

ASX ANNOUNCEMENT

27 November 2013

TERMS AND CONDITIONS OF LISTED 31 DECEMBER 2014 OPTIONS (CYPO)

The Options entitle the holder (**Optionholder**) to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Optionholder the right to subscribe for one Share.
- (b) The Options will expire at 5.00 pm (WST) on 31 December 2014 (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The amount payable upon exercise of each Option will be \$0.20 (**Exercise Price**).
- (d) The Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- (e) An Optionholder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised;**(Exercise Notice)**.
- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by payment of the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (h) The Options are freely transferrable.
- (i) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
- (j) The Company will apply for official quotation of the Options on ASX.
- (k) The Company will apply for official quotation by the ASX of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those new Shares.
- (l) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
- (m) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 5 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

- (n) Subject to paragraph (l), an Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.

TERMS AND CONDITIONS OF UNLISTED 27 SEPTEMBER 2018 OPTIONS (CYPAI)

The Options entitle the holder (**Optionholder**) to subscribe for Shares in the capital of the Company on the following terms and conditions:

- (a) Subject to the satisfaction of the relevant vesting condition in paragraph (b) each Option gives the Optionholder the right to subscribe for one Share.
- (b) The Options will vest in the following manner:
- (i) 2,500,000 (1,250,000 of the Options held by each Optionholder) on their date of issue;
 - (ii) 1,500,000 (750,000 of the Options held by each Optionholder) subject to the volume weighted average price of Shares over a period of 10 consecutive trading days being at least \$0.80 prior to the expiry date of the Options, which \$0.80 price will be, subject to the Corporations Act and the ASX Listing Rules (where applicable), amended in the same manner as the Exercise Price (as defined below) in the event of a reorganisation of the Company's issued capital; and
 - (iii) 1,000,000 (500,000 of the Options held by each Optionholder) subject to the volume weighted average price of Shares over a period of 10 consecutive trading days being at least \$1.20 prior to the expiry date of the Options, which \$1.20 price will be, subject to the Corporations Act and the ASX Listing Rules (where applicable), amended in the same manner as the Exercise Price (as defined below) in the event of a reorganisation of the Company's issued capital.
- (c) Subject to paragraphs (d) and (e) the Options will expire at 5.00 pm (WST) on that date which is 5 years after the date of issue of the Options (**Expiry Date**). Any Option which has not already lapsed due to paragraphs (d) or (e) or been exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) In the event that prior to the end of the twelve months after the 31 July 2013 the relevant Director is no longer on the Company's Board and his employment has been terminated in certain circumstances (including, among other customary events, due to the Director's absence, illness, material breaches or gross misconduct or if the Director resigns upon six months' notice), all outstanding vested and unvested Options will immediately lapse and expire.
- (e) In the event that the Director is no longer on the Company's Board and his employment has been terminated other than in circumstances provided in paragraph (d), all outstanding vested and unvested Options will immediately lapse and expire.
- (f) The amount payable to the Company upon exercise of each vested Related Party Option will be \$0.40 (**Exercise Price**).
- (g) The Options held by each Optionholder may be exercised in whole or in part only after the relevant Options have vested, and if exercised in part, multiples of at least 1,000 must be exercised on each occasion.
- (h) An Optionholder may exercise their vested Options by the lodging with the Company, before the Expiry Date:
- (i) a written notice of exercise of the Options specifying the number of Options to be exercised (**Exercise Notice**); and

- (ii) all Option certificates for the Options being exercised; and
 - (iii) a cheque or electronic funds transfer for the Exercise Price for the number of Options to be exercised.
- (i) An Exercise Notice is only effective when the Company has received the Exercise Notice, the full amount of the Exercise Price in cleared funds and the relevant Option certificates for the Options being exercised (**Exercise Date**).
- (j) Within 15 Business Days after the latter of the following:
- (i) the Exercise Date; and
 - (ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceased to be excluded information;

but in any case no later than 20 Business Days after the Exercise Date, the Company will:

- (iii) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice and for which cleared funds and Option certificates have been received by the Company; and
- (iv) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (v) if admitted to the official list of ASX, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (j)(iv) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and to do all things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

- (k) The Options are not transferable, except with the prior written approval of the Board of Directors of the Company and the Optionholder agrees to also comply with any restrictions or escrow arrangements imposed by ASX or under applicable Australian securities laws.
- (l) Shares issued on exercise of the Options will rank equally with the then issued Shares of the Company.
- (m) The Company will not apply for quotation of the Options on ASX.
- (n) If at any time the issued capital of the Company is reorganised, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules (where applicable) at the time of the reconstruction.
- (o) There are no participating rights or entitlements inherent in the Options and the Optionholder will not be entitled vote at general meetings of the Company, participate in dividends or participate in new issues of capital offered to Shareholders during the currency of the Options.
- (p) Subject to paragraph (n), a Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.

TERMS AND CONDITIONS OF UNLISTED 9 SEPTEMBER 2016 OPTIONS (CYPAK)

The Options entitle the holder (**Optionholder**) to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Optionholder the right to subscribe for one Share.
- (b) The Options will expire at 5.00 pm (WST) on 9 September 2016 (**Expiry Date**). Any vested Options not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The number, exercise price and amount payable upon exercise of each tranche of Options are set out in the following table:

Tranche	Number of Options	Exercise Price
A	125,000	\$0.40
B	125,000	\$0.40
C	125,000	\$0.40
D	125,000	\$0.40

- (d) The Options vest as follows:
 - (i) Tranche A vest upon grant;
 - (ii) Tranche B vest upon the earlier of 12 months continuous employment as a director of the Company (either executive or non-executive) and the volume weighted average price of the Company's shares on the ASX being at least \$0.40 for 10 consecutive business days;
 - (iii) Tranche C vest upon the earlier of 24 months continuous employment as a director of the Company (either executive or non-executive) and the volume weighted average price of the Company's shares on the ASX being at least \$0.60 for 10 consecutive business days; and
 - (iv) Tranche D vest upon the earlier of 24 months continuous employment as a director of the Company (either executive or non-executive) and the volume weighted average price of the Company's shares on the ASX being at least \$0.80 for 10 consecutive business days;

(Vesting Conditions).

- (e) If the Optionholder ceases to be a director of the Company (for any reason whatsoever), all Options that, as at that date, have not vested, immediately lapse and will be cancelled on that date by the Company.
- (f) The Options may be exercised by the Optionholder lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number of Options to be exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options to be exercised;

(Exercise Notice).

- (g) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.

- (h) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of the Options specified in the Exercise Notice.
- (i) The Options are not transferable, except with the prior written consent of the Company.
- (j) All Shares allotted upon the exercise of the Options will upon allotment rank pari passu in all respects with other Shares.
- (k) The Options will be unlisted options. No application for quotation of the Options will be made by the Company until such time as the Company in its absolute discretion determines otherwise. Should the Company make an application for quotation of the Options and the ASX accepts the application for quotation of the Options then the Options will be listed options from the time that the ASX accepts such application.
- (l) The Company will apply for official quotation by the ASX of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those new Shares.
- (m) If at any time the issued capital of the Company is reconstructed, all rights of the Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (n) There are no participating rights or entitlements inherent in the Options and the Optionholder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 5 Business Days after the issue is announced. This will give the Optionholder the opportunity to exercise his Options prior to the date for determining entitlements to participate in any such issue.
- (o) Subject to paragraph (m), an Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.

TERMS AND CONDITIONS OF UNLISTED 30 NOVEMBER 2013 OPTIONS (CYPAO)

- (a) **Entitlement**

The Options entitle the holder to subscribe for one (1) Share upon the exercise of each Option. To obtain the right given by each Option, the Option holder must exercise the Option in accordance with the terms and conditions of the Options.
- (b) **Exercise Price**

The exercise price of each Option is \$3.98.
- (c) **Expiry Date**

The expiry date of Options is 30 November 2013.
- (d) **Number of Options**

The number of Options is 25,000.
- (e) **Exercise Period**

The Options are exercisable at any time prior to the Expiry Date.
- (f) **Notice of Exercise**

The Options may be exercised wholly or in part by notice in writing to the Company and payment of the Exercise Price for each Options being exercised. Any notice of exercise of an Option received by the Company will be deemed to be a notice of the exercise of that

Option as at the date of receipt. A notice of exercise is only effective when the Company has received the full amount of the Exercise Price in cleared funds.

(g) Shares Issued on Exercise

Shares issued on exercise of the Options rank equally with the Shares of the Company.

(h) Quotation of Shares on Exercise

Application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Options.

(i) Timing of issue of Shares

After an Option is validly exercised, the Company must as soon as possible:

- (i) issue the Share; and
- (ii) do all such acts matters and things to obtain
 - (A) the grant of quotation for the Share on ASX no later than 5 business days from the date of exercise of the Option; and
 - (B) receipt of cleared funds equal to the sum payable on the exercise of the Option.

(j) Participation in New Issues

There are no participation rights or entitlements inherent in the Options and holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.

However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least ten business days after the issue is announced. This will give the holder of the Options the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

(k) Adjustment for Bonus Issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
- (ii) no change will be made to the Exercise Price.

(l) Adjustment for Rights Issue

If the Company makes an issue of Shares pro rata to existing Shareholders (other than an issue in lieu of or in satisfaction of dividends or by way of dividend reinvestment) the Exercise Price of an Incentive Option will be reduced according to the following formula:

$$\text{New exercise price} = O - \frac{E [P - (S+D)]}{N+1}$$

O= the old Exercise Price of the Incentive Option.

E= the number of underlying Shares into which one (1) Option is exercisable.

P= average market price per Share weighted by reference to volume of the underlying Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date.

- S= the subscription price of a Share under the pro rata issue.
- D= the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).
- N= the number of Shares with rights or entitlements that must be held to receive a right to one (1) new share.

(m) **Adjustments for Reorganisation**

If there is any reconstruction of the issued share capital of the Company, the rights of the Option holder may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

(n) **Quotation of Options**

The Options will be unlisted Options. No application for quotation of the Options will be made by the Company until such time as the Company in its absolute discretion determines otherwise. Should the Company make an application for quotation of the Options and the ASX accepts the application for quotation of the Options then the Options will be listed options from time to time that the ASX accepts such application.

(o) **Options Transferable**

The Options are transferable.

(p) **Lodgement Instructions**

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for shares on exercise of the Options with the appropriate remittance should be lodged at the Company's share registry.