

ASX Release | 28 May 2012

Talent2 announces recommended cash scheme at \$0.78 per share

Summary

- » **Proposed acquisition of all of the outstanding shares in Talent2 (which MBI and its associates do not currently have a relevant interest in) for a cash consideration of \$0.78 per share (the Scheme Consideration)**
- » **Cash consideration represents a premium of 98.5% to Talent2's volume weighted average share price of \$0.393 in the one month up to and including 25 May 2012 (being the last day of trading before the Scheme was announced)**
- » **Transaction will be implemented by way of a scheme of arrangement**
- » **Unanimous recommendation by the IBC subject to no Superior Proposal emerging and subject also to an independent expert concluding that the Scheme is in the best interests of shareholders**

Talent2 International Limited (**Talent2**) (ASX:TWO) today announced it has entered into a Scheme Implementation Deed (**SID**) with Morgan & Banks Investments Pty Limited (**MBI**), Allegis Group, Inc. (**Allegis**) and Perbec Pty Limited (**Perbec**),¹ under which it is proposed that Perbec will acquire all of the outstanding Talent2 shares not currently held by MBI or its associates,² for a cash consideration of \$0.78 per share (the **Scheme**). The Scheme implies an equity value for Talent2 of approximately \$115 million, on an undiluted basis.³

MBI is a company owned by Andrew Banks and Geoff Morgan, each of whom is a director of Talent2. Allegis is a staffing and workforce management company based in Maryland, USA and is a current strategic operating partner of Talent2. MBI and Allegis have each entered into a standstill deed with Talent2.⁴

The board of Talent2 established an independent committee of directors (the **IBC**) to evaluate, and negotiate the terms of, the Scheme on behalf of Talent2.⁵

The IBC **unanimously recommends** that shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the independent expert concluding that the Scheme is in the best interests of shareholders.

¹ As at the date of this announcement, Perbec is a wholly owned subsidiary of MBI. If the Scheme becomes effective, it will be 50% directly or indirectly owned by MBI and 50% directly or indirectly owned by Allegis.

² Geoff Morgan, Andrew Banks and entities controlled by Mr Banks collectively own approximately 21.8% of the Talent2 shares. Allegis does not currently own any Talent2 shares.

³ As at the date of this announcement, Talent2 had 147,403,701 ordinary shares on issue.

⁴ An overview of the key terms of the standstill arrangements are attached to this announcement in Annexure A.

⁵ The IBC consists of Ken Borda, Pam Laidlaw and Hans Neilson.

Talent2 has appointed Lonergan Edwards & Associates to prepare an independent expert's report on whether the Scheme is in the best interests of shareholders.

The Scheme is intended to be effected by way of a scheme of arrangement under Part 5.1 of the Corporations Act 2001 (Cth) and is conditional on, among other things, shareholder and court approval. A copy of the SID is attached to this announcement in Annexure B. A full list of the conditions to the Scheme is contained in clause 3.1 of the SID.

Key metrics of the Scheme

The Scheme Consideration of \$0.78 per share represents:

- » a premium of 64.2% to the ASX closing share price of \$0.475 on 25 May 2012, being the last trading day before the Scheme was announced;
- » a premium of 98.5% to the volume weighted average ASX share price (**VWAP**) of \$0.393 in the one month up to and including 25 May 2012; and
- » a premium of 77.7% to the VWAP of \$0.439 in the three months up to and including 25 May 2012.

IBC Chairman's comments

Chairman of the IBC, Ken Borda, said: "The members of the IBC intend to vote in favour of the Scheme in respect of any shares owned or controlled by them, in the absence of a Superior Proposal and subject to the independent expert concluding that the Scheme is in the best interests of shareholders.

The total consideration per share provides a premium to the one month and three month VWAP of 98.5% and 77.7% respectively.

Upon completion of the proposed scheme, MBI and Allegis have indicated their intention that the existing management team, led by John Rawlinson, will remain in place to continue to drive the performance and growth of the business."

Potential Special Dividend

The SID permits the Scheme Consideration to be structured to include a fully franked special dividend (**Special Dividend**). To the extent a Special Dividend is paid, shareholders may be entitled to receive the benefit of any franking credits attached to the Special Dividend. The payment of any Special Dividend will be conditional on the Scheme becoming effective and the receipt of a favourable Australian Tax Office ruling. Funding for any Special Dividend is expected to be provided by a loan facility from Perbec. Talent2 will update the market after a final decision is made as to whether a Special Dividend is likely to be paid.

If a Special Dividend is paid, the consideration payable under the Scheme would be reduced by the cash amount of the Special Dividend. However, Talent2 shareholders would still be entitled to receive an aggregate amount of \$0.78 per Talent2 share (which would consist of the consideration payable under the scheme and the Special Dividend).

Next Steps

Talent2 shareholders are expected to be sent a scheme booklet in July 2012 containing full details of the Scheme. The scheme booklet will include, among other things, the reasons for the IBC's unanimous recommendation and a copy of the independent expert's report. The Scheme is expected to be implemented in September 2012.

Further details on an anticipated transaction timetable will be provided in due course.

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Other Items

Talent2 shareholders should consult their stockbroker, accountant, tax, financial or other professional adviser about the impact of the Scheme on their particular investment objectives. Talent2 will inform the market of any material developments at the appropriate time, including whether a Special Dividend is likely to be declared and paid.

The IBC has engaged KPMG Corporate Finance as financial adviser and Freehills as legal adviser in relation to the Scheme.

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Investor

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About Talent2

Talent2 was founded in 2003, is listed on the Australian Stock Exchange (ASX:TWO) and operates in over 40 offices providing services in 31 countries across the Asia Pacific region, Middle East, UK and USA. It is the leading HR BPO organisation in the Asia Pacific region, working with clients across diverse organisation types and industries to deliver end-to-end talent management solutions that put people first. These include HR Advisory, Payroll, Recruitment and Learning. Talent2's end-to-end talent management solution gives it a unique capacity to fulfil the rapidly evolving business needs for talent management and to help organisations be more successful by improving power and productivity of their people.

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About Allegis

Allegis Group, Inc., a private company founded in 1983, is the largest staffing company in North America. Allegis Group serves its customers through several business units that provide staffing services and solutions to a wide range of industries. Allegis Group's business units include Aerotek, a provider of technical, professional and industrial staffing services; TEKsystems, a provider of IT staffing and consulting services; MarketSource, a provider of outsourced sales and marketing solutions; Major, Lindsey & Africa, a legal staffing and search firm; Aston Carter, an IT recruitment company; and Allegis Group Services, a provider of human capital consulting and workforce management solutions. Headquartered in Hanover, Maryland, Allegis Group has offices in over 300 cities throughout the Americas, Europe, and Asia.

Annexure A

Overview of Standstill Arrangements

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Under the standstill arrangements, MBI and Allegis have agreed that until the later of 4 September 2012 and the date on which the Talent2 Full Financial Report (containing audited financial statements) for the financial year ended 30 June 2012 is released on ASX, they will not acquire any Talent2 shares.

The standstill arrangements are subject to a number of exceptions, including permitting any acquisitions:

- » which occur after the date on which a third party publicly proposes to make a takeover bid for Talent2 shares. (This is a reference to a proposal that would attract the operation of section 631 of the Corporations Act 2001 (Cth));
- » which occur after the date on which a third party publicly proposes to acquire all of the Talent2 shares under a scheme of arrangement, provided that the IBC has publicly unanimously recommended that scheme of arrangement in the absence of a superior proposal; or
- » which are approved in writing by Talent2, acting through the IBC.

Annexure B

Scheme Implementation Deed

Deed

Scheme Implementation Deed

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Sydney Melbourne Perth Brisbane Singapore

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The Deed

Scheme Implementation Deed

Date ► 25 May 2012

Between the parties

Talent2 International Limited

(ACN 000 737 744) of Level 4, 77 Pacific Highway, North Sydney,
NSW, 2060, Australia

(Talent2)

Morgan & Banks Investments Pty Ltd

(ACN 001 689 381) of Suite1, Level 1, 207 Ben Boyd Road, Neutral
Bay, NSW, 2089, Australia

(MBI)

Allegis Group, Inc.

of 7301 Parkway Drive, Hanover, MD, 21076, United States of
America

(Allegis)

Perbec Pty Ltd

(ACN 158 551 574) of Suite1, Level 1, 207 Ben Boyd Road, Neutral
Bay, NSW, 2089, Australia

(Bidco)

Recitals

- 1 The parties have agreed that Bidco will, subject to the satisfaction of certain conditions, acquire all of the ordinary shares in Talent2 (other than the Talent2 Shares held by an Excluded Shareholder) by means of a scheme of arrangement under Part 5.1 of the Corporations Act between Talent2 and the Scheme Shareholders.
 - 2 MBI has informed Talent2 that it is proposed that MBI will acquire all of the Talent2 Shares held by an Excluded Shareholder that it does not hold as soon as practicable after the date of this deed and, in any event, on or before the Effective Date. It is also proposed that Bidco will subsequently acquire all of the Talent2 Shares held by MBI after the Effective Date and before the Scheme Record Date.
 - 3 Talent2 intends to propose the scheme of arrangement and issue the Scheme Booklet.
 - 4 The Talent2 Board has established the IBC and adopted certain protocols under the IBC Terms of Reference pursuant to which
-

the IBC is authorised to, amongst other things, cause Talent2 to enter into this deed.

- 5 As at the date of this deed, Bidco is a wholly owned subsidiary of MBI. If the Scheme becomes Effective, it will be 50% directly or indirectly owned by MBI and 50% directly or indirectly owned by Allegis.
- 6 The Joint Bidders have agreed to guarantee the performance of Bidco's obligations under this deed.
- 7 The parties have agreed to proceed with the scheme of arrangement on the terms of this deed.

This deed witnesses as follows:

1 Definitions and interpretation

1.1 Definitions

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

Term	Meaning
Allegis Group	Allegis and each of its Related Bodies Corporate (other than Bidco) and a reference to an Allegis Group Member or a member of the Allegis Group is to Allegis or any of its Related Bodies Corporate (other than Bidco).
Allegis Representations and Warranties	the representations and warranties set out in Part A of Schedule 1.
ASIC	the Australian Securities and Investments Commission.
Associate	has the meaning set out in section 12 of the Corporations Act.
ASX	as the context requires, ASX Limited ACN (008 624 691) or the securities market conducted by it.
Bidco Representations and Warranties	the representations and warranties set out in Part C of Schedule 1.
Business Day	a business day as defined in the Listing Rules.
Competing Proposal	<p>any proposal, agreement, arrangement or transaction, which, if entered into or completed, would mean a Third Party (either alone or together with any Associate) may:</p> <ol style="list-style-type: none">1 acquire a Relevant Interest in, or have the right to acquire, a legal, beneficial or economic interest in, or control of, 20% or more of the Talent2 Shares or the securities of any subsidiary of Talent2;2 acquire Control of Talent2 or any subsidiary of Talent2;3 acquire (whether directly or indirectly) or become the holder of, or otherwise acquire, have a right to acquire or have an economic interest in all or a material part of the business of the Talent2 Group;4 otherwise acquire or merge with Talent2 or any subsidiary of Talent2; or

Term	Meaning
	<p>5 enter into any agreement, arrangement or understanding requiring Talent2 to abandon, or otherwise fail to proceed with, the Transaction,</p> <p>whether by way of takeover bid, scheme of arrangement, share approved acquisition, capital reduction or buy back, sale or purchase of shares, securities or assets, global assignment of assets and liabilities, incorporated or unincorporated joint venture, dual-listed company (or other synthetic merger), or other transaction or arrangement.</p>
condition precedent	each of the conditions set out in clause 3.1.
Confidentiality Deeds	<p>the:</p> <ol style="list-style-type: none"> 1 confidentiality deed between Talent2 and MBI dated 17 February 2012; and 2 confidentiality deed between Talent2 and Allegis dated 24 February 2012.
Control	has the meaning given in section 50AA of the Corporations Act.
Controller	has the meaning given in section 9 of the Corporations Act.
Corporations Act	the <i>Corporations Act 2001</i> (Cth).
Corporations Regulations	the <i>Corporations Regulations 2001</i> (Cth).
Court	a court of competent jurisdiction under the Corporations Act agreed to in writing by Talent2 and Bidco.
Deed Poll	a deed poll substantially in the form of Attachment 1 to the Scheme under which the Joint Bidders and Bidco covenant in favour of the Scheme Shareholders to perform the obligations attributed to them under the Scheme.
Effective	when used in relation to the Scheme, means the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) in relation to the Scheme.
Effective Date	the date on which the Scheme becomes Effective.

Term	Meaning
End Date	seven months after the date of this deed or such other date as is agreed in writing between Bidco and Talent2.
Excluded Shareholder	any Talent2 Shareholder who is a Joint Bidder Group Member and any Talent2 Shareholder who holds a Talent2 Share on behalf of, or for the benefit of (a) a Joint Bidder Group Member, (b) Andrew Banks, (c) Geoff Morgan or (d) any entity controlled by Andrew Banks and/or Geoff Morgan.
Exclusivity Period	the period from and including the date of this deed to the earlier of: 1 the termination of this deed; and 2 the End Date.
Fairly Disclosed	a reference to 'Fairly Disclosed' means disclosed to both of the Joint Bidders or any of their respective Representatives or professional consultants, to the extent that, and in sufficient detail so as to enable, a reasonable buyer (or one of its Representatives or professional consultants) experienced in transactions similar to the Transaction and experienced in a business similar to any business conducted by the Talent2 Group, to identify the nature and scope of the relevant matter, event or circumstance (including, in each case, that the financial effect of the relevant matter, event or circumstance was reasonably ascertainable from the information disclosed).
Financial Adviser	any financial adviser retained by Talent2 in relation to the Scheme or a Competing Proposal from time to time.
First Court Date	the first day on which an application made to the Court for orders under section 411(1) of the Corporations Act convening the Scheme Meeting to consider the Scheme is heard.
Government Agency	any government or any governmental, semi-governmental, statutory or judicial entity, agency or authority, whether in Australia, or elsewhere, including any self-regulatory organisation established under statute or otherwise discharging substantially public or regulatory functions, and the ASX or any other stock exchange.
IBC or Independent Committee	the independent committee of the Talent2 Board from time to time, and which, as at the date of this deed, consisted of Ken Borda, Pam Laidlaw and Hans Neilson.
IBC Terms of Reference	the terms of reference of the IBC adopted by the Talent2 Board on 8 February 2012.

Term	Meaning
Implementation Date	the fifth Business Day after the Scheme Record Date or such other date as agreed in writing by Bidco and Talent2.
Independent Expert	the independent expert in respect of the Scheme appointed by Talent2.
Independent Expert's Report	the report to be issued by the Independent Expert in connection with the Scheme.
Insolvent	<p>a person is insolvent if:</p> <ol style="list-style-type: none"> 1 it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act); 2 it is in liquidation, in provisional liquidation, under administration or wound up or has had a Controller appointed to any part of its property; 3 it is subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the other parties to this deed); 4 an application or order has been made (and in the case of an application, it is not stayed, withdrawn or dismissed within 30 days), in connection with that person, which could reasonably result in any of (1), (2) or (3) above; 5 it is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand; 6 it is the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act (or it makes a statement from which another party to this deed reasonably deduces it is so subject); 7 it is otherwise unable to pay its debts when they fall due; or 8 something having a substantially similar effect to 1 to 7 happens in connection with that person under the law of any jurisdiction.
Joint Bidder	each of MBI and Allegis.
Joint Bidder Group	the Joint Bidders, each of their respective Related Bodies Corporate and Bidco, and a reference to Joint Bidder Group Member or a member of the Joint Bidder Group is to either of the Joint Bidders, Bidco or any Related Body Corporate of either of the Joint Bidders or of Bidco.
Joint Bidder Indemnified Parties	<p>Each of:</p> <ol style="list-style-type: none"> 1 each member of the MBI Group and their respective directors, officers and employees;

Term	Meaning
	<ol style="list-style-type: none"> 2 each member of the Allegis Group and their respective directors, officers and employees; and 3 Bidco and its directors, officers and employees.
Joint Bidder Representations and Warranties	the representations and warranties set out in Schedule 1.
Joint Bidders Information	<p>information regarding Bidco, the MBI Group and the Allegis Group prepared by the Joint Bidders for inclusion in the Scheme Booklet in accordance with clause 5.2(a), being:</p> <ol style="list-style-type: none"> 1 information about each of them, their Related Bodies Corporate, businesses and interests and dealings in Talent2 Shares, their intentions for Talent2 and Talent2's employees, and their respective funding arrangements; and 2 any other information required under the Corporations Act, the Corporations Regulations or RG 60 to enable the Scheme Booklet to be prepared that the parties agree is "Joint Bidders Information" and that is identified in the Scheme Booklet as such.
Listing Rules	the official listing rules of the ASX.
Loan Agreement	the loan agreement substantially in the form agreed between Talent2, MBI, Allegis and Bidco, subject to any amendments that may be required by Talent2's financier.
Loan Amount	the amount of the advance, which amount will not exceed \$15 million, that may be requested by Talent2 as borrower and made available by Bidco as lender to Talent2 as borrower, pursuant to the terms of the Loan Agreement.
Material Contract	each of the contracts which is agreed in writing by Talent2, the Joint Bidders and Bidco to be a "Material Contract" for the purpose of this definition.
MBI Group	MBI and each of its Related Bodies Corporate (other than Bidco) and a reference to a MBI Group Member or a member of the MBI Group is to MBI or any of its Related Bodies Corporate (other than Bidco).
MBI Representations and Warranties	the representations and warranties set out in Part B of Schedule 1.
Option Register	the register of Talent2 Options maintained by Talent2 or the Talent2

Term	Meaning
	Registry.
Option Scheme	the scheme of arrangement under Part 5.1 of the Corporations Act between Talent2 and the Scheme Optionholders, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to by Bidco and Talent2.
Option Scheme Consideration	the consideration to be provided to each Scheme Optionholder for the cancellation of each Scheme Option, being the amount set out in Schedule 1 of the Option Scheme for each Scheme Option held by each Scheme Optionholder.
Option Scheme Deed Poll	a deed poll substantially in the form of Attachment 5 under which the Joint Bidders and Bidco covenant in favour of the Scheme Optionholders to perform certain obligations attributed to them under the Option Scheme.
Option Scheme Record Date	the later of: <ol style="list-style-type: none"> 1 7.00pm on the fifth Business Day after the Option Scheme Effective Date; and 2 if a Special Dividend is declared, 7.00pm on the tenth Business Day after the Option Scheme Effective Date, or such other date as agreed in writing by Bidco and Talent2.
Registered Address	in relation to a Talent2 Shareholder, the address shown in the Share Register.
Regulator's Draft	the draft of the Scheme Booklet in a form acceptable to Talent2 and Bidco which is provided to ASIC for its review pursuant to section 411(2) of the Corporations Act.
Regulatory Review Period	means the period from the date on which the Regulator's Draft is submitted to ASIC to the date on which ASIC confirms that it does not intend to make any submissions at the Court hearing on the First Court Date or otherwise object to the Scheme.
Reimbursement Fee	means an amount determined under clause 11.4.
Related Bodies Corporate	has the meaning given in section 9 of the Corporations Act.

Term	Meaning
Related Person	<ol style="list-style-type: none"> 1 a Related Body Corporate of Talent2; 2 an advisor or consultant of Talent2 or an adviser or consultant of a Related Body Corporate of Talent2; or 3 a director, officer or employee of Talent2 or of any entity referred to in paragraphs 1 or 2 of this definition, other than Andrew Banks and Geoff Morgan.
Relevant Interest	has the meaning given in sections 608 and 609 of the Corporations Act.
Representative	<ol style="list-style-type: none"> 1 in respect of a party or its Related Bodies Corporate, each director, officer, employee, adviser, agent or representative of that party or Related Body Corporate; and 2 in respect of a Financial Adviser, each director, officer, employee or contractor of that Financial Adviser.
RG 60	Regulatory Guide 60 issued by ASIC.
Scheme	the share scheme of arrangement under Part 5.1 of the Corporations Act between Talent2 and the Scheme Shareholders, substantially in the form of Attachment 2, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to by Bidco and Talent2.
Scheme Booklet	the information described in clause 5.1(a) to be approved by the Court and despatched to the Talent2 Shareholders and which must include the Scheme, an explanatory statement (complying with the requirements of the Corporations Act, the Corporations Regulations, RG 60 and the Listing Rules), an independent expert's report, notices of meeting and proxy form.
Scheme Consideration	the cash consideration to be provided to each Scheme Shareholder for the transfer to Bidco of each Scheme Share, being the amount of \$0.78 for each Scheme Share (less the amount of any Special Dividend paid or payable) held by each Scheme Shareholder, in accordance with clause 5 and the terms of the Scheme.
Scheme Meeting	the meeting of Talent2 Shareholders (other than Excluded Shareholders) ordered by the Court to be convened under section 411(1) of the Corporations Act at which Talent2 Shareholders (other than Excluded Shareholders) will vote on the Scheme.
Scheme Option	all Talent2 Options held by the Scheme Optionholders as at the Options Scheme Record Date.

Term	Meaning
Scheme Optionholders	each holder of a Talent2 Option granted in a tranche of options which is listed in Schedule 1 of the Option Scheme, who is recorded in the Option Register on the Option Scheme Record Date.
Scheme Record Date	the later of: <ol style="list-style-type: none"> 1 7.00pm on the fifth Business Day after the Effective Date; and 2 if a Special Dividend is declared, 7.00pm on the tenth Business Day after the Effective Date, or such other date as agreed in writing by Bidco and Talent2.
Scheme Share	a Talent2 Share held by a Scheme Shareholder as at the Scheme Record Date.
Scheme Shareholders	Talent2 Shareholders (other than Excluded Shareholders) as at the Scheme Record Date.
Second Court Date	the first day on which an application made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme and/or the Option Scheme is heard.
Senior Manager	<ol style="list-style-type: none"> 1 the chief executive officer of Talent2; 2 an employee of any member of the Talent2 Group reporting directly to the chief executive officer of Talent2; and 3 any director (whether executive or non-executive) of a member of the Talent2 Group and each of the individuals as agreed in writing by Talent2, the Joint Bidders and Bidco to be a "Senior Manager" for the purpose of this definition.
Share Register	the register of members of Talent2 maintained in accordance with the Corporations Act.
Special Dividend	the aggregate amount of any special dividend contemplated by and determined under clause 4.9, divided by the number of Talent2 Shares on issue on the Special Dividend Record Date.
Special Dividend Payment Date	the payment date for the Special Dividend determined by the IBC and communicated to the ASX, which date must be after the Effective Date.
Special Dividend Record Date	the record date for the Special Dividend determined by the IBC and communicated to the ASX, which date must be after the Effective Date.

Term	Meaning
Specified Event	has the meaning given in clause 3.1(h).
Standstill Deeds	<p>the:</p> <ol style="list-style-type: none"> standstill deed between Talent2 and MBI dated 4 May 2012; and standstill deed between Talent2 and Allegis dated 4 May 2012.
Superior Proposal	<p>a bona fide Competing Proposal of the kind referred to in any of paragraphs 2, 3 (provided that such Competing Proposal contemplates the acquisition of all or substantially all of the business or assets of the Talent2 Group) or 4 of the definition of Competing Proposal (and not resulting from a breach by Talent2 of its obligations under clause 10 (it being understood that any actions by a Related Person in violation of clause 10 shall be deemed to be a breach by Talent2 for the purposes hereof)) which the IBC, acting in good faith, and after receiving written legal advice from its legal advisers and written advice from its Financial Advisers, determines:</p> <ol style="list-style-type: none"> is reasonably capable of being valued and completed taking into account all aspects of the Competing Proposal including any timing considerations and any conditions precedent; and would, if completed substantially in accordance with its terms, be more favourable to Talent2 Shareholders (as a whole) than the Transaction taking into account all terms and conditions of the Competing Proposal.
Talent2 Board	the board of directors of Talent2 from time to time.
Talent2 Disclosure Materials	<ol style="list-style-type: none"> the documents and information contained in the data room and made available to both Joint Bidders and its Representatives prior to entry into this deed, the index of which has been initialled by or on behalf of the parties for the purposes of identification; and the written answers prior to entry into this deed and in response to requests for further information made by any of the Joint Bidders and its Representatives the index of which has been initialled by or on behalf of the parties for the purposes of identification.
Talent2 EGM	a general meeting of Talent2 Shareholders (other than a Joint Bidder who holds Talent2 Shares and each of their Associates) to be held immediately prior to the Scheme Meeting.
Talent2 EGM Resolutions	the resolutions set out in Schedule 4.
Talent2 Group	Talent2 and each of its Related Bodies Corporate and a reference to a Talent2 Group Member or a member of the Talent2 Group is to Talent2 or any of its Related Bodies Corporate.

Term	Meaning
Talent2 Indemnified Parties	each member of the Talent2 Group and their respective directors, officers and employees (other than Andrew Banks and Geoff Morgan).
Talent2 Information	information regarding the Talent2 Group prepared by Talent2 for inclusion in the Scheme Booklet, being all the contents of the Scheme Booklet other than the Joint Bidders Information and the Independent Expert's Report.
Talent2 Material Adverse Change	has the meaning given in clause 3.1(h).
Talent2 Option	an option, a performance right or a contractual right to be granted an option or performance right, which option or performance right confers the right to acquire one issued or unissued Talent2 Share granted pursuant to a Talent2 Option Plan.
Talent2 Option Plan	the: <ol style="list-style-type: none"> 1 Talent2 Long Term Incentive Plan as amended and restated on 16 June 2010; and 2 Talent2 Employee Share Option Plan as amended and restated on 13 September 2011.
Talent2 Prescribed Occurrence	the occurrence of any of the following between the date of this deed and 8.00am on the Second Court Date: <ol style="list-style-type: none"> 1 Talent2 converting all or any of its shares into a larger or smaller number of shares; 2 any member of the Talent2 Group (other than a direct or indirect wholly owned subsidiary of Talent2) resolving to reduce its share capital in any way or reclassifying, combining or redeeming or repurchasing directly or indirectly any of its share capital, other than pursuant to or following the vesting and/or exercise of a Talent2 Option; 3 any member of the Talent2 Group (other than a direct or indirect wholly owned subsidiary of Talent2): <ul style="list-style-type: none"> • entering into a buy-back agreement; or • resolving to approve the terms of a buy-back agreement under the Corporations Act; 4 other than the Special Dividend, any member of the Talent2 Group (other than a direct or indirect wholly owned subsidiary of Talent2) declaring, paying or distributing any distribution, special dividend, bonus or other extraordinary share of its profits or assets or returning or agreeing to return any capital to its members; 5 a member of the Talent2 Group issuing securities, including without limitation shares, or granting an option over its shares, or agreeing to make such an issue or grant such an option, other

Term	Meaning
	<p>than:</p> <ul style="list-style-type: none"> to Talent2 or to a direct or indirect wholly owned subsidiary of Talent2; or pursuant to or following the vesting and/or exercise of a Talent2 Option;
6	a member of the Talent2 Group issuing or agreeing to issue securities convertible into shares or any debt securities (other than to Talent2 or a direct or indirect wholly owned subsidiary of Talent2);
7	a member of the Talent2 Group disposing, or agreeing to dispose, of the whole, or a substantial part, of its business or property;
8	a member of the Talent2 Group grants, or agrees to grant, a security interest in the whole, or a substantial part, of its business or property;
9	a member of the Talent2 Group (other than Hills Payroll & Accounting Services Pty Ltd and GME International Pty Ltd) resolves to be wound up;
10	a liquidator, provisional liquidator or administrator of a member of the Talent2 Group (other than Hills Payroll & Accounting Services Pty Ltd and GME International Pty Ltd) being appointed;
11	the making of an order by a court for the winding up of a member of the Talent2 Group (other than Hills Payroll & Accounting Services Pty Ltd and GME International Pty Ltd);
12	any member of the Talent2 Group executing a deed of company arrangement;
13	a receiver, or a receiver and manager, in relation to the whole, or a substantial part, of the property of Talent2 or any of its subsidiaries being appointed;
14	<p>a member of the Talent2 Group:</p> <ul style="list-style-type: none"> acquiring, leasing or disposing of; or agreeing to acquire, lease or dispose of, <p>any assets, the value of which exceeds \$5 million (individually or in aggregate);</p>
15	<p>a member of the Talent2 Group:</p> <ul style="list-style-type: none"> acquiring or disposing of; or agreeing to acquire or dispose of, <p>any share capital of any third party other than any share capital in a member of the Talent2 Group or any business of a third party, the value of which exceeds \$5 million (individually or in aggregate);</p>
16	any member of the Talent2 Group (a) entering into a new contract requiring payments by the Talent2 Group in excess of \$5 million over the life of the contract or (b) terminating an existing contract, which termination would require payments by the Talent2 Group to the counterparty of such contract in excess of \$5 million;
17	any member of the Talent2 Group waiving, releasing or transferring any rights, or accepting as a compromise of a matter or matters less than the full compensation due to the Talent2

Term	Meaning
	<p>Group, in any such case where the financial impact on the Talent2 Group will be in excess of \$5 million, other than pursuant to the terms of a Talent2 Option Plan (including as a result of the Talent2 Board exercising any discretions in relation to a Talent2 Option under a Talent2 Option Plan);</p> <p>18 a member of the Talent2 Group entering into a contract which materially restrains a member of the Talent2 Group from competing with any person or conducting activities in any material market;</p> <p>19 Talent2 making any change to its constitution,</p> <p>excluding, in the case of each of paragraphs 1 to 19 above, any such occurrence that:</p> <ul style="list-style-type: none"> • is required to be done in order to implement the Scheme or Option Scheme; • is contemplated by this deed; • was the subject of the prior written consent of Bidco and the Joint Bidders; • was Fairly Disclosed by Talent2 in an announcement made to the ASX or a document lodged with ASIC in the 2 years prior to the date of this deed; • was Fairly Disclosed in the Talent2 Disclosure Materials; or • which relates to any Talent2 Group Member entering into a replacement lease or renewing or extending an existing lease in the ordinary course of business and on arm's length terms, in any such case being a lease in respect of real property.
Talent2 Registry	Computershare Investor Services Pty Limited (ACN 078 279 277).
Talent2 Representations and Warranties	the representations and warranties of Talent2 set out in Schedule 2.
Talent2 Share	a fully paid ordinary share in the capital of Talent2.
Talent2 Shareholder	each person who is registered in the Share Register as the holder of Talent2 Shares.
Tax Act	the <i>Income Tax Assessment Act 1997</i> (Cth).
Third Party	a person other than the Joint Bidders, Bidco and each of their respective Associates.
Timetable	the indicative timetable for the implementation of the Transaction set out in Attachment 1.

Term	Meaning
Transaction	the acquisition of Talent2 by Bidco through implementation of the Scheme and Option Scheme.

1.2 Interpretation

In this deed, headings are for convenience only and do not affect interpretation and, unless the context requires otherwise:

- (a) words importing the singular include the plural and vice versa;
- (b) words importing a gender include any gender;
- (c) other parts of speech and grammatical forms of a word or phrase defined in this deed have a corresponding meaning;
- (d) a reference to a person includes an individual, the estate of an individual, a corporation, an authority, an association or a joint venture, a partnership, a trust and any Government Agency;
- (e) a reference to a clause, party, attachment, exhibit or schedule is a reference to a clause of, and a party, attachment, exhibit and schedule to this deed, and a reference to this deed includes any attachment, exhibit and schedule;
- (f) a reference to a statute, regulation, proclamation, ordinance or by law includes all statutes, regulations, proclamations, ordinances or by laws amending, consolidating or replacing it, whether passed by the same or another Government Agency with legal power to do so, and a reference to a statute includes all regulations, proclamations, ordinances and by laws issued under that statute;
- (g) a reference to any document (including this deed) is to that document as varied, novated, ratified or replaced from time to time;
- (h) the word “includes” in any form is not a word of limitation;
- (i) a reference to “\$”, “A\$” or “dollar” is to Australian currency;
- (j) a reference to any time is, unless otherwise indicated, a reference to the time in Sydney, New South Wales;
- (k) a period of time dating from a given day or the day of an act or event, is to be calculated exclusive of that day;
- (l) a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;
- (m) a term defined in the purposes of the Corporations Act has the same meaning when used in this deed; and
- (n) a reference to the Listing Rules includes any variation, consolidation or replacement of these rules and is to be taken to be subject to any waiver or exemption granted to the compliance of those rules by a party.

1.3 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.

1.4 Next day

If an act under this deed to be done by a party on or by a given day is done after 5.00 pm on that day, it is taken to be done on the next day.

1.5 Contra proferentem excluded

No term or condition of this deed will be construed adversely to a party solely on the ground that the party was responsible for the preparation of this deed or a provision of it.

2 Agreement to proceed with the Transaction

- (a) Talent2 agrees to propose the Scheme on and subject to the terms of this deed.
- (b) The Joint Bidders and Bidco agree with Talent2 to assist Talent2 to propose the Scheme on and subject to the terms of this deed.
- (c) Talent2, the Joint Bidders and Bidco agree to implement the Transaction on the terms and conditions of this deed.

3 Conditions precedent and pre-implementation steps

3.1 Conditions precedent

Subject to this clause 3, the Scheme will not become Effective, and the obligations of Bidco under clause 4.3 will not become binding, until each of the following conditions precedent is satisfied or waived to the extent and in the manner set out in clause 3.3:

- (a) **Shareholder approval:** Talent2 Shareholders agree to the Scheme at the Scheme Meeting by the requisite majorities under the Corporations Act;
- (b) **Talent2 EGM:** Talent2 Shareholders agree to the Talent2 EGM Resolutions at the Talent2 EGM by the requisite majorities under the Corporations Act;
- (c) **Court approval:** the Court approves the Scheme in accordance with section 411(4)(b) of the Corporations Act;
- (d) **Restraints:** no temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction or Government Agency or other legal restraint or prohibition preventing the Transaction is in effect, and no steps have been taken by any Court or Government Agency to effect any of the above, in each case as at 8.00am on the Second Court Date;
- (e) **Independent Expert:** the Independent Expert issues a report which concludes that the Scheme is in the best interests of Talent2 Shareholders before the time when the Scheme Booklet is registered with ASIC;
- (f) **Talent2 Prescribed Occurrence:** no Talent2 Prescribed Occurrence occurs between the date of this deed and 8.00am on the Second Court Date;
- (g) **Regulatory approvals:** before 8.00am on the Second Court Date:
 - (1) **ASIC and ASX:** ASIC and ASX have issued or provided such consents or approvals or have done such other acts which are necessary or the Joint Bidders and Talent2 agree in writing are desirable to implement the Transaction; and

- (2) **Government Agency:** all other approvals of a Government Agency which are necessary or the Joint Bidders and Talent2 agree in writing are desirable to implement the Transaction are obtained;
- (h) **Talent2 Material Adverse Change:** between the date of this deed and 8.00am on the Second Court Date, none of the following occurs:
 - (1) an event, change, condition, matter or thing occurs;
 - (2) information is announced by Talent2 on ASX concerning any event, change, condition, matter or thing; or
 - (3) information concerning any event, change, condition, matter or thing becomes known to Bidco,

(each of (1), (2) and (3), a **Specified Event**) which, whether individually or when aggregated with all such events, changes, conditions, matters or things of a like kind, has had or would reasonably be likely to have the effect of a diminution in the value of the consolidated earnings before interest, tax, depreciation and amortisation of the Talent2 Group by at least \$4 million in the financial year of the Talent2 Group ending 30 June 2013 against what they would reasonably have been expected to have been but for such Specified Event,

other than any such Specified Event:

 - (4) required to be done in order to implement the Scheme or Option Scheme;
 - (5) that is contemplated by this deed;
 - (6) which took place with the prior written consent of Bidco and both of the Joint Bidders;
 - (7) which was Fairly Disclosed in an announcement made to the ASX or a document lodged with ASIC in the 2 years prior to the date of this deed;
 - (8) which was Fairly Disclosed in the Talent2 Disclosure Materials; or
 - (9) which is or arises from:
 - (A) any change in or interpretation of law, regulation or other policy of a Governmental Agency (including changes to taxation rates, laws and policies from those in place at the date of this deed); or
 - (B) any change in accounting policy required by law,

(a **Talent2 Material Adverse Change**).

For the avoidance of doubt, a fall in Talent2's share price will not of itself constitute a Talent2 Material Adverse Change.

- (i) **Talent2 Representations and Warranties:** the Talent2 Representations and Warranties are true and correct in all material respects as at the time they are given.

3.2 Reasonable endeavours

Each of the Joint Bidders, Bidco and Talent2 must, to the extent that it is within their power to do so, use their reasonable endeavours to procure that:

- (a) the conditions precedent in clause 3.1 are satisfied as soon as possible after the date of this deed, and continue to be satisfied at all times until the last time they are to be satisfied (as the case may be); and

- (b) there is no occurrence within the control of Bidco, Talent2 or either of the Joint Bidders (as the context requires) that would prevent any of the conditions precedent in clause 3.1, which such party must use reasonable endeavours to satisfy, being satisfied.

3.3 Waiver of conditions precedent

- (a) The conditions precedent in clauses 3.1(a), 3.1(b), 3.1(c) and 3.1(d) cannot be waived.
- (b) The condition precedent in clause 3.1(g) is for the benefit of Bidco and Talent2 and any breach or non-fulfilment of it may only be waived with the written consent of each of Bidco and Talent2 (each acting reasonably).
- (c) The conditions precedent in clauses 3.1(f), 3.1(h) and 3.1(i) is for the benefit of Bidco and the Joint Bidders and any breach or non-fulfilment of it may only be waived by Bidco and the Joint Bidders (in their absolute discretion) by notice in writing to Talent2.
- (d) The condition precedent in clause 3.1(e) is for the benefit of Talent2 and any breach or non-fulfilment of it may only be waived by Talent2 (in its absolute discretion) by notice in writing to Bidco.
- (e) Any waiver of a condition precedent by a party for whose benefit the condition applies must take place on or prior to 8.00am on the Second Court Date.
- (f) If a party waives the breach or non-fulfilment of any of the conditions precedent in clause 3.1, that waiver will not preclude it from suing the other parties for any breach of this deed including without limitation a breach that resulted in the non-fulfilment of the condition precedent that was waived.

3.4 Termination on failure of condition precedent

- (a) If any event occurs which would prevent any of the conditions precedent in clause 3.1 being satisfied, or there is an occurrence that will prevent any of the conditions precedent being satisfied by the time and date specified in this deed or if the Scheme has not become Effective by the End Date, Bidco and Talent2 must consult in good faith to:
 - (1) consider and if agreed determine whether the Transaction may proceed by way of alternative means or methods;
 - (2) consider and if agreed change the date of the application made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme or adjourning that application (as applicable) to another date agreed to in writing by Bidco and Talent2 (being a date no later than 5 Business Days before the End Date); or
 - (3) consider and if agreed extend the relevant date or End Date.
- (b) Subject to clause 3.4(d), if Bidco and Talent2 are unable to reach agreement under clause 3.4(a) within 5 Business Days of becoming aware of the relevant occurrence or relevant date or by the End Date, then unless that condition precedent is waived by Bidco (and, when applicable, also the Joint Bidders) or Talent2 as provided in clause 3.3, then either Bidco or Talent2 may terminate this deed by notice in writing to the other parties without any liability to any party because of that termination, unless the relevant occurrence or the failure of the condition precedent to be satisfied, or the failure of the Scheme to become Effective, arises out of a breach of clauses 3.2 or 3.5 in which case the party in breach will not be entitled to so terminate (for the avoidance of doubt, in such circumstances, whichever of Talent2 and Bidco is not the party in breach of clauses 3.2 or 3.5 is entitled to terminate this deed).

- (c) Subject to any rights or obligations arising under or pursuant to clauses that are expressed to survive termination (including by virtue of clause 12.4), on termination of this deed, no party shall have any rights against or obligations to any other party under this deed except for those rights and obligations which accrued prior to termination.
- (d) If the condition precedent set out in clause 3.1(a) is not satisfied only because of a failure to obtain the majority required by section 411(4)(a)(ii)(A) of the Corporations Act, then either Bidco or Talent2 may by written notice to the other within 3 Business Days after the date of the conclusion of the Scheme Meeting require the approval of the Court to be sought, pursuant to the Court's discretion in that section, provided the party has in good faith formed the view that the prospect of the Court exercising its discretion in that way is reasonable, in which case the other party may not terminate this deed until such time as the Court has made a determination not to grant such approval.

3.5 Certain notices

- (a) If, before the time specified for satisfaction of a condition precedent, an event that will prevent that condition precedent being satisfied occurs, the party with knowledge of that event must as soon as reasonably practicable give the other parties written notice of that event.
- (b) Bidco, Talent2 or a Joint Bidder (as the case may be) must promptly advise each other orally and in writing of any change or event causing, or which, so far as can reasonably be foreseen, would cause:
 - (1) a representation or warranty provided in this deed by a relevant party to be false;
 - (2) a breach or non-fulfilment of any of the conditions precedent;
 - (3) in the case of Talent2, the occurrence of a Talent2 Prescribed Occurrence; or
 - (4) a material breach of this deed by a relevant party.
- (c) Talent2 and Bidco (as the case may be) must promptly notify the other of the satisfaction of a condition precedent.
- (d) Upon receipt by a party of a notice given under clause 3.5(a) or (b), that party must give written notice to the other parties as soon as possible (and in any event before 5.00pm on the day before the Second Court Date) as to whether or not it waives (if entitled to do so) the breach or non-fulfilment of any condition precedent resulting from the occurrence of that change or event, specifying the condition precedent in question.

4 Transaction steps

4.1 Scheme

Subject to clause 3.1, on the Implementation Date all of the Scheme Shares will be transferred to Bidco and the Scheme Shareholders will be entitled to receive the Scheme Consideration in accordance with the terms of the Scheme.

4.2 No amendment to the Scheme without consent

Talent2 must not consent to any modification of, or amendment to, or the making or imposition by the Court of any condition in respect of, the Scheme without the prior written consent of (a) Bidco and the Joint Bidders or (b) counsel acting for Bidco.

4.3 Scheme Consideration

- (a) If the Scheme becomes Effective:
 - (1) each Scheme Shareholder will be entitled to be paid the Scheme Consideration; and
 - (2) all of the Scheme Shares held by a Scheme Shareholder will be transferred to Bidco,subject to and in accordance with the terms of the Scheme.
- (b) In consideration of the transfer to Bidco of each Scheme Share under the terms of the Scheme:
 - (1) on the Implementation Date, Bidco will accept that transfer; and
 - (2) by no later than the Business Day before the Implementation Date, Bidco will provide to Talent2 (on behalf of each Scheme Shareholder) the Scheme Consideration for each Scheme Share in accordance with the terms of the Scheme, and in accordance with the terms of the Deed Poll.

4.4 Option Scheme

- (a) Talent2 must propose a creditors' scheme of arrangement, to be conducted concurrently with the Scheme, between itself and each Scheme Optionholder under which all outstanding Scheme Options will be cancelled and each Scheme Optionholder will be entitled to receive the Option Scheme Consideration.
- (b) The Joint Bidders, Bidco and Talent2 agree that their obligations in clause 5.1 (for Talent2) and clause 5.2 (for the Joint Bidders and Bidco) will apply mutatis mutandis to the creditors' scheme of arrangement (proposed in clause 4.4(a) above) as if the reference to the Scheme is to be construed as a reference to the Option Scheme.
- (c) The Joint Bidders and Bidco will execute the Option Scheme Deed Poll in which each of the Joint Bidders undertake in favour of each Scheme Optionholder that it will procure Bidco to, subject to the Scheme and the Option Scheme becoming Effective, pay the consideration under the Option Scheme to each Scheme Optionholder.
- (d) The Option Scheme will be conditional on:
 - (1) ASX granting a waiver from rule 6.23 of the Listing Rules in relation to the Option Scheme or Talent2 Shareholders giving any necessary approvals under rule 6.23 of the Listing Rules in relation to the Option Scheme; and
 - (2) the Scheme becoming Effective.
- (e) For the avoidance of doubt, the Scheme is not conditional on the Option Scheme becoming Effective. The conditions in clause 4.4(d) cannot be waived.

4.5 No amendment to the Option Scheme without consent

Talent2 must not consent to any modification of, or amendment to, or the making or imposition by the Court of any condition in respect of, the Option Scheme without the prior written consent of (a) Bidco and the Joint Bidders or (b) counsel acting for Bidco.

4.6 Option Scheme Consideration

- (a) If the Option Scheme becomes Effective:
 - (1) each Scheme Optionholder will be entitled to be paid the Option Scheme Consideration; and
 - (2) all of the Scheme Options will be cancelled,subject to and in accordance with the terms of the Option Scheme.
- (b) The Joint Bidders and Bidco undertake and warrant to Talent2 that in consideration for the cancellation of the Scheme Options held by a Scheme Optionholder under the terms of the Option Scheme, by no later than the Business Day before the Implementation Date, the Joint Bidders and Bidco will provide or procure the provision of the Option Scheme Consideration to Talent2 (on behalf of each Scheme Optionholder) in accordance with the terms of the Option Scheme and in accordance with the terms of the Option Scheme Deed Poll.

4.7 Treatment of Talent2 Options

Talent2 will, as requested by the Joint Bidders and Bidco, use its best endeavours to procure that the IBC:

- (a) make a determination pursuant to the rules of the Talent2 Option Plans that all Talent2 options granted under the Talent2 Option Plans that are the subject of the Option Scheme which may otherwise automatically lapse under the rules of the Talent2 Option Plan as a result of the Scheme becoming Effective, will not lapse;
- (b) not make any determination under the rules of the Talent2 Option Plans - thus having the result that all performance rights granted under the Talent2 Option Plans that are the subject of the Option Scheme will automatically lapse upon the Scheme becoming Effective, in accordance with the rules of the Talent2 Option Plan; and
- (c) not vest any options or performance rights granted under the Talent2 Option Plans before their vesting date.

4.8 ASX Waiver

- (a) As soon as reasonably practicable after the date of this deed, Talent2 must use its reasonable endeavours to procure that ASX grants a waiver from rule 6.23 of the Listing Rules in respect of the Option Scheme.
- (b) If the waiver referred to in clause 4.8(a):
 - (1) is obtained before the end of the Regulatory Review Period, but is subject to one or more conditions that are not reasonably satisfactory to Bidco and the Joint Bidders; or
 - (2) is not obtained before the end of the Regulatory Review Period,Talent2 agrees to seek any approvals that are required from the Talent2 Shareholders under rule 6.23 of the Listing Rules in relation to the Option

Scheme on the same date on which the meeting of Talent2 optionholders is held.

4.9 Special Dividend

- (a) The Joint Bidders and Bidco acknowledge and agree that the Scheme will be proposed on the basis that the IBC will be entitled in its absolute and sole discretion to make a determination to declare and pay a Special Dividend subject to compliance with this clause 4.9.
- (b) The IBC may in its absolute and sole discretion declare a Special Dividend (in an amount determined by the IBC in its absolute and sole discretion, which amount shall not exceed the Loan Amount) if the following conditions are satisfied or waived by 8.00am on the Second Court Date:
 - (1) Talent2 has received or reasonably expects to receive a Class Ruling from the Australian Taxation Office in respect of the Special Dividend in a form and substance satisfactory to it;
 - (2) Talent2 Shareholders approve, in accordance with section 260B of the Corporations Act, the financial assistance resolution forming part of the Talent2 EGM Resolutions relating to the declaration and payment of the Special Dividend (if any); and
 - (3) the Bidco FA Resolution is approved in accordance with section 260B of the Corporations Act.
- (c) If the conditions referred to in clause 4.9(b) are satisfied or waived by the IBC by way of written notice to the Joint Bidders and Bidco (other than the condition in clause 4.9(b)(1) which may only be waived with the written consent of the Joint Bidders and Bidco, which consent must not be unreasonably withheld or delayed), the IBC may in its absolute and sole discretion declare the Special Dividend (if any) in respect of all Talent2 Shareholders on the Talent2 Register on the Special Dividend Record Date and will procure that such dividend is paid on the Special Dividend Payment Date.
- (d) Bidco must convene a general meeting of Bidco shareholders prior to the date of the Scheme Meeting, to approve in accordance with section 260B of the Corporations Act, the giving of financial assistance to Talent2 in connection with Talent2 paying the amount of the Special Dividend (if any) (the **Bidco FA Resolution**). Each of the Joint Bidders agrees to procure that such resolution is approved in accordance with section 260B of the Corporations Act.
- (e) Talent2, the Joint Bidders and Bidco agree that:
 - (1) the amount of the franking credit allocated to the Special Dividend (if any) may be up to the maximum franking credit available worked out using the formula in section 202-60(2) of the Tax Act; and
 - (2) Talent2 will not frank the Special Dividend (if any) to the extent that it would cause Talent2's franking account to be in deficit (as defined in section 205-40(2) of the Tax Act) at the times set out in sections 205-45 and 709-60(3) of the Tax Act.
- (f) Talent2 must ensure that the declaration and payment of any Special Dividend complies with the requirements of section 254T of the Corporations Act and the Talent2 constitution.
- (g) Talent2, the Joint Bidders and Bidco agree that from the date of this deed up to and including the Implementation Date, it must not, directly or indirectly, take any action or omit to do anything that would, or would reasonably be likely to cause, facilitate, induce, contribute to or result in Talent2's financier requiring a material amendment or variation to the Loan Agreement.

- (h) If Talent2's financier requires any amendments to the Loan Agreement, such amendments will only be made to the Loan Agreement if the Joint Bidders, Bidco and Talent2 (each acting reasonably and promptly at all times) consent to the amendments.
- (i) If requested to do so by notice in writing to the Joint Bidders and Bidco by Talent2, the Joint Bidders and Bidco will, in accordance with the terms of the Loan Agreement, by no later than the Business Day before the Special Dividend Payment Date, provide to Talent2 in immediately available funds the full amount required to pay the Special Dividend to eligible Talent2 Shareholders.
- (j) In this deed, "**Class Ruling**" means a public determination by the Commissioner of Taxation in respect of a particular class of taxpayers, and pertaining to the Australian income taxation implications of the payment of the Special Dividend.

5 Implementation

5.1 Talent2's obligations

Talent2 must take all necessary steps to implement the Scheme as soon as is reasonably practicable and without limiting the foregoing use reasonable endeavours to ensure that each step in the Timetable is met by the relevant date set out beside that step (and must consult with Bidco and the Joint Bidders on a regular basis about its progress in that regard), including doing any acts it is authorised and able to do, on behalf of Talent2 Shareholders, and must do each of the following:

- (a) **preparation of Scheme Booklet:** subject to clause 5.1(o), prepare and despatch the Scheme Booklet in accordance with all applicable laws and in particular with the Corporations Act, the Corporations Regulations, RG 60 and the Listing Rules;
- (b) **Further Talent2 Information:** disclose to Bidco, the Joint Bidders and Talent2 Shareholders such further or new Talent2 Information as may arise after the Scheme Booklet has been sent to Talent2 Shareholders until the date of the Scheme Meeting as may be necessary to ensure that the Talent2 Information contained in the Scheme Booklet is not, having regard to applicable disclosure requirements, false, misleading or deceptive in any material respect (including because of any material omission);
- (c) **IBC's recommendation:** include in the Scheme Booklet and the public announcement contemplated by clause 8.1 (on the basis of statements made to Talent2 by each member of the IBC), a statement by the IBC unanimously recommending that Talent2 Shareholders vote in favour of the Scheme and the Talent2 EGM Resolutions in the absence of a Superior Proposal, subject to the Independent Expert concluding that the Scheme is in the best interests of Talent2 Shareholders, unless there has been a change, withdrawal or modification of recommendation permitted by clause 5.4;
- (d) **section 411(17)(b) statement:** apply to ASIC for the production of:
 - (1) an indication of intent letter stating that ASIC does not intend to appear before the Court on the First Court Date; and
 - (2) a statement under section 411(17)(b) of the Corporations Act stating that ASIC has no objection to the Scheme;
- (e) **Court direction:** apply to the Court for orders pursuant to section 411(1) of the Corporations Act directing Talent2 to convene the Scheme Meeting and lodge an office copy of the orders when obtained with ASIC;

- (f) **Registration of explanatory statement:** request ASIC to register the explanatory statement included in the Scheme Booklet in relation to the Scheme in accordance with section 412(6) of the Corporations Act;
- (g) **Send Scheme Booklet:** send the Scheme Booklet to Talent2 Shareholders as soon as practicable after the Court orders Talent2 to convene the Scheme Meeting;
- (h) **Scheme Meeting and Talent2 EGM:** convene the Scheme Meeting to agree to the Scheme in accordance with the orders made by the Court pursuant to section 411(1) of the Corporations Act and convene the Talent2 EGM to agree the Talent2 EGM Resolutions;
- (i) **Court documents:** consult with Bidco and the Joint Bidders in relation to the content of the documents required for the purpose of each of the Court hearing held for the purpose of sections 411(1) and 411(4)(b) of the Corporations Act in relation to the Scheme (including originating process, affidavits, submissions and draft minutes of Court orders) and consider in good faith, for the purpose of amending drafts of those documents, comments from Bidco and its Representatives on those documents;
- (j) **Court approval:** (subject to all conditions precedent in clause 3.1, other than the condition in clause 3.1(c) being satisfied or waived in accordance with this deed) apply to the Court for orders approving the Scheme as agreed to by the Talent2 Shareholders at the Scheme Meeting;
- (k) **Certificate:** at the hearing on the Second Court Date provide to the Court a certificate confirming whether or not the conditions precedent in clause 3.1, other than the condition in clause 3.1(c), have been satisfied or waived in accordance with this deed. A draft of that certificate must be provided by Talent2 to Bidco and the Joint Bidders by 5.00pm on the Business Day prior to the Second Court Date;
- (l) **lodge copy of Court order:** lodge with ASIC an office copy of the Court order in accordance with section 411(10) of the Corporations Act approving the Scheme as soon as possible after the Court approves the Scheme, and in any event by 5.00pm on the first Business Day after the day on which the Court approves the Scheme;
- (m) **Scheme Consideration:** close the Share Register as at the Scheme Record Date and determine entitlements to the Scheme Consideration in accordance with the Scheme and the Deed Poll;
- (n) **registration:** subject to Bidco having provided the Scheme Consideration in accordance with the Scheme and Deed Poll, register all transfers of Talent2 Shares held by Scheme Shareholders to Bidco on the Implementation Date;
- (o) **consultation with Bidco and the Joint Bidders:** consult with Bidco and the Joint Bidders as to the content and presentation of the Scheme Booklet including:
 - (1) providing to Bidco and the Joint Bidders drafts of the Scheme Booklet for the purpose of enabling Bidco and the Joint Bidders to review and comment on those draft documents;
 - (2) taking all comments made by Bidco and the Joint Bidders into account in good faith when producing a revised draft of the Scheme Booklet;
 - (3) providing to Bidco and the Joint Bidders a revised draft of the Scheme Booklet within a reasonable time before the Regulator's Draft is finalised;
 - (4) implement such changes to those parts of the Scheme Booklet relating to Bidco and the Joint Bidders which are provided in accordance with clauses 5.1(o)(1) to 5.1(o)(3) as reasonably

requested by Bidco and the Joint Bidders and prior to finalising the Regulator's Draft; and

- (5) obtaining written approval from Bidco and the Joint Bidders for the form and content in which the Joint Bidders Information appears in the Scheme Booklet, and Talent2 will not register the Scheme Booklet with ASIC until such approval is obtained from Bidco and the Joint Bidders;
- (p) **information:** provide all information, or procure that the Talent2 Registry provides all information, in each case in a form reasonably requested by Bidco or the Joint Bidders, about the Scheme, the Scheme Shareholders, the Talent2 Shareholders and the Share Register (including any sub register) to Bidco and its Representatives which Bidco or the Joint Bidders reasonably requests in order to facilitate the provision by, or on behalf of, Bidco of the Scheme Consideration;
- (q) **ASIC and ASX review:** during the Regulatory Review Period, promptly provide to Bidco and the Joint Bidders, and include in the Scheme Booklet, any new information not included in the Regulator's Draft which is required by the Corporations Act, Corporations Regulations, RG 60 or the Listing Rules to be included and keep Bidco and the Joint Bidders informed of any material matters raised by ASIC or ASX in relation to the Scheme Booklet or the Transaction, and use reasonable endeavours to take into consideration in resolving any issues raised by Bidco or the Joint Bidders;
- (r) **Independent Expert:** promptly appoint the Independent Expert and provide assistance and information reasonably requested by the Independent Expert in connection with the preparation of the Independent Expert's Report for inclusion in the Scheme Booklet and, if ASIC requires an independent expert to prepare an opinion for the purposes of the resolutions proposed at the Talent2 EGM pursuant to item 7 of section 611, Talent2 will ask the Independent Expert to prepare that report;
- (s) **Provide a copy of the report:** promptly provide Bidco and the Joint Bidders with a copy of any draft and final report received from the Independent Expert;
- (t) **compliance with laws:** do everything reasonably within its power to ensure that the tasks or obligations required to be performed by Talent2 in relation to the Transaction are effected in accordance with all laws and regulations applicable in relation to the Transaction;
- (u) **listing:** take all reasonable steps to maintain Talent2's listing on the ASX notwithstanding any suspension of the quotation of Talent2 Shares up to and including the Implementation Date, including making appropriate applications to ASX unless Bidco and the Joint Bidders have agreed in writing; and
- (v) **information:** prepare and promptly provide to Bidco and the Joint Bidders any information regarding the Talent2 Group that the Joint Bidders reasonably require to prepare the Joint Bidders Information for inclusion in the Scheme Booklet.

5.2 Joint Bidders' and Bidco's obligations

The Joint Bidders and Bidco each must take all necessary steps to implement the Scheme as soon as is reasonably practicable and without limiting the foregoing use reasonable endeavours to ensure that each step in the Timetable is met by the date set out beside that step (and consult with Talent2 on a regular basis about its progress in that regard), including doing each of the following:

- (a) **Joint Bidders Information:** prepare and promptly provide to Talent2 the Joint Bidders Information for inclusion in the Scheme Booklet and consent to the inclusion of that information in the Scheme Booklet;

- (b) **Further Joint Bidders Information:** disclose to Talent2 such further or new Joint Bidders Information (other than any information provided by Talent2 to Bidco or obtained from Talent2 public filings on ASX regarding the Talent2 Group contained in, or used in the preparation of, the Joint Bidders Information) as may arise after the Scheme Booklet has been sent until the date of the Scheme Meeting as may be necessary to ensure that the Joint Bidders Information contained in the Scheme Booklet is not, having regard to applicable disclosure requirements, false, misleading or deceptive in any material respect (including because of any material omission);
- (c) **review of Scheme Booklet:** review the drafts of the Scheme Booklet prepared by Talent2 and provide comments, if any, as soon as practicable to Talent2. In addition, and notwithstanding the introductory paragraph in this clause 5.2, MBI will procure that Andrew Banks and Geoff Morgan will:
 - (1) review the drafts of the Scheme Booklet, including the Talent2 Information, and provide comments, if any, as soon as practicable to Talent2 and will also confirm to Talent2 and the IBC:
 - (A) so far as they are aware, each statement in the Regulator's Draft, in the context in which it appears, if one of fact, is true and nothing material has been omitted from it, and is not misleading or deceptive;
 - (B) so far as they are aware, the Regulator's Draft does not omit information that is material to the decision of a Talent2 Shareholder as to how to vote on the Scheme; and
 - (C) they will notify the IBC if, after the Regulator's Draft is given to ASIC, but before the final Court hearing to approve the scheme of arrangement, they become aware of: (i) a misleading or deceptive statement in the Regulator's Draft or in the version of the Scheme Booklet registered with ASIC; (ii) an omission from the Regulator's Draft or the version of the Scheme Booklet registered with ASIC of information required under the Corporations Act, Corporations Regulations, Listing Rules, Regulations and RG 60; or (iii) any new circumstance that has arisen since the Regulator's Draft was given to ASIC or the Scheme Booklet was registered by ASIC and which may have been required to be included in the Regulator's Draft or in the version of the Scheme Booklet registered with ASIC if it has arisen before it was given to ASIC;
- (d) **updated information:** provide to Talent2, as soon as possible, any material new information that they become aware of regarding the Joint Bidders Information as may arise after the Scheme Booklet has been sent to Talent2 Shareholders. In addition, and notwithstanding the introductory paragraph in this clause 5.2, MBI will procure that Andrew Banks and Geoff Morgan will also comply with the obligation in this clause 5.2(d);
- (e) **Independent Expert's Report:** provide any assistance or information reasonably requested by the Independent Expert in connection with the preparation of the Independent Expert's Report to be included in the Scheme Booklet. In addition, and notwithstanding the introductory paragraph in this clause 5.2, MBI will procure that Andrew Banks and Geoff Morgan will also comply with the obligations in this clause 5.2(e);
- (f) **representation:** procure that it or Bidco is represented by counsel at the Court hearings convened for the purposes of section 411(4)(b) of the Corporations Act, at which through their respective counsel, the Joint Bidders and Bidco will undertake (if requested by the Court) to do all such things and take all such steps within its power as are necessary in order to ensure the fulfilment of its obligations under this deed, the Scheme and the Option Scheme;

- (g) **Deed Poll:** by not later than the Business Day prior to the First Court Date, Bidco and the Joint Bidders will enter into the Deed Poll in favour of the Scheme Shareholders to perform their obligations under the Scheme and will also enter into the Option Scheme Deed Poll in favour of the Scheme Optionholders to perform their obligations under the Option Scheme;
- (h) **accuracy of the Joint Bidders Information:** confirm to Talent2 that the Joint Bidders Information in the Scheme Booklet is not misleading or deceptive in any material respect (whether by omission or otherwise) (other than any information provided by Talent2 to Bidco or obtained from Talent2 public filings on ASX regarding the Talent2 Group contained in, or used in the preparation of, the Joint Bidders Information);
- (i) **Share transfer:** if the Scheme becomes Effective, Bidco shall accept a transfer of the Scheme Shares as contemplated by clause 4.3(b)(1);
- (j) **compliance with laws:** do everything reasonably within its power to ensure that the tasks or obligations required to be performed by it in relation to the Transaction are effected in accordance with all laws and regulations applicable in relation to the Transaction;
- (k) **Scheme Consideration:** if the Scheme becomes Effective, procure the provision of the Scheme Consideration in the manner and amount contemplated by clause 4 and the terms of the Scheme; and
- (l) **Option Scheme Consideration:** if the Option Scheme becomes Effective, procure the provision of the Option Scheme Consideration in the manner and amount contemplated by clause 4.6 and the terms of the Option Scheme.

5.3 Conduct of business

- (a) Subject to clauses 5.3(b) and 5.3(c), from the date of this deed up to and including the Implementation Date, and without limiting any other obligations of Talent2 under this deed, Talent2 must and must procure that the members of the Talent2 Group will:
 - (1) conduct its business in the ordinary and proper course of business and in a manner generally consistent with the manner in which it was conducted in the 12 month period prior to the date of this deed;
 - (2) use all reasonable efforts to:
 - (A) maintain and preserve their relationships with customers, suppliers, Government Agencies, licensors, licensees and others having business dealings with Talent2 and any Related Body Corporate of Talent2;
 - (B) retain the services of its Senior Managers;
 - (C) consult with, and obtain the views of the Joint Bidders, prior to the replacement or removal of any Senior Manager; and
 - (3) afford to the Joint Bidders, Bidco or each of its Representatives reasonable access to records (subject to any existing confidentiality obligations owed to third parties), business premises and Senior Managers, provided that:
 - (A) nothing in this clause 5.3(a)(3) will require Talent2 to provide information to the Joint Bidders, Bidco or each of its Representatives concerning the IBC's and management's consideration of the Scheme or the Option Scheme;
 - (B) such requests by the Joint Bidders or Bidco do not result in unreasonable disruptions to Talent2 Group's business;

- (C) Talent2 may provide to the Joint Bidders, Bidco or each of its Representatives its records at a place other than Talent2's business premises.
- (b) Nothing in clause 5.3(a) or clause 5.3(c):
 - (1) restricts the ability of the IBC, Talent2 or any member of the Talent2 Group to take any action (or refrain from taking action):
 - (A) required to be done in order to implement the Scheme or Option Scheme;
 - (B) is contemplated by this deed;
 - (C) which took place with the prior written consent of Bidco and the Joint Bidders;
 - (D) which was Fairly Disclosed in an announcement made to the ASX or a document lodged with ASIC in the 2 years prior to the date of this deed;
 - (E) which was Fairly Disclosed in the Talent2 Disclosure Materials; or
 - (2) requires the IBC, Talent2 or any member of the Talent2 Group to take any action (or refrain from taking action) if to do so would, or would reasonably be likely to, cause a breach of this deed, give rise to a termination right, or cause a condition in clause 3.1 to not be satisfied or to become incapable of satisfaction.
- (c) Without limiting clause 5.3(a), from the date of this deed up to and including the Implementation Date, Talent2 must not, and must ensure that a member of the Talent2 Group does not, except in the ordinary course of business and in a manner generally consistent with prior practice:
 - (1) enter into or agree to enter into any new contract of service with any Senior Manager including to vary any material terms of an existing contract of service;
 - (2) pay or agree to pay any retirement benefit or allowance to any Senior Manager;
 - (3) other than as a result of the Talent2 Board exercising any discretion in relation to a Talent2 Option under a Talent2 Option Plan, accelerate the rights of any Senior Manager to compensation or benefits of any kind;
 - (4) make or agree to make any substantial change in the basis or amount of remuneration of any Senior Manager; or
 - (5) pay any of its Senior Managers a termination or retention payment .
- (d) Without limiting clause 5.3(a), if between the date of this deed and the Implementation Date, Talent2 proposes or is required by a debt provider to increase or decrease the size of the debt facilities available to the Talent2 Group as at the date of this deed or to amend (to a material extent) the terms and conditions of any such a facility, Talent 2 must promptly notify the Joint Bidders and Bidco in writing. On receipt by Bidco and the Joint Bidders of such notice from Talent2, the parties must consult in good faith with a view to determining the most appropriate manner in which to deal with the proposal or request that will minimise the financial impact on the Talent2 Group.
- (e) Without limiting clause 5.3(a), if between the date of this deed and the Implementation Date, Talent2 or any counterparty to a Material Contract proposes to amend or alter (to a material extent) the terms of a Material Contract or take any action to terminate or make a claim under a Material Contract or of the counterparty actually takes such action, Talent 2 must

promptly notify the Joint Bidders and Bidco in writing of such proposed or actual action. On receipt by Bidco and the Joint Bidders of such notice from Talent2, the parties must consult in good faith with a view to determining the most appropriate manner in which to deal with the proposal or action that will minimise the financial impact on the Talent2 Group.

- (f) For the avoidance of doubt, nothing in this section 5.3 restricts the ability of Talent2 to respond to a Competing Proposal in accordance with clause 10.

5.4 IBC recommendation

- (a) Subject to clause 5.4(b), Talent2 must use its best endeavours to procure that the IBC unanimously recommends that Talent2 Shareholders vote in favour of:
- (1) the Scheme; and
 - (2) the Talent2 EGM Resolutions,
- in the absence of a Superior Proposal and subject to the Independent Expert concluding in the Independent Expert's Report that the Scheme is in the best interests of Talent2 Shareholders, provided that Talent2 shall not be required to do anything in the foregoing if the Independent Expert concludes in the Independent Expert's Report (either initially or in any updated report) that the Scheme is not in the best interests of Talent2 Shareholders.
- (b) Talent2 must use its best endeavours to procure that the IBC collectively, and the members of the IBC individually, must not change, withdraw or modify, its or his/her recommendation in favour of the Scheme and the Talent2 EGM Resolutions unless either:
- (1) the Independent Expert concludes in the Independent Expert's Report (either initially or in any updated report) that the Scheme is not in the best interests of Talent2 Shareholders;
 - (2) Talent2 has received, other than as a result of a breach of clause 10, a Superior Proposal; or
 - (3) the IBC has determined, after receiving written financial advice from its Financial Advisers and written legal advice from its legal advisers, that continuing to recommend the Scheme would be, or would be likely to be, a breach of their statutory or fiduciary duties or would be, or would be likely to be, unlawful.

5.5 Conduct of Court proceedings

- (a) The Joint Bidders, Bidco and Talent2 are entitled to separate representation at all Court proceedings affecting the Transaction.
- (b) This deed does not give:
- (1) the Joint Bidders or Bidco any right or power to give undertakings to the Court for or on behalf of Talent2; or
 - (2) Talent2 any right or power to give undertakings to the Court for or on behalf of the Joint Bidders or Bidco,
- in each case, without the relevant party's written consent.
- (c) The Joint Bidders, Bidco and Talent2 must give all undertakings to the Court in all Court proceedings which are reasonably required to obtain Court approval and confirmation of the Transaction as contemplated by this deed.
- (d) If the Court refuses to make orders convening the Scheme Meeting or approving the Scheme, Talent2 must appeal the Court's decision except to the extent that:

- (1) the parties agree otherwise; or
- (2) Queen's Counsel or Senior Counsel representing that party in relation to the Scheme indicates that, in their opinion, an appeal would likely have less than a 50% prospect of success,

in which case either Bidco or Talent2 may terminate this deed in accordance with clause 12.1(b)(2). If an appeal is made, Talent2, Bidco and the Joint Bidders must seek to agree in good faith an extension of the End Date by a period of not more than 3 months to account for the period for determination of the appeal on an expedited basis.

- (e) Each of the Joint Bidders, Bidco and Talent2 must defend, or must cause to be defended, any Takeovers Panel proceeding brought against it (or any members of its respective group) challenging this deed or the completion of the Transaction.
- (f) For the avoidance of doubt, each party will be responsible for their own costs that are incurred as a result of the operation of this clause 5.5.

5.6 Responsibility statement

The Scheme Booklet will contain a responsibility statement to the effect that:

- (a) Allegis is responsible for the Joint Bidders Information to the extent such information relates to the Allegis Group;
- (b) MBI is responsible for the Joint Bidders Information to the extent such information relates to the MBI Group;
- (c) the Joint Bidders and Bidco are jointly and severally responsible for any Joint Bidders Information not referred to in clause 5.6(a) and 5.6(b); and
- (d) Talent2 is responsible for the Talent2 Information.

6 Representations and warranties

6.1 Joint Bidders' representations and warranties

- (a) Allegis represents and warrants to Talent2 (in its own right and separately as trustee or nominee for each of the other Talent2 Indemnified Parties) that each of the Allegis Representations and Warranties is true and correct in all material respects, provided that, in respect of any Allegis Representations and Warranties that are, by their terms, qualified by materiality, those Allegis Representations and Warranties are represented and warranted to be true and correct.
- (b) MBI represents and warrants to Talent2 (in its own right and separately as trustee or nominee for each of the other Talent2 Indemnified Parties) that each of the MBI Representations and Warranties is true and correct in all material respects, provided that, in respect of any MBI Representations and Warranties that are, by their terms, qualified by materiality, those MBI Representations and Warranties are represented and warranted to be true and correct.
- (c) Each of the Joint Bidders and Bidco jointly and severally represents and warrants to Talent2 (in its own right and separately as trustee or nominee for each of the other Talent2 Indemnified Parties) that each of the Bidco Representations and Warranties is true and correct in all material respects, provided that, in respect of any Bidco Representations and Warranties that are,

by their terms, qualified by materiality, those Bidco Representations and Warranties are represented and warranted to be true and correct.

- (d) Each Joint Bidder is liable for:
- (1) the representations and warranties made by it under this clause 6.1; and
 - (2) 50% of the amount claimed in respect to a breach of the Bidco Representations and Warranties.

6.2 Joint Bidders' and Bidco indemnities

- (a) Allegis agrees with Talent2 (in its own right and separately as trustee or nominee for each of the other Talent2 Indemnified Parties) to indemnify Talent2 and the Talent2 Indemnified Parties against any claim, action, damage, loss, liability, cost, expense or payment of whatever nature and however arising which Talent2 or any of the other Talent2 Indemnified Parties suffers, incurs or is liable for arising out of any breach of any of the Allegis Representations and Warranties (but excluding any indirect or consequential loss).
- (b) MBI agrees with Talent2 (in its own right and separately as trustee or nominee for each of the other Talent2 Indemnified Parties) to indemnify Talent2 and the Talent2 Indemnified Parties against any claim, action, damage, loss, liability, cost, expense or payment of whatever nature and however arising which Talent2 or any of the other Talent2 Indemnified Parties suffers, incurs or is liable for arising out of any breach of any of the MBI Representations and Warranties (but excluding any indirect or consequential loss).
- (c) The Joint Bidders and Bidco agrees with Talent2 (in its own right and separately as trustee or nominee for each of the other Talent2 Indemnified Parties) to indemnify Talent2 and the Talent2 Indemnified Parties against any claim, action, damage, loss, liability, cost, expense or payment of whatever nature and however arising which Talent2 or any of the other Talent2 Indemnified Parties suffers, incurs or is liable for arising out of any breach of any of the Bidco Representations and Warranties. The Joint Bidders' liability under this clause 6.2(c) is several in each case as to 50% of the amount claimed by the Talent2 Indemnified Parties (but excluding any indirect or consequential loss).

6.3 Talent2's representations and warranties

Talent2 represents and warrants to the Joint Bidders and Bidco (in their own right and separately as trustee or nominee for each of the other Joint Bidder Indemnified Parties) that each of the Talent2 Representations and Warranties is true and correct in all material respects, provided that, in respect of any Talent2 Representations and Warranties that are, by their terms, qualified by materiality, those Talent2 Representations and Warranties are represented and warranted to be true and correct.

6.4 Talent2's indemnity

Talent2 agrees with the Joint Bidders and Bidco (in their own right and separately as trustee or nominee for each Joint Bidder Indemnified Party) to indemnify the Joint Bidders and Bidco and each of the other Joint Bidder Indemnified Parties from any claim, action, damage, loss, liability, cost, expense or payment of whatever nature and however arising which the Joint Bidders, Bidco or any of the other Joint Bidder Indemnified Parties suffers, incurs or is liable for arising out of any breach of any of the Talent2 Representations and Warranties (but excluding any indirect or consequential loss).

6.5 Qualifications on Talent2 representations and warranties

The Talent2 Representations and Warranties under clause 6.3 and Schedule 2 and indemnity under clause 6.4, are subject to matters:

- (a) that are required to be done in order to implement the Scheme or Option Scheme;
- (b) that are contemplated by this deed;
- (c) which took place with the prior written consent of Bidco and the Joint Bidders;
- (d) which was Fairly Disclosed in an announcement made to the ASX or a document lodged with ASIC in the 2 years prior to the date of this deed; or
- (e) Fairly Disclosed in the Talent2 Disclosure Materials.

6.6 Survival of representations and warranties

Each representation and warranty referred to in clauses 6.1 and 6.3:

- (a) is severable; and
- (b) survives the termination of this deed.

6.7 Survival of indemnities

Each indemnity in this deed (including those in clauses 6.2 and 6.4):

- (a) is severable;
- (b) is a continuing obligation;
- (c) constitutes a separate and independent obligation of the party giving the indemnity from any other obligations of that party under this deed; and
- (d) survives the termination of this deed.

6.8 Timing of representations and warranties

Each representation and warranty made or given under clauses 6.1 or 6.3 is given:

- (a) at the date of this deed, at the date of despatch of the Scheme Booklet to Talent2 Shareholders, at 8.00am on the date of the Scheme Meeting and again at 8.00am on the Second Court Date; or
- (b) where expressed to be given at a particular time, at that time.

7 Releases

7.1 Talent2 directors and officers

- (a) Each of the Joint Bidders and Bidco agrees with Talent2 that it:
 - (1) releases, and shall procure that each member of the Joint Bidder Group releases and discharges, its rights; and
 - (2) will not make a claim, action, demand, suit or proceeding for damages, debt, restitution, equitable compensation, account, injunction, specific performance or any other remedy,that either Bidco, a Joint Bidder or a member of the Joint Bidder Group has or may have against Talent2 or any other person who is a Talent2 Indemnified

Party (including, for the avoidance of doubt, each member of the IBC) in connection with or in respect of:

- (3) any breach of any representations and warranties of Talent2 or any member of the Talent2 Group in this deed;
- (4) any disclosure containing any statement which is false or misleading whether in content or by omission,

whether current or future, known or unknown, arising at common law, in equity, under statute or otherwise, except where it has arisen as a direct result of any fraudulent act or fraudulent omission of Talent2 or any Talent2 Indemnified Party (including, for the avoidance of doubt, each member of the IBC).

- (b) This clause is subject to any Corporations Act restriction and will be read down accordingly. Talent2 receives and holds the benefit of this clause to the extent it relates to each other person who is a Talent2 Indemnified Party (including, for the avoidance of doubt, each member of the IBC) as trustee for each of them.

7.2 Bidco and Joint Bidder directors and officers

- (a) Talent2 agrees with Bidco and each Joint Bidder that it:
 - (1) releases, and shall procure that each member of the Talent2 Group releases and discharges, its rights; and
 - (2) will not make a claim, action, demand, suit or proceeding for damages, debt, restitution, equitable compensation, account, injunction, specific performance or any other remedy, that either Talent2 or a member of the Talent2 Group has or may have against any person who is a Joint Bidder Indemnified Party in connection with or in respect of:
 - (3) any breach of any representations and warranties by a Joint Bidder or Bidco in this deed; and
 - (4) any disclosure containing any statement which is false or misleading whether in content or by omission,

whether current or future, known or unknown, arising at common law, in equity, under statute or otherwise, except where it has arisen as a direct result of any fraudulent act or fraudulent omission of a Joint Bidder Indemnified Party.

- (b) This clause is subject to any Corporations Act restriction and will be read down accordingly. The Joint Bidders each receive and hold the benefit of this clause to the extent it relates to each other person who is a Joint Bidder Indemnified Party as trustee for each of them.

7.3 IBC members

- (a) Each of the Joint Bidders and Bidco irrevocably covenants in favour of the IBC and each member of the IBC that it:
 - (1) releases and discharges, and shall procure that each member of the Joint Bidder Group releases and discharges, its respective rights; and
 - (2) will not make, and shall procure that no member of the Joint Bidder Group shall make, a claim, action, demand, suit or proceeding for damages, debt, restitution, equitable compensation, account, injunction, specific performance or any other remedy,
- that it has or may have against the IBC or any member of the IBC, in connection with or in respect of:
- (3) the Transaction;
 - (4) the IBC's consideration and conduct of the Transaction;

- (5) any act or omission by the IBC or any member of the IBC in connection with the Transaction; and
- (6) any other work undertaken by the IBC in accordance with the IBC Terms of Reference,

whether current or future, known or unknown, arising at common law, in equity, under statute or otherwise, except where it has arisen as a direct result of any fraudulent act or fraudulent omission of the IBC or the relevant member of the IBC.

- (b) Without prejudice to the benefits, rights and entitlements provided to each member of the IBC under clause 7.1, each member of the IBC receives and holds the benefit of clauses 7.1 and 7.3 directly, such that the benefit of clauses 7.1 and 7.3 may be relied on and directly enforced by each member of the IBC even though no member of the IBC is a party to this deed.
- (c) This clause is subject to any Corporations Act restriction and will be read down accordingly.
- (d) The Joint Bidders, Bidco and Talent2 agree that, in addition to the force that this clause 7 has by virtue of this deed, clause 7.3 also operates as a deed poll.

7.4 Deeds of indemnity and insurance

- (a) Subject to the Scheme becoming Effective, Bidco and the Joint Bidders undertake in favour of Talent2 and each other person who is a Talent2 Indemnified Party that it will:
 - (1) for a period of not less than 7 years from the Implementation Date, ensure that the constitutions of Talent2 and each Talent2 Group Member continue to contain such rules as are contained in those constitutions at the date of this deed which provide to the extent permitted by law for each company to indemnify each of its directors and officers against any liability incurred by that director or officer in his capacity as a director or officer of the company and to any person other than Talent2 or a Related Body Corporate of Talent2; and
 - (2) procure to the extent permitted by law that Talent2 and each Talent2 Group Member complies with any deeds of indemnity, access and insurance made by them in favour of their respective directors and officers from time to time and, without limiting the foregoing, ensure that directors and officers' run-off insurance cover for such directors and officers is maintained for a period of not less than 7 years from the retirement date of each director and officer so long as it is available on commercially reasonable terms.
- (b) The undertakings contained in clause 7.4(a) are subject to any restriction under any relevant law and will be read down accordingly. Talent2 receives and holds the benefit of clause 7.4(a), to the extent it relates to the directors and officers of Talent2 and other members of the Talent2 Group, as trustee for them.

8 Public announcement

8.1 Announcement of transaction

Immediately after the execution of this deed, Talent2, Bidco and the Joint Bidders must issue the public announcement in a form previously agreed to in writing between them.

8.2 Public announcements

Subject to clause 8.3, no public announcement or disclosure regarding the Transaction may be made other than in a form approved by Talent2, Bidco and the Joint Bidders (acting reasonably), but each of them must use all reasonable endeavours to provide such approval as soon as practicable.

8.3 Required disclosure

Where a party is required by applicable law or the Listing Rules to make any announcement or to make any disclosure in connection with the Transaction or any other transaction the subject of this deed or the Scheme or the Option Scheme, it must use reasonable endeavours, to the extent practicable and lawful to consult with the other parties prior to making the relevant disclosure.

9 Confidentiality and standstill

9.1 Confidentiality Deeds and Standstill Deeds

Talent2 and the Joint Bidders acknowledge and agree that they continue to be bound by their respective Confidentiality Deeds and Standstill Deeds before and after the date of this deed.

9.2 Survival of obligations

The rights and obligations of the parties under their respective Confidentiality Deeds and Standstill Deeds survive termination of this deed.

10 No-talk and no-shop obligations

10.1 Prohibition - no shop and no talk arrangements

During the Exclusivity Period, Talent2 must not, and must ensure that each of the Related Persons does not, directly or indirectly:

(a) **(no shop)**

- (1) solicit, invite, encourage or initiate (including by the provision of non-public information) any inquiry, expression of interest, offer, proposal or discussion by any person in relation to, or which would reasonably be expected to encourage or lead to the making of, an actual, proposed or potential Competing Proposal; or
- (2) communicate to any person an intention to do anything referred to in clause 10.1(a)(1); or

(b) **(no talk)** subject to clause 10.4:

- (1) participate in or continue any negotiations or discussions with respect to any inquiry, expression of interest, offer, proposal or discussion by any person to make or which would reasonably be expected to encourage or lead to the making of an actual, proposed or potential Competing Proposal;

- (2) negotiate, accept or enter into, or offer or agree to negotiate, accept or enter into, any agreement, arrangement or understanding regarding an actual, proposed or potential Competing Proposal;
- (3) disclose any non-public information about the business or affairs of Talent2 or its subsidiaries to a Third Party (other than a Government Agency) with a view to obtaining or which would reasonably be expected to encourage or lead to receipt of an actual, proposed or potential Competing Proposal; or
- (4) communicate to any person an intention to do anything referred to in this clause 10.1(b).

10.2 Notification of approaches

During the Exclusivity Period, the IBC must notify the Joint Bidders and Bidco in writing within 2 Business Days of becoming aware of any of the matters set out below, if it, Talent2 or any of its Related Persons becomes aware of any:

- (a) negotiations or discussions, approach or attempt to initiate any negotiations or discussions, or intention to make such an approach or attempt to initiate any negotiations or discussions in respect of any expression of interest, offer or proposal of a kind referred to in clause 10.1 (such notice need not include details of the identity of the party making the expression of interest, offer or proposal and their terms (including price and conditions));
- (b) proposal whether written or otherwise made to Talent2 or any of its Related Persons, in connection with, or in respect of any exploration or consummation of an actual, proposed or potential Competing Proposal, whether unsolicited or otherwise (such notice need not include details of the party making the proposal and the terms of the proposal); and
- (c) provision by Talent2 or any of its Related Persons of any material non-public information relating to Talent2 or its business or operations to any person in connection with or for the purposes of an actual, proposed or potential Competing Proposal.

10.3 Matching Right

- (a) During the Exclusivity Period, Talent2 must not enter into any legally binding agreement to undertake a Competing Proposal and must use its best endeavours to procure that none of the members of the IBC publicly recommend a Competing Proposal unless:
 - (1) the IBC acting in good faith and in order to satisfy what the IBC considers to be its fiduciary or statutory duties (having received written advice from its legal advisers) determines that the Competing Proposal would be a Superior Proposal;
 - (2) Talent2 has provided the Joint Bidders and Bidco with the material terms and conditions of the Competing Proposal (including price and the identity of the person that has proposed the Competing Proposal); and
 - (3) the Joint Bidders have not, within 3 Business Days of the notification under clause 10.3(a)(2), submitted to Talent2 a matching or superior proposal to the terms of the Superior Proposal (including a proposed variation to the terms of the Scheme) (**Revised Joint Bidders Proposal**) which is on terms no less favourable than the Competing Proposal (taking into account, without limitation, the price, form and certainty of consideration to be provided under the Revised Joint Bidders Proposal).

- (b) If the IBC determines in good faith that the Revised Joint Bidders Proposal is on terms no less favourable than the Competing Proposal (taking into account, without limitation, the price, form and certainty of consideration to be provided under the Revised Joint Bidders Proposal), then:
- (1) the parties will use best endeavours to pursue an announcement of the Revised Joint Bidders Proposal as soon as reasonably practicable;
 - (2) if the Revised Joint Bidders Proposal contemplates an amendment to the Scheme or this deed, the parties must enter into a deed amending this deed in relation to the Scheme or in relation to other matters contained in this deed (as the case may be) and reflecting the Revised Joint Bidders Proposal; and
 - (3) Talent2 must not take any of the steps referred to in clause 10.3(a)(1) and 10.3(a)(2).
- (c) Any amendment or modification of a Competing Proposal proposed by a third party that results in IBC determining that the amended or modified Competing Proposal is, or may reasonably be expected to lead to, a Superior Proposal will be deemed to be a new Competing Proposal so that the provisions of this clause 10 will require notification by Talent2 to the Joint Bidders and Bidco of the terms of the amended Competing Proposal and the right of the Joint Bidders to match such amended Competing Proposal but on the basis that, despite clause 10.3(a)(3), the Joint Bidders will have 2 Business Days to submit a revised proposal.

10.4 Fiduciary exception to no talk and notification arrangements

Clause 10.1(b) does not prohibit any action or inaction by Talent2 or any Related Persons in relation to an actual, proposed or potential Competing Proposal, and the obligations in clause 10.2 do not apply, if, in either case, compliance with that clause would, in the opinion of the IBC, formed in good faith after receiving written advice from its legal advisers, constitute, or would be likely to constitute, a breach of any of the fiduciary or statutory duties of the directors, provided that the actual, proposed or potential Competing Proposal was not directly or indirectly brought about by, or facilitated by, a breach of clause 10.1(a).

10.5 Compliance with law

- (a) If it is finally determined by a Court, or the Takeovers Panel, that the agreement by Talent2 under this clause 10 or any part of it:
- (1) constituted, or constitutes, or would constitute, a breach of the fiduciary or statutory duties of the IBC;
 - (2) constituted, or constitutes, or would constitute, unacceptable circumstances within the meaning of the Corporations Act; or
 - (3) was, or is, or would be, unlawful for any other reason,
- then, to that extent (and only to that extent) Talent2 will not be obliged to comply with that provision of clause 10.
- (b) The parties must not make or cause or permit to be made, any application to a Court or the Takeovers Panel for or in relation to a determination referred to in clause 10.5.

10.6 Legal advice

Talent2, MBI and Allegis acknowledge that they each have received legal advice on this deed and the operation of this clause 10.

11 Payment of costs – Reimbursement Fee

11.1 Background

This clause 11 has been agreed to in circumstances where:

- (a) Talent2, Bidco and the Joint Bidders believe the implementation of the Scheme and the Option Scheme will provide significant benefits to the Joint Bidders, Talent2 and their respective securityholders. Talent2, Bidco and the Joint Bidders acknowledge that, if they enter into this deed and the Scheme is subsequently not implemented, Allegis will incur significant costs;
- (b) Allegis requested provision be made for the payments outlined in this clause 11, without which Allegis would not have entered into this deed;
- (c) each of the Allegis board, MBI board and the IBC believe that it is reasonable and appropriate for the parties to agree to the payment referred to in this clause 11 to secure Allegis' entry into this deed and the benefits to Talent2 Shareholders from participation in the Transaction; and
- (d) each party has received legal advice in relation to this deed and the operation of this clause 11.

11.2 Payment of Reimbursement Fee by Talent2

Subject to clause 11.4, Talent2 must pay the Reimbursement Fee to Allegis, without set-off or withholding, if a Competing Proposal is announced prior to the end of the Exclusivity Period and, within one year of such announcement, the relevant Third Party or an Associate of that Third Party:

- (a) completes a Competing Proposal of the kind referred to in paragraph 2, 3 and 4, of the definition of Competing Proposal; or
- (b) (without limiting 11.2(a)), acquires a Relevant Interest in more than 50% of the Talent2 Shares and the Competing Proposal is completed in accordance with its terms.

11.3 Written demand

- (a) If the Reimbursement Fee is payable by Talent2 to Allegis, then Talent2 must pay the Reimbursement Fee to Allegis within 20 Business Days after the date of receiving a written demand from Allegis which contains evidence of the quantum of the costs and expenses referred to in clause 11.4(b).
- (b) The demand for payment of the Reimbursement Fee can only be made after the occurrence of an event referred to in clause 11.2.
- (c) Talent2 is only liable to pay the Reimbursement Fee once.

11.4 Amount of Reimbursement Fee

The Reimbursement Fee payable by Talent2 to Allegis under clause 11.2 is the lesser of:

- (a) \$1,149,000 (exclusive of GST); and

- (b) an amount equal to all of Allegis' (but not MBI's) external costs and expenses paid to a person who is not a member of the Allegis Group (or a director, officer or employee of any member of the Allegis Group) incurred in connection with the negotiation, documentation and finalisation of the Transaction and incurred up to the date on which the event referred to in clause 11.2 occurs including:
 - (1) costs of external professional advisers (other than success fees); and
 - (2) out of pocket expenses.

11.5 Compliance with law

- (a) No amount will be payable by Talent2 under clause 11.2 if the Scheme becomes Effective, despite the occurrence of any event in clause 11.2. To the extent that any amounts have already been paid to Allegis under clause 11.2 and the Scheme becomes Effective, such amounts must immediately be refunded to Talent2.
- (b) This clause 11 does not impose an obligation on Talent2 to pay the Reimbursement Fee to the extent that the obligation to pay the Reimbursement Fee:
 - (1) constitutes unacceptable circumstances as declared by the Takeovers Panel; or
 - (2) is held by a court to be unlawful,after all proper avenues of appeal and review, whether judicial or otherwise, have been exhausted. The parties must take all reasonable steps to ensure that any such determination applies to the minimum extent possible.
- (c) The parties must not make, cause or permit to be made, any application to a court or the Takeovers Panel for or in relation to a determination referred to in clause 11.5(b).

11.6 Other claims

Where an amount becomes payable to Allegis under clause 11.2 and is actually paid to Allegis (or is payable, but no demand is made under clause 11.2), Allegis cannot make any claim (other than a claim under this clause 11) against any of the Talent2 Indemnified Parties which directly or indirectly relates to the facts, matters, circumstances, events or occurrences which gave rise to the obligation to make the payment to Allegis under clause 11.2.

12 Termination

12.1 Termination

- (a) **(Termination by Talent2)** Without prejudice to any other rights of termination under this deed, Talent2 may terminate this deed by written notice to Bidco and the Joint Bidders at any time before 8.00am on the Second Court Date:
 - (1) other than in respect of a breach of a Joint Bidder Representation and Warranty (which are addressed in clause 12.2), if either Joint Bidder or Bidco has materially breached this deed, Talent2 has given written notice to Bidco and the Joint Bidders in a timely manner setting out the relevant circumstances and stating an intention to terminate this deed, and the relevant circumstances continue to exist 10 Business

Days (or any shorter period ending at 5.00pm on the day before the Second Court Date) after the date on which the notice is given;

- (2) if either a Joint Bidder or Bidco or any of their respective subsidiaries in the corporate chain between the relevant Joint Bidder and Bidco or any other material member of the Allegis Group or any member of the MBI Group, is or becomes Insolvent; or
 - (3) if the IBC or a majority of the members of the IBC has changed, withdrawn or modified its recommendation of the Scheme as permitted under clause 5.4.
- (b) **(Termination by either Bidco, Talent2 or a Joint Bidder)** Without prejudice to any other rights of termination under this deed, Bidco, a Joint Bidder or Talent2 may terminate this deed by written notice to the other parties:
- (1) at any time before 8.00am on the Second Court Date, if a Court or Government Agency has taken any action permanently restraining or otherwise prohibiting the Transaction, or has refused to do any thing necessary to permit the Transaction, and the action or refusal has become final and cannot be appealed; or
 - (2) in the circumstances set out in, and in accordance with, clause 3.4.
- (c) **(Termination by Bidco or a Joint Bidder)** Without prejudice to any other rights of termination under this deed, Bidco or a Joint Bidder may terminate this deed by written notice to Talent2 at any time before 8.00am on the Second Court Date:
- (1) if there is a Talent2 Material Adverse Change;
 - (2) if Talent2 has materially breached this deed, Bidco or a Joint Bidder has given written notice to Talent2 in a timely manner setting out the relevant circumstances and stating an intention to terminate this deed, and the relevant circumstances continue to exist 10 Business Days (or any shorter period ending at 5.00pm on the day before the Second Court Date) after the date on which the notice is given;
 - (3) if the IBC or a majority of the members of the IBC has changed, withdrawn or modified its recommendation of the Scheme or recommends a Competing Proposal in each case as permitted under clause 5.4; or
 - (4) a member of the IBC has changed, withdrawn or modified its recommendation of the Scheme in such a way as would reasonably be likely to adversely affect the prospects of success of the Scheme or recommended a Competing Proposal in a manner not permitted under clause 5.4.

12.2 Breach of representations and warranties

Without prejudice to any other rights of termination under this deed, at any time before 8.00am on the Second Court Date, Talent2 may terminate this deed by written notice to Bidco for a material breach of a Joint Bidder Representation and Warranty, by either of the Joint Bidders or Bidco only if:

- (a) Talent2 has given written notice to Bidco setting out the relevant circumstances and stating an intention to terminate; and
- (b) the relevant breach continues to exist 5 Business Days (or any shorter period ending at 5.00pm on the Business Day before the Second Court Date) from the time the notice is given under clause 12.2(a).

12.3 Effect of termination

If this deed is terminated by either Bidco, a Joint Bidder or Talent2 under clauses 3.4(b), 12.1 or 12.2, except to the extent that the termination results from a breach by either such party of its obligations under this deed, this deed will become void and have no further force or effect, without any liability or obligation on the part of any party, other than in relation to rights and obligations that accrued prior to termination and other than in relation to the provisions of this clause 12 and of clauses 1, 6.6 to 6.8, 7, 9, 11, 13, 15, 16.2, 16.4, 16.5, 16.6, 16.9 and 16.11 which will remain in force after termination.

12.4 Termination

Where Bidco, a Joint Bidder or Talent2 has a right to terminate this deed, that right for all purposes will be validly exercised only if Bidco, a Joint Bidder or Talent2 (as the case may be) delivers a notice in writing to Talent2, Bidco and the Joint Bidders (as the case may be) stating that it terminates this deed and the provision under which it is terminating the deed.

12.5 Terminable in writing

This deed is terminable if agreed to in writing by Talent2, Bidco and the Joint Bidders.

13 Guarantee by Joint Bidders

13.1 Guarantee and indemnity

The Joint Bidders each:

- (a) unconditionally and irrevocably guarantees to Talent2 (in its own right and separately as trustee or nominee for each of the other Talent2 Indemnified Parties) on demand, the due and punctual performance of Bidco's obligations under this deed or under the Deed Poll or the Option Scheme Deed Poll; and
- (b) as a separate and additional joint and several liability, indemnifies the IBC and each member of the IBC against all loss, actions, proceedings and judgments of any nature, incurred by, brought, made or recovered against Talent2 arising from any default or delay in the due and punctual performance of Bidco's obligations under this deed or under the Deed Poll or the Option Scheme Deed Poll.

13.2 Extent of guarantee and indemnity

The liability of the Joint Bidders under this clause 13 is not affected by anything which, but for this clause 13 might operate to release or exonerate any of the Joint Bidders in whole or in part from its obligations including any of the following, whether with or without the consent of the Joint Bidders:

- (a) the grant to Bidco, the Joint Bidders or any other person of any time, waiver or other indulgence, or the discharge or release of Bidco, the Joint Bidders or any other person from any liability or obligation;
- (b) any transaction or arrangement that may take place between Bidco, the Joint Bidders, Talent2 or any other person;
- (c) Talent2 exercising or refraining from exercising its rights under any security or any other rights, powers or remedies against Bidco, the Joint Bidders or any other person;

- (d) the amendment, replacement, extinguishment, unenforceability, failure, loss, release, discharge, abandonment or transfer either in whole or in part and either with or without consideration, of any security now or in the future held by Talent2 from Bidco, the Joint Bidders or any other person or by the taking of or failure to take any security;
- (e) the failure or omission or any delay by Talent2 to give notice to the Joint Bidders of any default by Bidco under this deed; and
- (f) any legal limitation, disability, incapacity or other circumstances related to Bidco, the Joint Bidders or any other person.

13.3 Principal and independent obligation

This clause 13 is a principal obligation and is not to be treated as ancillary or collateral to any other right or obligation and extends to cover this deed as amended, varied, supplemented, renewed or replaced.

13.4 Continuing guarantee and indemnity

This clause 13 is a continuing obligation of the Joint Bidders and remains in full force and effect for so long as Bidco has any liability or obligation to Talent2 under this deed and until all of those liabilities or obligations have been fully discharged.

13.5 No withholdings

- (a) The Joint Bidders must make all payments that become due under this clause 13, free and clear and without deduction of all present and future withholdings (including taxes, duties, levies, imposts, deductions and charges of Australia or any other jurisdiction).
- (b) If either of the Joint Bidders is compelled by law to deduct any withholding, then in addition to any payment due under this clause 13, it must pay to Talent2 such amount as is necessary to ensure that the net amount received by Talent2 after withholding equals the amount Talent2 would otherwise have been entitled to if not for the withholding.

13.6 Currency

The Joint Bidders must pay all moneys that it becomes liable to pay under this clause 13 in the currency in which they are payable under this deed and free of any commissions and expenses relating to foreign currency conversion or any other charges or expenses.

13.7 No set off

The Joint Bidders have no right to set off, deduct or withhold any moneys that it may be or become liable to pay under this clause 13, against any moneys that Talent2 may be, or become, liable to pay to the Joint Bidders whether under this deed or otherwise.

13.8 Joint Bidders' Liability

The Joint Bidders' liability in respect of any claim shall not exceed Bidco's liability in respect of that claim.

14 Duty, costs and expenses

14.1 Stamp duty

Bidco must pay all stamp duties and any fines and penalties with respect to stamp duty in respect of this deed, the Scheme or the Option Scheme or the steps to be taken under this deed or the Scheme or the Option Scheme.

14.2 Costs and expenses

Except as otherwise provided in this deed, each party must pay its own costs and expenses in connection with the negotiation, preparation, execution and performance of this deed and the proposed, attempted or actual implementation of this deed and the Transaction.

15 GST

- (a) Any consideration or amount payable under this deed, including any non-monetary consideration (as reduced in accordance with clause 15(e) if required) (**Consideration**) is exclusive of GST.
- (b) If GST is or becomes payable on a Supply made under or in connection with this deed, an additional amount (**Additional Amount**) is payable by the party providing consideration for the Supply (**Recipient**) equal to the amount of GST payable on that Supply as calculated by the party making the Supply (**Supplier**) in accordance with the GST Law.
- (c) The Additional Amount payable under clause 15(b) is payable at the same time and in the same manner as the Consideration for the Supply, and the Supplier must provide the Recipient with a Tax Invoice. However, the Additional Amount is only payable on receipt of a valid Tax Invoice.
- (d) If for any reason (including the occurrence of an Adjustment Event) the amount of GST payable on a Supply (taking into account any Decreasing or Increasing Adjustments in relation to the Supply) varies from the Additional Amount payable by the Recipient under clause 15(b):
 - (1) the Supplier must provide a refund or credit to the Recipient, or the Recipient must pay a further amount to the Supplier, as appropriate;
 - (2) the refund, credit or further amount (as the case may be) will be calculated by the Supplier in accordance with the GST Law; and
 - (3) the Supplier must notify the Recipient of the refund, credit or further amount within 14 days after becoming aware of the variation to the amount of GST payable. Any refund or credit must accompany such notification or the Recipient must pay any further amount within 7 days after receiving such notification, as appropriate. If there is an Adjustment Event in relation to the Supply, the requirement for the Supplier to notify the Recipient will be satisfied by the Supplier issuing to the Recipient an Adjustment Note within 14 days after becoming aware of the occurrence of the Adjustment Event.
- (e) Despite any other provision in this deed:
 - (1) if an amount payable under or in connection with this deed (whether by way of reimbursement, indemnity or otherwise) is calculated by reference to an amount incurred by a party, whether by way of cost, expense, outlay, disbursement or otherwise (**Amount Incurred**), the

amount payable must be reduced by the amount of any Input Tax Credit to which that party is entitled in respect of that Amount Incurred; and

- (2) no Additional Amount is payable under clause 15(b) in respect of a Supply to which s 84-5 of the GST Law applies.
- (f) Any reference in this clause 15 to an Input Tax Credit to which a party is entitled includes an Input Tax Credit arising from a Creditable Acquisition by that party but to which the Representative Member of a GST Group of which the party is a member is entitled.
- (g) Any term starting with a capital letter in this clause 15 that is not defined in this deed has the same meaning as the term has in the *A New Tax System (Goods & Services Tax) Act 1999 (Cth)*.

16 General

16.1 No representation or reliance

- (a) Each party acknowledges that no party (nor any person acting on its behalf) has made any representation or other inducement to it to enter into this deed, except for representations or inducements expressly set out in this deed and (to the maximum extent permitted by law) all other representations, warranties and conditions implied by statute or otherwise in relation to any matter relating to this deed, the circumstances surrounding the parties' entry into it and the transactions contemplated by it are expressly excluded.
- (b) Each party acknowledges that it has performed its own searches, enquiries, investigations and evaluations prior to entering into this deed and has formed its own views on the Transaction, with no targets, projections, forecasts or other forward looking statements having been relied on by that party.
- (c) Each party acknowledges and confirms that it does not enter into this deed in reliance on any representation or other inducement by or on behalf of any other party, except for any representation or inducement expressly set out in this deed.
- (d) Each party acknowledges and confirms that clauses 16.1(a), 16.1(b) and 16.1(c) do not prejudice any rights a party may have in relation to information which has been filed by a party with ASIC or ASX.

16.2 No merger

The rights and obligations of the parties do not merge on completion of the Transaction. They survive the execution and delivery of any assignment or other document entered into for the purpose of implementing the Transaction.

16.3 Consents

Any consent referred to in, or required under, this deed from any party may be given in that party's absolute discretion (even if unreasonably withheld), unless this deed expressly provides for that consent to not be unreasonably withheld.

16.4 Notices

A notice or other communication including, but not limited to, a request, demand, consent or approval, to or by a party to this deed:

- (a) must be in legible writing and in English;
- (b) may be delivered personally to the addressee, or left or sent by prepaid post to the addressee's address, or faxed to the addressee's fax number, or emailed to the addressee's email address, given below:

(1) **if to Talent2:**

Address: Level 4, 77 Pacific Highway, North Sydney, NSW 2060, Australia

Attention: Ken Borda and David Patteson

Fax: +61 2 9087 6300

Email: ken.borda@talent2.com / david.patteson@talent2.com

With a copy to Freehills:

Address: Level 32, MLC Centre 19 Martin Place, Sydney, NSW 2000, Australia

Attention: Andrew Rich and Ben Jones

Fax: +61 2 9322 4000

Email: andrew.rich@freehills.com / ben.jones@freehills.com

(2) **if to Bidco:**

Address: Suite 1, Level 1, 207 Ben Boyd Road, Neutral Bay, NSW 2089, Australia

Attention: Andrew Banks and Geoff Morgan

Fax: +61 2 8969 7770

Email: andrew.banks@talent2.com / geoff.morgan@talent2.com

With a copy to Watson Mangioni:

Address: Level 13, 50 Carrington Street, Sydney, NSW 2000, Australia

Attention: Michael Beaumont and Peter Velez

Fax: +61 2 9262 2626

Email: mbeaumont@wmlaw.com.au / pvelez@wmlaw.com.au

With a copy to DLA Piper:

Address: Level 38, 201 Elizabeth Street, Sydney, NSW 2000

Attention: David Morris and Lyndon Masters

Fax: +61 2 9283 4144

Email: david.p.morris@dlapiper.com / lyndon.masters@dlapiper.com

(3) **if to MBI:**

Address: Suite 1, Level 1, 207 Ben Boyd Road, Neutral Bay, NSW 2089, Australia

Attention: Andrew Banks and Geoff Morgan

Fax: +61 2 8969 7770

Email: andrew.banks@talent2.com / geoff.morgan@talent2.com

With a copy to Watson Mangioni:

Address: Level 13, 50 Carrington Street, Sydney, NSW 2000, Australia

Attention: Michael Beaumont and Peter Velez

Fax: +61 2 9262 2626

Email: mbeaumont@wmlaw.com.au / pvelez@wmlaw.com.au

(4) if to Allegis:

Address: 7301 Parkway Drive, Hanover, MD, 21076, United States of America

Attention: Randall D. Sones and Richard D. Moore

Fax: +1 410 579 3136

Email: rsones@allegisgroup.com / rmoore@allegisgroup.com

With a copy to DLA Piper:

Address: Level 38, 201 Elizabeth Street, Sydney, NSW 2000

Attention: David Morris and Lyndon Masters

Fax: +61 2 9283 4144

Email: david.p.morris@dlapiper.com / lyndon.masters@dlapiper.com

or as specified to the sender by the other party by notice;

- (c) must, if the sender is a company, be signed by an authorised signatory or legal adviser;
- (d) is regarded as being given by the sender and received by the addressee if delivered in person, when delivered to the addressee but if the delivery or receipt is on a day which is not a Business Day or is after 5.00pm (addressee's time), it is regarded as received at 9.00am on the next Business Day;
- (e) if sent by prepaid ordinary post (airmail if appropriate), is regarded as being sent by the sender and received by the addressee when sent by the sender to the addressee's address set out in clause 16.4(b) three days after posting (or seven days after posting if sent from one country to another) but if the delivery or receipt is on a day which is not a Business Day or is after 5.00pm (addressee's time), it is regarded as received at 9.00am on the next Business Day; and
- (f) if sent by email, is regarded as being sent by the sender and received by the addressee when sent by the sender to the addressee's email address (unless the sender receives a delivery failure notification indicating that the email has not been delivered to the addressee).

16.5 Service of process

- (a) Without preventing any other mode of service, any document in an action (including any writ of summons or other originating process or any third or other party notice) may be served on any party by being delivered to or left for that party at its address for service of notices under clause 16.4.
- (b) Allegis irrevocably appoints DLA Piper, at the address specified in clause 16.4 as its agent for the service of process in Australia in relation to any matter arising out of this deed. If DLA Piper ceases to be able to act as such or have an address in Australia, Allegis agrees to appoint a new process agent in Australia and deliver to Talent2 within 5 Business Days a copy of a written acceptance of appointment by the process agent, upon receipt of which the new appointment becomes effective for the purpose of this deed. Allegis must inform Talent2 in writing of any change in the address of its process agent within 5 Business Days of the change.

16.6 Governing law and jurisdiction

- (a) This deed is governed by the laws of New South Wales, Australia.
- (b) Each party irrevocably submits to the non-exclusive jurisdiction of the courts of New South Wales and courts competent to hear appeals from those courts.

16.7 Waivers

- (a) Failure to exercise or enforce, a delay in exercising or enforcing, or the partial exercise or enforcement of any right, power or remedy provided by law or under this deed by any party does not in any way preclude, or operate as a waiver of, any exercise or enforcement, or further exercise or enforcement, of that or any other right, power or remedy provided by law or under this deed.
- (b) Any waiver or consent given by any party under this deed is only effective and binding on that party if it is given or confirmed in writing by that party.
- (c) No waiver of a breach of any term of this deed operates as a waiver of another breach of that term or of a breach of any other term of this deed.

16.8 Variation

This deed may only be varied by a document signed by or on behalf of each of the parties.

16.9 Assignment

A party may not assign, novate or otherwise transfer any of its rights or obligations under this deed without the prior written consent of the other parties.

16.10 Acknowledgement

Each party acknowledges that the remedy of damages may be inadequate to protect the interests of the parties for a breach of any provision of this deed and that:

- (a) Bidco and each Joint Bidder is entitled to seek and obtain without limitation injunctive relief if Talent2 breaches any provision of this deed; and
- (b) Talent2 is entitled to seek and obtain without limitation injunctive relief if Bidco or any of the Joint Bidders breaches any provision of this deed.

16.11 No third party beneficiary

This deed shall be binding on and inure solely to the benefit of each party to it and each of their respective permitted successors and assigns, and nothing in this deed, express or implied, is intended to or shall confer on any other person, other than the Joint Bidder Indemnified Parties and the Talent2 Indemnified Parties (including, for the avoidance of doubt, each member of the IBC), to the extent set forth in clause 6 and clause 7, any third party beneficiary rights.

16.12 Further action

Each party will do all things and execute all further documents necessary to give full effect to this deed.

16.13 Entire agreement

This deed supersedes all previous agreements, understandings, negotiations or deeds (other than the Confidentiality Deeds and Standstill Deeds) in respect of its subject matter and embodies the entire agreement between the parties.

16.14 Counterparts

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

Schedules

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Schedule 1

Joint Bidder Representations and Warranties

Part A - Allegis Representations and Warranties

Allegis represents and warrants to Talent2 (in its own right and separately as trustee or nominee for each of the other Talent2 Indemnified Parties) that:

- (a) **Joint Bidders Information:** the Joint Bidders Information to the extent it relates to the Allegis Group (other than any information provided by Talent2 to the Joint Bidders or obtained from Talent2 public filings on ASX regarding the Talent2 Group contained in, or used in the preparation of, the Joint Bidders Information) contained in the Scheme Booklet:
 - (1) will be prepared and included in the Scheme Booklet in good faith; and
 - (2) will comply in all material respects with the requirements of the Corporations Act, Corporations Regulations, Listing Rules and relevant ASIC regulatory guides;
- (b) **Information provided to the Independent Expert:** all information provided by Allegis to the Independent Expert will be provided in good faith and on the understanding that the Independent Expert will rely on that information for the purposes of preparing its report for inclusion in the Scheme Booklet;
- (c) **Scheme Booklet:** the Joint Bidders Information to the extent it relates to the Allegis Group provided for inclusion in the Scheme Booklet (other than any information regarding the Talent2 Group contained in, or used in the preparation of, the Joint Bidders Information), as at the date of the Scheme Booklet, will not contain any statement which is materially misleading or deceptive including by way of omission from that statement;
- (d) **Allegis shareholding:** as at the date of this deed, neither Allegis nor any Associate has a Relevant Interest in any Talent2 Shares, other than a Relevant Interest in the Talent2 Shares owned or controlled by MBI as at the date of this deed;
- (e) **New information:** it will, as a continuing obligation, provide to Talent2 all further or new information which arises after the date of the Scheme Booklet until the Second Court Date which is necessary to ensure that the Joint Bidders Information to the extent it relates to the Allegis Group is not misleading or deceptive in any material respect (including because of any material omission);
- (f) **Validly existing:** it is a validly existing corporation registered under the laws of its place of incorporation;
- (g) **Authority:** the execution and delivery of this deed has been properly authorised by all necessary corporate action of Allegis;
- (h) **Scheme Consideration:** it has a reasonable basis to expect that it will have the necessary funds to provide to Bidco to ensure that Bidco will by the Business Day prior to the Implementation Date have funds on the Business Day prior to the Implementation Date sufficient to perform its obligation, if the Scheme becomes Effective, to satisfy its payment obligations under the Scheme Deed Poll and the Option Scheme Deed Poll;
- (i) **Power:** it has full corporate power and lawful authority to execute, deliver and perform this deed and to consummate and perform or cause to be performed its obligations under this deed in accordance with its terms;

- (j) **Binding obligations:** (subject to laws generally affecting creditors' rights and the principles of equity) this deed constitutes legal, valid and binding obligations on it;
- (k) **Consents:** subject to the terms of or as set out in this deed, no member of the Allegis Group requires any consent, approval or waiver from a third party to enter into and complete the Transaction;
- (l) **No awareness:** as at the date of this deed, it is not aware of the existence of:
 - (1) a Talent2 Prescribed Occurrence;
 - (2) a Talent2 Material Adverse Change;
 - (3) a breach by Talent2 of any of its obligations under this deed;
 - (4) it having a termination right under this deed; or
 - (5) any of the conditions precedent in clause 3.1 being or becoming incapable of satisfaction; and
- (m) **No default:** this deed does not conflict with or result in the breach of or a default under any provision of its constitution or any writ, order or injunction, judgment, law, rule or regulation to which it is party or subject or by which it is bound.

Part B - MBI Representations and Warranties

MBI represents and warrants to Talent2 (in its own right and separately as trustee or nominee for each of the other Talent2 Indemnified Parties) that:

- (a) **Joint Bidders Information:** the Joint Bidders Information to the extent it relates to the MBI Group (other than any information provided by Talent2 to the Joint Bidders or obtained from Talent2 public filings on ASX regarding the Talent2 Group contained in, or used in the preparation of, the Joint Bidders Information) contained in the Scheme Booklet:
 - (1) will be prepared and included in the Scheme Booklet in good faith; and
 - (2) will comply in all material respects with the requirements of the Corporations Act, Corporations Regulations, Listing Rules and relevant ASIC regulatory guides;
- (b) **Information provided to the Independent Expert:** all information provided by MBI to the Independent Expert will be provided in good faith and on the understanding that the Independent Expert will rely on that information for the purposes of preparing its report for inclusion in the Scheme Booklet;
- (c) **Scheme Booklet:** the Joint Bidders Information to the extent it relates to the MBI Group provided for inclusion in the Scheme Booklet (other than any information regarding the Talent2 Group contained in, or used in the preparation of, the Joint Bidders Information), as at the date of the Scheme Booklet, will not contain any statement which is materially misleading or deceptive including by way of omission from that statement;
- (d) **MBI shareholding:** neither MBI nor any Associate has a Relevant Interest in any Talent2 Shares, other than a Relevant Interest in 32,105,226 which Talent2 Shares are owned or controlled by MBI or its Associates as at the date of this deed;
- (e) **New information:** it will, as a continuing obligation, provide to Talent2 all further or new information which arises after the date of the Scheme Booklet until the Second Court Date which is necessary to ensure that the Joint Bidders Information to the extent it relates to the MBI Group is not misleading or deceptive in any material respect (including because of any material omission);

- (f) **Validly existing:** it is a validly existing corporation registered under the laws of its place of incorporation;
- (g) **Authority:** the execution and delivery of this deed has been properly authorised by all necessary corporate action of MBI;
- (h) **Scheme Consideration:** it has a reasonable basis to expect that it will have the necessary funds to provide to Bidco to ensure that Bidco will by the Business Day prior to the Implementation Date have funds on the Business Day prior to the Implementation Date sufficient to perform its obligation, if the Scheme becomes Effective, to satisfy its payment obligations under the Scheme Deed Poll and the Option Scheme Deed Poll;
- (i) **Power:** it has full corporate power and lawful authority to execute, deliver and perform this deed and to consummate and perform or cause to be performed its obligations under this deed in accordance with its terms;
- (j) **Binding obligations:** (subject to laws generally affecting creditors' rights and the principles of equity) this deed constitutes legal, valid and binding obligations on it;
- (k) **Consents:** subject to the terms of or as set out in this deed, no member of the MBI Group requires any consent, approval or waiver from a third party to enter into and complete the Transaction;
- (l) **No awareness:** as at the date of this deed, it is not aware of the existence of:
 - (1) a Talent2 Prescribed Occurrence;
 - (2) a Talent2 Material Adverse Change;
 - (3) a breach by Talent2 of any of its obligations under this deed;
 - (4) it having a termination right under this deed; or
 - (5) any of the conditions precedent in clause 3.1 not being satisfied or being or becoming incapable of satisfaction; and
- (m) **No default:** this deed does not conflict with or result in the breach of or a default under any provision of its constitution or any writ, order or injunction, judgment, law, rule or regulation to which it is party or subject or by which it is bound.

Part C - Bidco Representations and Warranties

Bidco and the Joint Bidders represent and warrant to Talent2 (in its own right and separately as trustee or nominee for each of the other Talent2 Indemnified Parties) that:

- (a) **Joint Bidders Information:** the Joint Bidders Information to the extent not warranted under paragraph (a) of Part A and Part B of this Schedule (**Bidco Information**) (other than any information provided by Talent2 to the Joint Bidders or obtained from Talent2 public filings on ASX regarding the Talent2 Group contained in, or used in the preparation of, the Joint Bidders Information) contained in the Scheme Booklet:
 - (1) will be prepared and included in the Scheme Booklet in good faith; and
 - (2) will comply in all material respects with the requirements of the Corporations Act, Corporations Regulations, Listing Rules and relevant ASIC regulatory guides;
- (b) **Information provided to the Independent Expert:** all information provided by Bidco to the Independent Expert will be provided in good faith and on the understanding that the Independent Expert will rely on that information for the purposes of preparing its report for inclusion in the Scheme Booklet;

- (c) **Scheme Booklet:** the Bidco Information provided for inclusion in the Scheme Booklet (other than any information regarding the Talent2 Group contained in, or used in the preparation of, the Joint Bidders Information), as at the date of the Scheme Booklet, will not contain any statement which is materially misleading or deceptive including by way of omission from that statement;
- (d) **New information:** they will, as a continuing obligation, provide to Talent2 all further or new information which arises after the date of the Scheme Booklet until the Second Court Date which is necessary to ensure that the information on Bidco is not misleading or deceptive in any material respect (including because of any material omission);
- (e) **Validly existing:** Bidco is a validly existing corporation registered under the laws of its place of incorporation;
- (f) **Bidco:** as at the date of this deed, Bidco is a wholly owned subsidiary of MBI. If the Scheme becomes Effective, it will be 50% owned by Allegis and 50% owned by MBI. In addition, it has the corporate power to carry out the Transaction contemplated in this deed;
- (g) **Authority:** the execution and delivery of this deed has been properly authorised by all necessary corporate action of Bidco;
- (h) **Scheme Consideration:** it has a reasonable basis to expect that Bidco will by the Business Day prior to the Implementation Date have funds on the Business Day prior to the Implementation Date sufficient to perform its obligation, if the Scheme becomes Effective, to satisfy its payment obligations under the Scheme Deed Poll and the Option Scheme Deed Poll;
- (i) **Power:** Bidco has full corporate power and lawful authority to execute, deliver and perform this deed and to consummate and perform or cause to be performed its obligations under this deed in accordance with its terms;
- (j) **Binding obligations:** (subject to laws generally affecting creditors' rights and the principles of equity) this deed constitutes legal, valid and binding obligations on Bidco;
- (k) **Consents:** subject to the terms of or as set out in this deed, neither Bidco nor any of its Related Bodies Corporate requires any consent, approval or waiver from a third party to enter into and complete the Transaction;
- (l) **No awareness:** as at the date of this deed, it is not aware of the existence of:
 - (1) a Talent2 Prescribed Occurrence;
 - (2) a Talent2 Material Adverse Change;
 - (3) a breach by Talent2 of any of its obligations under this deed;
 - (4) it having a termination right under this deed; or
 - (5) any of the conditions precedent in clause 3.1 being or becoming incapable of satisfaction; and
- (m) **No default:** this deed does not conflict with or result in the breach of or a default under any provision of Bidco's constitution or any writ, order or injunction, judgment, law, rule or regulation to which it is party or subject or by which Bidco is bound.

Schedule 2

Talent2 Representations and Warranties

Talent2 represents and warrants to Bidco (in its own right and separately as trustee or nominee for each of the other Joint Bidder Indemnified Parties) that:

- (a) **Information in Scheme Booklet:** the information contained in the Scheme Booklet (other than the Joint Bidders Information and the Independent Expert's Report):
 - (1) will be prepared and included in the Scheme Booklet in good faith; and
 - (2) will comply in all material respects with the requirements of the Corporations Act, Corporations Regulations, Listing Rules and ASIC Regulatory Guide 60;
- (b) **Information provided to the Independent Expert:** all information provided by Talent2 to the Independent Expert will be provided in good faith and on the understanding that the Independent Expert will rely on that information for the purpose of preparing its report for inclusion in the Scheme Booklet;
- (c) **Scheme Booklet:** no information (other than the Joint Bidders Information and the Independent Expert's Report) contained in the Scheme Booklet, as at the date of the Scheme Booklet, will contain any statement which is materially misleading or deceptive, including by way of omission from that statement;
- (d) **New information:** it will, as a continuing obligation, ensure that the Scheme Booklet (but in respect of Joint Bidders Information, subject to the Joint Bidders complying with its obligations to update the Joint Bidders Information) will be updated by all further or new information which may arise after the date of the Scheme Booklet until the Scheme Meeting which is necessary to ensure that the Scheme Booklet is not misleading or deceptive in any material respect (including because of any material omission) and will provide Bidco with all such information;
- (e) **Conduct of business:** Talent2 has complied with clause 5.3 in relation to the conduct of the businesses of the Talent2 Group;
- (f) **Continuous disclosure:** Talent2 is not in breach of its continuous disclosure obligations under Listing Rule 3.1 and, other than in connection with this Transaction, it is not relying on the carve-out in Listing Rule 3.1A to withhold any information from public disclosure;
- (g) **Untrue statements:** Talent2 and the Talent2 Group have not filed any document with ASX or ASIC which contain a statement which was incorrect or misleading in a material particular or from which there was a material omission;
- (h) **Validly existing:** it and each member of the Talent2 Group is a validly existing corporation registered under the laws of its place of incorporation;
- (i) **Authority:** the execution and delivery of this deed has been properly authorised by all necessary corporate action of Talent2;
- (j) **Power:** Talent2 has full corporate power and lawful authority to execute and deliver this deed and to consummate and perform or cause to be performed its obligations under this deed in accordance with its terms;

- (k) **Binding obligations:** (subject to laws generally affecting creditors' rights and the principles of equity) this deed constitutes legal, valid and binding obligations on it;
- (l) **Capital structure:** its capital structure (including all issued securities) as at the date of this deed, is as set out in Schedule 3 and, as at the date of this deed, it has not issued or agreed to issue any other securities, options, performance rights or instruments which are still outstanding or which may convert into Talent2 Shares other than as set out in Schedule 3;
- (m) **Information:** if, after the date of this deed, Talent2 has provided material non-public written information about the Talent2 Group to a third party in reliance on clause 10.2 and that information was not disclosed to Bidco and the Joint Bidders, prior to the date of this deed, that information has been made available to Bidco and the Joint Bidders;
- (n) **No default:** this deed does not conflict with or result in the breach of or default under any provision of Talent2's constitution or any writ, order or injunction, judgment, law, rule or regulation to which it is party or subject or by which it is bound;
- (o) **Compliance:** each member of the Talent2 Group has complied in all material respects with all laws and regulations applicable to them and orders of Governmental Agencies having jurisdiction over them;
- (p) **No breach or acceleration:** neither the execution or performance by it of this deed nor any transaction contemplated under this deed will breach or accelerate the obligations of it or of any member of the Talent2 Group under a material provision of any Material Contract;
- (q) **IBC's recommendation:** each director constituting the IBC has communicated to Talent2 that they each intend (in the absence of a Superior Proposal and subject to the Independent Expert concluding that the Scheme is in the best interests of Talent2 Shareholders) to vote the Shares they control in favour of the Scheme and the Talent2 EGM Resolutions in the absence of a Superior Proposal and, so far as Talent2 is aware, they have not changed their intention;
- (r) **Talent2 Disclosure Materials:**
 - (1) as at the date of this deed, none of the information comprising the Talent2 Disclosure Materials is materially inaccurate or misleading or deceptive (including because of any material omissions) in any material respect; and
 - (2) the Talent2 Disclosure Materials has been collated with all reasonable care and skill;
- (s) **Consents:** subject to the terms of or as set out in this deed, no member of the Talent2 Group requires any consent, approval or waiver from a third party to enter into and complete the Transaction;
- (t) **No default:** to the knowledge of Andrew Banks, John Rawlinson, Martin Brooke and David Patteson, as at the date of this deed, no member of the Talent2 Group is in material breach under any Material Contract, nor, as at the date of this deed, has any member of the Talent2 Group done anything that would give a counterparty to any Material Contract a termination right; and
- (u) **No Competing Proposal:** as at the date of this deed, Talent2 it is not in negotiations or discussions in respect of a Competing Proposal.

Schedule 3

Talent2 capital structure

- Ordinary shares on issue: 147,403,701
- Talent2 options as follows:

Parcel	ASX Code	Expiry Date	Exercise price	Number of Talent2 options in this series*	Vested Talent2 options	Non Vested Talent2 options
X	TWOAE	30 June 2012	\$ 1.57	120,000	120,000	-
A	TWOAG	8 August 2012	\$ 3.01	546,000	546,000	-
B	TWOAH	10 September 2013	\$ 2.93	655,200	153,800	501,400
D	TWOAL	20 February 2013	\$ 2.25	49,000	49,000	-
E	TWOAI	23 April 2013	\$ 1.78	10,000	10,000	-
F	TWOAM	13 August 2013	\$ 1.25	10,000	7,500	2,500
G	TWOAM	30 June 2012	\$ 1.50	80,000	80,000	-
H	TWOAM	22 October 2013	\$ 1.04	1,877,150	1,336,362	540,788
J	TWOAM	18 February 2014	\$ 0.63	56,000	42,000	14,000
K	TWOAM	20 April 2014	\$ 0.55	20,000	15,000	5,000
L	TWOAM	3 June 2014	\$ 0.68	3,424,500	1,588,500	1,836,000
N	TWOAM	21 October 2014	\$ 1.45	30,000	15,000	15,000
O	TWOAM	8 January 2015	\$ 1.42	275,000	137,500	137,500
P	TWOAM	15 February 2015	\$ 1.33	100,000	50,000	50,000
Q	TWOAM	21 April 2015	\$ 1.46	50,000	25,000	25,000
R	TWOAM	16 June 2015	\$ 1.41	20,000	5,000	15,000

A2	TWOAM	1 July 2015	\$ 1.42	50,000	12,500	37,500
B2	TWOAM	13 September 2015	\$ 1.45	165,000	41,250	123,750
C2	TWOAM	20 October 2015	\$ 1.51	10,000	2,500	7,500
D2	TWOAM	15 December 2015	\$ 1.48	25,000	6,250	18,750
E2	TWOAM	4 February 2016	\$ 1.53	75,000	18,750	56,250
F2	TWOAM	11 May 2016	\$ 1.67	75,000	18,750	56,250
G2	TWOAM	5 August 2016	\$ 1.38	165,000	-	165,000
H2	TWOAM	5 August 2016	\$ 1.38	100,000	-	100,000
I2	TWOAM	26 October 2016	\$ 1.17	1,085,000	-	1,085,000
J2	TWOAM	16 December 2016	\$ 1.01	70,000	-	70,000
K2	TWOAM	2 February 2017	\$ 0.52	600,000	-	600,000

* Includes vested and unvested Talent2 options.

- Talent2 performance rights as follows:

Grant date	Plan type	Unvested	Vesting date
10 September 2007	Talent2 Long Term Incentive Plan (2007 LTI Plan)	474,433	1 August 2012
13 February 2009	2007 LTI Plan	186,000	<ul style="list-style-type: none"> 1 August 2012 (43,500) 1 August 2013 (62,500) 1 August 2014 (80,000)
9 December 2009	2007 LTI Plan	250,000	<ul style="list-style-type: none"> 1 August 2013 (62,500) 1 August 2014 (87,500) 1 August 2015 (100,000)
1 July 2010	2007 LTI Plan	25,000	1 August 2013

Grant date	Plan type	Unvested	Vesting date
8 November 2010	Talent2 Long Term Incentive Plan as amended and restated 16 June 2010 (2010 LTI Plan)	1,201,250	1 November 2013
1 March 2011	2010 LTI Plan	71,900	1 March 2014
26 October 2011 (3 year)	2010 LTI Plan	278,200	26 October 2014
29 November 2011 (15 month)	2010 LTI Plan	36,500	15 February 2013
1 December 2011	2010 LTI Plan	2,485,600	1 December 2014
16 December 2011	2010 LTI Plan	29,300	16 December 2014

Talent2 EGM Resolutions

1 Section 611 item 7 Resolution

To consider and, if thought fit, pass the following as an ordinary resolution:

“That, subject to Talent2 Shareholders agreeing to the Scheme in accordance with subparagraph 411(4)(a)(ii) of the *Corporations Act 2001* (Cth), and for the purposes of item 7 of section 611 of the *Corporations Act 2001* (Cth), and as outlined in the Scheme Booklet accompanying this notice of general meeting, approval is given for the acquisition by Perbec Pty Ltd (ACN 158 551 574) and Allegis (and their respective Related Bodies Corporate) of a Relevant Interest in 32,105,226 Talent2 Shares in which MBI has a Relevant Interest, which acquisition arises out of the entry into the Joint Bid Framework Deed dated 25 May 2012 between MBI, Allegis, Perbec Pty Ltd (ACN 158 551 574) and Pergal Pty Limited (ACN 158 366 155) as more particularly summarised in the Scheme Booklet of which this notice of meeting forms part.”

2 Financial Assistance Resolution

To consider and, if thought fit, pass the following as a special resolution:

“That, conditional on and subject to the Scheme becoming Effective, approval is given under subsection 260B(4) of the *Corporations Act 2001* (Cth) for the giving of financial assistance, in the manner outlined in the Scheme Booklet accompanying this notice of general meeting under subsection 260B(4) of the *Corporations Act 2001* (Cth), such financial assistance being the declaration and payment of the Special Dividend by Talent2 as outlined in the Scheme Booklet accompanying this notice of general meeting.”

Signing page

Executed as a deed

Signed sealed and delivered by
Talent2 International Limited
by

sign here ► _____
Company Secretary/Director

print name _____

sign here ► _____
Director

print name _____

Signed sealed and delivered by
Perbec Pty Ltd
by

sign here ►

Duly authorised signatory

Print name
& position
►

sign here ►

Signature of witness

Print name
& position
►

Signed sealed and delivered by
Morgan & Banks Investments Pty Limited
by

sign here ►

Duly authorised signatory

Print name
& position
►

sign here ►

Signature of witness

Print name
& position
►

Signed sealed and delivered by
Allegis Group, Inc.
by

sign here ► _____
Company Secretary/Director

print name _____

sign here ► _____
Director

print name _____

Attachment 1

Indicative Timetable

[Attached]

Attachment 2

Scheme of Arrangement

[Attached]

Attachment 3

Deed Poll

[Attached]

Attachment 4

Option Scheme

[Attached]

Attachment 5

Option Scheme Deed Poll

[Attached]