in the breach or non-satisfaction of the relevant Scheme Condition.
- (f) Waiver of a breach or non-satisfaction in respect of one Scheme Condition does not constitute:
  - (1) a waiver of breach or non-satisfaction of any other Scheme Condition resulting from the same event; or
  - (2) a waiver of breach or non-satisfaction of that Scheme Condition resulting from any other event.



### 3.5 Certain notices in relation to Scheme Conditions and Takeover Bid Conditions

- (a) If Azure or BidCo becomes aware that any Scheme Condition or Takeover Bid Condition has been satisfied, it must promptly notify the other in writing of this fact.
- (b) If, before the time specified for satisfaction of a Scheme Condition or Takeover Bid Condition, an event that will prevent, or is reasonably likely to prevent, that Scheme Condition or Takeover Bid Condition (as applicable) being satisfied occurs, the party with knowledge of that event must immediately give the other party written notice of that event.

### 3.6 Failure of a Scheme Condition or a Takeover Bid Condition

- (a) If there is an event or occurrence that would, does or will prevent any Condition (other than the Scheme Conditions in clauses 3.1(c), 3.1(d), 3.1(g) and 3.1(h) or the Takeover Bid Condition in clause 1.7(c) of Schedule 2) being satisfied by the time and date specified in this deed for the satisfaction of that Condition, then either party may give the other party written notice (**Consultation Notice**), and the parties must promptly consult in good faith to:
  - (1) consider and, if agreed, determine whether the Scheme, Takeover Bid or both Transactions (as applicable) may proceed by way of alternative means or methods;
  - (2) consider changing and, if agreed, change the date of the application made to the Court for an order under paragraph 411(4)(b) of the Corporations Act approving the Scheme or adjourning that application (as applicable) to another date agreed to in writing by BidCo and Azure (being a date no later than the Business Day immediately before the End Date); or
  - (3) consider extending and, if agreed, extend the time and date specified in this deed for the satisfaction of that Condition or the End Date, respectively.
- (b) Subject to clauses 3.6(c) and 3.6(e), if the parties are unable to reach agreement under clause 3.6(a) within 10 Business Days after the date on which the Consultation Notice is given, then, unless the relevant Condition has been waived, either party may:
  - (1) terminate the Scheme Transaction if the relevant Condition is a Scheme Condition; or
  - (2) terminate this deed if the relevant Condition is a Takeover Bid Condition.For the avoidance of doubt, nothing in this clause 3.6(b) affects:
  - (3) the obligation of Azure to pay the Reimbursement Fee, if it is required to do so under clause 13; or
  - (4) the obligation of BidCo to pay the Reverse Reimbursement Fee, if it is required to do so under clause 14.
- (c) A party may not terminate this deed pursuant to clause 3.6(b) if the relevant event or occurrence, or the failure of the Condition to be satisfied arises out of a breach by that party.





- (d) If BidCo considers (acting reasonably) that the Scheme Condition in clause 3.1(d) will not be satisfied or is unlikely to be satisfied, BidCo will, having first consulted for a reasonable period in good faith with Azure, have the right (but not the obligation) to terminate the Scheme Transaction only by giving written notice to Azure by no later than the Business Day immediately after the date of the Scheme Meeting.
- (e) Without limiting clause 3.6(d), if the Scheme Condition in clause 3.1(d) is not satisfied only because of a failure to obtain the majority required by section 411(4)(a)(ii)(A) of the Corporations Act, then either party may by written notice to the other within 3 Business Days after the date of the conclusion of the Scheme Meeting require the approval of the Court to be sought, pursuant to the Court's discretion in that subparagraph, provided the party has, in good faith formed the view that the prospect of the Court exercising its discretion in that way is reasonable. If approval is given, the Scheme Condition in clause 3.1(d) is deemed to be satisfied for all purposes.
- (f) If the Scheme Condition in clause 3.1(c) or the Takeover Bid Condition in clause 1.7(c) of Schedule 2 is not satisfied because of a failure to obtain the majority required by item 7 of section 611 of the Corporations Act:
- (1) BidCo has the right (but not the obligation) to terminate this deed immediately by giving written notice to Azure; and
  - (2) if BidCo has not within 7 days filed an application with ASIC for joint bid relief or that application is rejected by ASIC, Azure has the right (but not the obligation) to terminate this deed immediately by giving written notice to BidCo.
- (g) Without limiting clause 3.3, BidCo must:
- (1) keep Azure informed of the progress in relation to the obtaining of FIRB Approval, including (to the extent permitted by law and FIRB) providing Azure with reasonable details of all material dealings with FIRB in relation to the application for FIRB Approval (including any written requests for information by FIRB and any conditions or other arrangements proposed by FIRB or other Government Agency in respect of FIRB Approval);
  - (2) keep Azure informed of the progress in relation to the obtaining of each Competition Law Approval, including (to the extent permitted by law and the relevant Competition Authority) providing Azure with reasonable details of all material dealings with each Competition Law Authority in relation to the relevant application for Competition Law Approval (including any written requests for information by the relevant Competition Authority and any conditions or other arrangements proposed by the relevant Competition Authority in respect of the Competition Law Approval); and
  - (3) provide Azure with material information (to the extent known) which is likely to result in a delay in receipt of FIRB Approval or a Competition Law Approval that would mean the Timetable is unlikely to be achieved, or indicate that FIRB Approval or a Competition Law Approval is unlikely to be given.
- (h) Before providing any document or other information pursuant to clause 3.6(g), BidCo may redact or exclude any part of that document, or not disclose any part of that information, which contains or constitutes confidential, commercially sensitive or competitively sensitive or privileged information relating to the existing business or affairs of BidCo, SQM Group, Hancock Group or one of their respective Affiliates, to the extent that BidCo reasonably considers that the



disclosure of such information would be unlawful or damaging to BidCo's, SQM Group's, Hancock Group's or one of their respective Affiliate's commercial or legal interests, or would be reasonably likely to jeopardise any attorney-client, work product or other legal privilege.

## 4 Disclosure documents

---

### 4.1 Primary Party's obligations

The Primary Party in respect of each Relevant Document must:

- (a) **preparation:** subject to clause 4.1(b) and in accordance with the Timetable, prepare and despatch the Relevant Document in accordance with all applicable laws and in particular with the Corporations Act, the Corporations Regulations, RG 60, RG 74 and the Listing Rules (as applicable);
- (b) **consultation with the Secondary Party:** consult with the Secondary Party as to the content and presentation of the Relevant Document, including:
  - (1) providing to the Secondary Party drafts of the Relevant Document for the purpose of enabling the Secondary Party to review and comment on those draft documents (accepting that any review of the Independent Expert's Report by BidCo is limited to review for factual accuracy of those parts that include information relating to BidCo);
  - (2) taking all comments made by the Secondary Party into account in good faith when producing a revised draft of the Relevant Document;
  - (3) providing to the Secondary Party a revised draft of the Relevant Document within a reasonable time and:
    - (A) in the case of the Notice of Meeting and EM, before the draft of the Notice of Meeting and EM which is provided to ASIC for review pursuant to RG 74 is finalised;
    - (B) in the case of the Scheme Booklet, before the draft of the Scheme Booklet which is provided to ASIC for approval pursuant to section 411(2) of the Corporations Act is finalised; or
    - (C) in the case of the Bidder's Statement or Target's Statement, before despatch to Azure Shareholders; and
  - (4) obtaining written approval from the Secondary Party to the form and content in which the Secondary Party Information appears in the Relevant Document;
- (c) **ASIC review of the Notice of Meeting and EM:** in the case of Azure, keep BidCo informed of any matters raised by ASIC in relation to the Notice of Meeting and EM, and use reasonable endeavours to take into consideration any comments made by BidCo in resolving such matters raised by ASIC;
- (d) **ASIC review of the Scheme Booklet:** in the case of Azure, keep BidCo informed of any matters raised by ASIC in relation to the Scheme Booklet, and use reasonable endeavours to take into consideration any comments made by BidCo in resolving such matters raised by ASIC; and
- (e) **updating information:** as a continuing obligation:





- (1) provide to the Secondary Party any information that arises after the Relevant Document has been despatched and until, in the case of the Notice of Meeting and EM, the date of the General Meeting, in the case of the Scheme Booklet, the date of the Scheme Meeting and, in the case of the Target's Statement and the Bidder's Statement, the close of the Offer Period that is necessary to ensure that the Relevant Document, in relation to the information for which the Primary Party is responsible in accordance with clause 4.4, does not contain any material statement that is false or misleading in a material respect including because of any material omission; and
- (2) ensure that the Relevant Document (but in respect of the information for which the Secondary Party will be described as responsible in that Relevant Document in accordance with clause 4.4, subject to the Secondary Party complying with its obligations to update such information) will be updated by all such further or new information which may arise after the Relevant Document has been despatched until the General Meeting, Scheme Meeting or close of the Offer Period (as applicable) which is necessary to ensure that the Relevant Document is not misleading or deceptive in any material respect including because of any material omission.

## 4.2 Secondary Party's obligations

The Secondary Party in respect of each Relevant Document must:

- (a) **Secondary Party Information:** prepare and provide to the Primary Party the Secondary Party Information for inclusion in the Relevant Document and consent to the inclusion of that information in the Relevant Document;
- (b) **update Secondary Party Information:** promptly provide to the Primary Party any information that arises after the Relevant Document has been despatched and until, in the case of the Notice of Meeting and EM, the date of the General Meeting, in the case of the Scheme Booklet, the date of the Scheme Meeting and, in the case of the Bidder's Statement and Target's Statement, the close of the Offer Period that is necessary to ensure that the Relevant Document, in relation to the Secondary Party Information in it, does not contain any material statement that is false or misleading in a material respect including because of any material omission;
- (c) **review of the Relevant Document:** review the drafts of the Relevant Document prepared by the Primary Party and provide comments promptly on those drafts in good faith; and
- (d) **accuracy of Secondary Party Information:** before, in the case of the Notice of Meeting and EM, the Notice of Meeting and EM is lodged for review with ASIC, in the case of the Scheme Booklet, the Scheme Booklet is lodged with ASIC, and, in the case of the Bidder's Statement and Target's Statement, the Bidder's Statement and Target's Statement are despatched to Azure Shareholders, confirm to the Primary Party the accuracy and completeness of the Secondary Party Information in the Relevant Document, including that it does not contain any material statement that is false or misleading in a material respect including because of any material omission.



### 4.3 Recommendations

Azure must, unless there has been a withdrawal or change of recommendation in accordance with clause 2.5, include in the Notice of Meeting and EM, the Scheme Booklet and the Target's Statement a statement in the form contemplated by clause 2.5.

### 4.4 Responsibility statements

- (a) The parties agree that each Relevant Document will contain statements to the effect that:
  - (1) the Primary Party is responsible for the content of the Relevant Document (other than, to the maximum extent permitted by law, the Secondary Party Information, the Independent Expert's Report or any other report or letter issued to the Primary Party by a third party); and
  - (2) the Secondary Party is responsible for the Secondary Party Information (and no other part of the Relevant Document).
- (b) If the parties disagree on the form or content of the Relevant Document, they must consult in good faith to try to settle an agreed form of the Relevant Document.
- (c) If within 5 Business Days of the consultation referred to in clause 4.4(b) having commenced there is still no agreement between the parties, the final form and content of the Relevant Document shall be determined by the Primary Party (acting reasonably) and, if the Secondary Party disagrees with such final form and content:
  - (1) the Primary Party must include a statement to that effect in the Relevant Document; and
  - (2) if the Primary Party's concerns relate to the Secondary Party's Information, the Primary Party must include a statement that the Secondary Party takes no responsibility for the relevant form or content to the extent that the Secondary Party disagrees with the final form and content.

## 5 Scheme implementation steps

---

### 5.1 Scheme

Azure must propose the Scheme to Azure Shareholders on and subject to the terms and conditions of this deed and the Scheme.

### 5.2 No amendment to the Scheme without consent

Azure must not consent to any modification of, or amendment to, or the making or imposition by the Court of any condition in respect of, the Scheme without the prior written consent of BidCo.

### 5.3 Scheme Consideration

- (a) The parties acknowledge that each Scheme Shareholder will be entitled to receive the Scheme Consideration in respect of each Scheme Share held by



that Scheme Shareholder in accordance with the terms and conditions of this deed and the Scheme.

- (b) BidCo undertakes and warrants to Azure (in its own right and separately as trustee on behalf of the Scheme Shareholders) that, in consideration of the transfer to BidCo of each Azure Share held by a Scheme Shareholder under the terms of the Scheme, on the Implementation Date BidCo will:
- (1) accept that transfer; and
  - (2) provide to each Scheme Shareholder the Scheme Consideration for each Scheme Share in accordance with the terms and conditions of this deed and the Scheme.

#### 5.4 Provision of Azure Share information

- (a) In order to facilitate the provision of the Scheme Consideration, Azure must provide, or procure the provision of, to BidCo or a nominee of BidCo, a complete copy of the Azure Share Register as at the Scheme Record Date (which must include the name, Registered Address and registered holding of each Scheme Shareholder as at the Scheme Record Date), within 1 Business Day after the Scheme Record Date.
- (b) The details and information to be provided under clause 5.4(a) must be provided in such form as BidCo or its nominee may reasonably require.

#### 5.5 Azure's obligations

Azure must take all necessary steps to implement the Scheme as soon as is reasonably practicable and, without limiting the foregoing: (i) use all reasonable endeavours to ensure that each step in the Timetable is met by the relevant date set out beside that step (and must consult with BidCo on a regular basis about its progress in that regard); (ii) do any acts it is authorised and able to do on behalf of Azure Shareholders; and (iii) do each of the following:

- (a) **paragraph 411(17)(b) statement:** apply to ASIC for the production of:
- (1) an indication of intent letter stating that it does not intend to appear before the Court on the First Court Date; and
  - (2) a statement under paragraph 411(17)(b) of the Corporations Act stating that ASIC has no objection to the Scheme;
- (b) **Court direction:** apply to the Court for orders pursuant to subsection 411(1) of the Corporations Act directing Azure to convene the Scheme Meeting;
- (c) **Transaction Meetings:** convene the Transaction Meetings to seek Azure Shareholders' agreement to the Item 7 Resolution and the Scheme in accordance with the orders made by the Court pursuant to subsection 411(1) of the Corporations Act and must not adjourn or postpone the Transaction Meetings or request the Court to adjourn or postpone the Scheme Meeting in either case without obtaining the prior written approval of BidCo (such approval not to be unreasonably withheld or delayed, except where there is a Competing Proposal);
- (d) **Court documents:** consult with BidCo in relation to the content of the documents required for the purpose of each of the Court hearings held for the purpose of subsection 411(1) and paragraph 411(4)(b) of the Corporations Act in relation to the Scheme (including originating process, affidavits, submissions and draft minutes of Court orders) and consider in good faith, for the purpose of



amending drafts of those documents, comments from BidCo and its Related Persons on those documents;

- (e) **Court approval:** if the Scheme is approved by Azure Shareholders (other than Excluded Shareholders) under subparagraph 411(4)(a)(ii) of the Corporations Act and it can reasonably be expected that all of the Scheme Conditions (other than the Scheme Condition in clause 3.1(g)) will be satisfied or waived in accordance with this deed before 8.00am on the Second Court Date, apply to the Court for orders approving the Scheme as agreed to by the Azure Shareholders (other than Excluded Shareholders) at the Scheme Meeting;
- (f) **certificate:** at the hearing on the Second Court Date provide to the Court:
  - (1) a certificate (signed for and on behalf of Azure) in the form of a deed (substantially in the form set out in Attachment 4) confirming whether or not the Scheme Conditions (other than the Scheme Condition in clause 3.1(g)) have been satisfied or waived in accordance with this deed, a draft of which certificate must be provided by Azure to BidCo by 4.00pm on the date that is two Business Days prior to the Second Court Date; and
  - (2) any certificate provided to it by BidCo pursuant to clause 5.6(f);
- (g) **lodge copy of Court order:** lodge with ASIC an office copy of the Court order in accordance with subsection 411(10) of the Corporations Act approving the Scheme by no later than the Business Day after the date on which the Court order was made (or such later date as agreed in writing by BidCo);
- (h) **Scheme Consideration:** if the Scheme becomes Effective, finalise and close the Azure Share Register as at the Scheme Record Date, and determine entitlements to the Scheme Consideration, in accordance with the Scheme and the Deed Poll;
- (i) **transfer and registration:** if the Scheme becomes Effective and subject to BidCo having paid the Scheme Consideration in accordance with the Scheme and Deed Poll:
  - (1) execute, on behalf of Scheme Shareholders, instruments of transfer of the Scheme Shares to BidCo; and
  - (2) register all transfers of the Scheme Shares to BidCo on the Implementation Date;
- (j) **information:** provide all necessary information, and procure that the Azure Registry provides all necessary information, in each case in a form reasonably requested by BidCo, about the Scheme, the Scheme Shareholders and Azure Shareholders to BidCo and its Related Persons, which BidCo reasonably requires in order to:
  - (1) understand the legal and beneficial ownership of Azure Shares, and canvass agreement to the Scheme by Azure Shareholders, (including the results of directions by Azure to Azure Shareholders under Part 6C.2 of the Corporations Act);
  - (2) facilitate the provision by, or on behalf of, BidCo of the Scheme Consideration and to otherwise enable BidCo to comply with the terms of this deed, the Scheme and the Deed Poll; or
  - (3) review the tally of proxy appointments and directions received by Azure before the General Meeting and the Scheme Meeting.



Azure must comply with any reasonable request of BidCo for Azure to give directions to Azure Shareholders pursuant to Part 6C.2 of the Corporations Act from time to time for one of the purposes referred to in (1) or (2) above;

- (k) **registration of Scheme Booklet:** take all reasonable measures within its control to cause ASIC to register the Scheme Booklet under subsection 412(6) of the Corporations Act;
- (l) **representation:** procure that it is represented by counsel at the Court hearings convened for the purposes of subsection 411(1) and paragraph 411(4)(b) of the Corporations Act;
- (m) **Independent Expert:** promptly appoint the Independent Expert and provide all assistance and information reasonably requested by the Independent Expert in connection with the preparation of the Independent Expert's Report for inclusion in the Notice of Meeting and EM and the Scheme Booklet (including any updates to such report) and any other materials to be prepared by the Independent Expert for inclusion in the Notice of Meeting and EM and the Scheme Booklet (including any updates thereto);
- (n) **assistance:** up to the Implementation Date and subject to obligations of confidentiality owed to third parties (appropriate consents in relation to which Azure must use all reasonable endeavours to obtain) and undertakings to Government Agencies, provide BidCo and its Related Persons with reasonable access during normal business hours to information and personnel of the Azure Group that BidCo reasonably requests for the purpose of collation and provision of the BidCo Information and implementation of the Scheme;
- (o) **compliance with laws:** do everything reasonably within its power to ensure that the Scheme is effected in accordance with all applicable laws and regulations;
- (p) **listing:** subject to clause 5.5(q), not do anything to cause Azure Shares to cease being quoted on ASX or to become permanently suspended from quotation prior to implementation of the Scheme unless BidCo has agreed in writing;
- (q) **suspension of trading:** apply to ASX to suspend trading in Azure Shares with effect from the close of trading on the Effective Date;
- (r) **promote merits of Transaction:** participate in efforts reasonably requested by BidCo to promote the merits of the Scheme and the Scheme Consideration, including meeting with key Azure Shareholders at the reasonable request of BidCo with such information and assistance that BidCo reasonably requests to enable it to promote the merits of the Scheme;
- (s) **proxy solicitation:** in consultation with BidCo, undertake reasonable shareholder engagement and proxy solicitation actions so as to promote the merits of the Scheme and encourage Azure Shareholders to vote on the Item 7 Resolution and the Scheme in accordance with the recommendation of the Azure Board, subject to applicable law and ASIC policy; and
- (t) **proxy information:** upon request by BidCo made prior to commencement of the Transaction Meetings, inform BidCo of the total number of proxy votes received by Azure:
- (1) to vote in favour of the Item 7 Resolution and the Scheme;
  - (2) to vote against the Item 7 Resolution and the Scheme;
  - (3) to abstain from voting on the Item 7 Resolution and the Scheme; and
  - (4) where the proxy may vote at the proxy's discretion.



## 5.6 BidCo's obligations

BidCo must take all necessary steps to implement the Scheme as soon as is reasonably practicable and, without limiting the foregoing, must: (i) use all reasonable endeavours to ensure that each step related to the Scheme in the Timetable is met by the date set out beside that step (and must consult with Azure on a regular basis about its progress in that regard); and (ii) do each of the following:

- (a) **representation:** procure that it is represented by counsel at the Court hearings convened for the purposes of subsection 411(1) and paragraph 411(4)(b) of the Corporations Act;
- (b) **Deed Poll:** by no later than the Business Day prior to the First Court Date, execute and deliver, and cause SQM Parent and Hancock Parent to execute and deliver, to Azure the Deed Poll;
- (c) **legal opinion:** if required by the Court, provide a legal opinion by an appropriately qualified legal adviser on the enforceability of the guarantees provided by SQM Parent and Hancock Parent pursuant to the Deed Poll;
- (d) **share transfer:** if the Scheme becomes Effective:
  - (1) accept a transfer of the Scheme Shares as contemplated by clause 5.3(b)(1); and
  - (2) execute instruments of transfer in respect of the Scheme Shares;
- (e) **Scheme Consideration:** if the Scheme becomes Effective, procure the provision of the Scheme Consideration in the manner and amount contemplated by clause 4 and the terms of the Scheme and the Deed Poll;
- (f) **certificate:** before the commencement of the hearing on the Second Court Date, provide to Azure for provision to the Court at that hearing a certificate (signed for and on behalf of BidCo) in the form of a deed (substantially in the form set out in Attachment 4) confirming whether or not the Scheme Conditions (other than the Scheme Condition in clause 3.1(g)) have been satisfied or waived in accordance with this deed, a draft of which certificate must be provided by BidCo to Azure by 4.00pm on the date that is two Business Days prior to the Second Court Date;
- (g) **Independent Expert's Report:** subject to the Independent Expert entering into arrangements with BidCo including in relation to confidentiality in a form reasonably acceptable to BidCo, provide any assistance or information reasonably requested by Azure or the Independent Expert in connection with the preparation of the Independent Expert's Report;
- (h) **assistance:** up to (and including) the Implementation Date and subject to obligations of confidentiality owed to third parties (appropriate consents in relation to which BidCo must use all reasonable endeavours to obtain) and undertakings to Government Agencies, provide Azure and its Related Persons with (or procure the provision of) reasonable access during normal business hours to information and personnel of the SQM Group and Hancock Group that Azure reasonably requests for the purpose of preparation of the Notice of Meeting and EM and the Scheme Booklet and implementation of the Scheme;
- (i) **compliance with laws:** do everything reasonably within its power to ensure that the Scheme Transaction is effected in accordance with all applicable laws and regulations; and
- (j) **Excluded Shareholder:** if any person who satisfies the definition of 'Excluded Shareholder' under this deed acquires any Azure Shares after the date of this deed, notify Azure in writing of such acquisition and the relevant acquirer (and





thereafter that entity will not be a 'Scheme Shareholder' for the purposes of this deed and will be excluded from the operation of the Scheme).

## 6 Facilitating the Takeover Bid

---

### 6.1 Promoting the Takeover Bid

During the Offer Period, and having regard to the form of recommendation set out in clause 2.5, in the absence of a Superior Proposal, the Azure Board must support the Takeover Bid and participate in efforts reasonably required by BidCo to promote the terms of the Takeover Bid.

### 6.2 Independent Expert's Report

Azure will promptly appoint the Independent Expert and provide all assistance and information reasonably requested by the Independent Expert in connection with the preparation of the Independent Expert's Report for inclusion in the Target's Statement.

### 6.3 Share register

From the date of this deed until the end of the Offer Period, Azure must:

- (a) provide BidCo with a copy of the register of Azure Shareholders in electronic form requested by BidCo promptly after a request by BidCo to do so (including any request made by BidCo under section 641 of the Corporations Act);
- (b) provide BidCo with a copy of the register of Azure Shareholders in electronic form on the day that Azure receives a copy from its registry each time a copy is obtained; and
- (c) comply with any reasonable request of BidCo to give directions to Azure Shareholders pursuant to Part 6C.2 of the Corporations Act.

### 6.4 ASX listing

Azure must take all reasonable steps to maintain Azure's listing on ASX, notwithstanding any suspension of the quotation of Azure Shares, up to and including the date BidCo compulsorily acquires any Azure Shares it does not already own under Chapter 6A of the Corporations Act, including making appropriate applications to ASX and ASIC.

## 7 Provisions relevant to both Transactions

---

### 7.1 Timetable

- (a) Subject to clause 7.1(b), the parties must each use all reasonable endeavours to:
  - (1) comply with their respective obligations under this clause 7; and
  - (2) take all necessary steps and exercise all rights necessary to implement the Transactions,in accordance with the Timetable.



- (b) Failure by a party to meet any timeframe or deadline set out in the Timetable will not constitute a breach of clause 7.1(a) to the extent that such failure is due to circumstances and matters outside the party's control or due to Azure taking or omitting to take any action in response to a Competing Proposal as permitted or contemplated by this deed.
- (c) Each party must keep the other informed about their progress against the Timetable and notify each other if it believes that any of the dates in the Timetable are not achievable.
- (d) To the extent that any of the dates or timeframes set out in the Timetable become not achievable due to matters outside of a party's control, the parties will consult in good faith to agree to any necessary extension to ensure such matters are completed within the shortest possible timeframe.

## 7.2 Conduct of business

- (a) Subject to clause 7.2(b), from the date of this deed up to and including the earlier of the Implementation Date and close of the Offer Period, and without limiting any other obligations of Azure under this deed, Azure must:
  - (1) conduct its businesses and operations, and must cause each other Azure Group Member to conduct its respective business and operations, in the ordinary and usual course consistent with the manner in which each such business and operations were conducted immediately prior to the date of this deed;
  - (2) keep BidCo informed of any material developments concerning the conduct of its business;
  - (3) not enter into any line of business or other activities in which the Azure Group is not engaged as of the date of this deed;
  - (4) provide regular reports on the financial affairs of the Azure Group, including the provision of Azure Group's monthly management accounts, in a timely manner to BidCo;
  - (5) ensure that no Azure Prescribed Occurrence and no Azure Regulated Event occurs; and
  - (6) make all reasonable efforts, and procure that each other Azure Group Member makes all reasonable efforts, to:
    - (A) preserve and maintain the value of the businesses and assets of the Azure Group;
    - (B) keep available the services of the directors, officers and employees of each member of the Azure Group; and
    - (C) maintain and preserve their relationships with Government Agencies, customers, suppliers and others having business dealings with any Azure Group Member (including, using all reasonable endeavours to obtain consents from third parties to any change of control provisions which BidCo reasonably requests in contracts or arrangements to which a member of the Azure Group is a party).
- (b) Nothing in clause 7.2(a) restricts the ability of Azure to take any action:
  - (1) required or permitted by this deed, the Scheme Transaction, the Takeover Bid Transaction or the transactions contemplated by any of these;





- (2) which has been agreed to in writing by BidCo;
- (3) which is required by any applicable law or by a Government Agency (except where that requirement arises as a result of an action by a Azure Group Member);
- (4) which is undertaken in response to a Competing Proposal as permitted by clause 12;
- (5) which has been Fairly Disclosed in the Disclosure Materials, or which has been Fairly Disclosed in an announcement by Azure to ASX, or a publicly available document lodged by it with ASIC, in the 2 year period prior to the date of this deed; or
- (6) reasonably required to be done to respond to an emergency or disaster reasonably and prudently (including a situation giving rise to a risk of personal injury or material damage to property).
- (c) From the date of this deed up to and including the earlier of the Implementation Date and close of the Offer Period unless BidCo agrees otherwise in writing, Azure will promptly notify BidCo of anything of which it becomes aware that:
- (1) makes any material information publicly filed by Azure (either on its own account or in respect of any other Azure Group Member) to be, or reasonably likely to be, incomplete, incorrect, untrue or misleading in any material respect;
- (2) makes any of the Azure Representations and Warranties false, inaccurate, misleading or deceptive in any material respect;
- (3) makes any information provided in the Disclosure Materials incomplete, incorrect, untrue or misleading in any material respect; or
- (4) would constitute or be likely to constitute an Azure Prescribed Occurrence, an Azure Regulated Event or an Azure Material Adverse Change.

### 7.3 Appointment of directors

- (a) Azure must, as soon as practicable on the Implementation Date, after the Scheme Consideration has been despatched to Scheme Shareholders in accordance with the terms of the Scheme, take all actions necessary to:
- (1) cause the appointment of the nominees of BidCo to the Azure Board;
- (2) ensure that all directors on the Azure Board, other than the BidCo nominees:
- (A) resign; and
- (B) unconditionally and irrevocably release Azure from any claims they may have against Azure; and
- (3) ensure that all directors on the boards of Azure's Subsidiaries:
- (A) resign; and
- (B) unconditionally and irrevocably release Azure and its relevant Subsidiary from any claims they may have against either of them,
- and to cause the appointment of nominees of BidCo to those boards.
- (b) Subject to clause 7.3(c), no later than 2 Business Days after the later of:



- (1) BidCo acquiring a Relevant Interest in at least 50.1% of the Azure Shares on a fully diluted basis; and
- (2) the Offer being declared or becoming unconditional,
- Azure must take all action necessary to:
- (3) cause the appointment of the nominees of BidCo to the Azure Board;
- (4) ensure that all directors on the Azure Board, other than the BidCo nominees:
- (A) resign; and
- (B) unconditionally and irrevocably release Azure from any claims they may have against Azure; and
- (5) ensure that all directors on the boards of Azure's Subsidiaries:
- (A) resign; and
- (B) unconditionally and irrevocably release Azure and its relevant Subsidiary from any claims they may have against either of them,

and to cause the appointment of nominees of BidCo to those boards, and so that:

- (6) those persons nominated by BidCo to be appointed as directors of Azure comprise a majority of the directors of Azure; and
- (7) those persons nominated by BidCo to be appointed as directors of other members of the Azure Group comprise a majority of the directors of each such member of the Azure Group.
- (c) After appointments are made under clause 7.3(b), BidCo must procure that its nominees on the Azure Board do not participate in any discussions or decisions of that board which relate to the Takeover Bid during the Offer Period.
- (d) Azure must provide reasonable assistance to BidCo in relation to seeking any regulatory approvals or contractual counterparty consents required for the appointment, at the applicable times referred to in clauses 7.3(a) and 7.3(b), of any new executive management or directors nominated by BidCo to the boards of any Azure Group Member (excluding the Azure Board).

## 7.4 Deeds of indemnity and insurance

- (a) Subject to:
- (1) the Scheme becoming Effective; or
- (2) BidCo becoming the holder of at least 50.1% of Azure Shares on a fully diluted basis before the End Date and the Offer having been declared or having become unconditional;
- and either of the Transactions completing, BidCo undertakes in favour of Azure and each other Azure Indemnified Party that it will:
- (3) subject to clause 7.4(d), for a period of 7 years from the Implementation Date, ensure that the constitutions of Azure and each other Azure Group Member continue to contain such rules as are contained in those constitutions at the date of this deed that provide for each company to indemnify each of its directors and officers against any liability incurred by that person in their capacity as a



director or officer of the company to any person other than an Azure Group Member; and

- (4) procure that Azure and each other Azure Group Member 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, use its best endeavours to ensure that directors' and officers' run-off insurance cover for such directors and officers is maintained, subject to clause 7.4(d), for a period of 7 years from the retirement date of each director and officer so long as it is available on commercially reasonable terms.
- (b) The undertakings contained in clause 7.4(a) are subject to any Corporations Act restriction and will be read down accordingly.
- (c) Azure receives and holds the benefit of clause 7.4(a), to the extent it relates to the other Azure Indemnified Parties, as trustee for each of them.
- (d) In respect of each Azure Group Member, the undertakings in clause 7.4(a) are given until the earlier of:
  - (1) the end of the relevant period specified in clause 7.4(a); and
  - (2) the relevant Azure Group Member ceasing to be a Subsidiary of BidCo.

## **7.5 Assistance with regulatory relief**

Each party agrees to provide reasonable assistance to the other party in order to enable the other party to obtain any relief, waiver, confirmation, exemption, consent or approval from a Government Agency which is necessary for either of the Transactions.

## **7.6 Conduct of Court proceedings**

- (a) Azure and BidCo are entitled to separate representation at all Court proceedings affecting the Transactions.
- (b) This deed does not give Azure or BidCo any right or power to give undertakings to the Court for or on behalf of the other party without that party's written consent.
- (c) Azure and BidCo must give all undertakings to the Court in all Court proceedings which are reasonably required to obtain Court approval and confirmation of the Transactions as contemplated by this deed.

## **7.7 Access to information**

- (a) Between (and including) the date of this deed and the earlier of the Implementation Date and the close of the Offer Period, Azure must, and must cause each other Azure Group Member to, afford to BidCo and its Related Persons reasonable access to information (subject to any existing confidentiality obligations owed to third parties, appropriate consents in relation to which Azure must use all reasonable endeavours to obtain), premises and such senior executives of any member of the Azure Group as reasonably requested by BidCo at mutually convenient times, and afford BidCo reasonable co-operation, for the purpose of:
  - (1) the implementation of the Transactions;



- (2) BidCo obtaining an understanding of the operations of the Azure Group's business, financial position, prospects and affairs;
- (3) BidCo developing and implementing plans for the carrying on of the businesses of the Azure Group following implementation of the Transactions;
- (4) keeping BidCo informed of material developments relating to the Azure Group;
- (5) BidCo meeting its obligations under this deed and verifying the Azure Representations and Warranties; and
- (6) any other purpose agreed between the parties,
- provided that:
- (7) nothing in this clause 7.7 will require Azure to provide, or procure the provision of, information concerning:
- (A) Azure's directors and management's consideration of the Transactions; or
  - (B) any actual, proposed or potential Competing Proposal (including directors' and management's consideration of any actual, proposed or potential Competing Proposal),
- but this proviso does not limit Azure's obligations under clause 12;
- (8) providing or procuring the provision of information or access to BidCo or its Related Persons pursuant to this clause 7.7 must not result in unreasonable disruptions to, or interference with, the Azure Group's business;
- (9) BidCo must:
- (A) keep all information obtained by it as a result of this clause 7.7 confidential;
  - (B) provide Azure with reasonable notice of any request for information or access; and
  - (C) comply with the reasonable requirements of Azure in relation to any access granted;
- (10) nothing in this clause 7.7 gives BidCo any rights to undertake further due diligence investigations, or any rights as to the decision making of any Azure Group Member or its business;
- (11) Azure may provide to BidCo its records at a place other than Azure's business premises;
- (12) nothing in this clause 7.7 will require Azure to provide, or procure the provision of, information concerning the Azure Group's business that is, in the reasonable opinion of Azure, commercially sensitive, including any specific pricing and margin information or customer details; and
- (13) nothing in this clause 7.7 will require Azure to provide, or procure the provision of, information if to do so would or would be reasonably likely to:
- (A) breach any confidentiality obligation owed to a third party or any applicable law; or
  - (B) result in a waiver of legal professional privilege.



## 8 Representations and warranties

---

### 8.1 BidCo's, SQM Parent's and Hancock Parent's representations and warranties

Each of BidCo, SQM Parent and Hancock Parent represents and warrants to Azure (in its own right and separately as trustee or nominee for each of the other Azure Indemnified Parties) each of the BidCo Representations and Warranties.

### 8.2 BidCo's indemnity

BidCo agrees with Azure (in its own right and separately as trustee or nominee for each of the other Azure Indemnified Parties) to indemnify Azure and each of the Azure Indemnified Parties against any claim, action, damage, loss, liability, cost, expense or payment of whatever nature and however arising that Azure or any of the other Azure Indemnified Parties suffers, incurs or is liable for arising out of any breach of any of the BidCo Representations and Warranties.

### 8.3 Azure's representations and warranties

Azure represents and warrants to BidCo (in its own right and separately as trustee or nominee for each of the other BidCo Indemnified Parties) each of the Azure Representations and Warranties.

### 8.4 Azure's indemnity

Azure agrees with BidCo (in its own right and separately as trustee or nominee for each BidCo Indemnified Party) to indemnify BidCo and each of the BidCo Indemnified Parties from any claim, action, damage, loss, liability, cost, expense or payment of whatever nature and however arising that BidCo or any of the other BidCo Indemnified Parties suffers, incurs or is liable for arising out of any breach of any of the Azure Representations and Warranties.

### 8.5 Qualifications on Azure's representations, warranties and indemnities

- (a) The Azure Representations and Warranties made or given in clause 8.3 and the indemnity in clause 8.4, are each subject to matters that:
  - (1) have been Fairly Disclosed in the Disclosure Materials;
  - (2) have been Fairly Disclosed in an announcement by Azure to ASX, or a publicly available document lodged by it with ASIC, in the 2 year period prior to the date of this deed; or
  - (3) required or permitted by this deed, the Scheme Transaction, the Takeover Bid Transaction or the transactions contemplated by any of these.
- (b) Where an Azure Representation and Warranty is given 'so far as Azure is aware' or with a similar qualification as to Azure's awareness or knowledge, Azure's awareness or knowledge is limited to and deemed only to include those facts, matters or circumstances of which a Specified Individual is actually aware, or ought reasonably be aware, as at the date such Azure Representation and Warranty is given.



## **8.6 Survival of representations and warranties**

Each representation and warranty in clauses 8.1 and 8.3:

- (a) is severable;
- (b) survives the termination of this deed; and
- (c) is given with the intention that liability under it is not confined to breaches that are discovered before the date of termination of this deed.

## **8.7 Survival of indemnities**

Each indemnity in this deed (including those in clauses 8.2 and 8.4):

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

## **8.8 Timing of representations and warranties**

Each representation and warranty made or given under clauses 8.1 or 8.3 is given:

- (a) at the date of this deed;
- (b) at the date the Relevant Document is despatched to Azure Shareholders;
- (c) at 8.00am on the Second Court Date; and
- (d) at all times during the Offer Period,

unless that representation or warranty is expressed to be given at a particular time, in which case it is given at that time.

## **8.9 No representation or reliance**

- (a) Each party acknowledges that no party (nor any person acting on its behalf) has made any representation or other inducement to it to enter into this deed, except for representations or inducements expressly set out in this deed 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 deed, the circumstances surrounding the parties' entry into it and the transactions contemplated by it are expressly excluded.
- (b) Each party acknowledges and confirms that it does not enter into this deed in reliance on any representation or other inducement by or on behalf of any other party, except for any representation or inducement expressly set out in this deed.
- (c) Each party acknowledges and confirms that clauses 8.9(a) and 8.9(b) do not prejudice any rights a party may have in relation to information which has been announced by the other party to ASX or lodged by it with ASIC, or that is contained in the Disclosure Materials.



## 9 Releases

---

### 9.1 Azure and Azure directors and officers

- (a) BidCo releases its rights and agrees with Azure that it will not make any claim against any Azure Indemnified Party (other than Azure and its Related Bodies Corporate) as at the date of this deed and from time to time in connection with:
- (1) any breach of any representations and warranties of Azure or any other member of the Azure Group in this deed or any breach of any covenant given by Azure in this deed;
  - (2) any disclosures containing any statement which is false or misleading whether in content or by omission; or
  - (3) any failure to provide information,
- whether current or future, known or unknown, arising at common law, in equity, under statute or otherwise, except where the Azure Indemnified Party has not acted in good faith or has engaged in wilful misconduct, wilful concealment or fraud. For the avoidance of doubt, nothing in this clause 9.1(a) limits BidCo's rights to terminate this deed under clause 15.
- (b) Clause 9.1(a) is subject to any Corporations Act restriction and will be read down accordingly.
- (c) Azure receives and holds the benefit of this clause 9.1 to the extent it relates to each Azure Indemnified Party as trustee for each of them.

### 9.2 BidCo and BidCo directors and officers

- (a) Azure releases its rights, and agrees with BidCo that it will not make a claim, against any BidCo Indemnified Party (other than BidCo and its Related Bodies Corporate) as at the date of this deed and from time to time in connection with:
- (1) any breach of any representations and warranties of BidCo or any member of the SQM Group or Hancock Group in this deed or any breach of any covenant given by BidCo in this deed;
  - (2) any disclosure containing any statement which is false or misleading whether in content or by omission; or
  - (3) any failure to provide information,
- whether current or future, known or unknown, arising at common law, in equity, under statute or otherwise, except where the BidCo Indemnified Party has not acted in good faith or has engaged in wilful misconduct, wilful concealment or fraud. For the avoidance of doubt, nothing in this clause 9.2(a) limits Azure's rights to terminate this deed under clause 15.
- (b) Clause 9.2(a) is subject to any Corporations Act restriction and will be read down accordingly.
- (c) BidCo receives and holds the benefit of this clause 9.2 to the extent it relates to each BidCo Indemnified Party as trustee for each of them.





## 10 Public announcement

---

### 10.1 Announcement of the Transaction

- (a) Immediately after the execution of this deed, Azure and BidCo must issue public announcements in a form previously agreed to in writing between them.
- (b) The Azure announcement must include a recommendation by the Azure Board in the form contemplated by clause 2.5.

### 10.2 Public announcements

Subject to clause 10.3, no public announcement or public disclosure of the Transactions or any other transaction the subject of this deed or the Transactions may be made other than in a form approved by each party in writing (acting reasonably), but each party must use all reasonable endeavours to provide such approval as soon as practicable. For the avoidance of doubt, this clause 10.2 does not apply to any announcement or disclosure relating to a Competing Proposal.

### 10.3 Required disclosure

Where a party is required by applicable law or the Listing Rules to make any announcement or to make any disclosure in connection with the Transactions or any other transaction the subject of this deed or the Transactions, it may do so despite clause 10.2 but must use all reasonable endeavours, to the extent practicable and lawful, to consult with the other party prior to making the relevant disclosure and take account of any reasonable comments received from the other party in relation to the form and content of the announcement or disclosure.

## 11 Confidentiality

---

- (a) Azure and SQM acknowledge and agree that they continue to be bound by the Confidentiality Agreement after the date of this deed. The rights and obligations of Azure and SQM under the Confidentiality Agreement survive termination of this deed.
- (b) Azure and Hancock Parent acknowledge and agree that they continue to be bound by the Hancock Confidentiality Agreement after the date of this deed. The rights and obligations of Azure and Hancock Parent under the Hancock Confidentiality Agreement survive termination of this deed.

## 12 Exclusivity

---

### 12.1 No existing discussions

Azure represents and warrants to BidCo that, as at the date of this deed, it and each of its Related Bodies Corporate and their respective Related Persons:

- (a) is not a party to any agreement, arrangement or understanding with a Third Party entered into for the purpose of facilitating a Competing Proposal;





- (b) is not participating in any discussions, negotiations or other communications, and has terminated any existing discussions, negotiations or other communications, in relation to a Competing Proposal, or which could reasonably be expected to lead to a Competing Proposal;
- (c) has ceased to provide or make available any material non-public information in relation to the Azure Group to a Third Party where such information was provided for the purpose of facilitating, or could reasonably be expected to lead to, a Competing Proposal, and has enforced all rights it has to call for the immediate return and/or destruction of that non-public information previously provided or made available to any Third Party; and
- (d) must not waive the provisions of any confidentiality or standstill agreement with any Third Party.

## 12.2 No shop and no talk

During the Exclusivity Period, Azure must not, and must ensure that each of its Related Persons and Related Bodies Corporate and the Related Persons of those Related Bodies Corporate do not, directly or indirectly:

- (a) **(no shop)** solicit, invite, encourage or initiate (including by the provision of non-public information to any Third Party) any inquiry, expression of interest, offer, proposal, discussion or other communication by any person in relation to, or which would reasonably be expected to encourage or lead to the making of, an actual, proposed or potential Competing Proposal or communicate to any person an intention to do anything referred to in this clause 12.2(a); or
- (b) **(no talk)** subject to clause 12.3:
  - (1) facilitate, participate in or continue any negotiations, discussions or other communications with respect to any inquiry, expression of interest, offer, proposal or discussion by any person to make, or which would reasonably be expected to encourage or lead to the making of, an actual, proposed or potential Competing Proposal;
  - (2) negotiate, accept or enter into, or offer or agree to negotiate, accept or enter into, any agreement, arrangement or understanding regarding an actual, proposed or potential Competing Proposal;
  - (3) disclose or otherwise provide or make available any material non-public information about the business or affairs of the Azure Group to a Third Party (other than a Government Agency that has the right to obtain that information and has sought it) in connection with, with a view to obtaining, or which would reasonably be expected to encourage or lead to the formulation, receipt or announcement of, an actual, proposed or potential Competing Proposal (including, without limitation, providing such information for the purposes of the conduct of due diligence investigations in respect of the Azure Group) whether by that Third Party or another person; or
  - (4) communicate to any person an intention to do anything referred to in the preceding paragraphs of this clause 12.2(b).

## 12.3 Fiduciary exception

Clause 12.2(b) does not prohibit any action or inaction by Azure, any of its Related Bodies Corporate or any of their respective Related Persons, in relation to an actual, proposed or potential Competing Proposal if the Azure Board determines acting in good faith that:



- (a) after consultation with its advisers, such actual, proposed or potential Competing Proposal is a Superior Proposal or could reasonably be expected to become a Superior Proposal; and
- (b) after receiving written legal advice from its external legal advisers, compliance with that clause would, or would be reasonably likely to, constitute a breach of any of the fiduciary or statutory duties of the directors of Azure,

provided that the actual, proposed or potential Competing Proposal was not directly or indirectly brought about by, or facilitated by, a breach of clause 12.2(a).

## 12.4 Notification of approaches

- (a) During the Exclusivity Period, Azure must as soon as possible (and in any event by 5:00pm on the next Business Day) notify BidCo in writing if it, any of its Related Bodies Corporate or any of their respective Related Persons, becomes aware of any:
  - (1) approach or attempt to initiate any negotiations, discussions or other communications, or intention to make such an approach or attempt to initiate any negotiations, discussions or other communications in respect of any inquiry, expression of interest, offer, proposal or discussion in relation to an actual, proposed or potential Competing Proposal;
  - (2) proposal made to Azure, any of its Related Bodies Corporate or any of their respective Related Persons in connection with, or in respect of any exploration or completion of, an actual, proposed or potential Competing Proposal;
  - (3) provision by Azure, any of its Related Bodies Corporate or any of their respective Related Persons of any material non-public information concerning the business or operations of Azure or the Azure Group to any Third Party (other than a Government Agency) in connection with an actual, proposed or potential Competing Proposal (including that it has formed the view that it can do so in reliance upon clause 12.3); or
  - (4) the commencement of negotiations, discussions or other communications by Azure in relation to any transaction documents to give effect to an actual, proposed or potential Competing Proposal (including that it has formed the view that it can do so in reliance upon clause 12.3),whether direct or indirect, solicited or unsolicited, and in writing or otherwise. For the avoidance of doubt, any of the acts described in paragraphs (1) to (3) may only be taken by Azure, its Related Bodies Corporate or their respective Related Persons if not prohibited by clause 12.2 or if permitted by clause 12.3.
- (b) A notification given under clause 12.4(a) must include the identity of the relevant person making or proposing the relevant actual, proposed or potential Competing Proposal, together with all material terms and conditions of the actual, proposed or potential Competing Proposal (including price and form of consideration, conditions precedent, proposed deal protection arrangements and timetable), in each case to the extent known by Azure or any of its Related Persons.
- (c) During the Exclusivity Period, Azure must also notify BidCo in writing as soon as possible after it, any of its Related Bodies Corporate or any of their respective Related Persons, becomes aware of any material developments in relation to the actual, proposed or potential Competing Proposal, including in



respect of any of the information previously provided to BidCo pursuant to this clause 12.4.

## 12.5 Matching right

- (a) Without limiting clause 12.2, during the Exclusivity Period, Azure:
- (1) must not, and must procure that each of its Related Bodies Corporate do not, enter into any legally binding agreement, arrangement or understanding (whether or not in writing) pursuant to which one or more of a Third Party, Azure or any Related Body Corporate of Azure proposes or propose to undertake or give effect to an actual, proposed or potential Competing Proposal; and
  - (2) must use its best endeavours to procure that none of its directors change their recommendation in favour of the Item 7 Resolution, the Scheme and the Takeover Bid, publicly recommend an actual, proposed or potential Competing Proposal (or recommend against the Transactions) or make any public statement to the effect that they may do so at a future point (provided that a statement that no action should be taken by Azure Shareholders pending the assessment of a Competing Proposal by the Azure Board or the completion of the matching right process set out in this clause 12.5 shall not contravene this clause 12.5 and also subject to any change of recommendation by the Azure Board that is permitted by clause 2.5),
- unless:
- (3) the Azure Board acting in good faith and in order to satisfy what the Azure Board Members consider to be their statutory or fiduciary duties (having received written legal advice from its external legal advisers) determines that the Competing Proposal is a, or would be or would be reasonably likely to be an actual, proposed or potential Superior Proposal;
  - (4) Azure has provided BidCo with the material terms and conditions of the actual, proposed or potential Competing Proposal (including price and form of consideration, conditions precedent, proposed deal protection arrangements and timetable) (in each case, to the extent known) and the identity of the Third Party making the actual, proposed or potential Competing Proposal;
  - (5) Azure has given BidCo at least 5 Business Days after the date of the provision of the information referred to in clause 12.5(a)(4) to provide a matching or superior proposal to the terms of the actual, proposed or potential Competing Proposal; and
  - (6) BidCo has not announced or otherwise formally proposed to Azure a matching or superior proposal to the terms of the actual, proposed or potential Competing Proposal by the expiry of the 5 Business Day period in clause 12.5(a)(5).
- (b) Subject to clause 12.5(a)(3), if BidCo proposes to Azure, or announces, amendments to the Scheme or a new proposal that constitutes a matching or superior proposal to the terms of the actual, proposed or potential Competing Proposal (**Bidder Counterproposal**) by the expiry of the 5 Business Day period in clause 12.5(a)(5), Azure must procure that the Azure Board considers the Bidder Counterproposal and if the Azure Board, acting reasonably and in good faith, determines that the Bidder Counterproposal would provide an equivalent or superior outcome for Azure Shareholders as a whole (other than Excluded



Shareholders) compared with the Competing Proposal, taking into account all of the terms and conditions of the Bidder Counterproposal, then Azure and BidCo must use their best endeavours to agree the amendments to this deed, the Scheme and the Deed Poll (as applicable) that are reasonably necessary to reflect the Bidder Counterproposal and to implement the Bidder Counterproposal, in each case as soon as reasonably practicable, and Azure must use its best endeavours to procure that each of the directors of Azure continues to recommend the Transaction (as modified by the Bidder Counterproposal) to Azure Shareholders.

- (c) For the purposes of this clause 12.5, each successive material modification of any Competing Proposal or potential Competing Proposal will constitute a new Competing Proposal or potential Competing Proposal, and the procedures set out in this clause 12.5 must again be followed prior to any member of the Azure Group entering into any agreement, arrangement, understanding or commitment in respect of such Competing Proposal or potential Competing Proposal.
- (d) Despite any other provision in this deed, a statement by Azure or the Azure Board to the effect that:
- (1) the Azure Board has determined that a Competing Proposal is a Superior Proposal and has commenced the matching right process set out in this clause 12.5; or
  - (2) Azure Shareholders should take no action pending the completion of the matching right process set out in this clause 12.5,
- does not of itself:
- (3) constitute a change, withdrawal, modification or qualification of the recommendation by the Azure Directors or an endorsement of a Competing Proposal;
  - (4) contravene this deed;
  - (5) give rise to an obligation to pay the Reimbursement Fee under clause 13.2; or
  - (6) give rise to a termination right under clause 15.1.

## 13 Reimbursement Fee

---

### 13.1 Background to Reimbursement Fee

- (a) BidCo and Azure acknowledge that, if they enter into this deed and neither of the Transactions are subsequently implemented, BidCo will incur significant costs, including those set out in clause 13.4.
- (b) In these circumstances, BidCo has requested that provision be made for the payments outlined in clause 13.2, without which BidCo would not have entered into this deed or otherwise agreed to implement the Scheme or make the Takeover Bid.
- (c) The Azure Board believes, having taken advice from its external legal advisers and Financial Adviser, that the implementation of either of the Transactions will provide benefits to Azure and that it is appropriate for Azure to agree to the payments referred to in clause 13.2 in order to secure BidCo's participation in the Transactions.



## 13.2 Reimbursement Fee triggers

Subject to this clause 13, Azure must pay the Reimbursement Fee to BidCo if:

- (a) during the Exclusivity Period, one or more Azure Board Member withdraws, adversely changes, adversely modifies or adversely qualifies their support of the Transactions or their recommendation in the form contemplated by clause 2.5 unless:
- (1) the Independent Expert concludes in the Independent Expert's Report (or any update of, or revision, amendment or supplement to, that report) that the Scheme is not in the best interests of Azure Shareholders and that the Takeover Bid is not fair and not reasonable (except where that conclusion is due wholly or partly to the existence, announcement or publication of a Competing Proposal);
  - (2) the failure to recommend, or the change to or withdrawal of a recommendation to vote in favour of the Item 7 Resolution and the Scheme and accept the Takeover Bid occurs because of a requirement or request by a court or a Government Agency that one or more Azure Board Members abstain or withdraw from making a recommendation that Azure Shareholders vote in favour of the Item 7 Resolution and the Scheme and accept the Takeover Bid after the date of this deed;
  - (3) Azure is entitled to terminate this deed pursuant to clause 15.1(a)(1) or clause 15.2(b), and has given the appropriate termination notice to BidCo; or
  - (4) Azure is entitled to terminate this deed or the Scheme Transaction pursuant to clause 15.1(a)(3) or clause 15.3(a) and has given the appropriate termination notice to BidCo,
- provided that, for the avoidance of doubt, a statement made by Azure or the Azure Board to the effect that no action should be taken by Azure Shareholders pending the assessment of a Competing Proposal by the Azure Board or the completion of the matching right process set out in clause 12.5 will not require Azure to pay the Reimbursement Fee to BidCo;
- (b) a Competing Proposal of any kind is announced during the Exclusivity Period (whether or not such proposal is stated to be subject to any pre-conditions) and, within 12 months of the date of such announcement, the Third Party or any Associate of that Third Party:
- (1) completes a Competing Proposal of a kind referred to in any of paragraphs 2, 3 or 4 of the definition of Competing Proposal;
  - (2) enters into an agreement, arrangement or understanding with Azure, with another member of the Azure Group or with the board of directors of any of the foregoing entities, which is of the kind referred to in paragraph 5 of the definition of Competing Proposal; or
  - (3) without limiting clause 13.2(b)(1) or 13.2(b)(2), acquires (either alone or in aggregate) a Relevant Interest in more than 50% of the Azure Shares under a transaction that is or has become wholly unconditional or otherwise acquires (either alone or in aggregate) Control of Azure;
- (c) BidCo has validly terminated this deed pursuant to clause 15.1(a)(1) or 15.2(a) and the Transaction does not complete; or
- (d) an Azure Material Adverse Change, an Azure Regulated Event or an Azure Prescribed Occurrence occurs after the date of this deed and:



- (1) that change, event, occurrence, fact, matter or thing (**Adverse Event**) is within the control of Azure;
- (2) BidCo has given written notice to Azure setting out the relevant circumstances and stating an intention to claim the Reimbursement Fee if the Adverse Event is not remedied; and
- (3) the relevant Adverse Event continues to exist 5 Business Days after the date on which the notice is given under clause 13.2(d)(2).

### 13.3 Payment of Reimbursement Fee

- (a) A demand by BidCo for payment of the Reimbursement Fee under clause 13.2 must:
  - (1) be in writing;
  - (2) be made after the occurrence of the event in that clause giving rise to the right to payment;
  - (3) state the circumstances which give rise to the demand; and
  - (4) nominate an account in the name of BidCo into which Azure is to pay the Reimbursement Fee.
- (b) Azure must pay the Reimbursement Fee into the account nominated by BidCo, without set-off or withholding, within 5 Business Days after receiving a demand for payment where BidCo is entitled under clause 13.2 to the Reimbursement Fee.

### 13.4 Basis of Reimbursement Fee

The Reimbursement Fee has been calculated to reimburse BidCo for costs including the following:

- (a) fees for legal, financial and other professional advice in planning and implementing the Transactions (excluding success fees);
- (b) reasonable opportunity costs incurred in engaging in the Transactions or in not engaging in other alternative acquisitions or strategic initiatives;
- (c) costs of management and directors' time in planning and implementing the Transactions; and
- (d) out of pocket expenses incurred by BidCo and BidCo's employees, advisers and agents in planning and implementing the Transactions,

and the parties agree that:

- (e) the costs actually incurred by BidCo will be of such a nature that they cannot all be accurately ascertained; and
- (f) the Reimbursement Fee is a genuine and reasonable pre-estimate of those costs,

and Azure represents and warrants that it has received written legal advice from its legal advisers in relation to the operation of this clause 13.

### 13.5 Compliance with law

- (a) This clause 13 does not impose an obligation on Azure to pay the Reimbursement Fee to the extent (and only to the extent) that the obligation to pay the Reimbursement Fee:





- (1) is declared by the Takeovers Panel to constitute 'unacceptable circumstances'; or
- (2) is determined to be unenforceable or unlawful by a court, provided that all proper avenues of appeal and review, judicial and otherwise, have been exhausted. For the avoidance of doubt, any part of the Reimbursement Fee that would not constitute unacceptable circumstances or that is not unenforceable or unlawful (as applicable) must be paid by Azure.
- (b) The parties must not make or cause or permit to be made, any application to the Takeovers Panel or a court for or in relation to a declaration or determination referred to in clause 13.5(a).

### **13.6 Reimbursement Fee payable only once**

Where the Reimbursement Fee becomes payable to BidCo under clause 13.2 and is actually paid to BidCo, BidCo cannot make any claim against Azure for payment of any subsequent Reimbursement Fee.

### **13.7 Other Claims**

Where an amount becomes payable to BidCo under clause 13.2 and is actually paid to BidCo (or is payable, but no demand is made under clause 13.3), each of BidCo, SQM Parent, and Hancock Parent cannot make any Claim (other than a Claim under this clause 13) against Azure which relates solely to the event that gave rise to the right to make a demand under clause 13.3, except a Claim in relation to a breach of clause 12. For the avoidance of doubt, the amount of any loss or damage caused in relation to a breach of clause 12 shall be reduced by the amount paid to BidCo under clause 13.2.

### **13.8 Qualifications**

Despite anything to the contrary in this deed, the Reimbursement Fee will not be payable to BidCo if:

- (a) the Scheme becomes Effective; or
- (b) BidCo has voting power of at least 50.1% in Azure on a fully diluted basis before the End Date and the Offer has been declared or becomes unconditional,

notwithstanding the occurrence of any event in clause 13.2 and, if the Reimbursement Fee has already been paid it must be refunded by BidCo.

### **13.9 Limitation of liability**

- (a) Notwithstanding any other provision under this deed, the maximum aggregate amount which Azure is required to pay in relation to this deed (including as a result of any breach of this deed by Azure or any Claim) is the Reimbursement Fee and in no event will the aggregate liability of Azure under or in connection with this deed or any Claim exceed the Reimbursement Fee.
- (b) Notwithstanding any other provision under this deed, where the Reimbursement Fee is paid to BidCo under this deed, each of BidCo, SQM Parent, and Hancock Parent cannot make any claim against Azure or other Azure Indemnified Parties in relation to any event or occurrence referred to in clause 13.2





- (c) Clauses 13.9(a) and 13.9(b) do not apply to any application to a court or claim for specific performance or injunctive relief.
- (d) Clauses 13.9(a) and 13.9(b) do not apply in connection with a Claim by BidCo against Azure for loss which flows directly from a breach by Azure of clause 12 or a Claim against Azure arising in relation to any wilful misconduct or fraudulent breach of this deed by Azure.

## 14 Reverse Reimbursement Fee

---

### 14.1 Background to Reverse Reimbursement Fee

- (a) Azure and BidCo acknowledge that, having entered into this deed, if neither of the Transactions are implemented, Azure will incur signification losses and costs, including:
  - (1) advisory costs;
  - (2) costs of management and directors' time;
  - (3) out-of-pocket expenses;
  - (4) the distraction of Azure's management from conducting Azure's business as usual caused by pursuing the Transactions;
  - (5) the opportunity costs incurred by Azure in pursuing the Transactions or in not pursuing other alternative transactions;
  - (6) strategic initiatives which Azure could have developed to further its business and objectives; and
  - (7) damage to Azure's reputation associated with a failed transaction and the implications of that damage to Azure's business.
- (b) In the circumstances referred to in clause 14.1(a), Azure has requested that provision be made for the payments outlined in clause 14.3, without which Azure would not have entered into this deed.
- (c) BidCo acknowledges that:
  - (1) it has received legal advice in relation to this deed and the operation of this clause 14;
  - (2) it believes the implementation of either of the Transactions will provide significant benefits to BidCo, such that it is reasonable and appropriate for BidCo to agree to the Reverse Reimbursement Fee in order to secure Azure's participation in the Transactions;
  - (3) the Reverse Reimbursement Fee is intended to compensate Azure for those losses and costs contemplated by clause 14.1(a), which the parties agree are inherently difficult to quantify; and
  - (4) that a genuine pre-estimate of the losses and costs contemplated by clause 14.1(a) would equal the Reverse Reimbursement Fee.
- (d) The parties must not make or cause or permit to be made any application to a court for a determination that the Reverse Reimbursement Fee is invalid or unenforceable.



## **14.2 Reverse Reimbursement Fee triggers**

- (a) Subject to this clause 14, BidCo must pay the Reverse Reimbursement Fee to Azure if Azure terminates this deed in accordance with clause 15.1(a)(1).
- (b) The Reverse Reimbursement Fee is payable only once, even if multiple events occur that would entitle Azure to make a demand.

## **14.3 Satisfaction of payment obligation**

- (a) BidCo must pay Azure the amount claimed under clause 14.2 within 5 Business Days after receipt by BidCo of a demand for payment from Azure where Azure is entitled under clause 14.2 to the Reverse Reimbursement Fee. A demand by Azure for payment of the Reverse Reimbursement Fee under clause 14.2 must:
  - (1) be in writing;
  - (2) be made after the occurrence of the event in that clause giving rise to the right to payment; and
  - (3) state the circumstances which give rise to the demand.
- (b) BidCo's obligation to make the payment referred to in clause 14.3(a) will be satisfied by the payment of the relevant amount in immediately available funds to the account nominated in writing by Azure for the purposes of this clause. The account nomination must occur at least 3 Business Days prior to the due date for payment.

## **14.4 Reverse Reimbursement Fee payable only once**

Where the Reverse Reimbursement Fee becomes payable to Azure under clause 14.2 and is actually paid to Azure, Azure cannot make any claim against BidCo for payment of any subsequent Reverse Reimbursement Fee.

## **14.5 Exclusive remedy**

- (a) Notwithstanding any other provision under this deed, the maximum aggregate amount which BidCo is required to pay in relation to this deed (including as a result of any breach of this deed by BidCo or any other Claim) is the amount of the Reverse Reimbursement Fee and in no event will the aggregate liability of BidCo under or in connection with this deed or any Claim exceed the amount of the Reverse Reimbursement Fee.
- (b) Notwithstanding any other provision under this deed, where the Reverse Reimbursement Fee is paid to Azure under this deed (or is payable, but no demand is made under clause 14.3), Azure cannot make any claim against BidCo or any BidCo Indemnified Parties in relation to any event or occurrence referred to in clause 14.2.
- (c) Clause 14.5(a) and 14.5(b) do not apply:
  - (1) to any application to a court or claim for specific performance or injunctive relief;
  - (2) to any failure by BidCo to pay the amount in clause 5.3(b)(2); or
  - (3) a Claim against BidCo arising in relation to any wilful misconduct or fraudulent breach of this deed by BidCo ,

and nothing in this clause limits the liability of BidCo or any other BidCo Indemnified Party under the Deed Poll or at law.

## 15 Termination

### 15.1 Termination of this deed and the Transactions

- (a) Either party may terminate this deed by written notice to the other party:
- (1) other than in respect of a breach of either a BidCo Representation and Warranty or an Azure Representation and Warranty (which are dealt with in clause 15.2), at any time before the close of the Offer Period, if the other party has materially breached this deed, the party entitled to terminate has given written notice to the party in breach of this deed setting out the relevant circumstances and stating an intention to terminate this deed if the breach is not remedied, and the other party has failed to remedy the breach within 5 Business Days (or any shorter period ending at 5.00pm on the Business Day before the Second Court Date) after the date on which the notice is given;
  - (2) at any time before the close of the Offer Period if the Court or another Government Agency (including any other court) has taken any action permanently restraining or otherwise prohibiting or preventing the Transactions, or has refused to do anything necessary to permit the Transactions to be implemented by the End Date, and the action or refusal has become final and cannot be appealed or reviewed or the party, acting reasonably, believes that there is no realistic prospect of an appeal or review succeeding by the End Date;
  - (3) in the circumstances set out in, and in accordance with, clause 3.6(b)(2);
  - (4) if:
    - (A) the Effective Date for the Scheme has not occurred, or will not occur, on or before the End Date; and
    - (B) BidCo withdraws the Takeover Bid or the Takeover Bid lapses for any reason, including non-satisfaction of a Takeover Bid Condition.
- (b) BidCo may terminate this deed by written notice to Azure at any time before the close of the Offer Period:
- (1) if any Azure Board Member:
    - (A) fails to recommend to Azure Shareholders (other than Excluded Shareholders) to vote in favour of the Item 7 Resolution and the Scheme at the Transaction Meetings;
    - (B) withdraws or adversely modifies their recommendation to Azure Shareholders to vote in favour of the Item 7 Resolution and the Scheme at the Transaction Meetings (other than because of a requirement or request by a court or a Government Agency that one or more Azure Board Members abstain or withdraw from making a recommendation that Azure Shareholders vote in favour of the Item 7 Resolution and the Scheme and accept the Takeover Bid after the date of this deed);
    - (C) fails to recommend that Azure Shareholders accept the Offer to be made to them under the Takeover Bid in the form contemplated by clause 2.5;



- (D) withdraws or adversely modifies their recommendation to Azure Shareholders to accept the Offer to be made to them under the Takeover Bid (other than because of a requirement or request by a court or a Government Agency that one or more Azure Board Members abstain or withdraw from making a recommendation that Azure Shareholders vote in favour of the Item 7 Resolution and the Scheme and accept the Takeover Bid after the date of this deed); or
- (E) makes a public statement indicating that they no longer support the Scheme, Item 7 Resolution or Takeover Bid or any of them;
- (2) in the circumstances set out in, and in accordance with, clause 3.6(f)(1); or
- (3) if in any circumstances (including, for the avoidance of doubt, where permitted by clause 12.5) Azure enters into any legally binding agreement, arrangement or understanding in relation to the undertaking or giving effect to any actual, proposed or potential Competing Proposal.
- (c) Azure may terminate this deed by written notice to BidCo at any time before the close of the Offer Period:
- (1) if the Azure Board or a majority of the Azure Board has changed, withdrawn, modified or qualified its recommendation as permitted under clause 2.5 and, if required to do so, Azure pays the Reimbursement Fee to BidCo; or
- (2) in the circumstances set out in, and in accordance with, clause 3.6(f)(2).

## **15.2 Termination of this deed and the Transactions for breach of representations and warranties**

- (a) BidCo may, at any time prior to the close of the Offer Period, terminate this deed for breach of an Azure Representation and Warranty only if:
- (1) BidCo has given written notice to Azure setting out the relevant circumstances and stating an intention to terminate this deed if the breach is not remedied;
- (2) the relevant breach continues to exist 5 Business Days (or any shorter period ending at 5.00pm on the Business Day before the Second Court Date) after the date on which the notice is given under clause 15.2(a)(1); and
- (3) the relevant breach is material.
- (b) Azure may, at any time before the close of the Offer Period, terminate this deed for breach of a BidCo Representation and Warranty only if:
- (1) Azure has given written notice to BidCo setting out the relevant circumstances and stating an intention to terminate this deed if the breach is not remedied;
- (2) the relevant breach continues to exist 5 Business Days (or any shorter period ending at 5.00pm on the Business Day before the Second Court Date) after the date on which the notice is given under clause 15.2(b)(1); and



- (3) the relevant breach is material.

### 15.3 Termination of Scheme Transaction only

- (a) Either party may terminate the Scheme Transaction by written notice to the other party in the circumstances set out in, and in accordance with, clause 3.6(b)(1).
- (b) BidCo may terminate the Scheme Transaction by written notice to Azure in the circumstances set out in, and in accordance with, clause 3.6(d).

### 15.4 Effect of termination

- (a) If this deed is terminated by either party under clause 3.6(b)(2), 3.6(f), 15.1 or 15.2:
- (1) each party will be released from its obligations under this deed, except that this clause 15.4, and clauses 1, 2.6, 2.7, 8.5 to 8.9, 9.1, 9.2, 11, 13, 14, 16, 17, 18 and 19 (except clause 19.9), will survive termination and remain in force;
  - (2) each party will retain the rights it has or may have against the other party in respect of any past breach of this deed; and
  - (3) in all other respects, all future obligations of the parties under this deed will immediately terminate and be of no further force and effect including any further obligations in respect of the Transactions.
- (b) If the Scheme Transaction is terminated by BidCo or Azure under clause 3.6(b)(1), 3.6(d) or 15.3:
- (1) each party will be released from their respective obligations under this deed in respect of the Scheme Transaction only and under the Scheme; and
  - (2) all future obligations of the parties under this deed in respect of the Scheme Transaction only and under the Scheme will immediately terminate and be of no further force and effect,
- and, for the avoidance of doubt and unless otherwise provided elsewhere in this deed, the parties' obligations under this deed in respect of the Item 7 Resolution and Takeover Bid will continue on foot.

### 15.5 Termination

Where a party has a right to terminate this deed, 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 deed and the provision under which it is terminating this deed.

### 15.6 No other termination

Neither party may terminate or rescind this deed or the Scheme Transaction except as permitted under clause 3.6, 15.1, 15.2 or 15.3.



## 16 Duty, costs and expenses

---

### 16.1 Stamp duty

BidCo:

- (a) must pay all stamp duties and any fines and penalties with respect to stamp duty in respect of this deed or the Scheme or the steps to be taken under this deed or the Scheme; and
- (b) indemnifies Azure against any liability arising from its failure to comply with clause 16.1(a).

### 16.2 Costs and expenses

Except as otherwise provided in this deed, each party must pay its own costs and expenses in connection with the negotiation, preparation, execution, delivery and performance of this deed and the proposed, attempted or actual implementation of this deed and the Transactions.

## 17 GST

---

- (a) Any consideration or amount payable under this deed, including any non-monetary consideration (as reduced in accordance with clause 17(e) if required) (**Consideration**) is exclusive of GST.
- (b) If GST is or becomes payable on a Supply made under or in connection with this deed, an additional amount (**Additional Amount**) is payable by the party providing consideration for the Supply (**Recipient**) equal to the amount of GST payable on that Supply as calculated by the party making the Supply (**Supplier**) in accordance with the GST Law.
- (c) The Additional Amount payable under clause 17(b) is payable at the same time and in the same manner as the Consideration for the Supply, and the Supplier must provide the Recipient with a Tax Invoice. However, the Additional Amount is only payable on receipt of a valid Tax Invoice.
- (d) If for any reason (including the occurrence of an Adjustment Event) the amount of GST payable on a Supply (taking into account any Decreasing or Increasing Adjustments in relation to the Supply) varies from the Additional Amount payable by the Recipient under clause 17(b):
  - (1) the Supplier must provide a refund or credit to the Recipient, or the Recipient must pay a further amount to the Supplier, as applicable;
  - (2) the refund, credit or further amount (as the case may be) will be calculated by the Supplier in accordance with the GST Law; and
  - (3) the Supplier must notify the Recipient of the refund, credit or further amount within 14 days after becoming aware of the variation to the amount of GST payable. Any refund or credit must accompany such notification or the Recipient must pay any further amount within seven days after receiving such notification, as applicable. If there is an Adjustment Event in relation to the Supply, the requirement for the Supplier to notify the Recipient will be satisfied by the Supplier issuing



to the Recipient an Adjustment Note within 14 days after becoming aware of the occurrence of the Adjustment Event.

- (e) Despite any other provision in this deed if an amount payable under or in connection with this deed (whether by way of reimbursement, indemnity or otherwise) is calculated by reference to an amount incurred by a party, whether by way of cost, expense, outlay, disbursement or otherwise (**Amount Incurred**), the amount payable must be reduced by the amount of any Input Tax Credit to which that party is entitled in respect of that Amount Incurred.
- (f) Any reference in this clause to an Input Tax Credit to which a party is entitled includes an Input Tax Credit arising from a Creditable Acquisition by that party but to which the Representative Member of a GST Group of which the party is a member is entitled.
- (g) Any term starting with a capital letter in this clause 17 that is not defined in this clause 17 has the same meaning as the term has in the *A New Tax System (Goods & Services Tax) Act 1999* (Cth).

## 18 Notices

### 18.1 Form of Notice

A notice or other communication to a party under this deed (**Notice**) must be:

- (a) in writing and in English; and
- (b) addressed to that party in accordance with the details below (or any alternative details nominated to the sending party by Notice).

Party	Notice details
BidCo	<p><b>Address:</b> Level 3, 28-42 Ventnor Avenue, West Perth WA 6005, Australia</p> <p><b>Email:</b> <a href="mailto:mark.fones@sqm.com">mark.fones@sqm.com</a> (with a copy to <a href="mailto:luis.bravo@sqm.com">luis.bravo@sqm.com</a>) and <a href="mailto:cosec@hancockprospecting.com.au">cosec@hancockprospecting.com.au</a></p> <p><b>Attention:</b> Mark Fones (with a copy to Luis Bravo) and Company Secretary, Hancock Prospecting Pty Limited</p>
SQM Parent	<p><b>Address:</b> El Trovador 4285, Las Condes, Santiago, 7550079, Chile</p> <p><b>Email:</b> <a href="mailto:mark.fones@sqm.com">mark.fones@sqm.com</a> (with a copy to <a href="mailto:luis.bravo@sqm.com">luis.bravo@sqm.com</a>)</p> <p><b>Attention:</b> Mark Fones (with a copy to Luis Bravo)</p>
Hancock Parent	<p><b>Address:</b> Level 3, 28-42 Ventnor Avenue, West Perth WA 6005, Australia</p> <p><b>Email:</b> <a href="mailto:cosec@hancockprospecting.com.au">cosec@hancockprospecting.com.au</a></p> <p><b>Attention:</b> Company Secretary</p>





Azure

**Address:** Level 1, 34 Colin Street, West Perth WA 6005, Australia

**Email:** [tony@azureminerals.com.au](mailto:tony@azureminerals.com.au)

**Attention:** Tony Rovira

with a copy to (which by itself does not constitute a Notice):

[christian.owen@corrs.com.au](mailto:christian.owen@corrs.com.au); and

[jeremy.horwood@corrs.com.au](mailto:jeremy.horwood@corrs.com.au)

## 18.2 How Notice must be given and when Notice is received

- (a) A Notice must be given by one of the methods set out in the table below.
- (b) A Notice is regarded as given and received at the time set out in the table below.

However, if this means the Notice would be regarded as given and received outside the period between 9.00am and 5.00pm (addressee's time) on a day that is not a Saturday, Sunday or a public holiday or bank holiday in the place of receipt (**business hours period**), then, other than in respect of any Notice given on, and prior to 8.00am on, the Second Court Date, the Notice will instead be regarded as given and received at the start of the following business hours period.

Method of giving Notice	When Notice is regarded as given and received
By hand to the nominated address	When delivered to the nominated address.
By pre paid post to the nominated address	At 9.00am (addressee's time) on the second day that is not a Saturday, Sunday or a public holiday or bank holiday in the place of receipt after the date of posting.
By email to the nominated email address	The first to occur of: <ul style="list-style-type: none"><li>1 the sender receiving an automated message confirming delivery; or</li><li>2 two hours after the time that the email was sent (as recorded on the device from which the email was sent) provided that the sender does not, within the period, receive an automated message that the email has not been delivered.</li></ul>

## 18.3 Notice must not be given by electronic communication

A Notice must not be given by electronic means of communication (other than email as permitted in clause 18.2).



## 19 General

---

### 19.1 Governing law and jurisdiction

- (a) This deed is governed by the law in force in Western Australia.
- (b) Each party irrevocably submits to the exclusive jurisdiction of courts exercising jurisdiction in Western Australia and courts of appeal from them in respect of any proceedings arising out of or in connection with this deed. 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 an inconvenient forum.

### 19.2 No merger

The rights and obligations of the parties do not merge on completion of the Transactions. They survive the execution and delivery of any assignment or other document entered into for the purpose of implementing the Transactions.

### 19.3 Invalidity and enforceability

- (a) If any provision of this deed is invalid under the law of any jurisdiction the provision is enforceable in that jurisdiction to the extent that it is not invalid, whether it is in severable terms or not.
- (b) Clause 19.3(a) does not apply where enforcement of the provision of this deed in accordance with clause 19.3(a) would materially affect the nature or effect of the parties' obligations under this deed.

### 19.4 Waiver

No party to this deed may rely on the words or conduct of any other party as a waiver of any right unless the waiver is in writing and signed by the party granting the waiver.

The meanings of the terms used in this clause 19.4 are set out below.

Term	Meaning
conduct	includes delay in the exercise of a right.
right	any right arising under or in connection with this deed and includes the right to rely on this clause.
waiver	includes an election between rights and remedies, and conduct which might otherwise give rise to an estoppel.

### 19.5 Variation

A variation of any term of this deed must be in writing and signed by the parties.



## **19.6 Assignment of rights**

- (a) A party may not assign, novate, declare a trust over or otherwise transfer or deal with any of its rights or obligations under this deed without the prior written consent of the other party or as expressly provided in this deed.
- (b) A breach of clause 19.6(a) by a party shall be deemed to be a material breach for the purposes of clause 15.1(a)(1).
- (c) Clause 19.6(b) does not affect the construction of any other part of this deed.

## **19.7 Acknowledgement**

Each party acknowledges that the remedy of damages may be inadequate to protect the interests of the parties for a breach of clause 12 and that BidCo is entitled to seek and obtain, without limitation, injunctive relief if Azure breaches, or threatens to breach, clause 12.

## **19.8 No third party beneficiary**

This deed shall be binding on and inure solely to the benefit of each party to it and each of their respective permitted successors and assigns, and nothing in this deed is intended to or shall confer on any other person, other than the BidCo Indemnified Parties and the Azure Indemnified Parties, in each case to the extent set forth in clause 8 and clause 9, any third party beneficiary rights.

## **19.9 Further action to be taken at each party's own expense**

Each party must, at its own expense, do all things and execute all documents necessary to give full effect to this deed and the transactions contemplated by it.

## **19.10 Entire agreement**

This deed (including the documents in the Attachments to it) and the Confidentiality Agreement and Hancock Confidentiality Agreement state all the express terms agreed by the parties in respect of their subject matter. They supersede all prior discussions, negotiations, understandings and agreements in respect of their subject matter.

## **19.11 Counterparts**

This deed may be executed in any number of counterparts.

## **19.12 Relationship of the parties**

- (a) Nothing in this deed gives a party authority to bind any other party in any way.
- (b) Nothing in this deed imposes any fiduciary duties on a party in relation to any other party.

## **19.13 Remedies cumulative**

Except as provided in this deed and permitted by law, the rights, powers and remedies provided in this deed are cumulative with, and not exclusive of, the rights, powers and remedies provided by law independently of this deed.



#### 19.14 Exercise of rights

- (a) Unless expressly required by the terms of this deed, a party is not required to act reasonably in giving or withholding any consent or approval or exercising any other right, power, authority, discretion or remedy, under or in connection with this deed.
- (b) A party may (without any requirement to act reasonably) impose conditions on the grant by it of any consent or approval, or any waiver of any right, power, authority, discretion or remedy, under or in connection with this deed. Any conditions must be complied with by the party relying on the consent, approval or waiver.

#### 19.15 Withholding

- (a) BidCo must make all payments that become due under the Scheme free and clear and without deduction of all present and future withholdings (including Taxes or Duties), unless BidCo determines (acting reasonably) that it is required to by law or it is required to pay an amount to the Commissioner of Taxation pursuant to Subdivision 14-D of Schedule 1 to the Taxation Administration Act 1953 (a CGT Withholding Amount).
- (b) If BidCo determines (acting reasonably) that it is required to pay a CGT Withholding Amount with respect to the acquisition of the Scheme Shares from a Scheme Shareholder or Scheme Options from a Scheme Optionholder, BidCo will:
  - (1) Determine the amount of the CGT Withholding Amount;
  - (2) Remit the CGT Withholding Amount to the Commissioner within the time required under Subdivision 14-D of Schedule 1 to the Taxation Administration Act 1953; and
  - (3) Be deemed to have satisfied its obligations to pay the CGT Withholding Amount to the Scheme Shareholder or Scheme Optionholder (as applicable) for the purposes of the Scheme.

#### 19.16 Service of process

- (a) Without preventing any other mode of service, any document in an action (including any writ of summons or other originating process or any third or other party notice) may be served on any party by being delivered to or left for that party at its address for service of Notices under clause 18.1.
- (b) SQM Parent irrevocably appoints TMF Corporate Services (Aust) Pty Limited as its agent for the service of process in Australia in relation to any matter arising out of this deed. If TMF Corporate Services (Aust) Pty Limited ceases to be able to act as such or have an address in Australia, SQM Parent agrees to appoint a new process agent in Australia and deliver to the other party within 20 Business Days a copy of a written acceptance of appointment by the process agent, upon receipt of which the new appointment becomes effective for the purpose of this deed. SQM Parent must inform Azure in writing of any change in the address of its process agent within 20 Business Days of the change.



## Schedule 1

### Definitions and interpretation

#### 1.1 Definitions

Term	Meaning
<b>Acceptance Form</b>	the acceptance form that will be enclosed with the Bidder's Statement.
<b>Affiliate</b>	in respect of a person ( <b>Primary Person</b> ), a person: <ol style="list-style-type: none"><li>1 Controlled directly or indirectly by the Primary Person;</li><li>2 Controlling directly or indirectly the Primary Person;</li><li>3 who is Controlled, directly or indirectly, by a person or persons who Control the Primary Person; or</li><li>4 directly or indirectly under the common Control of the Primary Person and another person or persons.</li></ol>
<b>ASIC</b>	the Australian Securities and Investments Commission.
<b>Associate</b>	has the meaning set out in section 12 of the Corporations Act, as if subsection 12(1) of the Corporations Act included a reference to this deed and Azure was the designated body.
<b>ASX</b>	ASX Limited (ABN 98 008 624 691) and, where the context requires, the financial market that it operates.
<b>Azure Board</b>	the board of directors of Azure and an <b>Azure Board Member</b> means any director of Azure comprising part of the Azure Board.
<b>Azure Consolidated Tax Group</b>	the consolidated group of which Azure is the head company (where 'consolidated group' and 'head company' have the same meaning as in the Tax Act).
<b>Azure Group</b>	Azure and each of its Subsidiaries, and a reference to an <b>Azure Group Member</b> or a <b>member of the Azure Group</b> is to Azure or any of its Subsidiaries.



Term	Meaning
<b>Azure Indemnified Parties</b>	Azure, its Subsidiaries and their respective directors, officers and employees.
<b>Azure Material Adverse Change</b>	<p>an event, change, condition, matter, circumstance or thing occurring before, on or after the date of this deed (each a <b>Specified Event</b>) which, whether individually or when aggregated with all such events, changes, conditions, matters, circumstances or things that have occurred or are reasonably likely to occur, has had or would be considered reasonably likely to have:</p> <ol style="list-style-type: none"><li>1 a material adverse effect on the business, assets, liabilities, financial or trading position, profitability or prospects of the Azure Group taken as a whole; or</li><li>2 without limiting the generality of paragraph 1 above:<ul style="list-style-type: none"><li>• have a material adverse effect on the Azure Group's interest in E47/2481, E47/4700 or E47/4701 (<b>Tenements</b>) or the ability of the Azure Group to exploit its interest in the Tenements as currently held at the date of this deed; or</li><li>• the effect of a diminution in the value of the consolidated net assets of the Azure Group, taken as a whole, by at least \$20,000,000 against what it would reasonably have been expected to have been but for such Specified Event,</li></ul></li></ol> <p>other than those events, changes, conditions, matters, circumstances or things:</p> <ol style="list-style-type: none"><li>3 required or permitted by this deed, the Scheme Transaction, the Takeover Bid Transaction or the transactions contemplated by any of these;</li><li>4 that are Fairly Disclosed in the Disclosure Materials;</li><li>5 that were actually known to BidCo or any of its Related Persons prior to the date of this deed (which does not include knowledge of the generic risk of the relevant event, change, condition, matter, circumstance or thing occurring, but does include knowledge of a specific risk of the relevant event, change, condition, matter, circumstance or thing occurring);</li><li>6 agreed to in writing by BidCo;</li><li>7 arising as a result of any generally applicable change in law (including subordinate legislation), regulation, directions, orders, accounting standards or principles or governmental policy;</li><li>8 arising from changes in economic or business conditions that impact on Azure and its competitors in a similar manner including interest rates, general economic, political or business conditions, including changes or major disruptions to, or fluctuations in, domestic or international financial markets; or</li><li>9 that Azure Fairly Disclosed in an announcement made by Azure to ASX, or a publicly available document lodged by it with ASIC, in the 2 year period prior to the date of this deed.</li></ol>



Term	Meaning
<b>Azure Option</b>	an option to acquire one unissued Azure Share itemised in Schedule 5.
<b>Azure Optionholder</b>	each person who is registered in the Azure register of optionholders as the holder of an Azure Option.
<b>Azure Option Plan</b>	the employee incentive scheme titled "Azure Minerals Limited Employee Share Option Plan" approved by Azure Shareholders at the Azure annual general meeting held on 15 November 2022.
<b>Azure Prescribed Occurrence</b>	<p>other than as:</p> <ol style="list-style-type: none"><li>1 required or permitted by this deed, the Scheme Transaction, the Takeover Bid Transaction or the transactions contemplated by any of these;</li><li>2 Fairly Disclosed in the Disclosure Materials;</li><li>3 agreed to in writing by BidCo; or</li><li>4 Fairly Disclosed by Azure in an announcement made by Azure to ASX, or a publicly available document lodged by it with ASIC, in the 2 year period prior to the date of this deed</li></ol> <p>the occurrence of any of the following:</p> <ol style="list-style-type: none"><li>1 Azure converting all or any of its shares into a larger or smaller number of shares;</li><li>2 a member of the Azure Group resolving to reduce its share capital in any way;</li><li>3 a member of the Azure Group:<ul style="list-style-type: none"><li>• entering into a buy-back agreement; or</li><li>• resolving to approve the terms of a buy-back agreement under the Corporations Act;</li></ul></li><li>4 a member of the Azure Group issuing shares, or granting an option over its shares, or agreeing to make such an issue or grant such an option, other than:<ul style="list-style-type: none"><li>– to a directly or indirectly wholly-owned Subsidiary of Azure;</li><li>– the issue of shares upon the exercise of Azure Options; or</li><li>– the issue of Azure Options under the Azure Option Plan;</li></ul></li><li>5 a member of the Azure Group issuing or agreeing to issue securities convertible into shares;</li><li>6 a member of the Azure Group disposing, or agreeing to dispose, of the whole, or a substantial part, of its business or property;</li><li>7 a member of the Azure Group granting a Security Interest, or agreeing to grant a Security Interest, in the whole, or a substantial part, of its business or property; or</li></ol>





Term	Meaning
	8 an Insolvency Event occurs in relation to a member of the Azure Group.
<b>Azure Registry</b>	Computershare Investor Services Pty Limited.
<b>Azure Regulated Event</b>	<p>other than as:</p> <ol style="list-style-type: none"><li>1 required or permitted by this deed, the Scheme Transaction, the Takeover Bid Transaction or the transactions contemplated by any of these;</li><li>2 Fairly Disclosed in the Disclosure Materials;</li><li>3 agreed to in writing by BidCo; or</li><li>4 Fairly Disclosed by Azure in an announcement made by Azure to ASX, or a publicly available document lodged by it with ASIC, in the 2 year period prior to the date of this deed,</li></ol> <p>the occurrence of any of the following:</p> <ol style="list-style-type: none"><li>1 an Azure Group Member reclassifying, combining, splitting or redeeming or repurchasing directly or indirectly any of its shares;</li><li>2 an Azure Group Member acquiring or disposing of, or entering into or announcing any agreement for the acquisition or disposal of, any asset or business, or entering into any corporate transaction, which would or would reasonably be likely to involve a material change in:<ul style="list-style-type: none"><li>– the manner in which the Azure Group conducts its business;</li><li>– the nature (including balance sheet classification), extent or value of the assets of the Azure Group; or</li><li>– the nature (including balance sheet classification), extent or value of the liabilities of the Azure Group;</li></ul></li><li>3 a member of the Azure Group entering into any offtake, mine-gate sale, take or pay, pay or take, tolling, distribution or marketing agreement or similar arrangement (whether binding or not) in relation to any lithium bearing minerals, concentrates, compounds from the Andover Lithium Project;</li><li>4 BidCo becoming aware that the Azure Representation and Warranty in clause 1.15(l) of Schedule 4 is materially inaccurate;</li><li>5 Azure announcing, making, 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 (whether in cash or in specie);</li><li>6 Azure amending the terms of the Azure Option Plan;</li><li>7 a member of the Azure Group making any change to its constitution;</li></ol>



Term	Meaning
	<p>8 a member of the Azure Group commencing business activities not already carried out as at the date of this deed, whether by way of acquisition or otherwise;</p> <p>9 a member of the Azure Group:</p> <ul style="list-style-type: none"><li>– acquiring, leasing or disposing of;</li><li>– agreeing, offering or proposing to acquire, lease or dispose of; or</li><li>– announcing or proposing a bid, or tendering, for, any business, assets, entity or undertaking, the value of which exceeds \$1,000,000 (individually or in aggregate);</li></ul> <p>10 a member of the Azure Group entering into a contract or commitment restraining a member of the Azure Group from competing with any person or conducting activities in any market;</p> <p>11 a member of the Azure Group:</p> <ul style="list-style-type: none"><li>– entering into any contract or commitment (including in respect of Financial Indebtedness) requiring payments by the Azure Group in excess of \$2,000,000 (individually or in aggregate) other than any payment required by law;</li><li>– without limiting the foregoing, (i) agreeing to incur or incurring capital expenditure of more than \$2,000,000 (individually or in aggregate) or (ii) incurring any Financial Indebtedness of an amount in excess of \$2,000,000 (individually or in aggregate);</li><li>– waiving any material third party default where the financial impact on the Azure Group will be in excess of \$2,000,000 (individually or in aggregate); or</li><li>– accepting as a compromise of a matter less than the full compensation due to a member of the Azure Group where the financial impact of the compromise on the Azure Group is more than \$2,000,000 (individually or in aggregate);</li></ul> <p>12 a member of the Azure Group providing financial accommodation other than to members of the Azure Group (irrespective of what form of Financial Indebtedness that accommodation takes) in excess of \$2,000,000 (individually or in aggregate);</p> <p>13 a member of the Azure Group entering into any agreement, arrangement or transaction with respect to derivative instruments (including, but not limited to, swaps, futures contracts, forward commitments, commodity derivatives or options) or similar instruments;</p> <p>14 a member of the Azure Group being party to, bound by or subject to a Relevant Material Contract, unless before 8.00am on the Second Court Date:</p> <ul style="list-style-type: none"><li>– each relevant party to the Relevant Material Contract provides Azure in writing a binding, irrevocable and unconditional waiver or release of its rights under the</li></ul>



Term	Meaning
	<p>Material Contract that makes that contract a Relevant Material Contract (<b>Relevant Release</b>); and</p> <ul style="list-style-type: none"><li>– the Relevant Release is not varied, revoked or qualified, and between the date of this deed and the 8.00am on the Second Court Date no party to any Material Contract (other than a SQM Group Member or Hancock Group Member), or a Related Body Corporate, Associate or affiliate of such a party, makes a statement to the effect that a Relevant Material Contract exists, unless the two foregoing bullets are satisfied before 8.00am on the Second Court Date;</li></ul>
15	<p>a member of the Azure Group entering into, or resolving to enter into, a transaction with any related party of Azure (other than a related party which is a member of the Azure Group), as defined in section 228 of the Corporations Act;</p>
16	<p>a member of the Azure Group entering into or 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:</p> <ul style="list-style-type: none"><li>– contractual arrangements in effect on the date of this deed and which have been disclosed in writing to BidCo prior to the date of this deed; or</li><li>– Azure's policies and guidelines in effect on the date of this deed and which have been disclosed in writing to BidCo prior to the date of this deed,</li></ul> <p>provided that the aggregate of all increases in compensation or benefits is no greater than \$2,000,000;</p>
17	<p>a member of the Azure Group paying any of its officers, directors, other executives or employees a termination or retention payment, other than in accordance with contractual arrangements in effect on the date of this deed and which have been disclosed in writing to BidCo prior to the date of this deed;</p>
18	<p>a member of the Azure 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 deed and which have been disclosed in writing to BidCo prior to the date of this deed;</p>
19	<p>a member of the Azure Group amending in any material respect any arrangement with its Financial Adviser, or entering into arrangements with a new Financial Adviser, in respect of the Transaction or a Competing Proposal;</p>
20	<p>a member of the Azure 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;</p>
21	<p>a member of the Azure Group doing anything that would result in a change in the Azure Consolidated Tax Group; or</p>
22	<p>notice of any material investigation, prosecution, arbitration, litigation or dispute threatened against a member of the Azure</p>



Term	Meaning
	Group which could reasonably be expected to give rise to a liability for the Azure Group in excess of \$5,000,000 ( <b>Material Proceedings</b> ) and for the avoidance of doubt which is not frivolous or vexatious, or circumstances arising which could reasonably be expected to give rise to any Material Proceedings. For the avoidance of doubt, Material Proceedings do not include any liability relating to an investigation, prosecution, arbitration, litigation or dispute to the extent that an insurer has agreed to cover the liability under an insurance policy maintained by a member of the Azure Group.
<b>Azure Representations and Warranties</b>	the representations and warranties of Azure set out in Schedule 4, as each is qualified by clause 8.5.
<b>Azure Share</b>	a fully paid ordinary share in the capital of Azure.
<b>Azure Shareholder</b>	each person who is registered as the holder of an Azure Share in the Azure Share Register.
<b>Azure Share Register</b>	the register of members of Azure maintained in accordance with the Corporations Act.
<b>BidCo Indemnified Parties</b>	<ol style="list-style-type: none"><li>1 BidCo and its Subsidiaries;</li><li>2 SQM and its Subsidiaries; and</li><li>3 Hancock and its Subsidiaries,</li></ol> and their respective directors, officers and employees.
<b>BidCo Representations and Warranties</b>	the representations and warranties of BidCo set out in Part A of Schedule 3.
<b>Bidder's Statement</b>	the bidder's statement of BidCo in relation to the Takeover Bid.
<b>Business Day</b>	a day that is not a Saturday, Sunday or a public holiday or bank holiday in Perth, Australia or Santiago, Chile.
<b>Claim</b>	<p>any claim, demand, legal proceedings or cause of action (including any claim, demand, legal proceedings or cause of action:</p> <ol style="list-style-type: none"><li>1 based in contract, including breach of warranty;</li><li>2 based in tort, including misrepresentation or negligence;</li></ol>



Term	Meaning
	<p>3 under common law or equity; or</p> <p>4 under statute, including the Australian Consumer Law (being Schedule 2 of the <i>Competition and Consumer Act 2010</i> (Cth) (CCA)) or Part VI of the CCA, or like provision in any state or territory legislation),</p> <p>in any way relating to this deed or the Transaction, and includes a claim, demand, legal proceedings or cause of action arising under an indemnity in this deed.</p>
<b>Competing Proposal</b>	<p>any proposal, agreement, arrangement or transaction (or expression of interest therefor), which, if entered into or completed, would result in a Third Party (either alone or together with any Associate):</p> <p>1 directly or indirectly acquiring a Relevant Interest in, or having a right to acquire, a legal, beneficial or economic interest in, or control of, 20% or more of the Azure Shares or of the share capital of any material Subsidiary of Azure;</p> <p>2 acquiring Control of Azure or any material Subsidiary of Azure;</p> <p>3 directly or indirectly acquiring or becoming the holder of, or otherwise acquiring or having a right to acquire, a legal, beneficial or economic interest in, or control of, all or a material part of Azure's business or assets or the business or assets of the Azure Group;</p> <p>4 otherwise directly or indirectly acquiring or merging, or being involved in an amalgamation or reconstruction (as those terms are used in s413(1) of the Corporations Act), with Azure or a material Subsidiary of Azure; or</p> <p>5 requiring Azure to abandon, or otherwise fail to proceed with, the Transactions,</p> <p>whether by way of takeover bid, members' or creditors' scheme of arrangement, reverse takeover, 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, recapitalisation, refinancing or other transaction or arrangement.</p>
<b>Competition Authorities</b>	<p>the Korea Fair Trade Commission and the State Administration for Market Regulation of China.</p>
<b>Competition Law Approval</b>	<p>a clearance, waiver, ruling, approval, relief, confirmation, exemption, consent, declaration, decision or failure to render a decision as required under clause 3.1(b) or clause 1.7(b) of Schedule 2 (as applicable).</p>



Term	Meaning
<b>Conditions</b>	each of the Scheme Conditions and the Takeover Bid Conditions.
<b>Confidentiality Agreement</b>	the confidentiality agreement between SQM Australia Pty Ltd and Azure dated 13 October 2022.
<b>Consultation Notice</b>	has the meaning given in clause 3.6(a).
<b>Control</b>	has the meaning given in section 50AA of the Corporations Act.
<b>Corporations Act</b>	the <i>Corporations Act 2001</i> (Cth), as modified or varied by ASIC.
<b>Corporations Regulations</b>	the <i>Corporations Regulations 2001</i> (Cth).
<b>Court</b>	the Supreme Court of Western Australia or such other court of competent jurisdiction under the Corporations Act agreed to in writing by BidCo and Azure.
<b>Deed Poll</b>	a deed poll substantially in the form of Attachment 3 under which BidCo covenants in favour of the Scheme Shareholders to perform the obligations attributed to BidCo under the Scheme and SQM Parent and Hancock Parent each guarantee BidCo's obligations.
<b>Disclosure Materials</b>	all documents and information disclosed in writing to BidCo or any of its Related Persons or its advisers by or on behalf of Azure at least 1 Business Day prior to the date of this deed.
<b>Effective</b>	when used in relation to the Scheme, the coming into effect, under subsection 411(10) of the Corporations Act, of the order of the Court made under paragraph 411(4)(b) of the Corporations Act in relation to the Scheme.
<b>Effective Date</b>	the date on which the Scheme becomes Effective.
<b>End Date</b>	the date that is 6 months after the date of execution of this deed, or such other date as agreed in writing by the parties.
<b>Excluded Shareholder</b>	1 any Azure Shareholder who is a SQM Group Member or any Azure Shareholder who holds any Azure Shares on behalf of, or



Term	Meaning
	<p>for the benefit of, any SQM Group Member and does not hold Azure Shares on behalf of, or for the benefit of, any other person;</p> <p>2 any Azure Shareholder who is a Hancock Group Member or any Azure Shareholder who holds any Azure Shares on behalf of, or for the benefit of, any Hancock Group Member and does not hold Azure Shares on behalf of, or for the benefit of, any other person; and</p> <p>3 BidCo.</p>
<b>Exclusivity Period</b>	<p>the period from and including the date of this deed to the earlier of:</p> <p>1 the date of termination of this deed;</p> <p>2 the End Date; and</p> <p>3 the Effective Date.</p>
<b>Fairly Disclosed</b>	<p>a reference to 'Fairly Disclosed' means disclosed to BidCo or any of its Related Persons, to a sufficient extent, and in sufficient detail, so as to enable a reasonable bidder (or one of its Related Persons) experienced in transactions similar to the Transactions and experienced in a business similar to any business conducted by the Azure Group, to identify the nature and scope of the relevant matter, event or circumstance (including, in each case, that the potential financial effect of the relevant matter, event or circumstance was reasonably ascertainable from the information disclosed).</p>
<b>FATA</b>	<p>the <i>Foreign Acquisitions and Takeovers Act 1975</i> (Cth).</p>
<b>Financial Adviser</b>	<p>any financial adviser retained by a party in relation to the Transactions or a Competing Proposal from time to time.</p>
<b>Financial Indebtedness</b>	<p>any debt or other monetary liability (whether actual or contingent) in respect of monies borrowed or raised or any financial accommodation including under or in respect of any:</p> <p>1 bill, bond, debenture, note or similar instrument;</p> <p>2 acceptance, endorsement or discounting arrangement;</p> <p>3 guarantee;</p> <p>4 finance or capital lease;</p> <p>5 agreement for the deferral of a purchase price or other payment in relation to the acquisition of any asset or service; or</p> <p>6 obligation to deliver goods or provide services paid for in advance by any financier.</p>





Term	Meaning
<b>FIRB</b>	the Foreign Investment Review Board of Australia.
<b>FIRB Approval</b>	satisfaction of the Scheme Condition in clause 3.1(a) or the Takeover Bid Condition in clause 1.7(a) of Schedule 2 (as applicable).
<b>First Court Date</b>	the first day on which an application made to the Court for an order under subsection 411(1) of the Corporations Act convening the Scheme Meeting is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard.
<b>General Meeting</b>	the general meeting of Azure Shareholders to consider and vote on the Item 7 Resolution, and includes any meeting convened following any adjournment or postponement of that meeting.
<b>Government Agency</b>	any foreign or Australian government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity (including any stock or other securities exchange), or any minister of the Crown in right of the Commonwealth of Australia or any State, and any other federal, state, provincial, or local government, whether foreign or Australian.
<b>Hancock</b>	Hanrine Future Metals Pty Ltd (ACN 672 197 723).
<b>Hancock Confidentiality Agreement</b>	the confidentiality agreement between Azure and Hancock Parent dated 8 December 2023.
<b>Hancock Group</b>	Hancock Parent, Hancock and each of Hancock Parent's Subsidiaries, and a reference to a <b>Hancock Group Member</b> or a <b>member of the Hancock Group</b> is to Hancock Parent, Hancock or any of Hancock Parent's Subsidiaries.
<b>Hancock Parent Representations and Warranties</b>	the representations and warranties of Hancock Parent set out in Part C of Schedule 3.
<b>Implementation Date</b>	



Term	Meaning
	the third Business Day after the Scheme Record Date, or such other date after the Scheme Record Date as the parties agree in writing.
<b>Independent Expert</b>	the independent expert in respect of the Transactions appointed by Azure.
<b>Independent Expert's Report</b>	<p>the report to be issued by the Independent Expert for inclusion in the Notice of Meeting and EM, Scheme Booklet and Target's Statement, including any update or supplementary report, setting out the Independent Expert's opinion whether or not:</p> <ol style="list-style-type: none"><li>1 the joint bidding arrangements between SQM and Hancock (and their respective Related Bodies Corporate), and the resultant Relevant Interests acquired by them, are fair and reasonable to Azure Shareholders who are not Associates of SQM and Hancock, and the reasons for holding that opinion;</li><li>2 the Scheme is in the best interests of Azure Shareholders and the reasons for holding that opinion; and</li><li>3 the Takeover Bid is fair and reasonable and the reasons for holding that opinion.</li></ol>
<b>Insolvency Event</b>	<p>means, in relation to an entity:</p> <ol style="list-style-type: none"><li>1 the entity resolving that it be wound up or a court making an order for the winding up or dissolution of the entity (other than where the order is set aside within 14 days);</li><li>2 a liquidator, provisional liquidator, administrator, receiver, receiver and manager or other insolvency official being appointed to the entity or in relation to the whole, or a substantial part, of its assets;</li><li>3 the entity executing a deed of company arrangement;</li><li>4 the entity ceases, or threatens to cease to, carry on substantially all the business conducted by it as at the date of this deed;</li><li>5 the entity is or becomes unable to pay its debts when they fall due within the meaning of the Corporations Act (or, if appropriate, legislation of its place of incorporation) or is otherwise presumed to be insolvent under the Corporations Act unless the entity has, or has access to, committed financial support from its parent entity such that it is able to pay its debts; or</li><li>6 the entity being deregistered as a company or otherwise dissolved.</li></ol>
<b>Item 7 Resolution</b>	the resolution to approve the acquisition by SQM and Hancock (and their respective Related Bodies Corporate) of a Relevant Interest in the other's Azure Shares pursuant to the joint bidding



Term	Meaning
	arrangements between them in accordance with item 7 of section 611 of the Corporations Act.
<b>Joint Bidding Deed</b>	the joint bidding deed between SQM, SQM Parent, Hancock, Hancock Parent and BidCo dated on or about the date of this deed, as amended from time to time.
<b>Listing Rules</b>	the official listing rules of ASX.
<b>Material Contract</b>	<p>any agreement, contract, deed or other arrangement, constitution, by-laws, articles of association (or similar), right or instrument (each of the foregoing things or matters being a <b>Right</b>) which:</p> <ol style="list-style-type: none"><li>1 involves, or would reasonably be likely to involve, the provision of financial accommodation to any member of the Azure Group;</li><li>2 imposes, or would reasonably be likely to impose, obligations or liabilities on any party of at least \$5,000,000 per annum or \$10,000,000 over the life of the Right; or</li><li>3 is otherwise material to Azure in the context of the businesses of the Azure Group taken as a whole,</li></ol> <p>and a <b>Relevant Material Contract</b> means a Material Contract (which one or more members of the Azure Group are a party to or a beneficiary under) under which any party (other than a member of the Azure Group) to such Material Contract has the right (<b>Relevant Right</b>) to:</p> <ol style="list-style-type: none"><li>4 terminate, cancel or rescind that Material Contract or any party of it;</li><li>5 vary, amend or modify that Material Contract;</li><li>6 exercise, enforce or accelerate any right under that Material Contract (including rights of pre-emption); or</li><li>7 benefit from the operation of a provision which automatically terminates, varies, amends or modifies that Material Contract,</li></ol> <p>(including where that Relevant Right is subject to (x) the satisfaction or failure of a contingency or condition or (y) one or more of the Conditions being satisfied or waived or (z) the effluxion of time) as a direct or indirect result of:</p> <ol style="list-style-type: none"><li>8 BidCo entering into this deed;</li><li>9 an Azure Group Member performing its obligations under this deed;</li><li>10 any public announcement or public disclosure of the Transactions;</li><li>11 BidCo, an SQM Group Member or a Hancock Group Member acquiring, or acquiring a Relevant Interest in, any Azure Shares;</li></ol>



Term	Meaning
	<p>12 BidCo, an SQM Group Member or a Hancock Group Member acquiring control of Azure;</p> <p>13 BidCo, an SQM Group Member or a Hancock Group Member implementing or seeking to implement any of its intentions for Azure as described in the Relevant Document; or</p> <p>14 any Azure Board Member supporting the Transactions or making a recommendation that Azure Shareholders (other than Excluded Shareholders) vote in favour of the Item 7 Resolution and the Scheme and accept the Offer under the Takeover Bid.</p>
<b>Non-Participating Joint Bidder</b>	has the meaning given in the Joint Bidding Deed.
<b>Notice of Meeting and EM</b>	the notice of meeting for the General Meeting and accompanying explanatory memorandum issued by Azure for the purposes of seeking approval of the Item 7 Resolution.
<b>Offer</b>	has the meaning given in clause 2.3(a).
<b>Offer Period</b>	the period that the Offer is open for acceptance.
<b>Operating Rules</b>	the official operating rules of ASX.
<b>Option Cancellation Deed</b>	a deed (on terms approved by BidCo, acting reasonably) between Azure and a holder of Azure Options under which, subject to the Scheme becoming Effective, or the Offer being declared or becoming unconditional and BidCo becoming entitled to proceed with compulsory acquisition, the relevant Azure Options are cancelled for the Option Consideration.
<b>Option Consideration</b>	for each Azure Option, the amount which is equal to the Scheme Consideration or Takeover Bid Consideration (as applicable) less the exercise price of that Azure Option, which (unless otherwise agreed by the parties) will be paid, or funded, by BidCo.
<b>Parent Company</b>	means SQM Parent or Hancock Parent as applicable.
<b>Participating Joint Bidder</b>	has the meaning given in the Joint Bidding Deed.



Term	Meaning
<b>Permitted Encumbrance</b>	any Security Interest granted by any member of the Azure Group in the ordinary course of business under any retention of title, hire purchase or conditional sale arrangement or arrangement having similar effect in respect of goods supplied to the Azure Group on the supplier's standard or usual terms (or terms more favourable to the Azure Group) or arising by operation of law in the ordinary course of trading, so long as in case, the debt it secures is paid when due or contested in good faith and appropriately provisioned.
<b>Primary Party</b>	<ol style="list-style-type: none"><li>1 in the case of the Notice of Meeting and EM, the Scheme Booklet and the Target's Statement, Azure; and</li><li>2 in the case of the Bidder's Statement, BidCo.</li></ol>
<b>Register Date</b>	the date and time identified as the "Register Date" in the Timetable, which will be the relevant date and time that will be set by BidCo for the purposes of section 633(2) of the Corporations Act.
<b>Registered Address</b>	in relation to an Azure Shareholder, the address shown in the Azure Share Register as at the Scheme Record Date.
<b>Reimbursement Fee</b>	\$16,900,000.
<b>Related Bodies Corporate</b>	has the meaning set out in section 50 of the Corporations Act.
<b>Related Person</b>	<ol style="list-style-type: none"><li>1 in respect of a party or its Related Bodies Corporate, each director, officer, employee, adviser, agent or representative of that party or Related Body Corporate;</li><li>2 in respect of BidCo, without limiting paragraph 1, SQM and Hancock and each director, officer, employee, adviser, agent or representative of SQM and Hancock; and</li><li>3 in respect of a Financial Adviser, each director, officer, employee or contractor of that Financial Adviser.</li></ol>
<b>Relevant Document</b>	each of the Notice of Meeting and EM, the Scheme Booklet, the Target's Statement and the Bidder's Statement.
<b>Relevant Interest</b>	has the meaning given in sections 608 and 609 of the Corporations Act.



Term	Meaning
<b>Reverse Reimbursement Fee</b>	\$16,900,000.
<b>RG 60</b>	Regulatory Guide 60 issued by ASIC in September 2020.
<b>RG 74</b>	Regulatory Guide 74 issued by ASIC in December 2011.
<b>Rights</b>	all rights or benefits of whatever kind attaching or arising from Azure Shares directly or indirectly after the date of this deed, including, but not limited to, all dividends or other distributions, other than voting rights attaching to Azure Shares during the period expiring at the later of the end of the Scheme Meeting and on the day after the date on which all of the Takeover Bid Conditions have been satisfied or waived.
<b>Scheme</b>	the scheme of arrangement under Part 5.1 of the Corporations Act between Azure and the Scheme Shareholders, the form of which is attached as Attachment 2, subject to any alterations or conditions made or required by the Court under subsection 411(6) of the Corporations Act and agreed to in writing by BidCo and Azure.
<b>Scheme Booklet</b>	the information described in clause 4.1(a) to be approved by the Court and despatched to Azure Shareholders and which must include the Scheme, an explanatory statement, an independent expert's report, a notice of meeting for the Scheme Meeting and a proxy form.
<b>Scheme Conditions</b>	each of the conditions set out in clause 3.1.
<b>Scheme Consideration</b>	the consideration to be provided by BidCo to each Scheme Shareholder for the transfer to BidCo of each Scheme Share, being for each Azure Share held by a Scheme Shareholder as at the Scheme Record Date, an amount of \$3.70.
<b>Scheme Meeting</b>	the meeting of Azure Shareholders (other than Excluded Shareholders) ordered by the Court to be convened under subsection 411(1) of the Corporations Act to consider and vote on the Scheme and includes any meeting convened following any adjournment or postponement of that meeting.
<b>Scheme Record Date</b>	7.00pm on the second Business Day after the Effective Date or such other time and date as the parties agree in writing.



Term	Meaning
<b>Scheme Shareholder</b>	a holder of Azure Shares recorded in the Azure Share Register as at the Scheme Record Date (other than an Excluded Shareholder).
<b>Scheme Shares</b>	all Azure Shares held by the Scheme Shareholders as at the Scheme Record Date.
<b>Scheme Transaction</b>	the acquisition of the Scheme Shares by BidCo through implementation of the Scheme in accordance with the terms of this deed.
<b>Secondary Party</b>	<ol style="list-style-type: none"><li>1 in the case of the Notice of Meeting and EM, the Scheme Booklet and the Target's Statement, BidCo; and</li><li>2 in the case of the Bidder's Statement, Azure.</li></ol>
<b>Secondary Party Information</b>	<p>in relation to a Relevant Document, information regarding the Secondary Party provided by the Secondary Party or its Representatives to the Primary Party in writing for inclusion in the Relevant Document, being:</p> <ol style="list-style-type: none"><li>1 information about the Secondary Party, its Affiliates (in the case of BidCo) or its Related Bodies Corporate (in the case of Azure), businesses and interests, and dealings in Azure Shares, its intentions for Azure's employees and the implications of each of these matters for the Azure Group (in the case of BidCo); and</li><li>2 any other information required under the Corporations Act, Corporations Regulations, RG 60 or RG 74 (as applicable) to enable the Relevant Document to be prepared, which the parties agree is "Secondary Party Information" in relation to the Relevant Document and is identified in the Relevant Document as such.</li></ol>
<b>Second Court Date</b>	the first day on which an application made to the Court for an order under paragraph 411(4)(b) of the Corporations Act approving the Scheme is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application or appeal is heard.
<b>Security Interest</b>	has the meaning given in section 51A of the Corporations Act.
<b>Specified Individual</b>	Brian Thomas, Anthony Rovira, Brett Dickson, Annie Guo, Hansjorg Plaggemars, Graham Leaver and James Dornan.
<b>SQM</b>	SQM Australia Pty Ltd (ACN 621 414 659).





Term	Meaning
<b>SQM Group</b>	SQM Parent, SQM and each of SQM Parent's Subsidiaries, and a reference to a <b>SQM Group Member</b> or a <b>member of the SQM Group</b> is to SQM Parent, SQM or any of SQM Parent's Subsidiaries.
<b>SQM Parent Representations and Warranties</b>	the representations and warranties of SQM Parent set out in Part B of Schedule 3.
<b>Subsidiary</b>	has the meaning given in Division 6 of Part 1.2 of the Corporations Act.
<b>Superior Proposal</b>	<p>a bona fide Competing Proposal:</p> <ol style="list-style-type: none"><li>1 of the kind referred to in any of paragraphs 2, 3, 4 or 5 of the definition of Competing Proposal; and</li><li>2 not resulting from a breach by Azure of any of its obligations under clause 12 of this deed (it being understood that any actions by the Related Persons of Azure not permitted by clause 12 will be deemed to be a breach by Azure for the purposes hereof),</li></ol> <p>that the Azure Board, acting in good faith, and after receiving written legal advice from its external legal advisers and written financial advice from its Financial Adviser, determines:</p> <ol style="list-style-type: none"><li>3 is reasonably capable of being valued and completed in a reasonable timeframe; and</li><li>4 would, if completed substantially in accordance with its terms, be more favourable to Azure Shareholders (as a whole) than the Transactions (and, if applicable, than the Transactions as amended or varied following application of the matching right set out in clause 12.5),</li></ol> <p>in each case taking into account all terms and conditions and other aspects of the Competing Proposal (including any timing considerations, any conditions precedent, the identity of the proponent or other matters affecting the probability of the Competing Proposal being completed) and of the Transactions.</p>
<b>Takeover Bid</b>	a takeover bid by BidCo for the Azure Shares that satisfies the requirements in clause 2.3.
<b>Takeover Bid Conditions</b>	the conditions to the Takeover Bid set out in clause 1.7 of Schedule 2.



Term	Meaning
<b>Takeover Bid Consideration</b>	\$3.65 cash for each Azure Share less the value of any Rights that are deducted in accordance with clause 1.1(b) of the Takeover Bid Terms.
<b>Takeover Bid Terms</b>	the terms and conditions set out in Schedule 2.
<b>Takeover Bid Transaction</b>	the acquisition of Azure Shares by BidCo under the Takeover Bid.
<b>Takeovers Panel</b>	the Australian Takeovers Panel.
<b>Target's Statement</b>	the target's statement that will be issued by Azure in relation to the Takeover Bid.
<b>Tax Act</b>	the <i>Income Tax Assessment Act 1997</i> (Cth).
<b>Third Party</b>	a person other than BidCo, SQM, Hancock, their respective Related Bodies Corporate and their respective Associates.
<b>Timetable</b>	the indicative timetable for the implementation of the Transaction set out in Attachment 1.
<b>Transaction Meetings</b>	1 the General Meeting; and 2 the Scheme Meeting.
<b>Transaction Shares</b>	all Azure Shares other than those held by the Excluded Shareholders.
<b>Transactions</b>	the Scheme Transaction and the Takeover Bid Transaction.
<b>Treasurer</b>	the Treasurer of the Australian Commonwealth Government.

## 1.2 Interpretation

In this deed:

- (a) headings and bold type are for convenience only and do not affect the interpretation of this deed;



- (b) the singular includes the plural and the plural includes the singular;
- (c) words of any gender include all genders;
- (d) other parts of speech and grammatical forms of a word or phrase defined in this deed have a corresponding meaning;
- (e) a reference to a person includes any company, partnership, joint venture, association, corporation or other body corporate and any Government Agency, as well as an individual;
- (f) a reference to a clause, party, schedule, attachment or exhibit is a reference to a clause of, and a party, schedule, attachment or exhibit to this deed;
- (g) a reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or re-enactments of any of them (whether passed by the same or another Government Agency with legal power to do so);
- (h) a reference to a document (including this deed) includes all amendments or supplements to, or replacements or novations of, that document;
- (i) a reference to '\$', 'A\$' or 'dollar' is to the lawful currency of Australia;
- (j) a reference to any time is, unless otherwise indicated, a reference to that time in Perth, Australia;
- (k) a term defined in or for the purposes of the Corporations Act, and which is not defined in clause 1.1 of this Schedule 1, has the same meaning when used in this deed;
- (l) a reference to a party to a document includes that party's successors and permitted assignees;
- (m) no provision of this deed will be construed adversely to a party because that party was responsible for the preparation of this deed or that provision;
- (n) any agreement, representation, warranty or indemnity in favour of two or more parties (including where two or more persons are included in the same defined term) is for the benefit of them jointly and severally;
- (o) a reference to a body (including an institute, association or authority), other than a party to this deed, whether statutory or not:
- (1) which ceases to exist; or
  - (2) whose powers or functions are transferred to another body,
- is a reference to the body which replaces it or which substantially succeeds to its powers or functions;
- (p) a reference to an agreement other than this deed includes a deed and any legally enforceable undertaking, agreement, arrangement or understanding, whether or not in writing;
- (q) a reference to liquidation or insolvency includes appointment of an administrator, a reconstruction, winding up, dissolution, deregistration, assignment for the benefit of creditors, bankruptcy, or a scheme, compromise or arrangement with creditors (other than solely with holders of securities or derivatives), or any similar procedure or, where applicable, changes in the constitution of any partnership or Third Party, or death;
- (r) if a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;



- (s) a reference to a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;
- (t) if an act prescribed under this deed to be done by a party on or by a given day is done after 5.00pm on that day, it is taken to be done on the next day;
- (u) a reference to the Listing Rules and the Operating Rules includes any variation, consolidation or replacement of these rules and is to be taken to be subject to any waiver or exemption granted to the compliance of those rules by a party; and
- (v) a reference to something being “reasonably likely” (or to a similar expression) is a reference to that thing being more likely than not to occur when assessed objectively.

### **1.3 Interpretation of inclusive expressions**

Specifying anything in this deed after the words ‘include’ or ‘for example’ or similar expressions does not limit what else is included.

### **1.4 Business Day**

Where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the next Business Day.



## Schedule 2

### Takeover Bid Terms

---

#### 1.1 The Offer

- (a) BidCo will offer to acquire all (but not some only) of the Azure Shares on and subject to the terms and conditions set out in this Schedule 2.
- (b) The consideration under the Offer will be the Takeover Bid Consideration.
- (c) By accepting the Offer, each Azure Shareholder will undertake to transfer to BidCo not only the Azure Shares to which the Offer relates, but also all Rights attached to those Azure Shares.
- (d) The Offer will be made to each person registered as the holder of Azure Shares in the Azure Share Register at 4.00pm (Perth time) on the Register Date. It will also extend to:
  - (1) holders of securities that come to be Azure Shareholders during the period from the Register Date to the end of the Offer Period due to the conversion of, or exercise of rights conferred by, such securities and which are on issue as at the Register Date; and
  - (2) any person who becomes registered as the holder of Azure Shares during the Offer Period.
- (e) The Offer will be dated in accordance with the Timetable.

#### 1.2 Offer Period

- (a) Unless withdrawn, the Offer will remain open for acceptance during the period commencing on the date of the Offer and ending at 5.00pm (Perth time) on the later of:
  - (1) the date set pursuant to the Timetable; or
  - (2) any date to which the Offer Period is extended.
- (b) Despite anything else in this Schedule 2:
  - (1) the Offer Period must not expire prior to the date that is 20 Business Days after the date of the Scheme Meeting; and
  - (2) BidCo must not extend the Offer Period to a date that is more than 3 months after the date of the Scheme Meeting without the prior written consent of Azure.

#### 1.3 How the Offer will be accepted

- (a) An Azure Shareholder will be required to accept the Offer for all (but not some only) of their Azure Shares.
- (b) An Azure Shareholder will be allowed to accept the Offer at any time during the Offer Period.
- (c) BidCo may establish an institutional acceptance facility to facilitate the acceptance of the Offer by institutional shareholders of Azure.



## 1.4 Validity of acceptances

- (a) BidCo will be entitled to determine, in its sole discretion, all questions as to the form of documents, eligibility to accept the Offer and time of receipt of an acceptance of the Offer. The determination of BidCo will be final and binding on all parties.
- (b) BidCo will be entitled, in its sole discretion, at any time and without further communication to Azure Shareholders, to deem any Acceptance Form it receives to be a valid acceptance in respect of Azure Shares, even if a requirement for acceptance has not been complied with but the payment of the consideration in accordance with the Offer may be delayed until any irregularity has been resolved or waived and any other documents required to procure registration have been received by BidCo.
- (c) Where an Azure Shareholder satisfies the requirements for acceptance in respect of only some of its Azure Shares, BidCo will be entitled, in its sole discretion, to regard the Offer to be accepted in respect of those Azure Shares but not the remainder.

## 1.5 The effect of acceptance

- (a) Azure Shareholders who have accepted the Offer will be able to revoke their acceptance at any time until the Takeover Bid Conditions in clauses 1.7(a), 1.7(b) and 1.7(c) of this Schedule 2 have been satisfied or waived in accordance with this deed and the Corporations Act.
- (b) When the Takeover Bid Conditions in clauses 1.7(a), 1.7(b) and 1.7(c) of this Schedule 2 have been satisfied or waived, an Azure Shareholder that has accepted the Offer will be unable to revoke its acceptance and the contract resulting from their acceptance will be binding on them and they will be unable to withdraw their Azure Shares from the Offer or otherwise dispose of their Azure Shares, except as permitted under the Corporations Act.

## 1.6 Payment of consideration

BidCo will provide the Takeover Bid Consideration due to Azure Shareholders for their Azure Shares within the time required under the Corporations Act.

## 1.7 Takeover Bid Conditions

Subject to clause 1.8 of this Schedule 2, the completion of the Takeover Bid and any contract that results from an acceptance of an Offer will be subject to each of the following conditions (and no other defeating conditions):

- (a) **FIRB Approval:** before the end of the Offer Period, one of the following has occurred:
  - (1) BidCo has received written notice under the FATA, by or on behalf of the Treasurer, advising that the Australian Commonwealth Government has no objections to the Takeover Bid, either unconditionally or subject only to:
    - (A) 'standard' tax conditions which are in the form, or substantially in the form, of those set out in items 1 to 6 of Part D of FIRB's Guidance Note 12 "Tax Conditions" (in the form last updated on 10 August 2023); and



- (A) conditions that SQM, BidCo or their respective Affiliates have had imposed in relation to prior notifications under the FATA and/or conditions which would not reasonably be expected to result in an adverse material financial impact on the value BidCo could reasonably expect to derive from the Scheme; or
- (2) the Treasurer becomes precluded by passage of time from making an order or decision under Part 3 of the FATA in relation to the Takeover Bid and the Takeover Bid is not prohibited by section 82 of the FATA; or
- (3) where an interim order is made under section 68 of the FATA in respect of the Takeover Bid, the subsequent period for making an order or decision under Part 3 of the FATA elapses without the Treasurer making such an order or decision;
- (b) **Competition Law Approvals:** before the end of the Offer Period, a notification to each Competition Authority, in each case in connection with the Takeover Bid, has been made and each Competition Authority has either:
- (1) granted, given or made the approvals, consents, waivers, exemptions or declarations that are required by law, to implement the Takeover Bid on an unconditional basis or subject only to conditions which would not reasonably be expected to result in an adverse material financial impact on the value BidCo could reasonably expect to derive from the Takeover Bid, and which approvals, consents, waivers, exemptions or declarations remain in full force and effect in all respects, and have not been withdrawn, revoked, suspended, restricted or amended (or become subject to any notice, intimation or indication of intention to do any such thing) before the end of the Offer Period;
- (2) rendered a decision that no approval, consent, waiver, exemption or declaration is required by law to implement the Takeover Bid, and which decision remains in full force and effect in all respects, and has not been withdrawn, revoked, suspended, restricted or amended (or become subject to any notice, intimation or indication of intention to do any such thing) before the end of the Offer Period; or
- (2) failed to render a decision within the applicable waiting period prescribed by law and such failure is considered under such law to be a grant of all requisite approvals, consents, waivers, exemptions or declarations required by law to implement the Takeover Bid;
- (c) **Item 7 of section 611 approval:** Azure Shareholders (other than Excluded Shareholders) approve the Item 7 Resolution at the General Meeting by the requisite majority under item 7 of section 611 of the Corporations Act;
- (d) **No Azure Prescribed Occurrence:** no Azure Prescribed Occurrence occurs between (and including) the date of this deed and the end of the Offer Period;
- (e) **Restraints:** between (and including) the date of this deed and the end of the Offer Period:
- (1) there is not in effect any temporary, preliminary or final order, injunction, decision or decree issued by any court of competent jurisdiction or other Government Agency, or other material legal restraint or prohibition;
- (2) no action or investigation is announced, commenced or threatened by any Government Agency; and





- (3) no application is made to any Government Agency, in consequence of, or in connection with, the Takeover Bid which:
- (4) restrains, prohibits or otherwise materially adversely affects (or could reasonably be expected to restrain, prohibit or otherwise materially adversely affect) the Takeover Bid, completion of the Takeover Bid or the rights of BidCo in respect of Azure or the Azure Shares to be acquired under the Takeover Bid; or
- (5) requires the divestiture by BidCo, SQM, Hancock or their respective Associates of any Azure Shares or the divestiture of any material assets of the SQM Group, the Hancock Group or the Azure Group, unless such order, injunction, decision, decree, action, investigation or application has been disposed of to the satisfaction of BidCo (acting reasonably and in good faith), or is otherwise no longer effective or enforceable, by the end of the Offer Period;
- (f) **Scheme fails:** either:
- (1) the Scheme is not approved at the Scheme Meeting by the requisite majorities of Azure Shareholders under subparagraph 411(4)(a)(ii) of the Corporations Act;
- (2) following the approval of the Scheme at the Scheme Meeting by the requisite majorities of Azure Shareholders under subparagraph 411(4)(a)(ii) of the Corporations Act, the Court does not approve the Scheme in accordance with section 411(4)(b) of the Corporations Act; or
- (3) BidCo has given notice to Azure in accordance with clause 3.6(d);
- (g) **No Azure Material Adverse Change:** no Azure Material Adverse Change occurs or is discovered, announced, disclosed or otherwise becomes known to BidCo between (and including) the date of this deed and the end of the Offer Period; and
- (h) **Azure Representations and Warranties:** the Azure Representations and Warranties are accurate and not misleading at all times between (and including) the date of this deed and the end of the Offer Period, and if they are not true and correct, BidCo has a right to terminate this deed under clause 15.

## 1.8 Nature and waiver of Takeover Bid Conditions

- (a) Each of the Takeover Bid Conditions apart from the conditions in clauses 1.7(a), 1.7(b) and 1.7(c) of this Schedule 2 will be conditions subsequent. The non-fulfilment of any condition subsequent does not, until the end of the Offer Period (or in the case of the condition in clause 1.7(d) of this Schedule 2, until the end of the third Business Day after the end of the Offer Period), prevent a contract to sell Azure Shares from arising, but will entitle BidCo by written notice to Azure Shareholders, to rescind the contract resulting from Azure Shareholders' acceptance of the Offer.
- (b) The Takeover Bid Conditions in clauses 1.7(a), 1.7(b) and 1.7(c) of this Schedule 2 are conditions precedent to the acquisition of any interest in Azure Shares and will prevent a contract to sell Azure Shares from arising until each is satisfied or waived in accordance with this deed and the Corporations Act. Notwithstanding the acceptance of the Offer by an Azure Shareholder, unless and until the conditions in clauses 1.7(a), 1.7(b) and 1.7(c) of this Schedule 2 are fulfilled:



- (1) no contract for the sale of the Azure Shares will come into force or be binding on the Azure Shareholder or on BidCo; and
  - (2) BidCo will have no rights (conditional or otherwise) in relation to the Azure Shares.
- (c) Subject to the Corporations Act, BidCo may declare the Takeover Bid to be free from any Takeover Bid Condition (in its absolute discretion) by giving written notice to Azure declaring the Offer to be free from the relevant condition or conditions specified, in accordance with section 650F of the Corporations Act.
- (d) The Takeover Bid Condition in clause 1.7(f) of this Schedule 2 may only be waived by BidCo with the prior written consent of Azure (acting reasonably).
- (e) If a Scheme Condition is waived or satisfied, BidCo must declare the Takeover Bid free from the corresponding Takeover Bid Condition.
- (f) If, at the end of the Offer Period (or in the case of the condition in clause 1.7(d) of this Schedule 2, at the end of the third Business Day after the end of the Offer Period), the Takeover Bid Conditions have not been fulfilled and BidCo has not declared the Offer (or it has not become) free from those conditions, all contracts resulting from the acceptance of the Offer will be automatically void.

## **1.9 Withdrawal of the Offer**

- (a) BidCo will be entitled to withdraw the Offer with the consent in writing of ASIC, which consent may be subject to conditions. If ASIC gives such consent, BidCo will give notice of the withdrawal to the ASX and to Azure and will comply with any other conditions imposed by ASIC.
- (b) If, at the time the Offer is withdrawn, all the Takeover Bid Conditions have been freed, all contracts arising from acceptance of the Offer before it was withdrawn will remain enforceable.
- (c) If, at the time the Offer is withdrawn, the Offer remains subject to one or more of the Takeover Bid Conditions, all contracts arising from its acceptance will become void (whether or not the events referred to in the relevant conditions have occurred).
- (a) A withdrawal pursuant to this clause 1.9 of this Schedule 2 will be deemed to take effect:
  - (1) if the withdrawal is not subject to conditions imposed by ASIC, on and after the date on which that consent in writing is given by ASIC; or
  - (2) if the withdrawal is subject to conditions imposed by ASIC, on and after the date on which those conditions are satisfied.

## **1.10 Notice on status of conditions**

The date for giving the notice on the status of the conditions required by section 630(1) of the Corporations Act will be determined in accordance with the Timetable (subject to extension in accordance with section 630(2) of the Corporations Act if the Offer Period is extended).

## **1.11 Variation of the Offer**

BidCo will be entitled to vary the Offer in accordance with the Corporations Act.



## **1.12 Power of attorney**

- (a) Immediately upon the Offer being declared or becoming unconditional and until Azure registers BidCo as the holder of the relevant Azure Shares in the Share Register, each Azure Shareholder that has accepted the Offer:
- (1) is deemed to have appointed BidCo as attorney and agent (and directed BidCo in each such capacity) to appoint any director, officer, secretary or agent nominated by BidCo as its sole proxy and, where applicable or appropriate, corporate representative to attend shareholders' meetings, exercise the votes attaching to the relevant Azure Shares registered in their name and sign any shareholders' resolution or document;
  - (2) must not attend or vote at any of those meetings or sign any resolutions, whether in person, by proxy or by corporate representative (other than pursuant to clause 1.12(a)(1));
  - (3) must take all other actions in the capacity of a registered holder of the relevant Azure Shares as BidCo reasonably directs; and
  - (4) acknowledges and agrees that in exercising the powers referred to in clause 1.12(a)(1), BidCo and any director, officer, secretary or agent nominated by BidCo under clause 1.12(a)(1) may act in the best interests of BidCo as the intended registered holder of the relevant Azure Shares.
- (b) Immediately upon BidCo obtaining a Relevant Interest in at least 50.1% of the Azure Shares (on a fully diluted basis) and until Azure registers BidCo as the holder of the relevant Azure Shares in the Azure Share Register, each Azure Shareholder that has accepted the Offer:
- (1) is deemed to have appointed BidCo as attorney and agent (and directed BidCo in each such capacity) to appoint any director, officer, secretary or agent nominated by BidCo as its sole proxy in respect of the relevant Azure Shares;
  - (2) acknowledges and agrees that in exercising the powers referred to in clause 1.12(b)(1), BidCo and any director, officer, secretary or agent nominated by BidCo under clause 1.12(b)(1) may act in the best interests of BidCo.

## **1.13 Stamp duty**

BidCo will pay any stamp duty on the transfer of Azure Shares.

## **1.14 Governing law**

The Offer and any contract that results from an acceptance of the Offer will be governed by the laws in force in Western Australia.

## **1.15 Trusts and nominees**

Offers will be made to persons who hold Azure Shares in two or more separate parcels within the meaning of section 653B of the Corporations Act (for example, because a person is a trustee or nominee for several distinct beneficial owners), in accordance with section 653B of the Corporations Act so that:



- (c) BidCo will be taken to have made a separate Offer for each separate parcel of Azure Shares; and
- (d) acceptance of the Offer for any distinct parcel of Azure Shares will be ineffective unless:
  - (1) the Azure Shareholder gives BidCo notice in accordance with the Offer in the Bidder's Statement stating that the Azure Shares consist of separate parcels; and
  - (2) the acceptance specifies the number of Azure Shares in each separate parcel to which the acceptance relates.

For personal use only



## Schedule 3

### BidCo, SQM Parent and Hancock Parent representations and warranties

---

#### Part A

BidCo represents and warrants to Azure (in its own right and separately as trustee or nominee for each of the other Azure Indemnified Parties) that:

- (a) **information in Relevant Documents:** the information contained in each Relevant Document for which BidCo will be described as responsible in that Relevant Document in accordance with clause 4.4 as at the date of despatch to the Azure Shareholders:
  - (1) has been prepared and included in the Relevant Document in good faith; and
  - (2) complies in all material respects with the requirements of the Corporations Act, Corporations Regulations, Listing Rules and relevant ASIC regulatory guides (as applicable);
- (b) **information provided to the Independent Expert:** all information provided by BidCo to the Independent Expert, as at the date that information is provided, has been provided in good faith and on the understanding that, to the extent accepted by the Independent Expert, the Independent Expert will rely on that information for the purpose of preparing its report for inclusion in the Notice of Meeting and EM, the Scheme Booklet and the Target's Statement;
- (c) **not misleading:** no information contained in a Relevant Document for which BidCo will be described as responsible in that Relevant Document in accordance with clause 4.4, as at the date the Relevant Document is despatched to Azure Shareholders, is misleading or deceptive in any material respect (including by way of omission or otherwise) and will comply in all material respects with the requirements of the Corporations Act, the Listing Rules and all relevant regulatory guides and other guidelines and requirements of ASIC;
- (d) **validly existing:** it is a validly existing corporation registered under the laws of its place of incorporation;
- (e) **authority:** the execution and delivery of this deed by BidCo has been properly authorised by all necessary corporate action of BidCo, and BidCo has taken or will take all necessary corporate action to authorise the performance of this deed and the transactions contemplated by this deed;
- (f) **power:** it has full capacity, corporate power and lawful authority to execute, deliver and perform this deed and to carry out the transactions contemplated by this deed;
- (g) **no default:** neither this deed nor the carrying out by BidCo of the transactions contemplated by this deed does or will conflict with or result in the breach of or a default under:
  - (1) any provision of BidCo's constitution; or



- (2) any writ, order or injunction, judgment, law, rule or regulation to which it is party or subject or by which it or any SQM Group Member or Hancock Group Member is bound,

and it is not otherwise bound by any agreement that would prevent or restrict it from entering into or performing this deed;

- (h) **deed binding:** this deed is a valid and binding obligation of BidCo, enforceable in accordance with its terms;
- (i) **Insolvency Event or regulatory action:** no Insolvency Event has occurred in relation to it or an SQM Group Member or Hancock Group Member, nor has any regulatory action of any nature of which it is aware been taken that would reasonably be likely to prevent or restrict its ability to fulfil its obligations under this deed, under the Deed Poll or under the Scheme; and
- (j) **reasonable basis:** as at the date of this deed, BidCo has a reasonable basis to expect that it will have sufficient financing to satisfy its obligations to provide the Scheme Consideration or Takeover Bid Consideration in accordance with the terms of this deed, the Scheme and the Deed Poll; and
- (k) **financing:**
- (1) at 8.00am on the Second Court Date and on the Implementation Date, BidCo will have sufficient financing available to it on an unconditional basis (other than, in respect of the Second Court Date only, any conditions relating to the approval of the Scheme by the Court, or procedural or documentary matters which can only be satisfied or performed after the Second Court Date) to enable BidCo to satisfy its obligations to provide the Scheme Consideration in accordance with the terms of this deed, the Scheme and the Deed Poll; and
- (2) from the date of the Offer being declared or becoming unconditional, BidCo will have sufficient financing available to it on an unconditional basis to enable BidCo to satisfy its obligations to provide the Takeover Bid Consideration in accordance with the terms of this deed.
- (l) **No regulatory approvals:** No approval from any Government Agency is required to be obtained by BidCo, SQM Parent, or Hancock Parent in order to execute and perform this deed, other than the FIRB Approval and the Competition Law Approval.
- (m) **No dealings with Azure Shareholders:** Except as disclosed in writing to Azure, no member of the SQM Group or Hancock Group has any agreement, arrangement or understanding with any Azure Shareholder under which that Azure Shareholder (or an Associate of that Azure Shareholder) would be entitled to receive any collateral benefit in relation to the Scheme, or under which the Azure Shareholder has agreed to vote in favour of the Item 7 Resolution and the Scheme or accept the Takeover Bid (or against any Competing Proposal).

## Part B

SQM Parent represents and warrants to Azure (in its own right and separately as trustee or nominee for each of the other Azure Indemnified Parties) that:

- (a) **validly existing:** it is a validly existing corporation registered under the laws of its place of incorporation;
- (b) **authority:** the execution and delivery of this deed by SQM Parent has been properly authorised by all necessary corporate action of SQM Parent, and SQM



Parent has taken or will take all necessary corporate action to authorise the performance of this deed and the transactions contemplated by this deed;

- (c) **power:** it has full capacity, corporate power and lawful authority to execute, deliver and perform this deed and to carry out the transactions contemplated by this deed;
- (d) **no default:** neither this deed nor the carrying out by SQM Parent of the transactions contemplated by this deed does or will conflict with or result in the breach of or a default under:
- (1) any provision of SQM Parent's constitution or constituent documents; or
  - (2) any writ, order or injunction, judgment, law, rule or regulation to which it is party or subject or by which it or any SQM Group Member is bound,
- and it is not otherwise bound by any agreement that would prevent or restrict it from entering into or performing this deed; and
- (e) **deed binding:** this deed is a valid and binding obligation of SQM Parent enforceable in accordance with its terms.

### Part C

Hancock Parent represents and warrants to Azure (in its own right and separately as trustee or nominee for each of the other Azure Indemnified Parties) that:

- (f) **validly existing:** it is a validly existing corporation registered under the laws of its place of incorporation;
- (g) **authority:** the execution and delivery of this deed by Hancock Parent has been properly authorised by all necessary corporate action of Hancock Parent, and Hancock Parent has taken or will take all necessary corporate action to authorise the performance of this deed and the transactions contemplated by this deed;
- (h) **power:** it has full capacity, corporate power and lawful authority to execute, deliver and perform this deed and to carry out the transactions contemplated by this deed;
- (i) **no default:** neither this deed nor the carrying out by Hancock Parent of the transactions contemplated by this deed does or will conflict with or result in the breach of or a default under:
- (1) any provision of Hancock Parent's constitution or constituent documents; or
  - (2) any writ, order or injunction, judgment, law, rule or regulation to which it is party or subject or by which it or any Hancock Group Member is bound,
- and it is not otherwise bound by any agreement that would prevent or restrict it from entering into or performing this deed; and
- (j) **deed binding:** this deed is a valid and binding obligation of Hancock Parent enforceable in accordance with its terms.





## Schedule 4

### Azure Representations and Warranties

---

Azure represents and warrants to BidCo (in its own right and separately as trustee or nominee for each of the other BidCo Indemnified Parties) that:

- (a) **information in Relevant Documents:** the information contained in each Relevant Document for which Azure will be described as responsible in that Relevant Document in accordance with clause 4.4 as at the date the Relevant Document is despatched to Azure Shareholders:
  - (1) has been prepared and included in the Relevant Document in good faith; and
  - (2) complies in all material respects with the requirements of the Corporations Act, Corporations Regulations, Listing Rules and relevant ASIC regulatory guides (as applicable);
- (b) **information provided to the Independent Expert:** all information provided by Azure to the Independent Expert, as at the date that information is provided, has been provided in good faith and on the understanding that, to the extent accepted by the Independent Expert, the Independent Expert will rely on that information for the purpose of preparing its report for inclusion in the Notice of Meeting and EM, the Scheme Booklet and the Target's Statement;
- (c) **not misleading:** no information contained in a Relevant Document for which Azure will be described as responsible in that Relevant Document in accordance with clause 4.4, as at the date the Relevant Document is despatched to Azure Shareholders, is misleading or deceptive in any material respect (including by way of omission or otherwise) and will comply in all material respects with the requirements of the Corporations Act, the Listing Rules and all relevant regulatory guides and other guidelines and requirements of ASIC;
- (d) **validly existing:** each member of the Azure Group is a validly existing corporation registered under the laws of its place of incorporation;
- (e) **authority:** the execution and delivery of this deed by Azure has been properly authorised by all necessary corporate action of Azure, and Azure has taken or will take all necessary corporate action to authorise the performance of this deed and the transactions contemplated by this deed;
- (f) **power:** it has full capacity, corporate power and lawful authority to execute, deliver and perform this deed and to carry out the transactions contemplated by this deed;
- (g) **no default:** neither this deed nor the carrying out by Azure of the transactions contemplated by this deed does or will conflict with or result in the breach of or a default under:
  - (1) any provision of Azure's constitution; or
  - (2) any material term or provision of any Material Contract (including any financing arrangements) or any writ, order or injunction, judgment, law, rule or regulation to which it is party or subject or by which it or any other Azure Group Member is bound,



and it is not otherwise bound by any agreement that would prevent or restrict it from entering into or performing this deed;

- (h) **deed binding:** this deed is a valid and binding obligation of Azure, enforceable in accordance with its terms;
- (i) **continuous disclosure:** as at the date of this deed, Azure is in compliance its continuous disclosure obligations under Listing Rule 3.1 and, other than for the Transactions, it is not relying on the carve-out in Listing Rule 3.1A to withhold any material information from public disclosure;
- (j) **capital structure:** its capital structure, including all issued securities as at the date of this deed, is as set out in Schedule 5 and it has not issued or granted (or agreed to issue or grant) any other securities, options, warrants, performance rights or other instruments which are still outstanding and may convert into Azure Shares other than as set out in Schedule 5 and no Azure Group Member is under any obligation to issue or grant, and no person has any right to call for the issue or grant of, any shares, options, warrants, performance rights or other securities or instruments in such Azure Group Member;
- (k) **interest:** the Disclosure Materials set out full details of any company, partnership, trust, joint venture (whether incorporated or unincorporated) or other enterprise in which Azure or another Azure Group Member owns or otherwise holds any interest;
- (l) **Insolvency Event or regulatory action:** no Insolvency Event has occurred in relation to it or another Azure Group Member, nor has any regulatory action of any nature of which it is aware been taken that would reasonably be likely to prevent or restrict its ability to fulfil its obligations under this deed or under the Scheme;
- (m) **compliance:** each member of the Azure Group has complied in all material respects with all Australian and foreign laws and regulations applicable to them and orders of Australian and foreign Government Agencies having jurisdiction over them and there is no judgment, injunction, order or decree binding on any member of the Azure Group that constitutes or would be likely to constitute a Azure Material Adverse Change;
- (n) **material licences:** the Azure Group has all material licences, authorisations and permits necessary for it to conduct the business of the Azure Group as it is being conducted as at the date of this deed, and no member of the Azure Group:
  - (1) is in material breach of, or default under, any such licence, authorisation or permit; or
  - (2) has received any notice in respect of the termination, revocation, variation or non-renewal of any such licence, authorisation or permit;
- (o) **advisers:** it has provided complete and accurate information regarding fee levels in all retainers and mandates with Financial Advisers in relation to the Transactions, any Competing Proposals and any other transaction where such retainer or mandate is current, or under which the Azure Group still has obligations;
- (p) **Disclosure Materials:** it has collated and prepared all of the Disclosure Materials in good faith for the purposes of a due diligence process and in this context, as far as Azure is aware:
  - (1) the Disclosure Materials have been collated with all reasonable care and skill;



- (2) the information contained in the Disclosure Materials is accurate in all material respects;
- (3) the Disclosure Materials do not include information that is misleading in any material respect; and
- (4) no information has been omitted from the Disclosure Materials that, in Azure's reasonable opinion, would render the Disclosure Materials misleading in any material respect, or be material to a reasonable buyer's evaluation of the Azure Group or decision whether to proceed with the Transactions;
- (q) **all information:** it is not aware of any information relating to the Azure Group or its respective businesses or operations (having made reasonable enquiries) as at the date of this deed that has or could reasonably be expected to give rise to a Azure Material Adverse Change that has not been disclosed in an announcement by Azure to ASX or in the Disclosure Materials;
- (r) **no contravention of Corporations Act or Listing Rules:** neither ASIC nor ASX has made a determination against any member of the Azure Group for any contravention of the requirements of the Corporations Act or the Listing Rules or any rules, regulations or regulatory guides under the Corporations Act or the Listing Rules and, as far as Azure is aware, no event has occurred which reasonably could or would reasonably be likely to result in such a determination being made;
- (s) **litigation:** there are no current material actions, suits, arbitrations or legal or administrative proceedings against any member of the Azure Group and, as far as Azure is aware:
- (1) there are no: (i) current, pending or threatened material claims, disputes or demands; or (ii) pending or threatened material actions, suits, arbitrations or legal or administrative proceedings, in each case against any member of the Azure Group; and
- (2) no member of the Azure Group is the specific focus of any material formal investigation by a Government Agency (not being an industry-wide investigation);
- (t) **encumbrances:** other than any Security Interest disclosed in the Disclosure Materials or any Permitted Encumbrance, there is no Security Interest over all or any of the Azure Group's present or future assets or revenues;
- (u) **no Azure Material Adverse Change:** so far as Azure is aware, immediately prior to entry into this deed, no Azure Material Adverse Change has occurred;
- (v) **specific compliance:** as far as Azure is aware:
- (1) each member of the Azure Group and each former or present director, officer, employee, agent or other person acting on behalf of any Azure Group Member has complied in all material respects with all laws and regulations relating to privacy and data protection, labour and employment, anti-money laundering, anti-bribery and anti-corruption in jurisdictions in which the Azure Group operates (**Relevant Laws**);
- (2) Azure has not received notice of any actual or alleged material breach of any Relevant Laws by any Azure Group Member; and
- (3) the Azure Group has effective controls in place to prevent, detect and deter violations of Relevant Laws;
- (w) **Material Contracts:** as far as Azure is aware, no member of the Azure Group is in material default under a Material Contract to which it is a party, and nothing



has occurred which is (or would be following the giving of notice or the lapse of time) an event of default or would give another party a termination right or right to accelerate any material right or obligation under any Material Contract;

- (x) **financial statements:** as far as Azure is aware, there has not been any event, change, effect or development that would require Azure to restate Azure's financial statements as disclosed to ASX, and Azure's financial statements for the financial year ended 30 June 2023:
  - (1) comply with applicable statutory requirements and were prepared in accordance with the Corporations Act, the Accounting Standards and all other applicable laws and regulations; and
  - (2) give a true and fair view of the financial position and the assets and liabilities of the Azure Group; and
- (y) **change of control:** there are no Material Contracts or material leases to which a member of the Azure Group is a party which contain any change of control provisions that will be triggered by implementation of the Transactions.

For personal use only

## Schedule 5

### Azure details

---

Azure Minerals Limited

Security	Total number on issue
Azure Shares	458,679,575
Azure Options	1,500,000 unlisted options exercisable at \$0.65 and expiring on 30 June 2024



## Signing page

### Executed as a deed

---

Signed, sealed and delivered by

**SH Mining Pty Ltd**

by

sign here ►

Director

sign here ►

Director

print name

Jay Newby

print name

Signed, sealed and delivered by

**Sociedad Quimica y Minera de Chile S.A.** in the presence of

Seal

sign here ►

Authorised Signatory

sign here ►

Witness

print name

print name

Signed, sealed and delivered by

**Hancock Prospecting Pty Limited**

by

sign here ►

Company Secretary

sign here ►

Director

print name

Jabez Huang

print name

Jay Newby



HERBERT  
SMITH  
FREEHILLS

## Signing page

Executed as a deed

Signed, sealed and delivered by  
**SH Mining Pty Ltd**  
by

sign here ► \_\_\_\_\_  
Company Secretary/Director

print name \_\_\_\_\_

sign here ► \_\_\_\_\_  
Director

print name MARK FONES

Signed, sealed and delivered by  
**Sociedad Quimica y Minera de  
Chile S.A.** in the presence of

sign here ► \_\_\_\_\_  
Authorised Signatory

print name GERARDO ILLANES

sign here ► \_\_\_\_\_  
Witness

print name GONZALO AEWALDE

Signed, sealed and delivered by  
**Hancock Prospecting Pty  
Limited**  
by

sign here ► \_\_\_\_\_  
Company Secretary/Director

print name \_\_\_\_\_

sign here ► \_\_\_\_\_  
Director

print name \_\_\_\_\_





Signed, sealed and delivered by  
**Azure Minerals Limited**  
by

sign here ►

Company Secretary/Director

print name

Brett Dickson

sign here ►

Director

print name

Anthony Rovira

For personal use only



## Attachment 1

### Indicative Timetable

Event	Date
Execution of this deed	19 December 2023
Azure submits draft Transaction Booklet to ASIC	Late January 2024
BidCo to execute Deed Poll	Mid February 2024
First Court Date for Scheme	Mid February 2024
Transaction Booklet sent to Azure Shareholders	Mid February 2024
Offer Period commences	Mid February 2024
General Meeting	Mid March 2024
Scheme Meeting	Mid March 2024
If the Scheme is approved by Azure Shareholders	
Second Court Date	Mid to late March 2024
Effective Date	Mid to late March 2024
Scheme Record Date	Mid to late March 2024
Implementation Date	Late March to early April 2024
If Azure Shareholders, or the Court, does not approve the Scheme	



HERBERT  
SMITH  
FREEHILLS

Offer Period closes

At least 20 Business Days after  
the date of the Scheme Meeting

---

For personal use only



## Attachment 2

### Scheme of arrangement

---

Attached.

For personal use only



HERBERT  
SMITH  
FREEHILLS

Execution Version

# Scheme of Arrangement

---

Azure Minerals Limited

Scheme Shareholders



## Scheme of arrangement

This scheme of arrangement is made under section 411 of the *Corporations Act 2001* (Cth)

Between the parties

Azure

**Azure Minerals Limited**

ACN 106 346 918 of Level 1, 34 Colin Street, West Perth WA 6005, Australia

Scheme  
Shareholders

Each Azure Shareholder as at the Scheme Record Date (other than the Excluded Shareholders)

## 1 Definitions, interpretation and scheme components

---

### 1.1 Definitions

Schedule 1 contains the definitions used in this Scheme.

### 1.2 Interpretation

Schedule 1 contains interpretation rules for this Scheme.

### 1.3 Scheme components

This Scheme includes any schedule to it.

## 2 Preliminary matters

---

- (a) Azure is a public company limited by shares, registered in Western Australia, Australia, and has been admitted to the official list of the ASX. Azure Shares are quoted for trading on the ASX.
- (b) SQM Parent is a company incorporated under the laws of Chile.
- (c) Hancock Parent is an unlisted company limited by shares registered in Western Australia.
- (d) BidCo is an unlisted company limited by shares registered in Western Australia. BidCo is owned by SQM and Hancock.
- (e) If this Scheme becomes Effective:



- (1) BidCo must provide, and SQM Parent and Hancock Parent must procure that BidCo provides, the Scheme Consideration to the Scheme Shareholders in accordance with the terms of this Scheme and the Deed Poll; and
  - (2) all the Scheme Shares, and all the rights and entitlements attaching to them as at the Implementation Date, must be transferred to BidCo and Azure will enter the name of BidCo in the Share Register in respect of the Scheme Shares in accordance with the terms of this Scheme and the Deed Poll.
- (f) Azure and BidCo have agreed, by executing the Implementation Deed, to implement this Scheme.
- (g) This Scheme attributes actions to SQM Parent, Hancock Parent and BidCo but does not itself impose an obligation on them to perform those actions. SQM Parent, Hancock Parent and BidCo have agreed, by executing the Deed Poll, to perform the actions attributed to them under this Scheme, including the provision or procuring the provision of the Scheme Consideration to the Scheme Shareholders.

## 3 Conditions

---

### 3.1 Conditions precedent

This Scheme is conditional on and will have no force or effect until, the satisfaction of each of the following conditions precedent:

- (a) all the conditions in clause 3.1 of the Implementation Deed (other than the condition in the Implementation Deed relating to Court approval of this Scheme) having been satisfied or waived in accordance with the terms of the Implementation Deed by 8.00am on the Second Court Date;
- (b) neither the Implementation Deed nor the Deed Poll having been terminated in accordance with their terms before 8.00am on the Second Court Date;
- (c) approval of this Scheme by the Court under paragraph 411(4)(b) of the Corporations Act, including with any alterations made or required by the Court under subsection 411(6) of the Corporations Act and agreed to by BidCo and Azure;
- (d) such other conditions made or required by the Court under subsection 411(6) of the Corporations Act in relation to this Scheme and agreed to by BidCo and Azure having been satisfied or waived; and
- (e) the orders of the Court made under paragraph 411(4)(b) (and, if applicable, subsection 411(6)) of the Corporations Act approving this Scheme coming into effect, pursuant to subsection 411(10) of the Corporations Act on or before the End Date (or any later date Azure and BidCo agree in writing).

### 3.2 Certificate

- (a) Azure and BidCo will provide to the Court on the Second Court Date a certificate, or such other evidence as the Court requests, confirming (in respect of matters within their knowledge) whether or not all of the conditions precedent in clauses 3.1(a) and 3.1(b) have been satisfied or waived.





- (b) The certificate referred to in clause 3.2(a) constitutes conclusive evidence that such conditions precedent were satisfied, waived or taken to be waived.

## 4 Scheme

---

### 4.1 Effective Date

Subject to clause 4.2, this Scheme will take effect on and from the Effective Date.

### 4.2 End Date

This Scheme will lapse and be of no further force or effect if:

- (a) the Effective Date does not occur on or before the End Date;
- (b) a party terminates the Scheme Transaction under clause 3.6(b)(1) of the Implementation Deed;
- (c) BidCo gives a written notice to Azure under clause 3.6(d) of the Implementation Deed; or
- (d) the Implementation Deed or the Deed Poll is terminated in accordance with its terms,

unless Azure and BidCo otherwise agree in writing.

## 5 Implementation of this Scheme

---

### 5.1 Lodgement of Court orders with ASIC

If the conditions precedent set out in clause 3.1 (other than the condition precedent in clause 3.1(e)) have been satisfied or waived, Azure must lodge with ASIC, in accordance with subsection 411(10) of the Corporations Act, an office copy of the Court order approving this Scheme as soon as possible after the Court approves this Scheme and in any event by 5.00pm on the first Business Day after the day on which the Court approves this Scheme.

### 5.2 Transfer of Scheme Shares

On the Implementation Date:

- (a) subject to the provision of the Scheme Consideration in the manner contemplated by clauses 6.1(b) and 6.1(c), the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at the Implementation Date, will be transferred to BidCo, without the need for any further act by any Scheme Shareholder (other than acts performed by Azure as attorney and agent for Scheme Shareholders under clause 9.5), by:
  - (1) Azure delivering to BidCo a duly completed Scheme Transfer, executed on behalf of the Scheme Shareholders by Azure, for registration; and



- (2) BidCo duly executing the Scheme Transfer, attending to the stamping of the Scheme Transfer (if required) and delivering it to Azure for registration; and
- (b) immediately following receipt of the Scheme Transfer in accordance with clause 5.2(a)(2), but subject to the stamping of the Scheme Transfer (if required), Azure must enter, or procure the entry of, the name of BidCo in the Share Register in respect of all the Scheme Shares transferred to BidCo in accordance with this Scheme.

## 6 Scheme Consideration

---

### 6.1 Provision of Scheme Consideration

- (a) BidCo must, by no later than the Business Day before the Implementation Date, deposit, or procure the deposit, in cleared funds an amount equal to the aggregate amount of the Scheme Consideration payable to all Scheme Shareholders, into an Australian dollar denominated trust account with an ADI operated by Azure as trustee for the Scheme Shareholders (provided that any interest on the amounts deposited (less bank fees and other charges) will be credited to BidCo's account).
- (b) On the Implementation Date, subject to funds having been deposited in accordance with clause 6.1(a), Azure must pay or procure the payment of the Scheme Consideration to each Scheme Shareholder from the trust account referred to in clause 6.1(a).
- (c) The obligations of Azure under clause 6.1(b) will be satisfied by Azure (in its absolute discretion, and despite any election referred to in clause 6.1(c)(1) or authority referred to in clause 6.1(c)(2) made or given by the Scheme Shareholder):
  - (1) if a Scheme Shareholder has, before the Scheme Record Date, made a valid election in accordance with the requirements of the Azure Registry to receive dividend payments from Azure by electronic funds transfer to a bank account nominated by the Scheme Shareholder, paying, or procuring the payment of, the relevant amount in Australian currency by electronic means in accordance with that election;
  - (2) paying, or procuring the payment of, the relevant amount in Australian currency by electronic means to a bank account nominated by the Scheme Shareholder by an appropriate authority from the Scheme Shareholder to Azure; or
  - (3) dispatching, or procuring the dispatch of, a cheque for the relevant amount in Australian currency to the Scheme Shareholder by prepaid post to their Registered Address (as at the Scheme Record Date), such cheque being drawn in the name of the Scheme Shareholder (or in the case of joint holders, in accordance with the procedures set out in clause 6.2).
- (d) To the extent that, following satisfaction of Azure's obligations under clause 6.1(b), there is a surplus in the amount held by Azure as trustee for the Scheme Shareholders in the trust account referred to in that clause, that surplus may be paid by Azure to BidCo.



## 6.2 Joint holders

In the case of Scheme Shares held in joint names:

- (a) subject to clause 6.1(c), the Scheme Consideration is payable to the joint holders and any cheque required to be sent under this Scheme will be made payable to the joint holders and sent to either, at the sole discretion of Azure, the holder whose name appears first in the Share Register as at the Scheme Record Date or to the joint holders; and
- (b) any other document required to be sent under this Scheme, will be forwarded to either, at the sole discretion of Azure, the holder whose name appears first in the Share Register as at the Scheme Record Date or to the joint holders.

## 6.3 Unclaimed monies

- (a) Azure may cancel a cheque issued under this clause 6 if the cheque:
  - (1) is returned to Azure; or
  - (2) has not been presented for payment within six 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 Azure (or the Azure Registry) (which request may not be made until the date which is 20 Business Days after the Implementation Date), Azure must reissue a cheque that was previously cancelled under this clause 6.3.
- (c) The *Unclaimed Money Act 1990* (WA) will apply in relation to any Scheme Consideration which becomes 'unclaimed money' (as defined in section 6 of the *Unclaimed Money Act 1990* (WA)).

## 6.4 Orders of a court or Government Agency

If written notice is given to Azure (or the Azure Registry) or BidCo of an order or direction made by a court of competent jurisdiction or by another Government Agency that:

- (a) 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 Azure in accordance with this clause 6, then Azure shall be entitled to procure that provision of that consideration is made in accordance with that order or direction; or
- (b) prevents Azure from providing consideration to any particular Scheme Shareholder in accordance with this clause 6, or the payment or issuance of such consideration is otherwise prohibited by applicable law, Azure shall be entitled to retain an amount, in Australian dollars, equal to the number of Scheme Shares held by that Scheme Shareholder multiplied by the Scheme Consideration until such time as the provision of the Scheme Consideration in accordance with this clause 6 is permitted by that (or another) order or direction or otherwise by law.



## 7 Dealings in Azure Shares

---

### 7.1 Determination of Scheme Shareholders

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

- (a) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Share Register as the holder of the relevant Azure Shares on or before the Scheme Record Date; and
- (b) in all other cases, registrable transfer or transmission applications in respect of those dealings, or valid requests in respect of other alterations, are received on or before the Scheme Record Date at the place where the Share Register is kept,

and Azure must not accept for registration, nor recognise for any purpose (except a transfer to BidCo pursuant to this Scheme and any subsequent transfer by BidCo or its successors in title), any transfer or transmission application or other request received after such times, or received prior to such times but not in registrable or actionable form, as appropriate.

### 7.2 Register

- (a) Azure must register registrable transmission applications or transfers of the Scheme Shares that are received in accordance with clause 7.1(b) on or before the Scheme Record Date provided that, for the avoidance of doubt, nothing in this clause 7.2(a) requires Azure to register a transfer that would result in an Azure Shareholder holding a parcel of Azure Shares that is less than a 'marketable parcel' (for the purposes of this clause 7.2(a) 'marketable parcel' has the meaning given in the Operating Rules).
- (b) If this Scheme becomes Effective, a holder of Scheme Shares (and any person claiming through that holder) must not dispose of, or purport or agree to dispose of, any Scheme Shares or any interest in them after the Scheme Record Date otherwise than pursuant to this Scheme, and any attempt to do so will have no effect and Azure shall be entitled to disregard any such disposal.
- (c) For the purpose of determining entitlements to the Scheme Consideration, Azure must maintain the Share Register in accordance with the provisions of this clause 7.2 until the Scheme Consideration has been paid to the Scheme Shareholders. The Share Register in this form will solely determine entitlements to the Scheme Consideration.
- (d) Subject to the provision of the Scheme Consideration in the manner contemplated by clauses 6.1(b) and 6.1(c), and the registration of the transfer to BidCo contemplated in clause 5.2(b), all statements of holding for Azure Shares (other than statements of holding in favour of BidCo or any Excluded Shareholders) will cease to have effect after the Scheme Record Date as documents of title in respect of those shares and, as from that date, each entry current at that date on the Share Register (other than entries on the Share Register in respect of BidCo or any Excluded Shareholder) will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of the Azure Shares relating to that entry.
- (e) As soon as possible on or after the Scheme Record Date, and in any event by 5.00pm on the first Business Day after the Scheme Record Date, Azure will ensure that details of the names, Registered Addresses and holdings of Azure



Shares for each Scheme Shareholder as shown in the Share Register are available to BidCo in the form BidCo reasonably requires.

## 8 Quotation of Azure Shares

---

- (a) Azure must apply to ASX to suspend trading on the ASX in Azure Shares with effect from the close of trading on the Effective Date.
- (b) On a date after the Implementation Date to be determined by BidCo, Azure must apply:
  - (1) for termination of the official quotation of Azure Shares on the ASX; and
  - (2) to have itself removed from the official list of the ASX.

## 9 General Scheme provisions

---

### 9.1 Consent to amendments to this Scheme

If the Court proposes to approve this Scheme subject to any alterations or conditions:

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

### 9.2 Scheme Shareholders' agreements and warranties

- (a) Each Scheme Shareholder:
  - (1) agrees to the transfer of their Azure Shares together with all rights and entitlements attaching to those Azure Shares in accordance with this Scheme;
  - (2) agrees to the variation, cancellation or modification of the rights attached to their Azure Shares constituted by or resulting from this Scheme;
  - (3) agrees to, on the direction of BidCo, destroy any holding statements or share certificates relating to their Azure Shares;
  - (4) who holds their Azure Shares in a CHESS Holding agrees to the conversion of those Azure Shares to an Issuer Sponsored Holding and irrevocably authorises Azure to do anything necessary or expedient (whether required by the Settlement Rules or otherwise) to effect or facilitate such conversion;
  - (5) acknowledges and agrees that this Scheme binds Azure and all Scheme Shareholders (including those who do not attend the Scheme Meeting and those who do not vote, or vote against this Scheme, at the Scheme Meeting); and
  - (6) consents to Azure and BidCo doing all things and 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.

- (b) Each Scheme Shareholder is taken to have warranted to Azure and BidCo on the Implementation Date, and appointed and authorised Azure as its attorney and agent to warrant to BidCo on the Implementation Date, that all their Azure Shares (including any rights and entitlements attaching to those shares) which are transferred under this Scheme will, at the date of transfer, be fully paid and free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind, and that they have full power and capacity to transfer their Azure Shares to BidCo together with any rights and entitlements attaching to those shares. Azure undertakes that it will provide such warranty to BidCo as agent and attorney of each Scheme Shareholder.

### 9.3 Title to and rights in Scheme Shares

- (a) To the extent permitted by law, the Scheme Shares (including all rights and entitlements attaching to the Scheme Shares) transferred under this Scheme to BidCo will, at the time of transfer of them to BidCo vest in BidCo free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise and free from any restrictions on transfer of any kind.
- (b) Immediately upon the provision of the Scheme Consideration to each Scheme Shareholder in the manner contemplated by clauses 6.1(b) and 6.1(c), BidCo will be beneficially entitled to the Scheme Shares to be transferred to it under this Scheme pending registration by Azure of BidCo in the Share Register as the holder of the Scheme Shares.

### 9.4 Appointment of sole proxy

Immediately upon the provision of the Scheme Consideration to each Scheme Shareholder in the manner contemplated by clauses 6.1(b) and 6.1(c), and until Azure registers BidCo as the holder of all Scheme Shares in the Share Register, each Scheme Shareholder:

- (a) is deemed to have appointed BidCo as attorney and agent (and directed BidCo in each such capacity) to appoint any director, officer, secretary or agent nominated by BidCo as its sole proxy and, where applicable or appropriate, corporate representative to attend shareholders' meetings, exercise the votes attaching to the Scheme Shares registered in their name and sign any shareholders' resolution or document;
- (b) must not attend or vote at any of those meetings or sign any resolutions, whether in person, by proxy or by corporate representative (other than pursuant to clause 9.4(a));
- (c) must take all other actions in the capacity of a registered holder of Scheme Shares as BidCo reasonably directs; and
- (d) acknowledges and agrees that in exercising the powers referred to in clause 9.4(a), BidCo and any director, officer, secretary or agent nominated by BidCo under clause 9.4(a) may act in the best interests of BidCo as the intended registered holder of the Scheme Shares.



## 9.5 Authority given to Azure

Each Scheme Shareholder, without the need for any further act:

- (a) on the Effective Date, irrevocably appoints Azure and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purpose of enforcing the Deed Poll against SQM Parent, Hancock Parent and BidCo, and Azure undertakes in favour of each Scheme Shareholder that it will enforce the Deed Poll against SQM Parent, Hancock Parent and BidCo on behalf of and as agent and attorney for each Scheme Shareholder; and
- (b) on the Implementation Date, irrevocably appoints Azure and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purpose of executing any document or doing or taking any other act necessary, desirable or expedient to give effect to this Scheme and the transactions contemplated by it, including (without limitation) executing the Scheme Transfer,

and Azure accepts each such appointment. Azure as attorney and agent of each Scheme Shareholder, may sub-delegate its functions, authorities or powers under this clause 9.5 to all or any of its directors, officers, secretaries or employees (jointly, severally or jointly and severally).

## 9.6 Binding effect of Scheme

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

## 10 General

---

### 10.1 Stamp duty

BidCo must, and each of SQM Parent and Hancock Parent unconditionally and irrevocably guarantees the obligation of BidCo to:

- (a) pay all stamp duty, registration fees and similar taxes payable or assessed as being payable (and any related fines and penalties) in respect of this Scheme and the Deed Poll, the performance of the Deed Poll and each transaction effected by or made under or in connection with this Scheme and the Deed Poll; and
- (b) indemnify each Scheme Shareholder against, and agrees to reimburse and compensate each Scheme Shareholder for, any liability arising from failure to comply with clause 10.1(a).

### 10.2 Consent

Each of the Scheme Shareholders consents to Azure doing all things necessary or incidental to, or to give effect to, the implementation of this Scheme, whether on behalf of the Scheme Shareholders, Azure or otherwise.





### **10.3 Notices**

- (a) If a notice, transfer, transmission application, direction or other communication referred to in this Scheme is sent by post to Azure, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at Azure's registered office or at the office of the Azure Registry.
- (b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such notice by an Azure Shareholder will not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

### **10.4 Governing law**

- (a) This Scheme is governed by the laws in force in Western Australia.
- (b) The parties irrevocably submit to the non-exclusive jurisdiction of courts exercising jurisdiction in Western Australia and courts of appeal from them in respect of any proceedings arising out of or in connection with this Scheme. The parties irrevocably waive any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

### **10.5 Further action**

Azure must do all things and execute all documents necessary to give full effect to this Scheme and the transactions contemplated by it.

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

Each Scheme Shareholder agrees that neither Azure, SQM Parent, Hancock Parent nor BidCo nor any director, officer, secretary or employee of any of those companies shall be liable for anything done or omitted to be done in the performance of this Scheme or the Deed Poll in good faith.



## Schedule 1

### Definitions and interpretation

---

#### 1 Definitions

---

The meanings of the terms used in this Scheme are set out below.

Term	Meaning
<b>ADI</b>	authorised deposit-taking institution (as defined in the <i>Banking Act 1959</i> (Cth)).
<b>ASIC</b>	the Australian Securities and Investments Commission.
<b>ASX</b>	ASX Limited (ABN 98 008 624 691) and, where the context requires, the financial market that it operates.
<b>Azure</b>	Azure Minerals Limited (ACN 106 346 918) of Level 1, 34 Colin Street, West Perth WA 6005, Australia.
<b>Azure Registry</b>	Computershare Investor Services Pty Limited.
<b>Azure Share</b>	a fully paid ordinary share in the capital of Azure.
<b>Azure Shareholder</b>	each person who is registered as the holder of an Azure Share in the Share Register.
<b>BidCo</b>	SH Mining Pty Ltd (ACN 673 729 872) of Level 3, 28-42 Ventnor Avenue, West Perth WA 6005, Australia.
<b>Business Day</b>	a day that is not a Saturday, Sunday or public holiday or bank holiday in Perth, Australia or Santiago, Chile.
<b>CHESS</b>	the Clearing House Electronic Subregister System operated by ASX Settlement Pty Ltd and ASX Clear Pty Limited.



Term	Meaning
<b>CHESS Holding</b>	has the meaning given in the Settlement Rules.
<b>Corporations Act</b>	the <i>Corporations Act 2001</i> (Cth).
<b>Court</b>	the Supreme Court of Western Australia, or such other court of competent jurisdiction under the Corporations Act agreed to in writing by BidCo and Azure.
<b>Deed Poll</b>	the deed poll substantially in the form of Attachment 1 under which SQM Parent, Hancock Parent and BidCo each covenants in favour of the Scheme Shareholders to perform the obligations attributed to SQM Parent, Hancock Parent and BidCo under this Scheme.
<b>Effective</b>	when used in relation to this Scheme, the coming into effect, under subsection 411(10) of the Corporations Act, of the Court order made under paragraph 411(4)(b) of the Corporations Act in relation to this Scheme.
<b>Effective Date</b>	the date on which this Scheme becomes Effective.
<b>End Date</b>	the date that is 6 months after the date of execution of the Implementation Deed, or such other date as agreed in writing by BidCo and Azure.
<b>Excluded Shareholder</b>	<ol style="list-style-type: none"><li>1 any Azure Shareholder who is a SQM Group Member or any Azure Shareholder who holds any Azure Shares on behalf of, or for the benefit of, any SQM Group Member and does not hold Azure Shares on behalf of, or for the benefit of, any other person;</li><li>2 any Azure Shareholder who is a Hancock Group Member or any Azure Shareholder who holds any Azure Shares on behalf of, or for the benefit of, any Hancock Group Member and does not hold Azure Shares on behalf of, or for the benefit of, any other person; and</li><li>3 BidCo.</li></ol>
<b>Government Agency</b>	any foreign or Australian government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity (including any stock or other securities exchange), or any minister of the Crown in right of the Commonwealth of Australia or any state, or any other federal, state, provincial, local or other government, whether foreign or Australian.



Term	Meaning
<b>Hancock</b>	Hanrine Future Metals Pty Ltd (ACN 672 197 723) of Level 3 HPPL House, 28-42 Ventnor Avenue, West Perth WA 6005, Australia.
<b>Hancock Group</b>	Hancock Parent, Hancock and each of Hancock Parent's Subsidiaries, and a reference to a <b>Hancock Group Member</b> or a <b>member of the Hancock Group</b> is to Hancock Parent, Hancock or any of Hancock Parent's Subsidiaries.
<b>Hancock Parent</b>	Hancock Prospecting Pty Limited (ACN 008 676 417) of Level 3, 28-42 Ventnor Avenue, West Perth WA 6005, Australia.
<b>Implementation Date</b>	the third Business Day after the Scheme Record Date, or such other date after the Scheme Record Date as agreed in writing by Azure and BidCo.
<b>Implementation Deed</b>	the transaction implementation deed dated 19 December 2023 between Azure, SQM Parent, Hancock Parent and BidCo relating to, among other things, the implementation of this Scheme.
<b>Issuer Sponsored Holding</b>	has the meaning given in the Settlement Rules.
<b>Listing Rules</b>	the official listing rules of ASX.
<b>Operating Rules</b>	the official operating rules of ASX.
<b>Registered Address</b>	in relation to an Azure Shareholder, the address shown in the Share Register as at the Scheme Record Date.
<b>Scheme</b>	this scheme of arrangement under Part 5.1 of the Corporations Act between Azure and the Scheme Shareholders subject to any alterations or conditions made or required by the Court under subsection 411(6) of the Corporations Act and agreed to in writing by Azure and BidCo.
<b>Scheme Consideration</b>	for each Azure Share held by a Scheme Shareholder as at the Scheme Record Date, an amount of \$3.70, subject to the terms of this Scheme.



Term	Meaning
<b>Scheme Meeting</b>	the meeting of the Azure Shareholders (other than Excluded Shareholders) ordered by the Court to be convened under subsection 411(1) of the Corporations Act to consider and vote on this Scheme and includes any meeting convened following any adjournment or postponement of that meeting.
<b>Scheme Record Date</b>	7.00pm on the second Business Day after the Effective Date or such other time and date as the parties agree in writing.
<b>Scheme Shares</b>	all Azure Shares held by the Scheme Shareholders as at the Scheme Record Date.
<b>Scheme Shareholder</b>	a holder of Azure Shares recorded in the Share Register as at the Scheme Record Date (other than an Excluded Shareholder).
<b>Scheme Transaction</b>	the acquisition of the Scheme Shares by BidCo through implementation of this Scheme in accordance with the terms of the Implementation Deed.
<b>Scheme Transfer</b>	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 BidCo as transferee, which may be a master transfer of all or part of the Scheme Shares.
<b>Second Court Date</b>	the first day on which an application made to the Court for an order under paragraph 411(4)(b) of the Corporations Act approving this Scheme is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application or appeal is heard.
<b>Settlement Rules</b>	the ASX Settlement Operating Rules, being the official operating rules of the settlement facility provided by ASX Settlement Pty Ltd.
<b>Share Register</b>	the register of members of Azure maintained by Azure or the Azure Registry in accordance with the Corporations Act.
<b>SQM</b>	SQM Australia Pty Ltd (ACN 621 414 659) of c/- TMF Corporate Services (Aust) Pty Limited, Level 11, 66 Goulburn Street, Sydney NSW 2000, Australia.



Term	Meaning
<b>SQM Group</b>	SQM Parent, SQM and each of SQM Parent's Subsidiaries and a reference to a <b>SQM Group Member</b> or a <b>member of the SQM Group</b> is to SQM Parent, SQM or any of SQM Parent's Subsidiaries.
<b>SQM Parent</b>	Sociedad Quimica y Minera de Chile S.A., being a company incorporated under the laws of Chile of El Trovador 4285, Las Condes, Santiago, 7550079, Chile.
<b>Subsidiary</b>	has the meaning given in Division 6 of Part 1.2 of the Corporations Act.

## 2 Interpretation

In this Scheme:

- (a) headings and bold type are for convenience only and do not affect the interpretation of this Scheme;
- (b) the singular includes the plural and the plural includes the singular;
- (c) words of any gender include all genders;
- (d) other parts of speech and grammatical forms of a word or phrase defined in this Scheme have a corresponding meaning;
- (e) a reference to a person includes any company, partnership, joint venture, association, corporation or other body corporate and any Government Agency as well as an individual;
- (f) a reference to a clause, party, schedule, attachment or exhibit is a reference to a clause of, and a party, schedule, attachment or exhibit to, this Scheme;
- (g) a reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or reenactments of any of them (whether passed by the same or another Government Agency with legal power to do so);
- (h) a reference to a document (including this Scheme) includes all amendments or supplements to, or replacements or novations of, that document;
- (i) a reference to '\$', 'A\$' or 'dollar' is to Australian currency;
- (j) a reference to any time is, unless otherwise indicated, a reference to that time in Perth, Western Australia;
- (k) a term defined in or for the purposes of the Corporations Act, and which is not defined in clause 1 of this Schedule 1, has the same meaning when used in this Scheme;
- (l) a reference to a party to a document includes that party's successors and permitted assignees;
- (m) no provision of this Scheme will be construed adversely to a party because that party was responsible for the preparation of this Scheme or that provision;



- (n) any agreement, representation, warranty or indemnity in favour of two or more parties (including where two or more persons are included in the same defined term) is for the benefit of them jointly and severally;
- (o) a reference to a body, other than a party to this Scheme (including an institute, association or authority), whether statutory or not:
- (1) which ceases to exist; or
  - (2) whose powers or functions are transferred to another body,
- is a reference to the body which replaces it or which substantially succeeds to its powers or functions;
- (p) if a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;
- (q) a reference to a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;
- (r) if an act prescribed under this Scheme to be done by a party on or by a given day is done after 5.00pm on that day, it is taken to be done on the next day; and
- (s) a reference to the Listing Rules, Operating Rules or the Settlement Rules includes any variation, consolidation or replacement of these rules and is to be taken to be subject to any waiver or exemption granted to the compliance of those rules by a party.

### 3 Interpretation of inclusive expressions

---

Specifying anything in this Scheme after the words 'include' or 'for example' or similar expressions does not limit what else is included.

### 4 Business Day

---

Where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the next Business Day.





HERBERT  
SMITH  
FREEHILLS

## Attachment 3

### Deed poll

---

Attached.

For personal use only



HERBERT  
SMITH  
FREEHILLS

Execution Version

## Scheme Deed Poll

---



## Scheme Deed Poll

---

Date ►

This deed poll is made:

---

By

**SH Mining Pty Ltd**

ACN 673 729 872 of Level 3, 28-42 Ventnor Avenue, West Perth WA 6005, Australia

**(BidCo)**

**Sociedad Quimica y Minera de Chile S.A.**

a company incorporated under the laws of Chile of El Trovador 4285, Las Condes, Santiago, 7550079, Chile.

**(SQM Parent)**

and

**Hancock Prospecting Pty Limited**

ACN 008 676 417 of Level 3, 28-42 Ventnor Avenue, West Perth WA 6005, Australia

**(Hancock Parent)**

in favour of

each person registered as a holder of fully paid ordinary shares in Azure Minerals Limited (ACN 106 346 918) (**Azure**) in the Share Register as at the Scheme Record Date (other than the Excluded Shareholders).

Recitals

- 1 SQM Parent, Hancock Parent, BidCo and Azure entered into the Implementation Deed.
- 2 In the Implementation Deed, SQM Parent, Hancock Parent and BidCo agreed to make this deed poll.
- 3 BidCo is making this deed poll for the purpose of covenanting in favour of the Scheme Shareholders to perform its obligations under the Implementation Deed and the Scheme.
- 4 SQM Parent and Hancock Parent are making this deed poll for the purposes of covenanting in favour of the Scheme Shareholders to:
  - procure that BidCo performs its financial obligations under the Implementation Deed and the Scheme; and
  - guarantee the due and punctual performance of BidCo of all of its financial obligations under the Implementation Deed and the Scheme.



---

This deed poll provides as follows:

---

## 1 Definitions and interpretation

---

### 1.1 Definitions

- (a) Unless the context otherwise requires, terms defined in the Scheme have the same meaning when used in this deed poll.
- (b) The meanings of the terms used in this deed poll are set out below.

Term	Meaning
<b>First Court Date</b>	the first day on which an application made to the Court for an order under subsection 411(1) of the Corporations Act convening the Scheme Meeting is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard.
<b>Implementation Deed</b>	the transaction implementation deed entered into between SQM Parent, Hancock Parent, BidCo and Azure dated 19 December 2023.
<b>Joint Bidding Deed</b>	the Joint Bidding Deed entered into between SQM Australia Pty Ltd, SQM Parent, Hanrine Future Metals Pty Ltd, Hancock Parent and BidCo dated 19 December 2023.
<b>Non-Participating Joint Bidder</b>	has the meaning given in the Joint Bidding Deed.
<b>Parent Company</b>	means SQM Parent or Hancock Parent as applicable.
<b>Participating Joint Bidder</b>	has the meaning given in the Joint Bidding Deed.
<b>Scheme</b>	the scheme of arrangement under Part 5.1 of the Corporations Act between Azure and the Scheme Shareholders, substantially in the form set out in Attachment 1, subject to any alterations or conditions made or required by the Court under subsection 411(6) of the Corporations Act and agreed to in writing by BidCo and Azure.



## 1.2 Interpretation

Sections 2, 3 and 4 of Schedule 1 of the Scheme apply to the interpretation of this deed poll, except that references to 'this Scheme' are to be read as references to 'this deed poll'.

## 1.3 Nature of deed poll

SQM Parent, Hancock Parent and BidCo each acknowledge 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 Azure and each of its directors, officers and secretaries (jointly and each of them severally) as its agent and attorney to enforce this deed poll against SQM Parent, Hancock Parent and BidCo.

## 1.4 Joint bidding arrangements

- (a) Each party to this deed poll agrees that, following the provision of a notice under clause 2.8(a)(2) of the Implementation Deed:
  - (1) the Parent Company of the Non-Participating Joint Bidder will be released from its obligations and liabilities (including the guarantees and indemnities) under this deed poll, except for any obligations and liabilities of the Parent Company of the Non-Participating Joint Bidder which accrue prior to the date that the Joint Bidding Deed is terminated pursuant to clause 8.1(b)(1) or 8.1(b)(2) of that deed;
  - (2) all references to SQM Parent, Hancock Parent or both of them are to be read as references to Parent Company of the Participating Joint Bidder only; and
  - (3) all references to the Parent Company of the Non-Participating Joint Bidder are deemed to be deleted from this deed.
- (b) For the avoidance of doubt, nothing in this clause 1.4 affects the rights and obligations of BidCo under this deed poll.

## 2 Conditions to obligations

---

### 2.1 Conditions

This deed poll and the obligations of SQM Parent, Hancock Parent and BidCo under this deed poll are subject to the Scheme becoming Effective.

### 2.2 Termination

The obligations of SQM Parent, Hancock Parent and BidCo under this deed poll to the Scheme Shareholders will automatically terminate and the terms of this deed poll will be of no force or effect if:

- (a) a party terminates the Scheme Transaction under clause 3.6(b)(1) of the Implementation Deed;



- (b) BidCo gives a written notice to Azure under clause 3.6(d) of the Implementation Deed;
  - (c) the Implementation Deed is terminated in accordance with its terms; or
  - (d) the Scheme is not Effective on or before the End Date,
- unless SQM Parent, Hancock Parent, BidCo and Azure otherwise agree in writing.

### **2.3 Consequences of termination**

If this deed poll terminates under clause 2.2, in addition and without prejudice to any other rights, powers or remedies available to it:

- (a) each of SQM Parent, Hancock Parent and BidCo are released from their obligations to further perform this deed poll except those obligations contained in clause 7.1; and
- (b) each Scheme Shareholder retains the rights, powers and remedies they have against SQM Parent, Hancock Parent and BidCo in respect of any breach of this deed poll which occurred before it was terminated.

## **3 Scheme obligations**

---

### **3.1 Undertaking to pay Scheme Consideration**

Subject to clause 2, BidCo undertakes in favour of each Scheme Shareholder to:

- (a) deposit, or procure the deposit of, in cleared funds, by no later than the Business Day before the Implementation Date, an amount equal to the aggregate amount of the Scheme Consideration payable to all Scheme Shareholders under the Scheme into an Australian dollar denominated trust account operated by Azure as trustee for the Scheme Shareholders, except that any interest on the amounts deposited (less bank fees and other charges) will be credited to BidCo's account; and
- (b) undertake all other actions, and give each acknowledgement, representation and warranty (if any), attributed to it under the Scheme,

subject to and in accordance with the terms of the Scheme.

### **3.2 Guarantee**

- (a) Subject to clause 2, each of SQM Parent and Hancock Parent undertakes in favour of each Scheme Shareholder to guarantee the due and punctual performance of BidCo of:
  - (1) its obligations under clauses 3.1(a) and 7.1 of this deed poll; and
  - (2) all of its financial obligations under the Scheme.
- (b) Subject to clause 1.4, the liability of each of SQM Parent and Hancock Parent under this clause 3.2:
  - (1) is several, and not joint or joint and several; and
  - (2) is limited to an amount equal to 50% of the loss or liability incurred by Scheme Shareholders under clause 3.2(a); and



- (3) is not affected by anything which, but for this clause 3.2(b), might operate to release or exonerate SQM Parent or Hancock Parent or both of them in whole or in part from their obligations.

## 4 Warranties

---

Each of SQM Parent, Hancock Parent and BidCo represents and warrants in favour of each Scheme Shareholder, in respect of itself, that:

- (a) it is a corporation validly existing under the laws of its place of registration;
- (b) it has the corporate power to enter into and perform its obligations under this deed poll and to carry out the transactions contemplated by this deed poll;
- (c) it has taken all necessary corporate action to authorise its entry into this deed poll and has taken or will take all necessary corporate action to authorise the performance of this deed poll and to carry out the transactions contemplated by this deed poll;
- (d) this deed poll is valid and binding on it and enforceable against it in accordance with its terms;
- (e) this deed poll does not conflict with, or result in the breach of or default under, any provision of its constitution, or any writ, order or injunction, judgment, law, rule or regulation to which it is a party or subject or by which it is bound; and
- (f) no Insolvency Event (as that term is defined in the Implementation Deed) has occurred in relation to it.

## 5 Continuing obligations

---

This deed poll is irrevocable and, subject to clause 2, remains in full force and effect until:

- (a) SQM Parent, Hancock Parent and BidCo have fully performed their obligations under this deed poll; or
- (b) the earlier termination of this deed poll under clause 2.

## 6 Notices

---

### 6.1 Form of Notice

A notice or other communication in respect of this deed poll (**Notice**) must be:

- (a) in writing and in English and signed by or on behalf of the sending party; and
- (b) addressed to a party to this deed poll (**Addressee**) in accordance with the details set out below (or any alternative details nominated by the Addressee by Notice).

**BidCo**

---





---

<b>Attention</b>	Mark Fones (with a copy to Luis Bravo) and Company Secretary, Hancock Prospecting Pty Limited
------------------	---

<b>Address</b>	Level 3, 28-42 Ventnor Avenue, West Perth WA 6005, Australia
----------------	--

<b>Email address</b>	<a href="mailto:mark.fones@sqm.com">mark.fones@sqm.com</a> (with a copy to <a href="mailto:luis.bravo@sqm.com">luis.bravo@sqm.com</a> ) and <a href="mailto:cosec@hancockprospecting.com.au">cosec@hancockprospecting.com.au</a>
----------------------	--

---

---

**SQM Parent**

---

<b>Attention</b>	Mark Fones (with a copy to Luis Bravo)
------------------	--

<b>Address</b>	El Trovador 4285, Las Condes, Santiago, 7550079, Chile
----------------	--

<b>Email address</b>	mark.fones@sqm.com (with a copy to luis.bravo@sqm.com)
----------------------	--

---

---

**Hancock Parent**

---

<b>Attention</b>	Company Secretary
------------------	-------------------

<b>Address</b>	Level 3, 28-42 Ventnor Avenue, West Perth WA 6005, Australia
----------------	--

<b>Email address</b>	cosec@hancockprospecting.com.au
----------------------	---------------------------------

---

## 6.2 How Notice must be given and when Notice is received

- (a) A Notice must be given by one of the methods set out in the table below.
- (b) A Notice is regarded as given and received at the time set out in the table below.

However, if this means the Notice would be regarded as given and received outside the period between 9.00am and 5.00pm (addressee's time) on a Business Day (**business hours period**), then the Notice will instead be regarded as given and received at the start of the following business hours period.



Method of giving Notice	When Notice is regarded as given and received
By hand to the nominated address	When delivered to the nominated address
By pre-paid post to the nominated address	At 9.00am (Addressee's time) on the second Business Day after the date of posting
By email to the nominated email address	The first to occur of: <ol style="list-style-type: none"><li>1 the sender receiving an automated message confirming delivery; or</li><li>2 two hours after the time that the email was sent (as recorded on the device from which the email was sent) provided that the sender does not, within the period, receive an automated message that the email has not been delivered.</li></ol>

### 6.3 Notice must not be given by electronic communication

A Notice must not be given by electronic means of communication (other than email as permitted in clause 6.2).

## 7 General

### 7.1 Stamp duty

BidCo must, and each of SQM Parent and Hancock Parent unconditionally and irrevocably guarantees the obligation of BidCo to:

- (a) pay all stamp duty, registration fees and similar taxes payable or assessed as being payable (and any related fines and penalties) in respect of the Scheme and this deed poll, the performance of this deed poll and each transaction effected by or made under or in connection with the Scheme and this deed poll; and
- (b) indemnify each Scheme Shareholder against, and agrees to reimburse and compensate each Scheme Shareholder for, any liability arising from failure to comply with clause 7.1(a).

### 7.2 Governing law and jurisdiction

- (a) This deed poll is governed by the law in force in Western Australia.
- (b) Each of SQM Parent, Hancock Parent and BidCo irrevocably submits to the non-exclusive jurisdiction of courts exercising jurisdiction in Western Australia and courts of appeal from them in respect of any proceedings arising out of or in connection with this deed poll. Each of SQM Parent, Hancock Parent and BidCo irrevocably waives any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.



### 7.3 Waiver

- (a) SQM Parent, Hancock Parent and BidCo may not rely on the words or conduct of any Scheme Shareholder as a waiver of any right unless the waiver is in writing and signed by the Scheme Shareholder granting the waiver.
- (b) No Scheme Shareholder may rely on words or conduct of SQM Parent, Hancock Parent or BidCo as a waiver of any right unless the waiver is in writing and signed by SQM Parent, Hancock Parent or BidCo, as appropriate.
- (c) The meanings of the terms used in this clause 7.3 are set out below.

Term	Meaning
<b>conduct</b>	includes delay in the exercise of a right.
<b>Right</b>	any right arising under or in connection with this deed poll and includes the right to rely on this clause.
<b>Waiver</b>	includes an election between rights and remedies, and conduct which might otherwise give rise to an estoppel.

### 7.4 Variation

A provision of this deed poll may not be varied unless the variation is agreed by SQM Parent, Hancock Parent and BidCo and:

- (a) if before the First Court Date, the variation is agreed to by Azure in writing; or
- (b) if on or after the First Court Date, the variation is agreed to by Azure in writing and the Court indicates that the variation would not of itself preclude approval of the Scheme,

in which event SQM Parent, Hancock Parent and BidCo will enter into a further deed poll in favour of the Scheme Shareholders giving effect to the variation.

### 7.5 Cumulative rights

The rights, powers and remedies of SQM Parent, Hancock Parent, BidCo and the Scheme Shareholders under this deed poll are cumulative and do not exclude any other rights, powers or remedies provided by law independently of this deed poll.

### 7.6 Assignment

- (a) The rights created by this deed poll are personal to SQM Parent, Hancock Parent, BidCo and each Scheme Shareholder and must not be dealt with at law or in equity without the prior written consent of SQM Parent, Hancock Parent and BidCo.
- (b) Any purported dealing in contravention of clause 7.6(a) is invalid.



## **7.7 Further action**

Each of SQM Parent, Hancock Parent and BidCo must, at their own expense, do all things and execute all documents necessary to give full effect to this deed poll and the transactions contemplated by it.

## **7.8 Service of process**

- (a) Without preventing any other mode of service, any document in an action (including any writ of summons or other originating process or any third or other party notice) may be served on any party by being delivered to or left for that party at its address for service of Notices under clause 6.1.
- (b) SQM Parent irrevocably appoints TMF Corporate Services (Aust) Pty Limited as its agent for the service of process in Australia in relation to any matter arising out of this deed. If TMF Corporate Services (Aust) Pty Limited ceases to be able to act as such or have an address in Australia, SQM Parent agrees to appoint a new process agent in Australia and deliver to the other party within 20 Business Days a copy of a written acceptance of appointment by the process agent, upon receipt of which the new appointment becomes effective for the purpose of this deed poll. SQM Parent must inform Azure in writing of any change in the address of its process agent within 20 Business Days of the change.



## Attachment 1

### Scheme

---

Attached.

For personal use only



## Signing page

Executed as a deed poll

---

Signed, sealed and delivered by  
**Sociedad Quimica y Minera de  
Chile S.A.** in the presence of



*sign here* ► \_\_\_\_\_  
Authorised Signatory

*sign here* ► \_\_\_\_\_  
Witness

*print name* \_\_\_\_\_

*print name* \_\_\_\_\_

Signed, sealed and delivered by  
**Hancock Prospecting Pty  
Limited**  
by

*sign here* ► \_\_\_\_\_  
Company Secretary/Director

*sign here* ► \_\_\_\_\_  
Director

*print name* \_\_\_\_\_

*print name* \_\_\_\_\_

Signed, sealed and delivered by  
**SH Mining Pty Ltd**  
by

*sign here* ► \_\_\_\_\_  
Company Secretary/Director

*sign here* ► \_\_\_\_\_  
Director

*print name* \_\_\_\_\_

*print name* \_\_\_\_\_



HERBERT  
SMITH  
FREEHILLS

## Attachment 4

### Scheme Conditions certificate

---

Attached.

For personal use only

## Scheme Conditions certificate

Azure Minerals Limited (**Azure**), Sociedad Quimica y Minera de Chile S.A. (**SQM Parent**), Hancock Prospecting Pty Limited (**Hancock Parent**) and SH Mining Pty Ltd (**BidCo**) certify, confirm and agree that (in respect of the matters within their respective knowledge) each of the conditions precedent:

- 1 in clause 3.1 (other than the condition in clause 3.1(g) relating to Court approval) of the transaction implementation deed dated 19 December 2023 between Azure, SQM Parent, Hancock Parent and BidCo (**TID**) has been satisfied or is hereby waived by the relevant party (or parties) to the TID in accordance with the terms of the TID; and
- 2 in clauses 3.1(a) and 3.1(b) of the scheme of arrangement between Azure and the relevant Azure shareholders which appears in Annexure [●] of Azure's transaction booklet dated [●] has been satisfied.

This deed may be executed in any number of counterparts. All counterparts, taken together, constitute one instrument.

**Dated:**

**Executed as a deed**

Signed, sealed and delivered by  
**SH Mining Pty Ltd**  
by

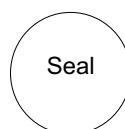
sign here ► \_\_\_\_\_  
Company Secretary/Director

sign here ► \_\_\_\_\_  
Director

print name \_\_\_\_\_

print name \_\_\_\_\_

Signed, sealed and delivered by  
**Sociedad Quimica y Minera de Chile S.A.** in the presence of



sign here ► \_\_\_\_\_  
Authorised Signatory

sign here ► \_\_\_\_\_  
Witness

print name \_\_\_\_\_

print name \_\_\_\_\_



Signed, sealed and delivered by  
**Hancock Prospecting Pty  
Limited**  
by

*sign here* ► \_\_\_\_\_  
Company Secretary/Director

*sign here* ► \_\_\_\_\_  
Director

*print name* \_\_\_\_\_

*print name* \_\_\_\_\_

Signed, sealed and delivered by  
**Azure Minerals Limited**  
by

*sign here* ► \_\_\_\_\_  
Company Secretary/Director

*sign here* ► \_\_\_\_\_  
Director

*print name* \_\_\_\_\_

*print name* \_\_\_\_\_