



facsimile

Date:	17 August 2009
To:	Funtastic Limited
Facsimile Number	(03) 9535 5897
To:	Company Announcements Platform ASX Limited
Facsimile Number	1300 135 638

From:	Tony Symons		
Contact:	Tel: 03 8681 4410	Email: tony.symons@clarendonlawyers.com.au	
Matter	0800894		
Pages (incl)	103	Your Reference	

We act for Kooyongkoot Pty Ltd.

In accordance with section 671B of the Corporations Act 2001, attached are the following:

- (a) a notice of initial substantial holder; and
- (b) a notice of change of interests of substantial holder.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Tony Symons', with a long horizontal stroke extending to the right.

Tony Symons
Director
Clarendon Lawyers Pty Ltd

Tel: 03 8681 4410
E-mail: tony.symons@clarendonlawyers.com.au

Enc.

This facsimile is confidential. If you are not the intended recipient, you must not disclose or use the information contained in it. If you have received this facsimile in error, please inform us immediately.
ABN 43 704 593 249
K00001_0800894_078.DOC

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme Funtastic Limited

ACN/ARSN 063 898 199

1. Details of substantial holder (1)

Name Refer to Table 1 in Annexure A
ACN/ARSN (if applicable) _____

The holder became a substantial holder on 13/8/2009

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary	115,223,992	115,223,992	33.79%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Refer to Table 2 in Annexure A		

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Refer to Table 3 in Annexure A			

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Refer to Table 4 in Annexure A				

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

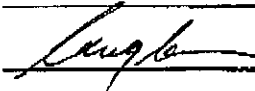
Name and ACN/ARSN (if applicable)	Nature of association
Refer to Table 5 in Annexure A	

7. Addresses

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

Name	Address
Refer to Table 1 in Annexure A	

Signature

print name CRAIG DONALD MATHIESON capacity DIRECTOR
 sign here  date 17 / 08 / 09

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."
- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

For personal use only

Annexure A

This is Annexure A of 3 pages referred to in Form 603 signed by me on 17 August 2009.

Signature:



Name: Craig Donald Mathieson

Table 1 – Substantial Holders

Name of Substantial Holder	Address	ACN
Kooyongkoot Pty Ltd ATF Lauren Mathieson Family Trust	c/- 19 Rowland Street, Kew VIC 3101	127 821 863
Holdrey Pty Ltd ATF The Don Mathieson Family Trust	William Buck Chartered Accountants Level 2, 215 Spring Street, Melbourne VIC 3000	006 501 524
Lauren Michelle Mathieson Downs	19 Rowland St, Kew VIC 3101	N/A
DDVM Superannuation Nominees Pty Ltd ATF DDVM Super Fund	c/- William Buck Chartered Accountants Level 2, 215 Spring Street, Melbourne VIC 3000	075 404 018
Stewart John Alistair Downs & Lauren Michelle Mathieson Downs ATF S&L Downs Superannuation Fund	c/- 19 Rowland St, Kew VIC 3101	N/A
NSR Peas Pty Ltd	485 Bourke St, Melbourne 3000	104 284 031
NSR Toys Pty Ltd ATF Pizmony Family Trust	313 Glenferrie Road, Malvern VIC 3144	082 219 789
N Pizmony and M L Pizmony ATF The Pizmony Family Super Fund	7-9 Hume Road, Caulfield North VIC 3161 / 313 Glenferrie Road, Malvern VIC 3144	N/A
Hod Pizern	c/- UG 303 Chinachem Golden Plaza, 77 Mody Road, Tsimshatsui East, Kowloon, Hong Kong	N/A
N Pizmony	9 Hume Road, Caulfield North VIC 3161	N/A

Table 2 – Details of relevant interests

Holder of relevant interest	Nature of relevant interest	Class and number of securities
Kooyongkoot Pty Ltd ATF Lauren Mathieson Family Trust	Relevant interest under section 608(1)(a) of the Corporations Act 2001.	89,385,036 ordinary shares
Holdrey Pty Ltd ATF The Don Mathieson Family Trust	Relevant interest under section 608(1)(a) of the Corporations Act 2001.	4,510,438 ordinary shares
Lauren Michelle Mathieson Downs	Relevant interest under section 608(1)(a) of the Corporations Act 2001.	1,030,086 ordinary shares
DDVM Superannuation Nominees Pty Ltd ATF DDVM Super Fund	Relevant interest under section 608(1)(a) of the Corporations Act 2001.	300,000 ordinary shares
Stewart John Alistair Downs & Lauren Michelle Mathieson Downs ATF S&L Downs Superannuation Fund	Relevant interest under section 608(1)(a) of the Corporations Act 2001.	142,680 ordinary shares
NSR Peas Pty Ltd	Relevant interest under section 608(1)(a) of the Corporations Act 2001.	6,000,000 ordinary shares

NSR Toys Pty Ltd ATF Pizmony Family Trust	Relevant interest under section 608(1)(a) of the Corporations Act 2001.	4,727,331 ordinary shares
N Pizmony and M L Pizmony ATF The Pizmony Family Super Fund	Relevant interest under section 608(1)(a) of the Corporations Act 2001.	5,080,888 ordinary shares
Hod Pizem	Relevant interest under section 608(1)(a) of the Corporations Act 2001.	4,000,000 ordinary shares
N Pizmony	Relevant interest under section 608(1)(a) of the Corporations Act 2001.	47,523 ordinary shares

Table 3 – Details of present registered holders

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder	Class and number of securities
Kooyongkoot Pty Ltd ATF Lauren Mathieson Family Trust	Kooyongkoot Pty Ltd ATF Lauren Mathieson Family Trust	Kooyongkoot Pty Ltd ATF Lauren Mathieson Family Trust	89,385,036 ordinary shares
Holdrey Pty Ltd ATF The Don Mathieson Family Trust	Holdrey Pty Ltd ATF The Don Mathieson Family Trust	Holdrey Pty Ltd ATF The Don Mathieson Family Trust	4,510,438 ordinary shares
Lauren Michelle Mathieson Downs	Lauren Michelle Mathieson Downs	Lauren Michelle Mathieson Downs	1,030,086 ordinary shares
DDVM Superannuation Nominees Pty Ltd ATF DDVM Super Fund	DDVM Superannuation Nominees Pty Ltd ATF DDVM Super Fund	DDVM Superannuation Nominees Pty Ltd ATF DDVM Super Fund	300,000 ordinary shares
Stewart John Alistair Downs & Lauren Michelle Mathieson Downs ATF S&L Downs Superannuation Fund	Stewart John Alistair Downs & Lauren Michelle Mathieson Downs ATF S&L Downs Superannuation Fund	Stewart John Alistair Downs & Lauren Michelle Mathieson Downs ATF S&L Downs Superannuation Fund	142,690 ordinary shares
NSR Peas Pty Ltd	NSR Peas Pty Ltd	NSR Peas Pty Ltd	6,000,000 ordinary shares
NSR Toys Pty Ltd ATF Pizmony Family Trust	NSR Toys Pty Ltd ATF Pizmony Family Trust	NSR Toys Pty Ltd ATF Pizmony Family Trust	4,727,331 ordinary shares
N Pizmony and M L Pizmony ATF The Pizmony Family Super Fund	N Pizmony and M L Pizmony ATF The Pizmony Family Super Fund	N Pizmony and M L Pizmony ATF The Pizmony Family Super Fund	5,080,888 ordinary shares
Hod Pizem	Hod Pizem	Hod Pizem	4,000,000 ordinary shares
N Pizmony	N Pizmony	N Pizmony	47,523 ordinary shares

Table 4 – Consideration

Holder of relevant interest	Date of acquisition	Consideration		Class and number of securities
		Cash	Non-cash	
Kooyongkoot Pty Ltd ATF Lauren Mathieson Family Trust	13/8/2009	\$0.135 per share pursuant to underwriting of the rights issue	N/A	89,385,036 ordinary shares

Holdrey Pty Ltd ATF The Don Mathieson Family Trust	13/8/2009	\$0.135 per share pursuant to rights issue	N/A	1,140,219 ordinary shares
Lauren Michelle Mathieson Downs	13/8/2009	\$0.135 per share pursuant to rights issue	N/A	515,043 ordinary shares
DDVM Superannuation Nominees Pty Ltd ATF DDVM Super Fund	13/8/2009	\$0.135 per share pursuant to rights issue	N/A	100,000 ordinary shares
Stewart John Alistair Downs & Lauren Michelle Mathieson Downs ATF S&L Downs Superannuation Fund	13/8/2009	\$0.135 per share pursuant to rights issue	N/A	71,345 ordinary shares
NSR Peas Pty Ltd	13/8/2009	N/A	10,000 shares in NSR (HK) Limited as set out in the agreement at Exhibit 1	6,000,000 ordinary shares at \$0.135 per share
Hod Pizem	13/8/2009	N/A	6,667 shares in NSR (HK) Limited as set out in the agreement at Exhibit 1	4,000,000 ordinary shares \$0.135 per share

Table 5 – Associates

Name and ACN/ARSN (if applicable)	Nature of association
Holdrey Pty Ltd ATF The Don Mathieson Family Trust	Associates by virtue of section 12(2)(c) of the Corporations Act 2001.
Lauren Michelle Mathieson Downs	Associates by virtue of section 12(2)(c) of the Corporations Act 2001.
DDVM Superannuation Nominees Pty Ltd ATF DDVM Super Fund	Associates by virtue of section 12(2)(c) of the Corporations Act 2001.
Stewart John Alistair Downs & Lauren Michelle Mathieson Downs ATF S&L Downs Superannuation Fund	Associates by virtue of section 12(2)(c) of the Corporations Act 2001.
NSR Peas Pty Ltd	Associates by virtue of section 12(2)(c) of the Corporations Act 2001.
NSR Toys Pty Ltd ATF Pizmony Family Trust	Associates by virtue of section 12(2)(c) of the Corporations Act 2001.
N Pizmony and M L Pizmony	Associates by virtue of section 12(2)(c) of the Corporations Act 2001.
Hod Pizem	Associates by virtue of section 12(2)(c) of the Corporations Act 2001.
N Pizmony	Associates by virtue of section 12(2)(c) of the Corporations Act 2001.

Exhibit 1

This is Exhibit 1 of 46 pages (including this page) referred to in Form 603 signed by me on 17 August 2009.

Signature: 

Name: Craig Donald Mathieson

For personal use only

For personal use only

Share sale agreement

relating to shares in NSR (HK) Limited

NSR Peas Ply Ltd (ACN 104 284 031)
Hod Pizem (together, the Vendors)
Fundastic Limited (ACN 083 886 189) (Purchaser)

MinterEllison

C A W Y B B

NSW 1702 BRISBANE, AUSTRALIA
TEL: 61 7 3211 6111
WWW.MINTERELLISON.COM

4611002
MELB000012 07/2001

For personal use only

18-May-2009

7.3	Purchaser's obligations	25
7.4	Right to copy and consult	25
7.5	Termination discussions	25
7.6	Material Changes	25
B. Conduct during Earn-Out Period		
8.1	Company Agreement Schedule	26
8.2	Integration	26
9.	Release of Guarantees and Assumption of Loan	28
9.1	Guarantees	28
9.2	Other guarantees	28
9.3	Company Loan	28
9.4	Benefit held for Associates	29
10.	Vendor Warranties	29
10.1	Vendor Warranties	29
10.2	Some Vendors' Warranties limited to knowledge	29
10.3	Gross Up	29
10.4	Time limits and other requirements for Claims	30
10.5	Small Claims	31
10.6	Maximum amount the Purchaser may recover	31
10.7	Purchaser acknowledgments	32
10.8	Limits on types of Claims and Usability	32
10.9	Contingent Claims	33
10.10	Notice of Potential Claim	33
10.11	Claims that impact on EBIT	36
10.12	Cash Payment of Claim	36
10.13	Guaranteed Shares	37
10.14	Survival	37
10.15	Claim	37
11.	Purchaser Warranties	37
12.	General indemnity	37
13.		
14.	Acknowledgment by Hod Pizem	38
15.	Restraint	38
15.1	Defined terms	38
15.2	Prohibited activities	39
15.3	Duration of prohibition	39
15.4	Geographic application of prohibition	39
15.5	Integration	39
15.6	Exceptions	39
15.7	Acknowledgments	40
16.	Confidentiality and publicity	40
16.1	Confidentiality	40
16.2	Confidential Information – after Completion	40

For personal use only

16 May 2009

Schedule 11 – Purchase Warranties (clause 11)	65
Schedule 12 – Intellectual Property Rights (Warranty 3)	66
Schedule 13 – Proporties	71
Schedule 14 – Terms of Issue	72
Schedule 15 – Escrow Deed	73
Schedule 16 – Constitution Amendment	74
[REDACTED]	
Schedule 19 – Tax Indemnity Deed	76
Schedule 19 – Services Agreement	77
Schedule 20 – Change in Control Consent	78
[REDACTED]	
Schedule 22 – Loan Agreement	80
Schedule 23 – Bank Debt Security	81
Signing page	82

For personal use only

18 May 2019

Details

Date 16 May 2019

Parties

Name NSR Peas Pty Ltd
ACN 104 264 031
Short form name NSR Peas or a Vendor

Name Hon Pizzini
Short form name Hon Pizzini or a Vendor

Name Puntastic Limited
ASN 94 063 886 199
Short form name Purchaser
Notice details 635 Waverley Road, Glen Waverley, Victoria 3180
Facsimile: 03 9545 0796
Attention: Ms Eleanor Stacco

Background

- A The Stores are legally and beneficially owned by the Vendors as set out in Schedule 2.
- B The Vendor has agreed to sell and the Purchaser has agreed to purchase the Stores on the terms and conditions set out in this agreement.

For personal use only

23 May 2009

Agreed terms

1. Defined terms & interpretation

1.1 Defined terms

In this agreement:

2009 Forecast means document number 12.1.2 entitled "Budget MSR (HK) Limited" in the Disclosed Documents Index.

Accounting Standards means the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants.

Accounts means the audited balance sheet of the Company as at the Accounts Date and the audited profit and loss statement and statement of cash flows of the Company for the financial year ended on the Accounts Date together with the notes to, and the reports of the directors in respect of, those accounts.

Accounts Date means 31 December 2008.

ASIC means the Australian Securities and Investments Commission.

Associate means, in relation to a person:

- (a) an associate of the person within the meaning of section 9 of the Corporations Act;
- (b) a company or trust of which the person has control; or
- (c) the spouse or child over the age of 18 of the person.

ASX means ASX Limited (ABN 98 608 624 691).

Auditors means Lau and Au Young CPA Limited of 21st, Tat Yee Building, 181 Johnson Road, Wanchai, Hong Kong.

Bank Debt means the aggregate finance provided to the Company by the Hong Kong and Shanghai Banking Corporation and drawn down by the Company as at the Completion Date, such aggregate amount to be determined by applying to any US\$ component of that drawn down debt the Exchange Rate applicable on the Completion Date or such other date or period as the parties agree in writing.

Bank Debt Security means the security given by the Company, a Vendor or any Associate of the Vendor, including over real property, to any person in connection with the Bank Debt, as set out in Schedule 23.

Banking Day means any day on which Australian banks (as defined in the Corporations Act) are open for banking business in Melbourne, excluding Saturday or Sunday.

[REDACTED]

Board means the board of directors of the Purchaser.

Business means the business carried on by the Group as at the date of this agreement.

Business Day means:

www.asx.com.au
24400122
02_23151111_2100003
Share and Investment pack

18 May 2009

- (a) for receiving a notice under clause 19, a day that is not a Saturday, Sunday, public holiday or bank holiday in the place where the notice is received; and
- (b) for all other purposes, a day that is not a Saturday, Sunday, public holiday or bank holiday in Melbourne.

Business Hours means from 9.00am to 5.00pm on a Business Day.

Cash Consideration means the amount, if any, payable by the Purchaser in addition to the Initial Consideration, in accordance with clause 4.2.

Claim includes a claim, notice, demand, action, proceeding, litigation, investigation or judgment, whether based in contract, tort or statute and whether involving a third party or a party to this agreement.

Claim Payment Shortfall Amount has the meaning given in clause 10.11(c).

Companies Ordinance means the Companies Ordinance (Cap 32) of Hong Kong.

Companies Registry means the Companies Registry of the Hong Kong Special Administrative Region.

Company means NFR (HK) Limited (Company Number 90622), further details of which are set out in Schedule 3.

Company Agreements Schedule means the agreements, notices and arrangements set out in Schedule 6, as amended in accordance with clause 5.2(c).

Completion means completion of the sale and purchase of the Shares contemplated by this agreement.

Completion Accounts means the balance sheet of the Company as at close of business on the Completion Date and the profit and loss statement of the Company for the period from the Accounts Date to the close of business on the Completion Date, which are to be:

- (a) prepared in accordance with clause 6; and
- (b) audited in accordance with clause 6.

Completion Date means the Business Day on which the last of the Conditions is satisfied or waived in accordance with its terms.

Conditions means the conditions set out in clause 2.1.

Confidential Information has the meaning given to it in the Confidentiality Agreement.

Confidentiality Agreement means the confidentiality agreement entered into by the Purchaser, the Vendor, and Kooyongkoo dated 20 February 2009.

Consideration means the Initial Consideration and the Cash Consideration (if any).

Contract means:

Memorandum of Understanding
44/18/02
MF_001227_3(0203)

Share Purchase Agreement Page 8

For personal use only

19 July 2008

- (e) of a company by a person:
 - (i) the person determines the composition of the board of directors of the company;
 - (ii) the board of directors of the company is accustomed to act in accordance with the instructions, directions or wishes of the person; or
 - (iii) the person holds or owns (alone or with his Associates or related bodies corporate):
 - (A) the majority of the issued shares of the company;
 - (B) the majority of the issued shares of the ultimate holding company of the company; or
 - (C) the majority of any securities or other rights granted by the company entitling holders to distributions based on the profits, earnings or net asset value of the company, and
 - (f) of a trust by a person:
 - (i) the person is the sole trustee of the trust;
 - (ii) the composition of the board of directors of any trustee company of the trust is determined by the person;
 - (iii) the board of directors of any trustee company of the trust is accustomed to act in accordance with the instructions, directions or wishes of the person; or
 - (iv) the person holds or owns (alone or with his Associates or related bodies corporate):
 - (A) the majority of the issued shares of any trustee company of the trust;
 - (B) the majority of the issued shares of the ultimate holding company of any trustee company of the trust; or
 - (C) the majority of the units, securities or other rights granted by the trust which entitle holders to distributions from the trust.
- Converting Share means a fully paid ordinary share in the capital of the Purchaser issued in accordance with the Terms of Issue.
- Corporations Act means the *Corporations Act 2001* (Cth).
- Data Room means the virtual data room located at <http://data.com.euronext.com> maintained by or on behalf of the Vendors in which the Purchaser, and its Personnel, have had access to information relating to the Group.
- Director's Dred of Indemnity means a directors and officers deed of indemnity and access.
- Disclosed Documents Index means the index of disclosed documents in relation to the Group and the Business set out in Schedule 7.
- Disclosed Securities means the Merrill Lynch Global Select (MGS) Scheme in which the Company participates.
- Disclosure Letter means the letter from the Vendors to the Purchaser of the same date as this agreement entitled 'Disclosure Letter'.
- Disclosure Material means the written information made available to the Purchaser and its Personnel during the course of its investigations in respect of the Business and the Group including:

18 May 2009

- (a) the information contained in the Data Room as set forth on 15 May 2009 including the material listed in the Disclosed Documents Index;
- (b) the information communicated in the Management Presentations;
- (c) the answers provided by or on behalf of the Group to any questions asked by or on behalf of the Purchaser, in connection with the sale of the Shares, including those set out in Schedule 8; and
- (d) the Disclosure Letter.

EBIT has the meaning given in the Terms of Issue, except that where used in clauses 2.2(d), 2.2(f) and 2.2(g) and Condition 4(e) it means the earnings before interest and tax of the Group, as determined on the same basis as, and in accordance with the principles applied in determining EBIT under the Terms of Issue (including the Normalisation Principles).

Effective Date means 30 June 2009.

Elita May Holdings means Elita May Holdings Pty Ltd ACN (136 934 337).

Encumbrance includes mortgage, charge, lien, restriction against transfer, encumbrance and other third party interest.

Escrow Debt means the debt between the Vendors, the Purchaser and others relating to Convertible Shares issued at Completion and any Ordinary Shares issued in respect of the First Burn-Out Period or the Second Burn-Out Period, in the form set out in Schedule 15.

Exchange Rate means:

- (a) in respect of a day, the exchange rate for dollars quoted by the interest rate, www.oanda.com, at or at approximately, 10:00am on the relevant day; and
- (b) in respect of a period, means the exchange rate equal to the average of the Interbank Rate at which that currency may be bought with dollars as quoted by the interest rate, www.oanda.com, at or at approximately, 10:00am on each Banking Day for that period.

Fairly Disclosed means disclosed in sufficient detail so as to enable a reasonable purchaser (including a Person) to assess the nature and impact of that fact, matter or circumstance.

Group means the Company and its subsidiaries.

Guaranteed Shares means 10,000,000 Convertible Shares.

Guarantee means those guarantees and securities given by a Vendor or its Associates in respect of the obligations of the Group listed in Schedule 9.

HKBEROP means HKBEROP Limited (Company number 1202957), a body incorporated in Hong Kong.

Independent Accountant means a chartered accountant or firm of chartered accountants appointed under clause 6(d).

Initial Consideration means 10,000,000 Convertible Shares issued at a price of \$0.135 per share.

Involuntary Event means in relation to any person:

- (a) (Receiver appointed) a receiver, receiver and manager, administrator, trustee or similar official is appointed over any of the assets or undertaking of the person;

For personal use only

18 May 2009

- (b) (Payments suspended) the person suspends payment of its debts generally;
- (c) (Unable to pay) the person is or becomes unable to pay its debts when they are due or is unable to pay its debts within the meaning of the Corporations Act, or the person may be presumed to be insolvent under section 459C of the Corporations Act;
- (d) (Arrangements with creditors) the person enters into or resolves to enter into any arrangement, composition or compromise with, or assignment for the benefit of, its creditors or any class of them;
- (e) (Winding up) an application or order is made for the winding up or dissolution of, or the appointment of a provisional liquidator to the person or a resolution is passed or steps are taken to pass a resolution for the winding up or dissolution of the person otherwise than for the purpose of an amalgamation or reconstruction which has the prior written consent of the Underwriter; or
- (f) (Administrator) an administrator is appointed under Division 2 of Part 5.7A of the Corporations Act.

[Redacted]

[Redacted]

Kooyoungbest means Kooyoungbest Pty Ltd (ACN 127 821 863).

[Redacted]

Liabilities includes all liabilities (whether actual, contingent or prospective), losses, damages, costs and expenses of whatever description.

Listing Rules means the listing rules of ASX from time to time with any modification or waivers in their application to the Purchaser which ASX may grant.

Loan means the estimated amount of the unsecured loan made to the Group by NSR, as set out in column 2 of the table in Schedule 5 and from Completion means the amount notified by the Vendor to the Purchaser pursuant to clause 5.2(d).

Loan Agreement means the loan agreement between NSR, Pears and the Purchaser for the repayment of the Loan by the Purchaser in accordance with clause 9.3 in the form set out in Schedule 22 dated on or about the Completion Date.

Management Presentations means the presentations given by management of the Group on 6 March 2009 and 19 March 2009, including the PowerPoint slides that were distributed at the presentations, copies of which are in the Data Room.

[Redacted]

Normalisation Principles means the principles set out in schedule 2 to the Terms of Issue.

16 May 2009

Ordinary Share means a fully paid ordinary share in the capital of the Purchaser other than a Convertible Share prior to its conversion in accordance with the Terms of Issue.

Personnel of a person means the officers, employees, professional advisers, representatives and agents of that person.

Proprietary means the proprietary listed in Schedule 13.

Publicly Available Information means publicly available information as at 14 May 2009 of which the Purchaser would be aware, had the Purchaser made enquiries that a person who was would reasonably and usually be expected to make before entering into an agreement similar to this agreement of publicly available database and information maintained by:

- (a) ASIC, the Companies Registry and the SFC;
- (b) any superior court registry (including the Federal Court) maintained in Australia or Hong Kong; and
- (c) IP Australia and the Intellectual Property Department of Hong Kong.

except that where used in clause 11(4)(E), it means publicly available information as at 15 May 2009 of which the Vendor would be aware, had the Vendor made enquiries that a person who was to be issued shares in the Purchaser would reasonably and usually be expected to make before entering into an agreement similar to this agreement of publicly available database and information maintained by ASIC and ASX.

Purchaser Warrantable means the warranties set out in Schedule 11.

Records means all original and copy records, documents, books, files, reports, accounts, plans, correspondence, letters and papers of every description and other material regardless of their form or medium and whether coming into existence before, on or after the date of this agreement, belonging or relating to or used by the Company in respect of the Business including certificates of registration, minute books, statutory books and registers, books of account, tax returns, bills of lading and other documents of title, customer lists, price lists, computer programs and software, and trading and financial records.

Related Body Corporate has the meaning given to section 9 of the Corporations Act.

Resolved Claim means any Claim made or commenced by the Purchaser which has been resolved by:

- (a) the Vendor and the Purchaser or the Company (as the case may be) agreeing an amount payable to the Purchaser or to the Company (as the case may be) by the Vendor in respect of any such Claim; or
- (b) any independent expert to whom the parties have referred a dispute in respect of a Claim; or
- (c) a court or tribunal of competent jurisdiction making a final order in respect of the subject matter of the Claim.

Respective Proportions means the respective proportions in which the Vendors are entitled to share in the Consideration as set out in Schedule 2, or any other proportions which the Vendor notify to the Purchaser in writing at least two Business Days before the due date for payment.

Revenue Stream 1, Revenue Stream 2, Revenue Stream 3, Revenue Stream 4, Revenue Stream 5 and Revenue Stream 6 each has the meaning given to it in the Normalisation Principles.

Share agreement page 12

REGISTRATION REF: 2009/0002127
4203552
16 MAY 2009 20:36

For personal use only

10 May 2008

For personal use only

[Redacted]

Nights Issue means the fully underwritten non-recourseable 1:1 pre-issuance entitlement offer to be conducted by the Purchaser to raise approximately \$22.3 million on the terms described in the Underwriting Agreement.

Services Agreement means an agreement relating to services to be provided by NBSR (Australia) Pty Ltd to the Company, in the form set out in Schedule F.

SFC means the Securities and Futures Commission of Hong Kong.

SFO means the Securities and Futures Ordinance (Cap 371) of Hong Kong.

Shares mean all of the shares in the Company.

[Redacted]

Stamp Duty means 31 August 2009, or such other date agreed in writing between the parties.

Tax includes income tax, capital gains tax, franking deficit tax, franking additional tax, over-franking tax, withholding tax, fringe benefits tax, pay-as-you-earn, pay-as-you-go, sales tax, customs duty, payroll tax, land tax, stamp duty, financial institutions duty, debits tax, water and municipal rates, gift tax, estate tax, superannuation contributions and charges, social security and national insurance contributions, purchase, goods and services tax, value added tax, prescribed payments and all other taxes, charges, assessments, contributions, withholdings, remittances, imposts, duties, excises, rates and levies in any part of the world and any penalties, interest, fines or other costs in relation to any Tax.

Tax Indemnity Deed means a deed relating to taxation in the form set out in Schedule I.B.

Tax Warranty means Vendor Warranty 2.

Tax Warranty Claim means a Claim made in respect of a Tax Warranty.

[Redacted]

Terms of Issue means the terms of issue of the Converting Shares as set out in Schedule 14.

TopMaster means TopMaster Limited (Company Number 933205), a body incorporated in Hong Kong.

[Redacted]

Underwriter means Erste Group Holdings and Leuven Mathison Family Trust No.3.

Underwriting Agreement means the agreement of that name between the Purchaser and the Underwriter dated on or around the date of this agreement.

Vendor Warranties means each of the representations and warranties given under clause 10 and set out in Schedule 10.

[Redacted]

Share certificate page 15

Went (EPC) Ltd (WV) 30021237
4411072
LL_0000073_001271

For personal use only

18 May 2014

Working Capital means the sum of trade debtors, trade creditors and inventory.

1.2

Terms defined in the Terms of Issue

Terms defined in the Terms of Issue and not otherwise defined in this agreement have the meaning given to them in the Terms of Issue.

1.3

Interpretation

In this agreement, except where the context otherwise requires:

- (a) the singular includes the plural and vice versa, and a gender includes other genders;
- (b) another grammatical form of a defined word or expression has a corresponding meaning;
- (c) a reference to a clause, paragraph, schedule or annexure is to a clause or paragraph of, or schedule or annexure to, this agreement, and a reference to this agreement includes any schedule or annexure;
- (d) a reference to a document or instrument includes the document or instrument as inserted, altered, supplemented or replaced from time to time;
- (e) a reference to A\$, S\$, dollar or \$ is to Australian currency;
- (f) a reference to HK\$ or HKD is to Hong Kong currency;
- (g) a reference to US\$ or USD is to United States currency;
- (h) a reference to time is to Melbourne, Australia time;
- (i) a reference to a party is to a party to this agreement, and a reference to a party to a document includes the party's executors, administrators, successors and permitted assigns and substitutes;
- (j) a reference to a person includes a natural person, partnership, body corporate, association, governmental or local authority or agency or other entity;
- (k) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and amendments, consolidations, re-enactments or replacements of any of them;
- (l) a word or expression defined in the Corporations Act has the meaning given to it in the Corporations Act;
- (m) the meaning of general words is not limited by specific examples introduced by including, for example or similar expressions;
- (n) any agreement, representation, warranty or indemnity by two or more parties (including where two or more persons are included in the same defined term) binds them jointly and severally;
- (o) 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;
- (p) a rule of construction does not apply to the disadvantage of a party because the party was responsible for the preparation of this agreement or a part of it.

For personal use only

16 May 2009

- (b) if a day on or by which an obligation must be performed or an event must occur is not a Business Day, the obligation must be performed or the event must occur on or by the next Business Day; and
- (c) a reference to a document in agreed form is to a document the form of which has been agreed by the parties before the date of this agreement.

1.4 Headings

Headings are for ease of reference only and do not affect interpretation.

2. Conditions

2.1 Conditions

Completion of the sale and purchase of the Shares under this agreement is subject to the following conditions precedent being satisfied or waived before the Sunset Date.

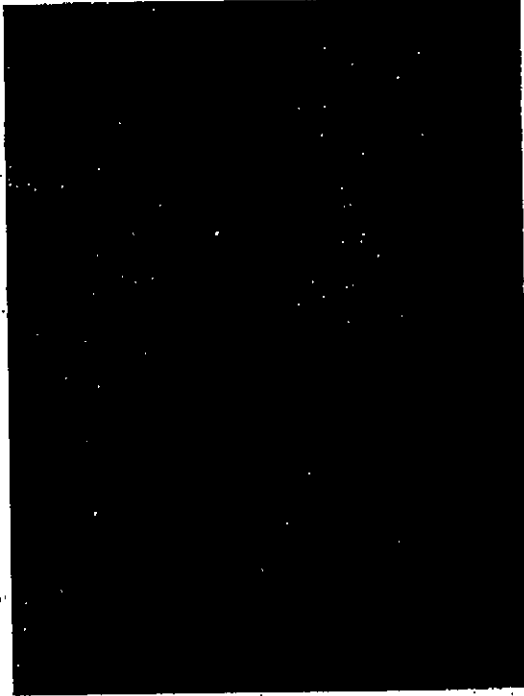
Condition	Party entitled to benefit
1.	

For personal use only

10 May 2004

Condition Party entitled to benefit

- 2. The Purchaser obtains approval of its members, in accordance with ASX Listing Rule 10.1 and section 611 Item 7 of the Corporations Act, by a resolution passed in general meeting for the acquisition of the Shares by the Purchaser in accordance with this agreement. **Purchaser, Vendors**
- 3. The Purchaser obtains approval of its members by a resolution passed in general meeting to conduct the Rights Issue, including approval of the underwriting arrangements as set out in the Underwriting Agreement. **Purchaser, Vendors**
- 4. The Purchaser obtains approval of its members by a special resolution passed in general meeting to amend the constitution of the Purchaser by making the amendment set out in Subclause 16. **Purchaser, Vendors**
- 5. The National Australia Bank agrees to roll over the Purchaser's existing financing facilities on terms acceptable to the Purchaser and, acting reasonably, the Vendors. **Purchaser, Vendors**
- 6. The completion of the Rights Issue including, if required, the Underwriter subscribing for (by cleared funds) all the underwritten shares comprising the Shortfall (as defined in the Underwriting Agreement) not otherwise subscribed for by members of the Purchaser under the Rights Issue, such that all of the Underwritten Shares (as defined in the Underwriting Agreement) have been subscribed for in accordance with the terms of the Underwriting Agreement. **Purchaser, Vendors**



For personal use only

16 449 21001

Party entitled to benefit

[Redacted]

10. The Purchaser and Mr Mr Pizzomoy execute an executive stipules Purchasing agreement in a form acceptable to the Purchaser and Mr Mr Pizzomoy. Vendor

[Redacted]

12. The Vendor deliver to the Purchaser an executed copy of the Tax Indemnity Deed. Purchaser

[Redacted]

13. The Vendor deliver to the Purchaser an executed copy of the Borrow Deed. Purchaser

[Redacted]

14. The Vendor deliver to the Purchaser an executed copy of the Sery/has Agreement. Purchaser and Vendor

[Redacted]

For personal use only

to the extent

3.3 Waiver of pre-emptive rights

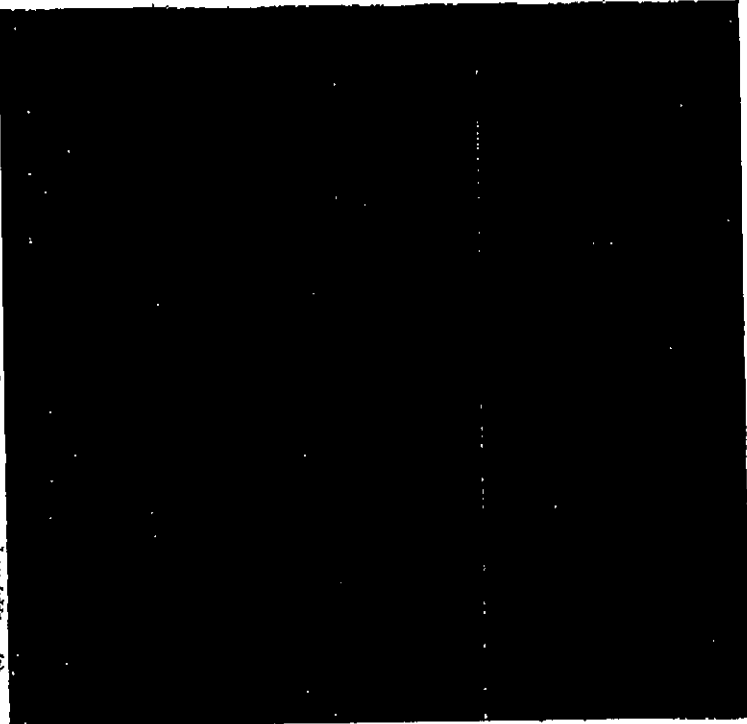
Each Vendor waives in favour of the Purchaser any rights of pre-emption which the Vendor has or may have in respect of any of the Shares.

4. Consideration

4.1 Provision of Initial Consideration

On Completion the Purchaser must:

- (a) provide the Initial Consideration to the Vendors by issuing 10,000,000 Converting Shares at an issue price of \$0.115 per share to the Vendors in the Respective Proportions;
- (b) enter the names of the Vendors in the Purchaser's register of holders of Converting Shares in respect of the Converting Shares issued to the Vendors under paragraph 4.1(a); and
- (c) apply for quotation of the Converting Shares on the financial market conducted by ASX.



18 May 2009



4.3 Cleared funds

All payments of money under this clause 4 must be paid by bank cheque, telegraphic transfer to an account or accounts nominated by the Vendors or otherwise in cleared funds.

5. Completion

5.1 Time and place

If all the Conditions have been fulfilled or waived under clause 2.1, Completion will take place at 3.00pm on the Completion Date at the offices of Minter, Ellison, Rusko Towers, 525 Collins Street, Melbourne, Victoria, 3000 or another time and place agreed by the parties.

5.2 Specific obligation of the Vendors

Not less than 3 Business Days before Completion, the Vendors must deliver to the Purchaser:

- (a) a schedule by date as at the Business Day immediately preceding the time of delivery setting out all forward orders and purchase commitments of the Group, as well as details of any future pre-paid royalties and advances;
- (b) management accounts (inclusive of the profit and loss statement and balance sheet) of the Company in respect of the period from 1 January 2009 to 31 May 2009;
- (c) the Company Agreements Schedule revised and up to date as at the time of delivery setting out the arrangements which are to be for the account of the Group for the purposes of clause 8.1(b)(i); and
- (d) a completed schedule to the Loan Agreement setting out the actual balances of the Loan as at Completion (including movements in the Loans between 1 January 2009 and the date that is 3 days before Completion).

5.3 Obligations of the Vendors

At or before Completion, the Vendors must:

- (a) deliver to the Purchaser duly executed and completed instruments of transfer and sold notes (in a form complying with the *Stamp Duty Ordinance Cap. 117*) in favour of the Purchaser of the Shares in registrable form (except for the imposition of stamp duty or other Taxes of a similar nature) together with the relevant share certificates (if any);
- (b) procure to the Purchaser any power of attorney or other authority under which the transfers of the Shares are executed;
- (c) deliver to the Purchaser copies of any consents and waivers required, but not previously provided, under clause 2;
- (d) cause the board of directors of the Company to resolve that the members of the Shares (subject only to the payment of stamp duties or other Taxes of a similar nature and the transfers) be approved and registered;
- (e) cause the persons listed in the third and fourth columns in the table in Schedule 4 (or any other persons notified in writing by the Purchaser to the Vendors before Completion) to be

For personal use only

16 Mar 2008

appointed as directors and secretary (as applicable) of the Company with effect from Completion;

(i) cause the resignation of the persons listed in the first and second annexes in the table in Schedule 4 as directors and secretary (as applicable) of the Company with effect from Completion, except that, subject to clause 5.4, neither Mr Nir Pizmony nor Mr Hedi Pizmon will be required to resign;

(ii) deliver to the Purchaser a letter (in the form reasonably required by the Purchaser) from each resigning officer of the Company acknowledging that he or she has no claim against the Company for breach of contract, loss of office, redundancy, compensation, payment or repayment of loans or otherwise, except for:

- (i) any amounts payable or that may become payable in respect of the Loans; and
- (ii) payments properly payable as an employee for accrued salary, holiday pay and sick leave up to the Completion Date;

(iii) cause the revocation, with effect from Completion, of all authorizations relating to bank accounts of the Company, other than as requested by the Purchaser;

(iv) deliver to the Purchaser executed copies of the:

[REDACTED]

(v) Escrow Deed;

(vi) Executive Services Agreement for Hedi Pizmon in the form agreed by the parties to it;

(vii) Executive Services Agreement for Nir Pizmony in the form agreed by the parties to it;

(viii) Loan Agreement;

(ix) Services Agreement; and

(x) The Notarially Deed;

(j) deliver to the Purchaser all Records by leaving it at one or more of the Properties (other than those which the Vendors are obliged to retain under clause 5.9) or otherwise place the Purchaser in control of the Records;

(k) deliver to the Purchaser the common seal of the Company by leaving it at one of the Properties;

(l) deliver to the Purchaser a copy of the special resolution (subject only to Completion) changing the name of each entity controlled by the Vendors or Mr Nir Pizmony or any related entity (as defined in the Companies Act) of the Vendors or Mr Nir Pizmony to one which does not include:

(i) words forming part of the corporate name of the Company;

(ii) the words "Click-Check";

(iii) words forming part of any of the trade marks or business names set out in Schedule 12; or

(iv) words which may be misleading or deceptively similar to or likely to be confused with any of the words referred to in clauses 5.2(b)(i), 5.3(b)(i) or 5.3(b)(ii); and

Share Registration Form

Winn Effen | Fax: 0207 5836127
440897-2
06_21151713_00004

For personal use only

09/14/2009

- (iii) do all other things reasonably necessary or desirable to transfer the Shares, to complete any other transaction contemplated by this agreement and to place the Purchaser in effective control of the Company and the Business.

5.4 Acknowledgment by the Vendors

Each Vendor acknowledges that on and from Completion, neither Mr Nir Pizmony nor Mr Hod Pizmon, nor any alternative director appointed by either of them, will be entitled to receive any fees in respect of their position as an officer of the Company.

5.5 Obligations of the Purchaser

The Purchaser must:

- (a) at Completion provide the Initial Consideration to the Vendors under clause 4.1; and
- (b) deliver to the Vendors executed copies of the:

[REDACTED]

- (i) Escrow Deed;
 - (ii) Executive Services Agreement for Hod Pizmon in the form agreed by the parties to it;
 - (iii) Executive Services Agreement for Nir Pizmony in the form agreed by the parties to it;
 - (iv) Director's Deed of Indemnity for Nir Pizmony and Hod Pizmon each in the form agreed by the parties to it;
 - (v) Loan Agreement; and
 - (vi) Services Agreement;
- (c) at or before Completion, deliver to the Vendors any consents or waivers required under clause 2;
- (d) on the date referred to in paragraph 2.1(e) of the Terms of Issue, pay to each Vendor the Cash Consideration (if any) calculated in accordance with paragraph 4.2(e) of this agreement;
- (e) on the date referred to in paragraph 2.1(b) of the Terms of Issue, pay to each Vendor the Cash Consideration (if any) calculated in accordance with paragraph 4.2(b) of this agreement;
- (f) at Completion, deliver to the Vendors evidence satisfactory to the Vendor of the release of the Vendors and any Associates of the Vendors from the Bank Debt Security, the Guarantees and any other guarantees or security given before Completion by the Vendors or any of their Associates in relation to the obligations of the Group; and
- (g) as soon as practicable after Completion convene a meeting of the Board at which:
- (i) Nir Pizmony will be appointed as a director of the Purchaser; and
 - (ii) a person nominated by the Underwriter will be appointed as a director of the Purchaser in accordance with the Underwriting Agreement (but, for the avoidance of doubt, the Underwriter will only be entitled to nominate one person to be appointed as a director of the Purchaser and the Purchaser will only appoint one nominee of the Underwriter to its Board).

13 July 2009

In each case, subject to the relevant provisions providing the Purchaser with a signed consent to act as a director.

5.6 Simultaneous actions at Completion

In respect of Completion:

- (a) the obligations of the parties under this agreement are interdependent;
- (b) all actions required to be performed will be taken to have occurred simultaneously on the Completion Date; and
- (c) the Purchaser and the Vendors need not complete the purchase of any Shares unless the purchase of all the Shares is completed simultaneously.

5.7 Interdependence

This agreement and the Underwriting Agreement are interdependent. A failure to perform and complete the Underwriting Agreement may be treated by the Vendors as a default and entitle the Vendors to immediately terminate this agreement, in which case clause 17 applies.

5.8 Conduct until the Shares are registered

After Completion and until the Shares are registered in the name of the Purchaser, the Vendors must:

- (a) convene and attend at general meetings of the Company; and
- (b) vote at general meetings and take all other action in the capacity of the registered holder of the Shares,

as the Purchaser may lawfully require from time to time by notice in writing to the Vendor.

5.9 Records

The Vendors may retain after Completion copies of any Records necessary for them to comply with any applicable law (including Tax law) and to prepare Tax or other returns required of them by law, and just Complete the Purchaser agrees to provide the Vendors with access to any original Records they reasonably require access to in order to enable them to comply with any applicable law (including Tax law).

6. Completion Accounts

6.1 Completion Accounts

The Vendors must, as soon as practicable, and in any event no later than 30 Business Days, after the Completion Date prepare and give the Purchaser and Auditors the Completion Accounts.

6.2 Basis of preparation

The Completion Accounts must be prepared in Australian GAAP format.

6.3 Instructions to Auditors

As soon as practicable after the Completion Accounts are prepared, but in any event no later than 10 Business Days after the Completion Accounts have been provided to the Purchaser by the Vendors, the Purchaser must instruct auditors (chosen by the Purchaser in its absolute discretion) to:

- (a) audit the Completion Accounts in accordance with Australian GAAP;

18 May 2003

- (b) complete the audit as soon as practicable, but in any event, no later than 35 Business Days after the Purchaser is given the Completion Accounts; and
- (c) give the Vendor and the Purchaser a written report of the audit.

6.4 Access to Information

The Purchaser and the Vendor must cooperate and do all things reasonably necessary to ensure that all information and assistance reasonably requested by a person in connection with that person's rights and obligations under this clause 6 are given to them, including permitting representatives of a person to have reasonable access to, and take extracts from or make copies of the Records.

6.5 Review of Completion Accounts

If neither the Purchaser nor the Vendor disputes the Completion Accounts within 10 Business Days after the date on which they are given a copy of the written report of the audit under clause 6.3 (Final Objection Date) those accounts will be taken to be the final Completion Accounts. If either the Purchaser or the Vendor disputes the Completion Accounts before the Final Objection Date, the dispute will be determined in accordance with clause 6.

6.6 Dispute Resolution Procedure

If either the Purchaser or the Vendor disputes the Completion Accounts (Disputing Party), the Disputing Party must give the other party a written (Dispute Notice) before the Final Objection Date setting out:

- (i) reasonable details of each matter in dispute; and
 - (ii) the reasons why each matter is disputed.
- (b) Within 10 Business Days after the Disputing Party giving the other Party a Dispute Notice, the other party must give the Disputing Party a response in writing on the disputed matters (Response).
- (c) If the Vendor and the Purchaser have not resolved the dispute within 10 Business Days after the other party giving the Response to the Disputing Party, either party may promptly submit the dispute to the Independent Accountant to determine the matter or matters in dispute.
- (d) The Independent Accountant must be agreed by the Vendor and the Purchaser. If the Vendor and the Purchaser cannot agree within 12 Business Days of the other party giving the Response to the Disputing Party, then the Independent Accountant will be nominated, at the request of either the Vendor or the Purchaser, by the President of the Institute of Chartered Accountants in Victoria or his nominee.
- (e) The dispute must be referred to the Independent Accountant by written submission which must include the Completion Accounts, the Dispute Notice, the Response and an extract of the relevant provisions of the agreement. The Independent Accountant must also be instructed to finalise its determination no later than 20 Business Days after its appointment (or another period agreed by the parties).
- (f) The parties must promptly supply the Independent Accountant with any information, assistance and cooperation requested in writing by the Independent Accountant in connection with its determination. All correspondence between the Independent Accountant and a party must be copied to the other parties.
- (g) The Independent Accountant must act as an expert and not as an arbitrator and its written determination will be final and binding on the parties in the absence of manifest error and

See also agreement | page 25

The Official File: NPWH 30927123
 Date filed:
 18/05/2003 2:04:00 PM

For personal use only

For personal use only

18 May 2018

the Completion Accounts will be deemed to be amended accordingly and will be taken to comprise the final Completion Accounts.

6.7 Costs

The costs of the:

- (a) Auditors in reviewing the Completion Accounts; and
 - (b) the Independent Accountant (if instructed),
- will be borne by the Purchaser.

7. Vendor's obligations prior to Completion

7.1 Continuity of Business

Until Completion, the Group must only carry on the Business in the ordinary course.

7.2 Access to Business and Records

The Vendor must allow the Purchaser, its employees, agents and representatives reasonable access to the Property and the Records at all reasonable times before Completion to enable the Purchaser, as is reasonably necessary, to become familiar with the Business and the affairs of the Company.

7.3 Purchaser's obligations

The Purchaser must ensure that any access under clause 7.2 is exercised and conducted in a manner to avoid unreasonable disruption to the conduct of the Business and the activities and operations of the Group and its employees.

7.4 Right to copy and consult

For the purposes of clause 7.3, the Purchaser may:

- (a) make copies of material examined; and
- (b) with the prior consent of the Vendor (which consent may not be unreasonably withheld), consult with employees of the Company.

7.5 Terminate discussions

Until the end of the Sunset Date, the Vendor must not submit or respond to any enquiries or proposals by any person, other than the Purchaser, concerning an acquisition of the Shares or the assets of the Company.

7.6 Material changes

Until Completion, the Vendor must ensure that the Purchaser is informed of, and consulted about, any matter which materially adversely affects the Business.



16 May 2009

For personal use only



8. Conduct during Earn-Out Period.

8.1 Company Agreements Schedule

During the Earn-Out Period:

- (a) revenue derived by the Group or by the Purchaser (excluding the Group) which constitutes Revenue Stream 1, Revenue Stream 2, Revenue Stream 3 and Revenue Stream 6, will be to the account of the Group for the purpose of calculating the EBIT of the Group during the Earn-Out Period and preparing the EBIT Statement;
- (b) in respect of revenue derived by the Financial Group (including the Group) which constitutes Revenue Stream 4 and Revenue Stream 5
 - (i) if that revenue is derived pursuant to arrangements listed in the Company Agreements Schedule, that revenue will be to the account of the Group for the purpose of calculating the EBIT of the Group during the Earn-Out Period and preparing the EBIT Statement; and
 - (ii) if that revenue is derived pursuant to any arrangements other than those listed in the Company Agreements Schedule, that revenue will be to the account of the Purchaser.

8.2 Integration

- (a) The Purchaser intends, during the Earn-Out Period, to take such steps as are necessary to integrate the Business, in whole or in part, with the Purchaser's existing business.
- (b) The Purchaser undertakes and agrees that the Group and the Business will until the earlier of the Loan being repaid in full and 31 December 2013:
 - (i) be managed in the same manner as any other business or division of the Purchaser;
 - (ii) have financing made available to it on the same basis as any other business or division of the Purchaser;
 - (iii) have made available to it in 2009 to the extent reasonably practicable the funding forecast to be required by it in the 2009 Forecast and in each subsequent year the funding forecast to be required by it in the approved forecasts or business plans for the Group (in the case may be) for that year; and

For personal use only

18/04/2008

(v) be otherwise treated no less favorably than the Purchaser's existing toy division.
(e) The parties agree that any additional funding provided to the Group by the Purchaser will be:

(i) at the discretion of the Board, subject to clause 3.2(b), and
(ii) only advanced in US dollars and with the prior written approval of the Vendors.

(f) Until the earlier of 31 December 2013 and the Loan being repaid in full, the Purchaser must act in good faith, and must continue to operate the Group and the Business generally in accordance with the manner in which it had previously been operated and must not take any action, or fail to take any action that is reasonably likely to have a material adverse effect on the ability of the Group and the Business to generate EBIT, including without limitation:

- (i) delaying entry into any contracts;
- (ii) deferring collection of revenue;
- (iii) bringing forward the incurrence of expenses;
- (iv) transferring existing commercial opportunities of the Group and the Business to other entities or businesses within the Finnicis Group;
- (v) allowing relevant contracts and other commercial arrangements to be breached by the Finnicis Group (excluding a member of the Group);
- (vi) failing to use its reasonable endeavours to make resources available to the Group and the Business at least at a similar level to those available to the Group and the Business prior to Completion; or
- (vii) not directing all sources of revenue which constitute Revenue Stream 1, Revenue Stream 2, Revenue Stream 3 and Revenue Stream 6 and all contracts (including purchase orders) which relate directly to the Business and its capabilities at the relevant time to the Group and the Business, except where it is reasonable for it not to do so.

(g) The Purchaser must not sell, or offer for sale, any member of the Group, or the business and assets of any member of the Group substantially used to run the Business, within the Earn-Out Period without the prior written consent of the Vendors, with such consent not to be unreasonably withheld.

(h) It is agreed that revenue not attributed to the Group because the Purchaser does not comply with clause 8.2(f) will be deemed to have been for the benefit of the Group during the relevant year and will be included in the EBIT of the Group for that year.

(i) The Purchaser acknowledges and agrees that:

(i) if the Purchaser restructures the Group so that the Business is operated, in whole or in part, by one or more entities in the Finnicis Group (other than the Group) or so that other businesses are merged into the Group, for the purposes of determining EBIT the Purchaser must prepare an assessment of Revenue Stream 1 to 6 on the basis that the Business was being operated as a stand-alone enterprise; and

(ii) the development and expansion of the Group and the Business will be taken into consideration when preparing an assessment of the revenue of the Business for the purposes of this clause 8.

SIGNED AND AGREED FOR THE

CLARENDON LAWYERS
18/04/2008

18 May 2008

- (b) Where the Business, in whole or in part, has been transferred from the Group to other members of the Funtasia Group, for the purposes of this clause 9.2 a reference to the Group must also be read as a reference to those entities that, during the relevant period, operate same or all of the Business.
- (c) Until the expiry of 31 December 2013 and the Loan being repaid in full, the Purchaser must procure that a representative of each of the Vendors remains on the Board of the Company, and for these purposes it is agreed that Nir Pizansky and Hod Pizem will be the initial representative directors of the Vendors.

9. Release of Guarantees and Assumption of Loan

9.1 Guarantees

The Purchaser:

- (a) must obtain the unconditional release of the Vendors and their Associates from each of the Guarantees as and with effect from Completion; and
- (b) if it fails to fulfil its obligations under clause 9.1(a) and notwithstanding that failure the Vendors have elected to proceed with Completion:
- (i) must procure the unconditional release of the Vendors and their Associates from each of the Guarantees as soon as possible; and
 - (ii) indemnifies each Vendor and its Associates from and against any Claim or Liability arising out of the Guarantees that may be suffered or incurred by that Vendor or any of its Associates.

9.2 Other guarantees

The Purchaser:

- (a) must, as and with effect from Completion, obtain the unconditional release of the Vendors and their Associates from any other guarantee or security (including any Bank Debt Security) given before Completion by that Vendor or its Associates in relation to the obligations of the Group; and
- (b) if it fails to fulfil its obligations under clause 9.2(a) and notwithstanding that failure the Vendors have elected to proceed with Completion:
- (i) must procure the unconditional release of the Vendors and their Associates from each of those other guarantees and securities (including any Bank Debt Security), including by repaying or procuring the repayment by the Group of all of the Bank Debt as soon as possible; and
 - (ii) indemnifies each Vendor and its Associates from and against any Claim or Liability arising out of any guarantee or securities referred to in clause 9.2(a) that may be suffered or incurred by that Vendor or any of its Associates.

9.3 Company Loan

Subject to clause 9b, the Purchaser will ensure that the Company repays the Loan in accordance with the terms of this Loan Agreement, and will provide the Company with such financial assistance as is necessary for this purpose.

Went Station Ltd, NY 10017
44107 2
NY 10017, NY 10017

See the agreement for 20

For personal use only

19 May 2008

9.4 Benefit held for Associates

The Vendors hold the rights under clauses 9.1 and 9.2 expressed to be for their Associates as agent of and trustee for their Associates, and their Associates must be treated to this extent as parties to this agreement.

10. Vendor Warranties

10.1 Vendor Warranties

The Vendors warrant and represent to the Purchaser, as an inducement to the Purchaser to enter into this agreement first, subject to the limitations in this agreement, and except as expressly stated, each of the Vendor Warranties is true and accurate in all material respects.

(a) Each Vendor Warranty is given as at the date of this agreement and immediately prior to the Effective Date (unless otherwise indicated in Schedule 10).

(b) The Vendors acknowledge and agree that:

(i) each of the Vendor Warranties is to be treated as a separate warranty and the interpretation of any statement made is not restricted by reference to or inference from any other statement;

(ii) with the exception of the Disclosure Material, no other document or communication qualifies any of the Vendor Warranties; and

(iii) the Vendor Warranties are not established or affected by any investigation made by or on behalf of the Purchaser into the Company and the Businesses before the date of this agreement, unless the Claim relates to a matter which is fully disclosed in the Disclosure Material or to which clauses 10.6(a)(v) or 10.8(a)(2) applies.

10.2 Some Vendors' Warranties limited to knowledge

Where a Vendor Warranty is qualified by reference to the awareness or knowledge of the Vendor, the Purchaser agrees that the awareness or knowledge of the Vendor is limited to any information that is known by one or more of:

- Mr Pizzinoy
- Had Pizen

(the Relevant Persons), as at the date of this agreement and in respect of those Vendor Warranties repeated at the Effective Date as at the Effective Date (given the facts or circumstances known by the Relevant Persons at that time), after the Relevant Persons have made reasonable and proper inquiries in relation to the matter, including as appropriate having made inquiries of Charles Choi regarding financial matters, Chris O'Reil regarding Noddy and Bronwyn Brickett regarding distribution matters.

10.3 Gross Up

(a) Subject to clause 10.3(b) if:

(i) the Vendors are required by law to make any deduction or withholding from any sum paid to the Purchaser by the Vendors in relation to a Claim; or

(ii) the Purchaser is required by law to make any payment on account of Tax or any other matter or in relation to any amount received or receivable by it in relation to a payment by the Vendors in respect of payment for a Claim,

then the relevant amount

shall be increased by the amount of such deduction or withholding.

For personal use only

10 MAY 2011

- (d) Irrevocably withdrawn by the Purchaser or Company (as the case may be);
- (iii) settled between the Vendor and the Purchaser or Company (as the case may be); or
- (iv) referred to a court of competent jurisdiction by the Purchaser or Company (as the case may be) properly testing and validly serving legal proceedings against the Vendor in relation to the Claim.

10.5 Small Claims

(a) The Vendor is not liable to make any payment in respect of a Resolved Claim (whether by way of damages or otherwise) for any breach of the Vendor Warranties or any provision of this agreement or otherwise in connection with this agreement, including in respect of any Indemnity (including under the Tax Indemnity Deed) unless:

- (i) if that Resolved Claim relates to a Tax Warranty or is made under the Tax Indemnity Deed, the amount of that Resolved Claim, or series of Resolved Claims that have arisen from a Tax Warranty Claim or Claims under the Tax Indemnity Deed, is more than nil
- (ii) if that Resolved Claim does not relate to a Tax Warranty and is not made under the Tax Indemnity Deed, the amount of that Resolved Claim, or series of Resolved Claims that have arisen other than from a Tax Warranty Claim or Claims under the Tax Indemnity Deed, is more than nil

(b) The parties acknowledge and agree that, subject to the time limitations and other restrictions in this clause 10:

- (i) the Purchaser, and the Company (in respect of a Claim under the Tax Indemnity Deed), are entitled to aggregate individual Resolved Claims of more than nil but less than the monetary thresholds referred to in clause 10.5(f);
- (ii) the Purchaser, and the Company (in respect of a Claim under the Tax Indemnity Deed), are not entitled to make a Claim for any breach of the Vendor Warranties or any provision of this agreement or otherwise in connection with this agreement, including in respect of any Indemnity (including by the Company under the Tax Indemnity Deed) unless and until a Resolved Claim exceeds, or the total of all individual Resolved Claims that are aggregated under clause 10.5(b)(i) exceed, the monetary thresholds referred to in clause 10.5(f); and
- (iii) if the Purchaser or the Company (under the Tax Indemnity Deed), makes a Resolved Claim which exceeds, or Resolved Claims the aggregate amount of which exceed, the monetary thresholds referred to in clause 10.5(f), the Purchaser or the Company (as the case may be) is entitled to recover 100% of the amount of the Resolved Claim or aggregate Resolved Claims, as the case may be, not more than the amount in excess of the monetary thresholds referred to in clause 10.5(f).

10.6 Maximum amount the Purchaser may recover

The total Liability of the Vendor and the maximum amount the Purchaser and the Company under the Tax Indemnity Deed may, in aggregate, recover from the Vendor for breach of any provision of this agreement or otherwise in connection with this agreement, including in respect of any Indemnity (including under the Tax Indemnity Deed) will not exceed the value of the Consideration (excluding the Consideration Shares). For the avoidance of doubt, the obligations of the Purchaser under paragraph 9.2 are not subject to this clause. (Ded will not be affected by any Claim.

For personal use only

16 May 2009

10.7 Purchaser acknowledgments

- (a) The Purchaser acknowledges and agrees that:
 - (i) it has received independent and professional advice (including legal, accounting, tax and financial advice) concerning this agreement and has satisfied itself about anything arising from that advice;
 - (ii) it has had the opportunity to consult due diligence and has satisfied itself of the results of that due diligence; and
 - (iii) the only representations and warranties on which the Purchaser has relied in entering into this agreement are:
 - (A) the representations and warranties set out in Schedule 10; and
 - (B) the matters described in the Disclosure Materials.

(b) The Purchaser acknowledges and agrees that, to the extent permitted by law, all other warranties, representations and undertakings (whether express or implied and whether oral or in writing) made or given by the Vendor, the Group or their respective directors, employees, agents, advisers or representatives are expressly excluded and, to the extent that they cannot be excluded, the Vendor disclaims all liability in relation to them.

10.8 Limits on types of Claims and Liability

- (a) The Purchaser must not make a Claim and must procure that the Company does not make a Claim under the Tax Indemnity Deed, and the Vendor is not liable to make any payment (whether by way of damages or under an indemnity or otherwise) for any Claim or Liability (including under the Tax Indemnity Deed), to the extent that:
 - (i) the nature, information or circumstances giving rise to, or the subject of, the Claim or Liability is Publicly Disclosed in this agreement or in writing to the Purchaser on or before the date of this agreement by way of the Disclosure Material other than by way of the Disclosure Letter;
 - (ii) the nature, information or circumstances giving rise to, or the subject of, the Claim is Publicly Disclosed in the Disclosure Letter;
 - (iii) the nature, information or circumstances giving rise to, or the subject of, the Claim or Liability has been provided for or reserved in the Accounts or the management accounts provided under clause 5.2(b);
 - (iv) at the date of this agreement, the nature, information or circumstances is disclosed in Publicly Available Information;
 - (v) the Claim or Liability is caused by a thing any member of the Fontastic Group (including any member of the Group) does or does not do on or after Completion; or
 - (vi) the Claim or Liability would not have arisen but for any restructuring or change in ownership of any member of the Fontastic Group after Completion or any change in the accounting policies of the Fontastic Group after Completion;
 - (vii) the Claim is caused by a thing the Vendor or the Group do or do not do:
 - (A) at the Purchaser's express request;
 - (B) with the Purchaser's express consent; or
 - (C) as required by this agreement.

For personal use only

18 May 2004

including anything that the Group does or does not do from the Effective Date under clauses 7.7;

- (vii) the breach or claim has been remedied without cost to the Purchaser;
- (viii) the Purchaser or the Group is compensated for the Claim or Liability giving rise to, or the subject of, the Claim, whether by the Vendors or otherwise, subject to such compensation covering the reasonable costs incurred by the Purchaser or the Group in connection with pursuing the Claim or defending or otherwise dealing with the Liability (including reasonable legal costs on a full indemnity basis); or
- (ix) the Claim or Liability giving rise to, or the subject of, the Claim, is recoverable by the Purchaser or the Group through insurance, net of any associated reasonable costs incurred by the Purchaser or the Group in connection with recovering through insurance (including reasonable legal costs on a full indemnity basis);
- (x) the Claim is in respect of a matter or circumstances of which the Purchaser or any of its directors, officers, employees or advisers who were directly involved in advising the Purchaser on the transactions the subject of this agreement is actually aware.

- (b) The maximum amount which the Vendors are required to pay in respect of any Revolved Claim under or in relation to this agreement (including in respect of any indemnity (including under the Tax Indemnity Deed)) is reduced by any tax benefit which the Purchaser (or, if applicable, the Group) has received or may receive in connection with the subject matter of the Revolved Claim.
- (c) Each disclosure in the Disclosure Letter is made in respect of each Vendor Warranty even if the disclosure expressly relates to a particular Vendor Warranty.
- (d) The Vendors are not liable to make any payment for breach of any provision of this agreement (whether by way of damages or under an indemnity or otherwise) or otherwise in connection with this agreement (including in respect of any indemnity (including the Tax Indemnity Deed)) for any indirect loss, or consequential loss, however arising.

10.8 Contingent Claims

As soon as practicable, and in any event within 15 Business Days, after the Purchaser becomes aware of a contingent liability that the Purchaser reasonably considers may give rise to a Claim under or otherwise in connection with this agreement (including in respect of any indemnity (including the Tax Indemnity Deed)), the Purchaser must notify the Vendor giving reasonable details of:

- (a) the nature of the contingent liability (together with copies of all relevant reports) to the extent that those details are available to the Purchaser; and
- (b) an estimate of the amount that may be claimed if the liability becomes actual.

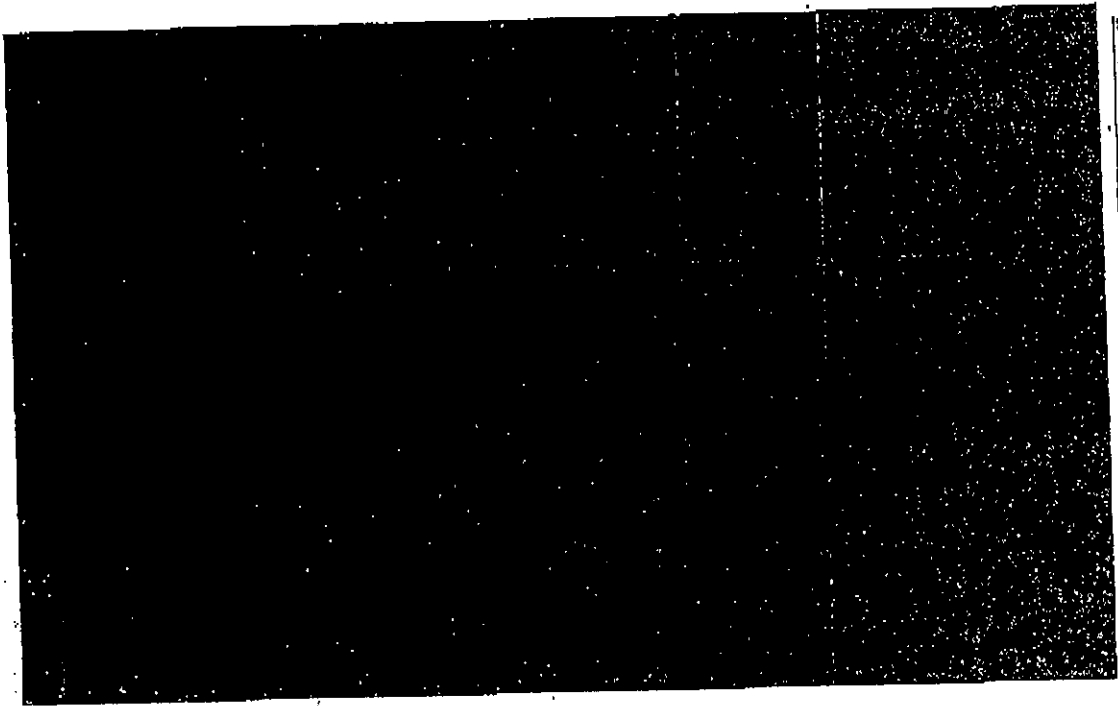
10.10 Notice of potential claim

As soon as practicable, and in any event within 15 Business Days, after a party first becomes aware of anything which is or may be reasonably likely to give rise to a Claim subject to this clause 10:

- (i) it must notify the other parties in writing of that fact, together with all available details; and
- (ii) the Vendors must, as and when requested by the Purchaser, provide to the Purchaser any information and details which the Purchaser reasonably requires.

For personal use only

16 MAR 2009



Sheet 1 of 1 Report Page 35

MARY ELLEN (MS. NP/PA) 01/02/13/7
4590102
MELVILLE, MA 02281

For personal use only

16 Mar 2020



10.12 Claims that impact on EBIT

To the extent that there is a breach of Vendor Warranty, and as a consequence of that breach of Vendor Warranty, Exercise is less than would have been the case if the breach had not occurred, then the Purchaser must make a claim against the Vendor for breach of Vendor Warranty and the Purchaser acknowledges and agrees that any Liability arising from the breach has been taken into account due to the reduction in Revenue used for the purpose of determining EBIT.

10.13 Cash Payment of Claim

- (a) The Vendor may elect to make a Claim Payment under this clause 10 (including in relation to a Resolved Claim under the Tax Indemnity Deed) by bank cheque, telegraphic transfer to an account or accounts nominated by the Purchaser or otherwise in cleared funds, in which case the procedure in clause 10.11 will not apply.
- (b) If the Vendor elects to make a Claim Payment in accordance with paragraph 10.13(a), they must give notice to the Purchaser in writing within 18 Business Days after the date the Claim becomes a Resolved Claim stating:
 - (A) that they wish to make the relevant Claim Payment in accordance with clause 10.13(b); and
 - (B) the manner (whether by bank cheque, telegraphic transfer or otherwise in cleared funds) in which they propose to make the relevant Claim Payment; and
- (c) such election must be in respect of the full amount of the relevant Claim Payment. Following receipt of a notice from the Vendor given in accordance with sub-paragraph 10.13(b)(2), the Purchaser must notify the Vendor of the details of the account or accounts to which the relevant Claim Payment must be made, by not less than 2 Business Days before the due date for payment.
- (d) If the Vendor gives the Purchaser a notice pursuant to sub-paragraph 10.13(b) but do not make the relevant Claim Payment by the due date for payment, the Purchaser may disregard the notice and apply the procedure set out in clause 10.11 to recover the outstanding amount of the Claim Payment and the Purchaser acknowledges that, in doing so it will be in full and final satisfaction of the Claim Payment (subject otherwise to this agreement).
- (e) For the avoidance of doubt, a notice given by the Vendor pursuant to sub-paragraph 10.13(b)(1) will be binding on the Vendor jointly and severally.

10 May 2009

10.14 Guaranteed Shares

Any payment to be made to the Purchaser is a member of the Financial Group under this clause 10 (including in relation to a Resolved Claim under the Tax Indemnity Deal) shall not reduce the number of shares that the Vendors receive pursuant to this agreement to a number less than the number of Guaranteed Shares.

10.15 Survival

The provisions of this clause 10 remain in full force and effect after Completion.

10.16 Claim

For the purposes of this clause 10, a Claim includes a Claim for breach of any provision of this agreement or otherwise in connection with this agreement including in respect of any indemnity (including the Tax Indemnity Deal).

11. Purchaser Warranties

- (i) The Purchaser warrants and represents to the Vendors, as an inducement to the Vendors to enter into this agreement that, subject to the limitations in this agreement and except as expressly stated, that each of the Purchaser Warranties is true and accurate in all material respects.
- (ii) Each Purchaser Warranty is given as at the date of this agreement and immediately prior to Completion (unless otherwise indicated in Schedule 13).
- (iii) Each of the Purchaser Warranties is to be treated as a separate warranty and the interpretation of any statement made is not restricted by reference to or inference from any other statement.
- (iv) The Vendor must not make a Claim, and the Purchaser is not liable to make any payment (whether by way of damages or under an indemnity or otherwise) for any Claim or Liability, to the extent that:
 - (i) the matter, information or circumstance giving rise to, or the subject of, the breach or Claim is fully disclosed in this agreement or in writing to the Underwriter on or before the date of this agreement; or
 - (ii) at the date of this agreement, the matter, information or circumstance is disclosed in Publicly Available Information.

12. General Indemnity

The Vendors indemnify the Purchaser:

- (i) from all Liabilities (excluding indirect or consequential loss) which the Purchaser actually suffers or incurs by reason of:
 - (i) any of the Vendor Warranties being untrue, inaccurate or breached to any material respect;
 - (ii) any failure by a Vendor to fulfil its material obligations under this agreement in any material respect; and
 - (iii) any breach of a material warranty given with respect to a third party, where that breach occurred prior to Completion.

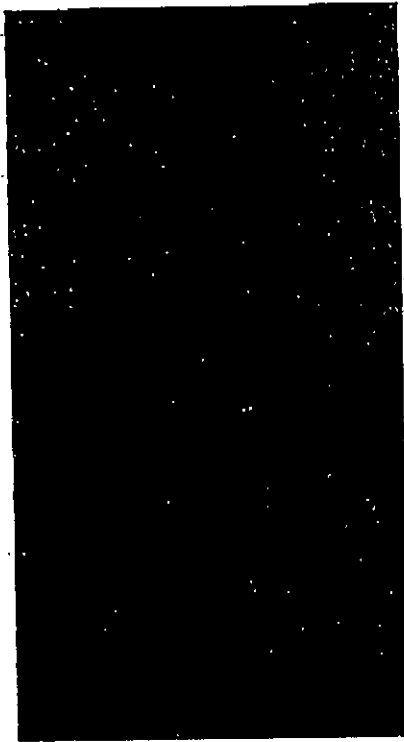
Legal Editor: Mr. Lewis 3007143
4/10/09
ME_3007143_3_012514

8/20/09 10:58:11 AM

For personal use only

15 May 2018

To the extent that the Purchaser is able to mitigate any Liability to which this clause 14 relates, it will use its reasonable endeavours to do so.



14. Acknowledgment by Rod Pizzini

Hod Pizzini:

- (a) agrees and acknowledges that all existing and future intellectual property rights in all inventions, models, designs, drawings, plans, software, reports, proposals and other materials created or generated by him in connection with any services provided by him to HKEPCOD or to the Company (whether alone or with HKEPCOD or the Company or employed or contractors of HKEPCOD or the Company) for use by the Company are vested in the Company and, on that creation, all such future rights will vest in the Company; and
- (b) agrees to do all things reasonably requested by the Company or the Purchaser to enable the Company to ensure the rights referred to in clause 14(a) are vested in, or, in the case of future rights, will vest in, the Company.

15. Restraint

15.1 Defined terms

In this clause 15:

engage in means to carry on, participate in, provide finance or services, or otherwise be directly or indirectly involved as a shareholder, proprietor, director, consultant, adviser, contractor, principal, agent, manager, employee, beneficiary, partner, associate, trustee or financier.

Established Persons means:

- (a) each Vendor;
- (b) each Associate of each Vendor.

For personal use only

18 May 2008

15.2 Prohibited activities

Subject to clause 15.6, each Vendor undertakes to the Purchaser that the Prohibited Persons will not:

- (a) engage in a business or an activity that:
 - (i) is the same or similar to the Business or any material part of the Business; and
 - (ii) is in competition with the Business or any material part of the Business;
- (b) solicit, canvass, approach or accept an approach from a person who was at any time during the 12 months ending on the Completion Date a customer of the Company with a view to obtaining their custom in a business that is the same or similar to the Business and is in competition with the Business;
- (c) interfere with the relationship between the Company and its customers, employees or suppliers; or
- (d) induce or help to induce an employee of the Company to leave their employment.

15.3 Duration of prohibition

The undertakings in clause 15.2 begin on the Completion Date and end:

- (a) on the second anniversary of the Completion Date;
- (b) on the first anniversary of the Completion Date; and
- (c) six months after the Completion Date.

15.4 Geographic application of prohibition

The undertakings in clause 15.2 apply only if the activity prohibited by clause 15.2 occurs within:

- (a) Australia and New Zealand;
- (b) Hong Kong;
- (c) China;
- (d) United States;
- (e) United Kingdom;
- (f) European Union; and
- (g) Canada.

15.5 Interpretation

Clauses 15.2, 15.3 and 15.4 have effect together as if they consisted of separate provisions, each being severable from the other. Each separate provision operates from combining each undertaking in clause 15.2, with each period in clause 15.3, and combining each of those combinations with each area in clause 15.4. If any of those separate provisions is invalid or unenforceable for any reason, the invalidity or unenforceability does not affect the validity or enforceability of any of the other separate provisions or other combinations of the separate provisions of clauses 15.2, 15.3 and 15.4.

15.6 Exceptions

This clause 15 does not restrict a Prohibited Person from:

- (a) performing any employment agreement with the Group, or Fullstack;
- (b) holding 5% or less of the shares of a listed company other than the Purchaser;

MARKETWORKFILE WFTW 20082527
ACCT00070
ACCT00070_1404081

For personal use only

18/11/2004

- (e) recruiting a person through a recruitment agency (except if the agency targets employees of the Company) or in a response to a newspaper, web page or other public employment advertisement;



15.7. Acknowledgments

Each Vendor acknowledges that:

- (a) all the prohibitions and restrictions in this clause 15 are reasonable in the circumstances and necessary to protect the goodwill of the Business;
- (b) damages are not an adequate remedy if a Prohibited Person breaches this clause 15; and
- (c) the Purchaser may apply for injunctive relief if:
 - (i) a Prohibited Person breaches or threatens to breach this clause 15; or
 - (ii) it believes a Prohibited Person is likely to breach this clause 15.

16. Confidentiality and publicity

16.1 Confidentiality

- (a) The parties agree to keep the terms of this agreement confidential on the basis that it constitutes Confidential Information for the purposes of the Confidentiality Agreement, except that the Purchaser may disclose such information regarding this agreement as is necessary for the purpose of obtaining any approvals from members of the Purchaser in general meeting, making submissions to, or engaging in discussions with, ASX, ASIC or any other regulator, or otherwise to the extent necessary to enable the Purchaser to complete the transactions contemplated by this agreement.

- (b) From Completion the Purchaser is released from clauses 4, 7, 9, 11, 12, 14 and 15 of the Confidentiality Agreement in respect of Confidential Information relating solely to the Company, but not the terms of this agreement.

16.2 Confidential Information - after Completion

From Completion, subject to End Notes or an Associate of NBR Peas being an employee of the Purchaser, each Vendor will remain bound by the terms of the Confidentiality Agreement (except that the parties agree that clause 1.1(3)(c) of the Confidentiality Agreement is deleted) and in any case, must not, and must ensure that any related body corporate of it and its and their respective officers and employees must not, after Completion without the prior written consent of the Purchaser, use or disclose any Confidential Information unless required to do so by law or the Listing Rules of ASX.

16.3 This agreement paramount

Except as otherwise provided in this agreement, both before and after Completion the obligations set out in the Confidentiality Agreement shall continue to apply to the parties but where an express term of this agreement is inconsistent with a term of the Confidentiality Agreement, the express term of this agreement shall prevail to the extent of the inconsistency.

11 May 2008

17. Termination**17.1 Default**

If the Vendor or the Purchaser (Defaulting Party) breaches any provision of this agreement and fails to rectify that breach within 14 days of being given written notice of the requirement to do so, or becomes subject to an Insolvency Event, the non-defaulting party (Non-Defaulting Party) may at any time prior to Completion (without prejudice to its other rights and remedies under this agreement or at law) immediately terminate this agreement by giving notice in writing to the Defaulting Party.

17.2 After termination

On termination of this agreement for any reason, each party must stop, and must cause its permitted disclosure to stop, using confidential information of another party (including any Records or copies of Records) and, at the other party's option:

- (a) return to the other party;
- (b) destroy and certify in writing to the other party the destruction of; or
- (c) destroy and permit a representative of the other party to witness the destruction of, all confidential information in its possession or control.

17.3 Survival

Clause 17 continues to apply after termination of this agreement.

17.4 Accrued rights

Termination of this agreement does not affect any accrued rights or remedies of a party.

18. GST**18.1 Interpretation**

In this clause 18, a word or expression defined in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) has the meaning given to it in that Act.

18.2 GST gross up

If a party makes a supply under or in connection with this agreement in respect of which GST is payable, the consideration for the supply but for the application of this clause 18.2 (GST exclusive consideration) is increased by an amount equal to the GST exclusive consideration multiplied by the rate of GST prevailing at the time the supply is made.

18.3 Reimbursements

If a party must reimburse or indemnify another party for a loss, cost or expense, the amount to be reimbursed or indemnified is first reduced by any input tax credit the other party is entitled to for the loss, cost or expense, and then increased in accordance with clause 18.2.

18.4 Tax invoice

A party need not make a payment for a taxable supply made under or in connection with this agreement until it receives a tax invoice for the supply to which the payment relates.

\\clarendon\clarendon\14912121

\\clarendon\clarendon\14912121
14912121_14912121

14 May 2009

19. Notices and other communications

19.1 Service of notices

- A notice, demand, demand, approval or communication under this agreement (Notice) must be:
- (a) in writing, in English and signed by a person duly authorised by the sender; and
 - (b) hand delivered or sent by prepaid post or facsimile to the recipient's address for Notices specified in the Details, as varied by any Notice given by the recipient to the sender.

19.2 Effective on receipt

- A Notice given in accordance with clause 19.1 takes effect when taken to be received (or at a later time specified in it), and is taken to be received:

- (a) if hand delivered, on delivery;
- (b) if sent by prepaid post, two Business Days after the date of posting (or seven Business Days after the date of posting if posted to or from a place outside Hong Kong);
- (c) if sent by facsimile, when the sender's facsimile system generates a message-confirming successful transmission of the entire Notice unless, within eight Business Hours after the transmission, the recipient informs the sender that it has not received the entire Notice.

but if the delivery, receipt or transmission is not on a Business Day or is after 5.00pm on a Business Day, the Notice is taken to be received at 9.00am on the next Business Day.

20. Assignment

20.1 Assignment in general

- A party may only assign this agreement or a right under this agreement with the prior written consent of each other party.

21. Miscellaneous

21.1 Alterations

- This agreement may be altered only in writing signed by each party.

21.2 Approvals and consents

- Except where this agreement expressly states otherwise, a party may, in its discretion, give conditionally or unconditionally or withhold any approval or consent under this agreement.

21.3 Costs

- Each party must pay its own costs of negotiating, preparing and executing this agreement.

21.4 Stamp duty

- Any stamp duty, duties or other taxes of a similar nature (including fines, penalties and interest) in connection with this agreement or any transaction contemplated by this agreement, must be paid by the Purchaser.

21.5 Survival

- (i) Any indemnity or any obligation of confidence under this agreement is independent and survives termination of this agreement.

10 May 2009

(b) Any other term by its entire intended to survive termination of this agreement survives termination of this agreement.

(c) For the avoidance of doubt, clauses A.2, s. 9, 10, 11, 12, 14, 15, 16, 17, 18, 19, 20, 21 survive. Completion of this Agreement in accordance with its terms.

21.6 Counterparts

This agreement may be executed in counterparts. All executed counterparts constitute one document.

21.7 No merger.

The rights and obligations of the parties under this agreement do not merge on completion of any transaction contemplated by this agreement.

21.8 Entire agreement

This agreement, read in conjunction with the Underwriting Agreement, constitutes the entire agreement between the parties in connection with the subject matter and supersedes all previous agreements or understandings between the parties in connection with its subject matter.

21.9 Further action

Each party must do, at its own expense, everything reasonably necessary (including accounting documents) to give full effect to this agreement and any transactions contemplated by it.

21.10 Severability

A term or part of a term of this agreement that is illegal or unenforceable may be severed from this agreement and the remaining terms or parts of the term of this agreement continue in force.

21.11 Waiver

A party does not waive a right, power or remedy if it fails to exercise or delays in exercising the right, power or remedy. A single or partial exercise of a right, power or remedy does not prevent another or further exercise of that or another right, power or remedy. A waiver of a right, power or remedy must be in writing and signed by the party giving the waiver.

21.12 Relationship

Except where this agreement expressly states otherwise, it does not create a relationship of employment, trust, agency or partnership between the parties.

21.13 Governing law and jurisdiction

This agreement shall be governed by and construed in accordance with the laws of Victoria, Australia, without regard to the principles of conflict of law of any jurisdiction. Each party irrevocably submits to the non-exclusive jurisdiction of courts of Victoria, Australia, waives any objections to the jurisdiction of those courts and irrevocably agrees that a judgment or order of a court of Victoria in connection with this agreement is conclusive and binding on it and may be enforced against it in the courts of any other jurisdiction.

For personal use only

For personal use only

21 May 2009

Signing page

EXECUTED as an agreement

Executed by Puritas Limited in accordance with Section 127 of the Corporations Act 2001

Signature of director

Anthony R. Lynch
Name of director (Print)

[Signature]
Signature of the (or companies) secretary
(Please write as applicable)
ROSEMARY ROY
Name of the (or companies) secretary (Print)

Executed by NSR Fees Pty Ltd in accordance with Section 127 of the Corporations Act 2001

Signature of director

Name of director (Print)

[Signature]
Signature of the (or companies) secretary
(Please check if applicable)
ANITA ROY
Name of the (or companies) secretary (Print)

Signed by Hod Pizam in the presence of

Signature of witness

Name of witness (Print)

[Signature]
Name of witness (Print)

For personal use only

19 May 2009

Signing page

EXECUTED as an agreement.

Executed by Eurlastic Limited in accordance with Section 127 of the Corporations Act 2001

Signature of director _____ Signature of director (company secretary) _____
(Please tick as applicable)

Name of director (only) _____ Name of director (company secretary) _____

Executed by MSR Peas Pty Ltd in accordance with Section 127 of the Corporations Act 2001

Signature of director _____ Signature of director (company secretary) _____
(Please tick as applicable)

Name of director (only) _____ Name of director (company secretary) _____

Signature of witness _____
Signature of witness in the presence of _____

Name of witness (only) _____ Name of witness (only) _____

Form 604
Corporations Act 2001
Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme Funtastic Limited

ACN/ARSN 063 886 199

1. Details of substantial holder (1)

Name Refer to Table 1 in Annexure A

ACN/ARSN (if applicable) _____

There was a change in the interests of the substantial holder on 13/8/2009

The previous notice was given to the company on 3/2/2009

The previous notice was dated 3/2/2009

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Ordinary	14,045,961	8.49%	115,223,992	33.79%

3. Changes in relevant interests

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

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
Refer to Table 2 in Annexure A					

4. Present relevant interests

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

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
Refer to Table 3 in Annexure A					

5. Changes in association

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

Name and ACN/ARSN (if applicable)	Nature of association
Refer to Table 4 in Annexure A	

6. Addresses

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

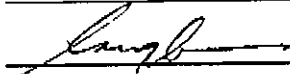
Name	Address
Refer to Table 1 in Annexure A	

Signature

print name CRAIG DONALD MATHIESON

capacity DIRECTOR

sign here



date 17 / 08 / 09

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included on any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

For personal use only

Annexure A

This is Annexure A of 3 pages referred to in Form 604 signed by me on 17 August 2009.

Signature: 

Name: Craig Donald Mathieson

Table 1 – Substantial Holders

Name of Substantial Holder	Address	ACN
Kooyongkoot Pty Ltd ATF Lauren Mathieson Family Trust	c/- 19 Rowland Street, Kew VIC 3101	127 821 863
Holdrey Pty Ltd ATF The Don Mathieson Family Trust	William Buck Chartered Accountants Level 2, 215 Spring Street, Melbourne VIC 3000	006 501 524
Lauren Michelle Mathieson Downs	19 Rowland St, Kew VIC 3101	N/A
DDVM Superannuation Nominees Pty Ltd ATF DDVM Super Fund	c/- William Buck Chartered Accountants Level 2, 215 Spring Street, Melbourne VIC 3000	075 404 018
Stewart John Alistair Downs & Lauren Michelle Mathieson Downs ATF S&L Downs Superannuation Fund	c/- 19 Rowland St, Kew VIC 3101	N/A
NSR Peas Pty Ltd	485 Bourke St, Melbourne 3000	104 284 031
NSR Toys Pty Ltd ATF Pizmony Family Trust	313 Glenferrie Road, Malvern VIC 3144	082 219 789
N Pizmony and M L Pizmony ATF The Pizmony Family Super Fund	7-9 Hume Road, Caulfield North VIC 3161 / 313 Glenferrie Road, Malvern VIC 3144	N/A
Hod Pizem	c/- UG 303 Chinachem Golden Plaza, 77 Mody Road, Tsimshatsui East, Kowloon, Hong Kong	N/A
N Pizmony	9 Hume Road, Caulfield North VIC 3161	N/A

Table 2 – Changes in relevant interests

Date of change	Person whose relevant interest changed	Nature of change	Consideration given in relation to change	Class and number of securities affected	Person's votes affected
13/8/2009	Kooyongkoot Pty Ltd ATF Lauren Mathieson Family Trust	Acquisition of shares pursuant to the underwriting of the rights issue	\$0.135 per share	89,385,036 ordinary shares	89,385,036
13/8/2009	Holdrey Pty Ltd ATF The Don Mathieson Family Trust	Rights issue	\$0.135 per share	1,140,219 ordinary shares	1,140,219
13/8/2009	Lauren Michelle Mathieson Downs	Rights issue	\$0.135 per share	515,043 ordinary shares	515,043
13/8/2009	DDVM Superannuation Nominees Pty Ltd ATF DDVM Super Fund	Rights issue	\$0.135 per share	100,000 ordinary shares	100,000

13/8/2009	Stewart John Alistair Downs & Lauren Michelle Mathieson Downs ATF S&L Downs Superannuation Fund	Rights issue	\$0.135 per share	71,345 ordinary shares	71,345
13/8/2009	NSR Peas Pty Ltd	Acquisition of shares as consideration for the sale as set out in the agreement at Exhibit 1	\$0.135 per share	6,000,000 ordinary shares	6,000,000
13/8/2009	Hod Pizem	Acquisition of shares as consideration for the sale as set out in the agreement at Exhibit 1	\$0.135 per share	4,000,000 ordinary shares	4,000,000

Table 3 - Present relevant interests

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder	Nature of relevant interest	Class and number of securities	Person's votes
Kooyongkoot Pty Ltd ATF Lauren Mathieson Family Trust	Kooyongkoot Pty Ltd ATF Lauren Mathieson Family Trust	Kooyongkoot Pty Ltd ATF Lauren Mathieson Family Trust	Relevant interest under section 608(1)(a) of the Corporations Act.	89,385,036 ordinary shares	89,385,036
Holdrey Pty Ltd ATF The Don Mathieson Family Trust	Holdrey Pty Ltd ATF The Don Mathieson Family Trust	Holdrey Pty Ltd ATF The Don Mathieson Family Trust	Relevant interest under section 608(1)(a) of the Corporations Act.	4,510,438 ordinary shares	4,510,438
Lauren Michelle Mathieson Downs	Lauren Michelle Mathieson Downs	Lauren Michelle Mathieson Downs	Relevant interest under section 608(1)(a) of the Corporations Act.	1,030,086 ordinary shares	1,030,086
DDVM Superannuation Nominees Pty Ltd ATF DDVM Super Fund	DDVM Superannuation Nominees Pty Ltd ATF DDVM Super Fund	DDVM Superannuation Nominees Pty Ltd ATF DDVM Super Fund	Relevant interest under section 608(1)(a) of the Corporations Act.	300,000 ordinary shares	300,000
Stewart John Alistair Downs & Lauren Michelle Mathieson Downs ATF S&L Downs Superannuation Fund	Stewart John Alistair Downs & Lauren Michelle Mathieson Downs ATF S&L Downs Superannuation Fund	Stewart John Alistair Downs & Lauren Michelle Mathieson Downs ATF S&L Downs Superannuation Fund	Relevant interest under section 608(1)(a) of the Corporations Act.	142,690 ordinary shares	142,690
NSR Peas Pty Ltd	NSR Peas Pty Ltd	NSR Peas Pty Ltd	Relevant interest under section 608(1)(a) of the Corporations Act.	6,000,000 ordinary shares	6,000,000
NSR Toys Pty Ltd ATF Pizmony Family Trust	NSR Toys Pty Ltd ATF Pizmony Family Trust	NSR Toys Pty Ltd ATF Pizmony Family Trust	Relevant interest under section 608(1)(a) of the Corporations Act.	4,727,331 ordinary shares	4,727,331

N Pizmony and M L Pizmony ATF The Pizmony Family Super Fund	N Pizmony and M L Pizmony ATF The Pizmony Family Super Fund	N Pizmony and M L Pizmony ATF The Pizmony Family Super Fund	Relevant interest under section 608(1)(a) of the Corporations Act.	5,080,888 ordinary shares	5,080,888
Hod Pizem	Hod Pizem	Hod Pizem	Relevant interest under section 608(1)(a) of the Corporations Act.	4,000,000 ordinary shares	4,000,000
N Pizmony	N Pizmony	N Pizmony	Relevant interest under section 608(1)(a) of the Corporations Act.	47,523 ordinary shares	47,523

Table 4 – Changes in association

Name and ACN/ARSN (if applicable)	Nature of association
Kooyongkoot Pty Ltd ATF Lauren Mathieson Family Trust	Associates by virtue of section 12(2)(c) of the Corporations Act 2001.
NSR Peas Pty Ltd	Associates by virtue of section 12(2)(c) of the Corporations Act 2001.
Hod Pizem	Associates by virtue of section 12(2)(c) of the Corporations Act 2001.

Exhibit 1

This is Exhibit 1 of *46* pages (including this page) referred to in Form 604 signed by me on 17 August 2009.

Signature:



Name: Craig Donald Mathieson

For personal use only

For personal use only

Share sale agreement

relating to shares in NSR (HK) Limited

NSR PaaS Pty Ltd (ACN 104 284 031)
Hod Pizem (together, the Vendors)
Funtastic Limited (ACN 063 686 199) (Purchaser)

MinterEllison

LAWYERS

6/10 TORRES STREET, CLARENDON VIC 3043 (MELBOURNE)
TEL: 03 9483 5000 FAX: 03 9483 5001
www.minterellison.com

6/10 TORRES
VIC 3043 (MELBOURNE)

For personal use only

28 May 2009

Share sale agreement

Details	6
Agreed terms	7
1. Defined terms & interpretation	7
1.1 Defined terms	7
1.2 Terms defined in the Terms of Issue	14
1.3 Interpretation	14
1.4 Headings	16
2. Conditions	15
2.1 Conditions	15
2.2 Waiver of Conditions	18
2.3 Conduct of the parties	18
2.4 Failure of Condition	18
2.5 Action on termination	18
3. Sale and purchase	18
3.1 Agreement to sell and purchase	18
3.2 Capacity of Vendors	18
3.3 Waiver of pre-emptive rights	19
4. Consideration	19
4.1 Provision of Initial Consideration	19
4.2	
4.3 Cleared funds	20
5. Completion	20
5.1 Time and place	20
5.2 Specific obligation of the Vendors	20
5.3 Obligations of the Vendors	22
5.4 Acknowledgement by the Vendors	22
5.5 Obligations of the Purchaser	22
5.6 Blanket licence at Completion	23
5.7 Interdependencies	23
5.8 Consideration until the Shares are registered	23
5.9 Records	23
6. Completed Accounts	23
6.1 Completion Accounts	23
6.2 Basis of preparation	23
6.3 Instructions to Auditors	23
6.4 Access to Information	24
6.5 Review of Completion Accounts	24
6.6 Dispute Resolution Procedure	24
6.7 Costs	25
7. Vendor's obligations prior to Completion	25
7.1 Continuity of Business	25
7.2 Access to Business and Records	25

Share sale agreement page 2

W:\New\358\1707_4877_20091103
444907-2
WLS_3581107_2.docx

For personal use only

16 May 2008



7.3	Purchaser's obligations	25
7.4	Right to copy and context	25
7.5	Terminations discussions	25
7.6	Material changes	25
8. Conduct during Earn-Out Period		
8.1	Company Agreements Schedule	26
8.2	Integration	26
9. Release of Guarantees and Assumption of Loan		
9.1	Guarantees	28
9.2	Other guarantees	28
9.3	Company Loan	28
9.4	Benefit held for Associates	28
10. Vendor Warranties		
10.1	Vendor Warranties	29
10.2	Some Vendor Warranties limited to knowledge	29
10.3	Gross Up	29
10.4	Time limits and other requirements for Claims	29
10.5	Small Claims	31
10.6	Maximum amount the Purchaser may recover	31
10.7	Purchaser acknowledgments	32
10.8	Limits on Scope of Claims and Liability	32
10.9	Contingent Claims	33
10.10	Notice of potential Claim	33
10.11	Claims that impact on EBIT	36
10.12	Cash Payment of Claim	36
10.13	Guaranteed Shares	37
10.14	Survival	37
10.15	Claim	37
10.16	Purchaser Warranties	37
11. General Indemnity		
12.		37
13.		38
14. Acknowledgment by Ford Pizent		
15.	Restraint	38
15.1	Defined terms	38
15.2	Prohibited activities	39
15.3	Duration of prohibition	39
15.4	Geographic application of prohibition	39
15.5	Interpretation	39
15.6	Exceptions	39
15.7	Acknowledgments	40
16. Confidentiality and publicity		
16.1	Confidentiality	40
16.2	Confidential Information - after Completion	40

Where indicated page 3

Table of Contents
16 May 2008
HE_0041082_2 (v1.0)

For personal use only

16 May 2009

Schedule 11 – Purchaser Warranties (clause 11)	65
Schedule 12 – Intellectual Property Rights (Warranty 5)	66
Schedule 13 – Properties	71
Schedule 14 – Terms of Issue	72
Schedule 15 – Escrow Deed	73
Schedule 16 – Constitution Amendment	74
	
Schedule 18 – Tax Indemnity Deed	76
Schedule 19 – Services Agreement	77
Schedule 20 – Change in Control Consent	78
	
Schedule 22 – Loan Agreement	80
Schedule 23 – Bank Debt Security	81
Signing page	82

For personal use only

16 May 2009

Details

Date 16 May 2009

Parties

Name NSR Pea Fly Ltd
ACN 104 284 031
Short form name NSR Pea or a Vendor

Name Hod Pizani
Short form name Hod Pizani or a Vendor

Name Purshio Limited
ABN 94 063 886 159
Short form name Purchaser
Notice details 635 Waverley Road, Glen Waverley, Victoria 3150
Freemdale 03 9545 0796
Attention: Ms Eleanor Siscoo

Background

- A The Shares are legally and beneficially owned by the Vendor as set out in Schedule 2.
- B The Vendor has agreed to sell and the Purchaser has agreed to purchase the Shares on the terms and conditions set out in this agreement.

16 May 2009

Agreed terms

1. Defined terms & interpretation

1.1 Defined terms

In this agreement:

2009 Forecast means document number F2.1.2 entitled "Budget NSR (HK) Limited" in the Disclosed Documents Index.

Accounting Standards means the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants.

Accounts means the audited balance sheet of the Company as at the Accounts Date and the audited profit and loss statement and statement of cash flows of the Company for the financial year ended on the Accounts Date together with the notes to, and the reports of the directors in respect of, those accounts.

Accounts Date means 31 December 2008.

ASIC means the Australian Securities and Investments Commission.

Associate means, in relation to a person:

- (a) an associate of the person within the meaning of section 9 of the Corporations Act;
- (b) a company or trust of which the person has Control; or
- (c) the spouse or child over the age of 18 of the person.

ASX means ASX Limited (ABN 98 008 624 693).

Arriflora means Lau and Au Yung CPA Limited of 21/F, Tai Yau Building, 181 Johnston Road, Wanchai, Hong Kong.

Bank Debt means the aggregate liability provided to the Company by the Hong Kong and Shanghai Banking Corporation and drawn down by the Company as at the Completion Date, such aggregate amount to be determined by applying to any US\$ component of that drawn down debt the Exchange Rate applicable on the Completion Date or such other date or period as the parties agree in writing.

Bank Debt Security means the security given by the Company, a Vendor or any Associate of the Vendor, including over real property, to any person in connection with the Bank Debt, as set out in Schedule 21.

Banking Day means any day on which Australian banks (as defined in the Corporations Act) are open for banking business in Melbourne, excluding Saturday or Sunday.

Board means the board of directors of the Purchaser.

Business means the businesses carried on by the Group as at the date of this agreement.

Business Day means:

ANALYSIS - 11 MAY 2009 10:02:27
 PAGE 9/12
 FILE: 001271.2 (042009)

Shareable agreement page

For personal use only

For personal use only

- (a) for receiving a notice under clause 19, a day that is not a Saturday, Sunday, public holiday or bank holiday in the place where the notice is received; and
- (b) for all other purposes, a day that is not a Saturday, Sunday, public holiday or bank holiday in Hong Kong.

Business Hours means from 9.00am to 5.00pm on a Business Day.

[REDACTED]

Cash Consideration means the amount, if any, payable by the Purchaser in addition to the Initial Consideration, in accordance with clause 4.2.

Claims includes a claim, action, demand, action, proceeding, litigation, investigation or judgment, whether based in contract, tort or statute and whether involving a third party or a party to this agreement.

Claim Payment Shortfall Amount has the meaning given in clause 10.11(c).

[REDACTED]

Companies Ordinance means the Companies Ordinance (Cap 32) of Hong Kong.

Companies Registry means the Companies Registry of the Hong Kong Special Administrative Region.

Company means HSR (HK) Limited (Company Number 540623), further details of which are set out in Schedule 3.

Company Agreements Schedule means the agreements, licenses and arrangements set out in Schedule 6, as amended in accordance with clause 5.2(c).

Completion means completion of the sale and purchase of the Shares contemplated by this agreement.

Completion Accounts means the balance sheet of this Company as at close of business on the Completion Date and the profit and loss statement of the Company for the period from the Account Date to the close of business on the Completion Date, which are to be:

- (a) prepared in accordance with clause 6; and
- (b) audited in accordance with clause 6.

Completion Date means the Business Day on which the last of the Conditions is satisfied or waived in accordance with its terms.

Conditions means the conditions set out in clause 2.1.

Confidential Information has the meaning given to it in the Confidentiality Agreement.

Confidentiality Agreement means the confidentiality agreement entered into by the Purchaser, the Vendor, and Kooymington, dated 20 February 2009.

Consideration means the Initial Consideration and the Cash Consideration (if any).

Control means:

control (as defined in the Securities and Futures Ordinance (Chapter 571) of the Laws of Hong Kong)

Shareholder Agreement

For personal use only

2014/07/20

- (e) of a company by a person:
 - (i) the person determines the composition of the board of directors of the company;
 - (ii) the board of directors of the company is accustomed to act in accordance with the instructions, directions or wishes of the person; or
 - (iii) the person holds or owns (alone or with its Associates or related bodies corporate):
 - (A) the majority of the issued shares of the company;
 - (B) the majority of the issued shares of the ultimate holding company of the company; or
 - (C) the majority of any securities or other rights, granted by the company entitling holders to distributions based on the profits, earnings or net liquidation proceeds of the company; and
- (f) of a trust by a person:
 - (i) the person is the sole trustee of the trust;
 - (ii) the composition of the board of directors of any trustee company of the trust is determined by the person;
 - (iii) the board of directors of any trustee company of the trust is accustomed to act in accordance with the instructions, directions or wishes of the person; or
 - (iv) the person holds or owns (alone or with its Associates or related bodies corporate):
 - (A) the majority of the issued shares of any trustee company of the trust;
 - (B) the majority of the issued shares of the ultimate holding company of any trustee company of the trust; or
 - (C) the majority of the units, securities or other rights granted by the trust which entitling holders to distributions from the trust.

Convertible Shares means a fully paid ordinary share in the capital of the Purchaser issued in accordance with the Terms of Issue.

Corporations Act means the Corporations Act 2001 (Cth).

Data Room means the virtual data room located at <http://vtrdata.com.au/tdcom> maintained by or on behalf of the Vendor in which the Purchaser, and its Personnel, have had access to information relating to the Group.

Director's Deed of Indemnity means a directors and officers deed of indemnity and access.

Disclosed Documents Index means the index of disclosed documents in relation to the Group and the Business set out in Schedule 7.

Disclosed Schemes means the Manulife Global Select (MGS) Scheme in which the Company participates.

Disclosure Letter means the letter from the Vendor to the Purchaser of the same date as this agreement entitled "Disclosure Letter".

Disclosure Material means the written information made available to the Purchaser and its Personnel during the course of its investigations in respect of the Business and the Group including:

18 May 2009

- (4) the information contained in the Data Room as at 6pm on 15 May 2009 including the material listed in the Disclosed Documents Index;
- (5) the information communicated in the Management Presentations;
- (6) the answers provided by or on behalf of the Group to any questions asked by or on behalf of the Purchaser, in connection with the sale of the Shares, including those set out in Schedule 8; and
- (7) the Disclosure Letter.

[REDACTED]

EBIT has the meaning given in the Terms of Issue, except that where used in clauses 8.2(d), 8.2(f) and 8.2(g) and Condition 1(c) it means the earnings before interest and tax of the Group, as determined on the same basis as, and in accordance with the principles applied in determining, EBIT, under the Terms of Issue (including the Normalisation Principles).

Effective Date means 30 June 2009.

Elite May Holdings means Elite May Holdings Pty Ltd ACN (136 914 337).

Encumbrance includes mortgages, charges, liens, restrictions against transfer, encumbrance and other third party interest.

Escrow Deed means the deed between the Vendors, the Purchaser and others relating to Converting Shares issued at Completion and any Ordinary Shares issued in respect of the First Burn-Out Period or the Second Burn-Out Period, in the form set out in Schedule 15.

Exchange Rate means:

- (a) in respect of a day, the exchange rate for dollars quoted by the Internet site, www.austlii.edu.au/au/other/dfat/other/australia/australia.html, at, or at approximately, 10.00am on the relevant day; and
- (b) in respect of a period, means the exchange rate equal to the average of the Interbank Rate at which that currency may be bought with dollars, as quoted by the Internet site, www.austlii.edu.au/au/other/dfat/other/australia/australia.html, at, or at approximately, 10.00am on each Banking Day for that period.

Fairly Disposed means disposed in sufficient detail so as to enable a reasonable purchaser (including its Patrons) to assess the nature and impact of that fact, whether or circumstances Group means the Company and its subsidiaries.

Chartered Shares means 10,000,000 Converting Shares.

Guarantee means those guarantees and securities given by a Vendor or the Associates in respect of the obligations of the Group listed in Schedule 9.

HEBERFORD means HEBERFORD Limited (Company number 12029512), a body incorporated in Hong Kong.

Independent Accountant means a chartered accountants or firm of chartered accountants appointed under clause 6.8(d).

Initial Consideration means 10,000,000 Converting Shares issued at a price of \$0.135 per share.

Lottery Event means in relation to any person:

- (a) (Receiver appointed) a receiver, receiver and manager, administrator, trustee or similar official is appointed over any of the assets or undertaking of the person;

www.berkley.com

HEBERFORD 18

Shares 18

For personal use only

18 MAY 2009

- (b) (Payments suspended) the person suspends payment of its debts generally;
- (c) (Unable to pay) the person is or becomes unable to pay its debts when they are due or is unable to pay its debts within the meaning of the Corporations Act or the person may be presumed to be insolvent under section 457C of the Corporations Act;
- (d) (Arrangements with creditors) the person enters into or resolves to enter into any arrangement, composition or compromise with, or assignment for the benefit of, its creditors or any class of them;
- (e) (Winding up) an application or order is made for the winding up or dissolution of, or the appointment of a provisional liquidator to the person or a resolution is passed or steps are taken to pass a resolution for the winding up or dissolution of the person otherwise than for the purpose of an amalgamation or reconstruction which has the prior written consent of the Underwriter; or
- (f) (Administrator) an administrator is appointed under Division 2 of Part 5.3A of the Corporations Act.

[REDACTED]

[REDACTED]

Kooyoung Investment Services Pty Ltd (ACN 127 821 865).

[REDACTED]

Liabilities includes all liabilities (whether actual, contingent or prospective), losses, damages, costs and expenses of whatever description.

Listing Rules means the listing rules of ASX from time to time with any modification or waivers in their application to the Purchaser which ASX may grant.

Loan means the estimated amount of the unrepaid loan made to the Group by NSR. Fees as set out in column 2 of the table in Schedule 5 and from Completion means the amount notified by the Vendor to the Purchaser pursuant to clause 5.2(f).

Loan Agreement means the loan agreement between NSR, Peas and the Purchaser for the repayment of the Loan by the Purchaser in accordance with clause 9.3 in the form set out in Schedule 22 dated on or about the Completion Date.

Management Presentations means the presentations given by management of the Group on 6 March 2009 and 19 March 2009, including the PowerPoint slides that were distributed at the presentations, copies of which are in the Data Room.

[REDACTED]

Normalisation Principles means the principles set out in schedule 2 to the Terms of Issue.

18 May 2009

Ordinary Shares means a fully paid ordinary share in the capital of the Purchaser other than a Converting Share prior to its conversion in accordance with the Terms of Issue.

Personnel of a person means the officers, employees, professional advisers, representatives and agents of that person.

Properties means the properties listed in Schedule 13.

Publicly Available Information means publicly available information as at 14 May 2009 of which the Purchaser would be aware, had the Purchaser made enquiries that a buyer of the Shares would reasonably and usually be expected to make before entering into an agreement similar to this agreement of publicly available databases and information maintained by:

- (a) ASIC, the Companies Registry and the SFC;
 - (b) any separate court registry (including the Federal Court) maintained in Australia or Hong Kong; and
 - (c) IP Australia and the Intellectual Property Department of Hong Kong,
- except that where used in clause 11(d)(ii), it means publicly available information as at 15 May 2009 of which the Vendor would be aware, had the Vendor made enquiries that a person who was to be named shares in the Purchaser would reasonably and usually be expected to make before entering into an agreement similar to this agreement of publicly available databases and information maintained by ASIC and ASX.

Purchaser Warranties means the warranties set out in Schedule 11.

Records means all original and copy records, documents, books, files, reports, accounts, plans, correspondence, letters and papers of every description and other material regardless of their form or medium and whether coming into existence before, on or after the date of this agreement, belonging or relating to or used by the Company in respect of the Business including certificates of registration, minute books, statutory books and registers, books of account, Tax returns, title deeds and other documents of title, valuations files, price lists, computer programs and software, and trading and financial records.

Related Body Corporate has the meaning given in section 9 of the Corporations Act.

Resolved Claim means any Claim made or commenced by the Purchaser which has been resolved by:

- (a) the Vendor and the Purchaser or the Company (as the case may be) agreeing an amount payable to the Purchaser or to the Company (as the case may be) by the Vendor in respect of any such Claim; or
- (b) any independent expert to whom the parties have referred a dispute in respect of a Claim; or
- (c) a court or tribunal of competent jurisdiction making a final order in respect of the subject matter of the Claim.

Respective Proportions means the respective proportions in which the Vendors are entitled to share in the Consideration as set out in Schedule 2, or any other proportions which the Vendors notify to the Purchaser in writing at least two Business Days before the date for payment.

Revenue Stream 1, Revenue Stream 2, Revenue Stream 3, Revenue Stream 4, Revenue Stream 5 and Revenue Stream 6 each has the meaning given to it in the Normalisation Principles.

Amended (Rev. 1874) 18031257
 18 May 2009
 182-00131172 (1/1874)

Some correspondence from 13

For personal use only

18 May 2009

[REDACTED]

Right Issue means the fully underwritten non-renounceable 1:1 pro-rata entitlement offer to be conducted by the Purchaser to raise approximately \$2.3 million on the terms described in the Underwriting Agreement.

Services Agreement means an agreement relating to services to be provided by NISR (Australia) Pty Ltd to the Company, in the form set out in Schedule 17.

SFC means the Securities and Futures Commission of Hong Kong.

SFO means the *Securities and Futures Ordinance (Cap 371)* of Hong Kong.

Shares means all of the shares in the Company.

Success Date means 31 August 2009, or such other date agreed in writing between the parties.

Tax includes income tax, capital gains tax, franking deficit tax, franking additional tax, over-franking tax, withholding tax, fringe benefits tax, pay-as-you-earn, pay-as-you-go, sales tax, customs duty, payroll tax, land tax, stamp duty, financial institutions duty, debts tax, water and municipal rates, gift tax, estate tax, superannuation contributions and charges, social security and national insurance contributions, purchase, goods and services tax, value added tax, prescribed payments and all other taxes, charges, assessments, contributions, withholdings, recoupments, imposts, duties, excises, rates and levies in any part of the world and any penalties, interest, fines or other costs in relation to any Tax.

Tax Indemnity Debt means a debt relating to taxation in the form set out in Schedule 18.

Tax Warranty means Vendor Warranty 2.

Tax Warranty Claim means a Claim made in respect of a Tax Warranty.

Terms of Issue means the terms of issue of the Converting Shares as set out in Schedule 14.

ToyMaster means ToyMaster Limited (Company Number 933206), a body incorporated in Hong Kong.

Underwriter means Elsie May Holdings and Leura Matheson Family Trust No.3.

Underwriting Agreement means the agreement of that name between the Purchaser and the Underwriter dated on or around the date of this agreement.

Vendor Warranties means each of the representations and warranties given under clause 10 and set out in Schedule 10.

For personal use only

16 May 2013

[Redacted text]

Working Capital means the sum of trade debtors, trade creditors and inventory.

1.2 Terms defined in the Terms of Issue

Terms defined in the Terms of Issue and not otherwise defined in this agreement have the meaning given to them in the Terms of Issue.

1.3 Interpretation

In this agreement, except where the context otherwise requires:

- (a) the singular includes the plural and vice versa, and a gender includes other genders;
- (b) another grammatical form of a defined word or expression has a corresponding meaning;
- (c) a reference to a clause, paragraph, schedule or annexure is to a clause or paragraph of, or schedule or annexure to, this agreement, and a reference to this agreement includes any schedule or annexure;
- (d) a reference to a document or instrument includes the document or instrument as revised, altered, supplemented or replaced from time to time;
- (e) a reference to A\$, S\$, dollar or \$ is to Australian currency;
- (f) a reference to HK\$, HK\$ or HKD is to Hong Kong currency;
- (g) a reference to US\$, or USD is to United States currency;
- (h) a reference to time is to Melbourne, Australia time;
- (i) a reference to a party is to a party to this agreement, and a reference to a party to a document includes the party's executors, administrators, successors and permitted assigns and subsidiaries;
- (j) a reference to a person includes a natural person, partnership, body corporate, association, governmental or local authority or agency or other entity;
- (k) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and amendments, subordinate, re-enactments or replacements of any of them;
- (l) a word or expression defined in the Corporations Act has the meaning given to it in the Corporations Act;
- (m) the meaning of general words is not limited by specific examples introduced by including for example or similar expressions;
- (n) any agreement, representation, warranty or indemnity by two or more parties (including where two or more parties are included in the same defined term) binds them jointly and severally;
- (o) any agreement, representation, warranty or indemnity in favour of two or more parties (including where two or more parties are included in the same defined term) is for the benefit of them jointly and severally;
- (p) a rule of construction does not apply to the disadvantage of a party because the party was responsible for the preparation of this agreement or any part of it;

For personal use only

10 May 2009

(c) if a day on or by which an obligation must be performed or an event must occur is not a Business Day, the obligation must be performed or the event must occur on or by the next Business Day; and

(d) a reference to a document in agreed form is to a document in the form of which has been agreed by the parties before the date of this agreement.

1.4 Headings

Headings are for ease of reference only and do not affect interpretation.

2. Conditions

2.1 Conditions

Completion of the sale and purchase of the Shares under this agreement is subject to the following conditions precedent being satisfied or waived before the Sunset Date.

Condition	Party entitled to benefit
1.	

For personal use only

19-04-2008

Condition	Party entitled to benefit
[REDACTED]	[REDACTED]
10. The Purchaser and Mr Nir Pizmony execute an escrow services agreement in a form acceptable to the Purchaser and Mr Nir Pizmony.	Purchaser, Vendors
[REDACTED]	[REDACTED]
12. The Vendors deliver to the Purchaser an executed copy of the Tax Indemnity Deed.	Purchaser
13. The Vendors deliver to the Purchaser an executed copy of the Escrow Deed.	Purchaser
14. The Vendors deliver to the Purchaser an executed copy of the Services Agreement.	Purchaser and Vendors
[REDACTED]	[REDACTED]

Signature of the Purchaser

Signature of the Vendors

For personal use only

14 May 2004

Condition	Party entitled to benefit

2.2 Waiver of Conditions

A Condition may only be waived in writing by each party entitled to the benefit of that Condition (as specified in red text to each Condition in the second column of the table in clause 2.1) and will be effective only to the extent specifically set out in that waiver. Where two or more parties are entitled to the benefit of a Condition the Condition may only be waived in writing by both, or all, those parties, as the case may be, and will be effective only to the extent specifically set out in that waiver.

2.3 Conduct of the parties

Each party must use all reasonable efforts within its own capacity, and must co-operate with each other party, to ensure that each Condition is fulfilled as soon as practicable.

2.4 Failure of Condition

If a party has complied with its obligations under clause 2.3, it may terminate this agreement by giving notice in writing to the other parties if one or more Conditions are not fulfilled by 5.00pm on the Sunset Date.

2.5 Action on termination

On termination of this agreement under clause 2.4, clause 17 applies.

3. Sale and purchase

3.1. Agreement to sell and purchase

Each Vendor as beneficial owner agrees to sell to the Purchaser and the Purchaser agrees to buy from each Vendor those Shares listed against each Vendor's name in Schedule 2:

- (a) for the Consideration;
- (b) free from Encumbrances;
- (c) with all rights, including dividend and voting rights, established or accrued to them on or after the date of this agreement; and
- (d) subject to this agreement.

3.2 Capacity of Vendors

- (a) Hed Pizem enters into this agreement as legal and beneficial owner; and
 - (b) MSR Pizem enters into this agreement as legal and beneficial owner,
- in respect of the Shares listed against the name of each Vendor in Schedule 2.

Drawn by [Redacted] for [Redacted] 14 May 2004
MSR Pizem

For personal use only

19 May 2009



4.3 Cleared funds

All payments of money under this clause 4 must be paid by bank cheque, telegraphic transfer to an account or accounts nominated by the Vendors or otherwise in cleared funds.

5. Completion

5.1 Time and place

If all of the Conditions have been fulfilled or waived under clause 2.1, Completion will take place at 3.00pm on the Completion Date at the offices of Mitro Kiliacin, Rialto Towers, 525 Collins Street, Melbourne, Victoria, 3000 or another time and place agreed by the parties.

5.2 Specific obligations of the Vendors

Not less than 3 Business Days before Completion, the Vendors must deliver to the Purchaser

- (a) a schedule up to date as at the Business Day immediately preceding the time of delivery setting out all forward orders and purchase commitments of the Group, as well as details of any future pre-paid royalties and advances;
- (b) management accounts (inclusive of the profit and loss statement and balance sheet) of the Company in respect of the period from 1 January 2009 to 31 May 2009;
- (c) the Company Agreements Schedule revised and up to date as at the time of delivery setting out the arrangements which are to be for the account of the Group for the purposes of clause 8.1(b)(ii) and
- (d) a completed schedule to the Loan Agreement setting out the actual balance of the Loan as at Completion (including movements in the Loans between 1 January 2009 and the date that is 3 days before Completion).

5.3 Obligations of the Vendors

At or before Completion, the Vendors must

- (a) deliver to the Purchaser duly executed and completed instruments of transfer and sold notes (in a form complying with the Stamp Duty Ordinance Cap (117) in favour of the Purchaser of the Shares in registrable form (except for the impression of stamp duty or other Taxes of a similar nature) together with the relevant stamp certificates (if any);
- (b) procure to the Purchaser any power of attorney or other authority under which the transfers of the Shares are executed;
- (c) deliver to the Purchaser copies of any consents and waivers required, but not previously provided, under clause 2;
- (d) cause the board of directors of the Company to resolve that the transfer of the Shares (subject only to the payment of stamp duties or other Taxes of a similar nature on the transfers) be approved and registered;
- (e) cause the persons listed in the third and fourth columns in the table in Schedule 4 (or any other persons notified in writing by the Purchaser to the Vendors before Completion) to be

For personal use only

16 May 2004

(n) in all other things reasonably necessary or desirable to transfer the Shares, to complete any other transactions contemplated by this agreement and to place the Purchaser in effective control of the Company and the Business.

5.4 Acknowledgement by the Vendors

Each Vendor acknowledges that on and from Completion, neither Mr Nir Pizmony nor Mr Hod Pizmon, nor any alternative director appointed by either of them, will be entitled to receive any fees in respect of their positions as an officer of the Company.

5.5 Obligations of the Purchaser

The Purchaser must:

- (a) at Completion provide the Initial Consideration to the Vendors under clause 4.1; and
- (b) deliver to the Vendors executed copies of the:

[REDACTED]

- (i) Reconvey Deed;
 - (ii) Executive Services Agreement for Hod Pizmon in the form agreed by the parties to it;
 - (iii) Executive Services Agreement for Nir Pizmony in the form agreed by the parties to it;
 - (iv) Director's Deed of Indemnity for Mr Pizmony and Hod Pizmon each in the form agreed by the parties to it;
 - (v) Loan Agreement; and
 - (vi) Services Agreement;
- at or before Completion, deliver to the Vendors any consents or waivers required under clause 2;
- (c) on the date referred to in paragraph 2.1(c) of the Terms of Issue, pay to each Vendor the Cash Consideration (if any) calculated in accordance with paragraph 4.2(a) of this agreement;
 - (d) on the date referred to in paragraph 2.1(b) of the Terms of Issue, pay to each Vendor the Cash Consideration (if any) calculated in accordance with paragraph 4.2(b) of this agreement;
 - (e) at Completion, deliver to the Vendors evidence satisfactory to the Vendors of the release of the Vendors and any Associates of the Vendors from the Bank Debt Security, the Guarantees and any other guarantees or security given before Completion by the Vendors or any of their Associates in relation to the obligations of the Group; and
 - (f) as soon as practicable after Completion convene a meeting of the Board at which:
 - (i) Mr Pizmony will be appointed as a director of the Purchaser; and
 - (ii) a person nominated by the Underwriter will be appointed as a director of the Purchaser in accordance with the Underwriting Agreement (but, for the avoidance of doubt, the Underwriter will only be entitled to nominate one person to be appointed as a director of the Purchaser and the Purchaser will only appoint one nominee of the Underwriter to its Board).

18/10/2001

in each case, subject to the relevant approvals providing the Purchaser with a signed consent to act as a director.

5.6 Simultaneous actions at Completion

In respect of Completion:

- (a) the obligations of the parties under this agreement are interdependent;
- (b) all actions required to be performed will be taken to have occurred simultaneously on the Completion Date; and
- (c) the Purchaser and the Vendor shall not complete the purchase of any Shares unless the purchase of all the Shares is completed simultaneously.

5.7 Interdependence

This agreement and the Underwriting Agreement are interdependent. A failure to perform and complete the Underwriting Agreement may be treated by the Vendors as a default and enable the Vendors to immediately terminate this agreement, in which case clause 17 applies.

5.8 Conduct until the Shares are registered

After Completion and until the Shares are registered in the name of the Purchaser, the Vendors must:

- (a) convene and attend all general meetings of the Company; and
- (b) vote at general meetings and take all other action in the capacity of the registered holder of the Shares,

as the Purchaser may lawfully require from time to time by notice in writing to the Vendors.

5.9 Records

The Vendors may retain after Completion copies of any Records necessary for them to comply with any applicable law (including Tax law) and to prepare Tax or other returns required of them by law, and post Completion the Purchaser agrees to provide the Vendors with access to any original Records they reasonably require access to in order to enable them to comply with any applicable law (including Tax law).

6. Completion Accounts

6.1 Completion Accounts

The Vendor must as soon as practicable, and in any event no later than 20 Business Days after the Completion Date prepare and give the Purchaser and Auditors the Completion Accounts.

6.2 Basis of preparation

The Completion Accounts must be prepared in Australian GAAP format.

6.3 Instructions to Auditors

As soon as practicable after the Completion Accounts are prepared, but in any event no later than 10 Business Days after the Completion Accounts have been provided to the Purchaser by the Vendors, the Purchaser must instruct auditors (chosen by the Purchaser in its absolute discretion) to:

- (a) audit the Completion Accounts in accordance with Australian GAAP;

18 July 2001

- (b) complete the audit as soon as practicable, but in any event no later than 35 Business Days after the Purchaser is given the Completion Accounts; and
- (c) give the Vendors and the Purchaser a written report of the audit.

6.4 Access to Information

The Purchaser and the Vendors must cooperate and do all things reasonably necessary to ensure that all information and assistance reasonably requested by a person in connection with that person's rights and obligations under this clause 6 are given to them, including providing representatives of a person to have reasonable access to, and take extracts from, or make copies of the Records.

6.5 Review of Completion Accounts

If either the Purchaser or the Vendors dispute the Completion Accounts within 10 Business Days after the date on which they are given a copy of the written report of the audit under clause 6.3 (Final Objection Date) those accounts will be taken to be the final Completion Accounts. If either the Purchaser or the Vendors dispute the Completion Accounts before the Final Objection Date, the dispute will be determined in accordance with clause 6.

6.6 Dispute Resolution Procedure

- (a) If either the Purchaser or the Vendors dispute the Completion Accounts (Disputing Party), the Disputing Party must give the other party a notice (Dispute Notice) to cover the Final Objection Date setting out:
- reasonable details of each matter in dispute; and
 - the reasons why each matter is disputed.
- (b) Within 10 Business Days after the Disputing Party giving the other Party a Dispute Notice, the other party must give the Disputing Party a response in writing on the disputed matters (Response).
- (c) If the Vendors and the Purchaser have not resolved the dispute within 10 Business Days after the other party giving the Response to the Disputing Party, either party may promptly submit the dispute to the Independent Accountant for determination of the matter in dispute.
- (d) The Independent Accountant must be agreed by the Vendors and the Purchaser. If the Vendors and the Purchaser cannot agree within 12 Business Days of the other party giving the Response to the Disputing Party, then the Independent Accountant will be nominated, at the request of either the Vendors or the Purchaser, by the President of the Institute of Chartered Accountants in Victoria or his nominee.
- (e) The disputed matters must be referred to the Independent Accountant by written submission which must include the Completion Accounts, the Dispute Notice, the Response and an extract of the relevant provisions of the agreement. The Independent Accountant must also be instructed to finish its determination no later than 20 Business Days after the appointment (or another period agreed by the parties).
- (f) The parties must promptly supply the Independent Accountant with any information, assistance and cooperation requested in writing by the Independent Accountant in connection with its determination. All correspondence between the Independent Accountant and a party must be copied to the other parties.
- (g) The Independent Accountant must set up an exhibit and act as arbitrator and its written determination will be final and binding on the parties in the absence of material error and

18 July 2001
44783722
RE_MHS127_2 (4/888)

Since set agreement page 31

For personal use only

19 May 2019

the Completion Accounts will be deemed to be amended accordingly and will be taken to comprise the final Completion Accounts.

6.7 Costs

The costs of the:

- (a) Auditors in reviewing the Completion Accounts; and
 - (b) the Independent Accountant (if instructed),
- will be borne by the Purchaser.

7. Vendor's obligations prior to Completion

7.1 Continuity of Business

Until Completion, the Group must only carry on the Business in the ordinary course.

7.2 Access to Business and Records

The Vendors must allow the Purchaser, its employees, agents and representatives reasonable access to the Properties and the Records at all reasonable times before Completion to enable the Purchaser, as is reasonably necessary, to become familiar with the Business and the affairs of the Company.

7.3 Purchaser's obligations

The Purchaser must ensure that any access under clause 7.2 is exercised and conducted in a manner to avoid unreasonable disruption to the conduct of the Business and the activities and operations of the Group and its employees.

7.4 Right to copy and consult

For the purposes of clause 7.2, the Purchaser may:

- (a) make copies of material examined; and
- (b) visit the prior consent of the Vendors (which consent may not be unreasonably withheld), consult with employees of the Company.

7.5 Terminate discussions

Until the end of the Sunset Date, the Vendors must not solicit or respond to any enquiries or proposals by any person, other than the Purchaser, concerning an acquisition of the Shares or the assets of the Company.

7.6 Material changes

Until Completion, the Vendors must ensure that the Purchaser is informed of, and consulted about, any matter which materially adversely affects the Business.



For personal use only

18/09/2009



8. Conduct during Earn-Out Period.

8.1 Company Agreements Schedule

During the Earn-Out Period:

- (i) revenue derived by the Group or by the Purchaser (excluding the Group) which constitutes Revenue Stream 1, Revenue Stream 2, Revenue Stream 3 and Revenue Stream 6, will be the account of the Group including for the purpose of calculating the EBIT of the Group during the Earn-Out Period and preparing the EBIT Statement;
- (ii) in respect of revenue derived by the Pentastin Group (including the Group) which constitutes Revenue Stream 4 and Revenue Stream 5:
 - (A) if that revenue is derived pursuant to arrangements listed in the Company Agreements Schedule, that revenue will be to the account of the Group including for the purpose of calculating the EBIT of the Group during the Earn-Out Period and preparing the EBIT Statement; and
 - (B) if that revenue is derived pursuant to any arrangements other than those listed in the Company Agreements Schedule, that revenue will be to the account of the Purchaser.

8.2 Integration

- (a) The Purchaser intends, during the Earn-Out Period, to take such steps as are necessary to integrate the Business, in whole or in part, with the Purchaser's existing business.
- (b) The Purchaser undertakes and agrees that the Group and the Business will until the end of the Loan being repaid in full and 31 December 2012:
 - (i) be managed in the same manner as any other business or division of the Purchaser;
 - (ii) have funding made available to it on the same basis as any other business or division of the Purchaser;
 - (iii) have funds available to it in 2009 to the extent reasonably practicable the funding forecast to be required by it in the 2009 Forecast and in each subsequent year the funding forecast to be required by it in the approved forecasts or business plans for the Group (or the case may be) for that year; and

For personal use only

18 May 2009

(v) be otherwise treated as less favourably than the Purchaser's existing (or division. The parties agree that any additional funding provided to the Group by the Purchaser will be:

- (i) at the discretion of the Board, subject to clause 8.2(b), and
- (ii) only advanced in US dollars and with the prior written approval of the Vendors.

(d) Until the earlier of 31 December 2013 and the Loan being repaid in full, the Purchaser must act in good faith, and must continue to operate the Group and the Business generally in accordance with the manner in which it had previously been operated and must not take any action, or fail to take any action that is reasonably likely to have a material adverse effect on the ability of the Group and the Business to generate EBIT, maintaining without limitation:

- (i) delaying entry into any contracts;
- (ii) deferring collection of revenues;
- (iii) bringing forward the incurring of expenses;
- (iv) transferring existing commercial opportunities of the Group and the Business to other entities or businesses within the Financial Group;
- (v) allowing relevant contracts and other commercial arrangements to be breached by the Financial Group (including a member of the Group);
- (vi) failing to use its reasonable endeavours to make resources available to the Group and the Business at least at a similar level to those available to the Group and the Business prior to Completion; or
- (vii) not directing all sources of revenue which constitute Revenue Stream 1, Revenue Stream 2, Revenue Stream 3 and Revenue Stream 6 and all contracts (including purchase orders) which relate directly to the Business and its capabilities at the relevant time, to the Group and the Business, except where it is reasonable for it not to do so.

(e) The Purchaser must not sell, or offer for sale, any member of the Group, or the business and assets of any member of the Group substantially used to run the Business, within the Bars-Out Period without the prior written consent of the Vendors, with such consent not to be unreasonably withheld.

(f) It is agreed that revenue not attributed to the Group because the Purchaser does not comply with clause 8.2(d) will be deemed to have been for the benefit of the Group during the relevant year and will be included in the EBIT of the Group for that year.

(g) The Purchaser acknowledges and agrees that:

- (i) if the Purchaser restricts the Group so that the Business is operated, in whole or in part, by one or more entities in the Financial Group (other than the Group) or so that other businesses are merged into the Group, for the purposes of determining EBIT the Purchaser must prepare an assessment of Revenue Stream 1 to 6 on the basis that the Business was being operated as a stand-alone enterprise; and
- (ii) the development and expansion of the Group and the Business will be taken into consideration when preparing an assessment of the revenue of the Business for the purposes of this clause 8.

16 July 2009

- (h) Where the Business, in whole or in part, has been transferred from the Group to other members of the Purchaser Group, for the purposes of this clause 9.2 a reference to the Group must also be read as a reference to those entities that, during the relevant period, operate some or all of the Business.
- (i) Until the earlier of 31 December 2013 and the Loan being repaid in full, the Purchaser must procure that a representative of each of the Vendors remains on the Board of the Company, and for these purposes it is agreed that Mr Yimanyi and Hed Yezan will be the full-time representative directors of the Vendors.

9. Release of Guarantees and Assumption of Loan

9.1 Guarantees

The Purchaser:

- (a) must obtain the unconditional release of the Vendors and their Associates from each of the Guarantees at and with effect from Completion; and
- (b) if it fails to fulfil its obligations under clause 9.1(a) and notwithstanding that failure the Vendors have elected to proceed with Completion:
- (i) must procure the unconditional release of the Vendors and their Associates from each of the Guarantees as soon as possible; and
 - (ii) indemnifies each Vendor and its Associates from and against any Claim or Liability arising out of the Guarantees that may be suffered or incurred by that Vendor or any of its Associates.

9.2 Other guarantees

The Purchaser:

- (a) must, at and with effect from Completion, obtain the unconditional release of the Vendors and their Associates from any other guarantee or security (including any Bank Debt Security) given before Completion by that Vendor or its Associates in relation to the obligations of the Group; and
- (b) if it fails to fulfil its obligations under clause 9.2(a) and notwithstanding that failure the Vendors have elected to proceed with Completion:
- (i) must procure the unconditional release of the Vendors and their Associates from each of those other guarantees and securities (including any Bank Debt Security), including by repaying or procuring the repayment by the Group of all of the Bank Debt, as soon as possible; and
 - (ii) indemnifies each Vendor and its Associates from and against any Claim or Liability arising out of any guarantee or securities covered to in clause 9.2(b) that may be suffered or incurred by that Vendor or any of its Associates.

9.3 Company Loan

Subject to clause 10, the Purchaser will ensure that the Company repays the Loan in accordance with the terms of the Loan Agreement, and will provide the Company with such financial assistance as is necessary for this purpose.

For personal use only

18 May 2008

3.4 Bennett held for Associates

The Vendors hold the rights under clauses 9.1 and 9.2 expressed to be for their Associates as agent of and trustee for their Associates, and their Associates must be treated to this extent as parties to this agreement.

10. Vendor Warranties

10.1 Vendor Warranties

The Vendors warrant and represent to the Purchaser, as an inducement to the Purchaser to enter into this agreement that, subject to the limitations in this agreement and except as expressly stated, each of the Vendor Warranties is true and accurate in all material respects.

(a) Each Vendor Warranty is given as at the date of this agreement and immediately prior to the Effective Date (unless otherwise indicated in Schedule 10).

(b) The Vendors acknowledge and agree that:

(i) each of the Vendor Warranties is to be treated as a separate warranty and the interpretation of any different words is not restricted by reference to or inference from any other statements;

(ii) with the exception of the Disclosure Material, no other document or communication qualifies any of the Vendor Warranties, and

(iii) the Vendor Warranties are not extinguished or affected by any investigation made by or on behalf of the Purchaser into the Company and the Business before the date of this agreement, unless the Claim relates to a matter which is Party Disclosed in the Disclosure Material or to which clauses 10.8(a)(v) or 10.8(g)(3d) applies.

10.2 Some Vendors' Warranties limited to knowledge

Where a Vendor Warranty is qualified by reference to the awareness or knowledge of the Vendor, the Purchaser agrees that the awareness or knowledge of the Vendors is limited to any information that is known by one or more of:

- Mr Fitzroy
- Rod Pizzini

(the Relevant Persons), as at the date of this agreement and in respect of those Vendor Warranties repeated at the Effective Date as at the Effective Date (given the facts or circumstances known by the Relevant Persons at that time), after the Relevant Persons have made reasonable and proper inquiries in relation to the matter, including as appropriate having made inquiries of Charles Chei regarding financial matters, Chris O'Neil regarding Noddy and Bronwyn Brickworth regarding distribution matters.

10.3 Gross Up

(a) Subject to clause 10.3(b) if:

- (i) the Vendors are required by law to make any deduction or withholding from any sum paid to the Purchaser by the Vendors in relation to a Claim; or
- (ii) the Purchaser is required by law to make any payment on account of Tax or any other matter on or in relation to any amount received or receivable by it in relation to a payment by the Vendors in respect of payment for a Claim,

For personal use only

18 May 2009

- (b) When the sum so payable by the Vendors will be increased to the extent necessary to ensure that after the making of such deduction, withholding or payment, the Purchaser receives and retains (free of any liability in respect of such deduction, withholding or payment) a net sum equal to the sum that the Purchaser would have received had no retained and no such deduction, withholding or payment been required. In determining the existence and amount of an obligation to make any deduction, withholding or payment referred to in clause 10.3(a) (Obligation) the following procedures will be adopted:
- (i) the Purchaser must deduct from any Obligation the amount of any Tax benefit derived by it as a result of the occurrence giving rise to the Claim;
 - (ii) the Purchaser will notify the Vendors of the existence and amount of an Obligation and provide the Vendors with copies of such of the Records as the Vendors may reasonably request to make an informed assessment of the existence and/or amount of the Obligation;
 - (iii) the Vendor may obtain written advice from its accountants or lawyers as to the existence and amount of the Obligation; and
 - (iv) the Purchaser will provide all reasonably necessary assistance to the Vendors and its accountants or lawyers in preparing such advice.

10.4 Time limits and other requirements for Claims

- (a) Despite any other provision of this agreement or the Tax Indemnity Deed and to the fullest extent permitted by law, the Purchaser must not and is not entitled to, and must procure that the Company does not and agrees that the Company is not entitled to, make a Claim, and the Vendors are not liable to make any payment for any breach of the Vendor Warranties or any other provision of this agreement or otherwise in connection with this agreement, including in respect of any Indemnity (including under the Tax Indemnity Deed), unless the Purchaser notifies the Vendors of the Claim:
- (i) in the case of a Tax Warranty Claim or under the Tax Indemnity Deed, before the expiration of 3 years after the Completion Date or
 - (ii) in the case of any other Claim, before the expiration of 90 days after the end of the Run-out Period,
- except to the extent that:
- (iii) the Claim relates to a matter involving an act of Fraud, dishonesty or willful misconduct on the part of a Vendor, in which case no time limit applies; or
 - (iv) the Claim is not a Tax Warranty Claim or a claim under the Tax Indemnity Deed and relates to a matter involving the Shares, in so far as the Claim is in respect of a breach of Vendor Warranty 6 in Schedule 9, in which case no time limit applies.
- (b) If the Purchaser gives the Vendors notice of a Claim, the notice to the Vendors must give full details of the nature of the Claim (together with copies of all relevant Records), the nature of the breach and an estimate of the amount claimed and details of how it has been calculated, to the extent that those details are available to the Purchaser or a member of the Plumbatic Group (including a member of the Group).
- (c) A Claim by the Purchaser (or the Company under the Tax Indemnity Deed) will be taken to be waived or withdrawn and will be barred and unenforceable if within 6 months after the Vendors receive that notice, the Claim has not been:
- (i) admitted or satisfied by the Vendors;

For personal use only

19 May 2004

- (ii) irrevocably withdrawn by the Purchaser or Company (as the case may be);
- (iii) settled between the Vendor and the Purchaser or Company (as the case may be);
- or
- (iv) referred to a court of competent jurisdiction by the Purchaser or Company (as the case may be) properly issuing and validly serving legal proceedings against the Vendor in relation to the Claim.

10.5 Small Claims

(a) The Vendor is not liable to make any payment in respect of a Resolved Claim (whether by way of damages or otherwise) for any breach of the Vendor Warranties or any provision of this agreement or otherwise in connection with this agreement, including in respect of any indemnity (including under the Tax Indemnity Deed) unless:

(i) if that Resolved Claim relates to a Tax Warranty or is made under the Tax Indemnity Deed, the amount of that Resolved Claim, or series of Resolved Claims that have arisen from a Tax Warranty Claim or Claims under the Tax Indemnity Deed, is more than

(ii) if that Resolved Claim does not relate to a Tax Warranty and is not made under the Tax Indemnity Deed, the amount of that Resolved Claim, or series of Resolved Claims that have arisen other than from a Tax Warranty Claim or Claims under the Tax Indemnity Deed, is more than

(b) The parties acknowledge and agree that, subject to the limitations and other restrictions in this clause 10:

(i) the Purchaser, and the Company (in respect of a Claim under the Tax Indemnity Deed), are entitled to aggregate individual Resolved Claims of more

(ii) the Purchaser, and the Company (in respect of a Claim under the Tax Indemnity Deed), are not entitled to make a Claim for any breach of the Vendor Warranties or any provision of this agreement or otherwise in connection with this agreement, including in respect of any indemnity (including by the Company under the Tax Indemnity Deed) unless and until a Resolved Claim exceeds, or the total of all individual Resolved Claims that are aggregated under clause 10.5(b)(i) exceeds, the necessary thresholds referred to in clause 10.5(b); and

(iii) if the Purchaser, or the Company (under the Tax Indemnity Deed), makes a Resolved Claim which exceeds, or Resolved Claims the aggregate amount of which exceed, the necessary thresholds referred to in clause 10.5(b), the Purchaser or the Company (as the case may be) is entitled to recover 100% of the amount of the Resolved Claim or aggregate Resolved Claims, as the case may be, net merely the amount in excess of the necessary thresholds referred to in clause 10.5(b).

10.6 Maximum amount the Purchaser may recover

The total liability of the Vendor and the maximum amount the Purchaser and the Company under the Tax Indemnity Deed may, in aggregate, recover from the Vendor for breach of any provision of this agreement or otherwise in connection with this agreement, including in respect of any indemnity (including under the Tax Indemnity Deed) will not exceed the value of the Consideration (excluding the Guaranteed Shares). For the avoidance of doubt, the obligations of the Purchaser under paragraph 9.3 are not subject to this clause (and will not be affected by any Claim).

For personal use only

14 May 2008

10.7 Purchaser acknowledgments

- (a) The Purchaser acknowledges and agrees that:
 - (i) it has received independent and professional advice (including legal, accounting, tax and financial advice) concerning this agreement and has satisfied itself about anything arising from that advice;
 - (ii) it has had the opportunity to conduct due diligence and has satisfied itself of the results of that due diligence; and
 - (iii) the only representations and warranties on which the Purchaser has relied in entering into this agreement are:
 - (A) the representations and warranties set out in Schedule 10; and
 - (B) the matters described in the Disclosure Materials.
- (b) The Purchaser acknowledges and agrees that, to the extent permitted by law, all other warranties, representations and undertakings (whether express or implied and whether oral or in writing) made or given by the Vendor, the Group or their respective directors, employees, agents, advisers or representatives are expressly excluded and, to the extent that they cannot be excluded, the Vendor disclaims all liability in relation to them.

10.8 Limits on types of Claims and Liability

- (a) The Purchaser must not make a Claim and must procure that the Company does not make a Claim under the Tax Indemnity Deed, and the Vendor is not liable to make any payment (whether by way of damages or under an Indemnity or otherwise) for any Claim or Liability (including under the Tax Indemnity Deed), to the extent that:
 - (i) the matter, information or circumstance giving rise to, or the subject of, the Claim or Claim is Fairly Disclosed in this agreement or in writing to the Purchaser on or before the date of this agreement by way of the Disclosure Material other than by way of the Disclosure Letter;
 - (ii) the matter, information or circumstance giving rise to, or the subject of, the Claim is Fairly Disclosed in the Disclosure Letter;
 - (iii) the matter, information or circumstance giving rise to, or the subject of, the Claim or Liability has been provided for or reserved in the Accounts or the management accounts provided under clause 5.2(b);
 - (iv) at the date of this agreement, the matter, information or circumstance is disclosed in Publicly Available Information;
 - (v) the Claim or Liability is caused by a thing any member of the Fundatic Group (including any member of the Group) does or does not do on or after Completion; the Claim or Liability would not have arisen but for any restatement or change in ownership of any member of the Fundatic Group after Completion or any change in the accounting policies of the Fundatic Group after Completion;
 - (vi) the Claim is caused by a thing the Vendor or the Group do or do not do:
 - (A) at the Purchaser's express request;
 - (B) with the Purchaser's express consent; or
 - (C) as required by this agreement.

For personal use only

18 May 2009

including anything that the Group does or does not do from the Effective Date under clause 7.7;

- (viii) the breach or Claim has been remedied without cost to the Purchaser;
- (ix) the Purchaser or the Group is compensated for the Claim or Liability giving rise to, or the subject of, the Claim, whether by the Vendors or otherwise, subject to such compensation covering the reasonable costs incurred by the Purchaser or the Group in connection with pursuing the Claim or defending or otherwise dealing with the Liability (including reasonable legal costs on a full indemnity basis); or
- (x) the Claim or Liability giving rise to, or the subject of, the Claim, is recoverable by the Purchaser or the Group through insurance not of any associated reasonable costs incurred by the Purchaser or the Group in connection with recovering through insurance (including reasonable legal costs on a full indemnity basis);
- (xi) the Claim is in respect of a matter or circumstances of which the Purchaser or any of its directors, officers, employees or advisers who were directly involved in advising the Purchaser on the transactions the subject of this agreement is actually aware.
- (y) The maximum amount which the Vendors are required to pay in respect of any Resolved Claim under or in relation to this agreement (including in respect of any indemnity (including under the Tax Indemnity Deed)) is reduced by any tax benefit which the Purchaser (or, if applicable, the Group) has received or may receive in connection with the subject matter of the Resolved Claim.
- (z) Each disclosure in the Disclosure Letter is made in respect of each Vendor Warranty even if the disclosure expressly relates to a particular Vendor Warranty.
- (aa) The Vendors are not liable to make any payment for breach of any provision of this agreement (whether by way of damages or under an indemnity or otherwise) or otherwise in connection with this agreement (including in respect of any indemnity (including the Tax Indemnity Deed)) for any indirect loss, or consequential loss, however arising.

10.9 Contingent Claims

As soon as practicable, and in any event within 15 Business Days, after the Purchaser becomes aware of a contingent Liability that the Purchaser reasonably confirms may give rise to a Claim under or otherwise in connection with this agreement (including in respect of any indemnity (including the Tax Indemnity Deed)), the Purchaser must notify the Vendor giving reasonable details of:

- (a) the nature of the contingent Liability (together with copies of all relevant Reports) to the extent that those details are available to the Purchaser; and
- (b) an estimate of the amount that may be claimed if the Liability becomes actual.

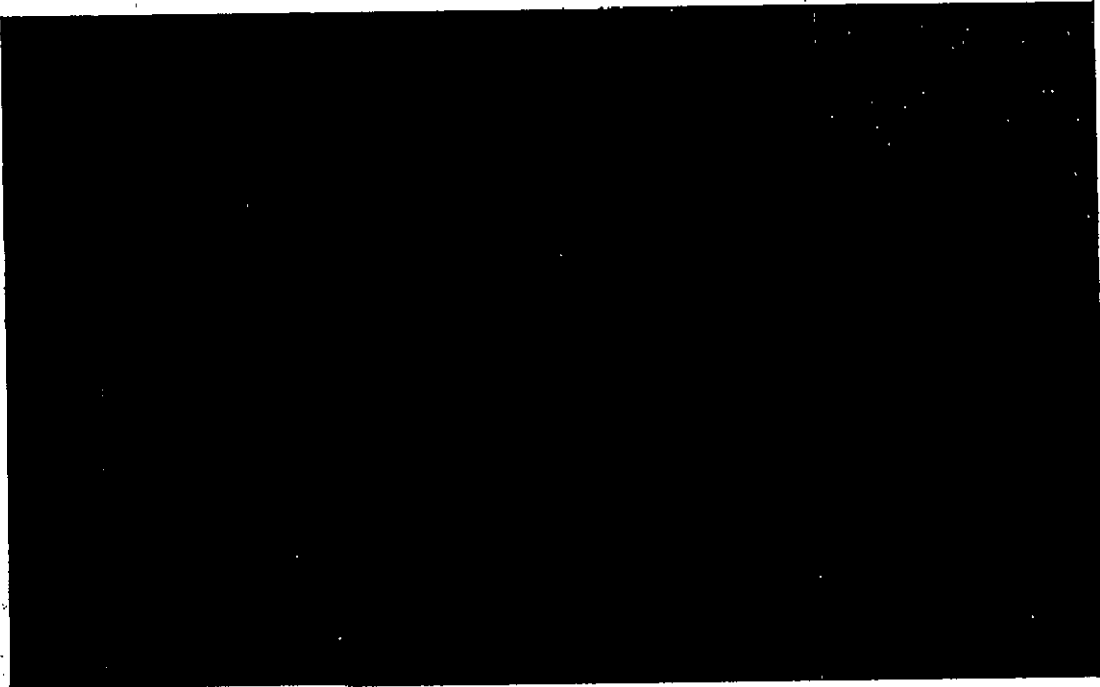
10.10 Notice of potential Claim

As soon as practicable, and in any event within 15 Business Days, after a party first becomes aware of anything which is or may be reasonably likely to give rise to a Claim subject to this clause 10:

- (i) it must notify the other parties in writing of that fact, together with all available details; and
- (ii) the Vendors must, as and when requested by the Purchaser, provide to the Purchaser any information and details which the Purchaser reasonably requires.

For personal use only

16 Aug 2009



Size and position of plot 25

20090816 08:40:17 01562637
4510032
04L_00037_C 01933

For personal use only

19 May 2004

10.14 Guaranteed Shares

Any payment to be made to the Purchaser or a member of the Funders Group under this clause 10 (including in relation to a Resolved Claim under the Tax Indemnity Deed) shall not reduce the number of shares that the Vendor's receive pursuant to this agreement to a number less than the number of Guaranteed Shares.

10.15 Survival

The provisions of this agreement remain in full force and effect after Completion.

10.16 Claim

For the purposes of this clause 10, a Claim includes a Claim for breach of any provision of this agreement or otherwise in connection with this agreement (including in respect of any indemnity (including the Tax Indemnity Deed)).

11. Purchaser Warranties

(a) The Purchaser warrants and represents to the Vendors, as an inducement to the Vendors to enter into this agreement that, subject to the limitations in this agreement and except as expressly stated, that each of the Purchaser Warranties is true and accurate in all material respects.

(b) Each Purchaser Warranty is given as at the date of this agreement and immediately prior to Completion (unless otherwise indicated in Schedule 11).

(c) Each of the Purchaser Warranties is to be treated as a separate warranty and the interpretation of any statement made is not restricted by reference to or inference from any other statement.

(d) The Vendor does not make a Claim, and the Purchaser is not liable to make any payment (whether by way of damages or under an indemnity or otherwise) for any Claim or Liability, to the extent that:

- (i) the vendor, information or circumstances giving rise to, or the subject of, the breach or Claim is Fully Disclosed in this agreement or in writing to the Underwriter on or before the date of this agreement; or
- (ii) at the date of this agreement, the nature, information or circumstance is disclosed in Publicly Available Information.

12. General Indemnity

The Vendors indemnify the Purchaser:

- (a) from all Liabilities (including indirect or consequential loss) which the Purchaser actually suffers or incurs by reason of:
 - (i) any of the Vendor Warranties being untrue, inaccurate or breached or breached to any material respect;
 - (ii) any failure by a Vendor to fulfil its material obligations under this agreement in any material respect; and
 - (iii) any breach of a material warranty given with respect to a third party, where that breach occurred prior to Completion.

For personal use only

18 May 2009

To the extent that the Purchaser is able to mitigate any Liability to which this clause 12 relates, it will use its reasonable endeavours to do so.



14. Acknowledgment by Rod Pizam

Rod Pizam:

- (a) agrees not to acknowledge that all existing and future intellectual property rights in all inventions, models, designs, drawings, plans, software, reports, proposals and other materials created or generated by him in connection with any services provided by him to HKBROD or to the Company (whether alone or with HKBROD or the Company or employees or contractors of HKBROD or the Company) for use by the Company are vested in the Company and, on their creation, all such future rights will vest in the Company; and
- (b) agrees to do all things reasonably requested by the Company or the Purchaser to enable the Company to ensure the rights referred to in clause 14(a) are vested in, or, in the case of future rights, will vest in, the Company.

15. Restraint

15.1 Defined terms

In this clause 15:

engage in means to carry on, participate in, provide finance or services, or otherwise be directly or indirectly involved as a shareholder, unitholder, director, consultant, adviser, contractor, principal, agent, manager, employee, beneficiary, partner, associate, trustee or financier.

Prohibited Person means:

- (a) each Vendor,
- (b) each Associate of each Vendor.

For personal use only

18 May 2008

15.2 Prohibited activities

Subject to clause 15.4, each Vendor undertakes to the Purchaser that the Prohibited Persons will not:

- (a) engage in a business or an activity that is:
 - (i) the same or similar to the Business or any material part of the Business; and
 - (ii) in competition with the Business or any material part of the Business;
- (b) solicit, canvass, approach or accept an approach from a person who was at any time during the 12 months ending on the Completion Date a customer of the Company with a view to obtaining their custom in a business that is the same or similar to the Business and is in competition with the Business;
- (c) interfere with the relationship between the Company and its customers, employees or suppliers; or
- (d) induce or help to induce an employee of the Company to leave their employment.

15.3 Duration of prohibition

The undertakings in clause 15.2 begin on the Completion Date and end:

- (a) on the second anniversary of the Completion Date;
- (b) on the first anniversary of the Completion Date; and
- (c) six months after the Completion Date.

15.4 Geographic application of prohibition

The undertakings in clause 15.2 apply only if the activity prohibited by clause 15.2 occurs within:

- (a) Australia and New Zealand;
- (b) Hong Kong;
- (c) China;
- (d) United States;
- (e) United Kingdom;
- (f) European Union; and
- (g) Canada.

15.5 Interpretation

Clauses 15.2, 15.3 and 15.4 have effect together as if they comprised of separate provisions, each being severable from the other. Each separate provision results from combining each undertaking in clause 15.2, with each period in clause 15.3, and combining each of those combinations with each area in clause 15.4. If any of those separate provisions is invalid or unenforceable for any reason, the invalidity or unenforceability does not affect the validity or enforceability of any of the other separate provisions or other combinations of the separate provisions of clauses 15.2, 15.3 and 15.4.

15.6 Exceptions

This clause 15 does not restrict a Prohibited Person from:

- (a) performing any employment agreement with the Group, or Fantastic;
- (b) holding 5% or less of the shares of a listed company other than the Purchaser;

THIS DOCUMENT IS UNCLASSIFIED
DATE 04/07/08 BY 60187Z JH/DAK

For personal use only

16 May 2004

- (c) recruiting a person through a recruitment agency (except if the agency targets employees of the Company) or in a response to a newspaper, web page or other public employment advertisement;



15.7 Acknowledgments

Each Vendor acknowledges that:

- (a) all the prohibitions and restrictions in this clause 15 are reasonable in the circumstances and necessary to protect the goodwill of the Business;
- (b) damages are not an adequate remedy if a Prohibited Person breaches this clause 15; and
- (c) the Purchaser may apply for injunctive relief if
 - (i) a Prohibited Person breaches or threatens to breach this clause 15; or
 - (ii) it believes a Prohibited Person is likely to breach this clause 15.

16. Confidentiality and publicity

16.1 Confidentiality

- (a) The parties agree to keep the terms of this agreement confidential on the basis that it constitutes Confidential Information for the purpose of the Confidentiality Agreement, except that the Purchaser may disclose such information regarding this agreement as is necessary for the purpose of obtaining any approvals from members of the Purchaser in general meetings, making submissions to, or engaging in discussions with, ASX, ASIC or any other regulator, or otherwise to the extent necessary to enable the Purchaser to complete the transactions contemplated by this agreement.

- (b) From Completion the Purchaser is released from clauses 4, 7, 8, 9, 11, 12.2 and 15 of the Confidentiality Agreement in respect of Confidential Information relating solely to the Company, but not the terms of this agreement.

16.2 Confidential Information - after Completion

From Completion, subject to the terms of the Confidentiality Agreement, the Purchaser, each Vendor and each Associate of the Purchaser, each Vendor and each Associate of the Vendor, shall remain bound by the terms of the Confidentiality Agreement (except that the parties agree that clause 1.1(3)(b) of the Confidentiality Agreement is deleted) and in any case, must not, and must ensure that any related body corporate of it and its and their respective officers and employees must not, after Completion without the prior written consent of the Purchaser, use or disclose any Confidential Information unless required to do so by law or the Listing Rules of ASX.

16.3 This agreement paramount

Except as otherwise provided in this agreement, both before and after Completion the obligations set out in the Confidentiality Agreement shall continue to apply to the parties but where an express term of this agreement is inconsistent with a term of the Confidentiality Agreement, the express term of this agreement shall prevail to the extent of the inconsistency.

For personal use only

19 May 2009

17. Termination

17.1 Default

If the Vendor or the Purchaser (Defaulting Party) breaches any provision of this agreement and fails to rectify that breach within 14 days of being given written notice of the requirement to do so, or becomes subject to an Insolvency Event, the non-defaulting party (Non-Defaulting Party) may at any time prior to Completion (without prejudice to its other rights and remedies under this agreement or at law) immediately terminate this agreement by giving notice in writing to the Defaulting Party.

17.2 After termination

On termination of this agreement for any reason, each party must stop, and must cause its permitted disclosees to stop, using confidential information of another party (including any records or copies of Records) and, at the other party's option:

- (a) return to the other party;
 - (b) destroy and certify in writing to the other party the destruction of; or
 - (c) destroy and permit a representative of the other party to witness the destruction of;
- all confidential information in its possession or control.

17.3 Survival

Clause 17 continues to apply after termination of this agreement.

17.4 Accrued rights

Termination of this agreement does not affect any accrued rights or remedies of a party.

18. GST

18.1 Interpretation

In this clause 18, a word or expression defined in the *A New Tax System (Goods and Services Tax) Act 1999 (Cth)* has the meaning given to it in that Act.

18.2 GST gross up

If a party makes a supply under or in connection with this agreement in respect of which GST is payable, the consideration for the supply but for the application of this clause 18.2 (GST exclusive consideration) is increased by an amount equal to the GST exclusive consideration multiplied by the rate of GST prevailing at the time the supply is made.

18.3 Reimbursements

If a party must reimburse or indemnify another party for a loss, cost or expense, the amount to be reimbursed or indemnified is first reduced by any input tax credit the other party is entitled to for the loss, cost or expense, and then increased in accordance with clause 18.2.

18.4 Tax Invoice

A party need not make a payment for a taxable supply made under or in connection with this agreement until it receives a tax invoice for the supply to which the payment relates.

14 July 2009

19. Notices and other communications**19.1 Service of notices**

A notice, demand, consent, approval or communication under this agreement (Notices) must be:

- (a) in writing, in English and signed by a person duly authorised by the sender; and
- (b) hand delivered or sent by prepaid post or facsimile to the recipient's address for Notices specified in the Details as varied by any Notice given by the recipient to the sender.

19.2 Effective on receipt

A Notice given in accordance with clause 19.1 takes effect when taken to be received (or at a later time specified in it), and is taken to be received:

- (a) if hand delivered, on delivery;
- (b) if sent by prepaid post, two Business Days after the date of posting (or seven Business Days after the date of posting if posted to or from a place outside Hong Kong);
- (c) if sent by facsimile, when the sender's facsimile system generates a message confirming successful transmission of the entire Notice unless, within eight Business Hours after the transmission, the recipient informs the sender that it has not received the entire Notice,

but if the delivery, receipt or transmission is not on a Business Day or is after 5.00pm on a Business Day, the Notice is taken to be received at 9.00am on the next Business Day.

20. Assignment**20.1 Assignment in general**

A party may only assign this agreement or a right under this agreement with the prior written consent of each other party.

21. Miscellaneous**21.1 Alterations**

This agreement may be altered only in writing signed by each party.

21.2 Approvals and consents

Except where this agreement expressly states otherwise, a party may, in the distribution, give conditionally or unconditionally or withhold any approval or consent under this agreement.

21.3 Costs

Each party must pay its own costs of negotiating, preparing and executing this agreement.

21.4 Stamp duty

Any stamp duty, duties or other taxes of a similar nature (including fines, penalties and interest) in connection with this agreement or any transaction contemplated by this agreement, must be paid by the Purchaser.

21.5 Survival

- (a) Any liability or any obligation of confidence under this agreement is independent and survives termination of this agreement.

18 May 2001

- (b) Any other term by its nature intended to survive termination of this agreement survives termination of this agreement.
- (c) For the avoidance of doubt, clauses 4.2, 6, 8, 9, 10, 11, 12, 14, 15, 16, 17, 18, 19, 20, 21 survive completion of this Agreement in accordance with their terms.

21.6 Counterparts

This agreement may be executed in counterparts. All executed counterparts constitute one document.

21.7 No merger.

The rights and obligations of the parties under this agreement do not merge on completion of any transaction contemplated by this agreement.

21.8 Entire agreement

This agreement, read in conjunction with the Underwriting Agreement, constitutes the entire agreement between the parties in connection with its subject matter and supersedes all previous agreements or understandings between the parties in connection with its subject matter.

21.9 Further action

Each party must do, at its own expense, everything reasonably necessary (including executing documents) to give full effect to this agreement and any transactions contemplated by it.

21.10 Severability

A term or part of a term of this agreement that is illegal or unenforceable may be severed from this agreement and the remaining terms or parts of the term of this agreement continue in force.

21.11 Waiver

A party does not waive a right, power or remedy if it fails to exercise or delays in exercising the right, power or remedy. A single or partial exercise of a right, power or remedy does not prevent another or further exercise of that or another right, power or remedy. A waiver of a right, power or remedy must be in writing and signed by the party giving the waiver.

21.12 Relationship

Except where this agreement expressly states otherwise, it does not create a relationship of employment, trust, agency or partnership between the parties.

21.13 Governing law and jurisdiction

This agreement shall be governed by and construed in accordance with the laws of Victoria, Australia, without regard to the principles of conflicts of law of any jurisdiction. Each party irrevocably submits to the non-exclusive jurisdiction of courts of Victoria, Australia, waives any objections to the jurisdiction of those courts and irrevocably agrees that a judgment or order of a court of Victoria in connection with this agreement is conclusive and binding on it and may be enforced against it in the courts of any other jurisdiction.

For personal use only

16 May 2009

Signing page

EXECUTED as an agreement.

Executed by Funtastico Limited in accordance with Section 127 of the Corporations Act 2007

Signature of director

Anthony R. Lynch
Name of director (print)

Signature of director (print)

Signature of director (print)

Name of director (print)

Executed by MSR Fees Pty Ltd in accordance with Section 127 of the Corporations Act 2007

Signature of director

Name of director (print)

Signature of director (print)

Signature of director (print)

Name of director (print)

Signed by Rod Pizam in the presence of

Signature of witness

Name of witness (print)

Signature of witness

Name of witness (print)

For personal use only

18 May 2009

Signing page

EXECUTED as an agreement.

Executed by Funtastic Limited in accordance with Section 127 of the Corporations Act 2001

Signature of director

Signature of director (company secretary) (insert details as appropriate)

Name of director (print)

Name of director (company secretary) (print)

Executed by NBR Press Pty Ltd in accordance with Section 127 of the Corporations Act 2001

Signature of director

Signature of director (company secretary) (insert details as appropriate)

Name of director (print)

Name of director (company secretary) (print)

Signed by Mark in the presence of

Signature of witness

Signature of witness

Name of witness (print)

Name of witness (print)

2009/05/18 Ref: JPMV 43101247
4/000002
E-mail: fntastic@clarendonlaw.com.au

Business systems@clarendonlaw.com.au