OptiComm Ltd

ACN 117 414 776

Supplementary Scheme Booklet

in relation to a proposal from Uniti Group Limited (ACN 158 957 889) to acquire all of your OPC Shares by way of a scheme of arrangement.

THE OPTICOMM DIRECTORS CONTINUE TO UNANIMOUSLY RECOMMEND THAT ELIGIBLE SHAREHOLDERS VOTE IN FAVOUR OF THE SCHEME, IN THE ABSENCE OF A SUPERIOR PROPOSAL[1]

This is an important document and requires your immediate attention. You should read this document in full, in conjunction with the Scheme Booklet, before you decide whether or not to vote in favour of the Scheme. If you are in any doubt about what action you should take, please consult your legal, financial, or other professional advisers.

This Supplementary Scheme Booklet has been sent to you because you are shown in the OptiComm Share Register as holding OPC Shares. If you have recently sold your OPC Shares, please disregard this Supplementary Scheme Booklet.

This Supplementary Scheme Booklet is dated 25 September 2020.

[1] Refer to the Chairman's Letter in the Scheme Booklet which sets outs the directors' interests in relation to the Scheme.

1. Letter from Chairman of OptiComm Ltd

25 September 2020

Dear Shareholder,

This Supplementary Scheme Booklet is an update to the Scheme Booklet dated 7 August 2020 and contains further information in relation to Uniti's offer to acquire 100% of all the shares in OptiComm by way of scheme of arrangement, subject to regulatory, Court, Scheme Shareholder, and other approvals.

Developments since Scheme Booklet

The Original Scheme in Annexure C of the Scheme Booklet included various forms of scheme consideration options at a value of $5.20 per share (inclusive of a fully franked special dividend of $0.10 per OPC Share).

On 7 September 2020, OptiComm received from Aware Super Pty Ltd ACN 158 957 889 as trustee for Aware Super (**Aware Super**, formerly known as First State Super) a non-binding and conditional competing proposal to acquire all of the OPC Shares for $5.85 per OPC Share (inclusive of a $0.10 fully franked special dividend, if declared) pursuant to a scheme of arrangement subject to due diligence and investment committee approvals (**Aware Super Proposal**). Pursuant to its obligations under the Scheme Implementation Deed, OptiComm notified Uniti of the Aware Super Proposal.

Following receipt of the Aware Super Proposal, on 8 September 2020, the Court made orders postponing the Scheme Meeting from Thursday 10 September 2020 to a date to be determined.

On the evening of 14 September 2020, OptiComm received a revised binding offer from Uniti to acquire 100% of OPC Shares (other than OPC Shares owned by Uniti) at a value of $5.85 per OPC Share, consisting of one fixed consideration option to all Scheme Shareholders, other than Ineligible Foreign Shareholders, of:

- $4.835 cash per OPC Share (inclusive of a fully franked special dividend of $0.10 per OPC Share, if declared); and
- 0.80537 New UWL Shares per OPC Share (which implies $1.015 per OPC Share calculated on the basis of the closing trading price of UWL Shares on 11 September 2020 of $1.26),

while Ineligible Foreign Shareholders will receive the Revised All Cash Consideration of $5.85 per OPC Share (inclusive of a fully franked special dividend of $0.10 per OPC Share, if declared) (**Revised Uniti Proposal**). Under the Revised Uniti Proposal, there are no elections in respect of scheme consideration and no scale-back.

The Cash Consideration and the Scrip Consideration under the Revised Uniti Proposal represents a premium of:

- 12.50% (based on the closing trading price of UWL Shares on 11 September 2020 of $1.26); or
- 15.21% (based on the closing trading price of UWL Shares on 7 September 2020 of $1.435),

compared to the consideration of $5.20 offered by Uniti and accepted by OPC in the Original Scheme.

Accordingly, on 15 September 2020, OptiComm entered into a deed of amendment and restatement in relation to the Scheme Implementation Deed to give effect to the Revised Uniti Proposal (**Amended and Restated Scheme Implementation Deed**).

Under the Amended and Restated Scheme Implementation Deed, the break fee payable by OptiComm to Uniti in circumstances described in Section 5.13(c) of the Scheme Booklet is increased to $6,100,000.

A break fee equal to 1% of the equity value of OptiComm (calculated under the Revised Uniti Proposal) is consistent with Takeovers Panel guidance and market practice. The OptiComm Board was prepared to accept the amendments to the break fee in light of the Revised Scheme Consideration and the increase in costs incurred by Uniti in connection with the Revised Uniti Proposal.

As at the date of this Supplementary Scheme Booklet, OptiComm has not received a binding proposal in connection with the Aware Super Proposal and considers the Revised Uniti Proposal to be a superior proposal to the Aware Super Proposal.

The OptiComm Board advised Aware Super on 15 September 2020 it will cease all discussions in relation to the Aware Super Proposal and ceased providing information on OptiComm for due diligence purposes.

Summary of Revised Uniti Proposal

If the Scheme is approved and implemented, Scheme Shareholders (other than Ineligible Foreign Shareholders) will receive the revised Scheme Consideration of:

- 0.80537 New UWL Shares per OPC Share; and
- (**if the Special Dividend is declared**) (i) Cash Consideration of $4.735 per OPC Share held by them on the Scheme Record Date; and (ii) a Special Dividend of $0.10 per OPC Share held by them on the Special Dividend Record Date; or
- (**if the Special Dividend is not declared**) Cash Consideration of $4.835 per OPC Share held by them on the Scheme Record Date.

Ineligible Foreign Shareholders will receive the revised Scheme Consideration of $5.85 (less the Special Dividend if declared) per OPC Share held by them on the Scheme Record Date.

The OptiComm Board will determine whether to declare the Special Dividend before the Scheme Meeting. Payment of the Special Dividend (if declared) will be made on the Special Dividend Payment Date. If the Special Dividend is declared, OPC Shareholders may be entitled to a franking credit of up to approximately $0.043 per OPC Share. Whether you will be able to realise the full benefit of franking credits attached to any Special Dividend will depend on your tax status and specific circumstances. OPC Shareholders should seek independent taxation advice in respect of this matter and refer to Section 9 of the Scheme Booklet.

Uniti's Relevant Interest

OPC Shareholders should note that since the date of the Scheme Booklet, Uniti obtained a Relevant Interest in 20,327,619 OPC Shares, equating to approximately 19.5% of the share capital of Opticomm.

Scheme Resolutions

At the Scheme Meeting, Eligible Shareholders will be asked to approve two resolutions. The first is to approve the amendment to the Original Scheme previously proposed in the Scheme Booklet, and the second is to approve the Scheme as amended. A Notice of Postponed Scheme Meeting is enclosed at Annexure D of this Supplementary Scheme Booklet.

OptiComm Directors' Recommendation

The OptiComm Directors, in the absence of a Superior Proposal, unanimously recommend that Eligible Shareholders vote in favour of both the resolution to amend the Original Scheme and the resolution to approve the Scheme as amended.[2]

Independent Expert's Opinion

The Independent Expert considers that the Scheme continues to be in the best interests of OPC Shareholders in the absence of a superior proposal. The Independent Expert's opinion is based on its assessment that the Scheme is fair and reasonable. The Independent Expert has noted that its analysis has been focused on the Revised Scheme Consideration in determining whether the Scheme is in the best interests of OPC Shareholders. Annexure A of this document sets out a copy of the Supplementary Independent Expert's Report. OPC Shareholders should read both the Independent Expert's Report and the Supplementary Independent Expert's Report in their entirety.

New Scheme Meeting Date

On 25 September 2020 the Court ordered that the Scheme Meeting now be held virtually at 11:00am on Tuesday, 13 October 2020. OPC Shareholders can participate in the Scheme Meeting by logging in online at https://agmlive.link/OPC20.

A full list of the new dates in connection with the Scheme is set out on page 7.

OPC Shareholders should note that in the event that the Scheme Meeting is the subject of a further adjournment, a new meeting date will be set no earlier than 10 clear days after the date on which any further supplementary disclosure is despatched to OPC Shareholders.

Voting Record Date and Proxy Forms

All Eligible Shareholders on the OptiComm Share Register on the Voting Record Date (7.00pm (AEDT) on Sunday, 11 October 2020) may vote at the Scheme Meeting online, by proxy, by attorney or, in the case of a corporation, by corporate representative (subject to restrictions on voting rights set out in the Notice of Postponed Scheme Meeting) and will have one vote for each Scheme Share they hold.

Previously submitted proxy forms will not be valid. If you wish to vote by proxy you must either complete and sign or validly authenticate the personalised Proxy Form which accompanies this Supplementary Scheme Booklet or lodge your proxy online.

Due to the short period of notice between release of this document and the new deadline for receipt of Proxy Forms (11:00am (AEDT) on Sunday, 11 October 2020), Eligible Shareholders are encouraged to lodge their Proxy Forms online at www.linkmarketservices.com.au.

Scheme Meeting

The Scheme can only be implemented if both Scheme Resolutions are approved by the Requisite Majorities of OPC Shareholders at the Scheme Meeting to be held at 11:00am (AEDT) on Tuesday, 13 October 2020. Annexure D contains the Notice of Postponed Scheme Meeting.

Your vote is important. You should take into consideration all of the information set out in this Supplementary Scheme Booklet and the Scheme Booklet when deciding whether or not to vote in favour of the Scheme Resolutions. Sections 1.3 to 1.5 of the Scheme Booklet contain further information regarding the virtual Scheme Meeting and your vote and Section 4.2 of the Scheme Booklet summarises the reasons identified by the OptiComm Board as to why you may not want to vote in favour of the Scheme, including risks associated with holding New UWL Shares.

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[2] Refer to the Chairman's Letter in the Scheme Booklet which sets outs the director's interests in relation to the Scheme.

If you have any questions or require further information in relation to this Scheme Booklet or the Scheme, you should call the Shareholder Information Line on 1800 635 323 (or from outside Australia, +61 1800 635 323), Monday to Friday between 8.30am and 5.30pm (AEDT). If you are in any doubt as to what you should do, you should consult an independent, appropriately licensed, and authorised financial, legal and/or tax adviser without delay.

On behalf of the OptiComm Board, I would like to take this opportunity to thank you for your ongoing support of OptiComm and I look forward to your participation in the Scheme Meeting.

Yours sincerely,



Allan Brackin
Chairman
OptiComm Ltd

2. Revised timetable and key dates

Event	Date
Court hearing to reconvene Scheme Meeting	Friday, 25 September 2020
Date of this Supplementary Scheme Booklet	Friday, 25 September 2020
Despatch Supplementary Scheme Booklet to OPC Shareholders	Tuesday, 29 September 2020
Latest time and date for receipt of proxy forms for the Scheme Meeting	11.00am on Sunday, 11 October 2020
Voting Record Date	7.00pm on Sunday, 11 October 2020
Scheme Meeting Special Dividend declared[3]	11:00am on Tuesday, 13 October 2020
Second Court Date	9.30am on Thursday, 22 October 2020
Effective Date Court order lodged with ASIC and announcement to the ASX. OPC Shares are suspended from trading at the close of trading on the ASX	Friday, 23 October 2020
Commencement of trading of New UWL Shares on the ASX on a deferred settlement basis	Monday, 26 October 2020
Scheme Record Date Record Date for determining entitlements to the Scheme Consideration **Special Dividend Record Date** All OPC Shareholders who hold OPC Shares on the Special Dividend Record Date will be entitled to receive the Special Dividend (if declared)	7:00pm on Tuesday, 27 October 2020
Implementation Date for the Scheme and issue of the Scheme Consideration **Special Dividend Payment Date** Payment of the Special Dividend (if declared)	Friday, 30 October 2020
Commencement of trading of New UWL Shares on the ASX on an ordinary settlement basis Delisting of OPC on the ASX	Monday, 2 November 2020

All times and dates in the above timetable are references to the time and date in Melbourne, Victoria, Australia and all such times and dates are subject to change. OptiComm may vary any or all of these dates and times and will provide notice of any such variation via an announcement to the ASX.

Certain times and dates are conditional on the approval of the Scheme by OPC Shareholders and by the Court. Any changes will be announced by OptiComm to the ASX.

[3] Subject to determination of the OptiComm Board.

3. Key questions

Question	Response	Reference
This Supplementary Scheme Booklet		
Why have I received this document?	This is a Supplementary Scheme Booklet that has been sent to you because you are an OPC Shareholder and you are being asked to vote on the Scheme. This document provides an update in relation to changes that have occurred since the release of the Scheme Booklet on 7 August 2020.	N/A
What has changed since the Scheme Booklet?	OptiComm received a revised binding offer from Uniti at a value of $5.85 per OPC Share, consisting of one fixed consideration offer to all Eligible Shareholders, other than Ineligible Foreign Shareholders of: • $4.835 cash per OPC Share (inclusive of the fully franked Special Dividend of $0.10 per OPC Share, if declared); and • 0.80537 New UWL Shares per OPC Share (which implies $1.015 per OPC Share calculated on the basis of the closing trading price of UWL Shares on 11 September 2020 of $1.26), while Ineligible Foreign Shareholders will receive $5.85 cash per OPC Share (inclusive of the Special Dividend of $0.10 per OPC Share, if declared). Accordingly, on 15 September 2020, OptiComm entered into the Amended and Restated Scheme Implementation Deed, which amended the Scheme Implementation Deed to reflect the Revised Scheme Consideration and several other changes.	Letter from Chairman of OptiComm Ltd
Are further changes to the Scheme Consideration contemplated?	As at the date of this Supplementary Scheme Booklet, OptiComm has not received any indication from Uniti or any other party of any further offers for OPC Shares.	Letter from Chairman of OptiComm Ltd
Will there be an election for the Revised Scheme Consideration and do previous elections have any impact upon the Revised Scheme Consideration?	No. The Revised Scheme Consideration is fixed as: • $4.835 cash per OPC Share (inclusive of the Special Dividend, if declared); and • 0.80537 New UWL Shares per OPC Share. Ineligible Foreign Shareholders will receive the Revised All Cash Consideration of $5.85 per OPC Share (inclusive of the Special Dividend, if declared). There will not be any election or scale-back and previous elections made will not have any impact upon the Revised Scheme Consideration.	Section 4.1

Question	Response	Reference
Independent Expert opinion and the Directors' recommendation		
Do the OptiComm Directors continue to recommend the Scheme?	Yes. The OptiComm Directors, in the absence of a Superior Proposal, unanimously recommend that Eligible Shareholders vote in favour of both resolutions to amend the Original Scheme and to approve the Scheme as amended. Refer to the Chairman's Letter in the Scheme Booklet which sets outs the director's interests in relation to the Scheme.	Section 4.2
What is the opinion of the Independent Expert?	The Independent Expert considers that the Scheme continues to be in the best interests of OPC Shareholders in the absence of a superior proposal. The Independent Expert's opinion is based on its assessment that the Scheme is fair and reasonable. The Independent Expert has noted that its analysis has been focussed on the Revised Scheme Consideration in determining whether the Scheme is in the best interests of OPC Shareholders.	Annexure A
Aware Super Proposal		
Does the OptiComm Board intend to engage with Aware Super in relation to the Aware Super Proposal?	The OptiComm Board has not engaged with Aware Super in relation to the Aware Super Proposal since 15 September 2020 and OptiComm has ceased providing any due diligence information to Aware Super. Under the Amended and Restated Scheme Implementation Deed, OptiComm is subject to a number of exclusivity obligations, including no-talk restrictions which would prevent it from engaging with Aware Super, subject to an exception in circumstances where not to engage with Aware Super would be a breach of the fiduciary duties of the Opticomm Board members (**Fiduciary Exception**). The OptiComm Board considers that the Fiduciary Exception in the Amended and Restated Scheme Implementation Deed is not currently triggered by the Aware Super Proposal as the Aware Super Proposal is conditional and non-binding.	Letter from Chairman of Opticomm Ltd
Has the OptiComm Board received any further Competing Proposal from Aware Super or any other third party?	As at the date of this Supplementary Scheme Booklet, the OptiComm Board has not received any further Competing Proposal from Aware Super or any other party.	Letter from Chairman of Opticomm Ltd
What happens if a Superior Proposal emerges?	If a Superior Proposal emerges, the OptiComm Directors will reconsider their recommendation in respect of the Scheme. Under the Call Option Deeds, Uniti may have the option to acquire up to 13.5% of the issued shares in OptiComm where a Superior Proposal emerges, in addition to approximately 6% of the issued shares in OptiComm it already holds. The terms of the Call Option Deeds are summarised in Section 6.2 of this document.	Section 6.2

Question	Response	Reference
Meeting details, voting, and approval thresholds		
When and where will the Scheme Meeting be held?	The Scheme Meeting will be held virtually at 11:00am (AEDT) on Tuesday, 13 October 2020. OPC Shareholders wishing to vote, or their proxies or attorneys or in the case of an OPC Shareholder or proxy which is a corporation, corporate representatives, can participate in the virtual Scheme Meeting by logging in online at https://agmlive.link/OPC20.	Timetable and key dates
Who is eligible to vote at the Scheme Meeting?	All OPC Shareholders (other than Excluded Shareholder) on the OPC Share Register on the Voting Record Date (7:00pm (AEDT) on 11 October 2020) are entitled to attend and vote at the Scheme Meeting.	Section 5.1
What if I have already lodged a proxy?	Previously submitted proxy forms will not be valid. If you wish to vote by proxy you must submit a new Proxy Form.	Section 5.4
Why are there two resolutions?	As the terms of the Original Scheme have changed since the Scheme Booklet, you will be asked to vote on two resolutions: • the first amends the Original Scheme to reflect the terms of the Scheme as set out in this Supplementary Scheme Booklet in light of the Revised Uniti Proposal; • the second approves the Scheme as so amended.	Section 4.2
What if I have further questions?	If after reading this Supplementary Scheme Booklet, you have any questions about the Scheme, you should call the Shareholder Information Line on 1800 635 323 (or from outside Australia, +61 1800 635 323), Monday to Friday between 8.30am and 5.30pm (AEDT). If you are in any doubt as to what you should do, you should consult an independent, appropriately licensed and authorised financial, legal and/or tax adviser without delay.	N/A

4. Overview of Revised Uniti Proposal

4.1 Revised Scheme Consideration

On 8 September 2020, OptiComm announced it had received from Aware Super Pty Ltd ACN 158 957 889 as trustee for Aware Super (**Aware Super**, formerly known as First State Super) a non-binding and conditional competing proposal to acquire all of the Scheme Shares for $5.85 per OPC Share (inclusive of a $0.10 fully franked special dividend, if declared) pursuant to a scheme of arrangement subject to due diligence and investment committee approvals (**Aware Super Proposal**). Pursuant to its obligations under the Scheme Implementation Deed, OptiComm notified Uniti of the Aware Super Proposal.

On the evening of 14 September 2020, OptiComm received a revised binding offer from Uniti to acquire 100% of OPC Shares (other than OPC Shares owned by Uniti) at a value of $5.85 per Scheme Share (**Revised Uniti Proposal**), consisting of one fixed consideration offer to all OPC Shareholders, other than Ineligible Foreign Shareholders, of:

- $4.835 cash per OPC Share (inclusive of a fully franked special dividend of $0.10 per OPC Share, if declared); and
- 0.80537 New UWL Shares per OPC Share (which implies $1.015 per OPC Share calculated on the basis of the closing trading price of UWL Shares on 11 September 2020 of $1.26),

while Ineligible Foreign Shareholders will receive the Revised All Cash Consideration of $5.85 cash per OPC Share (inclusive of a fully franked special dividend of $0.10 per OPC Share, if declared).

Under the Revised Uniti Proposal, there will be no elections in respect of scheme consideration and no scale-back. The elections which were previously made by OPC Shareholders will have no impact upon the Revised Scheme Consideration.

The Revised Uniti Proposal represents a premium of:

- 12.50% (based on the closing trading price of UWL Shares on 11 September 2020 of $1.26); or
- 15.21% (based on the closing trading price of UWL Shares on 7 September 2020 of $1.435),

compared to the initial consideration of $5.20 offered by Uniti and accepted by OPC in the Original Scheme.

If the Scheme is approved and implemented, Scheme Shareholders (who are not Ineligible Foreign Shareholders) will receive the Revised Scheme Consideration of:

- 0.80537 New UWL Shares per OPC Share; and
- (**if the Special Dividend is declared**) (i) Cash Consideration of $4.735 per OPC Share held by them on the Scheme Record Date; and (ii) a fully franked Special Dividend of $0.10 per OPC Share held by them on the Special Dividend Record Date; or
- (**if the Special Dividend is not declared**) Cash Consideration of $4.835 per OPC Share held by them on the Scheme Record Date,

(**Revised Scheme Consideration**).

The OptiComm Board will determine whether to declare the Special Dividend before the Scheme Meeting. Payment of the Special Dividend (if declared) will be paid on the Special Dividend Payment Date to each person registered in the OptiComm Share Register as a holder of an OPC Share as at the Special Dividend Record Date.

The amount of cash Scheme Shareholders other than Ineligible Foreign Shareholders will receive under the Revised Scheme Consideration will be $4.835 regardless of the amount of any Special Dividend. This is because the Cash Consideration they will receive from Uniti will be $4.835 *less* the cash amount of any Special Dividend they will receive from OptiComm. If the Special Dividend is declared, OPC Shareholders who receive the Special Dividend may be entitled to a franking credit of up to approximately $0.043 per OPC Share. Whether you will be able to realise the full benefit of franking credits attached to any Special Dividend will depend on your tax status and specific circumstances. OPC Shareholders should seek independent taxation advice in respect of this matter and refer to Section 9 of the Scheme Booklet.

4.2 Scheme Resolutions

At the Scheme Meeting, Eligible Shareholders will be asked to approve two resolutions. The first is to approve the amendment to the Original Scheme previously proposed in the Scheme Booklet, in the manner described above, and the second is to approve the Scheme as amended. A Notice of Postponed Scheme Meeting is enclosed at Annexure D of this Supplementary Scheme Booklet.

4.3 OptiComm Directors' Recommendation

The OptiComm Directors, in the absence of a Superior Proposal, unanimously recommend that Eligible Shareholders vote in favour of both resolutions to amend the Original Scheme and to approve the Scheme as amended.[4] The Revised Scheme Consideration offers an attractive and certain price for OPC Shareholders when considered against the historic trading performance of OPC Shares, as described in Section 6.6 of the Scheme Booklet.

In making this recommendation, the OptiComm Directors have also taken into account the considerations outlined in Section 4 of the Scheme Booklet.

4.4 Opinion of the Independent Expert

The Independent Expert has considered the impact of the Revised Scheme Consideration. The Independent Expert considers that the Scheme continues to be in the best interests of OPC Shareholders in the absence of a superior proposal.

The Independent Expert has assessed the value of the equity of OptiComm to lie in the range of $516.5 million to $556.5 million, which equates to an assessed value per OPC Share of between $4.95 to $5.34. The Independent Expert implies a value of the New UWL Shares to be received by OPC Shareholders as part of the Scheme Consideration, to be in the range of $1.35 to $1.45 per share resulting in the Independent Expert assessing the Revised Scheme Consideration to be in a range of $5.92 to $6.00 per OPC Share. Please refer to Annexure A of this Supplementary Scheme Booklet which contains the Supplementary Independent Expert's Report and further details of the Independent Expert's assessment.

4.5 Amendments to the Scheme Implementation Deed

On 15 September 2020, the Scheme Implementation Deed was amended to, among other things, reflect:

- the Revised Scheme Consideration described in Section 4.1; and
- an increase of the break fee and reverse break fee payable under the Scheme Implementation Deed to $6,100,000.

A break fee equal to 1% of the equity value of OptiComm (calculated under the Revised Uniti Proposal) is consistent with Takeovers Panel guidance and market practice. The OptiComm Board

[4] Refer to Chairman's Letter in the Scheme Booklet which sets outs the director's interests in relation to the Scheme.

was prepared to accept the amendments to the break fee in light of the Revised Scheme Consideration and the increase in costs incurred by Uniti in connection with the Revised Uniti Proposal.

Corresponding changes were also made as required to the Original Scheme as shown in mark up at Annexure B.

For more information on the circumstances in which the break fee may be payable, at the higher amount, see Section 5.13(c) of the Scheme Booklet.

4.6 Deed Poll

Uniti continues to be bound by the Deed Poll under which Uniti has effectively agreed to (among other things) provide the Revised Scheme Consideration to each Scheme Shareholder, subject to the Scheme becoming Effective.

4.7 Uniti funding arrangements

Uniti's funding for the Revised All Cash Consideration and the Revised Scheme Consideration is set out below. The Scheme is not subject to any financing condition precedent.

The aggregate Cash Consideration of approximately $474.3 million[5] (assuming the Special Dividend is not paid) will be funded from:

- the proceeds of Uniti's $270 million fully underwritten capital raising from retail and institutional investors announced on 15 June 2020 which was fully completed on 14 July 2020; and
- Uniti's new $250 million syndicated debt facility with $125 million borrowings from Westpac Banking Corporation and $125 million borrowings from Commonwealth Bank of Australia. The debt facility is for a three-year term.

Uniti will issue 78,994,420 New UWL Shares,[6] with an implied value of approximately $99.53 million, based upon an issue price of $1.26 per share, as the aggregate Scrip Consideration to provide the remainder of the Scheme Consideration.

The $1.26 value is based on the closing share price of UWL Shares on 11 September 2020.

On the basis of the arrangements described above, Uniti believes that it will be able to satisfy its obligations to provide the Revised All Cash Consideration and the Revised Scheme Consideration as and when it is due under the terms of the Scheme and considers that it has reasonable grounds for that belief.

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[5] The aggregate Cash Consideration amount of approximately $474.3 million does not include the amount paid by Uniti of approximately $30 million pursuant to the Share Sale Agreements for the acquisition of the OPC Shares from the Share Sale Counterparties

[6] The issue of 78,994,420 New UWL Shares does not include the issue of 5,001,901 UWL Shares pursuant to the Share Sale Agreements for the acquisition of the OPC Shares from the Share Sale Counterparties.

4.8 Share Capital and Other Securities of the Combined Group

(a) Share capital

If the Scheme is implemented Uniti will issue approximately 79 million New UWL Shares to Scheme Shareholders.

As a result of the Scheme, the number of UWL Shares on issue will increase from approximately 523.4 million (being the number on issue as at the date of this Supplementary Scheme Booklet) to approximately 602.4 million, as illustrated below:

Combined Group share capital	Number	% of Combined Group
Uniti		
UWL Shares outstanding	523,383,566	87%[7]
OPC		
New UWL Shares to be issued to OPC Shareholders	78,994,420	13%[8]
Total UWL Shares	602,377,986	100%

Upon implementation of the Scheme, OPC Shareholders are expected to own approximately 13% of the Combined Group with UWL Shareholders owning approximately 87% of the Combined Group.

It is expected that the free float of the Combined Group will be approximately 100%, which is sufficient for the Combined Group to be included in key indices including the S&P/ASX 200.

(b) UWL Options

The number of UWL Options that are on issue (being 17,544,544 as at the date of this Supplementary Scheme Booklet) will not be affected by the implementation of the Scheme and will remain on foot.

4.9 New date for Scheme Meeting

On 25 September 2020 the Court ordered that the Scheme Meeting now be held virtually at 11:00am on Tuesday, 13 October 2020. OPC Shareholders can participate in the Scheme Meeting by logging in online at https://agmlive.link/OPC20.

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[7] 87% represents the percentage post the issue of UWL Shares pursuant to the Share Sale Agreements for the acquisition of the OPC Shares from the Share Sale Counterparties. Prior to the acquisition of the OPC Shares from the Share Sale Counterparties, the percentage of the UWL Shares outstanding in the Combined Group was 86%.

[8] 13% represents the percentage post the issue of UWL Shares pursuant to the Share Sale Agreements for the acquisition of the OPC Shares from the Share Sale Counterparties. Prior to the acquisition of the OPC Shares from the Share Sale Counterparties, the percentage of the New UWL Shares to be issued to OPC Shareholders in the Combined Group was 14%.

OPC Shareholders should note that in the event that the Scheme Meeting is the subject of a further adjournment, a new meeting date will be set no earlier than 10 clear days after the date on which any further supplementary disclosure is despatched to OPC Shareholders, to allow sufficient time for lodgement of updated proxies.

5. Voting

5.1 Who can vote?

All Eligible Shareholders on the OptiComm Share Register on the Voting Record Date (7.00pm (AEDT) on Sunday, 11 October 2020) will be entitled to attend and vote at the Scheme Meeting.

5.2 Requisite Majorities

The Requisite Majorities for the Scheme Resolutions are set out in section 411(4)(a)(ii) of the Corporations Act, and they are:

- a majority in number (more than 50%) of OPC Shareholders present and voting at the Scheme Meeting (either in person online, or by proxy, representative or attorney); and
- at least 75% of the total number of votes cast on the Scheme Resolutions at the Scheme Meeting by OPC Shareholders (either in person online, or by proxy, representative, or attorney).

However, the Court has the discretion to waive the first of these two requirements if it considers it appropriate to do so.

The Scheme Resolutions will be voted on by way of poll.

5.3 Voting in person

OPC Shareholders entitled to and wishing to vote, or their attorneys, or, in the case of an OPC Shareholder or proxy which is a corporation, corporate representatives, can participate in the virtual Scheme Meeting by logging in online at https://agmlive.link/OPC20.

OPC Shareholders, their attorneys, or, in the case of OPC Shareholders or proxies which are corporations, corporate representatives, who plan to attend the virtual Scheme Meeting should log in online 15 minutes prior to the time designated for the commencement of the Scheme Meeting, if possible, to register and to obtain a voting card.

5.4 Voting by proxy

If you are eligible to vote but are not able to attend the Scheme Meeting, you can vote by proxy.

(a) What happens if I have already submitted a proxy?

Previously submitted Proxy Forms will **not** be valid. If you wish to vote by proxy you must submit a Proxy Form following the process outlined below.

(b) How should proxies be submitted?

OPC Shareholders wishing to appoint a proxy to vote on their behalf at the Scheme Meeting must either complete and sign or validly authenticate the personalised Proxy Form which accompanies this Scheme Booklet or lodge their proxy online. A person appointed as a proxy may be an individual or a body corporate.

Proxies participating in the virtual Scheme Meeting will receive an email from the OptiComm Share Registry prior to the Scheme Meeting containing details of their proxy number which they will need to use for the online registration process. Proxies are asked to log in online 15 minutes prior to the time designated for the commencement of the Scheme Meeting, if possible, to register and to obtain a voting card.

To be valid, your Proxy Form(s) must be received by the OptiComm Share Registry by 11:00am (AEDT) on Sunday, 11 October 2020. For further information on proxy voting, refer to the detailed instructions contained on the Proxy Form.

You can appoint a proxy by:

- lodging your appointment online at www.linkmarketservices.com.au;
- mailing the Proxy Form to the OptiComm Share Registry at Link Market Services, Locked Bag A14, Sydney South, New South Wales 1235, Australia;
- faxing the accompanying Proxy Form to the OptiComm Share Registry on +61 2 9287 0309; or
- mailing the Proxy Form to OptiComm's registered office.

For additional proxy forms, contact Link on 1300 554 474 (or from outside Australia, +61 1300 554 474).

Note, if you have appointed a proxy and subsequently wish to attend the meeting yourself, the proxy will retain your vote and you will be unable to vote yourself unless you have notified the OptiComm Share Registry of the revocation of your proxy appointment before the commencement of the meeting.

Due to the short period of notice between release of this document and the new deadline for receipt of Proxy Forms (11:00am (AEDT) on Sunday, 11 October 2020), OPC Shareholders are encouraged to lodge their Proxy Forms online at www.linkmarketservices.com.au.

For further information on voting and participating in the Scheme Meeting, see Sections 1.4 and 1.5 and Annexure E of the Scheme Booklet.

6. Additional information

6.1 Special Dividend – Financial Assistance under section 260A

The OptiComm Board will determine whether to declare the Special Dividend and, if declared, the amount of the Special Dividend, before the Scheme Meeting. Payment of the Special Dividend (if declared) will be made on the Special Dividend Payment Date. If declared, OPC Shareholders that are entitled to the Special Dividend are those that are on the OptiComm Share Register at 5pm (AEDT) on the Special Dividend Record Date.

Section 260A of the Corporations Act enables a company to assist a person financially to acquire shares in a company only if certain conditions are satisfied. Financial assistance of this kind is permitted if the giving of assistance does not materially prejudice the interests of the company, the interests of its shareholders, or the company's ability to pay its creditors. The Corporations Act specifically contemplates that financial assistance (of the kind that is regulated under section 260A) may take the form of paying a dividend and may be given before the acquisition of shares.

The OptiComm Board has determined that the payment of the Special Dividend (if declared) to OPC Shareholders in the above circumstances may constitute the provision of financial assistance to Uniti under section 260A of the Corporations Act; however, this provision would not materially prejudice the interests of OptiComm or OPC Shareholders or OptiComm's ability to pay its creditors.

6.2 Uniti's Relevant Interest

As at the date of this Supplementary Scheme Booklet, Uniti has a Relevant Interest in 20,327,619 OPC Shares, giving Uniti voting power of approximately 19.5%.

Of the OPC Shares in which Uniti has a Relevant Interest, Uniti acquired:

- its Relevant Interest in the 6,210,689 OPC Shares it owns pursuant to the Share Sale Agreements; and
- its Relevant Interest in 14,116,930 OPC Shares pursuant to the Call Option Agreements.

Further details of the Share Sale Agreements and the Call Option Agreements are set out in Sections 6.5 and 6.6 of this Supplementary Scheme Booklet.

6.3 Dealings in OPC Shares in the previous four months

During the four months before the date of this Supplementary Scheme Booklet, other than pursuant to:

- the Share Sale Agreements and the Call Option Agreements;
- the Scheme Implementation Deed and the Amended and Restated Scheme Implementation Deed;
- the Original Scheme and the Scheme; and
- the Deed Poll,

neither Uniti nor any of its associates has provided, or agreed to provide, consideration for OPC Shares under any transaction or agreement.

6.4 Benefits given during the previous four months

During the four months before the date of this Supplementary Scheme Booklet, other than pursuant to the Call Option Agreements, neither Uniti nor any of its associates has given or offered to give or agreed to give a benefit to another person where the benefit was likely to induce the other person or an associate to vote in favour of the Scheme or dispose of OPC Shares, where the benefit was not offered to all OPC Shareholders.

6.5 Share Sale Agreements

Uniti entered into the Share Sale Agreements on 15 September 2020 pursuant to which the Share Sale Counterparties agreed to sell the SSA Shares to Uniti for:

- $4.835 per SSA Share (**SSA Cash Consideration**); and
- 0.80537 UWL Shares per SSA Share (**SSA Scrip Consideration**)[9],

such consideration being effectively the same as the Revised Scheme Consideration offered under the Scheme.

Completion under each of the Share Sale Agreements took place on 18 September 2020.

The closing trading price of UWL Shares on 11 September 2020 was $1.26, meaning the value of the SSA Scrip Consideration on that date was $1.015. The total value of the SSA Cash Consideration and SSA Scrip Consideration was therefore $5.85 on 11 September 2020.

6.6 Call Option Agreements

Uniti entered into the Call Option Agreements on 15 September 2020 pursuant to which the Call Option Counterparties granted Uniti options to acquire the Call Option Shares (**Call Options**).

The exercise price under the Call Option Agreements is effectively the same as the Revised Scheme Consideration offered under the Scheme, namely:

- $4.835 cash per OPC Share (**Call Option Cash Exercise Price**); and
- 0.80537 New UWL Shares per OPC Share[10],

provided that if the Call Option Counterparty becomes entitled to a dividend on its Call Option Shares before the Call Option it has granted is exercised, the Call Option Cash Exercise Price payable to it will be reduced by the dollar value of the dividend per OPC Share.

If Uniti exercises a Call Option and disposes of the OPC Shares it acquires from doing so within 12 months, Uniti must pay the relevant Call Option Counterparty 50% of any consideration it receives for those OPC Shares in excess of the exercise price under the Call Option Agreements.

Uniti may exercise the Call Options during the relevant Call Option Period if any of the following trigger events occur:

- OptiComm publicly recommends a Rival Scheme;
- a Third Party has announced a Takeover Bid; or

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[9] Implying $1.015 per OPC Share calculated on the basis of the closing trading price of UWL Shares on 11 September 2020 of $1.26.

[10] Implying $1.015 per OPC Share calculated on the basis of the closing trading price of UWL Shares on 11 September 2020 of $1.26.

- OptiComm recommends or otherwise enters into a proposal or arrangement pursuant to which a Third Party will acquire a Relevant Interest in at least 50.1% of the OPC Shares or will otherwise acquire a material subsidiary or a material asset of OptiComm,

(each a **Call Option Trigger Event**).

The relevant **Call Option Period** commences on the day the relevant Call Option Trigger Event occurs and:

- in the case of a Call Option Trigger Event involving a Rival Scheme, ends on the date the scheme meeting is held; and

- in the case of a Call Option Trigger Event that does not involve a Rival Scheme, ends 90 days after the occurrence of that Call Option Trigger Event.

The Call Options will expire on the earlier of:

- 15 March 2021, being the date six months after the date of the Call Option Agreements; and

- the day following the end of the relevant Call Option Period.

The Call Option Agreements do not contain any restrictions on the Call Option Counterparties' right to vote for or against any resolution proposed in relation to OptiComm (including the Scheme Resolutions).

6.7 Consents to be named

Uniti has given, and not withdrawn before the registration of this Supplementary Scheme Booklet with ASIC, its written consent to be named in this Supplementary Scheme Booklet in the form and context in which it is so named and to the inclusion of the Additional Uniti Information attributed to it in this Supplementary Scheme Booklet in the form and context in which such information is included in this Supplementary Scheme Booklet. Uniti has not caused or authorised the issue of this Supplementary Scheme Booklet, and, other than any reference to its name and the Additional Uniti Information, takes no responsibility for any other part of this Supplementary Scheme Booklet.

Link has given, and not withdrawn before the registration of this Supplementary Scheme Booklet with ASIC, its written consent to be named in this Supplementary Scheme Booklet in the form and context in which it is so named. Link has not made any statement that is included in the Supplementary Scheme Booklet or any statement on which a statement in this Supplementary Scheme Booklet is based. Link has not caused or authorised the issue of this Supplementary Scheme Booklet, and, other than any reference to its name, takes no responsibility for any other part of this Supplementary Scheme Booklet.

Lonergan Edwards has given, and not withdrawn before the registration of this Supplementary Scheme Booklet with ASIC, its written consent to be named in this Supplementary Scheme Booklet in the form and context in which it is so named and to the inclusion of its Supplementary Independent Expert's Report contained in Annexure A. Lonergan Edwards has not caused or authorised the issue of this Supplementary Scheme Booklet, and, other than any reference to its name and the Supplementary Independent Expert's Report contained in Annexure A, takes no responsibility for any other part of this Supplementary Scheme Booklet.

6.8 Supplementary information

OptiComm will issue a supplementary document to this Supplementary Scheme Booklet if it becomes aware of any of the following between the date of lodgement of this Supplementary Scheme Booklet for registration by ASIC and the Effective Date:

- a material statement in this Supplementary Scheme Booklet is materially false or misleading;

- a material omission from this Supplementary Scheme Booklet;

- a significant change affecting a matter included in this Supplementary Scheme Booklet; or
- a significant new matter has arisen and it would have been required to be included in this Supplementary Scheme Booklet if it had arisen before the date of lodgement of this Supplementary Scheme Booklet for registration by ASIC.

Depending on the nature and timing of the changed circumstances and subject to obtaining any relevant approvals, OptiComm may circulate and publish any supplementary document by:

- placing an advertisement in a prominently published newspaper which is circulated generally throughout Australia;
- posting the supplementary document on OptiComm's website at www.OptiComm.net.au; or
- making an announcement to ASX,

as OptiComm, in its absolute discretion, considers appropriate.

6.9 No other material information known to OptiComm

Except as disclosed elsewhere in this Supplementary Scheme Booklet, so far as the OptiComm Directors are aware, there is no other information that is:

- material to the making of a decision by an OPC Shareholder whether or not to vote in favour of the Scheme Resolutions; and
- known to any OptiComm Director or any director of a Related Body Corporate of OptiComm at the date of lodging this Supplementary Scheme Booklet with ASIC for registration.

7. Glossary and interpretation

7.1 Glossary

In this Supplementary Scheme Booklet, unless the context requires otherwise, defined terms have the meanings given to them in the Scheme Booklet, and the following terms have the meanings shown below:

Term	Definition
Additional OptiComm Information	means the information contained in this Supplementary Scheme Booklet other than the Additional Uniti Information and the Supplementary Independent Expert's Report.
Additional Uniti Information	means the information contained in Sections 4.7, 4.8 and 6.2 to 6.6.
Amended and Restated Scheme Implementation Deed	means the Scheme Implementation Deed as amended and restated by the deed of amendment and restatement entered into by OptiComm and Uniti on 15 September 2020.
Aware Super	means Aware Super Pty Ltd ACN 158 957 889 as trustee for Aware Super (formerly known as First State Super).
Aware Super Proposal	has the meaning given to that term in Section 4.1.
Call Option Agreements	means the Call Option Agreement entered into by Uniti and each of: • Ausbil Investment Management Limited ACN 076 316 473; • Copia Investment Partners Ltd; • Pengana Capital Limited as trustee of the Pengana Emerging Companies Fund ARSN 111 894 510; • QVG Capital; and • Wilson Asset Management (International) Pty Limited ACN 081 047 118 as investment manager for WAM Capital Limited, WAM Active Limited, WAM Microcap Limited and Botanical Nominees Pty Limited as trustee for Wilson Management Equity Fund, on 15 September 2020.
Call Option Counterparty	means a party to a Call Option Agreement other than Uniti.
Call Option Period	has the meaning given to that term in Section 6.6.
Call Option Shares	means 14,116,930 OPC Shares held by the Call Option Counterparties.

Term	Definition
Cash Consideration	means, for each Scheme Share: • if the Special Dividend is declared, $4.735 cash; or • if the Special Dividend is not declared, $4.835 cash.
Deed Poll	means the deed poll executed by Uniti under which Uniti covenants in favour of the Scheme Shareholders to perform the obligations attributed to Uniti under the Original Scheme, including as amended by agreement between Uniti and OptiComm.
Eligible Shareholders	means all OPC Shareholders (other than the Excluded Shareholder) who are on the OptiComm Scheme Register as at the Voting Record Date.
Excluded Shareholder	means Uniti.
Fiduciary Exception	has the meaning given to that term in Section 3.
New UWL Shares	means UWL Shares to be issued under the Scheme as Revised Scheme Consideration.
Notice of Postponed Scheme Meeting	means the notice set out in Annexure D.
Original Scheme	means the original scheme of arrangement between OptiComm and the Scheme Shareholders as set out in Schedule C of the Scheme Booklet.
Revised All Cash Consideration	means $5.85 cash per OPC Share.
Revised Scheme Consideration	has the meaning given to that term in Section 4.1.
Revised Uniti Proposal	has the meaning given to that term in Section 4.1.
Rival Scheme	means a scheme of arrangement pursuant to Part 5.1 of the Corporations Act proposed by OptiComm to OPC Shareholders which if approved and implemented would result in a Third Party acquiring a Relevant Interest in, or becoming the holder of, 50.1% or more of the OPC Shares.
Scheme	means the scheme of arrangement between OptiComm and the Scheme Shareholders as set out in Annexure C.
Scheme Meeting	means the meeting of Eligible Shareholders to be convened by the Court under Section 411(1) of the Corporations Act in respect of the Scheme.
Scheme Record Date	means 7:00pm (AEDT) on Tuesday, 27 October 2020, or such other time and date as OptiComm and Uniti agree in writing.
Scheme Resolutions	means the resolutions to be put to the Scheme Meeting to amend the Original Scheme and approve the Scheme as amended, as more fully enumerated in the Revised Notice of Meeting.

Term	Definition
Scheme Share	means an OPC Share on issue as at the Record Date other than any OPC Share then held by the Excluded Shareholder.
Scheme Shareholder	means each person registered in the OptiComm Share Register as a holder of an OPC Share (other than the Excluded Shareholder) as at the Scheme Record Date.
Scrip Consideration	means 0.80537 New UWL Shares for each Scheme Share.
Share Sale Agreements	means the Share Sale Agreement entered into by Uniti and each of: • Karara Capital Pty Limited ABN 34 134 075 157; • Regal Funds Management Pty Ltd in its capacity as investment manager of Regal Investment Fund; • Regal Funds Management Pty Ltd as trustee for Regal Australian Small Companies Fund; • Perpetual Investment Management Limited as responsible entity of the Perpetual Smaller Companies Fund ARSN 091 188 082 and Perpetual Pure Microcap Fund ARSN 164 986 047; and • Richmond Bridge Superannuation Pty Ltd ACN 162 519 459 in its capacity as trustee of Richmond Bridge Superannuation Fund, on 15 September 2020.
Share Sale Counterparty	means a party to a Share Sale Agreement other than Uniti.
Share Sale Shares	means 6,210,689 OPC Shares sold to Uniti pursuant to the Share Sale Agreements.
Special Dividend	has the meaning given to that term in Section 4.1.
Special Dividend Record Date	means 7:00pm (AEDT) on Tuesday, 27 October 2020, or such other time and date as OptiComm and Uniti agree in writing.
Supplementary Independent Expert's Report	means the supplementary report of the Independent Expert, as set out in Annexure A.
Supplementary Scheme Booklet	means this supplementary scheme booklet dated 25 September 2020, including the attachments to it.
Takeover Bid	means a takeover bid under Chapter 6 of the Corporations Act for OPC Shares under which the bidder may acquire at least 50.1% of the OPC Shares.
Third Party	means any of the following: • a person other than Uniti or any of its Related Bodies Corporate; or • a consortium, partnership, limited partnership, syndicate or other group in which none of the persons named in the

Term	Definition
	point immediately above has agreed in writing to be a participant.
Voting Record Date	means the time and date for determining eligibility of OPC Shareholders to vote at the Scheme Meeting, which is 7:00pm (AEDT) on Sunday, 11 October 2020.

7.2 Interpretation

(a) In this Supplementary Scheme Booklet, unless the context otherwise appears:

(i) words and phrases have the same meaning (if any) given to them in the Corporations Act, unless inconsistent with the meaning given in Section 7.1;

(ii) words importing a gender include any gender;

(iii) words importing the singular include the plural and vice versa;

(iv) where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings;

(v) an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate and vice versa;

(vi) a reference to a Section or annexure is a reference to a Section of or an annexure to this Scheme Booklet as relevant;

(vii) a reference to any statute, regulation, proclamation, ordinance or by law includes all statutes, regulations, proclamations, ordinances or by laws amending, varying, consolidating or replacing it and a reference to a statute includes all regulations, proclamations, ordinances and by laws issued under that statute;

(viii) headings and bold type are for convenience only and do not affect the interpretation of this Supplementary Scheme Booklet;

(ix) a reference to time is a reference to time in Melbourne, Australia;

(x) a reference to writing includes facsimile transmissions; and

(xi) a reference to dollars, $, cents, ¢ and currency is a reference to the lawful currency of the Commonwealth of Australia.

(b) This document will prevail in the event of any inconsistency with the Scheme Booklet.

Annexure A

Supplementary Independent Expert's Report

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The Directors
OptiComm Ltd
Level 1
22 Salmon Street
Port Melbourne VIC 3207

23 September 2020

Subject: Revised proposal from Uniti Group Limited to acquire OptiComm Ltd

Dear Directors

Introduction

Initial proposal from Uniti

1 On 15 June 2020, OptiComm Ltd (OptiComm or the Company) announced that it and Uniti Group Limited (Uniti) had entered into a Scheme Implementation Deed (SID) under which Uniti would acquire all of the issued shares in OptiComm (Initial Uniti Proposal). Under this proposal, OptiComm shareholders could elect to receive the consideration as one of the following five alternatives[1]:

(a) $5.10 cash per OptiComm share (Cash Consideration)

(b) 3.4228 Uniti shares for each OptiComm share (Scrip Consideration)

(c) a combination of cash and Uniti shares for each OptiComm share, as follows:

(i) 75% Cash Consideration and 25% Scrip Consideration (Mixed Consideration Option 1) equating to $3.825 cash and 0.8557 Uniti shares for each OptiComm share

(ii) 50% Cash Consideration and 50% Scrip Consideration (Mixed Consideration Option 2) equating to $2.55 cash and 1.7114 Uniti shares for each OptiComm share

(iii) 25% Cash Consideration and 75% Scrip Consideration (Mixed Consideration Option 3) equating to $1.275 cash and 2.5671 Uniti shares for each OptiComm share.

2 Lonergan Edwards & Associates Limited (LEA) prepared an independent expert's report (IER) dated 6 August 2020 on the merits of the Initial Uniti Proposal. In this report we concluded that the value of the scheme consideration under each alternative was as follows:

1 OptiComm shareholders who did not make an election or who made an invalid election, would have received Mixed Consideration Option 1 had the Initial Uniti Proposal been implemented.

Initial Uniti Proposal - Value of scheme consideration per OptiComm share	Low $ per share	High $ per share
Cash Consideration	5.10	5.10
Scrip Consideration(1)	4.96	5.65
Mixed Consideration Option 1 (75% cash, 25% scrip)(2)	5.07	5.24
Mixed Consideration Option 2(50% cash, 50% scrip)(3)	5.03	5.37
Mixed Consideration Option 3 (25% cash, 75% scrip)(4)	5.00	5.51

Note:
1 Being $1.45 to $1.65 times exchange ratio of 3.4228 Uniti shares for each OptiComm share.
2 Being $1.45 to $1.65 times exchange ratio of 3.4228 Uniti shares for each OptiComm share times 25% Scrip Consideration, plus $5.10 times 75% Cash Consideration.
3 Being $1.45 to $1.65 times exchange ratio of 3.4228 Uniti shares for each OptiComm share times 50% Scrip Consideration, plus $5.10 times 50% Cash Consideration.
4 Being $1.45 to $1.65 times exchange ratio of 3.4228 Uniti shares for each OptiComm share times 75% Scrip Consideration, plus $5.10 times 25% Cash Consideration.

Proposal from First State Superannuation

3 On 8 September 2020, OptiComm announced it had received a non-binding and conditional competing proposal from FSS Trustee Corporation as trustee for the First State Superannuation Scheme to acquire all of the OptiComm shares for $5.85 per OptiComm share, inclusive of a $0.10 fully franked special dividend, if declared (the First State Non-Binding Competing Proposal).

4 The OptiComm Board considered that the First State Non-Binding Competing Proposal provided a higher consideration than the consideration under the Initial Uniti Proposal, and that it was therefore appropriate for the OptiComm Board to engage in further discussions with FSS Trustee Corporation on the basis that it may lead to a superior proposal.

5 At the date of this report, OptiComm has yet to receive a binding proposal in connection with the First State Non-Binding Competing Proposal.

Revised Scheme Proposal from Uniti

6 Pursuant to its obligations under the SID, OptiComm notified Uniti of the First State Non-Binding Competing Proposal. On 14 September 2020, OptiComm received a revised binding offer from Uniti (Revised Scheme Proposal) pursuant to which OptiComm shareholders (other than foreign ineligible shareholders) will receive[2]:

(a) $4.835 cash per OptiComm share (inclusive of any special dividend of up to $0.10 per share; and

(b) 0.80537 Uniti shares per OptiComm share (Revised Scheme Consideration).

7 The Revised Scheme Proposal from Uniti is to be implemented via a scheme of arrangement between OptiComm and its shareholders (the Revised Scheme), and is subject to a number of conditions precedent including OptiComm shareholder and court approval, the independent

2 For the avoidance of doubt, under the Revised Scheme Proposal there will be no elections in respect of scheme consideration and no scale-back.

expert continuing to conclude that the Revised Scheme Proposal is in the best interests of OptiComm shareholders and there being no material adverse change, prescribed occurrence or regulated event affecting either party. Further information on these conditions is summarised in the Scheme Booklet.

8 If the Revised Scheme is implemented, OptiComm shareholders may receive a fully franked special dividend of $0.10 per OptiComm share (Special Dividend), in which case the Revised Scheme Consideration will be reduced by $0.10 to $4.735 per OptiComm share. However, OptiComm shareholders will still receive $4.835 per share in cash if the Revised Scheme is implemented[3].

Acquisition of OptiComm shares by Uniti

9 On 15 September 2020 (at the same time as the announcement of the Revised Scheme Proposal), Uniti also announced that it had entered into:

(a) share purchase agreements with certain OptiComm institutional shareholders to acquire approximately 6% of OptiComm shares for the Revised Scheme Consideration, with completion expected to occur within three business days

(b) call option agreements with certain other OptiComm institutional shareholders over approximately 13.5% of OptiComm shares. Under these agreements, Uniti has the right (but not the obligation) to acquire the shares for the Revised Scheme Consideration (less any dividends paid prior to exercise) from the respective shareholders on the occurrence of certain change of control trigger events[4].

OptiComm

10 OptiComm is a licensed carrier and wholesale network infrastructure operator which designs, builds, operates and maintains fixed line access, fibre based, telecommunications networks servicing new residential, commercial and retail developments within Australia. As at 30 June 2020, the Company had deployed its network infrastructure to some 124,000 lots across more than 290 estates throughout Australia with approximately 73,000 active connections from 89,000 connected premises. In addition, OptiComm has contractual obligations to construct fibre infrastructure at an additional 150,000 lots for new projects planned and in development.

Uniti

11 Uniti is a full-service telecommunications company that provides wireless internet, fixed fibre services and specialist telecommunications products to consumer and corporate customers throughout Australia. The company operates across three "pillars" or business units, comprising Wholesale & Infrastructure (W&I), Specialty Services and Consumer & Business Enablement (CBE). Uniti listed on the Australian Securities Exchange (ASX) in

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3 In our opinion, when assessing the merits of the Revised Scheme Proposal it is appropriate to refer to the Revised Scheme Consideration inclusive of any Special Dividend because the payment of any Special Dividend is conditional on the Revised Scheme becoming effective.

4 Uniti has an exercise period of 90 days from the trigger event. The call option terminates on the earlier of six months and the expiry of the 90 day option exercise period. Uniti will also share 50% of the upside with the OptiComm institutional shareholders if it disposes of these OptiComm shares within 12 months of acquisition.

February 2019 with a strategy of becoming a leading provider of niche telecommunications services, via both organic growth and inorganic mergers and acquisitions.

Purpose of report

12 There is no regulatory requirement for an IER to be prepared for OptiComm shareholders pursuant to the *Corporations Act 2001* (Cth) (Corporations Act) or the ASX Listing Rules. However, the Revised Scheme is subject to a number of conditions precedent, including an independent expert concluding and continuing to conclude that the Revised Scheme is in the best interests of OptiComm shareholders. In addition, the OptiComm Directors' recommendation of the Revised Scheme is subject to an independent expert concluding that the Revised Scheme is in the best interests of OptiComm shareholders in the absence of a superior proposal.

13 Accordingly, the Directors of OptiComm have requested LEA to prepare an IER stating whether, in our opinion, the Revised Scheme is fair and reasonable and in the best interests of OptiComm shareholders and the reasons for that opinion[5]. LEA is independent of OptiComm and Uniti and has no other involvement or interest in the Revised Scheme.

Summary of opinion

14 In our opinion, the Revised Scheme is fair and reasonable and in the best interests of OptiComm shareholders in the absence of a superior proposal. We have formed this opinion for the reasons set out below.

Value of OptiComm shares

15 Our assessed value of OptiComm shares on a 100% controlling interest basis (and prior to the payment of the Special Dividend) is set out below:

OptiComm – valuation summary	Low $m	High $m
Value of core business	495.0	535.0
Net cash	21.5	21.5
Equity value – controlling interest basis	516.5	556.5
Fully diluted shares on issue (million)	104.3	104.3
OptiComm value per share – controlling interest basis	$4.95	$5.34

16 We have adopted the discounted cash flow (DCF) methodology as our primary valuation approach. The key assumptions adopted in our DCF valuation are set out in Section I.

Value of Revised Scheme Consideration

17 We have assessed the value of the Revised Scheme Consideration (inclusive of any Special Dividend if paid) at $5.92 to $6.00 per OptiComm share, as shown below:

5 Due to the nature of the Revised Scheme, Australian Securities & Investments Commission (ASIC) Regulatory Guide 111 – *Content of expert reports* (RG 111) also requires the expert to provide an opinion on whether the Revised Scheme is fair and reasonable.

Value of Revised Scheme Consideration per OptiComm share	Low $ per share	High $ per share
Uniti share price	1.35	1.45
Exchange ratio	0.80537	0.80537
Value of scrip consideration	1.087	1.168
Cash consideration (including any Special Dividend)	4.835	4.835
Revised Scheme Consideration (including any Special Dividend)	**$5.92**	**$6.00**

Fair and reasonable opinion

18 Pursuant to RG 111 the Revised Scheme is "fair" if the value of the Revised Scheme Consideration is equal to, or greater than, the value of the securities the subject of the Revised Scheme.

19 As the value of the Revised Scheme Consideration (inclusive of any Special Dividend) to be received by OptiComm shareholders exceeds our assessed valuation range for OptiComm shares on a 100% controlling interest basis, in our opinion, the Revised Scheme is fair to OptiComm shareholders when assessed based on the guidelines set out in RG 111.

20 Pursuant to RG 111, a transaction is reasonable if it is fair. Further, in our opinion, if the Revised Scheme is "reasonable" it must also be "in the best interests" of shareholders, in the absence of a superior proposal.

21 Consequently, in our opinion, the Revised Scheme is also "reasonable" and "in the best interests" of OptiComm shareholders in the absence of a superior proposal.

Assessment of the Revised Scheme

22 We summarise below the advantages and disadvantages of the Revised Scheme for OptiComm shareholders.

Advantages

23 The Revised Scheme Consideration (inclusive of any Special Dividend) to be received by OptiComm shareholders exceeds our assessed value range of OptiComm shares on a 100% controlling interest basis (and is therefore fair and reasonable under RG 111). It also exceeds the value of the consideration proposed under the Initial Uniti Proposal.

24 The Revised Scheme Consideration represents a significant premium to the volume weighted average price (VWAP) of $4.60 per OptiComm share in the period from 28 April 2020[6] up to the announcement of the Initial Uniti Proposal.

Disadvantages

25 If the Revised Scheme is implemented OptiComm shareholders will no longer hold a direct interest in OptiComm, but will continue to collectively own approximately 14% of the OptiComm business through their interest in Uniti. In the event that future value is created by OptiComm as a result of ongoing operations over and above that reflected in the value of the

6 On 28 April 2020 OptiComm provided a presentation to the ASX that included a number of statements regarding the outlook of the business for FY20 and the impacts of the 2019 novel coronavirus (COVID-19).

Revised Scheme Consideration, OptiComm shareholders will therefore only retain some limited exposure to such future value (but will also acquire an interest in the Uniti businesses).

26 However, as the Revised Scheme Consideration to be received by OptiComm shareholders exceeds our assessed value range of OptiComm shares, we consider that the present value of OptiComm's future potential (plus a share of expected synergies) is reflected in the Revised Scheme Consideration.

Conclusion

27 Given the above analysis, we consider the acquisition of OptiComm shares under the Revised Scheme is fair and reasonable to, and in the best interests of, OptiComm shareholders in the absence of a superior proposal.

General

28 In preparing this report we have considered the interests of OptiComm shareholders as a whole. Accordingly, this report only contains general financial advice and does not consider the personal objectives, financial situations or requirements of individual shareholders.

29 The impact of approving the Revised Scheme on the tax position of OptiComm shareholders depends on the individual circumstances of each investor. OptiComm shareholders should read the Scheme Booklet in full and consult their own professional advisers if in doubt as to the taxation consequences of the Revised Scheme.

30 The ultimate decision whether to approve the Revised Scheme should be based on each OptiComm shareholder's assessment of their own circumstances. If OptiComm shareholders are in doubt about the action they should take in relation to the Revised Scheme or matters dealt with in this report, shareholders should seek independent professional advice. For our full opinion on the Revised Scheme and the reasoning behind our opinion, we recommend that OptiComm shareholders read the remainder of our report, together with our IER on the Initial Uniti Proposal dated 6 August 2020.

Yours faithfully



Craig Edwards
Authorised Representative



Martin Holt
Authorised Representative

LONERGAN EDWARDS & ASSOCIATES LIMITED

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I Valuation of 100% of OptiComm

Methodology

31 Consistent with our IER on the Initial Uniti Proposal dated 6 August 2020, we consider that the DCF approach is the most appropriate valuation methodology to assess the value of shares in OptiComm.

32 Under the DCF methodology the value of the OptiComm business (on a cash and debt free basis) is equal to the net present value (NPV) of the estimated future cash flows including a terminal value. In order to arrive at the NPV the future cash flows are discounted using a discount rate which reflects the risks associated with the cash flow stream.

33 Our DCF valuation is based on free cash flow projections derived by LEA having regard to, inter-alia, OptiComm management budgets and forecasts and related discussions with OptiComm management.

34 Whilst LEA believes the assumptions underlying the cash flow projections adopted for valuation purposes are reasonable and appropriate, it should be noted in respect of these projections that:

(a) the major assumptions underlying the projections were formulated in the context of current economic, financial and other conditions, including the potential impact of COVID-19 on the business

(b) the projections and the underlying assumptions have not been reviewed by an investigating accountant for reasonableness or accuracy of compilation and application of assumptions

(c) future profits and cash flows are inherently uncertain

(d) by their nature, the projections do not take into account the operational flexibility available to management to react to changes in the market conditions in which OptiComm operates

(e) the achievability of the projections is not warranted or guaranteed by OptiComm or LEA, as they are predictions of future events that cannot be assured and are necessarily based on assumptions, many of which are beyond the control of OptiComm and its management; and

(f) actual results may be significantly more or less favourable.

35 Free cash flow represents the operating cash flows on an un-geared basis (i.e. before interest) less taxation payments[7], capital expenditure and working capital requirements. The free cash flow on an ungeared basis is adopted to enable the value of the business to be determined irrespective of the level of debt funding employed.

7 Also calculated on an ungeared basis.

36 We have adopted a valuation date of 30 September 2020. The free cash flow projections cover the period to 30 June 2028 (Forecast Period), together with the estimated capital value of the business at the end of that period.

37 As the detailed cash flow projections are commercially sensitive, they have not been set out in our report. However, we set out below information on the major assumptions underlying the free cash flow projections.

38 We have discussed the financial performance of OptiComm since the preparation of our IER on the Initial Uniti Proposal dated 6 August 2020 with OptiComm management and are of the opinion that the key assumptions below (which are unchanged from those adopted in our IER dated 6 August 2020) remain appropriate.

Key assumptions

Growth in Active Premises on existing network[8]

39 As at 30 June 2020, OptiComm had deployed its network infrastructure to over 124,000 lots across more than 290 estates throughout Australia and had over 73,000 active connections[9] from over 89,000 Connected Premises[10]. As at 31 August 2020 OptiComm's network infrastructure has increased to approximately 128,000 lots with over 75,000 active connections from over 92,000 Connected Premises.

40 The future economic benefits (i.e. future cash flows) arising from the network construction spend are primarily the recurring network revenue received from retail service providers (RSPs) for network access in the form of monthly wholesale access and capacity charges (net of associated operating costs). This recurring network revenue arises from active connections only. Accordingly, the growth in active connections is a key driver of OptiComm's future financial performance.

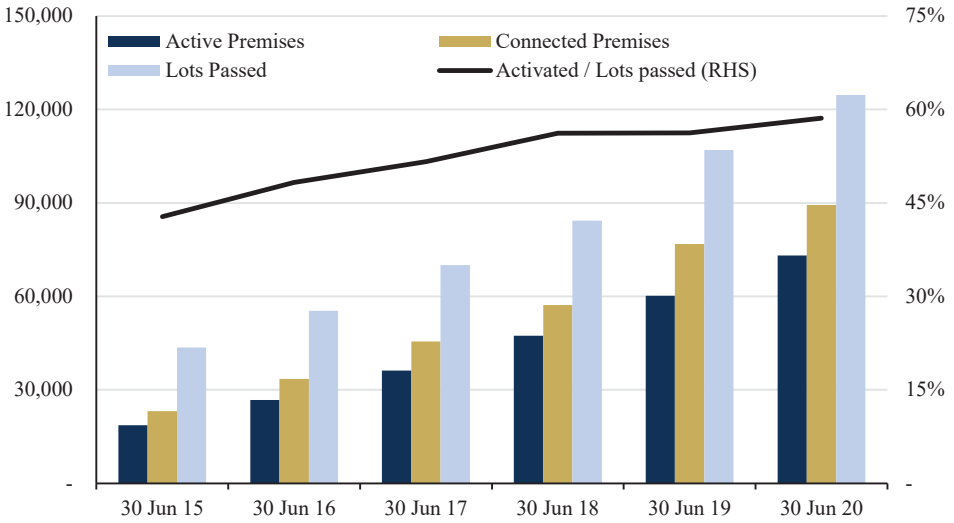
41 As indicated above, as at 30 June 2020, active connections on the existing network were approximately 59% of total Lots Passed. As shown below, the proportion of active connections as a percentage of total Lots Passed has been steadily increasing over recent years:

8 The existing network refers to the fibre optic infrastructure installed into or in close proximity to the 124,000 "Lots Passed" (i.e. connections where OptiComm's infrastructure has been installed but is not yet connected to the network) as at 30 June 2020.

9 Connected Premises become "Active Premises" once services are activated by the end user.

10 Newly constructed dwellings that have been connected to OptiComm's network (Connected Premises).

OptiComm – Lots Passed, Connected Premises and Active Premises



42 Our Base Case DCF assumptions assume that the number of active connections on the existing network will increase to approximately 104,000 premises by 30 June 2024, which is maintained over the remainder of the Forecast Period. This represents an increase of some 31,000 active connections from the number of active connections as at 30 June 2020, and results in the number of active connections on the existing network increasing to approximately 84% of the total Lots Passed as at 30 June 2020.

43 It should be noted that the proportion of Lots Passed that become active connections is not expected to reach 100% over the Forecast Period. This is because:

(a) there is usually a significant time-lag (particularly in broadacre subdivisions) between the installation of the fibre network and the sale of the lots, construction of a dwelling and connection of the dwelling to the network

(b) some dwellings will be vacant (e.g. available to rent), or be occupied as short term rentals without active connections

(c) some dwellings (particularly those in metropolitan areas) will not require OptiComm's fibre networks due to the availability of alternative technologies such as 4G and 5G wireless networks.

Growth in Lots Passed

44 In addition to the greater utilisation of OptiComm's existing network as that network matures, future earnings growth is also forecast to arise from OptiComm's contractual agreements with developers for the construction of future networks to over 150,000 additional lots.

45 Whilst the exact timing of these new developments / networks is uncertain, OptiComm management expect that this future network construction will occur over an eight to 10 year period. This implies additional Lots Passed (on average) of between 15,000 and 18,750 per annum. In comparison, the additional Lots Passed each year from FY16 to FY20 is shown below:

Total Lots Passed (000s)[1]						
	FY15	FY16	FY17	FY18	FY19	FY20
Total Lots Passed at year end	44	55	70	84	102[2]	120[2]
Change in Lots Passed	n/a	12	15	14	18[2]	18

Note:
1 Rounding differences exist.
2 Excludes approximately 5,000 Lots Passed in FY19 which were taken over as part of a managed services contract.
n/a – not applicable.

46 Our Base Case DCF calculations assume that additional Lots Passed are 16,500 per annum over the Forecast Period. This is broadly consistent with the average annual increase in Lots Passed over the three years to FY20 period of approximately 16,540[11], noting that the change in Lots Passed has generally been increasing.

47 Our Base Case forecasts therefore assume that there are 132,000 additional Lots Passed over the eight year Forecast Period.

48 Our sensitivity analysis (set out below in paragraph 74) highlights the sensitivity of our valuation range to changes in the annual number of Lots Passed. Due to the economic impact of the COVID-19 pandemic it is likely that Australia will experience a housing market downturn (at least in the short term), which may result in the cancellation or deferral of housing projects. This is expected to have a negative impact on OptiComm in FY21 and FY22 once existing work in progress lots are completed, but may be partially offset by the HomeBuilder Federal Government support package. That said, we note that the housing market is cyclical in nature and experiences peaks and troughs and that any shortage of dwellings constructed in the short term may be deferred to later periods (as opposed to cancelled altogether).

Active Premises on future networks

49 Of the assumed 132,000 additional Lots Passed over the eight year Forecast Period, our Base Case forecasts assume that this results in approximately 58,000 additional Active Premises by 30 June 2028, representing approximately 44% of the total additional Lots Passed. While we note that this is significantly lower than our assumed proportion of active connections on OptiComm's existing network (refer paragraph 42), we consider this reasonable noting that:

(a) our assumed level of active connections reflects a staged installation of the additional 132,000 lots over an eight year period

(b) there is usually a significant time lag between the installation of a fibre network (i.e. Lots Passed) and utilisation (as measured by the number of Active Premises). Accordingly, the proportion of active connections for a growing network will be lower than for a maturing existing network, due to the fact that as existing connections become active, new connections (which are yet to become active) have also been added to the network

11 This average excludes approximately 5,000 Lots Passed in FY19 which were taken over as part of a managed services contract.

(c) as at 30 June 2020, the number of active connections on OptiComm's existing network was approximately 59% of the total Lots Passed. This level of utilisation has been achieved over some 13 years since the Company secured its first projects in 2007. In this regard we note that as at 30 June 2015 (i.e. some eight years since the Company secured its first project) the number of active connections was only 46% of the total Lots Passed.

50 Our Base Case forecasts therefore reflect a significant increase in the number of Active Premises connected to OptiComm's network as shown below:

Projected change in Active Premises over cash flow period (Base Case scenario)[1]	
	000s
Number of Active Premises as at 30 June 2020	73
Projected increase in Active Premises due to:	
Greater utilisation of existing network	31
Growth from new Lots Passed	58
Projected number of Active Premises as at 30 June 2028	163
Projected increase in number of Active Premises	122%

Note:
1 Rounding differences exist.

Average revenue per active connection

51 The value of OptiComm is principally driven by the recurring network revenue received from RSPs for network access in the form of monthly wholesale access and capacity charges.

52 To ensure that residents in developments with OptiComm installed fibre networks are not disadvantaged relative to the NBN Co Limited (NBN Co), OptiComm's wholesale access and capacity fees are consistent with those charged by NBN Co.

53 These wholesale charges are a combination of:

(a) access fees – determined by the speed / volume plan which each end user customer has signed up to

(b) capacity fees – determined by the RSP having regard to the bandwidth capacity it determines it needs to service its customers in each state and territory.

54 OptiComm's average revenue per user (ARPU) increased from around $38 per month in FY17 to approximately $51 per month in FY20[12]. The adoption of higher speed plans (which has recently accelerated due to the need to "work from home" as a result of COVID-19 restrictions) resulted in higher ARPU in FY20.

12 Net of any rebates introduced in March 2020 to June 2020 to provide relief to RSPs due to the impact of the COVID-19 pandemic.

55 In addition, we have been advised that OptiComm recently issued a revised pricing schedule in line with NBN Co's recent updated price schedule, which will translate to ARPU of around $50 per month commencing in FY21.

56 However, in October 2019 the Australian Competition and Consumer Commission (ACCC) announced an inquiry into NBN Co's wholesale pricing for residential broadband. The inquiry was to investigate (amongst other matters) whether prices for NBN Co's entry level broadband product were too high, resulting in unfair outcomes for consumers forced to transition from lower cost ADSL[13] plans, despite having no want or need for higher speed internet.

57 The ACCC received submissions from a number of RSPs before releasing a position paper in April 2020, which put the inquiry on hold to allow stakeholders to focus on responding to the COVID-19 pandemic. Whilst the ACCC is yet to officially announce its position, the general view of the submissions provided was that current wholesale prices do not allow RSPs to sell an entry level broadband product for NBN[14] broadband that is commercially viable.

58 There is therefore likely to be ongoing pressure (and potentially regulatory action) on NBN Co to lower (at least) wholesale prices for entry level broadband access. Whilst we understand that only around 11% of OptiComm's wholesale revenues are related to users on entry level broadband plans, in our view there is also likely to be pressure on NBN Co to lower wholesale prices more generally.

59 Accordingly, whilst we have adopted a wholesale charge equivalent to an ARPU of $50 per month per active user in our Base Case scenario, we consider that there is downside risk associated with such an assumption in the short to medium term (the impact of which is evident from our sensitivity analysis set out in paragraph 74).

Network gross margins

60 Our Base Case valuation of OptiComm reflects a network gross margin (as a percentage of revenue) of approximately 81%. This compares with its actual (annual) gross margin of between 77% and 85% of revenue over the five years ended 30 June 2020, and is broadly consistent with the actual network gross margin achieved in FY20.

61 Having regard to the historical gross margins and ARPU achieved we have varied the Base Case gross margin in our sensitivity analysis depending on the level of ARPU assumed. In summary, higher gross margins are expected to be achieved at higher ARPU and lower gross margins are expected at lower ARPU (all other variables held constant).

Network operating costs

62 Network operating costs not included in gross margins (which principally reflect employee related costs) are projected to increase at around 3% per annum. This is higher than expected inflation of around 1.5% per annum, and reflects the increased scale of the business over the Forecast Period (as the number of total Lots Passed is forecast to grow strongly)[15].

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13 Asymmetrical digital subscriber line (ADSL).

14 National Broadband Network (NBN).

15 Allowance has also been made for unallocated corporate costs consistent with those incurred in FY20.

Regional Broadband Scheme / NBN tax

63 In February 2020, the Federal Government announced the Regional Broadband Scheme[16] for residential and business users of non-NBN fixed line services, due to take effect in January 2021[17]. Under the Regional Broadband Scheme, wholesale fixed line network owners (including OptiComm) will be charged a $7.10 monthly fee (indexed on an annual basis) for each household and business customer which is not using the NBN (NBN tax). We have therefore allowed for this Regional Broadband Scheme charge in our cash flows from 1 January 2021 (noting that OptiComm will receive an exemption from the NBN tax for its first 55,000 monthly users for a five year period).

Contribution from Construction and Connection activities

64 OptiComm's Construction and Connection operations incurred losses in FY20 of approximately $3.6 million (excluding network construction costs capitalised). For valuation purposes we have assumed that similar losses will be incurred in future. That is, we have assumed that the capital (construction) costs and operating costs (including sales expenses and an allocation of overhead costs) of the Construction and Connection activities will exceed developer contributions and connection revenues.

65 In our view, this assumption is appropriate as competition in the market for new development network rollouts may intensify given the Federal Government proposal in April 2020 to make changes to its Telecommunications Infrastructure in New Developments Policy, which will give NBN Co flexibility to set its own prices (subject to a cap) for new developments and increase competition. However, we note that OptiComm has a large pipeline of contracted networks to be built and a small number of "whole of business" agreements with major developers.

Capital expenditure

66 Excluding construction costs associated with installing the fibre networks (which are allowed for in the Construction segment result), capital expenditure is forecast to increase from around $1.8 million in FY21 to $3.8 million per annum over the Forecast Period. This reflects the increasing size of the network over the Forecast Period, and the need to invest in the network (e.g. duplicate backhaul to provide redundancy and minimise network outages).

Depreciation and taxation

67 Depreciation has been estimated on a diminishing value basis using the tax depreciation rates adopted by OptiComm. Company tax has been allowed for based on the level of projected taxable income at the corporate tax rate of 30%.

Discount rate

68 A post-tax discount rate of 7% per annum has been applied for the reasons set out in Appendix C of our IER on the Initial Uniti Proposal dated 6 August 2020. This discount rate has been applied to determine the present value of the future cash flows in the Forecast Period and the present value of the terminal value at the end of the Forecast Period.

16 Passed in May 2020 as part of the Telecommunications Reform Package.

17 Under the Telecommunications (Regional Broadband Scheme) Charge Bill 2019.

69 However, in the long term there is a greater risk of a market shift towards wireless broadband services due to technology advances (such as 5G) which could result in higher churn in the long term. We have reflected this longer term technological risk by applying a higher post-tax discount rate of 7.5% per annum in our terminal value calculation.

70 These discount rates are identical to the discount rates applied in our IER on the Initial Uniti Proposal dated 6 August 2020.

Terminal value

71 A terminal value growth rate of 2% has been adopted at the end of the Forecast Period (FY28) reflecting, inter-alia, real growth over and above inflation of around 0.5% per annum. The application of this terminal value growth rate and the discount rate implies a free cash flow multiple (on a controlling interest basis) of 18.2 times (which we consider reasonable relative to the then established nature of OptiComm's market position and service offering).

Valuation and sensitivity analysis

72 The Base Case assumptions set out above reflect the Base Case assumptions adopted in the financial model. There are inherent qualifications that apply to cash flow projections on which DCF valuations are based. In addition, the cost of capital can vary between industry participants based on factors such as differing perceptions / acceptance of risk and willingness to assume debt funding obligations.

73 It is important therefore not to credit the output of DCF models with a precision it does not warrant. It follows that any DCF valuation process should consider a range of scenarios, having regard to the respective key valuation drivers of the business being valued.

74 In assessing our valuation range we have therefore considered the sensitivity of value to changes in the key assumptions, as shown below:

OptiComm DCF valuation – sensitivity analysis

Variable	Base Case assumption	Sensitivity %	Value range $m
Growth in future Lots Passed	16,500	+/- 10	495 – 527
ARPU ($ per user per month)	50	$48 – $52	470 – 553
Discount rate (%)	7.0	6.75 – 7.25	488 – 536
Terminal growth rate (%)	2.0	1.75 – 2.25	494 – 529
Capital expenditure ($m)	1.8 – 3.8	+/- 10	505 – 517

75 Having regard to the above, we have assessed the DCF value of OptiComm's business (on a cash and debt free basis) at between $495 million and $535 million.

Net cash

76 As at 31 August 2020, OptiComm had net cash of approximately $21.5 million (net of approximately $0.2 million in finance lease liabilities)[18]. As our valuation has been undertaken on a cum-dividend basis we have not deducted the payment of the proposed Special Dividend of $0.10 per OptiComm share (which is contingent amongst other factors on shareholder approval of the Revised Scheme Proposal).

Other assets / (liabilities)

77 We are not aware of any other assets which are surplus to the operations of OptiComm, nor any other liabilities which should be deducted from our assessed business value.

Share capital outstanding

78 OptiComm has some 104.1 million fully paid ordinary shares on issue. In addition, the Company has 0.2 million performance rights which have been issued to key executives as part of the OptiComm Long Term Incentive Plan.

79 Pursuant to the terms of the Revised Scheme Proposal, we understand that the Board will allow these performance rights to vest. Consequently, the performance rights will be converted into ordinary shares prior to the effective date of the Revised Scheme.

80 Accordingly, for valuation purposes we have adopted 104.3 million fully diluted shares on issue.

Valuation summary

81 Given the above, we have assessed the standalone market value of 100% of the equity in OptiComm on a controlling interest basis (and prior to the payment of the proposed Special Dividend of $0.10 per OptiComm share), as follows:

OptiComm – valuation summary	Low $m	High $m
Value of core business	495.0	535.0
Net cash	21.5	21.5
Equity value – controlling interest basis	516.5	556.5
Fully diluted shares on issue (million)	104.3	104.3
OptiComm value per share – controlling interest basis	$4.95	$5.34

82 This valuation range is marginally higher than the valuation range set out in our IER dated 6 August 2020, and reflects the roll forward of the valuation date from 30 June 2020 to 30 September 2020.

18 This is approximately $1.5 million more than as at 30 June 2020, and reflects the payment in July and August 2020 of approximately $1 million in costs associated with the Initial Uniti Proposal.

Cross-check to transactions

83 We have cross-checked our assessed value of OptiComm's business (on a cash and debt free basis) to the acquisition of LBNCo Pty Ltd (LBNCo) and OPENetworks Pty Ltd (OPENetworks) completed by Uniti in September 2019 and October 2019 respectively, noting that these acquisitions combined significant participants in the private fibre networks market (behind OptiComm). In respect of these transactions, we note that:

(a) LBNCo is an established builder and wholesale operator of private fibre networks, predominantly comprised of fibre-to-the-premises (FTTP) high speed data services to multi-dwelling units and broadacre residential estates

(b) OPENetworks is also an established builder and wholesale operator of private fibre networks primarily comprising FTTP high speed data services to multi-dwelling units.

84 The table below sets out the key transaction metrics for LBNCo and OPENetworks relative to our assessed value range of OptiComm's business:

Key transaction metrics					
				OptiComm	
		LBNCo	OPENetworks	Low	High
Enterprise value (EV)	$m	100.0	27.5	495.0	535.0
Lots Passed	#	65,000	9,500	124,000	124,000
Active Premises	#	21,424	6,000	73,000	73,000
Active Premises / Lots Passed	%	33.0	63.2	58.9	58.9
EV / Lots Passed	$m	**4,668**	**4,583**	**6,781**	**7,329**
Contracted network	#	22,000	11,000	150,000	150,000
Contracted network / Lots Passed	#	**33.8**	**115.8**	**121.0**	**121.0**
Historical network revenue[1]	$m	15.3	3.4	41.2	41.2
Forecast network revenue[1]	$m	17.3	4.1	46.2[2]	46.2[2]
EV / historical network revenue	times	**6.5**	**8.1**	**12.0**	**13.0**
EV / forecast network revenue	times	**5.8**	**6.8**	**10.7**	**11.6**
Forecast FCF[3]	$m	3.6	2.4	16.0[2]	16.0[2]
Forecast FCF / Active Premises	$	168	398	219	219
EV / FCF	times	**27.8**	**11.5**	**30.9**	**33.4**

Note:
1 Recurring revenue. Excludes provisioning and ICN revenue.
2 OptiComm forecasts per LEA free cash flow (FCF) projections in FY21.
3 Represents operating cash flow less capital expenditure.

85 Whilst the comparability of the above transaction metrics will be influenced by a range of factors making direct comparisons difficult (e.g. maturity of existing network and expected network growth etc.), the transaction metrics for OptiComm implied by our valuation exceed the metrics paid for LBNCo and OPENetworks. We consider these higher OptiComm metrics to be reasonable when taking into account the following:

(a) OptiComm is significantly larger than LBNCo and OPENetworks. In this regard we note that smaller unlisted companies generally trade on lower multiples and metrics than larger listed companies

(b) As at our valuation date, OptiComm had a substantial contracted network of approximately 150,000 lots, which represented over 120% of its existing Lots Passed

(c) OptiComm is the second largest (behind NBN Co) builder and wholesale operator of fibre networks in the broadacre housing market and has a number of longstanding relationships with property developers

(d) whilst OPENetworks is significantly smaller than LBNCo, the business transacted at a broadly comparable price per active premises as LBNCo. This likely reflects, inter-alia, its larger (relative) contracted network and higher forecast FCF per active premises.

86 Accordingly, based on the above transaction evidence, we consider our assessed value range of OptiComm to be reasonable.

Cross-check to pre-announcement share trading range

87 We have also cross-checked our assessed value of the equity in OptiComm against the recent share market trading in OptiComm shares prior to the announcement of the Initial Uniti Proposal[19], adjusted for a premium for control. A summary of the relevant share trading is set out below:

OptiComm – share trading

Period	Low $	High $	Close $	VWAP $	Value traded $m
1 month to 12 June 2020	4.50	5.27	5.02	4.80	6.9
28 April 2020 to 12 June 2020	4.29	5.27	5.02	4.60	16.7
3 months to 12 June 2020(1)	3.00	5.27	5.02	4.39	30.8

Note:
1 Excludes the 11.7 million shares sold on market by AFL Telecommunications Australia Pty Ltd on 15 April 2020 at a price of $4.40 per share.

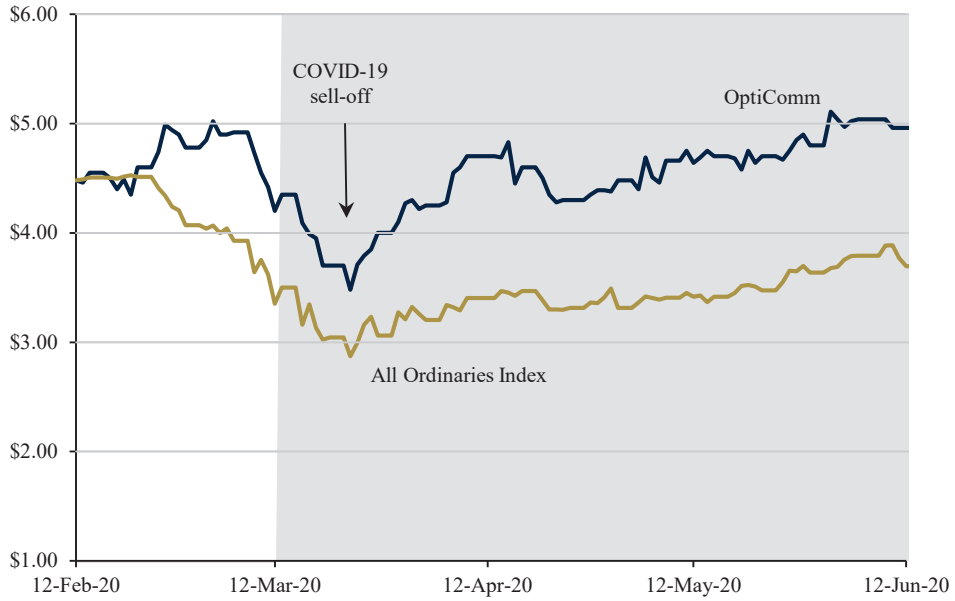
88 As indicated above, OptiComm shares are reasonably liquid, with over $16.7 million and $30.8 million of shares traded in the 1.5 and 3 month periods to 12 June 2020. Given this level of share trading, we consider the price at which OptiComm shares have traded over the abovementioned periods to be an appropriate reference point for the pre-announcement portfolio value of OptiComm shares.

89 In respect of the share trading periods above, we note that

(a) in the three months period to 12 June 2020, trading in OptiComm shares exhibited significant volatility, reflecting inter-alia, the initial uncertainty associated with the size of the economic impact from COVID-19 and the timing of any subsequent recovery:

19 The Initial Uniti Proposal was announced prior to the market opening on 15 June 2020.

OptiComm – share trading[1]



Note:
1 The three month period to 12 June 2020 is represented by the shaded grey area.

Over the three months to 12 June 2020, OptiComm shares traded at an intraday low of $3.00 on 23 March 2020, but subsequently recovered to prices around / marginally exceeding those exhibited prior to the COVID-19 sell-off. Similarly, the All Ordinaries Index traded at its intraday low on 23 March 2020 and has partially recovered since, albeit it is still trading below the level achieved prior to the COVID-19 sell-off in mid-February 2020

(b) on 28 April 2020, OptiComm provided a presentation to the ASX that included a number of statements regarding the outlook of the business for FY20 and the impacts of COVID-19. Subsequent to this announcement, OptiComm shares have traded in a much narrower range between $4.29 and $5.27, which in part reflects the improved visibility on the impact from COVID-19.

90 In addition to the above, we note that prior to the announcement of the Initial Uniti Proposal, the following large parcels of OptiComm shares were exchanged:

(a) on 25 February 2020, a number of OptiComm's pre-listing shareholders sold a combined total of 3.4 million shares at $4.55 following the expiry of the six month voluntary escrow period since OptiComm listed on the ASX

(b) on 15 April 2020, AFL Telecommunications Australia Pty Ltd disposed of its 11.7 million shares in OptiComm on-market for total consideration of $51.6 million, reflecting a VWAP of $4.40 per share.

91 Having regard to the above, for the purpose of our report, we have adopted a trading range of between $4.40 and $4.60 per share as reasonably representative of trading in OptiComm shares prior to the announcement of the Revised Scheme.

92 Our DCF valuation range of $4.95 to $5.34 per share therefore implies the following premiums to this trading range:

Implied premium to trading range	Low $m	High $m
LEA assessed value per OptiComm share	4.95	5.34
OptiComm listed market price pre Scheme – low	4.40	4.40
Implied premium	12.5%	21.4%
LEA assessed value per OptiComm share	4.95	5.34
OptiComm listed market price pre Scheme – high	4.60	4.60
Implied premium	7.6%	16.1%

93 Empirical evidence from research undertaken by LEA indicates that the average premium paid above the listed market price in successful takeovers in Australia ranges between 30% and 35% (assuming the pre-bid market price does not reflect any speculation of the takeover)[20].

94 One of the key reasons why bidders pay a control premium to acquire a company is the existence of synergies from business combinations. In the circumstances of OptiComm we note that:

(a) whilst OptiComm generates reliable recurring income from its network infrastructure, this income is largely determined by the wholesale access and capacity charges set by NBN Co. As a result the ability to significantly enhance earnings and related cash flow through acquiring control is less relevant

(b) in our experience, infrastructure assets do not generally attract the same level of control premiums as indicated by the empirical evidence on takeover premiums. This is because their listed market values often already reflect the present value of their future (annuity style) income stream, and the ability of the acquirer to generate long term synergies is more limited due to the nature of the assets (the returns on which are often subject to regulatory oversight)

(c) the majority of OptiComm's expenses relate to network / construction costs, and the level of public company costs are relatively low. Accordingly, a financial buyer (such as a private equity group) is unlikely to be able to generate significant cost synergies.

95 Given the above, in our opinion, any control premium paid for OptiComm shares is therefore likely to be lower than the average premiums implied by empirical evidence. Accordingly, we consider the premium over the recent trading range of OptiComm shares implied by our assessed value of OptiComm which ranges from 7.6% to 21.4% to be not unreasonable.

20 LEA has analysed the control premiums paid in successful takeovers and other change in control transactions involving cash consideration in Australia over the period 2000 to 2018. LEA's study covered around 500 transactions in all sectors excluding real estate investment trusts, based on data sourced from Bloomberg, Connect4 and public company transaction documents and ASX announcements. Scrip transactions were excluded from the analysis because the value of the scrip consideration can vary materially depending on the date of measurement.

96 Further, in our opinion, in determining a value for OptiComm shares more reliance should be placed on our DCF values (which reflect, inter-alia, the benefit of discussions with OptiComm management regarding the financial performance and outlook for the business), rather than the listed market prices of OptiComm shares, which we note have been volatile over recent months.

II Valuation of the Revised Scheme Consideration

Approach

97 If OptiComm shareholders approve the Revised Scheme and all conditions are satisfied, then OptiComm shareholders will receive:

(a) $4.835 cash per OptiComm share (inclusive of a fully franked Special Dividend of $0.10 per OptiComm share, if paid); and

(b) 0.80537 Uniti shares per OptiComm share (Revised Scheme Consideration).

98 It is customary in transactions where scrip is offered as part or total consideration to rely upon the listed market price of the bidder's shares[21] (in this case Uniti) as the reference point for estimating the realisable value of the consideration offered. This is principally because:

(a) the listed market prices of Uniti shares are likely to represent a reasonable proxy for the amount that OptiComm shareholders could expect to realise if they sold any Uniti shares received as consideration either immediately or in the short term

(b) any decision to continue to hold Uniti shares beyond the immediate to short term is a separate investment decision which should be made by shareholders having regard to their risk profile, liquidity preference, tax position and expectations as to value and future market conditions. It is also not possible to accurately predict future share price movements

(c) whilst there may be a future opportunity for OptiComm shareholders to share in a control premium in the event Uniti was acquired, this is not a scenario that we consider likely in the short term.

99 Accordingly, in our opinion, the recent market prices of Uniti shares are the appropriate reference point for estimating the value of the Revised Scheme Consideration that comprise shares in Uniti as part or all of the consideration offered. In doing so, we have also considered the depth of the market for those securities and the volatility of the share price.

Recent share prices

100 Trading in Uniti shares prior to the announcement of the Initial Uniti Proposal on 15 June 2020 is shown below:

Uniti – share price history (pre announcement of Initial Uniti Proposal)

Time periods up to and including 12 Jun 20	Low $	High $	VWAP $	Number traded (m)	Value traded $m
1 month	1.42	1.76	1.60	23.9	38.3
3 months	0.78	1.76	1.27	86.4	110.1
6 months	0.78	1.85	1.37	159.4	218.2

Source: Bloomberg.

21 Provided there is sufficient market liquidity in the bidder's shares.

101 We note that in December 2019 Uniti issued new shares at a price of $1.62 per share raising around $105 million in connection with the acquisition of 1300 Australia Pty Ltd. Uniti shares were trading around this issue price in February 2020, before the decline in share prices generally associated with the onset of the COVID-19 outbreak.

102 The following table sets out the prices at which Uniti shares have traded in the period subsequent to:

(a) the announcement of the Initial Uniti Proposal (i.e. from 15 June 2020)

(b) the announcement of the First State Non-Binding Competing Proposal (which was announced prior to the market opening on 8 September 2020); and

(c) the announcement of the Revised Scheme Proposal (which was announced prior to the market opening on 15 September 2020):

Uniti – share price history (post announcement of Initial Uniti Proposal, First State Non-Binding Competing Proposal and Revised Scheme Proposal)

Time periods	Low $	High $	VWAP $	Number traded (m)	Value traded $m
16 June 2020[1] to 7 September 2020	1.38	1.78	1.57	388.3	248.0
8 September 2020[2] to 14 September 2020	1.21	1.40	1.29	51.5	40.0
15 September 2020 to 22 September 2020	1.37	1.51	1.45	38.8	56.3

Note:
1 Being the first day of trading subsequent to the announcement of the Initial Uniti Proposal, following completion of the institutional component of the equity raise.
2 Being the first day of trading subsequent to the announcement of the First State Non-Binding Competing Proposal.
3 Being the first day of trading subsequent to the announcement of the Revised Scheme Proposal.
Source: Bloomberg.

103 As noted above, the Uniti share price fell sharply following the announcement of the First State Non-Binding Competing Proposal, but subsequently rebounded following the announcement of the Revised Scheme Proposal. In our view, this indicates that the market consensus view is that the combination of the respective Uniti and OptiComm businesses will create value for Uniti shareholders due to expected operational synergies.

104 For the purpose of assessing the value of the Uniti shares offered as consideration we believe more regard should be given to the price of Uniti shares since the Revised Scheme Proposal was announced on 15 September 2020. This is because we consider the Uniti share prices subsequent to 15 September 2020 to be more representative of the share price assuming the Revised Scheme Proposal is approved than the prices before that date. Whilst this trading period is relatively short (as at the date of this report), we note that the VWAP during this period is also broadly consistent with the price at which Uniti undertook a significant equity raising to partly fund the cash consideration component of the Initial Uniti Proposal. The equity raising was concurrent with the announcement of the Initial Uniti Proposal and comprised a fully underwritten non-renounceable entitlement offer at $1.40 per share (Entitlement Offer). Approximately 192.9 million new shares were issued (equivalent to 59.5% of the issued capital of Uniti prior to the transaction), raising $270 million.

Share trading restrictions and liquidity

105 We are not aware of any significant shareholding restrictions on trading in Uniti which would prevent sufficient trading (on a day-to-day basis) to produce an unbiased share price.

106 Furthermore, the volume and value of shares traded in Uniti in the above periods indicates a high level of share market liquidity.

Information disclosures

107 Uniti has a market capitalisation of around $735 million[22] and is researched and analysed by three share broking firms.

108 Significant information in relation to the operations of Uniti has been disclosed in its financial reports and ASX announcements. Further, Uniti has an obligation under the ASX Listing Rules (subject to certain exemptions) to notify the ASX immediately of any information that it becomes aware of concerning Uniti which a reasonable person would expect to have a material effect on the price or value of Uniti shares.

Number of Uniti shares to be issued as consideration

109 Subsequent to completion of the fully underwritten Entitlement Offer Uniti had approximately 517.8 million ordinary shares on issue[23].

110 The number of shares to be issued by Uniti as consideration under the Revised Scheme (and recent acquisition of OptiComm shares and call options exercisable over OptiComm shares[24]) is set out below:

Revised Scheme Consideration as a % of existing and enlarged capital base		
		million
Number of Uniti shares post Entitlement Offer(1)		517.8
Number of shares to be issued pursuant to terms of Revised Scheme and share and option acquisitions by Uniti(2)(3)	(A)	84.0
Total shares outstanding in Uniti post Revised Scheme(1)	(B)	601.8
OptiComm shareholders' interest(3) in Uniti post transaction	(A) / (B)	14%

Note:
1 Ignoring options on issue.
2 0.80537 Uniti shares per OptiComm share.
3 The consideration payable for the OptiComm shares acquired by Uniti on 15 September 2020 (including shares to be acquired under option agreements as noted in paragraph 9) is identical to the Revised Scheme Consideration.
4 Representing the collective interest of OptiComm shareholders.

111 As noted above, the number of shares to be issued by Uniti as part consideration under the Revised Scheme will therefore represent approximately 14% of the enlarged capital base of Uniti.

22 As at 15 September 2020.
23 In addition Uniti has approximately 18.1 million options on issue.
24 Refer paragraph 9.

112 Given the number of new Uniti shares to be issued under the Revised Scheme, if a large number of OptiComm shareholders elect not to retain the shares in Uniti received as consideration there may be an oversupply of Uniti shares, which may have an adverse impact on the Uniti share price in the short term.

113 However, given the significant cash consideration (which accounts for the largest component of the Revised Scheme Consideration) this risk is arguably mitigated.

Dilution and synergies

114 As the Revised Scheme Consideration reflects a significant premium to the listed market price of OptiComm shares prior to the announcement of the Initial Uniti Proposal, there may be a dilution effect on the value of Uniti shares subsequent to a successful conclusion of the Revised Scheme. This is because the listed market price of Uniti shares will reflect a portfolio rather than a controlling interest in the enlarged group. In the absence of synergies this dilution could potentially result in a fall in the share price of the acquiring party (in this case Uniti).

115 In the current circumstances however the identified synergies from a combination of the business operations of Uniti and OptiComm are expected to be significantly value accretive. In the presentation to the ASX dated 15 June 2020 in respect of the transaction, Uniti stated that:

"Shareholders are expected to benefit from significant value creation from this transformational transaction and from the combined scale and capabilities of a more diverse telecommunications infrastructure company with a large pipeline of long term growth opportunities."

116 This view was endorsed in the subsequent ASX announcement on 16 June 2020 on completion of the institutional component of the Entitlement Offer, when Uniti stated:

"The acquisition of OptiComm is highly complementary and shareholders are expected to benefit from significant value creation from the growth opportunities the combined business is expected to have access to in the private fibre market."

117 Further information on the synergies expected to be generated by Uniti from an acquisition of OptiComm is set out in the Scheme Booklet.

118 Given the size of expected synergies relative to the standalone earnings of OptiComm, in our opinion, it is reasonable to conclude that the value of expected synergies would exceed the dilutionary effect discussed above. This is consistent with the market evidence, as Uniti shares increased following the announcement of the Revised Scheme Proposal.

Conclusion

119 In summary, in assessing the value of the Uniti shares offered as part consideration under the Revised Scheme we have had regard to:

(a) the recent trading range of Uniti shares

(b) the price at which shares were recently issued by Uniti pursuant to the equity capital raising announced concurrent with the announcement of the Initial Uniti Proposal[25]

(c) the number of shares to be issued by Uniti under the Revised Scheme compared to the enlarged number of Uniti shares on issue post completion of the Revised Scheme

(d) the likely level of on-market trading in Uniti shares subsequent to implementation of the Revised Scheme, having regard to factors including:

(i) any potential oversupply of Uniti shares from those shareholders in OptiComm not wishing to retain the Uniti shares received as part consideration

(ii) the dilution effect implicit in any control premium effectively being paid by Uniti

(iii) the identified synergies from a combination of the business operations of Uniti and OptiComm, which are expected to be significantly value accretive

(iv) recent stock market conditions.

120 Based on the above we have assessed the value of the Uniti shares offered as all or part consideration pursuant to the Revised Scheme at between $1.35 and $1.45 per share. This range is lower than the Uniti share price range adopted in our IER dated 6 August 2020 and reflects market movements and the higher consideration offered under the Revised Scheme compared to the Initial Uniti Proposal.

Assessed value of Revised Scheme Consideration

121 We have therefore assessed the value of the Revised Scheme Consideration (inclusive of any Special Dividend) as follows::

Value of Revised Scheme Consideration per OptiComm share		
	Low $ per share	**High $ per share**
Uniti share price	1.35	1.45
Exchange ratio	0.80537	0.80537
Value of scrip consideration	1.087	1.168
Cash consideration (inclusive of any Special Dividend)	4.835	4.835
Revised Scheme Consideration (including any Special Dividend)	**$5.92**	**$6.00**

Other considerations

122 OptiComm shareholders should note that the listed market price of Uniti shares is subject to daily fluctuation. The price at which Uniti shares may be sold may therefore be greater or less than our assessed realisable value of Uniti shares of $1.35 to $1.45 per share.

123 OptiComm shareholders should also note that any decision to hold Uniti shares beyond the short term is a separate investment decision. As it is not possible to accurately predict future share price movements, any decision to hold Uniti shares should be made by shareholders having regard to their risk profile, liquidity preference, tax position and expectations as to value and future market conditions.

25 This equity capital raising assisted Uniti in meeting its cash consideration obligations pursuant to the Revised Scheme.

III Evaluation of the Revised Scheme

Summary of opinion

124 In our opinion, the Revised Scheme is fair and reasonable and in the best interests of OptiComm shareholders in the absence of a superior proposal. We have formed this opinion for the reasons set out below.

Value of OptiComm shares

125 As set out in Section I we have assessed the value of OptiComm at between $4.95 and $5.34 per share. This value has been assessed on a cum-dividend basis, which means it has been determined prior to paying the proposed Special Dividend of $0.10 per share.

Value of Revised Scheme Consideration

126 As set out in Section II, we have assessed the value of the Revised Scheme Consideration (inclusive of any Special Dividend) at $5.92 to $6.00 per OptiComm share.

Fair and reasonable opinion

127 Pursuant to RG 111, the Revised Scheme is "fair" if the value of the Revised Scheme Consideration is equal to, or greater than, the value of the securities the subject of the Revised Scheme.

128 As the value of the Revised Scheme Consideration (inclusive of any Special Dividend) to be received by OptiComm shareholders exceeds our assessed valuation range for OptiComm shares on a 100% controlling interest basis, in our opinion, the Revised Scheme is fair to OptiComm shareholders when assessed based on the guidelines set out in RG 111.

129 Pursuant to RG 111, a transaction is reasonable if it is fair. Further, in our opinion, if the Revised Scheme is "reasonable" it must also be "in the best interests" of shareholders, in the absence of a superior proposal.

130 Consequently, in our opinion, the Revised Scheme is also "reasonable" and "in the best interests" of OptiComm shareholders in the absence of a superior proposal.

Assessment of reasonableness

131 In assessing whether the Revised Scheme is reasonable LEA has also considered:

(a) the extent to which a control premium is being paid to OptiComm shareholders

(b) the extent to which OptiComm shareholders are being paid a share of any synergies likely to be generated pursuant to the potential transaction

(c) the listed market price of OptiComm shares, both prior to and subsequent to the announcement of the Revised Scheme

(d) the likely market price of OptiComm securities if the Revised Scheme is not approved

(e) the value of OptiComm to an alternative offeror and the likelihood of a higher alternative offer being made for OptiComm prior to the date of the Revised Scheme meeting

(f) the advantages and disadvantages of the Revised Scheme from the perspective of OptiComm shareholders

(g) other qualitative and strategic issues associated with the Revised Scheme.

132 These issues are discussed in detail below.

Extent to which a control premium is being paid

133 Empirical evidence indicates that average premiums paid in successful takeovers in Australia generally range between 30% and 35% above the listed market price of the target company's shares three months prior to the announcement of the bid (assuming no speculation of the takeover is reflected in the pre-bid price). This premium reflects the fact that:

(a) the owner of 100% of the shares in a company obtains access to all the free cash flows of the company being acquired, which it would otherwise be unable to do as a minority shareholder

(b) the controlling shareholder can direct the disposal of surplus assets and the redeployment of the proceeds

(c) a controlling shareholder can control the appointment of directors, management policy and the strategic direction of the company

(d) a controlling shareholder is often able to increase the value of the entity being acquired through synergies and/or rationalisation savings.

134 For implied premium calculation purposes we have adopted the mid-point of $5.96 per share for our assessed valuation range of the Revised Scheme Consideration (including any Special Dividend).

135 We have calculated the premium implied by the Revised Scheme Consideration (including any Special Dividend) by reference to the market prices of OptiComm shares (as traded on the ASX) for periods up to and including 12 June 2020 (being the last trading day prior to the announcement of the Initial Uniti Proposal).

136 The implied offer premium relative to OptiComm share prices up to 12 June 2020 is shown below:

Implied offer premium relative to recent share prices[1]		
	OptiComm share price $	**Implied control premium based on Revised Scheme Consideration[3] %**
Closing share price on 12 June 2020[2]	5.02	18.7
1 month VWAP to 12 June 2020	4.80	24.2
3 months VWAP to 12 June 2020	4.39	35.8

Note:
1 Rounding differences may exist.
2 Being the closing price on the last day of trading prior to the announcement of the Initial Uniti Proposal.
3 Inclusive of any Special Dividend.

---

137 With the exception of the premium implied by the 3 month VWAP to 12 June 2020, the implied offer premiums above are below the average takeover premium of 30% to 35% observed from empirical evidence. In this regard, as set out in Section I (paragraph 94), in the circumstances of OptiComm we have formed the view that any control premium paid for OptiComm shares is likely to be lower than the average premiums implied by empirical evidence.

Extent to which OptiComm shareholders are being paid a share of synergies

138 As the value of the Revised Scheme Consideration (inclusive of any Special Dividend) exceeds our valuation of OptiComm shares on a standalone basis, in our opinion, OptiComm shareholders are being paid an appropriate share of the synergies expected to be generated by Uniti from the acquisition of OptiComm.

Recent share prices subsequent to the announcement of the Revised Scheme Proposal

139 Since the Revised Scheme was announced we note that OptiComm shares have largely traded in line with the value of the Revised Scheme Consideration (inclusive of any Special Dividend).

140 This suggests that, in the absence of a superior proposal, the consensus market view is that the Revised Scheme is likely to be successful.

Likely price of OptiComm shares if the Revised Scheme Proposal is not approved

141 If the Revised Scheme is not implemented (and in the absence of a superior proposal) we expect that, at least in the short term, OptiComm shares will trade at a significant discount to our valuation and the Revised Scheme Consideration due to the difference between the value of OptiComm shares on a portfolio basis and their value on a 100% controlling interest basis. This is consistent with the fact that the OptiComm share price was materially less than the value of the Revised Scheme Consideration prior to the announcement of the Initial Uniti Proposal. However, we note that the recent corporate interest in OptiComm may also place a floor on the OptiComm share price. If the Revised Scheme is not implemented those OptiComm shareholders who wish to sell their OptiComm shares are therefore likely, at least in the short term, to realise a lower price for their shares than will be payable under the Revised Scheme.

Likelihood of a superior proposal

142 As noted in paragraph 3, on 8 September 2020 OptiComm announced it had received a non-binding and conditional competing proposal from FSS Trustee Corporation as trustee for the First State Superannuation Scheme to acquire all OptiComm shares for $5.85 per OptiComm share, inclusive of a $0.10 fully franked special dividend, if declared (the First State Non-Binding Competing Proposal).

143 At the date of this report, OptiComm has yet to receive a binding proposal in connection with the First State Non-Binding Competing Proposal.

144 It is therefore possible that a superior offer for OptiComm shares could be tabled prior to the meeting to approve the Revised Scheme Proposal. However, OptiComm shareholders should note that Uniti has also acquired a voting interest in approximately 19.5% of OptiComm shares on issue. This voting interest is likely to deter a further bidder for OptiComm (particularly in the circumstances of a proposed scheme of arrangement) because Uniti would have to agree to sell their shares in OptiComm in order for a competing proposal to succeed.

Assessment of the Revised Scheme

145 We summarise below the advantages and disadvantages of the Revised Scheme for OptiComm shareholders.

Advantages

146 The Revised Scheme Consideration (inclusive of any Special Dividend)to be received by OptiComm shareholders exceeds our assessed value range of OptiComm shares on a 100% controlling interest basis (and is therefore fair and reasonable under RG 111).

147 The Revised Scheme Consideration represents a significant premium to the VWAP of $4.60 per OptiComm share in the period from 28 April 2020[26] up to the announcement of the Initial Uniti Proposal.

Disadvantages

148 If the Revised Scheme is implemented OptiComm shareholders will no longer hold a direct interest in OptiComm, but will continue to collectively own approximately 14% of the OptiComm business through their interest in Uniti.

149 In the event that future value is created by OptiComm as a result of ongoing operations over and above that reflected in the value of the Revised Scheme Consideration, OptiComm shareholders will therefore only retain some limited exposure to such future value (but will also acquire an interest in the Uniti businesses).

150 However, as the Revised Scheme Consideration (inclusive of any Special Dividend) to be received by OptiComm shareholders exceeds our assessed value range of OptiComm shares, we consider that the present value of OptiComm's future potential (plus a share of expected synergies) is reflected in the Revised Scheme Consideration.

Conclusion

151 Given the above analysis, we consider the acquisition of OptiComm shares under the Revised Scheme is fair and reasonable to, and in the best interests of, OptiComm shareholders in the absence of a superior proposal.

26 On 28 April 2020 OptiComm provided a presentation to the ASX that included a number of statements regarding the outlook of the business for FY20 and the impacts of COVID-19.

Appendix A

Financial Services Guide

Lonergan Edwards & Associates Limited

1 Lonergan Edwards & Associates Limited (ABN 53 095 445 560) (LEA) is a specialist valuation firm which provides valuation advice, valuation reports and IERs in relation to takeovers and mergers, commercial litigation, tax and stamp duty matters, assessments of economic loss, commercial and regulatory disputes.

2 LEA holds Australian Financial Services Licence No. 246532.

Financial Services Guide

3 The Corporations Act 2001 authorises LEA to provide this Financial Services Guide (FSG) in connection with its preparation of an IER to accompany the Scheme Booklet to be sent to OptiComm shareholders in connection with the Revised Scheme.

4 This FSG is designed to assist retail clients in their use of any general financial product advice contained in the IER. This FSG contains information about LEA generally, the financial services we are licensed to provide, the remuneration we may receive in connection with the preparation of the IER, and if complaints against us ever arise how they will be dealt with.

Financial services we are licensed to provide

5 Our Australian financial services licence allows us to provide a broad range of services to retail and wholesale clients, including providing financial product advice in relation to various financial products such as securities, derivatives, interests in managed investment schemes, superannuation products, debentures, stocks and bonds.

General financial product advice

6 The IER contains only general financial product advice. It was prepared without taking into account your personal objectives, financial situation or needs.

7 You should consider your own objectives, financial situation and needs when assessing the suitability of the IER to your situation. You may wish to obtain personal financial product advice from the holder of an Australian Financial Services Licence to assist you in this assessment.

Fees, commissions and other benefits we may receive

8 LEA charges fees to produce reports, including this IER. These fees are negotiated and agreed with the entity who engages LEA to provide a report. Fees are charged on an hourly basis or as a fixed amount depending on the terms of the agreement with the person who engages us. In the preparation of this IER, LEA is entitled to receive a fee estimated at $40,000 plus GST.

9 Neither LEA nor its directors and officers receives any commissions or other benefits, except for the fees for services referred to above.

Appendix A

10 All of our employees receive a salary. Our employees are eligible for bonuses based on overall performance and the firm's profitability, and do not receive any commissions or other benefits arising directly from services provided to our clients. The remuneration paid to our directors reflects their individual contribution to the company and covers all aspects of performance. Our directors do not receive any commissions or other benefits arising directly from services provided to our clients.

11 We do not pay commissions or provide other benefits to other parties for referring prospective clients to us.

Complaints

12 If you have a complaint, please raise it with us first, using the contact details listed below. We will endeavour to satisfactorily resolve your complaint in a timely manner.

13 If we are not able to resolve your complaint to your satisfaction within 45 days of your written notification, you are entitled to have your matter referred to the Australian Financial Complaints Authority (AFCA), an external complaints resolution service. You will not be charged for using the AFCA service.

Contact details

14 LEA can be contacted by sending a letter to the following address:

Level 7
64 Castlereagh Street
Sydney NSW 2000
(or GPO Box 1640, Sydney NSW 2001)

Appendix B

Qualifications, declarations and consents

Qualifications

1 LEA is a licensed investment adviser under the Corporations Act. LEA's authorised representatives have extensive experience in the field of corporate finance, particularly in relation to the valuation of shares and businesses and have prepared hundreds of IERs.

2 This report was prepared by Mr Craig Edwards and Mr Martin Holt, who are each authorised representatives of LEA. Mr Edwards and Mr Holt have over 26 years and 34 years experience respectively in the provision of valuation advice (and related advisory services).

Declarations

3 This report has been prepared at the request of the Directors of OptiComm to accompany the Scheme Booklet to be sent to OptiComm shareholders. It is not intended that this report should serve any purpose other than as an expression of our opinion as to whether or not the Revised Scheme is fair and reasonable and in the best interests of OptiComm shareholders.

Interests

4 At the date of this report, neither LEA, Mr Edwards nor Mr Holt have any interest in the outcome of the Revised Scheme. With the exception of the fee shown in Appendix A, LEA will not receive any other benefits, either directly or indirectly, for or in connection with the preparation of this report.

5 We have considered the matters described in ASIC RG 112 – *Independence of experts*, and consider that there are no circumstances that, in our view, would constitute a conflict of interest or would impair our ability to provide objective independent assistance in this engagement.

Indemnification

6 As a condition of LEA's agreement to prepare this report, OptiComm agrees to indemnify LEA in relation to any claim arising from or in connection with its reliance on information or documentation provided by or on behalf of OptiComm which is false or misleading or omits material particulars or arising from any failure to supply relevant documents or information.

Consents

7 LEA consents to the inclusion of this report in the form and context in which it is included in the Scheme Booklet.

Appendix C

Glossary

Abbreviation	Definition
ACCC	Australian Competition and Consumer Commission
Active Premises	Connected Premises become Active Premises once services are activated by the end user
ADSL	Asymmetrical digital subscriber line
AFCA	Australian Financial Complaints Authority
ARPU	Average revenue per user
ASIC	Australian Securities & Investments Commission
ASX	Australian Securities Exchange
Cash Consideration	$5.10 cash per OptiComm share
CBE	Consumer & Business Enablement business unit of Uniti
Connected Premises	Newly constructed dwellings that have been connected to OptiComm's network
Connection	OptiComm's connection business unit
Construction	OptiComm's construction business unit
Corporations Act	*Corporations Act 2001 (Cth)*
COVID-19	2019 novel coronavirus
DCF	Discounted cash flow
Entitlement Offer	Fully underwritten non-renounceable entitlement offer of $1.40 per Uniti share
EV	Enterprise value
FCF	Free cash flow
First State Non-Binding Competing Proposal	Non-binding and conditional competing proposal from FSS Trustee Corporation as trustee for the First State Superannuation Scheme to acquire all of the OptiComm shares for $5.85 per OptiComm share, inclusive of a $0.10 fully franked special dividend, if declared
Forecast Period	The period to 30 June 2028
FSG	Financial Services Guide
FTTP	Fibre to the premises
FY	Financial year
IER	Independent expert's report
Initial Uniti Proposal	SID dated 14 June 2020 under which Uniti would acquire all of the issued shares in OptiComm
LBNCo	LBNCo Pty Ltd
LEA	Lonergan Edwards & Associates Limited
Lots Passed	Connections where OptiComm's infrastructure has been installed but is not yet connected to the network
Mixed Consideration Option 1	75% Cash Consideration and 25% Scrip Consideration equating to $3.825 cash and 0.8557 Uniti shares for each OptiComm share
Mixed Consideration Option 2	50% Cash Consideration and 50% Scrip Consideration equating to $2.55 cash and 1.7114 Uniti shares for each OptiComm share
Mixed Consideration Option 3	25% Cash Consideration and 75% Scrip Consideration equating to $1.275 cash and 2.5671 Uniti shares for each OptiComm share
NBN	National Broadband Network
NBN Co	NBN Co Limited
NBN tax	A $7.10 monthly fee (indexed on an annual basis) charged to wholesale fixed line network owners for each household and business customer which is not using the NBN
Network	OptiComm's network business unit

Appendix C

Abbreviation	Definition
NPV	Net present value
OPENetworks	OPENetworks Pty Ltd
OptiComm / the Company	OptiComm Ltd
RG 111	ASIC Regulatory Guide 111 – *Content of expert reports*
RSP	Retail service provider
Revised Scheme	Scheme of arrangement between OptiComm and its shareholders to implement the Revised Scheme Proposal
Revised Scheme Proposal	Revised binding offer received from Uniti on 14 September 2020
Revised Scheme Consideration	$4.835 cash per OptiComm share (inclusive of any Special Dividend) plus 0.80537 Uniti shares per OptiComm share
Scrip Consideration	3.4228 Uniti shares per OptiComm share
SID	Scheme Implementation Deed dated 14 June 2020
Special Dividend	Fully franked special dividend of up to $0.10 per OptiComm share
Specialty Services	Speciality Services business unit of Uniti
Uniti	Uniti Group Limited
VWAP	Volume weighted average price
W&I	Wholesale & Infrastructure business unit of Uniti

Annexure B

Amendments to Original Scheme

LANDER & ROGERS

Lander & Rogers
Lawyers

Scheme of Arrangement

OPTICOMM LTD

Each person registered as a holder of fully paid ordinary shares in Target as at the Scheme Record Date other than Bidder

~~Melbourne~~

Level 12 Bourke Place
600 Bourke Street
Melbourne VIC
3000
~~Australia~~

GPO Box 1842
Melbourne
VIC 3001
~~Australia~~

DX 370
Melbourne VIC

T +61 3 9269 9000
F +61 3 9269 9001

~~www.~~landers.com.au

~~ABN 58 207 240 529~~ ABN 58 207 240 529

LR: 2084479

Scheme of Arrangement

made under section 411 of the *Corporations Act 2001* (Cth)

PARTIES

OptiComm Ltd ACN 117 414 776 of Level 1, 22 Salmon Street, Port Melbourne VIC 3207 (**Target**)

and

Each person registered as a holder of fully paid ordinary shares in Target as at the Scheme Record Date other than Bidder (**Scheme Shareholders**)

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Scheme the following words and phrases have the following meanings unless the context indicates otherwise:

Aggregate Cash Consideration means~~:~~

~~(a) in clause 5.6, $406,751,755.80; and~~

~~(b) in all other clauses,~~ the aggregate value of the Scheme Consideration payable to Scheme Shareholders in cash under the Scheme.

Aggregate ~~Elected Cash Consideration~~ ~~means:~~

~~(a) the aggregate value of cash elected by Scheme Shareholders under all valid Elections; plus~~

~~(b) the aggregate value of cash attributable to Scheme Shareholders who did not make a valid Election,~~

~~but does not include the aggregate of the Cash Consideration payable to Ineligible Foreign Shareholders.~~

~~**Aggregate Elected**~~ **Scrip Consideration** means~~:~~

~~(c) the aggregate number of Bidder Shares elected by Scheme Shareholders under all valid Elections; plus~~

~~(d) the aggregate number of Bidder Shares attributable to Scheme Shareholders who did not make a valid Election.~~

~~**Aggregate Scrip Consideration**~~ ~~means:~~

~~(a) in clause 5.7, 83,996,233 Bidder Shares; and~~

~~(b) in all other clauses,~~ the aggregate number of Bidder Shares to be issued to Scheme Shareholders as Scheme Consideration under the Scheme.

Agreed Dividend means a dividend of $0.10 per Target Share, which, if declared, must be declared prior to the Implementation Date by Target and paid on the Implementation Date.

All Cash Consideration means ~~the consideration~~$5.85 less the amount per Target Share paid by Target as the Agreed Dividend for each Scheme Share ~~held by a Scheme Shareholder is satisfied solely by the Cash Consideration.~~

~~**All Cash Consideration Election** means an election by a Target Shareholder to receive All Cash Consideration.~~

~~**All Scrip Consideration** means the consideration for each Scheme Share held by a Scheme Shareholder is satisfied solely by the Scrip Consideration.~~

~~**All Scrip Consideration Election** means an election by a Target Shareholder to receive All Scrip Consideration~~.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or, if the context requires, the financial market operated by it.

Bidder means Uniti Group Limited (ACN 158 957 889).

Bidder Option means an option to acquire a Bidder Share.

Bidder Share means a fully paid ordinary share in the capital of Bidder.

Business Day means a day that is not a Saturday, Sunday or a public holiday or bank holiday in Melbourne, Victoria.

Cash Consideration means $~~5.10~~4.835 less the amount per Target Share paid by Target as the Agreed Dividend for each Scheme Share.

~~**Cash Scaleback Mechanism** means the scaleback mechanism set out in clause 5.6.~~

CHESS means the Clearing House Electronic Subregister System operated by ASX Settlement Pty Limited and ASX Clear Pty Limited.

CHESS Holding has the meaning given in the Settlement Rules.

Corporations Act means the *Corporations Act 2001* (Cth).

Court means the Federal Court of Australia (Victorian registry) or any other court of competent jurisdiction under the Corporations Act as Target and Bidder may agree in writing.

Delivery Time means, in relation to the Second Court Date, 2 hours before the commencement of the hearing or if the commencement of the hearing is adjourned, the commencement of the adjourned hearing, of the court to approve the Scheme in accordance with section 411(4)(b) of the Corporations Act.

Deed Poll means the deed poll under which Bidder covenants in favour of Scheme Shareholders to provide the Scheme Consideration in accordance with the terms of this Scheme.

Effective means, when used in relation to the Scheme, the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Scheme.

Effective Date, with respect to the Scheme, means the date on which the Scheme becomes Effective.

~~**Election** means:~~

~~(a) an All Cash Consideration Election;~~

~~(b) an All Scrip Consideration Election;~~

~~(c) a Mixed Consideration Option 1 Election;~~

~~(d) a Mixed Consideration Option 2 Election; or~~

~~(e) a Mixed Consideration Option 3 Election.~~

~~**Election Date** means:~~

~~(a) 5.00pm on the date which is six Business Days prior to the date of the Scheme Meeting; or~~

~~(b) such other date before the Scheme Meeting agreed in writing between Bidder and Target.~~

~~**Election Form** means an election form issued by or on behalf of Target for the purposes of a Target Shareholder making an Election and in a form agreed to by Target and Bidder.~~

~~**Election Portal** means the voting portal operated by the Target Share Registry for the purposes of the Scheme.~~

End Date means the later of:

(a) 15 ~~December 2020~~March 2021; and

(b) such other date and time agreed in writing between Bidder and Target.

Government Agency means any government or representative of a government or any governmental, semi-governmental, administrative, fiscal, regulatory or judicial body, department, commission, authority, tribunal, agency, competition authority or entity and includes any minister, ASIC, ASX, the Takeovers Panel and any regulatory organisation established under statute or any stock exchange.

Immediately Available Funds means a bank cheque or other form of cleared funds acceptable to Target (acting reasonably).

Implementation Date means, with respect to the Scheme, the fifth Business Day, or such other Business Day as Bidder and Target agree, following the Scheme Record Date for the Scheme.

Ineligible Foreign ~~Shareholders~~Shareholder means a Scheme Shareholder whose address shown in the Target Share Register at 7.00pm on the Scheme Record Date is a place outside Australia and its external territories.

Issuer Sponsored Holding has the meaning given in the Settlement Rules.

Listing Rules means the official listing rules of ASX as amended from time to time.

~~**Mixed Consideration Option 1** means the consideration for each Scheme Share held by a Scheme Shareholder is satisfied by:~~

~~(a) 75% of the Cash Consideration; plus~~

~~(b) 25% of the Scrip Consideration.~~

~~**Mixed Consideration Option 1 Election** means an election by a Target Shareholder to receive Mixed Consideration Option 1 for the Scheme Shares held by that Target Shareholder.~~

~~**Mixed Consideration Option 2** means the consideration for each Scheme Share held by a Scheme Shareholder is satisfied by:~~

~~(a) 50% of the Cash Consideration; plus~~

~~(b) 50% of the Scrip Consideration.~~

~~**Mixed Consideration Option 2 Election** means an election by a Target Shareholder to receive Mixed Consideration Option 2 for the Scheme Shares held by that Target Shareholder.~~

~~**Mixed Consideration Option 3** means the consideration for each Scheme Share held by a Scheme Shareholder is satisfied by:~~

~~(a) 25% of the Cash Consideration; plus~~

~~(b) 75% of the Scrip Consideration.~~

~~**Mixed Consideration Option 3 Election** means an election by a Target Shareholder to receive Mixed Consideration Option 3 for the Scheme Shares held by that Target Shareholder.~~

Registered Address means, in relation to a Target Shareholder, the address shown in the Target Share Register as at the Scheme Record Date.

~~**Scaleback Mechanisms** means:~~

~~(a) the Cash Scaleback Mechanism; and~~

~~(b) the Scrip Scaleback Mechanism.~~

Scheme means this scheme of arrangement subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and approved in writing by Bidder and Target.

~~**Scheme Booklet** means the explanatory booklet prepared by Target in respect of the Transaction in accordance with the terms of the Scheme Implementation Deed and despatched to Target Shareholders.~~

Scheme Consideration means~~, depending on the Election and subject to the Scaleback Mechanisms and the terms of the Scheme~~ in respect of:

(a) Scheme Shareholders who are Ineligible Foreign Shareholders, the All Cash Consideration; and

(b) ~~All~~ all other Scheme Shareholders, the Cash Consideration and the Scrip Consideration~~;~~,

~~(c) Mixed Consideration Option 1;~~

~~(d) Mixed Consideration Option 2; or~~

~~(e) Mixed Consideration Option 3.~~

subject to the terms of the Scheme.

Scheme Implementation Deed means the scheme implementation deed dated 14 June 2020, as amended, between Bidder and Target relating to (among other things) the implementation of the Scheme.

Scheme Meeting means the meeting of Target Shareholders ordered by the Court to be convened under section 411(1) of the Corporations Act to consider and vote on the Scheme and includes any meeting convened following any adjournment or postponement of that meeting.

Scheme Record Date means, in respect of the Scheme, 7.00pm on the second Business Day (or such other Business Day as Bidder and Target agree in writing) following the Effective Date.

Scheme Share means a Target Share on issue as at the Scheme Record Date other than a Target Share held by Bidder.

Scheme Shareholder means each person, other than Bidder, registered in the Target Share Register as the holder of one or more Scheme Shares as at the Scheme Record Date.

Scheme Transfer means one or more proper instruments of transfer in respect of the Scheme Shares for the purposes of section 1071B of the Corporations Act, which may be or include a master transfer of all or part of the Scheme Shares.

Scrip Consideration means ~~3.4228~~0.80537 Bidder Shares for each Scheme Share.

~~**Scrip Scaleback Mechanism** means the scaleback mechanism set out in clause 5.7.~~

Second Court Date means:

(a) 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 was heard or scheduled to be heard; or

(b) if the application was adjourned or subject to appeal for any reason, the first day on which the adjourned or appealed application was heard or scheduled to be heard.

Second Court Hearing means the hearing of the application made to the Court for an order pursuant to section 411(4)(b) of the Corporations Act approving the Scheme.

Settlement Rules means the official operating rules of ASX Settlement Pty Ltd.

Takeovers Panel means the Takeovers Panel constituted under the *Australian Securities and Investments Commission Act 2001* (Cth).

Target Incentive Plan means Target's long term incentive plan adopted on 15 July 2019.

Target Performance Right means a right to be issued a Target Share under the Target Incentive Plan.

Target Share means a fully paid ordinary share in the capital of Target.

Target Share Register means the register of members of Target maintained by or on behalf of Target in accordance with section 168(1) of the Corporations Act.

Target Share Registry means Link Market Services Limited.

Target Shareholder means each person other than Bidder who is registered in the Target Share Register as a holder of Target Shares.

Transaction has the meaning given in the Scheme Implementation Deed.

Trust Account means an Australian dollar denominated trust account which:

(a) attracts interest at a commercial rate; and

(b) is operated by Target, or by the Target Share Registry on behalf of Target, as trustee for the Scheme Shareholders.

Unclaimed Money Act means the *Unclaimed Money Act 2008* (Vic).

1.2 Interpretation

In the Scheme, the following rules of interpretation apply unless the contrary intention appears:

(a) a term or expression starting with a capital letter:

(i) which is defined in clause 1.1 has the meaning given to it in clause 1.1; and

(ii) which is defined in the Corporations Act, but is not defined in the clause 1.1, has the meaning given to it in the Corporations Act;

(b) headings are for convenience only and do not affect the interpretation of the Scheme;

(c) the singular includes the plural and vice versa;

(d) words that are gender neutral or gender specific include each gender;

(e) where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings;

(f) the words "include", "including" and similar expressions are not words of limitation and do not limit what else might be included;

(g) a reference to:

(i) a person includes a natural person, estate of a natural person, partnership, joint venture, government agency, association,

corporation, trust or other body corporate or entity (as that term is defined in section 64A of the Corporations Act);

(ii) a thing (including a chose in action or other right) includes a part of that thing;

(iii) a party includes its agents, successors and permitted assigns;

(iv) a document includes all amendments or supplements to that document;

(v) a clause, term, party, schedule or attachment is a reference to a clause or term of, or a party, schedule or attachment to, this Scheme (as applicable);

(vi) this deed includes all schedules and attachments to it;

(vii) a law includes a constitutional provision, treaty, decree, convention, statute, regulation, ordinance, by-law, judgment, rule of common law or equity or a Listing Rule and is a reference to that law as amended, consolidated or replaced;

(viii) a statute includes any regulation, ordinance, by-law or other subordinate legislation made under it;

(ix) an agreement, other than the Scheme, includes an undertaking, or legally enforceable arrangement or understanding, whether or not in writing;

(x) a monetary amount is in Australian dollars; and

(xi) time is to Melbourne, Australia time;

(h) when the day on which something must be done is not a Business Day, that thing must be done on the following Business Day; and

(i) no rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of the Scheme or any part of it.

2. PRELIMINARY MATTERS

2.1 Target

(a) Target is an Australian public company limited by shares.

(b) Target is admitted to the official list of ASX and Target Shares are officially quoted for trading on ASX.

(c) As at 17 July 2020, Target had the following securities on issue:

(i) 104,074,986 Target Shares; and

(ii) 220,336 Target Performance Rights.

2.2 Bidder

(a) Bidder is an Australian public company limited by shares.

(b) Bidder is admitted to the official list of ASX and Bidder Shares are officially quoted for trading on ASX.

(c) As at 17 July 2020, Bidder had the following securities on issue:

(i) 517,826,105 Bidder Shares; and

(ii) 18,100,104 Bidder Options.

2.3 Scheme Implementation Deed

Bidder and Target have entered into the Scheme Implementation Deed in respect of (among other things) the implementation of this Scheme.

2.4 Deed Poll

(a) The Scheme attributes actions to Bidder but does not itself impose any obligations on it to perform those actions.

(b) By executing the Deed Poll, Bidder has agreed to perform:

(i) the actions attributed to it under the Scheme; and

(ii) its obligations under the Deed Poll, including the provision of the Scheme Consideration in accordance with the terms of the Scheme.

3. CONDITIONS

3.1 Conditions precedent

This Scheme is conditional on and will not become Effective until and unless the following conditions precedent are satisfied:

(a) all the conditions in clause 3.1 of the Scheme Implementation Deed (other than the condition in clause 3.1(c) of the Scheme Implementation Deed relating to Court approval of this Scheme) are satisfied or waived in accordance with the terms of the Scheme Implementation Deed by the Delivery Time on the Second Court Date;

(b) neither the Scheme Implementation Deed nor the Deed Poll is terminated in accordance with its terms by the Delivery Time on the Second Court Date;

(c) the Scheme is approved by the Court at the Second Court Hearing under section 411(4)(b) of the Corporations Act, including with any alterations made or required by the Court under section 411(6) of the Corporations Act as are acceptable to Target and Bidder (each acting reasonably);

(d) such other conditions made or required by the Court under section 411(6) of the Corporations Act in relation to the Scheme as are acceptable to Target and Bidder are satisfied (each acting reasonably); and

(e) the order of the Court made under section 411(4)(b) of the Corporations Act approving the Scheme comes into effect pursuant to section 411(10) of the Corporations Act on or before the End Date.

3.2 Conditions precedent and operation of clauses 4.2 and 5

The satisfaction of each condition of clause 3.1 of the Scheme is a condition precedent to the operation of clause 4.3 and clause 5 of the Scheme.

3.3 Joint Certificate

(a) Target and Bidder will provide a joint certificate to the Court at the Second Court Hearing confirming whether or not the conditions precedent in clause 3.1(a) and clause 3.1(b) have been satisfied or waived as at the Delivery Time on the Second Court Date in accordance with the terms of the Scheme Implementation Deed.

(b) Unless the Court requires otherwise, the joint certificate given by Target and Bidder constitutes conclusive evidence that the conditions precedent in clause 3.1(a) and clause 3.1(b) have been satisfied or waived as at the Delivery Time on the Second Court Date in accordance with the terms of the Scheme Implementation Deed.

3.4 Termination and End Date

Without limiting any rights under the Scheme Implementation Deed, if:

(a) the Scheme Implementation Deed or the Deed Poll is terminated in accordance with its terms before the Scheme becomes Effective; or

(b) the Effective Date has not occurred on or before the End Date,

then the Scheme will lapse and each of Bidder and Target are released from any further obligation to take steps to implement the Scheme.

4. IMPLEMENTATION OF THIS SCHEME

4.1 Lodgement of Court orders with ASIC

If the conditions precedent set out in clause 3.1 of this Scheme (other than the condition precedent in clause 3.1(e)) are satisfied, Target must lodge with ASIC in accordance with section 411(10) of the Corporations Act an office copy of the order made by the Court under section 411(4)(b) of the Corporations Act approving this Scheme before:

(a) 5:00pm on the Business Day following the day on which such office copy is received by Target; or

(b) such later date agreed in writing between Bidder and Target.

4.2 Consequences of the Scheme becoming Effective

If this Scheme becomes Effective:

(a) it will override the constitution of the Target to the extent of any inconsistency;

(b) Bidder must provide or procure the provision of the Scheme Consideration to Scheme Shareholders in accordance with this Scheme and the Deed Poll;

(c) subject to the provision of the Scheme Consideration as contemplated by clause 4.2(b), all the Scheme Shares, and all the rights and entitlements

attaching to them as at the Implementation Date, will be transferred to Bidder; and

(d) Target will enter the name of the Bidder in the Target Share Register in respect of all the Scheme Shares.

4.3 Transfer of Scheme Shares

Subject to the Scheme becoming Effective, the following will occur in the order set out below:

(a) on or before the Implementation Date, Bidder confirming in writing to Target that:

(i) the Aggregate Cash Consideration has been provided in accordance with clause ~~5.10;~~5.6(b); and

(ii) the Scrip Consideration has been provided in accordance with clause 5.~~12~~8;

(b) on the Implementation Date, payment by Target of the Aggregate Cash Consideration in the manner contemplated by clause ~~5.10(c)~~5.6(c); and

(c) subject to the matters in clause 4.3(a) and clause 4.3(b) being satisfied, all of the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at the Implementation Date, will be transferred to Bidder without the need for any further act by any Scheme Shareholder (other than acts performed by Target as attorney and agent for Scheme Shareholders under clause 8 of the Scheme) by:

(i) Target delivering to Bidder a duly completed and executed Scheme Transfer, executed on behalf of the Scheme Shareholders by Target as their attorney and agent; and

(ii) Bidder duly executing the Scheme Transfer and delivering the executed and, if necessary, stamped Scheme Transfer to Target for registration; and

(iii) immediately following receipt of the duly executed Scheme Transfer in accordance with clause 4.3(c)(ii), Target entering, or procuring the entry of, the name of Bidder in the Target Share Register in respect of all of the Scheme Shares.

5. SCHEME CONSIDERATION

5.1 Entitlement to Scheme Consideration

Subject to the terms of this Scheme, on the Implementation Date, in consideration for the transfer to Bidder of the Scheme Shares, each Scheme Shareholder will be entitled to receive the Scheme Consideration in respect of each of their Scheme Shares in accordance with clauses ~~5.2~~5.2 to 5.~~16~~12 and the Deed Poll.

~~**5.2 Election mechanism**~~

~~**5.3**~~**5.2 ~~Each Target Shareholder (other than~~ Scheme Consideration for Ineligible Foreign Shareholders~~) will be entitled to make an Election either:~~**

~~(i) online through the Election Portal; or~~

~~(ii) using an Election Form.~~

~~(b) Target must ensure that the Scheme Booklet:~~

~~(i) specifies that Target Shareholders (other than Ineligible Foreign Shareholders) may make an Election online through the Election Portal or using an Election Form; and~~

~~(ii) is accompanied with an Election Form when it is provided to Target Shareholders in hardcopy.~~

~~(c) All Elections take effect in accordance with the Scheme to the extent any Target Shareholder who makes a valid Election qualifies as a Scheme Shareholder.~~

~~(d) Subject to clause 5.2(h), for an Election made online through the Election Portal to be valid:~~

~~(i) it must be made in accordance with the terms and conditions stated in the Election Portal; and~~

~~(ii) must be correctly completed through the Election Portal by the Election Date.~~

~~(e) Subject to clause 5.2(h), for an Election made using an Election Form to be valid:~~

~~(i) it must be made in accordance with the terms and conditions stated on the Election Form; and~~

~~(ii) the Election Form must be correctly and legibly completed and returned to the address specified on the Election Form by the Election Date.~~

~~(f) Subject to clause 5.2(h), a valid Election will apply to all of the Target Shares of the Target Shareholder as at the Scheme Record Date;~~

~~(g) Once made, an Election may be withdrawn, or withdrawn and replaced by a new Election:~~

~~(i) online through the Election Portal; or~~

~~(ii) by notice in writing to the address specified on the Election Form (and such notice must be accompanied with a new Election Form if the Election is to be replaced with a new Election),~~

~~by the Election Date; and~~

~~(h) In the manner considered appropriate by Bidder and Target (acting reasonably), a Target Shareholder (other than an Ineligible Foreign Shareholder) who holds one or more parcels of Target Shares as trustee or~~

nominee for, or otherwise on account of, another person, may make separate Elections in relation to each of those parcels of Target Shares (subject to providing to Bidder and Target any substantiating information they reasonably require), and if it does so will be treated as a separate Target Shareholder in respect of each such parcel in respect of which a separate Election is made (and in respect of any balance of its holding), provided that if, at the Election Date, it holds fewer Target Shares than it held at the time it made the Election, then, unless it has at the time of any sale of Target Shares notified Target or the Target Share Registry whether the Target Shares sold relate to any such separate Election (and if so, which separate Election the Target Shares sold relate to), it:

(i) will be treated as not having made a valid Election in respect of any of its Target Shares; or

(ii) will be treated in any other manner that the parties agree is fair to the Target Shareholder in all the circumstances acting reasonably.

(i) If a Target Shareholder (other than an Ineligible Foreign Shareholder) makes a valid Election using an Election Form and also makes a valid Election online through the Election Portal, the Election made online through the Election Portal will be taken to be the Election made by that Target Shareholder, even if the Election Form is received by the Target Share Registry after the Election made online through the Election Portal.

(j) If a Target Shareholder (other than an Ineligible Foreign Shareholder) has made a valid Election using an Election Form and has not made a valid Election online through the Election Portal, the Election made using the Election Form will be taken to be the Election made by that Target Shareholder.

(k) Target must ensure that, to the extent reasonably practicable, persons who acquire Target Shares after the date of the dispatch of the Scheme Booklet and until the Election Date are sent an Election Form upon those persons requesting one from Target.

(l) In order to facilitate the satisfaction of the Scheme Consideration, Target must provide to Bidder, details of any valid Elections made by Target Shareholders, on the third Business Day after the Election Date, and details of any valid Elections made by Scheme Shareholders on the Business Day after the Scheme Record Date, including:

(i) the name and address of each Target Shareholder who has made a valid Election; and

(ii) the number of Bidder Shares that Bidder must issue to those Target Shareholders to meet its obligations under the Scheme in accordance with that Target Shareholder's Election, subject to the Scaleback Mechanisms.

(m) The parties agree that the Election Portal and Election Form will, as applicable, include terms and conditions reflecting clauses 5.2(c) to 5.2(j) and reflecting the following terms and conditions:

(i) Ineligible Foreign Shareholders may not make an Election and that any purported Election by such persons will not be valid and will be of no effect and clause 5.5 will apply to such persons;

~~(ii) if a Target Shareholder, who is not an Ineligible Foreign Shareholder, does not make a valid Election, clause 5.4 will apply to that person;~~

~~(iii) Target Shareholders who receive any Bidder Shares as Scheme Consideration agree to become members of Bidder from the Implementation Date and become bound by the Bidder Constitution pursuant to the Scheme;~~

~~(iv) Target Shareholders who receive any Bidder Shares as Scheme Consideration will have such Bidder Shares issued having the same holding name and address and other details as the holding of the relevant Scheme Shares; and~~

~~(v) such other terms and conditions as Bidder reasonably requires to be stated on the Election Portal and/or the Election Form.~~

~~**5.4 Scheme Consideration if valid Election made**~~

~~Subject to the Scaleback Mechanisms, if a Target Shareholder makes a valid Election that Target Shareholder will be entitled to receive the Scheme Consideration as nominated by their Election.~~

~~**5.5 Scheme Consideration if valid Election not made**~~

~~Subject to the Scaleback Mechanisms, if a Target Shareholder (not being an Ineligible Foreign Shareholder) does not make a valid Election, that Target Shareholder will be entitled to receive the Mixed Consideration Option 1.~~

~~**5.6 Scheme Consideration for Ineligible Foreign Shareholders**~~

(a) If a Target Shareholder is an Ineligible Foreign Shareholder that Target Shareholder will be entitled to receive the All Cash Consideration ~~Option~~.

(b) Bidder has no obligation to provide, and will not provide under the Scheme, any Bidder Shares as Scheme Consideration to Ineligible Foreign Shareholders ~~regardless of any purported Election made by the Ineligible Foreign Shareholders.~~ .

~~**5.7 Cash Scaleback Mechanism**~~

~~If:~~

~~(a) a Scheme Shareholder has made a valid Election on or before the Election Date or clause 5.4 applies in relation to a Scheme Shareholder; and~~

5.3 ~~the Aggregate Elected Cash Consideration exceeds the Aggregate Cash Consideration less the aggregate Cash Consideration payable to~~Scheme Consideration for other Scheme Shareholders

~~(b)~~ Scheme Shareholders who are not Ineligible Foreign Shareholders~~;~~

~~then, the Scheme Shareholder is~~ will be entitled to receive the ~~following as Scheme Consideration:~~

~~(c) such percentage of~~ Cash Consideration ~~for each of their Scheme Shares as is calculated in accordance with~~and the ~~following formula:~~

$$A = B \times \frac{C}{D}$$

where:

A = the percentage of Cash Consideration that will be received by the Scheme Shareholder for each of their Scheme Shares;

B = if:

(a) the Scheme Shareholder has made an All Cash Consideration, Election, 100%;

(b) the Scheme Shareholder has made a Mixed Consideration Option 1 Election, or clause 5.4 applies in relation to the Scheme Shareholder, 75%;

(c) the Scheme Shareholder has made a Mixed Consideration Option 2 Election, 50%; or

(d) the Scheme Shareholder has made a Mixed Consideration Option 3 Election, 25%;

C = Aggregate Cash Consideration less the aggregate of the Cash Consideration payable to Ineligible Foreign Shareholders; and

D = Aggregate Elected Cash Consideration; *plus*

such percentage of Scrip Consideration for each Scheme Share they hold equal to:.

(i) 100%; *less*

(ii) the percentage calculated in accordance with clause 5.6(c).

5.8 Scrip Scaleback Mechanism

If:

(a) a Scheme Shareholder has made a valid Election on or before the Election Date or clause 5.4 applies in relation to a Scheme Shareholder; and

(b) the Aggregate Elected Scrip Consideration exceeds the Aggregate Scrip Consideration;

then, the Scheme Shareholder is entitled to receive the following as Scheme Consideration:

(c) such percentage of Scrip Consideration for each of their Scheme Shares as is calculated in accordance with the following formula:

$$A = B \times \frac{C}{D}$$

where:

A = the percentage of Scrip Consideration that will be received by the Scheme Shareholder for each of their Scheme Shares;

~~*B* = if:~~

~~(a) the Scheme Shareholder has made an All Scrip Consideration Election, 100%;~~

~~(b) the Scheme Shareholder has made a Mixed Consideration Option 1 Election, or clause 5.4 applies in relation to the Scheme Shareholder, 25%;~~

~~(c) the Scheme Shareholder has made a Mixed Consideration Option 2 Election, 50%; or~~

~~(d) the Scheme Shareholder has made a Mixed Consideration Option 3 Election, 75%;~~

~~*C* = Aggregate Scrip Consideration; and~~

~~*D* = Aggregate Elected Scrip Consideration; *plus*~~

~~(d) such percentage of Cash Consideration for each Scheme Share they hold equal to:~~

~~(i) 100%; *less*~~

~~(ii) the percentage calculated in accordance with clause 5.7(c).~~

~~5.9~~5.4 Fractional entitlements

Where the calculation of the Scheme Consideration to be issued to a particular Scheme Shareholder would result in the Scheme Shareholder becoming entitled to:

(a) a fraction of a cent, the fractional entitlement will be rounded down to the nearest whole cent; and/or

(b) a fraction of a Bidder Share, the fractional entitlement will be rounded down to the nearest whole number of Bidder Shares.

~~5.10~~5.5 Bidder Shares

(a) Bidder undertakes in favour of Target (in its own right and on behalf of each Target Shareholder) that on and from their issue, the Bidder Shares issued as Scrip Consideration will:

(i) rank equally in all respects with all other Bidder Shares in the same class; and

(ii) be fully paid, duly and validly issued in accordance with all applicable laws and free from any Encumbrance.

(b) Subject to the Scheme becoming Effective, Bidder must use all reasonable endeavours to ensure that the Bidder Shares to be issued as Scrip Consideration are, from the Business Day following the Effective Date (or such later date as ASX requires), quoted for trading on ASX initially on a deferred settlement basis and thereafter on an ordinary settlement basis as required by the Listing Rules.

~~5.11~~5.6 Provision of Aggregate Cash Consideration

(a) Unless otherwise agreed between Bidder and Target, Target must notify Bidder of the details of the Trust Account no later than 5 Business Days before the Implementation Date.

(b) The obligation of Bidder to provide the Aggregate Cash Consideration under the Scheme and the Deed Poll will be satisfied by Bidder, no later than the Business Day before the Implementation Date, depositing (or procuring the deposit), in Immediately Available Funds, the Aggregate Cash Consideration into the Trust Account (except that the amount of any interest on the amount deposited, less bank fees and other charges, will be credited to Bidder's account), such amount to be held by Target on trust for the purpose of paying the All Cash Consideration and the Cash Consideration to Scheme Shareholders who are entitled to receive ~~it~~such pursuant to clause 5.~~10~~6(c).

(c) On the Implementation Date, and subject to receipt of the Aggregate Cash Consideration from Bidder in accordance with clause 5.~~10~~6(b), and subject to clauses ~~5.15~~5.11 and ~~5.16~~5.12, Target must pay (or procure payment) from the Trust Account to each Scheme Shareholder, an amount equal to the applicable amount of All Cash Consideration or Cash Consideration that the Scheme Shareholder is entitled to ~~under clause 5.2 to clause 5.8~~ for each Scheme Share held by that Scheme Shareholder.

(d) Target's obligation under clause 5.~~10~~6(c) will be satisfied by Target:

(i) where a Scheme Shareholder has, before the Scheme Record Date, made an election in accordance with the requirements of the Target Share Registry to receive dividend payments from Target by electronic funds transfer to a bank account nominated by the Scheme Shareholder, paying, or procuring the payment of, the relevant amount in Australian currency by electronic means in accordance with that election; or

(ii) whether or not a Scheme Shareholder has made an election referred to in clause 5.~~10~~6(d)(i), dispatching, or procuring the dispatch of, a cheque in Australian currency for the relevant amount to the Scheme Shareholder by prepaid post to their Registered Address, such cheque being drawn in the name of the Scheme Shareholder (or in the case of joint holders, in accordance with clause 5.~~13~~9).

(e) In the event that:

(i) a Scheme Shareholder does not have a Registered Address and no account has been notified in accordance with clause 5.~~10~~6(d)(i) or a deposit into such an account is rejected or refunded; or

(ii) a cheque issued under this clause 5 has been cancelled in accordance with clause 5.~~11~~7(a),

Target as the trustee for the Scheme Shareholders may credit the amount payable to the relevant Scheme Shareholder to a separate bank account of Target (**Separate Account**) to be held until the Scheme Shareholder claims the amount or the amount is dealt with in accordance with the Unclaimed Money Act. For the avoidance of doubt, if the amount is not credited to a Separate Account, the amount will continue to be held in the

Trust Account until the Scheme Shareholder claims the amount or the amount is dealt with in accordance with the Unclaimed Money Act.

(f) Until such time as an amount referred to in clause 5.~~10~~6(e) is dealt with in accordance with the Unclaimed Money Act, Target must hold the amount on trust for the relevant Scheme Shareholder, but any interest or other benefit accruing from the amount will be to the benefit of Bidder.

(g) An amount credited to the Separate Account or Trust Account (as applicable) in accordance with clause 5.~~10~~6(e) is to be treated as having been paid to the Scheme Shareholder when credited to the Separate Account or Trust Account (as applicable). Target must maintain records of the amounts paid, the people who are entitled to the amounts and any transfers of the amounts.

(h) To the extent that there is a surplus in the amount held by Target as the trustee for the Scheme Shareholders in the Trust Account after the process in clauses 5.~~10~~6(e) to 5.~~10~~6(g) has completed, that surplus may be paid by Target as the trustee for the Scheme Shareholders to Bidder following the satisfaction of Target's obligations as the trustee for the Scheme Shareholders under this clause 5.~~10~~6.

~~5.12~~5.7 Cancellation and re-issue of cheques

(a) Target may cancel a cheque issued under this clause 5 if the cheque:

(i) is returned to Target; or

(ii) has not been presented for payment within six months after the date on which the cheque was sent.

(b) During the period of one year commencing on the Implementation Date, on request in writing from a Scheme Shareholder to Target or the Target Share Registry (which request may not be made until the date which is 5 Business Days after the Implementation Date), a cheque that was previously cancelled under clause 5.~~11~~7(a) must be reissued.

~~5.13~~5.8 Provision of ~~Aggregate~~ Scrip Consideration

(a) Subject to clauses ~~5.15~~5.11 and ~~5.16~~5.12, Bidder must, before no later than 12:00 noon (or such later time as Bidder and Target may agree in writing) on the Implementation Date, procure that the name of each Scheme Shareholder entitled to be issued Bidder Shares under this Scheme is entered in Bidder's register of shareholders (as maintained by Bidder or its agent) as the holder of those Bidder Shares with the same holding name and address and other details as the holding of the relevant Target Shares.

(b) On the Implementation Date, Bidder must send or procure the sending of a share certificate or holding statement (or equivalent document) to the Registered Address of each Scheme Shareholder to whom Bidder Shares are issued under this Scheme, reflecting the issue of such Bidder Shares.

~~5.14~~5.9 Joint holders

In the case of Scheme Shares held in joint names:

(a) any Bidder Shares to be issued as Scheme Consideration are to be registered in the names of the joint holders;

(b) any cheque required to be sent under this Scheme will be made payable to the joint holders and sent to the holder whose name appears first in the Target Share Register as at the Scheme Record Date; and

(c) any other document required to be sent under this Scheme will be forwarded to the holder whose name appears first in the Target Share Register as at the Scheme Record Date.

~~5.15~~5.10 Unclaimed monies

(a) The Unclaimed Money Act will apply in relation to any Scheme Consideration which becomes 'unclaimed money' (as defined in section 3 of the Unclaimed Money Act).

(b) Any interest or other benefit accruing from unclaimed Scheme Consideration will be to the benefit of Bidder.

~~5.16~~5.11 Orders of a court or Government Agency or law restricting payment

If written notice is given to Target (or the Target Share Registry) of an order or direction made by a court of competent jurisdiction or by another Government Agency, or Target is aware of any law, that:

(a) requires consideration to be provided to a third party (either through payment of a sum or the issuance of a security) in respect of Scheme Shares held by a particular Scheme Shareholder, which would otherwise be payable or required to be issued to that Scheme Shareholder by Target or Bidder in accordance with this clause 5, then Target or Bidder (as applicable) will be entitled to pay or issue that consideration (or procure that it is paid or issued), in accordance with that order, direction or law; or

(b) prevents Target or Bidder from providing consideration to a particular Scheme Shareholder in accordance with this clause ~~5.15(b),~~5, Target or Bidder will be entitled to (as applicable):

(i) retain an amount, in Australian dollars, equal to the amount of the consideration that Scheme Shareholder would be entitled to in the form of All Cash Consideration or Cash Consideration; and/or

(ii) not to issue (or direct Bidder not to issue), or to issue to a trustee or nominee, such number of Bidder Shares, equal to the amount of the consideration that Scheme Shareholder would be entitled to in the form of Scrip Consideration,

until such time as payment in accordance with this clause 5 is permitted by that order, direction or law.

~~5.17~~5.12 Foreign resident capital gains withholding

(a) If Bidder determines that it must pay an amount to the Commissioner of Taxation (**Commissioner**) under Subdivision 14-D of Schedule 1 to the *Taxation Administration Act 1953* (Cth) (**TAA**) with respect to the acquisition of the Scheme Shares from a Scheme Shareholder, Bidder will, for any such Scheme Shareholder:

(i) determine the amount to be paid to the Commissioner (**Payment Amount**);

(ii) remit the Payment Amount to the Commissioner within the time required under the TAA; and

(iii) pay an amount equal to the Scheme Consideration less the Payment Amount to the Scheme Shareholder.

(b) Bidder will, for the purposes of the Scheme Implementation Deed, the Scheme and the Deed Poll, be deemed to have satisfied its obligations to pay the Scheme Consideration to a Scheme Shareholder if the amount paid to the Scheme Shareholder is the amount of the Scheme Consideration that would have otherwise been payable to the Scheme Shareholder pursuant to the Scheme, less the Payment Amount for that Scheme Shareholder.

6. DEALINGS IN TARGET SHARES

6.1 Determination of Scheme Shareholders

To establish the identity of the Scheme Shareholders, dealings in Target Shares or other alterations to the Target Share Register will only be recognised if:

(a) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Target Share Register as the holder of the relevant Target Shares at or before the Scheme Record Date; and

(b) in all other cases, registrable transfer or transmission applications in respect of those dealings, or valid requests in respect of other alterations, are received at or before the Scheme Record Date at the place where the Target Share Register is kept,

and Target must not accept for registration, nor recognise for any purpose (except a transfer to Bidder pursuant to this Scheme and any subsequent transfer by Bidder or its successors in title), any transfer or transmission application or other request received after the Scheme Record Date, or received at or before the Scheme Record Date but not in registrable or actionable form.

6.2 Target Share Register

(a) Target must register registrable transfer or transmission applications of Target Shares received in accordance with clause 6.1(b) at or before the Scheme Record Date, or as soon as reasonably practicable after receipt with effect as at the Scheme Record Date, provided that nothing in this clause 6.2(a) requires Target to register a transfer that would result in a Target Shareholder holding a parcel of Target Shares that is less than a 'marketable parcel' (as defined in the operating rules of ASX).

(b) If this Scheme becomes Effective, a Scheme Shareholder (and any person claiming through that holder) must not dispose of, or purport or agree to dispose of, any Scheme Shares or any interest in them after the Scheme Record Date otherwise than pursuant to this Scheme, and any attempt to do so will have no effect and Target will be entitled to disregard any such disposal, purported disposal or agreement.

(c) For the purpose of determining entitlements to the Scheme Consideration, Target must maintain the Target Share Register in accordance with the provisions of this clause 6.2 until the Scheme Consideration has been provided to the Scheme Shareholders in accordance with the Scheme. The Target Share Register in this form will solely determine entitlements to the Scheme Consideration.

(d) All statements of holding for Target Shares, other than statements of holding in favour of Bidder or its successors in title, will cease to have effect after the Scheme Record Date as documents of title in respect of those shares and, as from that date, each entry current at that date on the Target Share Register, other than entries in respect of Bidder or its successors in title, will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of the Target Shares relating to that entry.

(e) As soon as possible after the Scheme Record Date, and in any event within one Business Day after the Scheme Record Date, Target will ensure that details of the names, Registered Addresses and holdings of Target Shares for each Scheme Shareholder as shown in the Target Share Register as at the Scheme Record Date are available to Bidder in the form Bidder reasonably requires.

7. QUOTATION OF TARGET SHARES

(a) Target will apply to ASX to suspend trading in Target Shares with effect from the close of trading on the Effective Date.

(b) Target will apply:

(i) for termination of the official quotation of Target Shares on the ASX; and

(ii) to have itself removed from the official list of ASX,

in each case with effect on and from the close of trading on the trading day immediately following, or shortly after, the Implementation Date.

(c) Target must use its best endeavours to ensure that such termination of official quotation and removal from the official list of ASX does not occur before the Implementation Date.

8. GENERAL SCHEME PROVISIONS

8.1 Consent to amendments to this Scheme

If the Court proposes to approve the Scheme subject to any alterations or conditions:

(a) Target may by its counsel, consent on behalf of all persons concerned, to those alterations or conditions to which Bidder has consented; and

(b) each Scheme Shareholder agrees to any such alterations or conditions which counsel for Target has consented to.

8.2 Scheme Shareholders' agreements and warranties

(a) Each Scheme Shareholder:

(i) agrees to the transfer of their Scheme Shares to Bidder together with all rights and entitlements attaching to those shares in accordance with the Scheme;

(ii) agrees to the variation, cancellation or modification of the rights attached to their Scheme Shares constituted by or resulting from the Scheme;

(iii) who holds their Target Shares in a CHESS Holding agrees to the conversion of those Target Shares to an Issuer Sponsored Holding and irrevocably authorises Target to do anything necessary or expedient (whether required by the Settlement Rules or otherwise) to effect or facilitate such conversion

(iv) agrees:

(A) that after the transfer of the Scheme Shares to Bidder, any share certificate relating to the Scheme Shares will not constitute evidence of title to those Scheme Shares; and

(B) at the direction of Bidder, to destroy any share certificates relating to the Scheme Shares; and

(v) acknowledges that the Scheme binds Target and all Scheme Shareholders (including those who did not attend the Scheme Meeting and those who did not vote, or voted against this Scheme, at the Scheme Meeting).

(b) Each Target Shareholder who is issued Bidder Shares under this Scheme agrees to:

(i) become a shareholder of Bidder; and

(ii) be bound by the terms of the constitution of Bidder.

(c) Each Scheme Shareholder is taken to have warranted to Target and Bidder on the Implementation Date, and appointed and authorised Target as its attorney and agent to warrant to Bidder on the Implementation Date, that:

(i) all their Scheme Shares (including any rights and entitlements attaching to their Scheme Shares) which are transferred under this Scheme will, at the time of the transfer of them to Bidder, be fully paid and free from all:

(A) mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Properties Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise; and

(B) restrictions on transfer of any kind; and

(ii) they have full power and capacity to transfer their Scheme Shares to Bidder together with any rights attaching to those Scheme Shares; and

(iii) except as otherwise provided for or contemplated in the Scheme Implementation Deed, they have no existing right to be issued any Target Shares, or any other Target securities.

(d) Target undertakes that it will provide the warranties in clause 8.2(c) to Bidder as agent and attorney for each Scheme Shareholder.

8.3 Title to and rights in Scheme Shares

(a) To the extent permitted by law, the Scheme Shares (including all rights and entitlements attaching to the Scheme Shares) transferred under this Scheme will, at the time of transfer of them to Bidder, vest in Bidder free from all:

(i) mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Properties Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise; and

(ii) restrictions on transfer of any kind.

(b) Upon the provision of the Scheme Consideration to each Scheme Shareholder in accordance with clause 5.~~10~~6 and clause 5.~~12~~8, Bidder will be beneficially entitled to the Scheme Shares to be transferred to it under this Scheme pending registration by Target of Bidder in the Target Share Register as the holder of the Scheme Shares.

8.4 Appointment of sole proxy

Upon the provision of the Scheme Consideration to each Scheme Shareholder in accordance with clause 5.~~10~~6 and clause 5.~~12~~8 and until Target registers Bidder as the holder of all Scheme Shares in the Target Share Register, each Scheme Shareholder:

(a) is deemed to have irrevocably appointed Bidder as attorney and agent (and directed Bidder in each such capacity) to appoint any director, officer, secretary or agent nominated by Bidder as:

(i) its sole proxy; and

(ii) where applicable or appropriate, corporate representative,

to attend shareholders' meetings, exercise the votes attaching to the Scheme Shares registered in their name and sign any shareholders' resolution whether in person, by proxy or by corporate representative;

(b) must not attend or vote at any shareholders' meetings or sign any shareholders' resolutions, whether in person, by proxy or by corporate representative (other than pursuant to clause 8.4(a));

(c) must take all other actions in the capacity of a registered holder of Scheme Shares as Bidder reasonably directs; and

(d) acknowledges and agrees that in exercising the powers conferred by clause 8.4(a), Bidder and any director, officer, secretary or agent nominated by Bidder under clause 8.4(a) may act in the best interests of Bidder as the intended registered holder of the Scheme Shares.

8.5 Authority given to Target

(a) On the Effective Date, each Scheme Shareholder, without the need for any further act, irrevocably appoints Target and each of its directors, officers and secretaries (jointly and each of them severally) as its agent and attorney for the purpose of:

(i) enforcing the Deed Poll against Bidder; and

(ii) executing any document, or doing or taking any other act, necessary, desirable or expedient to give full effect to this Scheme and the transactions contemplated by it, including executing and delivering the Scheme Transfer,

and Target accepts such appointment.

(b) Target, as attorney and agent of each Scheme Shareholder, may sub-delegate its functions, authorities or powers under this clause 8.5 to all or any of its directors, officers, secretaries or employees (jointly, severally or jointly and severally).

8.6 Enforcement of Deed Poll

Target undertakes in favour of each Scheme Shareholder to enforce the Deed Poll against Bidder on behalf of and as agent and attorney for the Scheme Shareholder.

8.7 Instructions and elections

If not prohibited by law (and including where permitted or facilitated by relief granted by a Government Agency), all instructions, notifications or elections by a Scheme Shareholder to Target which are binding or deemed binding between the Scheme Shareholder and Target relating to Target or Target Shares, including instructions, notifications or elections relating to:

(a) whether dividends are to be paid by cheque or into a specific bank account;

(b) payments of dividends on Target Shares; and

(c) notices or other communications from Target (including by email),

will be deemed from the Implementation Date (except to the extent determined otherwise by Bidder in its sole discretion), by reason of this Scheme, to be made by the Scheme Shareholder to Bidder and to be a binding instruction, notification or election to, and accepted by, Bidder in respect of the new Bidder Shares issued to that Scheme Shareholder until that instruction, notification or election is revoked or amended in writing addressed to Bidder at its registry.

8.8 Binding effect of this Scheme

This Scheme binds Target and all of the Scheme Shareholders (including those who did not attend the Scheme Meeting and those who did not vote, or voted against this Scheme, at the Scheme Meeting) and, to the extent of any inconsistency, overrides the constitution of Target.

9. GENERAL

9.1 Stamp duty

(a) Bidder will:

(i) pay all stamp duty (if any) and any related fines and penalties payable on or in respect of the transfer by the Scheme Shareholders of the Scheme Shares to Bidder pursuant to the Scheme or its actions under the Deed Poll; and

(ii) indemnify each Scheme Shareholder against any liability incurred by the Scheme Shareholder arising from failure to comply with clause 9.1(a)(i).

(b) Bidder is authorised to apply for and retain the proceeds of any refund due in respect of any stamp duty paid under this clause.

9.2 Consent

Each Scheme Shareholder consents to Target and Bidder doing all things necessary or incidental to give full effect to the implementation of the Scheme and the transactions contemplated by it.

9.3 Notices

(a) If a notice, transfer, transmission application, direction or other communication referred to in the Scheme is sent by post to Target, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at Target's registered office or at the office of the Target Share Registry.

(b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such notice by a Target Shareholder will not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

9.4 Further action

Target must do all things and execute all documents (on its own behalf and/or on behalf of each Scheme Shareholder) necessary to give full effect to the Scheme and the transactions contemplated by it.

9.5 No liability when acting in good faith

Neither Target nor Bidder, nor any of their respective directors, officers, secretaries or employees, will be liable for anything done or omitted to be done in the performance of the Scheme or the Deed Poll in good faith.

9.6 Governing law and jurisdiction

(a) The Scheme is governed by the laws in force in Victoria.

(b) The parties irrevocably submit to the non-exclusive jurisdiction of courts exercising jurisdiction in Victoria and courts competent to determine appeals from those courts in respect of any proceedings arising out of or in connection with the Scheme.

(c) The parties irrevocably waive any objection to the venue of any legal process in the courts referred to in clause 9.6(b) on the basis that the process has been brought in an inconvenient forum.

Annexure C

Scheme

LANDER
& ROGERS

Scheme of Arrangement

OPTICOMM LTD

Each person registered as a holder of fully paid ordinary shares in Target as at the Scheme Record Date other than Bidder

Level 12 Bourke Place
600 Bourke Street
Melbourne VIC 3000

GPO Box 1842
Melbourne
VIC 3001

DX 370
Melbourne VIC

T +61 3 9269 9000
F +61 3 9269 9001
landers.com.au

ABN 58 207 240 529
LR: 2084479

Scheme of Arrangement

made under section 411 of the *Corporations Act 2001* (Cth)

P A R T I E S

OptiComm Ltd ACN 117 414 776 of Level 1, 22 Salmon Street, Port Melbourne VIC 3207 (**Target**)

and

Each person registered as a holder of fully paid ordinary shares in Target as at the Scheme Record Date other than Bidder (**Scheme Shareholders**)

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Scheme the following words and phrases have the following meanings unless the context indicates otherwise:

Aggregate Cash Consideration means the aggregate value of the Scheme Consideration payable to Scheme Shareholders in cash under the Scheme.

Aggregate Scrip Consideration means the aggregate number of Bidder Shares to be issued to Scheme Shareholders as Scheme Consideration under the Scheme.

Agreed Dividend means a dividend of $0.10 per Target Share, which, if declared, must be declared prior to the Implementation Date by Target and paid on the Implementation Date.

All Cash Consideration means $5.85 less the amount per Target Share paid by Target as the Agreed Dividend for each Scheme Share.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or, if the context requires, the financial market operated by it.

Bidder means Uniti Group Limited (ACN 158 957 889).

Bidder Option means an option to acquire a Bidder Share.

Bidder Share means a fully paid ordinary share in the capital of Bidder.

Business Day means a day that is not a Saturday, Sunday or a public holiday or bank holiday in Melbourne, Victoria.

Cash Consideration means $4.835 less the amount per Target Share paid by Target as the Agreed Dividend for each Scheme Share.

CHESS means the Clearing House Electronic Subregister System operated by ASX Settlement Pty Limited and ASX Clear Pty Limited.

CHESS Holding has the meaning given in the Settlement Rules.

Corporations Act means the *Corporations Act 2001* (Cth).

Court means the Federal Court of Australia (Victorian registry) or any other court of competent jurisdiction under the Corporations Act as Target and Bidder may agree in writing.

Delivery Time means, in relation to the Second Court Date, 2 hours before the commencement of the hearing or if the commencement of the hearing is adjourned, the commencement of the adjourned hearing, of the court to approve the Scheme in accordance with section 411(4)(b) of the Corporations Act.

Deed Poll means the deed poll under which Bidder covenants in favour of Scheme Shareholders to provide the Scheme Consideration in accordance with the terms of this Scheme.

Effective means, when used in relation to the Scheme, the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Scheme.

Effective Date, with respect to the Scheme, means the date on which the Scheme becomes Effective.

End Date means the later of:

(a) 15 March 2021; and

(b) such other date and time agreed in writing between Bidder and Target.

Government Agency means any government or representative of a government or any governmental, semi-governmental, administrative, fiscal, regulatory or judicial body, department, commission, authority, tribunal, agency, competition authority or entity and includes any minister, ASIC, ASX, the Takeovers Panel and any regulatory organisation established under statute or any stock exchange.

Immediately Available Funds means a bank cheque or other form of cleared funds acceptable to Target (acting reasonably).

Implementation Date means, with respect to the Scheme, the fifth Business Day, or such other Business Day as Bidder and Target agree, following the Scheme Record Date for the Scheme.

Ineligible Foreign Shareholder means a Scheme Shareholder whose address shown in the Target Share Register at 7.00pm on the Scheme Record Date is a place outside Australia and its external territories.

Issuer Sponsored Holding has the meaning given in the Settlement Rules.

Listing Rules means the official listing rules of ASX as amended from time to time.

Registered Address means, in relation to a Target Shareholder, the address shown in the Target Share Register as at the Scheme Record Date.

Scheme means this scheme of arrangement subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and approved in writing by Bidder and Target.

Scheme Consideration means in respect of:

(a) Scheme Shareholders who are Ineligible Foreign Shareholders, the All Cash Consideration; and

(b) all other Scheme Shareholders, the Cash Consideration and the Scrip Consideration,

subject to the terms of the Scheme.

Scheme Implementation Deed means the scheme implementation deed dated 14 June 2020, as amended, between Bidder and Target relating to (among other things) the implementation of the Scheme.

Scheme Meeting means the meeting of Target Shareholders ordered by the Court to be convened under section 411(1) of the Corporations Act to consider and vote on the Scheme and includes any meeting convened following any adjournment or postponement of that meeting.

Scheme Record Date means, in respect of the Scheme, 7.00pm on the second Business Day (or such other Business Day as Bidder and Target agree in writing) following the Effective Date.

Scheme Share means a Target Share on issue as at the Scheme Record Date other than a Target Share held by Bidder.

Scheme Shareholder means each person, other than Bidder, registered in the Target Share Register as the holder of one or more Scheme Shares as at the Scheme Record Date.

Scheme Transfer means one or more proper instruments of transfer in respect of the Scheme Shares for the purposes of section 1071B of the Corporations Act, which may be or include a master transfer of all or part of the Scheme Shares.

Scrip Consideration means 0.80537 Bidder Shares for each Scheme Share.

Second Court Date means:

(a) 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 was heard or scheduled to be heard; or

(b) if the application was adjourned or subject to appeal for any reason, the first day on which the adjourned or appealed application was heard or scheduled to be heard.

Second Court Hearing means the hearing of the application made to the Court for an order pursuant to section 411(4)(b) of the Corporations Act approving the Scheme.

Settlement Rules means the official operating rules of ASX Settlement Pty Ltd.

Takeovers Panel means the Takeovers Panel constituted under the *Australian Securities and Investments Commission Act 2001* (Cth).

Target Incentive Plan means Target's long term incentive plan adopted on 15 July 2019.

Target Performance Right means a right to be issued a Target Share under the Target Incentive Plan.

Target Share means a fully paid ordinary share in the capital of Target.

Target Share Register means the register of members of Target maintained by or on behalf of Target in accordance with section 168(1) of the Corporations Act.

Target Share Registry means Link Market Services Limited.

Target Shareholder means each person other than Bidder who is registered in the Target Share Register as a holder of Target Shares.

Transaction has the meaning given in the Scheme Implementation Deed.

Trust Account means an Australian dollar denominated trust account which:

(a) attracts interest at a commercial rate; and

(b) is operated by Target, or by the Target Share Registry on behalf of Target, as trustee for the Scheme Shareholders.

Unclaimed Money Act means the *Unclaimed Money Act 2008* (Vic).

1.2 Interpretation

In the Scheme, the following rules of interpretation apply unless the contrary intention appears:

(a) a term or expression starting with a capital letter:

(i) which is defined in clause 1.1 has the meaning given to it in clause 1.1; and

(ii) which is defined in the Corporations Act, but is not defined in the clause 1.1, has the meaning given to it in the Corporations Act;

(b) headings are for convenience only and do not affect the interpretation of the Scheme;

(c) the singular includes the plural and vice versa;

(d) words that are gender neutral or gender specific include each gender;

(e) where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings;

(f) the words "include", "including" and similar expressions are not words of limitation and do not limit what else might be included;

(g) a reference to:

(i) a person includes a natural person, estate of a natural person, partnership, joint venture, government agency, association, corporation, trust or other body corporate or entity (as that term is defined in section 64A of the Corporations Act);

(ii) a thing (including a chose in action or other right) includes a part of that thing;

(iii) a party includes its agents, successors and permitted assigns;

(iv) a document includes all amendments or supplements to that document;

(v) a clause, term, party, schedule or attachment is a reference to a clause or term of, or a party, schedule or attachment to, this Scheme (as applicable);

(vi) this deed includes all schedules and attachments to it;

(vii) a law includes a constitutional provision, treaty, decree, convention, statute, regulation, ordinance, by-law, judgment, rule of common law or equity or a Listing Rule and is a reference to that law as amended, consolidated or replaced;

(viii) a statute includes any regulation, ordinance, by-law or other subordinate legislation made under it;

(ix) an agreement, other than the Scheme, includes an undertaking, or legally enforceable arrangement or understanding, whether or not in writing;

(x) a monetary amount is in Australian dollars; and

(xi) time is to Melbourne, Australia time;

(h) when the day on which something must be done is not a Business Day, that thing must be done on the following Business Day; and

(i) no rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of the Scheme or any part of it.

2. PRELIMINARY MATTERS

2.1 Target

(a) Target is an Australian public company limited by shares.

(b) Target is admitted to the official list of ASX and Target Shares are officially quoted for trading on ASX.

(c) As at 17 July 2020, Target had the following securities on issue:

(i) 104,074,986 Target Shares; and

(ii) 220,336 Target Performance Rights.

2.2 Bidder

(a) Bidder is an Australian public company limited by shares.

(b) Bidder is admitted to the official list of ASX and Bidder Shares are officially quoted for trading on ASX.

(c) As at 17 July 2020, Bidder had the following securities on issue:

(i) 517,826,105 Bidder Shares; and

(ii) 18,100,104 Bidder Options.

2.3 Scheme Implementation Deed

Bidder and Target have entered into the Scheme Implementation Deed in respect of (among other things) the implementation of this Scheme.

2.4 Deed Poll

(a) The Scheme attributes actions to Bidder but does not itself impose any obligations on it to perform those actions.

(b) By executing the Deed Poll, Bidder has agreed to perform:

(i) the actions attributed to it under the Scheme; and

(ii) its obligations under the Deed Poll, including the provision of the Scheme Consideration in accordance with the terms of the Scheme.

3. CONDITIONS

3.1 Conditions precedent

This Scheme is conditional on and will not become Effective until and unless the following conditions precedent are satisfied:

(a) all the conditions in clause 3.1 of the Scheme Implementation Deed (other than the condition in clause 3.1(c) of the Scheme Implementation Deed relating to Court approval of this Scheme) are satisfied or waived in accordance with the terms of the Scheme Implementation Deed by the Delivery Time on the Second Court Date;

(b) neither the Scheme Implementation Deed nor the Deed Poll is terminated in accordance with its terms by the Delivery Time on the Second Court Date;

(c) the Scheme is approved by the Court at the Second Court Hearing under section 411(4)(b) of the Corporations Act, including with any alterations made or required by the Court under section 411(6) of the Corporations Act as are acceptable to Target and Bidder (each acting reasonably);

(d) such other conditions made or required by the Court under section 411(6) of the Corporations Act in relation to the Scheme as are acceptable to Target and Bidder are satisfied (each acting reasonably); and

(e) the order of the Court made under section 411(4)(b) of the Corporations Act approving the Scheme comes into effect pursuant to section 411(10) of the Corporations Act on or before the End Date.

3.2 Conditions precedent and operation of clauses 4.2 and 5

The satisfaction of each condition of clause 3.1 of the Scheme is a condition precedent to the operation of clause 4.3 and clause 5 of the Scheme.

3.3 Joint Certificate

(a) Target and Bidder will provide a joint certificate to the Court at the Second Court Hearing confirming whether or not the conditions precedent in clause 3.1(a) and clause 3.1(b) have been satisfied or waived as at the Delivery Time on the Second Court Date in accordance with the terms of the Scheme Implementation Deed.

(b) Unless the Court requires otherwise, the joint certificate given by Target and Bidder constitutes conclusive evidence that the conditions precedent in clause 3.1(a) and clause 3.1(b) have been satisfied or waived as at the Delivery Time on the Second Court Date in accordance with the terms of the Scheme Implementation Deed.

3.4 Termination and End Date

Without limiting any rights under the Scheme Implementation Deed, if:

(a) the Scheme Implementation Deed or the Deed Poll is terminated in accordance with its terms before the Scheme becomes Effective; or

(b) the Effective Date has not occurred on or before the End Date,

then the Scheme will lapse and each of Bidder and Target are released from any further obligation to take steps to implement the Scheme.

4. IMPLEMENTATION OF THIS SCHEME

4.1 Lodgement of Court orders with ASIC

If the conditions precedent set out in clause 3.1 of this Scheme (other than the condition precedent in clause 3.1(e)) are satisfied, Target must lodge with ASIC in accordance with section 411(10) of the Corporations Act an office copy of the order made by the Court under section 411(4)(b) of the Corporations Act approving this Scheme before:

(a) 5:00pm on the Business Day following the day on which such office copy is received by Target; or

(b) such later date agreed in writing between Bidder and Target.

4.2 Consequences of the Scheme becoming Effective

If this Scheme becomes Effective:

(a) it will override the constitution of the Target to the extent of any inconsistency;

(b) Bidder must provide or procure the provision of the Scheme Consideration to Scheme Shareholders in accordance with this Scheme and the Deed Poll;

(c) subject to the provision of the Scheme Consideration as contemplated by clause 4.2(b), all the Scheme Shares, and all the rights and entitlements attaching to them as at the Implementation Date, will be transferred to Bidder; and

(d) Target will enter the name of the Bidder in the Target Share Register in respect of all the Scheme Shares.

4.3 Transfer of Scheme Shares

Subject to the Scheme becoming Effective, the following will occur in the order set out below:

(a) on or before the Implementation Date, Bidder confirming in writing to Target that:

(i) the Aggregate Cash Consideration has been provided in accordance with clause 5.6(b); and

(ii) the Scrip Consideration has been provided in accordance with clause 5.8;

(b) on the Implementation Date, payment by Target of the Aggregate Cash Consideration in the manner contemplated by clause 5.6(c); and

(c) subject to the matters in clause 4.3(a) and clause 4.3(b) being satisfied, all of the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at the Implementation Date, will be transferred to Bidder without the need for any further act by any Scheme Shareholder (other than acts performed by Target as attorney and agent for Scheme Shareholders under clause 8 of the Scheme) by:

(i) Target delivering to Bidder a duly completed and executed Scheme Transfer, executed on behalf of the Scheme Shareholders by Target as their attorney and agent; and

(ii) Bidder duly executing the Scheme Transfer and delivering the executed and, if necessary, stamped Scheme Transfer to Target for registration; and

(iii) immediately following receipt of the duly executed Scheme Transfer in accordance with clause 4.3(c)(ii), Target entering, or procuring the entry of, the name of Bidder in the Target Share Register in respect of all of the Scheme Shares.

5. SCHEME CONSIDERATION

5.1 Entitlement to Scheme Consideration

Subject to the terms of this Scheme, on the Implementation Date, in consideration for the transfer to Bidder of the Scheme Shares, each Scheme Shareholder will be entitled to receive the Scheme Consideration in respect of each of their Scheme Shares in accordance with clauses 5.2 to 5.12 and the Deed Poll.

5.2 Scheme Consideration for Ineligible Foreign Shareholders

(a) If a Target Shareholder is an Ineligible Foreign Shareholder that Target Shareholder will be entitled to receive the All Cash Consideration.

(b) Bidder has no obligation to provide, and will not provide under the Scheme, any Bidder Shares as Scheme Consideration to Ineligible Foreign Shareholders.

5.3 Scheme Consideration for other Scheme Shareholders

Scheme Shareholders who are not Ineligible Foreign Shareholders will be entitled to receive the Cash Consideration and the Scrip Consideration.

5.4 Fractional entitlements

Where the calculation of the Scheme Consideration to be issued to a particular Scheme Shareholder would result in the Scheme Shareholder becoming entitled to:

(a) a fraction of a cent, the fractional entitlement will be rounded down to the nearest whole cent; and/or

(b) a fraction of a Bidder Share, the fractional entitlement will be rounded down to the nearest whole number of Bidder Shares.

5.5 Bidder Shares

(a) Bidder undertakes in favour of Target (in its own right and on behalf of each Target Shareholder) that on and from their issue, the Bidder Shares issued as Scrip Consideration will:

(i) rank equally in all respects with all other Bidder Shares in the same class; and

(ii) be fully paid, duly and validly issued in accordance with all applicable laws and free from any Encumbrance.

(b) Subject to the Scheme becoming Effective, Bidder must use all reasonable endeavours to ensure that the Bidder Shares to be issued as Scrip Consideration are, from the Business Day following the Effective Date (or such later date as ASX requires), quoted for trading on ASX initially on a deferred settlement basis and thereafter on an ordinary settlement basis as required by the Listing Rules.

5.6 Provision of Aggregate Cash Consideration

(a) Unless otherwise agreed between Bidder and Target, Target must notify Bidder of the details of the Trust Account no later than 5 Business Days before the Implementation Date.

(b) The obligation of Bidder to provide the Aggregate Cash Consideration under the Scheme and the Deed Poll will be satisfied by Bidder, no later than the Business Day before the Implementation Date, depositing (or procuring the deposit), in Immediately Available Funds, the Aggregate Cash Consideration into the Trust Account (except that the amount of any interest on the amount deposited, less bank fees and other charges, will be credited to Bidder's account), such amount to be held by Target on trust for the purpose of paying the All Cash Consideration and the Cash Consideration to Scheme Shareholders who are entitled to receive such pursuant to clause 5.6(c).

(c) On the Implementation Date, and subject to receipt of the Aggregate Cash Consideration from Bidder in accordance with clause 5.6(b), and subject to clauses 5.11 and 5.12, Target must pay (or procure payment) from the Trust Account to each Scheme Shareholder, an amount equal to the applicable amount of All Cash Consideration or Cash Consideration that the

Scheme Shareholder is entitled to for each Scheme Share held by that Scheme Shareholder.

(d) Target's obligation under clause 5.6(c) will be satisfied by Target:

(i) where a Scheme Shareholder has, before the Scheme Record Date, made an election in accordance with the requirements of the Target Share Registry to receive dividend payments from Target by electronic funds transfer to a bank account nominated by the Scheme Shareholder, paying, or procuring the payment of, the relevant amount in Australian currency by electronic means in accordance with that election; or

(ii) whether or not a Scheme Shareholder has made an election referred to in clause 5.6(d)(i), dispatching, or procuring the dispatch of, a cheque in Australian currency for the relevant amount to the Scheme Shareholder by prepaid post to their Registered Address, such cheque being drawn in the name of the Scheme Shareholder (or in the case of joint holders, in accordance with clause 5.9).

(e) In the event that:

(i) a Scheme Shareholder does not have a Registered Address and no account has been notified in accordance with clause 5.6(d)(i) or a deposit into such an account is rejected or refunded; or

(ii) a cheque issued under this clause 5 has been cancelled in accordance with clause 5.7(a),

Target as the trustee for the Scheme Shareholders may credit the amount payable to the relevant Scheme Shareholder to a separate bank account of Target (**Separate Account**) to be held until the Scheme Shareholder claims the amount or the amount is dealt with in accordance with the Unclaimed Money Act. For the avoidance of doubt, if the amount is not credited to a Separate Account, the amount will continue to be held in the Trust Account until the Scheme Shareholder claims the amount or the amount is dealt with in accordance with the Unclaimed Money Act.

(f) Until such time as an amount referred to in clause 5.6(e) is dealt with in accordance with the Unclaimed Money Act, Target must hold the amount on trust for the relevant Scheme Shareholder, but any interest or other benefit accruing from the amount will be to the benefit of Bidder.

(g) An amount credited to the Separate Account or Trust Account (as applicable) in accordance with clause 5.6(e) is to be treated as having been paid to the Scheme Shareholder when credited to the Separate Account or Trust Account (as applicable). Target must maintain records of the amounts paid, the people who are entitled to the amounts and any transfers of the amounts.

(h) To the extent that there is a surplus in the amount held by Target as the trustee for the Scheme Shareholders in the Trust Account after the process in clauses 5.6(e) to 5.6(g) has completed, that surplus may be paid by Target as the trustee for the Scheme Shareholders to Bidder following the satisfaction of Target's obligations as the trustee for the Scheme Shareholders under this clause 5.6.

5.7 Cancellation and re-issue of cheques

(a) Target may cancel a cheque issued under this clause 5 if the cheque:

(i) is returned to Target; or

(ii) has not been presented for payment within six months after the date on which the cheque was sent.

(b) During the period of one year commencing on the Implementation Date, on request in writing from a Scheme Shareholder to Target or the Target Share Registry (which request may not be made until the date which is 5 Business Days after the Implementation Date), a cheque that was previously cancelled under clause 5.7(a) must be reissued.

5.8 Provision of Scrip Consideration

(a) Subject to clauses 5.11 and 5.12, Bidder must, before no later than 12:00 noon (or such later time as Bidder and Target may agree in writing) on the Implementation Date, procure that the name of each Scheme Shareholder entitled to be issued Bidder Shares under this Scheme is entered in Bidder's register of shareholders (as maintained by Bidder or its agent) as the holder of those Bidder Shares with the same holding name and address and other details as the holding of the relevant Target Shares.

(b) On the Implementation Date, Bidder must send or procure the sending of a share certificate or holding statement (or equivalent document) to the Registered Address of each Scheme Shareholder to whom Bidder Shares are issued under this Scheme, reflecting the issue of such Bidder Shares.

5.9 Joint holders

In the case of Scheme Shares held in joint names:

(a) any Bidder Shares to be issued as Scheme Consideration are to be registered in the names of the joint holders;

(b) any cheque required to be sent under this Scheme will be made payable to the joint holders and sent to the holder whose name appears first in the Target Share Register as at the Scheme Record Date; and

(c) any other document required to be sent under this Scheme will be forwarded to the holder whose name appears first in the Target Share Register as at the Scheme Record Date.

5.10 Unclaimed monies

(a) The Unclaimed Money Act will apply in relation to any Scheme Consideration which becomes 'unclaimed money' (as defined in section 3 of the Unclaimed Money Act).

(b) Any interest or other benefit accruing from unclaimed Scheme Consideration will be to the benefit of Bidder.

5.11 Orders of a court or Government Agency or law restricting payment

If written notice is given to Target (or the Target Share Registry) of an order or direction made by a court of competent jurisdiction or by another Government Agency, or Target is aware of any law, that:

(a) requires consideration to be provided to a third party (either through payment of a sum or the issuance of a security) in respect of Scheme Shares held by a particular Scheme Shareholder, which would otherwise be payable or required to be issued to that Scheme Shareholder by Target or Bidder in accordance with this clause 5, then Target or Bidder (as applicable) will be entitled to pay or issue that consideration (or procure that it is paid or issued), in accordance with that order, direction or law; or

(b) prevents Target or Bidder from providing consideration to a particular Scheme Shareholder in accordance with this clause 5, Target or Bidder will be entitled to (as applicable):

(i) retain an amount, in Australian dollars, equal to the amount of the consideration that Scheme Shareholder would be entitled to in the form of All Cash Consideration or Cash Consideration; and/or

(ii) not to issue (or direct Bidder not to issue), or to issue to a trustee or nominee, such number of Bidder Shares, equal to the amount of the consideration that Scheme Shareholder would be entitled to in the form of Scrip Consideration,

until such time as payment in accordance with this clause 5 is permitted by that order, direction or law.

5.12 Foreign resident capital gains withholding

(a) If Bidder determines that it must pay an amount to the Commissioner of Taxation (**Commissioner**) under Subdivision 14-D of Schedule 1 to the *Taxation Administration Act 1953* (Cth) (**TAA**) with respect to the acquisition of the Scheme Shares from a Scheme Shareholder, Bidder will, for any such Scheme Shareholder:

(i) determine the amount to be paid to the Commissioner (**Payment Amount**);

(ii) remit the Payment Amount to the Commissioner within the time required under the TAA; and

(iii) pay an amount equal to the Scheme Consideration less the Payment Amount to the Scheme Shareholder.

(b) Bidder will, for the purposes of the Scheme Implementation Deed, the Scheme and the Deed Poll, be deemed to have satisfied its obligations to pay the Scheme Consideration to a Scheme Shareholder if the amount paid to the Scheme Shareholder is the amount of the Scheme Consideration that would have otherwise been payable to the Scheme Shareholder pursuant to the Scheme, less the Payment Amount for that Scheme Shareholder.

6. DEALINGS IN TARGET SHARES

6.1 Determination of Scheme Shareholders

To establish the identity of the Scheme Shareholders, dealings in Target Shares or other alterations to the Target Share Register will only be recognised if:

(a) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Target Share Register as the holder of the relevant Target Shares at or before the Scheme Record Date; and

(b) in all other cases, registrable transfer or transmission applications in respect of those dealings, or valid requests in respect of other alterations, are received at or before the Scheme Record Date at the place where the Target Share Register is kept,

and Target must not accept for registration, nor recognise for any purpose (except a transfer to Bidder pursuant to this Scheme and any subsequent transfer by Bidder or its successors in title), any transfer or transmission application or other request received after the Scheme Record Date, or received at or before the Scheme Record Date but not in registrable or actionable form.

6.2 Target Share Register

(a) Target must register registrable transfer or transmission applications of Target Shares received in accordance with clause 6.1(b) at or before the Scheme Record Date, or as soon as reasonably practicable after receipt with effect as at the Scheme Record Date, provided that nothing in this clause 6.2(a) requires Target to register a transfer that would result in a Target Shareholder holding a parcel of Target Shares that is less than a 'marketable parcel' (as defined in the operating rules of ASX).

(b) If this Scheme becomes Effective, a Scheme Shareholder (and any person claiming through that holder) must not dispose of, or purport or agree to dispose of, any Scheme Shares or any interest in them after the Scheme Record Date otherwise than pursuant to this Scheme, and any attempt to do so will have no effect and Target will be entitled to disregard any such disposal, purported disposal or agreement.

(c) For the purpose of determining entitlements to the Scheme Consideration, Target must maintain the Target Share Register in accordance with the provisions of this clause 6.2 until the Scheme Consideration has been provided to the Scheme Shareholders in accordance with the Scheme. The Target Share Register in this form will solely determine entitlements to the Scheme Consideration.

(d) All statements of holding for Target Shares, other than statements of holding in favour of Bidder or its successors in title, will cease to have effect after the Scheme Record Date as documents of title in respect of those shares and, as from that date, each entry current at that date on the Target Share Register, other than entries in respect of Bidder or its successors in title, will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of the Target Shares relating to that entry.

(e) As soon as possible after the Scheme Record Date, and in any event within one Business Day after the Scheme Record Date, Target will ensure that details of the names, Registered Addresses and holdings of Target Shares

for each Scheme Shareholder as shown in the Target Share Register as at the Scheme Record Date are available to Bidder in the form Bidder reasonably requires.

7. QUOTATION OF TARGET SHARES

(a) Target will apply to ASX to suspend trading in Target Shares with effect from the close of trading on the Effective Date.

(b) Target will apply:

(i) for termination of the official quotation of Target Shares on the ASX; and

(ii) to have itself removed from the official list of ASX,

in each case with effect on and from the close of trading on the trading day immediately following, or shortly after, the Implementation Date.

(c) Target must use its best endeavours to ensure that such termination of official quotation and removal from the official list of ASX does not occur before the Implementation Date.

8. GENERAL SCHEME PROVISIONS

8.1 Consent to amendments to this Scheme

If the Court proposes to approve the Scheme subject to any alterations or conditions:

(a) Target may by its counsel, consent on behalf of all persons concerned, to those alterations or conditions to which Bidder has consented; and

(b) each Scheme Shareholder agrees to any such alterations or conditions which counsel for Target has consented to.

8.2 Scheme Shareholders' agreements and warranties

(a) Each Scheme Shareholder:

(i) agrees to the transfer of their Scheme Shares to Bidder together with all rights and entitlements attaching to those shares in accordance with the Scheme;

(ii) agrees to the variation, cancellation or modification of the rights attached to their Scheme Shares constituted by or resulting from the Scheme;

(iii) who holds their Target Shares in a CHESS Holding agrees to the conversion of those Target Shares to an Issuer Sponsored Holding and irrevocably authorises Target to do anything necessary or expedient (whether required by the Settlement Rules or otherwise) to effect or facilitate such conversion

(iv) agrees:

(A) that after the transfer of the Scheme Shares to Bidder, any share certificate relating to the Scheme Shares will not constitute evidence of title to those Scheme Shares; and

(B) at the direction of Bidder, to destroy any share certificates relating to the Scheme Shares; and

(v) acknowledges that the Scheme binds Target and all Scheme Shareholders (including those who did not attend the Scheme Meeting and those who did not vote, or voted against this Scheme, at the Scheme Meeting).

(b) Each Target Shareholder who is issued Bidder Shares under this Scheme agrees to:

(i) become a shareholder of Bidder; and

(ii) be bound by the terms of the constitution of Bidder.

(c) Each Scheme Shareholder is taken to have warranted to Target and Bidder on the Implementation Date, and appointed and authorised Target as its attorney and agent to warrant to Bidder on the Implementation Date, that:

(i) all their Scheme Shares (including any rights and entitlements attaching to their Scheme Shares) which are transferred under this Scheme will, at the time of the transfer of them to Bidder, be fully paid and free from all:

(A) mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Properties Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise; and

(B) restrictions on transfer of any kind; and

(ii) they have full power and capacity to transfer their Scheme Shares to Bidder together with any rights attaching to those Scheme Shares; and

(iii) except as otherwise provided for or contemplated in the Scheme Implementation Deed, they have no existing right to be issued any Target Shares, or any other Target securities.

(d) Target undertakes that it will provide the warranties in clause 8.2(c) to Bidder as agent and attorney for each Scheme Shareholder.

8.3 Title to and rights in Scheme Shares

(a) To the extent permitted by law, the Scheme Shares (including all rights and entitlements attaching to the Scheme Shares) transferred under this Scheme will, at the time of transfer of them to Bidder, vest in Bidder free from all:

(i) mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Properties Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise; and

(ii) restrictions on transfer of any kind.

(b) Upon the provision of the Scheme Consideration to each Scheme Shareholder in accordance with clause 5.6 and clause 5.8, Bidder will be beneficially entitled to the Scheme Shares to be transferred to it under this Scheme pending registration by Target of Bidder in the Target Share Register as the holder of the Scheme Shares.

8.4 Appointment of sole proxy

Upon the provision of the Scheme Consideration to each Scheme Shareholder in accordance with clause 5.6 and clause 5.8 and until Target registers Bidder as the holder of all Scheme Shares in the Target Share Register, each Scheme Shareholder:

(a) is deemed to have irrevocably appointed Bidder as attorney and agent (and directed Bidder in each such capacity) to appoint any director, officer, secretary or agent nominated by Bidder as:

(i) its sole proxy; and

(ii) where applicable or appropriate, corporate representative,

to attend shareholders' meetings, exercise the votes attaching to the Scheme Shares registered in their name and sign any shareholders' resolution whether in person, by proxy or by corporate representative;

(b) must not attend or vote at any shareholders' meetings or sign any shareholders' resolutions, whether in person, by proxy or by corporate representative (other than pursuant to clause 8.4(a));

(c) must take all other actions in the capacity of a registered holder of Scheme Shares as Bidder reasonably directs; and

(d) acknowledges and agrees that in exercising the powers conferred by clause 8.4(a), Bidder and any director, officer, secretary or agent nominated by Bidder under clause 8.4(a) may act in the best interests of Bidder as the intended registered holder of the Scheme Shares.

8.5 Authority given to Target

(a) On the Effective Date, each Scheme Shareholder, without the need for any further act, irrevocably appoints Target and each of its directors, officers and secretaries (jointly and each of them severally) as its agent and attorney for the purpose of:

(i) enforcing the Deed Poll against Bidder; and

(ii) executing any document, or doing or taking any other act, necessary, desirable or expedient to give full effect to this Scheme and the transactions contemplated by it, including executing and delivering the Scheme Transfer,

and Target accepts such appointment.

(b) Target, as attorney and agent of each Scheme Shareholder, may sub-delegate its functions, authorities or powers under this clause 8.5 to all or any of its directors, officers, secretaries or employees (jointly, severally or jointly and severally).

8.6 Enforcement of Deed Poll

Target undertakes in favour of each Scheme Shareholder to enforce the Deed Poll against Bidder on behalf of and as agent and attorney for the Scheme Shareholder.

8.7 Instructions and elections

If not prohibited by law (and including where permitted or facilitated by relief granted by a Government Agency), all instructions, notifications or elections by a Scheme Shareholder to Target which are binding or deemed binding between the Scheme Shareholder and Target relating to Target or Target Shares, including instructions, notifications or elections relating to:

(a) whether dividends are to be paid by cheque or into a specific bank account;

(b) payments of dividends on Target Shares; and

(c) notices or other communications from Target (including by email),

will be deemed from the Implementation Date (except to the extent determined otherwise by Bidder in its sole discretion), by reason of this Scheme, to be made by the Scheme Shareholder to Bidder and to be a binding instruction, notification or election to, and accepted by, Bidder in respect of the new Bidder Shares issued to that Scheme Shareholder until that instruction, notification or election is revoked or amended in writing addressed to Bidder at its registry.

8.8 Binding effect of this Scheme

This Scheme binds Target and all of the Scheme Shareholders (including those who did not attend the Scheme Meeting and those who did not vote, or voted against this Scheme, at the Scheme Meeting) and, to the extent of any inconsistency, overrides the constitution of Target.

9. GENERAL

9.1 Stamp duty

(a) Bidder will:

(i) pay all stamp duty (if any) and any related fines and penalties payable on or in respect of the transfer by the Scheme Shareholders of the Scheme Shares to Bidder pursuant to the Scheme or its actions under the Deed Poll; and

(ii) indemnify each Scheme Shareholder against any liability incurred by the Scheme Shareholder arising from failure to comply with clause 9.1(a)(i).

(b) Bidder is authorised to apply for and retain the proceeds of any refund due in respect of any stamp duty paid under this clause.

9.2 Consent

Each Scheme Shareholder consents to Target and Bidder doing all things necessary or incidental to give full effect to the implementation of the Scheme and the transactions contemplated by it.

9.3 Notices

(a) If a notice, transfer, transmission application, direction or other communication referred to in the Scheme is sent by post to Target, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at Target's registered office or at the office of the Target Share Registry.

(b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such notice by a Target Shareholder will not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

9.4 Further action

Target must do all things and execute all documents (on its own behalf and/or on behalf of each Scheme Shareholder) necessary to give full effect to the Scheme and the transactions contemplated by it.

9.5 No liability when acting in good faith

Neither Target nor Bidder, nor any of their respective directors, officers, secretaries or employees, will be liable for anything done or omitted to be done in the performance of the Scheme or the Deed Poll in good faith.

9.6 Governing law and jurisdiction

(a) The Scheme is governed by the laws in force in Victoria.

(b) The parties irrevocably submit to the non-exclusive jurisdiction of courts exercising jurisdiction in Victoria and courts competent to determine appeals from those courts in respect of any proceedings arising out of or in connection with the Scheme.

(c) The parties irrevocably waive any objection to the venue of any legal process in the courts referred to in clause 9.6(b) on the basis that the process has been brought in an inconvenient forum.

Annexure D

Notice of Postponed Scheme Meeting

Notice of Postponed Scheme Meeting

OptiComm Ltd ACN 117 414 776 (**OptiComm**) hereby gives notice that by order of the Federal Court of Australia (**Court**) made on Friday, 25 September 2020 pursuant to section 411(1) of the *Corporations Act 2001* (Cth) (**Corporations Act**), a meeting of the holders of fully paid ordinary shares in OptiComm (other than Uniti Group Limited ACN 158 957 889 (the **Excluded Shareholder**)) will be held as a virtual meeting at 11:00 am (AEDT) on Tuesday, 13 October 2020 (**Scheme Meeting**). In response to the global COVID-19 pandemic and government restrictions on physical gatherings, there will be no physical meeting where Eligible Shareholders and proxies can attend in person.

Information about the Scheme

Information about the Scheme is set out in the Scheme Booklet, and the Supplementary Scheme Booklet of which this Notice of Postponed Scheme Meeting forms part. Terms used in this Notice of Postponed Scheme Meeting have the same meaning as set out in the Glossaries to the Scheme Booklet and the Supplementary Scheme Booklet, unless indicated otherwise. Where the same term is defined in both the Scheme Booklet and the Supplementary Scheme Booklet, the meaning is the one set out in the Supplementary Scheme Booklet.

Purpose of the Scheme Meeting

The purpose of the Scheme Meeting is to consider and, if thought fit, to approve (with or without any modifications, alterations or conditions agreed in writing between OptiComm and Uniti and approved by the Court or any modifications, alterations or conditions as are thought just by the Court to which OptiComm and Uniti agree in writing) a scheme of arrangement proposed to be made between OptiComm and the holders of its fully paid ordinary shares (other than the Excluded Shareholder).

Accessing the virtual meeting

The virtual meeting can be accessed by logging in online at https://agmlive.link/OPC20. Eligible Shareholders will be able to view the Scheme Meeting live, vote on the Scheme Resolutions and ask questions online.

Meeting Chair

The Court has directed that Allan Brackin, or failing him Kenneth Ogden, be Chair of the meeting and has directed the Chair to report the result of the Scheme Meeting to the Court.

Agenda

To consider and, if thought fit, to pass the following resolutions:

1. *'That the Original Scheme, the terms of which are contained in and more particularly described in the Scheme Booklet dated 7 August 2020, is amended in accordance with the changes shown in Annexure B of the Supplementary Scheme Booklet dated 25 September 2020, so that its terms are as enumerated in Annexure C thereof.'*

2. '*That pursuant to and in accordance with section 411 of the Corporations Act 2001 (Cth):*

   (a) the Scheme, the terms of which are contained in and more particularly described in Annexure C of the Supplementary Scheme Booklet dated 25 September 2020 is agreed to (with or without any modifications, alterations or conditions agreed in writing between OptiComm and Uniti and

approved by the Court or any modifications, alterations or conditions as thought just by the Court to which OptiComm and Uniti agree in writing); and

(b) the directors of OptiComm are authorised, subject to the terms of the Amended and Restated Scheme Implementation Deed:

I. to agree to any modifications, alterations or conditions with Uniti;

II. to agree to any modifications, alterations or conditions as are thought just by the Court; and

III. subject to approval of the Scheme by the Court, to implement the Scheme with any such modifications, alterations or conditions.'

Court approval

In accordance with section 411(4)(b) of the Corporations Act, the Scheme (with or without any modifications, alterations or conditions agreed in writing between OptiComm and Uniti and approved by the Court or any modifications, alterations or conditions as are thought just by the Court to which OptiComm and Uniti agree in writing) must be approved by an order of the Court and an office copy of the orders of the Court approving the Scheme must be lodged with ASIC. If the Scheme Resolutions put to the Scheme Meeting are passed by the Requisite Majorities and the other conditions to the Scheme are satisfied or (where applicable) waived in accordance with the Amended and Restated Scheme Implementation Deed, OptiComm intends to apply to the Court on Thursday, 22 October 2020 for the necessary orders to give effect to the Scheme.

Advertisement

Where this Notice of Postponed Scheme Meeting is advertised unaccompanied by the remainder of the Supplementary Scheme Booklet, a copy of the full Supplementary Scheme Booklet can be obtained by anyone entitled to attend the Scheme Meeting from the ASX website at www.asx.com.au and on OptiComm's website at www.opticomm.net.au or by calling the Shareholder Information Line on 1800 635 323 (or from outside Australia, +61 1800 635 323).

Voting and proxy instructions

You are entitled to vote at the Scheme Meeting only if you are registered as an OPC Shareholder (other than the Excluded Shareholder) on the OptiComm Share Registry at 7.00pm (AEDT) on Sunday, 11 October 2020.

Voting procedure

The Chair of the meeting intends to put the Scheme Resolutions set out in the agenda to a poll at the Scheme Meeting, however, if the first Scheme Resolution is not passed, the Chair of the meeting intends to adjourn the Scheme Meeting. Voting results will be announced on the ASX as soon as practicable after the Scheme Meeting.

The Chair of the meeting intends to vote any undirected proxies in favour of the Scheme Resolutions.

Passing the Scheme Resolutions

In accordance with section 411(4)(a)(ii) of the Corporations Act, the Scheme Resolutions must be passed by:

- a majority in number (more than 50%) of Eligible Shareholders present and voting at the Scheme Meeting (either in person online or by proxy, representative or attorney); and

- Eligible Shareholders holding at least 75% of the total number of votes cast on the Scheme Resolutions by Eligible Shareholders present and voting at the Scheme Meeting (either in person online or by proxy, representative or attorney).

Appointing a proxy

Eligible Shareholders may appoint a proxy to vote on their behalf at the Scheme Meeting. To do this, the Eligible Shareholder must either complete and sign or validly authenticate the personalised Proxy Form which accompanies this Supplementary Scheme Booklet or lodge their proxy online. A person appointed as a proxy may be an individual or a body corporate.

Previously submitted Proxy Forms will not be valid. If you wish to vote by proxy and you already submitted a Proxy Form in respect of the Original Scheme, you will need to resubmit a new Proxy Form for the purposes of the Scheme Meeting.

Proxies participating in the virtual Scheme Meeting will receive an email from the OptiComm Share Registry prior to the Scheme Meeting containing details of their proxy number which they will need to use for the online registration process. Proxies are asked to log in online 15 minutes prior to the time designated for the commencement of the Scheme Meeting, if possible, to register and to obtain a voting card.

To be valid, your Proxy Form(s) must be received by the OptiComm Share Registry by 11.00am (AEDT) on Sunday, 11 October 2020. For further information on proxy voting, refer to the detailed instructions contained on the Proxy Form.

You can appoint a proxy by:

- lodging your appointment online at www.linkmarketservices.com.au;
- mailing the Proxy Form to the OptiComm Share Registry at Link Market Services, Locked Bag A14, Sydney South, New South Wales 1235, Australia; or
- faxing the accompanying Proxy Form to the OptiComm Share Registry on +61 2 9287 0309.

For additional proxy forms, contact Link on 1800 635 323 (or from outside Australia, +61 1800 635 323).

You are entitled to appoint up to two proxies. If you appoint two proxies, you may specify the proportion or number of votes each proxy may exercise. If you appoint two proxies but do not specify on the Proxy Form the proportion or number of votes each proxy may exercise, each proxy may exercise half the votes regardless of any proportion stated on any other form.

Note, if you have appointed a proxy and subsequently wish to attend the meeting yourself, the proxy will retain your vote and you will be unable to vote yourself unless you have notified the OptiComm Share Registry of the revocation of your proxy appointment before the commencement of the Scheme Meeting.

Further instructions for appointing a proxy are included in the Proxy Form.

Default of proxy votes to Chair in certain instances

If:

- you have appointed a proxy (other than the Chair) and the appointment of the proxy specifies the way the proxy is to vote on the Scheme Resolutions; and
- your proxy is either not recorded as attending the Scheme Meeting or does not vote on the Scheme Resolutions,

the Chair of the Scheme Meeting will, before voting on the Scheme Resolutions closes, be taken to have been appointed as your proxy for the purpose of voting on the Scheme Resolutions and must vote in accordance with your written direction.

Corporate representatives

A corporate shareholder, or body corporate appointed as a proxy, may appoint an individual as its representative to attend the Scheme Meeting and vote on its behalf. Corporate shareholders or proxies who appoint a representative must provide the representative with a properly executed notice of appointment, which the representative must bring to the Scheme Meeting for the purpose of registration.

A form for corporate representative appointment may be obtained from the OptiComm Share Registry at www.linkmarketservices.com.au (see the "Resources", "Forms" Section under the "Holding Management" heading) or from Link Market Services Limited at Level 12, 680 George Street, Sydney NSW 2000. The completed appointment form should be lodged with the OptiComm Share Registry at registrars@linkmarketservices.com.au.

Attorneys

If voting by attorney, the power of attorney appointing the attorney must be duly signed and specify the name of the Eligible Shareholder and the attorney and specify the meeting at which the appointment may be used.

The power of attorney must be returned in the same manner, and by the same time, as outlined for the Proxy Form.

Shareholder questions

If you have any additional questions in relation to this Notice of Postponed Scheme Meeting or the Scheme, call the Shareholder Information Line 1800 635 323 (or from outside Australia, +61 1800 635 323), Monday to Friday between 8.30am to 5.30pm.

Questions may also be asked at the virtual meeting.

By order of the Court and of the OptiComm Board



John Phillips
Company Secretary
OptiComm Ltd
Friday, 25 September 2020