

**Form 603**  
Corporations Act 2001  
Section 671B

## Notice of initial substantial holder

To Company Name/Scheme McGrath Limited ("MEA")

ACN/ARSN ACN 608 153 779

### 1. Details of substantial holder (1)

Name

- AL Capital Holding Pty Ltd (ACN 613 750 682) as trustee for the AL Capital No 1 Unit Trust; and
- Yunhui Lin,

(each a "Substantial Holder" and together the "Substantial Holders")

ACN/ARSN (if applicable)

The holder became a substantial holder on 19/06/2018

### 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)
Fully Paid Ordinary Shares in MEA ("MEA Shares")	13,623,838	13,623,838	8.71% (based on 156,364,491 MEA Shares on issue)

### 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
AL Capital Holding Pty Ltd (ACN 613 750 682) as trustee for the AL Capital No 1 Unit Trust	Relevant interest arises under section 608(1)(a) of the <i>Corporations Act 2001</i> (Cth) (" <b>Corporations Act</b> ") as AL Capital Holding Pty Ltd as trustee for the AL Capital No 1 Unit Trust is the registered holder of the MEA Shares.	13,623,838 MEA Shares
Yunhui Lin	Relevant interest arises under section 608(3) of the <i>Corporations Act</i> as Yunhui Lin controls, and owns 100% of the issued share in, AL Capital Holding Pty Ltd.	13,623,838 MEA Shares

**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
Each Substantial Holder	AL Capital Holding Pty Ltd as trustee for the AL Capital No 1 Unit Trust	AL Capital Holding Unit Trust, as sole unitholder of AL Capital No 1 Unit Trust.	13,623,838 MEA Shares

**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
AL Capital Holding Pty Ltd as trustee for the AL Capital No 1 Unit Trust	19/06/2018, by way of issue of MEA Shares pursuant to a Subscription Agreement dated 19/06/2018, a copy of which is attached as Annexure A.	A\$5,789,281.15	13,621,838 MEA Shares
Yunhui Lin	19/06/2018	None	13,621,838 MEA Shares

**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
N/A	N/A

**7. Addresses**

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

Name	Address
Each Substantial Holder	Level 47, Tower 1, 100 Barangaroo Avenue, Barangaroo, NSW 2000

**Signature**

Signed on behalf of the Substantial Holders

print name	Shangjin Lin	capacity	Authorised signatory
sign here	✗ 	date	21/06/2018

## 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.

## Annexure A

This is Annexure "A" of 32 pages (including this page) referred to in the accompanying Form 603.

Signed on behalf of the Substantial Holders


print name

Shangjin Lin

capacity

Authorised signatory

sign here

✍️ 

date

21/06/2018



HERBERT  
SMITH  
FREEHILLS

EXECUTION VERSION

# Subscription Agreement

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McGrath Limited

AL Capital Holding Pty Ltd as trustee for the AL  
Capital No 1 Unit Trust



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## Subscription Agreement

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Date ▶ 19 June 2018

Between the parties

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Company	<b>McGrath Limited</b> (ABN 61 608 153 779) 191 New South Head Road, Edgecliff, NSW 2027
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Subscriber	<b>AL Capital Holding Pty Ltd as trustee for the AL Capital No 1 Unit Trust</b> (ACN 613 750 682) Level 47, Tower 1, 100 Barangaroo Avenue, Barangaroo, NSW 2000
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Recitals	The Company has agreed to issue the Subscription Shares to the Subscriber, and the Subscriber has agreed to subscribe for the Subscription Shares, on the terms and conditions of this agreement.
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The parties agree as follows:

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## 1 Definitions and interpretation

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### 1.1 Agreement components

This agreement includes any schedule.

### 1.2 Definitions

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

<b>Term</b>	<b>Meaning</b>
<b>Aqualand Projects</b>	Aqualand Projects Pty Ltd (ABN 73 169 346 810)
<b>ASX</b>	ASX Limited (ACN 008 624 691).
<b>ASX Listing Rules</b>	the official listing rules of the ASX as amended from time to time.
<b>Authorisation</b>	includes: <ol style="list-style-type: none"><li>1 any consent, registration, filing, agreement, notice of non-objection, notarisation, certificate, licence, approval, permit, authority or exemption from, by or with a Government Agency; and</li><li>2 in relation to anything that a Government Agency may prohibit or restrict within a specific period, the expiry of that period without intervention or action or notice of intended intervention or action.</li></ol>
<b>Blackout Period</b>	has the meaning given in the Securities Trading Policy adopted by the Board of the Company on 30 October 2015 or such equivalent concept where the policy is updated or replaced, being a period when the Company prohibits a relevant person from dealing in the securities of the Company.
<b>Board</b>	the board of directors of the Company from time to time.
<b>Business Day</b>	a day on which banks are open for business in Sydney, New South Wales excluding a Saturday, Sunday or public holiday.
<b>Company Group</b>	The Company and each of its Subsidiaries.



<b>Term</b>	<b>Meaning</b>
<b>Company Warranties</b>	the representations and warranties set out in Schedule 1.
<b>Condition Precedent</b>	each of the conditions precedent set out in clause 4.1.
<b>Confidentiality Deed</b>	the deed titled "Confidentiality/Exclusive Negotiations/Standstill Deed" dated 14 March 2018 entered into between the Company and AL Capital Holding Pty Ltd.
<b>Constitution</b>	the constitution of the Company as amended or varied from time to time.
<b>Corporations Act</b>	the <i>Corporations Act 2001</i> (Cth).
<b>Cure Period</b>	means the period commencing when the Subscriber ceases to hold the relevant percentage of the Shares specified in clauses 6.2(a) or 7.3(b) (as applicable) in the Company and ending: <ol style="list-style-type: none"><li>1 if the period commences during a Blackout Period, where the Subscriber is prevented from dealing in securities of the Company, 20 Business Days after that Blackout Period ends; or</li><li>2 otherwise, after 20 Business Days.</li></ol>
<b>Cut Off Date</b>	the date that is 3 months after the date of this agreement.
<b>Deed of Opportunity</b>	the deed of opportunity to tender for projects dated on or about the date of this agreement between Aqualand Projects and McGrath Sales.
<b>Disclosure Materials</b>	means all the documentation and other information which was produced in the virtual data room established by the Company for the purpose of the transaction contemplated in this agreement, to which the Subscriber and its advisers have had access as evidenced by the USB or DVD Rom initialled by the Company and the Subscriber, or their advisers on their behalf, for the purpose of identification on or about the date of this agreement.
<b>Duty</b>	any stamp, transaction or registration duty or similar charge imposed by any Governmental Agency and includes any interest, fine, penalty, charge or other amount imposed in respect of any of them, but excludes any Tax.



<b>Term</b>	<b>Meaning</b>
<b>Encumbrance</b>	any interest or power: <ol style="list-style-type: none"><li>reserved in or over any interest in any asset including, but not limited to, any retention of title; or</li><li>created or otherwise arising in or over any interest in any asset under a bill of sale, mortgage, charge, lien, pledge, trust or power, by way of, or having similar commercial effect to, security for payment of a debt, any other monetary obligation or the performance of any other obligation, or any trust or any retention of title and includes, but is not limited to, any agreement to grant or create any of the above.</li></ol>
<b>Government Agency</b>	any government or any governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity in any part of the world.
<b>GST</b>	goods and services Tax or similar value added Tax levied or imposed in Australia under the GST Law or otherwise on a supply.
<b>GST Law</b>	has the same meaning as in the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth).
<b>Immediately Available Funds</b>	payment by bank cheque or electronic funds transfer into an account nominated by the Company.
<b>McGrath Sales</b>	McGrath Sales Pty Ltd (ABN 97 092 061 982).
<b>New Issue</b>	the issue or sale of Shares by the Company (including by way of exercise of employee or director options or performance rights) either to existing shareholders of the Company or to one or more directors or employees of the Company or to one or more third parties, other than an offer of Shares to all shareholders of the Company on the same terms and conditions (such as a rights issue or share purchase plan).
<b>Official List</b>	the official list of ASX as defined in the ASX Listing Rules as amended from time to time.
<b>Pre-Issue Ownership</b>	has the meaning given in clause 7.1(i)
<b>Related Body Corporate</b>	the meaning given to that term in the Corporations Act.



<b>Term</b>	<b>Meaning</b>
<b>Subsidiary</b>	the meaning given to that term in the Corporations Act.
<b>Shares</b>	the ordinary issued shares in the capital of the Company.
<b>Subscriber Warranties</b>	the representations and warranties set out in Schedule 2.
<b>Subscription Shares</b>	the Tranche 1 Shares and the Tranche 2 Shares.
<b>Tax</b>	any tax, levy, charge, impost, duty, fee, deduction, compulsory loan or withholding, that is assessed, levied, imposed or collected by any Governmental Agency and includes, but is not limited to any interest, fine, penalty, charge, fee or any other amount imposed on, or in respect of any of the above.
<b>Tranche 1 Completion</b>	the completion of the issue of the Tranche 1 Shares under this agreement.
<b>Tranche 1 Shares</b>	13,621,838 Shares.
<b>Tranche 1 Subscription Price</b>	\$5,789,281.15, being \$0.425 per Tranche 1 Share.
<b>Tranche 2 Completion</b>	the completion of the issue of the Tranche 2 Shares under this agreement.
<b>Tranche 2 Shares</b>	11,568,042 Shares.
<b>Tranche 2 Subscription Price</b>	\$4,916,417.85, being \$0.425 per Tranche 2 Share.
<b>Warranties</b>	the Company Warranties and the Subscriber Warranties.

### 1.3 Interpretation

In this agreement:

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



- (b) the singular includes the plural and the plural includes the singular;
- (c) words of any gender include all genders;
- (d) other parts of speech and grammatical forms of a word or phrase defined in this agreement have a corresponding meaning;
- (e) an expression importing a person includes any company, partnership, joint venture, association, corporation or other body corporate and any Government Agency as well as an individual;
- (f) a reference to a clause, party, schedule, attachment or exhibit is a reference to a clause of, and a party, schedule, attachment or exhibit to, this agreement and a reference to this agreement includes any schedule, attachment and exhibit;
- (g) a reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or re-enactments of any of them;
- (h) a reference to a document includes all amendments or supplements to, or replacements or novations of, that document;
- (i) a reference to a party to a document includes that party's successors and permitted assignees;
- (j) a promise on the part of 2 or more persons binds them jointly and severally;
- (k) a reference to an agreement other than this agreement includes a deed and any legally enforceable undertaking, agreement, arrangement or understanding, whether or not in writing;
- (l) a reference to liquidation or insolvency includes appointment of an administrator, compromise, arrangement, merger, amalgamation, reconstruction, winding-up, dissolution, deregistration, assignment for the benefit of creditors, scheme, composition or arrangement with creditors, insolvency, bankruptcy, or any similar procedure or, where applicable, changes in the constitution of any partnership or person, or death;
- (m) no provision of this agreement will be construed adversely to a party because that party was responsible for the preparation of this agreement or that provision;
- (n) a reference to a body, other than a party to this agreement (including an institute, association or authority), whether statutory or not:
  - (1) that ceases to exist; or
  - (2) whose powers or functions are transferred to another body,is a reference to the body that replaces it or that substantially succeeds to its powers or functions;
- (o) a reference to any thing (including, but not limited to, any right) includes a part of that thing but nothing in this clause 1.3(o) implies that performance of part of an obligation constitutes performance of the obligation;
- (p) if an act prescribed under this agreement to be done by a party on or by a given day is done after 5.00pm on that day, it is taken to be done on the next day;
- (q) if a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;
- (r) a reference to a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;
- (s) a reference to \$ is to Australian currency; and



(t) a reference to time is a reference to Sydney, New South Wales time.

#### **1.4 Business Day**

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

#### **1.5 Inclusive expressions**

Specifying anything in this agreement after the words 'including', 'includes' or 'for example' or similar expressions does not limit what else is included.

## **2 Subscription and issue of Subscription Shares**

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### **2.1 Tranche 1 Subscription Shares**

On the day for Tranche 1 Completion determined under clause 3.1, the Company must issue, and the Subscriber must subscribe for, the Tranche 1 Shares for the Tranche 1 Subscription Price.

### **2.2 Tranche 2 Subscription Shares**

Subject to clause 4, on the day for Tranche 2 Completion determined under clause 5.1, the Company must issue, and the Subscriber must subscribe for, the Tranche 2 Shares for the Tranche 2 Subscription Price.

### **2.3 Constitution**

The Subscriber agrees to be bound by the Constitution once it owns Subscription Shares.

### **2.4 Rights and ranking**

All Subscription Shares issued to the Subscriber will:

- (a) be issued as fully paid;
- (b) be free of Encumbrances; and
- (c) rank equally in all respects with the other Shares on issue in the capital of the Company as at the date of Tranche 1 Completion or Tranche 2 Completion (as applicable).

## **3 Tranche 1 Completion**

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### **3.1 Time for Tranche 1 Completion**

Tranche 1 Completion must take place immediately following execution of this agreement, or such other time, day or place that the parties agree.



### 3.2 Subscription for Tranche 1 Shares

On Tranche 1 Completion, the Subscriber must:

- (a) **(Subscription)** subscribe for and accept the issue of the Tranche 1 Shares by means of an application substantially in the form in Schedule 3;
- (b) **(Subscription price)** pay to the Company the Tranche 1 Subscription Price in Immediately Available Funds in a form nominated by the Company; and
- (c) **(Deed of Opportunity)** deliver to the Company a counterpart of the Deed of Opportunity executed by Aqualand Projects.

### 3.3 Issue of Tranche 1 Shares

On Tranche 1 Completion, the Company must:

- (a) **(Share issue)** issue or procure the issue of the Tranche 1 Shares to the Subscriber free from any Encumbrance or other third party rights;
- (b) **(Documentation)** provide an allotment confirmation statement in respect of the Tranche 1 Shares (with a holding statement in respect of the Tranche 1 Shares to be provided following Completion); and
- (c) **(Deed of Opportunity)** deliver to the Subscriber a counterpart of the Deed of Opportunity executed by McGrath Sales.

### 3.4 Tranche 1 Completion simultaneous

The actions to take place at Tranche 1 Completion as contemplated by this clause 2 are interdependent and must take place, as nearly as possible, simultaneously. If one action does not take place, then without prejudice to any rights available to any party as a consequence:

- (a) there is no obligation on any party to undertake or perform any of the other actions; and
- (b) to the extent that such actions have already been undertaken, the parties must do everything reasonably required to reverse those actions.

## 4 Conditions Precedent to Tranche 2 Completion

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### 4.1 Conditions Precedent

The obligations of the parties under clauses 2.2 and 5 are conditional on, and subject to each of the following conditions having been satisfied or waived in accordance with this agreement:

- (a) Tranche 1 Completion has occurred in accordance with this agreement; and
- (b) the members of the Company in a general meeting have approved, by the required majority, the issue of the Tranche 2 Shares to the Subscriber for the purposes of ASX Listing Rule 7.1.



## 4.2 Reasonable endeavours to satisfy conditions precedent

- (a) The Company and Subscriber must use reasonable endeavours to ensure that the Conditions Precedent in clause 4.1 are satisfied as expeditiously as possible and in any event on or before the Cut Off Date.
- (b) Each party must provide reasonable assistance to the other as is necessary to satisfy the conditions.

Each party must provide all information as may be reasonably requested by the other party in connection with any notices or applications for approvals.

- (c) The Company will, as soon as practicable but in any event within 60 days of this agreement or such other date as agreed between the parties, hold a duly convened general meeting for the purpose of fulfilling the Condition Precedent under clause 4.1(b) to approve the issue of the Tranche 2 Shares under ASX Listing Rule 7.1 and otherwise in accordance with the Corporations Act and the ASX Listing Rules.

## 4.3 Notice

Each party must promptly notify the others in writing if it becomes aware that any condition in clause 4.1 has been satisfied or has become incapable of being satisfied.

## 4.4 Waiver

The conditions in clause 4.1 are for the benefit of the Company and may only be waived by the Company giving written notice to the Subscriber.

## 4.5 Cut Off Date

A party may, by not less than 2 Business Days' written notice to the other party, terminate its obligations under clauses 4 and 5 at any time before Tranche 2 Completion if:

- (a) the conditions in clause 4.1 are not satisfied or waived in accordance with clause 4.4 by the Cut Off Date; or
- (b) the conditions in clause 4.1 become incapable of satisfaction or the parties agree that any of the conditions in clause 4.1 cannot be satisfied; and
- (c) such party is not in breach of its obligations under this clause 4.

# 5 Tranche 2 Completion

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## 5.1 Time for Tranche 2 Completion

Tranche 2 Completion must take place at 8:00am at the offices of the Company on the date that is 1 Business Days following the satisfaction or waiver of the last of the conditions precedent in clause 4.1, or such other time, day or place that the parties agree.

## 5.2 Subscription for Tranche 2 Shares

At Tranche 2 Completion, the Subscriber must:





- (a) **(Subscription)** subscribe for and accept the issue of the Tranche 2 Shares by means of an application substantially in the form in Schedule 3; and
- (b) **(Subscription price)** pay to the Company the Tranche 2 Subscription Price in Immediately Available Funds in a form nominated by the Company.

### 5.3 Issue of Tranche 2 Shares

At Tranche 2 Completion, the Company must:

- (a) **(Share issue)** issue or procure the issue of the Tranche 2 Shares to the Subscriber free from any Encumbrance or other third party rights; and
- (b) **(Documentation)** provide an allotment confirmation statement in respect of the Tranche 2 Shares (with a holding statement in respect of the Tranche 2 Shares to be provided following Completion).

### 5.4 Tranche 2 Completion simultaneous

The actions to take place at Tranche 2 Completion as contemplated by this clause 5 are interdependent and must take place, as nearly as possible, simultaneously. If one action does not take place, then without prejudice to any rights available to any party as a consequence:

- (a) there is no obligation on any party to undertake or perform any of the other actions; and
- (b) to the extent that such actions have already been undertaken, the parties must do everything reasonably required to reverse those actions.

## 6 Company obligations

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### 6.1 ASX Quotation

As soon as practicable, and in any event within 5 Business Days, following each of Tranche 1 Completion and Tranche 2 Completion, the Company must:

- (a) apply to ASX for official quotation of the relevant Subscription Shares;
- (b) give to ASX a notice under section 708A(5)(e) of the Corporations Act.

### 6.2 Appointment of director

- (a) Following Tranche 1 Completion and for so long as the Subscriber holds at least:
  - (1) where Tranche 2 Completion has not occurred, 8.5% of the total number of Shares on issue ; and
  - (2) where Tranche 2 Completion has occurred, 10% of the total number of Shares on issue;including where the Subscriber ceases to hold such percentage of the Shares in the Company for a continuous period which will not exceed the Cure Period, the Subscriber will have the right (**Director Nomination Right**) at any time to,
  - (3) nominate one person to be appointed as a director of the Company; and



- (4) where the Subscriber's nominee has been removed or has resigned as a director of the Company, nominate any replacement of the above as a director of the Company,

(each a **Subscriber Nominee**).

- (b) The Subscriber may exercise its Director Nomination Right by providing notice in writing to the Company setting out the name of the Subscriber Nominee. The notice must include a consent to act as a director of the Company signed by the Subscriber Nominee in accordance with the requirements of the Corporations Act.
- (c) Upon receiving a notice under clause 6.2(b), the Company must take all reasonable actions within its control to cause the Subscriber Nominee to be appointed or re-appointed as a director of the Company (including by supporting and recommending the appointment or re-appointment of the Subscriber Nominee) as soon as practicable and by no later than 20 Business Days after the notice is received.
- (d) The Subscriber agrees that the obligations of the Company in clauses 6.2(c) and 6.2(e) are subject to the Board concluding that the Subscriber Nominee is of good character and repute and has the appropriate commercial and professional experience to fulfil the role and that such person otherwise satisfies any ASX Listing Rule requirements. The Subscriber will discuss and consult reasonably on the identity of the Subscriber Nominee (and any replacement director) with the Board.
- (e) If requested by the Subscriber, the Company will take all necessary steps to ensure that a resolution will be put to shareholders at the next annual general meeting of the Company which occurs after a notification is received to elect the Subscriber Nominee as a director of the Company.
- (f) The Subscriber must procure that any director of the Company nominated by the Subscriber under this clause resigns promptly if it ceases to have a Director Nomination Right and the Company makes such request in writing.
- (g) The Company agrees that D&O insurance and all other arrangements of support, other than director fees, provided by the Company to all its directors in their capacity as director (including by way of deeds of indemnity and access or similar) are no more or less favourable with those provided for the other directors and will be provided by the Company for the Subscriber Nominee at the Company's expense (including any relevant insurance premiums).
- (h) The Subscriber agrees that its Subscriber Nominee must adhere to any protocols or other requirements of the Company and/or the Board.

### **6.3 Re-election of Subscriber Nominee**

The Subscriber Nominee will be subject to re-election as required by the ASX Listing Rules or the Constitution and the Company will use reasonable endeavours to encourage shareholders to support any such re-election subject to the Subscriber having a Director Nomination Right.



## 7 Top up right

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### 7.1 Participation in a New Issue

- (a) The obligations and rights of the Company and the Subscriber under this clause 7.1 are subject to, and conditional upon, clause 7.2.
- (b) If the Company undertakes a New Issue, it must ensure that the Subscriber is given an opportunity to participate in the New Issue on a basis that enables it to maintain its Pre-Issue Ownership and on equivalent terms to those offered to other potential subscribers, except:
  - (1) where the New Issue is for non-cash consideration, the subscription price offered to the Subscriber will be an equivalent cash price determined by the Company in good faith; or
  - (2) where the New Issue is in respect of the exercise of employee or director options or performance rights, the subscription price offered to the Subscriber will be the 30 Day VWAP (**Entitlement**). **30 Day VWAP**, for these purposes, means the volume weighted average of the Shares traded on ASX during the 30 day period immediately prior to the date that the New Issue Invitation is given to the Subscriber under clause 7.1(c).
- (c) The Company must give the Subscriber at least 10 Business Days written notice of its intention to undertake a New Issue (**New Issue Invitation**).
- (d) If the Subscriber elects to participate in the New Issue, the Subscriber must confirm to the Company in writing its intent to take up its Entitlement (including the extent to which it intends to take up its Entitlement) (**New Issue Confirmation**) for cash within 10 Business Days of receipt of the New Issue Invitation.
- (e) If the Subscriber does not confirm to the Company in writing its intent to take up its Entitlement (including the extent to which it intends to take up its Entitlement) in accordance with clause 7.1(d), the Subscriber will be deemed to have elected not to take up its Entitlement.
- (f) Any exercise by the Subscriber of its Entitlement under clause 7.1(d) is irrevocable.
- (g) In the event that Company shareholder approval is required under the law or ASX Listing Rules for the Company to issue Shares under the Entitlement, the Company undertakes to hold a general meeting to approve the issue of Shares to the Subscriber under the Entitlement within 3 months of completion of the New Issue to which the Entitlement applies, and any issue of Shares is subject to such member approval.
- (h) The Company may, at its election, issue up to 850,000 Shares in any calendar year (**Small Offers**) without going through the procedure in clauses 7.1(b) to 7.1(g), provided that:
  - (1) such issue does not result in the Subscriber holding less than:
    - (A) where Tranche 2 Completion has not occurred, 8.5% of the total number of Shares on issue; and
    - (B) where Tranche 2 Completion has occurred, 10% of the total number of Shares on issue; and
  - (2) at the end of that calendar year the Company gives the Subscriber an opportunity to maintain its Pre-Issue Ownership at the time



immediately prior to completion of the first Small Offer during that calendar year on equivalent terms to the terms of the Small Offers and at the weighted average price of those Small Offers. For the purpose of this calculation, the price of a Small Offer which is the exercise of employee or director options or performance rights will be the 30 day volume weighted average of the Shares traded on ASX during the 30 day period immediately prior to issue of the Shares upon exercise of the options or conversion of the performance rights.

- (i) For the purposes of this clause 7.1,

**Pre-Issue Ownership** means the percentage calculated according to the following formula:

$$A = B/D,$$

where:

A = Pre-Issue Ownership.

B = total number of Shares held by the Subscriber and its Related Bodies Corporate (or their respective nominees or custodians) as at the date of the New Issue Invitation or Small Offer (as applicable).

D = total number of Shares on issue as at the date of the New Issue Invitation or Small Offer (as applicable).

## 7.2 Condition

- (a) The obligations and rights of the Company and the Subscriber under clause 7.1 are conditional on receipt of a waiver of ASX Listing Rule 6.18 from ASX and are subject to the terms and conditions imposed by ASX (and agreed to by the Company and the Subscriber (each acting reasonably)) pursuant to any such waiver.
- (b) The Company agrees to do all things necessary and practicable to give effect to clause 7.1, including to provide to the Subscriber the draft application by the Company to obtain from ASX a waiver of ASX Listing Rule 6.18 within 3 Business Days after the New Issue Confirmation is made by the Subscriber and to agree with the Subscriber (acting reasonably) the terms of such application and to submit the agreed application to ASX within 5 Business Days after the New Issue Confirmation is made by the Subscriber.

## 7.3 Termination of Entitlement

The Entitlement and the obligations and rights of the Company and the Subscriber under clauses 7.1 and 7.2 will automatically cease and terminate on the earlier of:

- (a) the date which is 3 years from the date of Tranche 2 Completion;
- (b) the Subscriber ceasing to hold at least:
- (1) where Tranche 2 Completion has not occurred, 8.7% of the total number of Shares on issue; and
  - (2) where Tranche 2 Completion has occurred, 15% of the total number of Shares on issue,

for a continuous period which exceeds the Cure Period, except where the Subscriber ceases to hold such percentage of the Shares in the Company as the result of any non-compliance by the Company with the requirements of clause 7.1;



- (c) termination of the Deed of Opportunity; or
- (d) such earlier time as required under any conditions imposed by ASX pursuant to a waiver of ASX Listing Rule 6.18 obtained in accordance with clause 7.2.

## 8 Warranties

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### 8.1 Company Warranties

The Company gives the Company Warranties to and for the benefit of the Subscriber, subject to clause 8.4.

### 8.2 Subscriber Warranties

The Subscriber gives the Subscriber Warranties to and for the benefit of the Company.

### 8.3 Repetition warranties

The Warranties given by the Company and the Subscriber:

- (a) are given in respect of each Warranty which is expressed to be given on a particular date, on that date; and
- (b) are given in respect of each other Warranty, on the date of this agreement and immediately before the Tranche 1 Completion and Tranche 2 Completion;
- (c) survive the execution and completion of this agreement; and
- (d) are separate and independent and not limited by reference to any other Warranty or any notice or waiver given by any party in connection with anything in this agreement.

### 8.4 Qualifications to Company Warranties

The Subscriber acknowledges and agrees that the Company has disclosed or is deemed to have disclosed against the Company Warranties, and the Subscriber is aware of, will be treated as having actual knowledge of, all facts, matters and circumstances that are provided for or described:

- (a) in this agreement;
- (b) are fully and fairly disclosed in the Disclosure Materials;
- (c) are contained in any announcement or filing published on the website of the ASX; or
- (d) are available by public searches or inspection of the following public records in relation to the Company Group at least 2 Business Days prior to the date of this agreement:
  - (1) the company registers maintained by ASIC;
  - (2) the 'register' as defined in the Personal Property Securities Act 2009 (Cth);
  - (3) trade marks, patents and design rights registers maintained by IP Australia; and



- (4) public records maintained by the High Court, the Federal Court and Supreme Courts in every State and Territory in Australia .

For the purposes of this clause, a fact, matter or circumstance is 'fully and fairly disclosed' if sufficient information has been disclosed in the Disclosure Materials such that a sophisticated investor, experienced in transactions as contemplated by this agreement, undertaking reasonable due diligence inquiries in the circumstances and taking advice from financial, legal and tax advisers experienced in such transactions should be aware of the substance and significance of the information.

## 9 Termination

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### 9.1 Termination by the Subscriber

The Subscriber may terminate this agreement at any time before the Tranche 2 Completion Date by notice in writing to the Company:

- (a) if:
- (1) there is a material breach of any Company Warranty;
  - (2) the Subscriber has given the Company notice setting out the details of the breach and stating its intention to terminate this agreement; and
  - (3) the breach has not been remedied 5 Business Days from the date the notice under clause 9.1(a)(2) is given;
- (b) if an order is made or an effective resolution is passed for the winding up or dissolution without winding up (otherwise than for the purposes of reconstruction or amalgamation) of the Company;
- (c) if a receiver, receiver and manager, judicial manager, liquidator, administrator or like official is appointed over the whole or a substantial part of the undertaking or property of the Company; or
- (d) if a holder of an Encumbrance takes possession of the whole or any substantial part of the undertaking and property of the Company.

### 9.2 Termination by the Company

The Company may terminate this agreement at any time before the Tranche 2 Completion Date by notice in writing to the Subscriber if:

- (a) an order is made or an effective resolution is passed for the winding up or dissolution without winding up (otherwise than for the purposes of reconstruction or amalgamation) of the Subscriber;
- (b) a receiver, receiver and manager, judicial manager, liquidator, administrator or like official is appointed over the whole or a substantial part of the undertaking or property of the Subscriber; or
- (c) a holder of an Encumbrance takes possession of the whole or any substantial part of the undertaking and property of the Subscriber.

### 9.3 Effect of termination

If this agreement is terminated under clause 4.5 or this clause 9:



- (a) each party retains the rights it has against the other in respect of any breach of this agreement occurring before termination; and
- (b) the rights and obligations of each party under each of the following clauses and schedules will continue independently from the other obligations of the parties and survive termination of this agreement:
  - (1) clause 1 (*Definitions and interpretation*);
  - (2) clause 9 (*Termination*);
  - (3) clause 10 (*Confidentiality and announcements*);
  - (4) clause 11 (*Duties, costs and expenses*);
  - (5) clause 12 (*GST*); and
  - (6) clauses 13 (*Notices*) and 14 (*General*).

#### 9.4 No other right to terminate or rescind

No party may terminate or rescind this agreement (including on the grounds of any breach of Warranty or misrepresentation) except as permitted under clause 4.5 or this clause 9.

## 10 Confidentiality and announcements

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### 10.1 Confidentiality

Each party (**recipient**) must keep secret and confidential, and must not divulge or disclose any information relating to another party or its business (which is disclosed to the recipient by the other party, its representatives or advisers), this agreement other than to the extent that:

- (a) the information is in the public domain as at the date of this agreement (or subsequently becomes in the public domain other than by breach of any obligation of confidentiality binding on the recipient);
- (b) the recipient is required to disclose the information by applicable law or the rules of any recognised stock exchange on which its shares or the shares of any of its Related Bodies Corporate are listed or proposed to be listed;
- (c) the disclosure is made by the recipient to its financiers or lawyers, accountants, investment bankers, consultants or other professional advisers to the extent necessary to enable the recipient to properly perform its obligations under this agreement or to conduct their business generally, in which case the recipient must ensure that such persons keep the information secret and confidential and do not divulge or disclose the information to any other person;
- (d) the disclosure is required for use in legal proceedings regarding this agreement; or
- (e) the party to whom the information relates has consented in writing before the disclosure.



## 10.2 Extent of obligation

Each recipient must ensure that its directors, officers, employees, agents, representatives, financiers, advisers and Related Bodies Corporate comply in all respects with the recipient's obligations under clause 10.1.

## 10.3 No Public Announcements

Neither party will make any public announcements or statements to the media in relation to this agreement or its subject matter (other than any announcements or statements required to be made by applicable law or the rules of any recognised stock exchange on which its shares or the shares of any of its Related Bodies Corporate are listed or proposed to be listed) except in accordance with the earlier written approval of the other, which approval will not be unreasonably withheld or delayed.

# 11 Duty, costs and expenses

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## 11.1 Duties

The Subscriber must pay all Duty in respect of the execution, delivery and performance of this agreement and any agreement, transaction or document entered into or signed under this agreement.

## 11.2 Costs and expenses

- (a) Unless otherwise provided for in this agreement, each party must pay its own costs and expenses in respect of the negotiation, preparation, execution, delivery and registration of this agreement and any other agreement or document entered into or signed under this agreement.
- (b) Any action to be taken by the Subscriber or the Company in performing their obligations under this agreement must be taken at their own cost and expense unless otherwise provided in this agreement.

# 12 GST

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## 12.1 Definitions

Words used in this clause 12 that have a defined meaning in the GST Law, have the same meaning as in the GST Law unless the context indicates otherwise.

## 12.2 GST

- (a) Unless expressly included, the consideration for any supply under or in connection with this agreement does not include GST.
- (b) To the extent that any supply made under or in connection with this agreement is a taxable supply (other than any supply made under another agreement that contains a specific provision dealing with GST), the recipient must pay, in addition to the consideration provided under this agreement for that supply (unless it expressly includes GST) an amount (additional amount) equal to the





amount of that consideration (or its GST exclusive market value) multiplied by the rate at which GST is imposed in respect of the supply. The recipient must pay the additional amount at the same time as the consideration to which it is referable.

- (c) Whenever an adjustment event occurs in relation to any taxable supply to which clauses 12.2(a) and 12.2(b) applies:
  - (1) the supplier must determine the amount of the GST component of the consideration payable; and
  - (2) if the GST component of that consideration differs from the amount previously paid, the amount of the difference must be paid by, refunded to or credited to the recipient, as applicable.

### 12.3 Tax invoices

The supplier must issue a Tax invoice to the recipient of a supply to which clause 12.2 applies no later than 7 days following payment of the GST inclusive consideration for that supply under that clause.

### 12.4 Reimbursements

If either party is entitled under this agreement to be reimbursed or indemnified by the other party for a cost or expense incurred in connection with this agreement, the reimbursement or indemnity payment must not include any GST component of the cost or expense to the extent that the cost or expense is the consideration for a creditable acquisition made by the party being reimbursed or indemnified, or by its representative member.

## 13 Notices

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### 13.1 How and where Notices may be sent

A notice or other communication under this agreement (**Notice**) must be:

- (a) in writing and in English;
- (b) addressed in accordance with the details nominated below or as otherwise specified by a party by Notice; and
- (c) delivered by hand or sent by pre-paid post or email.

<b>Company</b>	<b>McGrath Limited</b>
Address	191 New South Head Road, Edgecliff, NSW 2027
Attention	John McGrath (Executive Director) and Geoff Lucas (Chief Executive Officer)
Email	<a href="mailto:johnmcgrath@mcgrath.com.au">johnmcgrath@mcgrath.com.au</a> and <a href="mailto:geofflucas@mcgrath.com.au">geofflucas@mcgrath.com.au</a>
<b>Subscriber</b>	<b>AL Capital Holding Pty Ltd as trustee for the AL Capital No 1 Unit Trust</b>



Address Level 47, Tower 1, 100 Barangaroo Avenue, Barangaroo, NSW 2000

Attention Wayne Mo (Chief Executive Officer) and Leonard Blundell (General Counsel)

Email [wayne.mo@alcapital.com.au](mailto:wayne.mo@alcapital.com.au) and [leonard.blundell@aqualand.com.au](mailto:leonard.blundell@aqualand.com.au)

### 13.2 When Notices are taken to have been given and received

- (a) A Notice delivered by hand is regarded as given at the time of delivery.
- (b) A Notice sent by pre-paid post within Australia is regarded as given and received at 9.00am on the second Business Day following the date of postage.
- (c) A Notice sent by pre-paid post between countries is regarded as given and received at 9.00am on the fifth Business Day following the date of postage.
- (d) A Notice sent by email is taken to be received at the time the email is sent by the sender and the sending party's electronic equipment reports the email has been sent, unless the sender received an automated message that the email has not been delivered or that the recipient is unavailable.
- (e) A Notice delivered or received other than on a Business Day or after 5.00pm (recipient's time) is regarded as received at 9.00am on the following Business Day and a Notice delivered or received before 9.00am (recipient's time) is regarded as received at 9.00am.

## 14 General

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### 14.1 Governing law and jurisdiction

- (a) This agreement is governed by the law in force in New South Wales.
- (b) Each party irrevocably submits to the non-exclusive jurisdiction of courts exercising jurisdiction in New South Wales and courts of appeal from them in respect of any proceedings arising out of or in connection with this agreement. Each party irrevocably waives any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

### 14.2 Invalidity and enforceability

- (a) If any provision of this agreement is invalid under the law of any jurisdiction the provision is enforceable in that jurisdiction to the extent that it is not invalid, whether it is in severable terms or not.
- (b) Clause 14.2(a) does not apply where enforcement of the provision of this agreement in accordance with clause 14.2(a) would materially affect the nature or effect of the parties' obligations under this agreement.

### 14.3 Waiver

Neither party to this agreement may rely on the words or conduct of any other party as a waiver of any right unless the waiver is in writing and signed by the party granting the waiver.



The meanings of the terms used in this clause 14.3 are set out below.

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

#### **14.4 Variation**

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

#### **14.5 Assignment of rights**

- (a) Rights arising out of or under this agreement are not assignable by a party without the prior written consent of the other party.
- (b) A breach of clause 14.5(a) by a party entitles the other party to terminate this agreement.
- (c) Clause 14.5(b) does not affect the construction of any other part of this agreement.

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

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

#### **14.7 Entire agreement**

This agreement, the Deed of Opportunity and the Confidentiality Deed state all the express terms of the agreement between the parties in respect of its subject matter. It supersedes all prior discussions, negotiations, understandings, arrangements and agreements, express or implied in respect of its subject matter.

#### **14.8 No merger**

The Warranties and undertakings in this agreement will not merge on Tranche 1 Completion or Tranche 2 Completion.

#### **14.9 No reliance and qualifications**

- (a) Neither party has relied on any statement by the other party not expressly included in this agreement.
- (b) The Company does not make any representations or warranties that any estimates, projections, forecasts or other forward looking information, if any,



provided to the Subscriber at any time is accurate or complete or will be achieved.

#### **14.10 Counterparts**

- (a) This agreement may be executed in any number of counterparts.
- (b) All counterparts, taken together, constitute one instrument.
- (c) A party may execute this agreement by signing any counterpart.

#### **14.11 Relationship of the parties**

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

#### **14.12 Exercise of discretions**

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



## Schedule 1

### Company Warranties

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The Company warrants that:

- (a) **(Registration)** it is a corporation registered (or taken to be registered) and validly existing under the Corporations Act.
- (b) **(Power and capacity)** it has full power and capacity to enter into and perform its obligations under this agreement.
- (c) **(Corporate authorisations)** all necessary Authorisations for the execution, delivery and performance by the Company of this agreement in accordance with its terms have been obtained or will be obtained prior to Tranche 1 Completion or, subject to clause 4.1, Tranche 2 Completion (as applicable).
- (d) **(No legal impediment)** the execution and performance of this agreement:
  - (1) complies with its constitution; and
  - (2) does not constitute a breach of any law or obligation, or cause or result in a default under any agreement, or Encumbrance, by which it is bound and that would prevent it from entering into and performing its obligations under this agreement.
- (e) **(Solvency):**
  - (1) it has not gone, or proposed to go, into liquidation;
  - (2) it has not passed a winding-up resolution or commenced steps for winding-up or dissolution;
  - (3) it has not applied for deregistration under section 601AA of the Corporations Act or received a deregistration notice under section 601AB of the Corporations Act;
  - (4) it has not been presented or threatened with a petition or other process for winding-up or dissolution and, so far as the Company is aware, there are no circumstances justifying a petition or other process;
  - (5) no receiver, receiver and manager, judicial manager, liquidator, administrator, official manager has been appointed, or is threatened or expected to be appointed, over the whole or a substantial part of the undertaking or property of the Company, and, so far as the Company is aware, there are no circumstances justifying such an appointment; or
  - (6) it has not entered into, or taken steps or proposed to enter into, any arrangement, compromise or composition with or assignment of the benefit of its creditors or class of them.
- (f) **(Ownership)** the Subscriber will acquire at Tranche 1 Completion or Tranche 2 Completion (as applicable):
  - (1) the full legal and beneficial ownership of the relevant Subscription Shares free and clear of all Encumbrances, subject to registration of the Subscriber in the register of shareholders;



- (2) the relevant Subscription Shares free of competing rights, including pre-emptive rights or rights of first refusal; and
  - (3) the relevant Subscription Shares that are fully paid and have no money owing in respect of them.
- (g) **(Quotation)**
- (1) it has been admitted to and is listed on the Official List;
  - (2) it has not been removed from the Official List and no removal from the Official List has been threatened by ASX; and
  - (3) the Shares are quoted on the ASX and have not been suspended from quotation and no suspension has been threatened by the ASX.
- (h) **(Accuracy and completeness)** The information contained in the Disclosure Materials was, as at the date the relevant Disclosure Materials were provided, true, accurate and complete in all material respects and not misleading or deceptive or likely to mislead or deceive in any material respect. It was prepared in good faith for the purpose of informing the Subscriber about the Company.
- (i) **(Disclosure compliance)** The Company has complied in all material respects with all its continuous disclosure requirements under the Corporations Act and the ASX Listing Rules and there is no material information or circumstance not already notified to the ASX which the Company is obliged to notify ASX about pursuant to ASX Listing Rule 3.1 and it has not withheld any information in reliance on the exemption in ASX Listing Rule 3.1A, other than in respect of the transactions contemplated by this agreement or other information disclosed to the Subscriber before the date of this agreement.
- (j) **(Capitalisation)** The Company has 142,742,653 ordinary shares on issue, as at the date of this agreement, and there will be no more ordinary shares issued in the Company, other than the Tranche 1 Shares and the Tranche 2 Shares as contemplated by this agreement, for the period commencing on the date of this agreement and ending on the earlier of:
- (k) 70 days after that date;
  - (c) if the members of the Company at a duly convened general meeting for the purpose of fulfilling the Condition Precedent under clause 4.1(b) do not approve the issue of the Tranche 2 Shares under ASX Listing Rule 7.1 and otherwise in accordance with the Corporations Act and the ASX Listing Rules, 5 Business days after that date; and
  - (l) when Tranche 2 Completion occurs.



## Schedule 2

### Subscriber Warranties

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The Subscriber warrants that:

- (a) **(Registration)** it is a corporation registered (or taken to be registered) and validly existing under the Corporations Act.
- (b) **(Power and capacity)** it has full power and capacity to enter into and perform its obligations under this agreement.
- (a) **(Authorisations)** all necessary Authorisations for the execution and performance by the Subscriber of this agreement in accordance with its terms have been obtained or will be obtained prior to Tranche 1 Completion.
- (b) **(No legal impediment)** the execution, delivery and performance of this agreement:
  - (1) complies with its constitution or other constituent documents (as applicable); and
  - (2) does not constitute a breach of any law or obligation, or cause or result in a default under any agreement, or Encumbrance, by which it is bound and which would prevent it from entering into and performing its obligations under this agreement.
- (c) **(Solvency):**
  - (1) it has not gone, or proposed to go, into liquidation;
  - (2) it has not passed a winding-up resolution or commenced steps for winding-up or dissolution;
  - (3) it has not applied for deregistration under section 601AA of the Corporations Act or received a deregistration notice under section 601AB of the Corporations Act;
  - (4) it has not been presented or threatened with a petition or other process for winding-up or dissolution and, so far as the Subscriber is aware, there are no circumstances justifying a petition or other process;
  - (5) no receiver, receiver and manager, judicial manager, liquidator, administrator, official manager has been appointed, or is threatened or expected to be appointed, over the whole or a substantial part of the undertaking or property of the Subscriber, and, so far as the Subscriber is aware, there are no circumstances justifying such an appointment; or
  - (6) it has not entered into, or taken steps or proposed to enter into, any arrangement, compromise or composition with or assignment of the benefit of its creditors or class of them.
- (d) **(Sophisticated investor)** it is a sophisticated or professional investor for the purposes of Chapter 6D of the Corporations Act.
- (e) **(Establishment of AL Capital No 1 Unit Trust):**



- (1) the AL Capital No 1 Unit Trust (**Trust**) is validly established, organised and subsisting in accordance with the laws of its place of establishment;
- (2) it is the only trustee of the Trust;
- (3) it has the power under law and the trust deed governing the establishment and powers of the Trust (**Trust Deed**) to:
  - (1) execute and deliver this agreement; and
  - (2) perform its obligations under this agreement;
- (4) all action required by the Trust Deed and law to authorise it to:
  - (1) execute and deliver this agreement; and
  - (2) perform its obligations under this agreement,has been taken;
- (5) its execution of this agreement and the performance of its obligations or the exercise of its rights under this agreement does not contravene the Trust Deed or law;
- (6) no action is currently taking place or pending to remove it as trustee of the Trust or to appoint a new or additional trustee of the Trust;
- (7) it has a right to be fully indemnified out of the assets of the Trust (subject to law) in respect of the obligations incurred by it under this agreement;
- (8) it is not and has never been in breach of the Trust Deed or the law in a way that would limit the amount recoverable under the indemnity referred to in paragraph 1.1(e)(7) of this Schedule 2; and
- (9) the Trust has not been terminated and no action is pending to terminate the Trust.





## Schedule 3

### Application for Subscription Shares

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To: The Directors  
McGrath Limited (**Company**)

AL Capital Holding Pty Ltd as trustee for the AL Capital No 1 Unit Trust (**Subscriber**), in accordance with the terms of the Subscription Agreement dated **[insert date]** between the Company and the Subscriber (**Agreement**):

- 1 applies to have issued to it **[insert number]** fully paid ordinary shares in the capital of the Company;
- 2 has made payment to the Company in the sum of **[\$insert amount]** representing the subscription money payable in respect of the shares in Immediately Available Funds; and
- 3 agrees to hold all shares issued to it on and subject to the provisions of the Constitution of the Company from time to time and to be bound by and observe such provisions.

Capitalised terms used but not defined in this application have the meaning they are given in the Agreement.

date \_\_\_\_\_

Signed for  
AL Capital Holding Pty Ltd as trustee for the AL Capital No 1 Unit Trust  
by its representative

sign here ► \_\_\_\_\_  
Representative

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




# Signing page

Executed as an agreement

---

Signed by  
**McGrath Limited**  
by

sign here ▶

  
\_\_\_\_\_

Company Secretary/Director

print name

ANDREW ROBINSON  
\_\_\_\_\_

sign here ▶

  
\_\_\_\_\_

Director

print name

JOHN MCGRATH  
\_\_\_\_\_

---

**Signed for AL Capital Holding Pty Ltd as trustee for the AL Capital No 1 Unit Trust**  
by its attorney under power of attorney dated 8 August 2016 in the presence of:

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Attorney Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name



# Signing page

Executed as an agreement

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Signed by  
**McGrath Limited**  
by

*sign here* ▶

\_\_\_\_\_  
Company Secretary/Director

*print name*


*sign here* ▶

\_\_\_\_\_  
Director

*print name*

---

Signed for **AL Capital Holding Pty Ltd** as  
trustee for the **AL Capital No 1 Unit Trust**  
by its attorney under power of attorney dated  
8 August 2016 in the presence of:

  
\_\_\_\_\_  
Witness Signature

**Leonard Blundell**

\_\_\_\_\_  
Print Name

  
\_\_\_\_\_  
Attorney Signature

\_\_\_\_\_  
Print Name