

TERMS AND CONDITIONS - MANALTO EMPLOYEE SHARE OPTION PLAN (ESOP)

The Directors are empowered to operate the ESOP in accordance with the Listing Rules and on the following terms and conditions:

- (a) Subject to paragraph (d), the Directors may offer to issue Options to eligible employees in accordance with ASIC Class Order 03/184 including other such persons that the Directors see fit (excluding directors), the ESOP and in such manner and on such terms and conditions as they in their absolute discretion determine.
- (b) If the Company has offered you Options, to accept the offer complete the Acceptance Form or accept in such other form as the Directors may in their absolute discretion approve from time to time.
- (c) The Eligible Employees to participate in the ESOP shall be as the Directors in their absolute discretion determine and shall take into account skills, experience, length of service with the Company, remuneration level and such other criteria as the Directors consider appropriate in the circumstances.
- (d) Options may not be offered under this ESOP without the issue of a prospectus in accordance with Chapter 6D of the Corporations Act, if the aggregate of:
- (i) the number of Options to be issued;
 - (ii) the number of Shares which would be issued if all the current Options issued under any employment incentive scheme were exercised;
 - (iii) the number of Shares which have been issued as a result of the exercise of Options issued under any employee incentive scheme, where the Options were issued during the preceding five years; and
 - (iv) all other Shares issued pursuant to any employee incentive scheme during the preceding five years;
- but disregarding any offer made, Options or Shares issued by way of or as a result of:
- (v) an offer to a person situated at the time of receipt of the offer outside Australia;
 - (vi) an offer that was an excluded offer or invitation within the meaning of the Corporations Act as it stood prior to the commencement of Schedule 1 of the Corporate Law Economic Reform Program Act 1999;
 - (vii) an offer that did not need disclosure to investors because of section 708 of the Corporations Act; or
 - (viii) an offer under a disclosure document,
- would exceed 5% of the then current number of Shares on issue.
- (e) The Directors may, in their absolute discretion, offer to Eligible Employees Options under the Plan, and those Options will not be included within the 5% limit in paragraph (d), up to a maximum of 15%, provided that the issue is made in accordance with the requirements of Chapter 6D of the Corporations Act.
- (f) Options will be issued free of charge to eligible employees. The exercise price of the Options shall be as the Directors in their absolute discretion determine, provided that it shall not be less than that amount which is equal to 90% of the average market price of the Shares in the 5 days in which sales in the Shares were recorded immediately preceding the day on which the Directors resolve to offer the Options.

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- (g) The Directors may limit the total number of Options which may be exercised under the Scheme in any year.
- (h) The Directors, in their absolute discretion, having regard to skills, experience, length of service with the Company, remuneration level and such other criteria as the Directors consider appropriate in the circumstances, shall determine criteria to establish the periods during which the Options may be exercised or will vest.
- (i) Unless the Directors in their absolute discretion determine otherwise, Options shall lapse upon the earlier of:
- (i) the expiry of the exercise date;
 - (ii) the expiry of 60 days after the Option holder ceases to be an Eligible Employee by reason of dismissal, resignation or termination of employment, office or services for any reason;
 - (iii) the expiry of 60 days after the Option holder ceases to be an Eligible Employee by reason of retirement; or
 - (iv) a determination by the Directors acting reasonably that the Option holder has acted fraudulently, dishonestly or in breach of his or her obligations to the Company or an Associated Body Corporate;
- (j) If an Eligible Employee accepts an offer from the Company to participate in the Scheme then the Company will evidence the issue of an Option to an eligible employee by issuing that eligible employee a Certificate for that Option.
- (k) Each Option entitles the holder to subscribe for and be issued with one Share.
- (l) Shares issued pursuant to the exercise of Options will in all respects, including bonus issues and new issues, rank equally and carry the same rights and entitlements as other Shares on issue.
- (m) There are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 business days after the issue is announced (or such shorter time as permitted under the ASX Listing Rules). This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (n) The Options will not be quoted on the ASX. However, application will be made to the ASX for official quotation of the Shares issued on the exercise of the Options if the Shares are listed on the ASX at that time.
- (o) An application to be issued Options may be made by eligible employees invited to participate in the Scheme in such form and on such terms and conditions concerning the closing date for applications as the Directors in their absolute discretion determine.
- (p) If at any time the issued capital of the Company is reconstructed, all rights of Option holders are to be changed in a manner consistent with the Listing Rules.
- (q) At the absolute discretion of the Directors, the terms upon which Options will be issued may incorporate performance related factors. Such factors may reflect, inter alia, profitability levels and sales targets and may, subject to clause (p) above, be amended from time to time in a manner favourable to the Option holder. However such performance related factors, if included in the Option terms or so amended shall not act in any way to constitute a breach of the Terms and Conditions.

- (r) Notwithstanding the Terms and Conditions, upon the occurrence of a Trigger Event the Directors may determine:
- (i) that the Options may be exercised at any time from the date of such determination, and in any number until the date determined by the Directors acting bona fide so as to permit the holder to participate in any change of control arising from a Trigger Event provided that the Directors will forthwith advise in writing each holder of such determination. Thereafter, the Options shall lapse to the extent they have not been exercised; or
 - (ii) to use their reasonable endeavours to procure that an offer is made to holders of Options on like terms (having regard to the nature and value of the Options) to the terms proposed under the Trigger Event in which case the Directors shall determine an appropriate period during which the holder may elect to accept the offer and, if the holder has not so elected at the end of that period, the Options shall immediately become exercisable and if not exercised within 10 days, shall lapse.
- (s) An Option may not be transferred or assigned except that a legal personal representative of a holder of an Option who has died or whose estate is liable to be dealt with under laws relating to mental health will be entitled to be registered as the holder of that Option after the production to the Directors of such documents or other evidence as the Directors may reasonably require to establish that entitlement.
- (t) An Option is exercisable by the holder lodging with the Company a Notice of Exercise of Option together with a cheque for the exercise price of each Option to be exercised and the relevant Option Certificate. If not all of the holder's Options are being exercised, a holder must exercise Options in multiples of 1,000.
- (u) Neither participation in the Scheme by the Company or an Associated Body Corporate or any Eligible Employees or Option holders or anything contained in these Terms and Conditions shall in any way prejudice or affect the right of the Company or an Associated Body Corporate to dismiss any Eligible Employees or Option holder or to vary the terms of employment of any Eligible Employees or Option holder. Nor shall participation or the rights or benefits of an Eligible Employees or Option holder under the Terms and Conditions be relevant to or be used as grounds for granting or increasing damages in any action brought by an Eligible Employees or Option holder against the Company or an Associated Body Corporate whether in respect of any alleged wrongful dismissal or otherwise.
- (v) At all times during which eligible employees may subscribe for or purchase Shares upon exercise of an Option issued pursuant to the ESOP, the Company shall provide, within a reasonable period of a request by eligible employees, the current market price of the Shares. Contact the Company Secretary to obtain this information.
- (w) The ESOP shall be administered by the Directors who shall have power to:
- (i) determine appropriate procedures for administration of the ESOP consistent with these Terms and Conditions;
 - (ii) resolve conclusively all questions of fact or interpretation or dispute in connection with the ESOP and settle as the Directors in their absolute discretion determine expedient any difficulties or anomalies howsoever arising with or by reason of the operation of the ESOP;
 - (iii) delegate to any one or more persons for such period and on such conditions as it may determine the exercise of any of the Directors' powers or discretions arising under the ESOP.

Definitions - ESOP

In this Schedule the following terms shall bear the following meanings:

"Acceptance Form" means the Acceptance Form which will accompany the invitation to the Eligible Employee to participate in the Scheme.

"Associated Body Corporate" means:

- (iv) a related body corporate (as defined in the Corporations Act) of the Company;
- (v) a body corporate which has an entitlement to not less than 20% of the voting shares of the Company; and
- (vi) a body corporate in which the Company has an entitlement to not less than 20% of the voting shares.

"ASX" means the Australian Securities Exchange Limited.

"Business Day" means those days other than a Saturday, Sunday, New Year's Day, Australia Day, Good Friday, Easter Monday, Anzac Day, Christmas Day, Boxing Day and any other day which the ASX shall declare and publish is not a business day.

"Certificate" means a certificate for any Option issued to Eligible Employees which will include all of the terms and conditions of the Option and the Notice of Exercise of Option or such other evidence of ownership that the Directors may in their absolute discretion determine from time to time.

"Company" means Manalto Limited ACN 098 640 352 (formerly Healthlinx Limited).

"Company Group" means the Company and its Associated Bodies Corporate.

"Corporations Act" means the Corporations Act 2001 (Commonwealth).

"Directors" mean the directors from time to time of the Company.

"Eligible Employees" means any full or part time employees, consultants of the Company or its Associated Bodies Corporate, or other such persons that the Directors see fit, excluding Directors (unless separate shareholder approval is obtained).

"Listing Rules" means the official listing rules of ASX as amended from time to time.

"Notice of Exercise of Option" means the Notice of Exercise of Option which will accompany the invitation to the Eligible Employee to participate in the Scheme.

"Offer Period" means the period referred to in the definition of that expression in Section 624 of the Corporations Act, provided that where a takeover bid is publicly announced prior to the service of an off-market bidder's statement on the Company in relation to that takeover bid the Offer Period shall be deemed to have commenced at the time of that announcement.

"Option" means an option to acquire a Share issued in accordance with the Scheme.

"Scheme" means the Healthlinx Employee Option Scheme in which Eligible Employees may be invited to participate in accordance with the Terms and Conditions.

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

"Terms and Conditions" means the terms and conditions as amended from time to time.

"Trigger Event" means:

- (i) the despatch of a notice of meeting to consider a scheme of arrangement between the Company and its creditors or members or any class thereof pursuant to section 411 of the Corporations Act;
- (ii) the service of a bidder's statement or a like document on the Company; or
- (iii) the date upon which a person or a group of associated person becomes entitled, subsequent to the date of issue of the Option, to sufficient Shares to give it or them the ability, in general meeting to replace all, or allow a majority, of Directors in circumstances where such ability was not already held by a person associated with such person or group of associated persons.