

ASX Release

Friday 14 August 2009

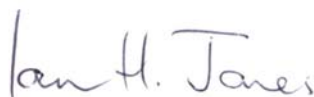
Company Announcements Office
ASX Limited
Exchange Centre
Level 4
20 Bridge Street
Sydney NSW 2000

Dear Sir,

Appendix 3B - Issue of Shares

Please find attached Appendix 3B describing the 3,000 Performance Shares that were issued as part of the consideration for the acquisition of SWG Holdings (2005) Pty. Ltd.

Yours sincerely,
PROGRAMMED MAINTENANCE SERVICES LIMITED



Ian H. Jones
Company Secretary

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Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

PROGRAMMED MAINTENANCE SERVICES LIMITED

ABN

61 054 742 264

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|---|
| 1 | +Class of +securities issued or to be issued | Performance Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 3,000 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | The terms of the Performance Shares are set out in the attached Annexure A. |

+ See chapter 19 for defined terms.

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Appendix 3B
New issue announcement

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<p>4 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>No – the Performance Shares are a separate and distinct class of shares, and do not rank equally with the existing class of fully paid ordinary shares.</p> <p>Refer to the terms of the Performance Shares set out in the attached Annexure A.</p>				
<p>5 Issue price or consideration</p>	<p>There was no issue price.</p>				
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>The Performance Shares have been issued as part of the consideration for the acquisition of SWG Holdings (2005) Pty Ltd.</p>				
<p>7 Dates of entering ⁺securities into uncertificated holdings or despatch of certificates</p>	<p>14 August 2009</p>				
<p>8 Number and ⁺class of all ⁺securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="686 1433 989 1478">Number</th> <th data-bbox="989 1433 1281 1478">⁺Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="686 1478 989 1695">99,582,071</td> <td data-bbox="989 1478 1281 1695">Fully paid ordinary shares</td> </tr> </tbody> </table>	Number	⁺ Class	99,582,071	Fully paid ordinary shares
Number	⁺ Class				
99,582,071	Fully paid ordinary shares				

+ See chapter 19 for defined terms.

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	3,260,000	Performance Options
	969,304	Performance Rights
	3,000	Performance Shares
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable	

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	Not applicable	
12 Is the issue renounceable or non-renounceable?	Not applicable	
13 Ratio in which the +securities will be offered	Not applicable	
14 +Class of +securities to which the offer relates	Not applicable	
15 +Record date to determine entitlements	Not applicable	
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable	
17 Policy for deciding entitlements in relation to fractions	Not applicable	
18 Names of countries in which the entity has +security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	Not applicable	
19 Closing date for receipt of acceptances or renunciations	Not applicable	

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New issue announcement

20	Names of any underwriters	Not applicable
21	Amount of any underwriting fee or commission	Not applicable
22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	Not applicable
25	If the issue is contingent on +security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	Not applicable
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	Not applicable
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable

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- 32 How do ⁺security holders dispose of their entitlements (except by sale through a broker)?
- 33 ⁺Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) Securities described in Part 1
- (b) All other securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

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Appendix 3B
New issue announcement

Entities that have ticked box 34(b)

38 Number of securities for which
 +quotation is sought

Not applicable

39 Class of +securities for which
 quotation is sought

Not applicable

40 Do the +securities rank equally in all
 respects from the date of allotment
 with an existing +class of quoted
 +securities?

If the additional securities do not
 rank equally, please state:

- the date from which they do
- the extent to which they
 participate for the next dividend,
 (in the case of a trust,
 distribution) or interest payment
- the extent to which they do not
 rank equally, other than in
 relation to the next dividend,
 distribution or interest payment

Not applicable

41 Reason for request for quotation
 now

Example: In the case of restricted securities, end of
 restriction period

(if issued upon conversion of
 another security, clearly identify that
 other security)

Not applicable

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)	Not applicable	Not applicable

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Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:  Date:14 August 2009
Company Secretary

Print name: ...Ian H. Jones.....

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+ See chapter 19 for defined terms.

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ANNEXURE A – TERMS OF THE PERFORMANCE SHARES

1. Rights of Performance Shareholders

- 1.1 A Performance Share shall confer on the holder the right to receive notices of general meetings, and financial reports and accounts, of the Company that are circulated to Company shareholders. Holders have the right to attend general meetings of shareholders of the Company.
- 1.2 A Performance Share does not entitle the holder to vote on any resolutions proposed at a general meeting of the shareholders of the Company other than a resolution to amend the rights attaching to a Performance Share.
- 1.3 A Performance Share does not confer on the holder any right to dividends or performance payments by the Company.
- 1.4 A Performance Share does not confer on the holder any right to participate in the surplus profits or assets of the Company on a winding up of the Company.
- 1.5 The Performance Shares are not transferrable (other than, in the circumstances provided for in paragraph 8 below, a transfer to one or more existing holders of Performance Shares).
- 1.6 If at any time the issued capital of the Company is reconstructed, all rights of the holders of Performance Shares will be changed to the extent necessary to comply with the applicable Listing Rules at the time of the reorganisation.
- 1.7 The Performance Shares will not be quoted on ASX.
- 1.8 Except to the extent provided in these terms and conditions, or as may be inconsistent with any rights of the Performance Shares, the Performance Shares will have no other rights except as set out in these terms and conditions and those provided at law where such rights cannot be excluded by the terms set out in these terms and conditions.

2. Listing of Converted Shares

The Buyer will use its best endeavours to obtain, within 5 Business Days after Conversion, the listing of the resultant Company Shares on ASX. The Company Shares into which the Performance Shares will convert will rank pari passu in all respects with existing Company Shares on issue.

3. Conversion of Performance Shares for Year 1

- (a) The SWG Group's EBIT for Year 1 shall be extracted from the EBIT Statement for Year 1.

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- (b) In respect of Year 1, 1000 of the Performance Shares will (in their entirety) automatically Convert into Company Shares in accordance with the following formula (subject, where appropriate, to any adjustment in accordance with paragraphs (c) and (d) below):

$$S_1 = 25\% \times (A+B)$$

Where:

S₁ = the number of Company Shares to be held by the Sellers and Sellers' Nominees (subject to paragraph 8) after Conversion of the 1000 Performance Shares in respect of Year 1.

A = the number of Company Shares shown in column 3 in the table below in respect of the relevant EBIT performance level of the SWG Group for Year 1 (and where the reference to VWAP in that column shall mean the VWAP for the 30 trading days prior to Conversion); and

B = the number of Company Shares shown in column 4 in the table below in respect of the relevant EBIT performance level of the SWG Group for Year 1.

- (c) If the number calculated in accordance with the above formula is 0, then those 1000 Performance Shares will automatically Convert into 1 Company Share.

Column 1	Column 2	Column 3	Column 4
EBIT Band	EBIT(\$)	Number of Company Shares (A)	Number of Company Shares (B)
1	<8,000,000	Nil	Nil
2	10,000,000	Nil	800,000
3	11,000,000	3,720,000/VWAP	1,130,667
4	12,000,000	6,400,000/VWAP	1,653,333
5	13,000,000	9,900,000/VWAP	2,120,000
6	14,000,000	10,880,000/VWAP	2,976,000
7	15,000,000	14,000,000/VWAP	3,600,000
8	16,000,000	16,000,000/VWAP	4,000,000
9	17,000,000	18,000,000/VWAP	4,400,000
10	>18,000,000	20,000,000/VWAP	4,800,000

- (d) Where EBIT performance for Year 1 falls between two EBIT bands (as set out in column 1 of the table above) then it is intended that the number of Company Shares determined as "A" and "B" in the above formula be determined on a pro-rata basis. For the purposes of illustration, if Year 1 EBIT is \$11,750,000 (which is 75% of the way between bands 3 and 4) then:

- (i) "A" will be 5,730,000/VWAP (5,730,000 being 3,720,000 (the level for EBIT band 3) plus 75% multiplied by 2,680,000 (2,680,000 being the difference between the EBIT band 4 level of 6,400,000 and the EBIT band 3 level of 3,720,000)); and
- (ii) "B" will be 1,522,666 (1,522,666 being 1,130,667 (the level for EBIT band 3) plus 75% multiplied by 522,666 (522,666 being the difference between the EBIT band 4 level of 1,653,333 and the EBIT band 3 level of 1,130,667)).

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- (e) The Company shall record the Sellers and (subject to paragraph 8) the Sellers' Nominees as the holders of any Company Shares resulting from Conversion of Performance Shares as soon as practicable, and in any event within 7 days of agreement or other final determination of the EBIT Statement for Year 1. For the sake of clarity, such Company Shares will be held (and recorded as being held) in the same proportions as the holdings of Performance Shares immediately prior to Conversion.

4. Conversion of Performance Shares for Year 2

- (a) The SWG Group's EBIT for Year 2 shall be extracted from the EBIT Statement for Year 2. An average of the EBIT for each of Year 1 and Year 2 shall then be determined ("2 Year Average EBIT").
- (b) In respect of Year 2, 1000 of the Performance Shares will (in their entirety) automatically Convert into Company Shares in accordance with the following formula (subject, where appropriate, to any adjustment in accordance with paragraphs (c) or (d) below):

$$S_2 = 50\% \times (A+B) - S_1$$

Where:

S₂ = the number of Company Shares to be held by the Sellers and Sellers' Nominees (subject to paragraph 8) after Conversion of the 1000 Performance Shares in respect of Year 2.

A = the number of Company Shares shown in column 3 in the table below in respect of the 2 Year Average EBIT for the SWG Group (where the reference to VWAP in that column shall mean the VWAP for the 30 trading days prior to Conversion);

B = the number of Company Shares shown in column 4 in the table below in respect of 2 Year Average EBIT for the SWG Group; and

S₁ = the number of Company Shares Converted in respect of Year 1.

- (c) If the number calculated in accordance with the above formula is 0 or a negative number, then those 1000 Performance Shares will automatically Convert into 1 Company Share.

Column 1	Column 2	Column 3	Column 4
EBIT Band	EBIT(\$)	Number of Company Shares (A)	Number of Company Shares (B)
1	<8,000,000	Nil	Nil
2	10,000,000	Nil	800,000
3	11,000,000	3,720,000/VWAP	1,130,667
4	12,000,000	6,400,000/VWAP	1,653,333
5	13,000,000	9,900,000/VWAP	2,120,000
6	14,000,000	10,880,000/VWAP	2,976,000
7	15,000,000	14,000,000/VWAP	3,600,000
8	16,000,000	16,000,000/VWAP	4,000,000
9	17,000,000	18,000,000/VWAP	4,400,000
10	>18,000,000	20,000,000/VWAP	4,800,000

- (d) If the 2 Year Average EBIT falls between two EBIT bands (as set out in column 1 of the table above) then it is intended that the number of Company Shares determined as "A" and "B" in the above formula be determined on a pro-rata basis. The illustrative example at paragraph 3(d) above applies with the appropriate modifications.
- (e) The Company shall record the Sellers and (subject to paragraph 8) the Sellers' Nominees as the holders of any Company Shares resulting from Conversion of Performance Shares as soon as practicable, and in any event within 7 days of agreement or other final determination of the EBIT Statement for Year 2. For the sake of clarity, such Company Shares will be held (and recorded as being held) in the same proportions as the holdings of Performance Shares immediately prior to Conversion.

5. Conversion of Conversion of Performance Shares for Year 3

- (a) The Group's EBIT for Year 3 shall be extracted from the EBIT Statement for Year 3. An Average of the EBIT for each of Year 1, Year 2 and Year 3 shall then be determined ("3 Year Average EBIT").
- (b) In respect of Year 3, the balance of 1000 Performance Shares will (in their entirety) automatically Convert into Company Shares in accordance with the following formula (subject, where appropriate, to any adjustment in accordance with paragraphs (c) or (d) below):

$$S_3 = (A+B) - (S_1 + S_2)$$

Where:

S₃ = the number of Company Shares to be held by the Sellers and Sellers' Nominees (subject to paragraph 8) after Conversion of the 1000 Performance Shares in respect of Year 3.

A = the number of Company Shares shown in column 3 in the table below in respect of the 3 Year Average EBIT for the SWG Group (where the reference to VWAP in that column shall mean the VWAP for the 30 trading days prior to Conversion);

B = the number of Company Shares shown in column 4 in the table below in respect of the 3 Year Average EBIT for the SWG Group;

S₁ = the number of Company Shares Converted in respect of Year 1; and

S₂ = the number of Company Shares Converted in respect of Year 2.

- (c) If the number calculated in accordance with the above formula is 0 or a negative number, then those 1000 Performance Shares will automatically Convert into 1 Company Share.

Column 1	Column 2	Column 3	Column 4
EBIT Band	EBIT(\$)	Number of Company Shares (A)	Number of Company Shares (B)
1	<8,000,000	Nil	Nil
2	10,000,000	Nil	800,000
3	11,000,000	3,720,000/VWAP	1,130,667
4	12,000,000	6,400,000/VWAP	1,653,333
5	13,000,000	9,900,000/VWAP	2,120,000
6	14,000,000	10,880,000/VWAP	2,976,000
7	15,000,000	14,000,000/VWAP	3,600,000
8	16,000,000	16,000,000/VWAP	4,000,000
9	17,000,000	18,000,000/VWAP	4,400,000
10	>18,000,000	20,000,000/VWAP	4,800,000

- (d) If the 3 Year Average EBIT falls between two EBIT bands (as set out in column 1 of the table above) then it is intended that the number of Company Shares determined as "A" and "B" in the above formula be determined on a pro-rata basis. The illustrative example at paragraph 3(d) above applies with the appropriate modifications.
- (e) The Company shall record the Sellers and (subject to paragraph 8) the Sellers' Nominees as the holders of any Company Shares resulting from Conversion of Performance Shares as soon as practicable, and in any event within 7 days of agreement or other final determination of the EBIT Statement for Year 3. For the sake of clarity, such Company Shares will be held (and recorded as being held) in the same proportions as the holdings of Performance Shares immediately prior to Conversion.

6. Conversion of Performance Shares on Accelerating Event

- (a) If an Accelerating Event occurs prior to the end of Year 3, then:
- (i) the Sellers may (on their own behalf and as the representatives of the Sellers' Nominees), by giving joint written notice to the Company within 30 days of the Accelerating Event, elect to Convert all remaining Performance Shares that remain capable of Conversion; and
- (ii) provided that such event is a change of control (as described in paragraph (a) of the definition of "Accelerating Event") the Company may, by giving written notice to the Sellers within 30 days of the Accelerating Event, elect to Convert any remaining Performance Shares that remain capable of Conversion.
- (b) If a notice is given under paragraph (a) above, the SWG Group's EBIT for the relevant part of the current financial period that has elapsed (being part of a financial year up to the date of the Accelerating Event) will be extracted from the

EBIT Statement prepared in respect of that part financial period. The SWG Group's EBIT for the balance of the period from the date of the Accelerating Event until the end of Year 3 will be determined by deeming that EBIT would have been \$14,000,000 per annum from the date of the Accelerating Event (and applying this on a pro-rata basis for any part of a financial year). Paragraphs 3, 4 and 5 of these terms (and the formulae contained in them) will, as relevant, then be applied to this resultant figure as if the relevant EBIT had been earned in that year, and Performance Shares will be Converted in accordance with those paragraphs.

By way of illustration, if an Accelerating Event occurs on 31 March 2010 (being 9 months into Year 2) and the Year 1 EBIT had been \$11,000,000 and Year 2 EBIT had (for the elapsed 9 months) been \$9,000,000, then:

- (i) the Year 1 calculation will have already occurred (following the end of Year 1) and Performance Shares will have been Converted in respect of Year 1;
 - (ii) Year 2 EBIT will be calculated as \$12,500,000 (being \$9,000,000 of actual EBIT and \$3,500,000 which is 3 months worth of deemed EBIT at \$14,000,000 per annum) – this will be averaged with Year 1 EBIT of \$11,000,000 to arrive at a "2 Year Average EBIT" figure of \$11,750,000 for the purposes of paragraph 4; and
 - (iii) Year 3 EBIT will be calculated as \$14,000,000 (the full year deemed amount) which will be averaged with Year 1 EBIT of \$11,000,000 and Year 2 EBIT of \$12,500,000 to result in "3 Year Average EBIT" of \$12,500,000 for the purposes of paragraph 5.
- (c) Where the Accelerating Event is a takeover (within the terms of paragraph (a)(i) of the definition of "Accelerating Event") then notwithstanding any other provision of these terms the number of Company Shares into which Performance Shares are capable of Conversion pursuant to this paragraph 6 (as a result of the occurrence of the Accelerating Event) shall not exceed the greater of:
- (i) 9,898,100 (being 10% of the number of Company Shares currently on issue at the date of this document); and
 - (ii) if the Company issues any Company Shares after the date of this document, 10% of the total issued Company Shares at the date of Conversion.

7. Effect of cessation of employment

If either Kaestner or Anderson ceases to be employed by any SWG Group Member (other than for redundancy, total and permanent disability, death, or termination initiated by the relevant SWG Group Member (otherwise than for cause)) and is not immediately employed by another SWG Group Member then all outstanding Performance Shares will automatically and immediately Convert into 1 Company Share.

8. Departure of Sellers' Nominees

It is intended that the issue of Performance Shares to the Sellers' Nominees (and the rights set out in these terms and conditions in connection with such Performance Shares) are related to the continued employment of those Sellers' Nominees within the SWG Group. Accordingly, until such time as no further Performance Shares remain capable of Conversion, the Sellers may notify the Company (and the Company shall be entitled to rely absolutely upon such notification received from the Sellers) that one or more Sellers' Nominees have ceased employment with an SWG Group Member in circumstances that constitute such person a 'bad-leaver' under the contractual terms agreed with that Sellers' Nominee (a "Bad Leaver"). Where the Company is so notified after Performance Shares have been issued then any Performance Shares held by the Bad Leaver shall be transferred from that Bad Leaver to the Sellers in accordance with the proportions notified by the Sellers to the Company (and the Company is entitled to rely upon any transfer signed by a Seller under a power of attorney granted by the Bad Leaver for these purposes).

9. Definitions

In these terms, these meanings apply unless the contrary intention appears:

Accelerating Event means:

- (a) a change of control of the Company as a result of:
 - (i) a takeover bid (where the bidder has voting power of 50% or more and the bid is unconditional); or
 - (ii) merger by way of a scheme of arrangement (approved by members at a meeting convened by order of a court under section 411(1)); or
- (b) any disposal by the Company of the whole or a substantial part of the business of SWG, or of 50% or more of the Shares in SWG (other than to a Related Body Corporate); or
- (c) there is any in specie capital distribution by SWG or any of its Subsidiaries comprising assets which represent the whole or a substantial part of the business of SWG or the SWG Group.

Anderson means Scott Anderson, one of the Sellers and a senior executive of the SWG Group.

ASX means the Australian Securities Exchange.

Business Day means a day other than a Saturday, Sunday or public holiday in Western Australia.

Company means Programmed Maintenance Services Ltd ACN 054 742 264.

Conversion means the conversion of Performance Shares into Company Shares in accordance with these terms, and the expressions **Convert**, **Converting** and **Converted** shall have corresponding meanings.

EBIT means consolidated earnings before interest and tax for the SWG Group.

EBIT Statement means a statement setting out SWG Group EBIT for each of Year 1, Year 2, Year 3 and (where necessary) for any part of a financial year up to the date of an Accelerating Event, in each case as prepared by the Company and agreed with the Sellers (or failing agreement, as determined by an independent expert).

Kaestner means David Kaestner, one of the Sellers and a senior executive of the SWG Group.

Performance Shares means 3000 shares in the capital of the Company with the conversion rights set out in, and otherwise issued on the terms of, these terms and conditions.

Related Body Corporate has the meaning given to it in the Corporations Act.

Sellers means the former owners of the shares in SWG (which shares have now been transferred to the Company) and who together with the Sellers' Nominees will hold all Performance Shares.

Sellers' Nominees means certain employees of SWG Group companies who were nominated by the Sellers to receive part of the consideration (including some of the Performance Shares) for the sale of SWG to the Company, and who together with the Sellers will hold all Performance Shares.

Shares or Company Shares means fully paid ordinary shares in the capital of the Company.

SWG means SWG Holdings (2005) Pty Ltd ACN 114 897 737.

SWG Group means SWG and its subsidiaries and **SWG Group Member** means any one of them.

VWAP means the volume weighted average price of Company Shares traded on ASX.

Year 1, Year 2 and Year 3 mean the financial years ending 30 June 2009, 2010 and 2011 respectively.