Option Terms – Director Options

This document sets out the terms of issue of options (**Options**) to subscribe for fully paid shares in the capital of Carbonxt Group Limited (ACN 097 247 464) (the **Company**).

1 Exercise Price

The exercise price of each Option is $0.50 (**Exercise Price**).

2 Entitlement

Each Option entitles you to acquire one share in the capital of the Company (**Share**), subject to adjustment in accordance with the employee option plan rules (**Plan Rules**).

3 Option Period

The Options granted will lapse if they are not exercised on or before 30 November 2021 (**Expiry Date**). Options may be exercised at any time prior to the Expiry Date. The Options may lapse before this date in the event that the Director ceases to be employed by the Company or a subsidiary of the Company

4 Ranking of Share Allotted on Exercise of Option

Shares issued on the exercise of Options will rank equally in all respects with all existing Shares from the date of allotment

5 Voting

A registered owner of an Option (**Option Holder**) will not be entitled to attend or vote at any meeting of the members of the Company unless they are, in addition to being an Option Holder, a Shareholder.

6 Transfer of Options and Shares

Options may not be sold, transferred, mortgaged, charged or otherwise dealt with or encumbered without the prior written approval of the board of Directors (**Board**). Each Option Holder's ability to transfer or otherwise dispose of their interest in the Options and any Shares issued to them on exercise of the Options is subject to any restrictions on the transfer of such Options and such Shares (as the case may be) that may be imposed by the ASX in circumstances where the Company is listed on the ASX.

7 Method of Exercise of an Option

To exercise the vested Options, a Notice of Exercise Form must be completed and forwarded to the Company Secretary of the Company.

Subsequent to receipt of the Notice of Exercise Form and payment of the Exercise Price, the Company will arrange for the appropriate number of Shares to be allotted.

The exercise of some Options only does not affect the Option Holder’s right to exercise other Options at a later time. If the Holder exercises less than all the Options represented by a certificate, then the Company will cancel that certificate and issue a new certificate for the balance.

8 Quotation

The Company will not apply for quotation of the Options on the ASX. If the Company's shares are quoted on the official list of the ASX, the Company must apply for quotation on the official list of the ASX of the Shares issued on the exercise of Options as soon as practicable after the issue of those Shares, if and so long as Shares are quoted on the ASX at that time.

9 Reconstruction

In the event of a reconstruction (including a consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights attaching to the Option Holder will be changed to the

extent necessary to comply with the Listing Rules applicable to the reconstruction of capital at the time of the reconstruction**.**

10 Participation in New Issues

Subject to the ASX Listing Rules, in the event of a new issue of Shares to existing Shareholders, unless otherwise determined by the Board, Option Holders may only participate in any new issue to the extent that they have exercised their Options and they become Shareholders.

11 No Change of Options Exercise Price or Number of Underlying Shares

The exercise price and the one-for-one exercise ratio are fixed for the life of the Options subject to paragraph 9, the Listing Rules and the Corporations Act.

12 Escrow

If the ASX determines that the Options or the Shares issued on exercise of Options are "Restricted Securities" (as defined in the Listing Rules), the Option Holder must, upon request by the Company, deliver to the Company a Restriction Agreement (substantially in the form of Appendix 9A of the ASX Listing Rules) (**Restriction Agreement**) in relation to such Options and/or such Shares (as applicable) duly executed by all parties to that Restriction Agreement other than the Company, and the Option Holder acknowledges and agrees that their continued compliance with the terms of such Restriction Agreement is an essential term of the Options.