

MR01

Particulars of a charge

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Oyez



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A fee is payable with this form
Please see 'How to pay' on the back of the form

☒ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument.

☒ **What this form is NOT for**
You may not use this form to
register a charge where the charge is
instrument. Use form MR01.



A07 05/06/2017 #113
COMPANIES HOUSE

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery.

☒ You must enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record. **Do not send the original.**

1 Company details

Company number 09540926

Company name in full NQ MINERALS PLC

For official use

Filling in this form
Please complete in typescript or in
bold black capitals.

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date 01/08/2017

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge.

Name ENER-B CORPORATION (AS SECURITY TRUSTEE)

Name

Name

Name

If there are more than four names, please supply any four of these names then
tick the statement below.

☐ I confirm that there are more than four persons, security agents or
trustees entitled to the charge.

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Particulars of a charge

4	Brief description Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument. Brief description	Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument". Please limit the description to the available space.
5	Other charge or fixed security Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
6	Floating charge Is the instrument expressed to contain a floating charge? Please tick the appropriate box. <input checked="" type="checkbox"/> Yes Continue <input type="checkbox"/> No Go to Section 7 Is the floating charge expressed to cover all the property and undertaking of the company? <input checked="" type="checkbox"/> Yes	
7	Negative Pledge Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
8	Trustee statement ¹ You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge. <input type="checkbox"/>	¹ This statement may be filed after the registration of the charge (use form MR06).
9	Signature Please sign the form here. Signature X <i>DAE Bunker LLP</i> X This form must be signed by a person with an interest in the charge.	

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Particulars of a charge



Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name

Rosemary Finn

Company name

DAC Beachcroft LLP

Address

100 Fetter Lane

London

Post town

County/Region

Postcode

E

C

4

A

1

B

N

Country

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Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have included a certified copy of the instrument with this form.
- ☐ You have entered the date on which the charge was created.
- ☐ You have shown the names of persons entitled to the charge.
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8.
- ☐ You have given a description in Section 4, if appropriate.
- ☐ You have signed the form.
- ☐ You have enclosed the correct fee.
- ☐ Please do not send the original instrument; it must be a certified copy.



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £23 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House.'



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below:

For companies registered in England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

For companies registered in Scotland:

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

For companies registered in Northern Ireland:

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.



Further information

For further information, please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

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FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9540926

Charge code: 0954 0926 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 18th May 2017 and created by NQ MINERALS PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 5th June 2017.

Given at Companies House, Cardiff on 13th June 2017



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

We hereby certify this to be a
true and complete copy of the
original

AL (ALISH SOLIM, SOUNDER)
DAC Beachcroft LLP
2/6/17

General Security Deed (Debenture)

NQ Minerals PLC as Grantor

and

Ener-B Corporation as Secured Party

Debenture

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General Security Deed (Debenture)

Date 18 MAY 2017

Parties

NQ Minerals PLC (a company incorporated in England with company number 09540926) (**Grantor**)

Ener-B Corporation (an exempted company incorporated in the Cayman Islands with company number 116925) as security trustee for and on behalf of the Secured Seller Parties and acting in such capacity (**Secured Party**)

It is agreed

1. Reference Schedule, definitions and interpretation

1.1 Reference Schedule

Where a term used in this deed appears in bold type in the Reference Schedule, that term has the meaning shown opposite it in the Reference Schedule.

Grantor's Address Details (see clause 29.4)	Address:	27/28 Eastcastle Street, London W1W 8DH, United Kingdom
	Electronic Mail:	wd2020@icloud.com
	Attention:	The Director/s
Secured Party's Address Details (see clause 29.4)	Address:	Scotia Centre, 4 th Floor, P.O. Box 2804, George Town, Grand Cayman Ky1-1112, Cayman Islands
	Electronic Mail:	jayacham@me.com
	Attention:	Jay Chen
Share Sale Agreement	Share Sale Agreement dated 21 April 2017 between the Secured Seller Parties and the Grantor.	
Partnership	None disclosed to the Secured Party as at the date of this deed.	
Trust	None disclosed to the Secured Party as at the date of this deed.	

1.2 Definitions

Terms used but not defined in this deed take their meaning from the Share Sale Agreement, and in this deed:

Act means the Law of Property Act 1925.

ADI has the meaning given in the Australian legislation known as *Banking Act 1959* (Cth).

Assigned Deposit Account means any Deposit Account that may from time to time be identified in writing as an Assigned Deposit Account by the Secured Party.

General Security Deed (Debenture)

Assigned Agreement means any material commercial agreements to which the Grantor is a counterparty.

Assets means the business, undertaking, property, assets, revenues, rights and uncalled capital belonging to the Grantor or to which the Grantor is or may become entitled or in which the Grantor may have an interest in, each case at any time during the Security Period.

Attorney means an attorney appointed under clause 24.

Authorisation means:

- (a) an approval, authorisation, consent, declaration, exemption, filing, licence, lodgement, notarisation, permit or waiver, however it is described, and including any condition attaching to it and any renewal or amendment of it; and
- (b) in relation to anything that could be prohibited or restricted by law if a Government Body acts in any way within a specified period, the expiry of that period without that action being taken.

Authorised Officer means:

- (a) in the case of the Secured Party:
 - (1) an employee of the Secured Party whose title contains either of the words Director or Manager;
 - (2) a person performing the function of any of them;
 - (3) a solicitor acting on behalf of the Secured Party; or
 - (4) a person appointed by the Secured Party to act as an Authorised Officer for the purpose of this deed and notified to the Grantor;
- (b) in the case of the Grantor:
 - (1) a director or secretary of the Grantor; and
 - (2) any person appointed by the Grantor to act as an Authorised Officer for the purpose of this deed and notified in writing by the Grantor to the Secured Party.

Beneficiaries means the beneficiaries of the Trust.

Book Debts means all present and future book and other debts and monetary claims due or owing to the Grantor and any proceeds of such debts and claims (including any claims or sums of money deriving from or in relation to any Intellectual Property, any Investment, the proceeds of any Insurance Policy, any court order or judgment, any contract or agreement to which the Grantor is a party, the sale of any assets, the provision of any services and any other assets, property, rights or undertaking of the Grantor).

Business Day means:

- (a) if determining when a notice, consent or other communication is given, a day that is not a Saturday, Sunday or public holiday in the place to which the notice, consent or other communication is sent; and
- (b) for any other purpose, a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in London and Brisbane.

General Security Deed (Debenture)

Capital means the called or uncalled, paid or unpaid capital and share premiums of the Grantor.

Causes of Action means all causes of action (including for breach of representation or warranty) which the Grantor has or may have in relation to the Secured Property.

Certified means a certification by a person or, in the case of a corporation, by a director or secretary of the corporation to which a document or information relates that the document is a correct and complete copy of the original document or the information is accurate and current as at the date of certification.

Change of Control means, for a corporation, a change in:

- (a) control of the composition of the board of directors of the corporation;
- (b) control of more than half the voting rights attaching to shares in the corporation; or
- (c) control of more than half the issued shares of the corporation (not counting any share which carries no right to participate beyond a specified amount in the distribution of either profit or capital).

Collection Account means the account referred to in paragraph 6.2(b)(1).

Collection Bank means an ADI acceptable to the Secured Party with which the Collection Account is maintained.

Corporations Act means the Australian legislation known as *Corporations Act 2001* (Cth).

Deposit Account means any account opened or maintained by the Grantor (and any replacement account or subdivision or subaccount of that account), the debt or debts represented thereby and all Related Rights.

Dispose in respect of any property means assign, transfer, sell, novate, lease, licence (or allow a surrender or variation of a lease or licence), grant an Encumbrance over, declare a trust in respect of, give control of or otherwise dispose of the property.

Encumbrance means, in relation to any property:

- (a) a Security Interest over the property; and
- (b) any of the following to the extent that they do not otherwise constitute a Security Interest:
 - (1) a profit à prendre, easement or restrictive covenant affecting the property;
 - (2) a caveat, writ of execution or monetary claim affecting the property;
 - (3) a lease or licence in respect of the property;
 - (4) an estate, interest, claim or arrangement affecting the property;
 - (5) a contract of sale or option to purchase or acquire the property; and
- (c) an agreement to grant, create, allow or register any of the interests and rights described in paragraphs (a) and (b),

whether the Encumbrance is registered or unregistered, statutory, legal or equitable.

General Security Deed (Debenture)

Enforce means to exercise a right to enforce arising at law, in equity or from a Transaction Document, including a power of sale, entry into possession, collection of rents and profits, leasing and hiring but not including the collection of principal and interest after it becomes due and owing in the normal course.

Enforceable means, in relation to any right, that it is able to be Enforced.

Enforcement means, in relation to any right, all action taken to Enforce it.

Equipment means all present and future equipment, plant, machinery, office equipment, computers, tools, vehicles, furniture, fittings, installations and apparatus and other tangible moveable property for the time being owned by the Grantor, including any part of it and all spare parts, replacements, modifications and additions and all Related Rights.

Event of Default means any of the events or circumstances described in clause 11.1.

Excluded Assets means the Shares.

Excluded Tax means a Tax imposed by a jurisdiction:

- (a) on, or calculated by reference to, the net income of the Secured Party in the jurisdiction; or
- (b) as a result of the Secured Party being a resident of, organised or operating in, the jurisdiction;

but an Excluded Tax does not include a Tax:

- (1) which may otherwise fall within paragraph (a) above and which is calculated solely on or by reference to a payment (without allowance for any deduction) the Secured Party derives under any Transaction Document or a transaction contemplated by it; or
- (2) which may otherwise fall within paragraph (b) above solely as a result of the Secured Party being a party to any Transaction Document or a transaction contemplated by it.

External Administrator means an administrator, trustee, provisional liquidator, liquidator or any other person holding or appointed to an analogous office or acting or purporting to act in an analogous capacity.

Floating Charge means the floating charges created by Clause 2.4 (*Floating Charge*).

Government Body means:

- (a) any person, body or other thing exercising an executive, legislative, judicial or other governmental function of any country or political subdivision of any country;
- (b) any public authority constituted by or under a law of any country or political subdivision of any country; and
- (c) any person deriving a power directly or indirectly from any other Government Body.

General Security Deed (Debenture)

Guarantee means:

- (a) guarantee, indemnity, undertaking, letter of credit, any Security Interest, acceptance or endorsement of a bill of exchange, promissory note or other negotiable instrument or other Obligation given by any person in favour of any other person to secure or enable the payment by any third party of any money or the performance or observance of any other Obligation owed by the third party;
- (b) any Obligation to provide funds to a third party by the advance of money, the purchase of or subscription for Marketable Securities, the purchase of property or services or otherwise;
- (c) any Obligation to ensure the solvency or financial condition of any third party; and
- (d) any put option under which its grantor is obliged on the exercise of the option to buy:
 - (1) from a creditor any debt or liability owed by a third party; or
 - (2) any property which is the subject of a Security Interest.

Indebtedness of a person means any indebtedness or liability (whether actual or contingent) relating to any financial accommodation granted to it or to any Guarantee given by it, including:

- (a) money borrowed or raised by that person;
- (b) the sale or negotiation of any negotiable instrument;
- (c) its Obligations as lessee under any finance lease;
- (d) the deferred purchase price of any property or services other than indebtedness for the purchase price of inventory incurred by that person in the ordinary course of its ordinary trading business;
- (e) any redeemable preference share issued by that person;
- (f) any Treasury Transaction to which that person is a party; and
- (g) any put or call option granted by that person over any property.

Insolvency Act means the Insolvency Act 1986.

Insolvency Event means:

- (a) in relation to any corporation:
 - (1) its Liquidation;
 - (2) an External Administrator is appointed in respect of the corporation or any of its property;
 - (3) the corporation ceases or threatens to cease to carry on its business;
 - (4) the corporation being deemed to be, or stating that it is, unable to pay its debts when they fall due;
 - (5) any other ground for Liquidation or the appointment of an External Administrator occurs in relation to the corporation;

General Security Deed (Debenture)

- (6) the corporation resolves to enter into Liquidation; and
- (7) an application being made which is not dismissed or withdrawn within 10 Business Days for an order, resolution being passed or proposed, a meeting being convened or any other action being taken to cause or consider anything described in paragraphs (1) to (6) (inclusive).

Insurance Policy means each policy of insurance required to be obtained and maintained under clause 5.

Intellectual Property Rights means any and all intellectual and industrial property rights throughout the world including rights in respect of, or in connection with:

- (a) any confidential information;
- (b) copyright (including future copyright and rights in the nature of, or analogous to, copyright);
- (c) database rights;
- (d) performer's protection;
- (e) moral rights;
- (f) inventions (including patents);
- (g) trade marks;
- (h) service marks;
- (i) designs;
- (j) circuit layouts; and
- (k) any other rights of a proprietary nature in or to the results of intellectual activity in the industrial, commercial, scientific, literary or artistic fields,

whether or not now existing and whether or not registered or registrable and includes any right to apply for the registration of such rights and includes all renewals and extensions.

Intellectual Property means any patents, trade marks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests, whether registered or unregistered, the benefit of all applications and rights to use such Intellectual Property Rights and all Related Rights.

Investments means any stocks, shares, debentures, securities and other investments, assets, rights or interests falling within Part II of Schedule 2 to the Financial Services and Markets Act 2000, including all warrants, options and other rights to subscribe or acquire any such investments, whether held directly by, or to the order of, the Grantor or by any trustees, nominees, fiduciary or clearing system on its behalf and all Related Rights (including all rights against any such trustee, fiduciary or the operator of, or any participant in, any clearing system).

Inter-creditor Deed means the Inter-creditor Deed between the Secured Party, NQ Minerals PLC, Keen Pacific Limited, Ivy Resources Ltd, Hellyer Gold Mines Pty Ltd, NQ Minerals Pty Ltd, Circle Resources Ltd and others dated on or about the date of this deed.

General Security Deed (Debenture)

Licence means any Authorisation (including to sell liquor, to discharge hazardous waste, to draw or use or trade water, to develop or use the Secured Property) which allows the occupation of, or any activity to be carried out on or in connection with, the Secured Property.

Liquidation means:

- (a) a winding up or liquidation (whether voluntary or involuntary), provisional liquidation, dissolution, bankruptcy or other analogous proceeding; or
- (b) an arrangement, assignment, composition or moratorium with or for the benefit of creditors or any class or group of creditors.

Marketable Security means, as the context permits or requires, all or any of:

- (a) a "marketable security" as defined in the Corporations Act;
- (b) a unit or other interest in a trust or partnership; and
- (c) a right, option or entitlement in or to or in respect of any of the above, whether issued or unissued.

Material Adverse Effect means a material adverse effect on:

- (a) the ability of the Grantor to perform or observe its Obligations under any Transaction Document; or
- (b) the Powers of the Secured Party or the effectiveness, priority or Enforceability of any Transaction Document; or
- (c) the value of the Secured Property; or
- (d) the financial position, management or business operations of the Grantor.

Obligation means any obligation, commitment, liability, covenant, undertaking or duty whether arising by operation of law, in equity or by statute and whether expressed or implied.

Overdue Rate means the Australian government prime lending rate plus 1%.

Partnership means any partnership or joint venture of which the Grantor is a member including (if applicable) the partnership or joint venture described in the Reference Schedule.

Permitted Disposal means any Disposal:

- (a) which is a Permitted Encumbrance;
- (b) of worn out or obsolete plant and equipment for fair value;
- (c) of plant, equipment or other assets if the proceeds received from the Disposal are applied to acquire replacement assets of at least comparable value which are to be used for a similar purpose to those Disposed of;
- (d) to which the Secured Party has given its prior written consent; or
- (e) of the proceeds of the Grantor's book or other debts (but not the book or other debts themselves or any related rights) by collecting and realising those book or other debts in the ordinary course of the Grantor's ordinary business.

General Security Deed (Debenture)

Permitted Encumbrance means:

- (a) an Encumbrance of which the Secured Party has been given full details in writing not more than two Business Days before the date of this deed and to which the Secured Party has given its written consent (but excluding any Encumbrance to which the Secured Party gave its consent on one or more conditions if those conditions are not fully complied with);
- (b) an Encumbrance created after the date of this deed to which the Secured Party has given its prior written consent and in respect of which:
 - (1) the money secured does not increase above the amount to which the Secured Party has consented; and
 - (2) any conditions to the consent have been fully complied with;
- (c) an Encumbrance constituted or expressly permitted by the Transaction Documents or under the Share Sale Agreement;
- (d) a purchase money security interest in Secured Property in favour of a seller to the extent it secures the Obligation to pay all or part of the purchase price of the Secured Property and in respect of which:
 - (1) the Grantor purchased the Secured Property in the ordinary course of its ordinary business; and
 - (2) the purchase price is paid in full within 30 days of the supply of the Secured Property;
- (e) an Encumbrance which arises only by operation of law in the ordinary course of ordinary business and in respect of which the money secured is not overdue for payment or is being contested in good faith; or
- (f) a turnover trust under a subordination arrangement to which the Secured Party has given its prior written consent.

Potential Event of Default means an event that, on the giving of notice, lapse of time or fulfilment of any condition would be likely to become an Event of Default.

Power means any power, right, authority, discretion or remedy conferred on the Secured Party, a Receiver or an Attorney by this deed or any Transaction Document or by law in relation to this deed or any Transaction Document.

Prior Securityholder means a person who holds a Security Interest over any Secured Property which ranks ahead of the Security Interest created by this deed at any time.

Property means any freehold and leasehold land both present and future including all fixtures, buildings, erections, equipment and effects from time to time on that land and including the benefit of any covenants for title given or entered into in respect of that land by the Grantor or any predecessor in title of the Grantor and all Related Rights.

Receiver means any receiver or receiver and manager appointed under this deed or any Supporting Security.

Reference Schedule means the schedule in clause 1.1.

Related Entity has the meaning given in the Corporations Act.

General Security Deed (Debenture)

Related Rights means, in relation to any Asset:

- (a) *the proceeds of sale of any part of that Asset;*
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that Asset;
- (c) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that Asset; and
- (d) any moneys and proceeds paid or payable in respect of that Asset.

Representative of a person means an officer, employee, contractor, attorney or agent of that person.

Secured Money means any and all moneys owing to the Secured Seller Parties by the Grantor pursuant to the First Loan Note and the Second Loan Note.

Secured Obligations means all Obligations of the Grantor (whether present, prospective or contingent and whether owed alone or not and in any capacity) to the Secured Party (whether alone or not and in any capacity) arising under or in connection with the First Loan Note and the Second Loan Note.

Secured Seller Parties means the Sellers as set out in Schedule 1 to the Share Sale Agreement.

Secured Property means all the Grantor's present and future assets, undertakings, rights and property, of any kind and wherever situated, including:

- (a) anything in respect of which the Grantor has at any time a sufficient right, interest or power to grant a Security Interest (including all after-acquired property);
- (b) where the Grantor is, or is a member of, a Partnership:
 - (1) all present and future assets, undertakings, rights and property of the Partnership of any kind and wherever situated; and
 - (2) the Grantor's interest in the Partnership; and
- (c) where the Grantor is a Trustee, all Trust Property,
but does not include the Excluded Assets.

Security means any lien, mortgage, charge (whether fixed or floating, legal or equitable), security interest, pledge, hypothecation, assignment by way of security or other agreement or arrangement having a similar effect.

Security Interest means:

- (a) an interest in or right:
 - (1) reserved over property (including any retention of title to property or any right to set off or withhold payment of any deposit or other money);
 - (2) created or otherwise arising over property under a mortgage, charge, lien, pledge, trust or right;

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- (3) by way of security for the payment of a debt or other monetary Obligation or the performance of or compliance with any other Obligation; or
 - (4) which gives a person priority over unsecured creditors in relation to any property; and
- (b) any instrument or transaction which reserves, constitutes or evidences the interests and rights referred to in paragraph (a).

Security Period means the period beginning on the date of this Debenture and ending on the date on which all the Secured Obligations have been irrevocably and unconditionally paid in full and no further Secured Obligations are capable of being outstanding.

Security Trust Deed means the security trust deed dated on or about the date of this deed between Ener-B Corporation and the Sellers.

Shares has the meaning given to that term in the Specific Security Deed between the Grantor and the Secured Party dated on or about the date of this deed.

Subsidiary means a subsidiary within the meaning of Section 1159 of the Companies Act 2006 or a subsidiary undertaking within the meaning of Section 1162 of the Companies Act 2006. **Supporting Security** means any Security Interest (other than this deed), Guarantee or other agreement at any time created or entered into by the Grantor or another person as security for any Secured Money or the performance of any Secured Obligation.

Tangible Moveable Property means all plant and machinery over which security is not created pursuant to Clause 2.2 (*Property and other property rights*) and all Equipment and other chattels belonging to the Grantor or to which the Grantor is or may become entitled or in which the Grantor may have an interest at any time during the Security Period and all substitutions, replacements, renewals and all additions made from time to time for, in or to them after the date of this Debenture and Related Rights.

Tax means any present or future tax, levy, deduction, impost, withholding, charge or duty which is levied or imposed by any Government Body together with any interest, penalty or fine on those amounts.

Title Certificate means any certificate or document of, or which evidences, title including a certificate of, or relating to, title to real property, Marketable Securities or negotiable instruments.

Transaction Document means this deed, the First Loan Note, the Second Loan Note, the Inter-creditor Deed, the Supporting Security and any other document the Grantor and the Secured Party agree is to be a Transaction Document for the purposes of this deed or any other Transaction Document.

Treasury Transaction means a foreign exchange agreement, interest rate swap, cap or collar agreement, interest rate futures or option contract, currency swap agreement, currency and interest futures or option contract or other form of protection from movement in interest rates, exchange rates or commodity prices which, in any case, is incidental to the business ordinarily carried on by the person to whom the accommodation is provided.

Trust means any trust of which the Grantor is a trustee including any trust disclosed in the Reference Schedule.

Trust Deed means the trust deed constituting the Trust as described in the Reference Schedule and all variations and amendments made to that deed.

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Trustee means the person from time to time appointed as a trustee under a Trust Deed.

Trust Property means the trust fund comprising any assets which are the subject of and held by the Grantor as Trustee under the Trust Deed.

Value Added Tax or **VAT** means value added tax as provided for in the Value Added Tax Act 1994 and any other tax of a similar nature whether in the UK or elsewhere.

1.3 Interpretation

- (a) Unless the contrary intention appears, a reference in this deed to:
- (1) this deed or another document includes any variation or replacement of it despite any change in the identity of the parties;
 - (2) one gender includes the others;
 - (3) the singular includes the plural and the plural includes the singular;
 - (4) a person, partnership, corporation, trust, association, joint venture, unincorporated body, Government Body or other entity includes any other of them;
 - (5) an item, recital, clause, subclause, paragraph, schedule or attachment is to an item, recital, clause, subclause, paragraph of, or schedule or attachment to, this deed and a reference to this deed includes any schedule or attachment;
 - (6) a party includes the party's executors, administrators, successors, substitutes (including a person who becomes a party by novation) and permitted assigns;
 - (7) any statute, ordinance, code or other law includes regulations and other instruments under any of them and consolidations, amendments, re-enactments or replacements of any of them;
 - (8) money or \$ is to Australian dollars, unless otherwise stated; and
 - (9) a time is a reference to Brisbane time unless otherwise specified.
- (b) The words include, including, such as, for example and similar expressions are not to be construed as words of limitation.
- (c) Where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning.
- (d) Headings and any table of contents or index are for convenience only and do not affect the interpretation of this deed.
- (e) A provision of this deed must not be construed to the disadvantage of a party merely because that party or its advisers were responsible for the preparation of this deed or the inclusion of the provision in this deed.

1.4 Business Day

- (a) If the day on which anything, other than a payment, is to be done is not a Business Day, that thing must be done on the preceding Business Day.

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- (b) If the day on which a payment is to be made is not a Business Day it must be made on the next Business Day but if the next Business Day falls in the next calendar month it must be made on the preceding Business Day.
- (c) If an act, other than a payment or the giving of a communication, is required to be done on a particular day and the act is done after 5.00pm on that day, it will be deemed to have been done on the following day.

1.5 Parties

- (a) If a party consists of more than one person, this deed binds each of them separately and any two or more of them jointly.
- (b) An agreement, Obligation, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them separately.
- (c) An agreement, Obligation, representation or warranty on the part of two or more persons binds them jointly and each of them separately.

1.6 Rights of Third Parties

A person who is not a party to this Debenture has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce, or to enjoy the benefit of, any provision of this Debenture.

2. Grant of Security Interest

2.1 Grant

In consideration of the Secured Party entering into the First Loan Note and the Second Loan Note respectively and providing financial accommodation to or at the request of the Grantor, the Grantor grants a Security Interest in the Secured Property to the Secured Party to secure payment of the Secured Money and the performance of the Secured Obligations.

2.2 Property and other property rights

The Grantor charges by way of:

- (a) first legal mortgage the Secured Property;
- (b) first fixed charge to the extent that these are not subject to a legal mortgage under *Clause (a), all securities, charges, options, agreements, rights and interests over the Secured Property; and*
- (c) first fixed charge:
 - (A) all passing or ground rents and all other (if any) income arising from the Secured Property; and
 - (B) all benefits in respect of the Insurance Policies and all claims and refunds of premiums in respect of them and all other present and future contracts or policies of insurance (including life policies) in which the Grantor now or hereafter has an interest and all monies from time to time payable thereunder.

2.3 Other assets and rights of the Grantor

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The Grantor charges by way of first fixed charge:

- (a) the Tangible Moveable Property;
- (b) the Investments;
- (c) the Intellectual Property;
- (d) the Book Debts;
- (e) the Deposit Accounts;
- (f) its goodwill and uncalled capital;
- (g) all its rights to recover any VAT on any supplies made to it relating to the Secured Property and any sums so recovered;
- (h) all its rights and benefits under, of or in connection with, all licences, consents and authorisations (statutory or otherwise) held by the Grantor in connection with its business or the Secured Property and the right to recover and receive all compensation or other amounts payable to the Grantor in respect of such authorisations;
- (i) any beneficial interest, claim or entitlement of it in any pension fund;
- (j) its rights under any agreement (by way of collateral warranty or otherwise) relating to any development and/or refurbishment of the Secured Property; and
- (k) all its rights under any agreement relating to the purchase of the Secured Property.

2.4 Floating Charge

- (a) The Grantor with full title guarantee charges in favour of the Secured Party with the payment and discharge of the Secured Obligations by way of first floating charge all present and future assets and undertaking of the Grantor.
- (b) The floating charge created by sub-clause (a) above shall be deferred in point of priority to all fixed Security validly and effectively created by the Grantor under the Transaction Document in favour of the Secured Party as trustee for the Secured Parties as security for the Secured Obligations.

2.5 Qualifying Floating Charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the Floating Charge.

2.6 Crystallisation and Conversion of Floating Charge by notice

The Secured Party may by notice to the Grantor convert the Floating Charge into a fixed charge as regards any of the Secured Property specified in that notice if (i) an Event of Default has occurred and is continuing or (ii) the Secured Property considers those items of Secured Property to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.

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2.7 Automatic conversion

Notwithstanding Clause 2.6 (Crystallisation and conversion of floating charge by notice) and without prejudice to any law which may have a similar effect, the Floating Charge will automatically be converted (without notice) with immediate effect into a fixed charge as regards all the assets subject to the floating charge if:

- (a) the Grantor creates or attempts to create any Security (other than any Permitted Security) over any of the Secured Property;
- (b) any person who is entitled to do so levies or attempts to levy any distress, execution or other process against any of the Secured Property;
- (c) a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of the Grantor or an administrator is appointed to the Grantor; or
- (d) any person (who is entitled to do so) gives notice of its intention to appoint an administrator to the Grantor or files such a notice with the court.

2.8 Restriction on conversion

The Floating Charge may not be converted into a fixed charge solely by reason of:

- (a) the obtaining of a moratorium; or
- (b) anything done with a view to obtaining a moratorium under any Insolvency Act.

2.9 Assignment

The Grantor assigns absolutely all its present and future right, title and interest in and to:

- (a) all rights and claims in relation to any Assigned Deposit Accounts;
- (b) all Causes of Action;
- (c) all Assigned Agreements;
- (d) the Insurance Policies;
- (e) the Book Debts;
- (f) all right, title and interest to which the Grantor is now or may in the future become entitled in respect of proceeds of any order of the court made pursuant to sections 238(3), 239(3), 242, 243, 222 or 423(2) of the Insolvency Act 1986.

2.10 Trust

Without prejudice to the other provisions of this Debenture, if for any reason the *assignment of any of the assets or rights referred to in this Clause 2.9 (Assignment)* is found to be ineffective or if any sums payable in respect of such assets or rights are received by the Grantor, the Grantor shall hold the benefit of such assets or rights and any such sums received by it in trust for the Secured Party and shall account to

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the Secured Party for or otherwise apply all such sums as the Secured Party may direct and shall otherwise at its own cost take such action and execute such documents as the Secured Party may require.

3. Nature of Security Interest

3.1 Priority

Unless the Secured Party otherwise agrees in writing:

- (a) the Security Interest created under this deed will take priority over all other Security Interests and other interests in the Secured Property (including any Security Interest or other interest of the Grantor or any person taking an interest from the Grantor) except for a Security Interest which is a Permitted Encumbrance and:
 - (1) which has priority at law or which the Secured Party has agreed in writing to have priority; or
 - (2) that is a purchase money security interest;
- (b) nothing in this deed will be construed as an agreement or consent by the Secured Party to subordinate the Security Interest created by this deed to any other Security Interest or any other interest affecting the Secured Property, or in favour of any person, at any time;
- (c) the Security Interest created under this deed has the same priority in relation to all Secured Money (including future advances); and
- (d) nothing in this deed or any other Transaction Document prevents or limits the Secured Party from claiming that a Security Interest in any personal property of the Grantor is a purchase money security interest in respect of all or any part of that personal property.

3.2 Dealing with Secured Property

- (a) Subject to subclauses 3.2(b) and 3.2(c), the Grantor must not, without the prior written consent of the Secured Party or unless expressly permitted by another provision in a Transaction Document or under the Share Sale Agreement:
 - (1) create or allow to exist an Encumbrance in any Secured Property (whether ranking in priority to, equally with or after this deed) other than a Permitted Encumbrance;
 - (2) permit a set off, netting or combination of accounts in respect of any Secured Property;
 - (3) Dispose of, deal with or part with possession of any interest in the Secured Property other than by a Permitted Disposal;
 - (4) allow any Secured Property to:
 - (A) become an accession or fixture to or commingled, processed or assembled with, anything (other than land) that is not also either Secured Property or otherwise subject to a Security Interest in favour of the Secured Party; or
 - (B) be affixed to any land other than freehold land which is subject to a first-ranking mortgage in favour of the Secured Party; or

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- (5) without limiting any other provision of this clause 3.2, move or allow any Secured Property to be moved outside the United Kingdom except in the ordinary course of the Grantor's ordinary business.
- (b) In any case where, as a matter of law, the Secured Party is not permitted to prevent or restrict the grant or creation of a Security Interest in any Secured Property which ranks *after the Security Interests created under this deed then*:
 - (1) paragraph 3.2(a)(1) will not apply to that proposed Security Interest; and
 - (2) the Grantor must procure the proposed holder of the Security Interest to enter into a priority arrangement satisfactory in all respects to the Secured Party.
- (c) If the Grantor Disposes of or otherwise deals with Secured Property or an interest in it in breach of subclause 3.2(a), then despite that Disposal or other dealing:
 - (1) the Grantor acknowledges that the Secured Party has not (expressly or implicitly) authorised the Disposal or other dealing or agreed that this will extinguish any Security Interest that the Secured Party holds in the Secured Property (including all proceeds); and
 - (2) the Security Interests created under this deed continue in the Secured Property unless the Secured Party has agreed otherwise in writing.
- (d) The Grantor must promptly give the Secured Party:
 - (1) notice of any Disposal of, or other dealing with, Secured Property or an interest in it that is in breach of subclause 3.2(a); and
 - (2) any information requested by the Secured Party in relation to the transferee or other disponent to enable the Secured Party to perfect the Security Interests granted under this deed as against the transferee or other disponent.

4. Payments

4.1 Without deduction

The Grantor must pay the Secured Money to the Secured Party without set off or counterclaim and without deduction for Tax:

- (a) in accordance with the Transaction Documents; or
- (b) in the absence of agreement, on demand and in the manner notified by the Secured Party to the Grantor.

4.2 Interest

- (a) If the Grantor is not otherwise obliged to pay interest on the Secured Money the Grantor must pay interest on it from when it becomes payable, during the period that it remains unpaid, on demand or at times determined by the Secured Party, calculated on daily balances at the Overdue Rate.
- (b) Interest which is not paid when payable may be capitalised by the Secured Party at intervals which the Secured Party determines from time to time, or if no determination is made, every 30 days.

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- (c) Interest is payable on capitalised interest at the rate and in the manner referred to in subclause 4.2(a).

4.3 Merger

If the liability of the Grantor to pay to the Secured Party any money payable under this deed becomes merged in any agreement, judgment, order or other thing the Grantor must pay interest on the amount owing from time to time under that agreement, judgment, order or other thing at the higher of the rate payable under this deed and that fixed by or payable under that agreement, judgment, order or other thing.

4.4 Currency conversion

- (a) If an amount is due in a currency and the Secured Party receives payment in another currency then the Secured Party may convert the amount received into the due currency at the spot rate determined by the Secured Party at which it is able to purchase the due currency with the amount received at the time of its receipt.
- (b) The Grantor:
 - (1) satisfies its Obligations to pay in the due currency only to the extent of the amount of the due currency purchased after deducting the costs of conversion; and
 - (2) acknowledges that it may be necessary for the Secured Party to convert amounts received through a currency other than the due currency to ascertain the Secured Party's spot rate of exchange in respect of the due currency.

5. Insurance

5.1 Obligation to insure

The Grantor must obtain and maintain, or procure that other parties satisfactory to the Secured Party obtain and maintain, insurance policies (if any) with sound and reputable insurers covering property and risk reasonably required by the Secured Party in connection with the Secured Property.

5.2 Requirements of Insurance Policies

Unless the Secured Party agrees otherwise, each Insurance Policy must comply with the following requirements (whether through its terms and conditions or an endorsement satisfactory to the Secured Party which forms part of the policy):

- (a) the Insurance Policy must contain provisions which are reasonably standard in the market for insurance of the type covered by the policy (or, if there is a dispute, provisions determined by the Secured Party);
- (b) the insurers must be reputable, and approved by the Secured Party (acting reasonably);
- (c) the insurance must be for the full insurable value of the Secured Property (as the case may be) on a replacement and reinstatement basis; and
- (d) the Insurance Policy must be in the name of the Grantor or in the name of any other party approved by the Secured Party with the Secured Party noted as an interested

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party (unless it is not standard practice in the insurance industry to note the interest of a mortgagee).

5.3 Undertakings

The Grantor must, in respect of each Insurance Policy:

- (a) provide the Secured Party with:
 - (1) a true and complete copy of each Insurance Policy, promptly after receipt of the policy by or on behalf of the Grantor;
 - (2) certificates of currency evidencing the maintenance of the insurances, or a component of the insurances the subject of this clause 5, promptly after the insurances (or a component) is or are renewed or extended;
 - (3) a copy of any notice received by the Grantor from any insurer in respect of insurances the subject of this clause 5, promptly after receipt; and
 - (4) any other details in respect of insurances which the Secured Party may from time to time reasonably request, promptly after the request;
- (b) pay, or cause to be paid, when due all premiums, commissions, stamp duties, charges and other Taxes and expenses incurred or payable in relation to insurances, and give evidence of that payment to the Secured Party;
- (c) do all things necessary or desirable to maintain the insurances in full force;
- (d) not, without the Secured Party's consent, vary, cancel or allow to lapse any insurances;
- (e) do all things necessary or desirable to permit or facilitate the collection or recovery of any money payable by the insurers under insurances;
- (f) not, without the consent of the Secured Party do (or omit to do) anything which does or might (or the omission of which does or might) adversely affect the nature or extent of the rights of any named insured under insurances, or extinguish, qualify or limit any Obligations of the insurer in respect of any insurances;
- (g) immediately rectify anything which may have an adverse effect on the insurances and reinstate any of the insurances if they lapse;
- (h) not, without the consent of the Secured Party, do, or take any steps to, cancel, materially change or reduce the amount of coverage of any insurances;
- (i) not, without the consent of the Secured Party:
 - (1) consent to any reduction in limits or coverage;
 - (2) enforce, conduct, settle or compromise any claims; or
 - (3) in respect of any insurances, whether or not any of them cover other property;
- (j) notify the Secured Party immediately when:
 - (1) an event occurs which gives rise or might give rise to a claim of more than \$50,000;

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- (2) an insurance claim is refused either in part or full; or
- (3) any one of the insurances is cancelled; and
- (k) ensure that proceeds from an insurance claim are deposited into the Collection Account or another account nominated by the Secured Party or otherwise paid in a manner acceptable to the Secured Party and:
 - (1) used to reinstate the Secured Property; or
 - (2) applied towards payment of the Secured Money (whether or not the Secured Money would have otherwise become due).

However, if the Secured Party directs the Grantor to use or hold any insurance proceeds in a particular way, the Grantor agrees to use or hold them as the Secured Party directs.

5.4 Secured Party's Powers

If the Grantor fails to obtain or maintain any of the insurances, the Secured Party may obtain or maintain such insurances itself. The Grantor must reimburse the Secured Party for all costs, charges and expenses incurred by it in obtaining or maintaining those insurances.

5.5 Event of Default

Without limiting or affecting paragraph 5.3(k), if an Event of Default is continuing and the Secured Party notifies the Grantor, the Secured Party may take over the Grantor's rights to make, pursue or settle an insurance claim. The Secured Party may exercise those rights in any manner the Secured Party chooses.

6. Obligations of Grantor

6.1 Positive Obligations - general

The Grantor must:

- (a) pay on time all amounts payable now or in the future in connection with the Secured Property including all Tax other than any Excluded Tax;
- (b) keep the Secured Property in good repair working order and condition;
- (c) protect the Secured Property from theft, loss or damage;
- (d) at the Secured Party's request, promptly rectify defects in the condition of the Secured Property;
- (e) conduct and maintain any business carried on by the Grantor in a proper and efficient manner and obtain all necessary Licences and Authorisations for it;
- (f) do all things necessary to maintain and renew all of its Intellectual Property Rights and any interest in them;
- (g) at the Grantor's cost comply on time with all its Obligations in connection with the Secured Property including statutes and requirements and orders of Government Bodies;

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- (h) comply on time with its Obligations in respect of any Security Interest over the Secured Property other than this deed;
- (i) at the Secured Party's request, deliver to the Secured Party receipts for payments referred to in this clause 6;
- (j) at the Secured Party's request, deposit with the Secured Party:
 - (1) anything evidencing a Security Interest and any Title Certificate given to the Grantor to secure the payment of money owing to the Grantor; and
 - (2) any Title Certificate;
- (k) on request by the Secured Party, deliver to the Secured Party, or ensure that the Secured Party has possession of, all of the following to the extent that it constitutes Secured Property (but excluding any personal property which is in the possession of the holder of a Permitted Encumbrance for the purposes of giving effect to that Permitted Encumbrance):
 - (1) chattel paper;
 - (2) documents of title;
 - (3) negotiable instruments;
 - (4) Title Certificates; and
 - (5) any other documents in connection with the Secured Property,where, in any case, possession of that Secured Property by a third party could result in that third party having an interest which either defeats or has priority over the Security Interest in favour of the Secured Party created by this deed;
- (l) in the case of Marketable Securities, deliver to the Secured Party when requested by it to do so registrable transfers executed by the Grantor with the name of the transferee and date left blank and completed otherwise as is customary for taking of security by way of deposit of Secured Property;
- (m) comply on time with the terms attaching to any consent given by the Secured Party in connection with this deed;
- (n) promptly give to the Secured Party the information and documents which the Secured Party requests from time to time in connection with:
 - (1) this deed; or
 - (2) the business, property or financial condition of the Grantor;
- (o) do everything necessary to ensure that no Event of Default occurs;
- (p) at the Secured Party's request, promptly provide the Secured Party with a statement signed by two directors of the Grantor (or the sole director, if appropriate) which states whether an Event of Default or Potential Event of Default continues unremedied;
- (q) notify the Secured Party promptly after it occurs of full details of an Event of Default or Potential Event of Default, and the steps taken to remedy it;

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- (r) obtain and renew on time each Authorisation necessary to enter into this deed, observe Obligations under it and allow it to be Enforced, and comply with its terms;
- (s) promptly notify the Secured Party of the particulars of any real property or interests in real property (including leases) acquired by the Grantor or which the Grantor is unconditionally bound to acquire;
- (t) give the Secured Party as soon as the Grantor receives it any notice or order received from a Government Body about the use or condition of the Secured Property;
- (u) pay all calls and instalments which may become due in respect of any of the Secured Property;
- (v) keep proper and correct records, minutes and books of account in relation to its business and keep those records, minutes and books of account at its registered office or other place they are usually kept and make those records, minutes and books of account available to the Secured Party to verify the accuracy of any document, statement or other information given in relation to the Secured Property;
- (w) obtain and renew from time to time at the proper time all required Licences from any Government Body to enable the business of the Grantor to operate at its optimum level;
- (x) following a request by the Secured Party, provide to the Secured Party full details (including the correct serial numbers) of all Serial Numbered Property which forms part of the Secured Property; and
- (y) do anything required by the Secured Party to enable the Secured Party to have control of any Secured Property that is an ADI account, Marketable Security, letter of credit or negotiable instrument not evidenced by a certificate.

6.2 Collection of proceeds

- (a) The Grantor may collect the proceeds of any debts or other amounts now or in the future payable to the Grantor as agent for the Secured Party, but must use those proceeds only as permitted under the Transaction Documents.
- (b) If requested at any time by the Secured Party, the Grantor must:
 - (1) set up an account with the Collection Bank;
 - (2) do everything necessary (including sign any documents) to ensure that one or more Authorised Officers of the Secured Party is a signatory to the Collection Account, including for the purposes of all withdrawals and transfers from the Collection Account;
 - (3) give notice in the form provided by the Secured Party to the Grantor to the Collection Bank (and any other person directed by the Secured Party) advising that the Collection Account is subject to a Security Interest and ensure the Collection Bank acknowledges the notice;
 - (4) if any money is drawn from the Collection Account in breach of this deed, hold that money on trust for the Secured Party and keep that money separate from any other money; and
 - (5) not make any withdrawals from, close, Dispose of or deal in any other way with the Collection Account without the prior written consent of the Secured Party.

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- (c) Unless the Secured Party otherwise directs, the Grantor must ensure the prompt collection and immediate deposit directly into the Collection Account of any money, proceeds or any other amounts whatever on account of or in respect of:
 - (1) any Insurance Policy;
 - (2) the Disposal of any Secured Property;
 - (3) any account or other debt due to the Grantor (whether or not it has been received by the Grantor); and
 - (4) any other Secured Property (including proceeds).
- (d) If the Secured Party is not the Collection Bank, and if required by the Secured Party, the Grantor must procure execution of a document by the Collection Bank which *includes (at the Secured Party's discretion) all or any of the following agreements with the Secured Party:*
 - (1) that the Collection Bank will comply with and give effect to paragraph 6.2(b)(2);
 - (2) that the Collection Bank has no Encumbrance or other interest in the Collection Account and waives any rights of set-off, netting or combination it may otherwise have in respect of the Collection Account;
 - (3) if, despite paragraph 6.2(d)(2) it has an Encumbrance or other interest in the Collection Account, then that Encumbrance or other interest is subordinated in right and priority of payment to the Security Interest of the Secured Party and will not be exercised without the prior written consent of the Secured Party; and
 - (4) that the Collection Bank will not seek to exercise any other rights or Encumbrances it may hold from time to time which are inconsistent with the Powers of the Secured Party under this deed.

6.3 Negative Obligations

The Grantor must not:

- (a) without the prior written consent of the Secured Party change the general character of any business carried on by the Grantor;
- (b) increase or allow to be increased the amount secured by a Security Interest in the Secured Property other than this deed or a Supporting Security;
- (c) do or omit to do anything or knowingly permit or cause anything to be done or omitted which could result in a Material Adverse Effect;
- (d) *pull down or remove from its present position immovable property, buildings, plant or machinery forming part of the Secured Property without the prior written consent of the Secured Party and the Secured Party may not withhold that consent unreasonably if the pulling down or removal is:*
 - (1) necessary because the immovable property, building, plant or machinery is worn out or damaged (when it must be replaced by the Grantor with property of a similar nature and of no lesser value); or
 - (2) required by law or in connection with its refurbishment;

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- (e) without the prior written consent of the Secured Party:
 - (1) call up or receive in advance of calls its uncalled Capital;
 - (2) pass a resolution to reduce its Capital or provide assistance to any person to acquire shares in its Capital; or
 - (3) issue or purport to issue any further Capital to a person who is not a shareholder of the Grantor as at the date of this deed;
- (f) deposit money with a person if the money is not repayable unless the Grantor pays or discharges any other Indebtedness or performs or observes another Obligation owed to that person or another person;
- (g) vary a lease of or licence to use or occupy any Secured Property or cause or permit the rent or licence fee payable under them to be determined without the prior written consent of the Secured Party;
- (h) without first giving the Secured Party 15 Business Days written notice, change its name, address, email address, facsimile number or any other details in connection with any Security Interest created by this deed or any transaction contemplated by it;
- (i) without the Secured Party's prior written consent, lodge or serve a financing change statement or an amendment demand in relation to any Security Interest created by this deed or any transaction contemplated by it;
- (j) without the Secured Party's consent relocate its principal place of business change its place of incorporation or registration; or
- (k) give control of the Secured Property to any person other than the Secured Party.

7. Perfection of Security

7.1 General

At the Secured Party's request the Grantor must at its own expense:

- (a) execute in favour of the Secured Party, or as the Secured Party directs, and in the form required by the Secured Party, further documents, including Security Interests; and
- (b) do the things the Secured Party requires,

to provide more effective security to the Secured Party over the Secured Property for the payment of the Secured Money and the performance of the Secured Obligations and to enable the Secured Party to exercise the Powers.

7.2 Title Documents

The Grantor shall, immediately at the request of the Secured Party, deposit with the Secured Party and the Secured Party shall, for the duration of this Debenture be entitled to hold:

- (1) all deeds and documents of title relating to the Tangible Moveable Property and the Property which are in the possession or control of the Grantor (if these are not within the possession and/or control of the Grantor, the Grantor undertakes to obtain possession of all such deeds and documents of title);

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- (2) all Insurance Policies;
- (3) all deeds and documents of title (if any) relating to the Book Debts as the Secured Party may specify from time to time; and
- (4) copies of all the Assigned Agreements, certified to be true copies by either a director of the Grantor or by the Grantor's solicitors.

7.3 Investments

The Grantor shall, immediately upon the date of this Debenture, deposit with the Secured Party and the Secured Party shall, for the duration of this Debenture be entitled to hold, all certificates or other documents of title to the Investments and stock transfer forms executed in blank by the Grantor in respect of the Investments.

7.4 Notice to insurers

The Grantor shall, if so requested by the Secured Party (or the Secured Party may on behalf of the Grantor), give notice of the assignment of its rights pursuant to Clause 2.9 (Assignment) to each of the insurers liable on the Insurance Policies and shall use its reasonable endeavours to procure that each relevant insurer sign and send to the Secured Party (sending at the same time a copy to the Grantor) an acknowledgement of receipt of the notice of assignment.

7.5 Notice to counterparties

The Grantor shall, if so requested by the Secured Party, give a notice of the assignment of its rights pursuant to Clause 2.9 (Assignment) to each counterparty to each Assigned Agreement, and shall use its reasonable endeavours to procure that each such counterparty signs and sends to the Secured Party (sending at the same time a copy to the Grantor) an acknowledgement of receipt of the notice of assignment.

7.6 Notice re Deposit Account

- (a) The Grantor shall, if so requested by the Secured Party (or the Secured Party may on behalf of the Grantor) give a notice of charge of its rights pursuant to Clause 2.3 (Other assets and rights of the Grantor) to each Deposit Account Bank and the Grantor shall use its reasonable endeavours to procure that each Deposit Account Bank signs and sends to the Secured Party (sending at the same time a copy to the Grantor) an acknowledgement of receipt of such notice of charge.
- (b) The execution of this Debenture by the Grantor and the Secured Party shall constitute notice to the Secured Party of the charge created over any Deposit Account opened or maintained with the Secured Party.

7.7 Notice to Landlord re Tangible Moveable Property

The Grantor shall promptly, and within 15 Business Days of request by the Secured Party, procure that the landlord of each property at which Tangible Moveable Property and/or Equipment in which the Grantor has an interest is located or stored provides the Secured Party with a waiver (in form and substance satisfactory to the Secured Party (acting reasonably)) of certain of its rights in respect of that Tangible Moveable Property and/or Equipment.

7.8 Registration of Property

The Grantor consents to the Secured Party applying to the Land Registrar for a restriction to be entered on the Register of Title of each Property (including any unregistered properties

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subject to compulsory first registration at the date of this Debenture) on the prescribed Land Registry form and in the following or substantially the same terms:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [] in favour of Ener-B Corporation, referred to in the charges register."

8. Secured Party's Power to rectify

The Secured Party may do anything which should have been done by the Grantor under this deed but which has not been done or which the Secured Party considers has not been done properly.

9. Right of entry of Secured Party

9.1 Entry

A person authorised by the Secured Party may enter at any time on land or buildings constituting or on or in which is situated any part of the Secured Property to:

- (a) inspect the condition of the Secured Property;
- (b) determine whether the terms of this deed are being complied with;
- (c) determine whether the Grantor has possession of or other rights in the Secured Property;
- (d) inspect and take copies of records relating to the Secured Property;
- (e) investigate the affairs and financial position of the Grantor; or
- (f) exercise the Powers of the Secured Party under clause 11.

The Grantor agrees to obtain for the Secured Party the same rights in connection with land or buildings owned or occupied by a Subsidiary of the Grantor.

9.2 Notice

Unless an Event of Default or Potential Event of Default has occurred and is continuing the Secured Party agrees to give the Grantor at least 2 Business Days' notice of entry.

9.3 Assistance

The Grantor agrees to give the person authorised to enter reasonable assistance including obtaining any necessary consent.

10. Grantor's representations and warranties

10.1 Representations and warranties

The Grantor represents and warrants (except in relation to the matters disclosed to the Secured Party and accepted by the Secured Party in writing) that:

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- (a) if it is a corporation, it is validly subsisting and it has the power to conduct its business as it is now conducting it;
- (b) it is the sole, absolute, legal and beneficial owner of, and has good title to, the Secured Property or it has the right to grant a Security Interest in the Secured Property to the Secured Party free from any Encumbrance other than Permitted Encumbrances subject to:
 - (1) any Trust which is disclosed in the Reference Schedule (and the Grantor represents and warrants that the details of the Trust are accurately set out in the Reference Schedule in all respects); and
 - (2) the interest of any owner or lessor of personal property in respect of which the Grantor has an interest as buyer or lessee or which the Grantor receives on commercial consignment;
- (c) there is no actual, impending or threatened proceedings, suit or other action which affects, or may reasonably be expected to affect, the Grantor or the Secured Property before any Government Body;
- (d) it has power to enter into this deed and comply with its Obligations under it;
- (e) this deed and the transactions under it do not contravene its constituent documents (if applicable) or any law or Obligation by which it is bound or to which any of its assets are subject, or cause a limitation on its powers (or the powers of its directors) to be exceeded;
- (f) it has in full force and effect the Authorisations necessary for it to enter into this deed, to comply with its Obligations and exercise its rights under it and allow it to be Enforced;
- (g) its Obligations under this deed are valid and binding and are Enforceable against it in accordance with its terms;
- (h) it benefits by entering into this deed;
- (i) no Event of Default or Potential Event of Default continues unremedied;
- (j) it is not a trustee of any trust other than as expressly disclosed in the Reference Schedule;
- (k) there has been no event or series of events (whether related or not) since the date of this deed which has had or may have a Material Adverse Effect;
- (l) it has disclosed to the Secured Party in writing details of all Secured Property which is located outside Australia;
- (m) none of the Secured Property is consumer property;
- (n) it has disclosed in writing to the Secured Party all matters in connection with the Transaction Documents and the Secured Property which may affect the nature and extent of the risk undertaken by the Secured Party in entering into the Transaction Documents and doing anything under them;
- (o) this Debenture creates those Security Interests it purports to create.

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10.2 Repetition

The representations and warranties in clause 10.1 are taken to be made on each date on which the Secured Party provides financial accommodation to the Grantor and on each date on which the Grantor acquires or Disposes of Secured Property.

11. Default

11.1 Events

Each of the following unless waived in writing by the Secured Party is an Event of Default:

- (a) the Grantor fails to pay when due any amount payable by it under any Transaction Document;
- (b) the Grantor fails to observe or perform any other Obligation or undertaking given to the Secured Party by it under or in relation to any Transaction Document (other than an Obligation or undertaking to pay money under a Transaction Document or which is contained in another paragraph of this clause 11.1) and:
 - (1) the failure if capable of remedy is not remedied within seven Business Days (or any longer period agreed by the Secured Party) of its occurrence; and
 - (2) the Grantor does not during that period take all action which in the opinion of the Secured Party is necessary to quickly remedy that default;
- (c) any representation, warranty or statement made repeated or deemed to be made or repeated by the Grantor in any Transaction Document or any document issued under any Transaction Document is not complied with, is untrue or is misleading in any material respect;
- (d) any other present or future Indebtedness of the Grantor in excess of \$50,000 or its equivalent becomes due and payable, or capable of being declared due and payable, prior to its stated maturity by reason of the default of the Grantor;
- (e) the Grantor fails to pay any Indebtedness in excess of \$50,000 or its equivalent when due or on the expiration of any applicable grace period;
- (f) a person who holds a Security Interest over property of the Grantor becomes entitled to:
 - (1) exercise a right under that Security Interest against the property to recover any money the payment of which is secured by that Security Interest; or
 - (2) Enforce any Obligation the performance or observance of which is secured by that Security Interest;
- (g) a distress, attachment, sequestration or other execution is levied or Enforced on or against any part of the property of the Grantor;
- (h) an Insolvency Event in relation to the Grantor occurs;
- (i) the Grantor:
 - (1) reduces or attempts to reduce its capital other than the redemption of redeemable shares;

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- (2) passes or attempts to pass a resolution to reduce its capital or approve the giving of financial assistance by the Grantor to a Related Entity or any person otherwise prohibited from receiving financial assistance; or
- (3) takes any action to buy shares in itself, other than the insertion in its constitution of a provision to the effect that it may buy ordinary shares in itself, in any case without the prior written consent of the Secured Party (which the Secured Party may grant or withhold in its absolute discretion);
- (j) a person is appointed under any legislation to investigate any part of the affairs of the Grantor;
- (k) anything analogous or having a substantially similar effect to anything referred to in paragraphs 11.1(d) to 11.1(j) inclusive occurs with respect to the Grantor;
- (l) any Authorisation necessary to enable:
 - (1) the Grantor to perform and observe any of its Obligations under any Transaction Document or carry on its principal business or activity; or
 - (2) the Secured Party to exercise its Powers under a Transaction Document,is withheld or ceases to be of full force and effect;
- (m) it is unlawful for the Grantor to perform or observe any of its Obligations under any Transaction Document;
- (n) all or any part of a Transaction Document:
 - (1) ceases to have the priority which it purports to have; or
 - (2) is or becomes or is capable of becoming void, voidable, invalid, unenforceable or of limited force and effect,or is claimed to be so by the Grantor;
- (o) the constitution of the Grantor if a corporation (or its equivalent) is amended without the Secured Party's prior written consent;
- (p) one or more conditions, events or other circumstances exist or have occurred, which, in the opinion of the Secured Party, result or could result in a Material Adverse Effect;
- (q) a Change of Control occurs in respect of the Grantor or a Related Entity of the Grantor; and
- (r) an event occurs which is called or described as an event of default under any Transaction Document other than this deed or any other event occurs which renders Enforceable a Transaction Document that comprises an Encumbrance.

11.2 Consequences

If an Event of Default has occurred (whether or not it is continuing), then the Secured Party may at any time by written notice to the Grantor do any one or more of the following:

- (a) sue the Grantor for the Secured Money;

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- (b) declare all or any part of the Secured Money:
 - (1) payable on demand (in which case those amounts will be due and payable immediately on demand made at any time by notice from the Secured Party to the Grantor); or
 - (2) due and owing (in which case those amounts will be immediately due and owing);
- (c) appoint one or more Receivers;
- (d) exercise all or any of the Powers of a Receiver under clause 13.5 (Powers of Receiver);
- (e) exercise any of the Secured Party's other Powers including either or both of the following:
 - (1) seize any Secured Property; and
 - (2) Dispose of any Secured Property in the manner, and on the terms and conditions, as the Secured Party sees fit; and
- (f) at the cost of the Grantor, appoint a firm of accountants or other consultants to review and report to the Secured Party on the business, financial condition and affairs of the Grantor.

11.3 Statutory Power of Sale

The statutory powers of sale and other powers conferred by the Law of Property Act 1925 shall, as between the Secured Party and a purchaser from the Secured Party, arise on and be exercisable at any time after the execution of this Debenture, but the Secured Party shall not exercise such power of sale until the security constituted by this Debenture has become enforceable.

11.4 Extension of Statutory Powers

The statutory powers of leasing conferred on the Secured Party are extended so as to authorise the Secured Party to lease, make agreements for leases at a premium or otherwise, accept surrenders of leases and grant options or vary or reduce any sum payable under any leases or tenancy agreements as the Secured Party may think fit, without the need to comply with any provision of Section 99 or 100 of the Law of Property Act 1925.

11.5 No liability as mortgagee in possession

Neither the Secured Party nor any Receiver will be liable, by reason of entering into possession of any Secured Property, to account as mortgagee in possession or for any loss on realisation of this Security or for any default or omission for which a mortgagee in possession might otherwise be liable.

11.6 No responsibility for loss

Neither the Secured Party nor any Receiver shall be responsible for any loss occasioned by the timing of the exercise of its powers under this Debenture.

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11.7 Section 103

Section 103 of the Act does not apply to this Debenture or to the Receiver or the Secured Party.

11.8 Contingencies

If this Security is enforced at a time when no amount is due under the Transaction Document but at a time when amounts may or will become due, the Agent (or the Receiver) may pay the proceeds of any recoveries effected by it into a suspense account in which event, Clause 11.9 (Suspense or separate account) shall apply to such proceeds.

11.9 Suspense or separate account

In addition to its rights under Clause 11.8 (Contingencies), the Secured Party may, without prejudice to any other rights it may have at any time, place and keep for such time as the Secured Party may think prudent any monies received, recovered or realised under or by virtue of this Debenture in a separate or suspense account to the credit of the Grantor or any other party as the Secured Party thinks fit without any immediate obligation on the part of the Secured Party to apply such monies or any part of such monies in or towards the discharge of the Secured Obligations.

12. Powers not affected

The Powers of the Secured Party under this deed may be exercised notwithstanding that any negotiable or other instrument, security, contract or other engagement may still be current, in circulation, outstanding or not then due.

13. Appointment of Receiver

13.1 Appointment of Receiver

- (a) The Secured Party may appoint any person to be an administrator of the Grantor or any one or more persons to be a Receiver of all or any part of the Secured Property if:
 - (1) this Security has become enforceable; or
 - (2) the Grantor so requests the Secured Party in writing at any time.
- (b) Any appointment under this clause 13.1 may be by deed, under seal or in writing under its hand.
- (c) Section 109(1) of the Act does not apply to this Debenture.
- (d) The Secured Party is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under section 1A of the Insolvency Act.

13.2 Removal

The Secured Party may by writing under its hand remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

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13.3 Remuneration

The Secured Party may fix the remuneration of any Receiver appointed by it and the maximum rate specified in section 109(6) of the Act will not apply.

13.4 Agent of the Grantor

- (a) A Receiver will be deemed to be the agent of the Grantor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The Grantor alone is responsible for the contracts, engagements, acts, omissions, defaults and losses of a Receiver and for liabilities incurred by a Receiver.
- (b) The Secured Party will incur no liability (either to the Grantor or to any other person) by reasons of the appointment of a Receiver or for any other reason.

13.5 Powers of Receiver

- (a) A Receiver appointed in accordance with Clause 13.1 (Appointment of Receiver) shall, until his removal, have the powers and discretions set out below and a Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Debenture either in his own name or in the name of the Grantor including, without limitation:
 - (1) taking immediate possession of, get in and collect any Secured Property, and for that purpose take such proceedings as may seem to him expedient;
 - (2) carrying on the business of the Grantor as it relates to the Secured Property as he thinks fit;
 - (3) appointing and discharging managers, officers, agents, accountants, servants and others for the purposes of this Debenture upon such terms as to remuneration or otherwise as he may think proper and discharging any such persons appointed by the Grantor;
 - (4) raising and borrowing money either unsecured or on the security of any Secured Property either in priority to the security constituted by this Debenture or otherwise and generally on any terms and for whatever purpose which he thinks fit. No person lending that money is concerned to enquire as to the propriety or purpose of the exercise of that power or to check the application of any money so raised or borrowed;
 - (5) selling, exchanging, converting into money and realising any Secured Property by public auction or private contract and generally in any manner and on any terms which he thinks proper. The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments over such period as he thinks fit;
 - (6) doing all acts and executing in the name and on behalf of the Grantor any deed, receipt or other document in relation to any Secured Property;
 - (7) making any payment which is necessary or incidental to the performance of his functions;
 - (8) doing all other acts and things which he may consider desirable or necessary for realising any Secured Property or incidental or conducive to any of the

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rights, powers or discretions conferred on a Receiver under or by virtue of this Debenture; and

- (9) exercising, in relation to the Secured Property, all other powers, authorities and rights which he could exercise if he were their absolute unencumbered beneficial owner of the same.

13.6 Powers to be additional

The powers conferred by this Debenture in relation to the Secured Property on the Receiver shall be in addition to, and not in substitution for, the powers conferred on receivers under the Act and the Insolvency Act.

13.7 Conflict

If and to the extent that there is any ambiguity or conflict between:

- (a) the powers conferred on the Receiver by the Act and those powers listed in schedule 1 of the Insolvency Act; and
- (b) the powers conferred by this Clause 13, the powers conferred by this Clause 13 shall prevail.

13.8 Liquidation of the Grantor

The powers conferred by this Clause 13 on Receivers shall continue to apply notwithstanding the winding-up or dissolution of the Grantor.

13.9 Liability of Receiver Receipts

The Receiver shall not, by reason of any entry by it into, or the taking by it of, possession of the Secured Property or for any other reason (and whether as mortgagee in possession or on any other basis):

- (a) be liable to account to the Grantor for anything except the Receiver's actual receipts arising from the exercise of his powers under this Debenture; or
- (b) be liable to the Grantor for any loss or damage arising from:
 - (1) any act, default or omission of the Receiver in relation to the Secured Property; or
 - (2) any exercise or non-exercise by the Receiver of any power, authority or discretion conferred on him in relation to the Secured Property under this Debenture, the Act or the Insolvency Act; or
- (c) be liable to the Grantor on the grounds that a better price could or might have been obtained on any realisation, sale or other disposal of the Secured Property.

14. Powers of Secured Party

14.1 Exercise of Powers

Whether or not a Receiver has been appointed, the Secured Party may at any time after an Event of Default without giving any notice exercise all or any of the Powers which may be exercised by a Receiver.

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14.2 Prior Security Interests

- (a) At any time after an Event of Default the Secured Party may do all or any of the following without the consent of the Grantor:
 - (1) purchase a debt or other liability secured by a prior-ranking Security Interest (including a Permitted Encumbrance);
 - (2) pay the amount required to discharge a debt or liability described in paragraph 14.2(a)(1); and
 - (3) take a transfer or assignment of the prior-ranking Security Interest and any Guarantee, Security Interest or right ancillary or collateral to it.
- (b) The Grantor acknowledges and agrees that if the Secured Party wishes to do, or does, all or any of the things contemplated by subclause 14.2(a) then the Grantor is indebted to the Secured Party for the greater of:
 - (1) the amount paid by the Secured Party to the Prior Securityholder in the circumstances contemplated in paragraphs 14.2(a)(1) and 14.2(a)(2); and
 - (2) *the amount of the debt or liability acquired by the Secured Party,*and that amount forms part of the Secured Money and is payable by the Grantor to the Secured Party on demand.
- (c) The Grantor irrevocably authorises and directs the Prior Securityholder to provide to the Secured Party all information and documentation the Secured Party requires to enable the Secured Party to make a decision about whether or not to exercise its rights under subclause 14.2(a).

14.3 Not to account as mortgagee in possession

If either the Secured Party or a Receiver exercises Powers under this deed or takes possession of all or any part of the Secured Property, then neither of them is liable to account as a mortgagee in possession.

14.4 Withdrawal

The Secured Party may at any time give up possession of any of the Secured Property and may at any time withdraw any receivership.

14.5 Indemnity

The Secured Party may give any indemnities to the Receiver for the exercise by the Receiver of the Powers which are permitted by law and if the Secured Party pays any money under an indemnity it will become part of the Secured Money.

15. Protection of Secured Party and Receiver

To the extent permitted by law, the Secured Party and any Receiver are not liable in respect of any omission or delay in the exercise of any Power, nor for any losses which result from the exercise or non exercise of any Power, except where any omission, delay or loss arises from fraud or gross negligence on the part of the Secured Party or Receiver.

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16. Protection of purchasers

16.1 No enquiry

At the time of any Disposal or dealing purporting to be made in exercise of any Power, no purchaser or other party to any Disposal or dealing:

- (a) will be bound to enquire whether any default has been made or otherwise about the propriety or regularity of that Disposal or dealing; or
- (b) will be affected by express notice that any Disposal or dealing is unnecessary or improper.

16.2 Dealings valid

Despite any irregularity or impropriety in any Disposal or dealing, for the purposes of protecting the purchaser or other party to that Disposal or dealing, the transaction is deemed to be authorised and valid.

17. Preservation of Secured Party's Powers

17.1 Liability not affected

The liabilities under this deed of the Grantor and the Powers under this deed of the Secured Party, a Receiver or an Attorney are not affected by anything which might otherwise have that effect at law or in equity including one or more of the following (whether occurring with or without the consent of a person):

- (a) the Secured Party or another person giving any time or other indulgence (with or without the imposition of an additional burden) to, compounding or compromising with, or wholly or partially releasing the Grantor or another person in any way;
- (b) laches, acquiescence, delay, acts, omissions or mistakes on the part of the Secured Party or another person or both the Secured Party and another person;
- (c) any variation or novation of a Power of the Secured Party or another person, or material alteration of a document, in respect of the Grantor or another person including an increase in the limit of or other variation in connection with the Secured Money;
- (d) the transaction of business, expressly or impliedly, with, for or at the request of the Grantor or another person;
- (e) changes which take place at any time in the membership, name or business of a firm, partnership, committee or association whether by death, retirement, admission or otherwise whether or not the Grantor or another person was a member;
- (f) the loss or impairment of a Supporting Security or a negotiable instrument;
- (g) a Security Interest being void, voidable or unenforceable;
- (h) the failure to take a Security Interest or Guarantee from the Grantor or another person;
- (i) a person dealing in any way with a Security Interest, Guarantee, judgment or negotiable instrument (including taking, abandoning or releasing (wholly or partially), realising, exchanging, varying, abstaining from perfecting or taking advantage of it);

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- (j) the appointment of an External Administrator to the Grantor or another person or the occurrence of any event leading to that appointment;
- (k) the death or bankruptcy of any natural person;
- (l) the Liquidation, Change of Control or change in status, of or in relation to the Grantor or any other person;
- (m) a change in the legal capacity, rights or Obligations of a person;
- (n) the fact that a person is a trustee, nominee, joint owner, joint venturer or a member of a partnership, firm or association;
- (o) a judgment against the Grantor or another person for payment of the whole or any part of the Secured Money;
- (p) the receipt of a dividend after the Grantor has become insolvent or other payment of a sum or sums into the account of the Grantor or another person at any time (whether received or paid jointly, jointly and severally or otherwise);
- (q) any part of the Secured Money being irrecoverable;
- (r) an amalgamation or merger of the Grantor with another person;
- (s) a postponement or an assignment of rights in connection with the Secured Money;
- (t) the acceptance of repudiation or other termination in connection with the Secured Money;
- (u) the invalidity or unenforceability of an Obligation or liability of a person other than the Grantor;
- (v) invalidity or irregularity in the execution of this deed by the Grantor or any deficiency in the powers of the Grantor to enter into or observe its Obligations under this deed;
- (w) the opening of a new bank account by the Grantor with the Secured Party or another person or the operation of a new bank account;
- (x) any Obligation of the Grantor or any other person being discharged by operation of law or otherwise; or
- (y) property secured under a Security Interest being forfeited, extinguished, surrendered, resumed or determined.

17.2 No merger

- (a) The Secured Party's right to payment of the Secured Money arising in any way (including under a negotiable instrument or another contract with the Grantor) does not merge with the Grantor's undertaking to pay the Secured Money under this deed.
- (b) This deed does not merge with, postpone, lessen or otherwise prejudicially affect any other Security Interest over the Secured Property to which the Secured Party is entitled.
- (c) The Secured Party will hold a judgment or order which it obtains against the Grantor in respect of the Secured Money collaterally with this deed, and this deed will not merge in the judgment or order.

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17.3 Exercise of Secured Party's Powers

The Secured Party may exercise its Powers under this deed even if a negotiable instrument, Security Interest, contract or other Obligation relating to the Secured Money or any Secured Obligation is still current or has not fallen due.

17.4 Suspension of Grantor's rights

Until all Secured Money has been paid and discharged, and all Secured Obligations performed:

- (a) the Grantor will not:
 - (1) be entitled by contribution, subrogation, indemnity, marshalling or otherwise to the benefit of any Security Interest, Guarantee or document held by the Secured Party for the payment of the Secured Money irrespective of whether or not that Security Interest, Guarantee or document is given by the Grantor;
 - (2) raise a defence, set-off or counterclaim against the Secured Party if that might reduce or discharge the Grantor's liability under this deed; or
 - (3) unless expressly permitted to do so in a Transaction Document, prove, claim or vote in, or receive the benefit of a distribution, dividend or payment arising out of, the Liquidation of any person who has provided a Supporting Security; and
- (b) without limiting or affecting any other provision of this deed, the Grantor waives any right it has or may have at any time which may prevent the recovery by the Secured Party of all Secured Money (whether arising by subrogation, under a constructive or other trust or otherwise at law or in equity) including the right to require another person to pay to the Grantor any money or to assign the benefit of a Security Interest to the Grantor.

17.5 Prove in Liquidation

An Attorney may prove in the Liquidation of any person for all money that the Grantor is entitled to claim against that person on any account. The Attorney must account to the Grantor for any money which it receives in excess of the Secured Money but the Attorney is not obliged to pay any interest to the Grantor on that excess.

17.6 No marshalling

The Secured Party is not obliged to marshal, resort to, Enforce or appropriate any other Security Interest, money or assets it holds for, or to secure, payment of the Secured Money or the performance of the Secured Obligations before it Enforces this deed.

17.7 Co surety

The liability of the Grantor under this deed is not affected because:

- (a) any other person who was intended to become a co-surety or co-indemnifier for payment of the Secured Money or the performance of the Secured Obligations has not done so or has not done so effectively; or
- (b) a person who is a co-surety or co-indemnifier for payment of the Secured Money or the performance of the Secured Obligations is discharged under an agreement or under statute or a principle of law or equity.

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17.8 Preference

If a claim is made that all or part of a payment, Obligation, settlement, transaction, conveyance or transfer in connection with the Secured Money or the Secured Obligations is void or voidable under law relating to insolvency or the protection of creditors or for any other reason and the claim is upheld, conceded or compromised:

- (a) the Secured Party is entitled immediately as against the Grantor to the Powers in respect of the Secured Money and the Secured Obligations to which it would have been entitled if all or that part of that payment, Obligation, settlement, transaction, conveyance or transfer had not taken place; and
- (b) the Grantor agrees to immediately do any act and sign any document at the Secured Party's request to restore to the Secured Party any Security Interest or Guarantee held by it from the Grantor immediately before that payment, Obligation, settlement, transaction, conveyance or transfer.

18. Release

18.1 Execute release

The Secured Party must execute a release of the Secured Property from this deed and do all things necessary to remove any registered Security Interests created by this deed within 10 Business Days at the request of the Grantor on satisfaction of the Obligation to pay all of the Secured Money and perform all Secured Obligations unless the Secured Party considers that there is a prospect that money will become owing (actually, contingently or prospectively) by the Grantor to the Secured Party for any reason, including because a payment made by the Grantor or any other person to the Secured Party could be voided under any law relating to insolvency or for any other reason.

18.2 Retain documents

The Secured Party is entitled to retain all instruments and Title Certificates deposited under paragraphs 6.1(j) and 6.1(k) until this deed is released in respect of the relevant Secured Property.

19. Costs and indemnities

19.1 Costs

- (a) The Grantor must pay or reimburse on demand the Secured Party's costs, charges and expenses in connection with:
 - (1) registration and maintenance of this deed and any financing statement or financing change statement;
 - (2) the general ongoing administration of this deed (including giving and considering consents, waivers, variations, discharges and releases and producing title documents);
 - (3) the occurrence of any Event of Default or Potential Event of Default;
 - (4) the Secured Party and any Receiver otherwise acting in connection with this deed, such as Enforcing or preserving Powers (or considering doing so), or

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doing anything in connection with any enquiry by a Government Body involving the Grantor; and

- (5) any Tax other than any Excluded Tax in relation to this deed or any Transaction Document.
- (b) The Secured Party may debit any of these amounts to the Grantor's account before asking the Grantor to pay.

19.2 Indemnity

- (a) The Grantor must pay or reimburse on demand and indemnifies the Secured Party against any loss arising from, and any liability and costs incurred in connection with:
 - (1) an Event of Default or Potential Event of Default;
 - (2) actions, claims, damages, demands or proceedings in connection with any of the Transaction Documents;
 - (3) any person exercising, or attempting to exercise, a Power in connection with this deed after an Event of Default or Potential Event of Default including in maintaining, preserving or protecting the Secured Property;
 - (4) improvements or enhancements made to the Secured Property by the Secured Party or a Receiver;
 - (5) a payment made by the Grantor in any currency other than the currency in which the payment was due to be made;
 - (6) any breach of any Secured Obligations; or
 - (7) obtaining legal, valuation or other professional advice on any matter of concern to the Secured Party, a Receiver or Attorney in connection with a Transaction Document or the Secured Property,

to the extent that the liability or loss is not the result of fraud or wilful default by the Secured Party.

- (b) The Grantor agrees to pay amounts due under this indemnity on demand from the Secured Party.

20. Continuing security

This deed and each Supporting Security will be a continuing security notwithstanding any settlement of account, intervening payment or other matter or thing whatever until a final discharge of this deed and each Supporting Security has been given to the Grantor.

21. Other securities

21.1 Not to be affected by this document

Nothing contained in this deed or any Supporting Security merges in or otherwise in any way prejudicially affects:

- (a) any other Security Interest; or

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(b) any right or remedy against any person,

which the Secured Party or any person claiming through the Secured Party has at any time.

21.2 Not to affect other documents or Powers

No other Security Interest at any time held by the Secured Party will in any way prejudicially affect this deed, any Supporting Security or any Power.

22. Completion of blank instruments

The Secured Party or any Authorised Officer of the Secured Party or any Receiver or Attorney may fill in any blanks in this deed and complete in favour of the Secured Party, or any purchaser, any document at any time executed by or on behalf of the Grantor in blank and deposited with the Secured Party under or as collateral security to this deed or any Supporting Security.

23. Application of money

23.1 Order

- (a) All money received under this deed from time to time (even if less than is required to pay all Secured Money owing at that time) which is not required by law to be paid to another person in priority may be applied or appropriated by the Secured Party in or towards satisfaction of all or any part of the Secured Money or in discharge of all or any of the Secured Obligations in the order and the manner which the Secured Party determines in its absolute discretion, including in a manner which will enable the Secured Party to preserve any purchase money security interest held by the Secured Party.
- (b) Any application or appropriation purportedly made by the Grantor which is inconsistent with that of the Secured Party will have no effect and the Grantor and the Secured Party agree that subclause 23.1(a) is the method of application to which they have agreed.
- (c) To the extent required by law, any surplus money held by the Secured Party after payment in full of all Secured Money, the discharge of all Secured Obligations and the making of all payments that the Secured Party or any Receiver or Attorney is entitled or obliged to make under the Transaction Documents or at law must then be applied:
 - (1) in payment of money owing to any person of whom the Secured Party, Receiver or Attorney is actually aware who holds an Encumbrance over Secured Property which ranks in priority after the Security Interest created by this deed (and if more than one, in the order of their priority); and
 - (2) to the extent not otherwise applied, to the Grantor or any other person entitled to it (and if more than one, in the order of their priority).

23.2 No interest

Money available for application under paragraph 23.1(c)(2) will not bear interest. The Secured Party may discharge its liability to account for it by crediting it to an account in its books in the name of the person to whom it is payable, or by paying it into court.

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23.3 Actual receipt

In the application of money under clause 23.1 the Grantor is to be credited only with so much of that money as is actually received by the Secured Party. The credit dates from the time of receipt.

23.4 Subsequent Security Interests

With effect as from the time at which the Secured Party receives actual or constructive notice of a subsequent Security Interest over any Secured Property:

- (a) the Grantor and the Secured Party agree that a new account in the Grantor's name may be opened and maintained by the Secured Party in its books;
- (b) subject to subclause 23.4(e), all further advances and other financial accommodation provided by the Secured Party to, or at the request of or on behalf of, the Grantor must be debited to that new account;
- (c) all payments received under this deed must be credited to that new account;
- (d) all payments referred to in subclause 23.4(c) must be applied first in or towards satisfaction of any debit balance in the new account and then in or towards satisfaction of any other Secured Money or the discharge of any other Secured Obligations; and
- (e) the Secured Party is not obliged to provide or continue any financial accommodation to the Grantor unless the holder of the subsequent Security Interest enters into a priority deed satisfactory in all respects to the Secured Party which provides to the Secured Party the priority contemplated by clause 3.1.

24. Power of attorney

24.1 Appointment

The Grantor irrevocably appoints the Secured Party, each Authorised Officer of the Secured Party and each Receiver severally its Attorney.

24.2 Powers

Each Attorney may:

- (a) in the name of the Grantor or the Attorney do anything which the Grantor may lawfully authorise an attorney to do in connection with this deed or the Secured Property or which in the Attorney's opinion is necessary or expedient to give effect to any Power (including to prove in the Liquidation of any person as contemplated in clause 17.5);
- (b) delegate its Powers (including this Power of delegation) to any person for any period and may revoke a delegation; and
- (c) exercise or concur in exercising its Powers even if the Attorney has a conflict of duty in exercising its Powers or has a direct or personal interest in the means or result of that exercise of Powers.

24.3 Sale

Without limiting the generality of paragraph 24.2(a), the Secured Party may sell the Secured Property by auction, tender or private treaty in any number of parcels which the Secured Party

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determines and for this purpose any Authorised Officer of the Secured Party may do all acts and things and sign and complete where necessary all transfers agreements and other documents necessary or expedient for the purpose of completing any sale.

25. Statutory Powers

25.1 Powers in augmentation

The Powers conferred on the Secured Party by any law:

- (a) are in augmentation of the Powers conferred by this deed or any Supporting Security;
- (b) (to the extent permitted by law) may be exercised by the Secured Party immediately if an Event of Default occurs; and
- (c) are excluded or varied only so far as they are inconsistent with the express terms of this deed or any Supporting Security.

25.2 Notice not required unless mandatory

The Secured Party need not give notice to the Grantor or allow time to elapse before exercising a Power unless notice or a lapse of time is required by a law which cannot be excluded. If the law stipulates that notice must be given or time elapse, then:

- (a) if a period of notice or lapse of time is mandatory, that period of notice must be given by the Secured Party or the time must elapse; or
- (b) if a period of notice or lapse of time is not mandatory but the law provides that the period of notice or lapse of time may be agreed, that period or lapse is one day or the minimum period the law allows to be agreed (whichever is the longer).

26. Trustee provisions

26.1 Acknowledgement and undertakings

If the Grantor is or becomes a Trustee of a Trust (whether or not that fact has been disclosed to the Secured Party) it:

- (a) acknowledges that this deed binds or as the case may be will bind it personally and in its capacity as Trustee;
- (b) agrees that the definition of Secured Property includes the present and future right, title and interest in the Trust Property;
- (c) must ensure that the Trust is operated and maintained in accordance with all applicable laws and Authorisations and good business practice;
- (d) must not allow or permit any material variation to the Trust's objectives and management processes without the prior written consent of the Secured Party;
- (e) must allow the Secured Party or any of its Representatives at any time on reasonable notice during normal business hours to inspect the Trustee's premises and for that purpose will provide copies of books and records and all other information reasonably requested;

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- (f) must not cause or permit any Trust Property to be mixed with any other property;
- (g) must not default in the performance or observance of its Obligations as trustee of the Trust or trustee of the Trust Property;
- (h) must not release, *Dispose of or otherwise prejudice its right of indemnity against the Trust Property or its equitable lien over the Trust Property;*
- (i) must not do anything which effects or facilitates the retirement, removal or replacement of the Trustee or the appointment of any other person as trustee of the Trust or trustee of the Trust Property;
- (j) must not do anything which could restrict the Trustee's right of indemnity from the Trust Property in respect of *Obligations or liabilities incurred by the Grantor under the Transaction Documents;*
- (k) must not do anything which could restrict or impair the ability of the Grantor to observe its Obligations under the Transaction Documents;
- (l) must not do anything which effects or facilitates the termination of the Trust or the determination of the vesting date of the Trust;
- (m) must not do anything which effects or facilitates the variation of the Trust Deed;
- (n) must not, without the prior consent of the Secured Party, do anything which effects or facilitates the transfer or distribution of the Trust Property and the Trustee undertakes that unless the Secured Party has given its prior written consent there will be no:

- (1) capital distribution under the Trust;
- (2) exercise of any power of determination, revocation, appropriation or advancement;
- (3) settlement, setting aside or transfer to other trusts of any of the funds of the Trust,

provided that these restrictions do not apply:

- (4) to the distribution of Trust income in terms of the Trust Deed; or
- (5) in a way that would infringe the law against perpetuities or relating to accumulation;
- (o) must ensure that the Trustee exercises its indemnity against and equitable lien over the Trust Property in order to ensure payment of all money and damages of any nature owing (actually or contingently) from time to time under, or the payment of which is secured or guaranteed by, the Transaction Documents;
- (p) must ensure that the Trustee assigns to the Secured Party, and otherwise facilitates the subrogation of the Secured Party to, the indemnities and equitable lien referred to in subclause 26.1(o);
- (q) must not, without the prior consent of the Secured Party, create an Encumbrance or allow one to exist over the *Trustee's right of indemnity out of the Trust Property other than a Permitted Encumbrance;*

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- (r) must not increase or allow to be increased the remuneration payable to it as Trustee of the Trust;
- (s) where the Trust is a unit trust, must not permit the issue of new units in the Trust or the transfer, transmission or redemption of existing units in the Trust without the prior written consent of the Secured Party; and
- (t) must not exercise any power or provision of the Trust after the occurrence of an Event of Default or other default under this deed or after notice has been given by the Secured Party specifying the powers and provisions that are no longer exercisable without the prior written consent of the Secured Party.

26.2 Warranties

The Grantor warrants (or if the Grantor becomes a Trustee after the date of this deed is deemed to warrant on the date it becomes a Trustee) that (unless it has disclosed the contrary to the Secured Party in writing):

- (a) the Trustee has power under the Trust Deed to execute this deed and enter into every transaction contemplated by the Transaction Documents;
- (b) in executing the Transaction Documents and entering into those transactions the Trustee has properly performed its Obligations and discharged its duties to the Beneficiaries;
- (c) the Trustee is the only trustee of the Trust and the only trustee of the Trust Property;
- (d) no action has been taken to remove the Trustee as trustee of the Trust or trustee of the Trust Property or to appoint an additional trustee of the Trust or an additional trustee of the Trust Property;
- (e) the Trustee has a right to be fully indemnified out of all the Trust Property in relation to money and damages of any nature (present or contingent) owing under, or the payment of which is secured or guaranteed by, the Transaction Documents;
- (f) the Trustee has not defaulted in the performance, observance and discharge of its Obligations and duties as trustee of the Trust or trustee of the Trust Property;
- (g) no action has been taken to terminate the Trust or to determine a vesting date under the Trust Deed;
- (h) the rights of the Beneficiaries in relation to and their interest in the Trust Property are subject to:
 - (1) the Powers of the Secured Party in relation to any Security Interest held by it over the Trust Property; and
 - (2) any rights or interests in the Trust Property to which the Secured Party may *from time to time be subrogated*;
- (i) the document described in the Reference Schedule as the Trust Deed of the Trust (including any variations) provided to the Secured Party prior to the date of execution of this deed represents a complete and up to date copy of the Trust Deed as at the date of this deed;
- (j) the Trust Deed fully discloses all of the terms of the Trust;

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- (k) the Trustee has complied, and will continue to comply, with the requirements of the Trust Deed in entering into and performing every transaction contemplated by the Transaction Documents;
- (l) the Trust has been duly constituted and the Trust Deed is not void, voidable or otherwise unenforceable;
- (m) subject to the Trust, the Trustee is the legal owner of all of the Trust Property held by it and all undertakings in relation to the Trust carried on by it are free from Encumbrances other than Permitted Encumbrances;
- (n) there has been no resettlement of the Trust since its establishment;
- (o) the Trust Property is sufficient to satisfy the right of indemnity referred to in subclause 26.2(e) and all other *Obligations* in respect of which the Trustee has a right to be indemnified out of the Trust Property; and
- (p) the Trustee has carefully considered the purpose of the Transaction Documents and considers that its entry into the Transaction Documents is for the benefit, and in the interests, of the Beneficiaries.

27. Partnership

27.1 Binding nature

Where any of the Secured Money or any Secured Obligations relate to the Indebtedness or Obligations of a Partnership:

- (a) this deed continues to bind the Grantor notwithstanding any changes which take place at any time in the partners or joint venturers whether by the death or retirement of any partner or joint venturer or the admission of any new partner or joint venturer or otherwise and notwithstanding that the Partnership no longer carries on business; and
- (b) this deed binds each Grantor notwithstanding that a Grantor is not, or is no longer, a member of the Partnership.

27.2 Discontinuance of transactions

If anything described in subclause 27.1(a) or subclause 27.1(b) occurs, the Secured Party may, without notice to the Grantor or the Partnership, discontinue all or any transactions with the Grantor or the Partnership and decline to make any advances or meet any Obligations to, for or on account of the Grantor or the Partnership.

27.3 Obligations

Unless expressly provided otherwise in this deed, the Obligations, representations, warranties, undertakings, indemnities and other liabilities of the Partnership under this deed are given and assumed by each Grantor jointly and by each of them separately. References to the Partnership include references to each Grantor as a member of the Partnership.

28. Secured Party as trustee

The parties hereby acknowledge and agree that the Secured Party holds the benefit of this deed (and any other security created in its favour pursuant to this deed) on trust for and on

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behalf of the Secured Seller Parties in its capacity as security agent and trustee under and pursuant to the terms of the Security Trust Deed.

29. Notices

29.1 Form

Any notice or other communication to or by any party must be:

- (a) in writing and in the English language;
- (b) addressed to the address of the recipient in clause 29.4 or to any other address as the recipient may have notified the sender; and
- (c) be signed by the party or by an Authorised Officer of the sender.

29.2 Manner

In addition to any other method of service authorised by law, the notice may be:

- (a) personally served on a party;
- (b) left at the party's current address for service;
- (c) sent to the party's current address for service by prepaid ordinary mail;
- (d) sent by facsimile to the party's current numbers for service; or
- (e) sent by electronic mail to the party's electronic mail address.

29.3 Time

If a notice is sent or delivered in the manner provided in clause 29.2 it must be treated as given to or received by the addressee in the case of:

- (a) delivery in person, when delivered;
- (b) delivery by post on the tenth Business Day after posting;
- (c) facsimile when a transmission report has been printed by the sender's facsimile machine stating that the document has been sent to the recipient's facsimile number; or
- (d) electronic mail, when the sender's computer reports that the message has been delivered to the electronic mail address of the addressee,

but if delivery is made after 5.00pm on a Business Day it must be treated as received on the next Business Day in that place.

29.4 Initial details

The addresses and numbers for service are initially:

- (a) for the Grantor, those set out in the Grantor's Address Details; and
- (b) for the Secured Party, those set out in the Secured Party's Address Details.

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29.5 Changes

A party may from time to time change its address or numbers for service by notice to the other party.

30. Governing law and jurisdiction

30.1 Governing law

This deed and all non-contractual obligations arising or in connection with it is governed by and construed in accordance with the laws England.

30.2 Jurisdiction

Each party irrevocably:

- (a) submits to the non-exclusive jurisdiction of the courts of England and the courts competent to determine appeals from those courts, with respect to any proceedings which may be brought at any time relating to this deed; and
- (b) waives any objection it may now or in the future have to the venue of any proceedings, and any claim it may now or in the future have that any proceedings have been brought in an inconvenient forum, if that venue falls within subclause 30.2(a).

31. Miscellaneous

31.1 Exercise Powers

- (a) A single or partial exercise or waiver by the Secured Party of any Power under or relating to this deed will not prevent any other exercise of that Power or the exercise of any other Power.
- (b) The Secured Party and its Representatives will not be liable for any loss, cost or expense of the Grantor caused or contributed to by the waiver of, exercise of, attempted exercise of, failure to exercise or delay in exercising a Power and the Secured Party holds the benefit of this clause 31.1 on trust for itself and its Representatives.

31.2 Legal effect

Each party acknowledges and agrees for the benefit of each other party that this document is intended to take effect as a deed notwithstanding that the Secured Party executes this Debenture under hand. Each party executes this document with the intention that it will be immediately legally bound by this document.

31.3 Effect of execution

This deed is binding on each person who executes it other than the Secured Party despite the failure of any other person named as a party to execute it.

31.4 Moratorium legislation

Any law which varies, prevents or prejudicially affects the exercise by the Secured Party of any Power is excluded to the extent permitted by law.

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31.5 Assignment by Secured Party

The Secured Party may assign, transfer, or otherwise Dispose of (including by way of novation) or deal with all or any of its Powers or Obligations under this deed and each Transaction Document without the consent of the Grantor.

31.6 Assignment by Grantor

The Grantor must not assign, transfer or otherwise Dispose of or deal with all or any part of its rights, interests or Obligations under this deed or any Transaction Document without the prior written consent of the Secured Party.

31.7 Powers cumulative

The Powers provided to the Secured Party in this deed are cumulative and not exclusive of any Powers provided by law.

31.8 Severability

(a) If a provision of this deed is illegal, invalid, unenforceable or void in a jurisdiction it is severed for that jurisdiction and the remainder of this deed has full force and effect and the validity or enforceability of that provision in any other jurisdiction is not affected.

(b) Without limiting subclause 31.8(a):

- (1) the definitions of Secured Money and Secured Obligations do not include any Obligation to the extent that that Obligation if included would avoid or invalidate or render ineffective either or both of clauses 2 and 3; and
- (2) the definition of the Secured Property does not include any property so long as and to the extent that that property if included would avoid or invalidate or render ineffective this deed,

but the Grantor must use its best endeavours to satisfy any condition or obtain any consent which may be necessary so that the Obligation or property may validly be included under this deed.

31.9 Indemnities

The indemnities in this deed are continuing Obligations, independent from the other obligations of the Grantor under this deed and continue after this deed ends. It is not necessary for the Secured Party to incur expense or make payment before enforcing a right of indemnity under this deed.

31.10 Further assurance

The Grantor must promptly at its own cost do all things (including executing and delivering all documents) necessary or desirable to give full effect to this deed and the transactions contemplated by it.

31.11 Time

Time is of the essence in respect of any Obligation of the Grantor under this deed.

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31.12 Variation

An amendment or variation to this deed is not effective unless it is in writing and signed by the parties.

31.13 Waiver

- (a) Subject to any express provision of this deed to the contrary, a waiver by the Secured Party of a Power under or relating to this deed, whether prospectively or retrospectively, is not effective unless it is in writing and signed by the Secured Party.
- (b) No other act, omission or delay by the Secured Party will constitute a waiver of a Power.

31.14 Counterparts

This deed may be executed in any number of counterparts each of which will be considered an original but all of which will constitute one and the same instrument. A party who has executed a counterpart of this deed may deliver it to, or exchange it with, another party by:

- (a) faxing; or
 - (b) emailing a pdf (portable document format) copy of,
- the executed counterpart to that other party.

31.15 Set off

The Grantor authorises the Secured Party (but without obligation on its part) if an Event of Default occurs:

- (a) to apply any credit balance in any currency (whether or not matured) in any of its accounts with the Secured Party in or towards satisfaction of any amount due under any Transaction Document;
- (b) to debit and charge to any account of the Grantor with the whole or any part of any money owing under this deed; and
- (c) to effect any currency exchanges necessary to implement the set off or debit in the payment currency of this deed.

31.16 Certificate

- (a) A certificate by the Secured Party relating to this deed is, in the absence of manifest error, conclusive evidence against the Grantor of the matters Certified.
- (b) If under this deed any matter is to be resolved by the determination or opinion of the Secured Party:
 - (1) the determination or opinion of the Secured Party will be binding on the Grantor:
 - (A) if it is expressly required to be reasonable, then if it is reasonable; or
 - (B) if it is not expressly required to be reasonable, then if it is not made or formed in bad faith;

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- (2) the Secured Party is not obliged to give the reasons for a determination or opinion; and
 - (3) the Grantor will have the onus of proving that a determination or opinion of the Secured Party is made or formed in bad faith or is unreasonable, as the case may be.
- (c) A determination or an opinion of an Authorised Officer of the Secured Party which is given to the Grantor or otherwise expressed or acted on by the Secured Party as being a determination or an opinion of the Secured Party will be deemed to be a determination or opinion of the Secured Party.

31.17 Exchange rates

Subject to any express provision to the contrary, if for the purposes of this deed it is necessary to convert one currency into another currency the conversion will be effected using an exchange rate approved of by the Secured Party in good faith.

31.18 Confidentiality

- (a) The Grantor must not disclose the contents or terms of this deed or any information or documents received by it in connection with the negotiation or terms of this deed without the prior written consent of the Secured Party unless:
- (1) disclosure is permitted by the express terms of this deed;
 - (2) information is available to the public generally (except as a result of a previous breach of this clause 31.18);
 - (3) the Grantor is required to make the disclosure by law; or
 - (4) the disclosure is made on a confidential basis to the Representatives or professional advisers of the Grantor for the purpose of obtaining advice.
- (b) The Secured Party may disclose any information provided to it by the Grantor, or in its possession, including the contents or terms of this deed or any information or documents received by it in connection with the negotiation or terms of this deed in any of the following circumstances:
- (1) disclosure is permitted by the express terms of this deed;
 - (2) information is available to the public generally (except as a result of a previous breach of this clause 31.18);
 - (3) the Secured Party is required to make the disclosure by law;
 - (4) the disclosure is made on a confidential basis to the Representatives or professional advisers of the Secured Party for the purpose of obtaining advice;
 - (5) the disclosure is in connection with an exercise of rights or a dealing with rights or Obligations under a Transaction Document (including an assignment or other Disposal of rights or Obligations under a Transaction Document);
 - (6) the disclosure is made to a person who has provided Supporting Security; or

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- (7) the disclosure is required for the purpose of registering and maintaining any financing statement or financing change statement relating to the Security Interests held by the Secured Party in the Secured Property.

31.19 Financial Collateral

- (a) To the extent that the assets mortgaged or charged under this Debenture constitute "financial collateral" and this Debenture and the obligations of the Grantor constitute a "security financial collateral arrangement" (in each case for the purpose of, and as defined in, the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226)) the Secured Party shall have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Obligations.
- (b) For the purpose of Clause 30.19 (Financial Collateral), the value of the financial collateral appropriated shall be such amount as the Secured Party reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it.

IN WITNESS WHEREOF this Debenture has been signed on behalf of the Secured Party and executed as a deed by the Grantor and is intended to be and is hereby delivered by it as a deed on the date specified above.

General Security Deed (Debenture)

Signing page

EXECUTED as a DEED by Stephen Joseph White)
as attorney for NQ MINERALS PLC (company)
number 09540926), under a power of attorney dated)
15 MAY 2017 in the presence of:)



as attorney for NQ Minerals PLC

WITNESS:

Signature: 

Name: KYLA NATHALIE MILANA

Address: LEVEL 11, 66

EAGLE STREET

BRISBANE QLD

4000

Occupation: LAWYER

(PLEASE COMPLETE IN CAPITALS))

EXECUTED as a DEED by John William Thornton)
Bourne as attorney for ENER-B)
CORPORATION (company number 116925), an)
exempted company incorporated in the Cayman)
Islands, being a person who, in accordance with)
the laws of that territory, is acting under the)
authority of the company by way of a power of)
attorney dated 15 MAY 2017 in the)
presence of:)



as attorney for Ener-B Corporation

WITNESS:

Signature: 

Name: KYLA NATHALIE MILANA

Address: LEVEL 11, 66

EAGLE STREET

BRISBANE QLD

4000

Occupation: LAWYER

(PLEASE COMPLETE IN CAPITALS)