

[LETTER OF OFFER – ESP]

5G Networks Limited ABN 30 163 312 025
Level 8, 99 William Street
Melbourne VIC 3000

[offeree name]

[address]

[date]

Dear [name]

OFFER OF PLAN SHARES

On behalf of the Board of Directors (**Board**) of 5G Networks Limited (**5GN**) I am pleased to offer you shares (**Plan Shares**) under the 5GN Employee Share Plan (**Plan**).

This offer is made under the Plan and subject to the rules of the Plan (**Rules**) - a copy of which accompanies this letter of offer (**Offer**). By accepting this Offer you agree to be bound by the Constitution of 5GN and the Rules. The Rules include important information in relation to the Plan Shares and their underlying rights. Please read the Rules carefully.

Expressions defined in the rules have the same meaning when used in this Offer.

The objective of the Plan is to assist in the reward, retention and motivation of Employees.

The offer is as set out below:

Number of Plan Shares	8,000
Type of Plan Share	fully paid ordinary share in 5GN (Share)
Issue Price	4,000 Shares will be issued at current market price which is a price of \$0.25 per Share 4,000 Shares will be issued at a discount to market of \$0.25 – for \$0 (ie will be free Shares)
Expiry of the Offer	5.00 pm Thursday 18 October 2017
Conditions	You may not sell, promise to sell, mortgage, or otherwise encumber Shares until the earlier of the date which is 3 years after the Issue Date and the date upon which you cease to be an Employee
Bonus	If you accept this Offer 5GN will pay you a bonus in an amount calculated so as to allow \$1,000 of the bonus to be applied to pay the Issue Price of Shares (after any PAYG withholding obligation). The bonus will be taxable.

RISKS

Before accepting this offer, you should be satisfied that you have a sufficient understanding of the risks involved in acquiring Plan Shares, having regard to your investment objectives, financial circumstances and taxation position. You should be aware that the value of the Plan Shares may increase or decrease. There is no assurance that the price of the Plan Shares will increase even if 5GN's earnings increase.

Some of the factors which may affect the price of the Plan Shares include but are not limited to:

- fluctuations in the domestic and international market for listed stocks;

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- general economic conditions, including interest rates, inflation rates, exchange rates, commodity and oil prices or changes to government fiscal, monetary or regulatory policies, legislation or regulation;
- the nature of the markets in which 5GN operates; and
- general operational and business risks.

Other factors which may negatively affect investment sentiment and influence 5GN specifically or the stock market more generally, include acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other man-made or natural events. All of these risk factors could affect the value of Plan Shares.

We recommend that you seek professional guidance from your financial advisor, solicitor, accountant or other independent and qualified professional before deciding whether to acquire the Plan Shares under this Offer.

TAXATION

The Board and 5GN recommend that you obtain your own taxation advice in respect of the Plan, and do not seek to offer any taxation advice herein. With this proviso in mind, the likely taxation treatment of participating in the Plan should be as follows.

It is considered that the \$1,000 discount offered as part of the Plan should not be taxable to Employees where all of the following are met:

- the Employee's annual taxable income, including reportable fringe benefits and reportable superannuation contributions and total investment losses for the 30 June 2018 year are \$180,000 or less;
- the Shares acquired are retained by the Employee for 3 years, or until employment ceases;
- the Employee does not have or control more than a 10% ownership of 5GN; and
- the Shares are not at real risk of forfeiture.

It is also understood that for Capital Gains Tax (“CGT”) purposes, Employees who meet the criteria above will have a CGT cost base in their shares of \$2,000 – i.e. - not just the \$1,000 paid via the Bonus.

If you wish to accept this offer please sign where indicated below and return to [insert].

Yours sincerely

.....
 [name] - For and on behalf of 5G Networks Limited
 Director

Acceptance:

I accept the offer of Plan Shares under the 5GN Employee Share Plan specified in this letter. I agree to be bound by the Constitution of 5GN and the Rules.

.....
 Name:
 Date:

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