

18 October 2011

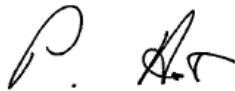
The Manager, Companies
Australian Securities Exchange
Company Announcements Office
Level 4, 20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam,

Re: Woolworths Notes II - indicative Appendix 3B

Attached is the indicative Appendix 3B pursuant to the issue, scheduled for 24 November 2011, of the Woolworths Notes II.

For and on behalf of
WOOLWORTHS LIMITED



PETER J HORTON
Group General Counsel and Company Secretary

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Woolworths Limited

ABN

88 000 014 675

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | Dated, unsecured, subordinated, cumulative notes be known as "Woolworths Notes II" |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | Approximately 5,000,000 with the ability to issue more or less |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | See Attachment to Appendix 3B under heading "Appendix A" |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>No</p> <p>Not Applicable</p>				
<p>5 Issue price or consideration</p>	<p>\$100 per Woolworths Notes II</p>				
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Proceeds from the Woolworths Notes II will be used for general corporate purposes</p>				
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>Issue is scheduled for 24 November 2011</p>				
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="694 1561 997 1601">Number</th> <th data-bbox="997 1561 1283 1601">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="694 1601 997 1823">1,220,132,716</td> <td data-bbox="997 1601 1283 1823">Ordinary shares</td> </tr> </tbody> </table>	Number	+Class	1,220,132,716	Ordinary shares
Number	+Class				
1,220,132,716	Ordinary shares				

+ See chapter 19 for defined terms.

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	18,354,247 4,084,981 735,500	Options Performance Rights Retention Rights
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable to Woolworths Notes II	

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	Not applicable.
12 Is the issue renounceable or non-renounceable?	Not applicable.
13 Ratio in which the +securities will be offered	Not applicable.
14 +Class of +securities to which the offer relates	Not applicable.
15 +Record date to determine entitlements	Not applicable.
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable.
17 Policy for deciding entitlements in relation to fractions	Not applicable.
18 Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	Not applicable.

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

19	Closing date for receipt of acceptances or renunciations	Not applicable.
20	Names of any underwriters	Not applicable.
21	Amount of any underwriting fee or commission	Not applicable.
22	Names of any brokers to the issue	Not applicable.
23	Fee or commission payable to the broker to the issue	Not applicable.
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	Not applicable.
25	If the issue is contingent on +security holders' approval, the date of the meeting	Not applicable.
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	Not applicable.
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable.
28	Date rights trading will begin (if applicable)	Not applicable.
29	Date rights trading will end (if applicable)	Not applicable.
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	Not applicable.

+ See chapter 19 for defined terms.

- 31 How do +security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do +security holders dispose of their entitlements (except by sale through a broker)?
- 33 +Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Entities that have ticked box 34(b)

<p>38 Number of securities for which +quotation is sought</p>	<p>Not applicable.</p>					
<p>39 Class of +securities for which quotation is sought</p>	<p>Not applicable.</p>					
<p>40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Not applicable.</p>					
<p>41 Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another security, clearly identify that other security)</p>	<p>Not applicable.</p>					
<p>42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)</p>	<table border="1"> <thead> <tr> <th data-bbox="710 1574 1013 1619">Number</th> </tr> </thead> <tbody> <tr> <td data-bbox="710 1619 1013 1841">Not applicable.</td> </tr> </tbody> </table>	Number	Not applicable.	<table border="1"> <thead> <tr> <th data-bbox="1013 1574 1302 1619">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="1013 1619 1302 1841">Not applicable.</td> </tr> </tbody> </table>	+Class	Not applicable.
Number						
Not applicable.						
+Class						
Not applicable.						

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: 
.....
(Director/Company secretary)

Date: 18/10/2011
.....

Print name: Peter John Horton
.....

== == == == ==

+ See chapter 19 for defined terms.



Appendix A

Woolworths Notes II Terms

Terms and conditions of Woolworths Notes II (“Notes”)

I. Definitions and Interpretation

1.1 Definitions

Unless the context otherwise requires, the following terms will have the following meanings in these Terms:

Accounting Event means the Issuer receives advice from an experienced qualified accounting adviser to the effect that the obligations of the Issuer under Notes may no longer be recorded as a “financial liability” in the audited consolidated financial statements of the Issuer prepared in accordance with Australian International Financial Reporting Standards or other recognised accounting standards that the Issuer may adopt from time to time for the preparation of its audited consolidated financial statements.

Additional Amounts means additional amounts paid by the Issuer as may be necessary in order that the net amounts received by the Holders after a withholding or deduction for, or on account of, Taxes will equal the respective amounts which would otherwise have been receivable in respect of Notes in the absence of the withholding or deduction, in accordance with Term 7.1.

ASX means ASX Limited (ABN 98 008 624 691).

ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532).

Bookbuild means the process, described in the prospectus, to be conducted by, or on behalf of the Issuer whereby certain Australian institutional investors and brokers who wish to obtain a firm allocation of Notes (whether for themselves or for their clients) lodge bids for Notes.

Business Day has the meaning given to that term in the ASX Listing Rules.

Change of Control Event means that:

- (a) the Issuer becomes a Subsidiary of another person; or
- (b) a person together with its associates (as defined in section 12 of the Corporations Act) acquires or comes to hold a relevant interest (as defined in the Corporations Act) in more than 50% of the voting shares (as defined in the Corporations Act) in the capital of the Issuer,

(such other person or person together with its associates being a **Relevant Person**), provided that a Change of Control Event will not have occurred if:

- (i) the persons holding, directly or indirectly, more than 50% of the voting shares of the Relevant Person are also, or immediately prior to the event which would otherwise constitute a Change of Control Event were, persons who held, directly or indirectly, more than 50% of the voting shares of the Issuer; or
- (ii) the event which would otherwise constitute a Change of Control Event occurs as part of a Solvent Reorganisation of the Issuer.

Change of Control Notice means a notice by the Issuer to the Holders and the Trustee if both a Negative Rating Event and a Change of Control Event have occurred and remain current, in accordance with Term 5.6.

Change of Control Period means the period ending 120 days after a Change of Control Event has occurred. However, where it has been publicly announced within those 120 days that the Issuer’s listed or listable obligations are under consideration by a Rating Agency for rating review and the determination of that review has not been announced during that period, the Change of Control Period will be extended by any further period until announcement of that determination, up to a maximum of 90 calendar days.

Appendix A

Corporations Act means the Corporations Act 2001 (Cth).

Deferred Interest Payment means an Interest Payment (or part thereof) which has been deferred in accordance with Term 4.3 and will, where relevant, include any amount of additional interest accrued on that amount in accordance with Term 4.3.

Equal Ranking Obligations means any subordinated debt obligation of the Issuer (other than Notes) which ranks equally with the Issuer's obligations under Notes.

Event of Default has the meaning given in Term 10.1.

Face Value means the face value of a Note, being \$100 per Note.

Gross-Up Event means the Issuer has or will become obliged to pay, in respect of an amount (the "Relevant Amount") an Additional Amount that is at least 30% (or other percentage which is the corporate tax rate then prevailing in the Relevant Jurisdiction) of the Relevant Amount as a result of:

- (a) any change in the laws (or any rules or regulations under them) of the Relevant Jurisdiction; or
- (b) any change in any official interpretation or application of those laws, rules or regulations,

which becomes effective on or after the Issue Date, and the Issuer cannot avoid being obliged to pay the Additional Amount by taking reasonable measures available to it.

Holder means a person who is entered into the Register as the holder of a Note.

Holder Claims means the rights and claims of the Trustee (in respect of Notes) and of the Holders in respect of Notes.

Initial Margin means the margin expressed as a percentage per annum determined by the Issuer (or another party on its behalf) on the basis of the bids made under the Bookbuild.

Interest Payment means the interest payable on a Note on the Interest Payment Date, as calculated in accordance with Term 4.2.

Interest Payment Date means, subject to Term 4.2, 24 February, 24 May, 24 August and 24 November in each year, commencing on the first such date following the Issue Date until Notes are redeemed.

Interest Period means:

- (a) in respect of the first interest period, the period from and including the Issue Date to but excluding the first Interest Payment Date; and
- (b) for each subsequent interest period, from and including each Interest Payment Date to but excluding the immediately following Interest Payment Date.

Interest Rate has the meaning specified in Term 4.2.

Issue Date means 24 November 2011.

Issuer means Woolworths Limited ABN 88 000 014 675 or any Related Body Corporate for which Woolworths Limited is substituted under Term 12 and the Trust Deed.

Junior Ranking Obligations means any equity or subordinated debt obligation of the Issuer (other than Notes) which ranks junior to the Issuer's obligations under Notes.

Make Whole Amount in respect of a Note means the sum of:

- (a) 101 per cent. of the Face Value of Notes; and
- (b) all Deferred Interest Payments in respect of that Notes that remain unpaid at the Redemption Date; and



-
- (c) any accrued but unpaid interest for the Interest Period in which the Redemption Date falls determined in accordance with Term 2 calculated up to (but excluding) the Redemption Date as if that date were an Interest Payment Date.

Margin has the meaning specified in Term 4.2.

Maturity Date means 24 November 2036 or, if that day is not a Business Day, the next Business Day.

Moody's means Moody's Investors Service, Inc. (or any of its Subsidiaries or any successor in business thereto from time to time).

Negative Rating Event means the solicited rating assigned to the Issuer's senior unsecured obligations by any two Rating Agencies (or any single Rating Agency if less than two Rating Agencies have assigned a solicited rating to the Issuer's senior unsecured obligations) is:

- (a) lowered by at least one full rating notch provided such reduction results in a rating of the Issuer's senior unsecured obligations below investment grade (Baa3 by Moody's or BBB- by Standard & Poor's); or
- (b) withdrawn,

provided such reduction or withdrawal:

- (i) occurs in anticipation of a Change of Control Event or during the Change of Control Period, provided that in the case of an anticipated Change of Control Event, a Change of Control Event will occur only if and when a Change of Control Event subsequently occurs;
- (ii) the relevant Rating Agency announces publicly or confirms in writing to the Issuer, a copy of which is provided to the Trustee, that the Negative Rating Event resulted, in whole or in part, from the occurrence or anticipation of the Change of Control Event; and
- (iii) is not within the Change of Control Period subsequently (in the case of a downgrade) upgraded or (in the case of a withdrawal) reinstated to an investment grade rating.

Notes means Woolworths Notes II to which these Terms apply, as described in Term 2.1.

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

Outstanding means a Note that has not been cancelled or redeemed by the Issuer and is not held by or on behalf of the Issuer, or any Subsidiary of the Issuer or any Relevant Person.

Payment Reference Date means the Business Day which is the earliest of:

- (a) the date on which any dividend, distribution or interest is paid on, or any redemption, purchase or buy-back is made of, or any capital return is made in relation to, any Equal Ranking Obligations, Junior Ranking Obligations or Shares (other than payments made pro rata on Notes and Equal Ranking Obligations in relation to that payment or in respect of employee incentive plans);
- (b) the date which is the fifth anniversary of the date on which any of the then outstanding Deferred Interest Payments was initially deferred;
- (c) the Maturity Date;
- (d) the date on which Notes are otherwise redeemed; and
- (e) the date on which the Trustee serves notice of an Event of Default which results from an order being made for the winding-up of the Issuer as described in Term 10.

Preference Shares means any preference shares in the capital of the Issuer.

Appendix A

Proper ASTC Transfer has the meaning given in the Corporations Regulations 2001.

Prospectus means a prospectus to be issued by the Issuer in respect of a public offer of Notes.

Put Date means the Business Day which is, or immediately follows, 60 days after the last day of the Change of Control Period.

Put Notice means a notice given by a Holder to the Issuer requiring the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of), Notes held by the Holder on the Put Date at their Redemption Amount, in accordance with Term 5.6.

Rating Agency means each of Standard & Poor's and Moody's.

Rating Event means the Issuer has received and provided to the Trustee a copy of written confirmation from Standard & Poor's that following a published change in its assessment criteria, Notes will no longer be eligible for the same or higher category of "equity credit" (or any similar nomenclature Standard & Poor's is using at the relevant time) as was initially attributed to Notes by Standard & Poor's at the time of issue of Notes, as notified from time to time to the Issuer by Standard & Poor's.

Record Date means, for an Interest Payment, 8 calendar days before the relevant Interest Payment Date or such other date as the Issuer determines in its absolute discretion and notifies to Holders by a market release to ASX at least 6 Business Days before the specified record date, or such other date as may be required by ASX. If the record date is changed because of a requirement of ASX, the Issuer will give notice of the changed record date to all Holders by issuing a market release to ASX.

Redemption means the redemption of a Note in accordance with Term 5.

Redemption Amount in respect of a Note means the sum of:

- (a) the Face Value;
- (b) all Deferred Interest Payments in respect of that Notes that remain unpaid at the Redemption Date; and
- (c) any accrued but unpaid interest for the Interest Period in which the Redemption Date falls determined in accordance with Term 3 calculated up to (but excluding) the Redemption Date as if that date were an Interest Payment Date.

Redemption Date means the day on which Notes become due for redemption in accordance with these Terms.

Register means the register of Notes maintained by or on behalf of the Issuer.

Registrable Transfer Document has the meaning given in the ASX Settlement Operating Rules.

Registrar means Computershare Investor Services Pty Ltd (ABN 48 078 279 277) or such successor registrar as the Issuer may appoint.

Related Body Corporate has the meaning given in the Corporations Act.

Relevant Jurisdiction means:

- (a) the Commonwealth of Australia or any State or Territory of Australia; or
- (b) in the event of any substitution, Solvent Reorganisation or other corporate action resulting in either the Issuer being incorporated in any other jurisdiction, that other jurisdiction or any political subdivision or any authority of that jurisdiction having power to tax.

Relevant Person has the meaning given in the definition of Change of Control Event.



Replacement Capital Deed means the deed poll entered into by the Issuer on or before the Issue Date for the benefit of certain holders of Senior Obligations defined in the deed as “Eligible Debtholders”.

Senior Obligations means all obligations of the Issuer (including any subordinated debt obligation ranking senior to Notes) except for Notes, the Equal Ranking Obligations and the Junior Ranking Obligations.

Shares means any Ordinary Shares or any Preference Shares.

Solvent Reorganisation means, with respect to the Issuer, solvent winding-up, deregistration, dissolution, scheme of arrangement or other reorganisation of the Issuer solely for the purposes of a consolidation, amalgamation, merger or reconstruction, the terms of which have been approved by the holders of the ordinary shares of the Issuer or by a court of competent jurisdiction under which the continuing or resulting corporation effectively assumes the obligations of the Issuer under Notes and the Trust Deed.

Special Resolution means a resolution approved by not less than 75% of all votes cast by Holders present and entitled to vote on the resolution.

Standard & Poor’s means Standard & Poor’s Ratings Services, a division of the McGraw-Hill Companies, Inc. (or any of its Subsidiaries or any successor in business thereto from time to time).

Step-up Date means 24 November 2016 or, if that day is not a Business Day, the next Business Day.

Step-up Margin means the margin which is the Initial Margin plus 1.00% per annum.

Subsidiary has the meaning given in the Corporations Act.

Tax Act means the Income Tax Assessment Act 1936 of Australia.

Tax Event means that:

- (a) in the opinion of a recognised independent legal or tax adviser (which has been obtained by the Issuer and delivered to the Trustee), on or after the Issue Date, as a result of:
 - (i) any amendment to, or change in, the laws (or any rules or regulations under them) of the Relevant Jurisdiction which is enacted, promulgated, issued or becomes effective on or after the Issue Date; or
 - (ii) any amendment to, or change in, an official interpretation of any laws, rules or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) which is enacted, promulgated, issued or becomes effective on or after the Issue Date; or
 - (iii) any generally applicable official interpretation or pronouncement that provides for a position with respect to such laws or regulations that differs from the previous generally accepted position which is issued or announced on or after the Issue Date,

interest paid by the Issuer on Notes would no longer, or within 90 calendar days of the date of that opinion will no longer, be fully deductible (or the entitlement to make such deduction would or will be materially reduced) by the Issuer for corporate income tax purposes in the Relevant Jurisdiction; and

- (b) that risk cannot be avoided by the Issuer taking reasonable measures available to it.

Taxes means any present or future taxes, duties, assessments or governmental charges of whatever nature.

Appendix A

Terms means these terms and conditions of Notes.

Trust Deed means the trust deed dated 17 October 2011 between the Issuer and the Trustee as trustee for the Holders.

Trustee means Australian Executor Trustees Limited (ABN 84 007 869 794) and includes a successor of it.

Winding-Up includes winding up, liquidation, provisional liquidation, receivership or other appointment of a controller, deregistration, compromise, deed of arrangement, amalgamation, administration, reconstruction, dissolution, assignment for the benefit of creditors, arrangement or compromise with creditors.

1.2 Interpretation

In these Terms:

- (a) headings and boldings are for convenience only and do not affect the interpretation of these terms;
- (b) words importing the singular include the plural and vice versa;
- (c) words importing a gender include any gender;
- (d) an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate and any government or semi-government agency;
- (e) a reference to any statute or regulation includes all statutes and regulations amending, consolidating or replacing it, whether passed by the same or another Government Agency with legal power to do so, and a reference to a statute includes all regulations, proclamations, ordinances and by-laws issued under that statute;
- (f) a reference to a document includes an amendment or supplement to, or replacement or novation of, that document;
- (g) where the day on or by which any thing is to be done, or payment is to be made, is not a Business Day, that thing must be done, or payment must be made, on or by the next succeeding Business Day;
- (h) a reference to cash includes cheques and bank cheques;
- (i) a reference to a body including a commission or an exchange, whether statutory or not, which ceases to exist or whose functions or powers are transferred to another body, is a reference to the body which replaces it or substantially succeeds to its powers and functions;
- (j) references to sums of money are to amounts in Australian dollars;
- (k) a reference to a thing or things after the words “include” or “including” or similar expressions is not limited to that thing or those things;
- (l) a calculation, determination, election or decisions made under these Terms, will (in the absence of manifest error, negligence, default or bad faith) be binding upon the Issuer, the Trustee and all Holders; and
- (m) if a calculation is required under these Terms, the calculation will be rounded to four decimal places, provided that the amount to be paid to a Holder will be rounded down to the nearest whole cent.



2. Form, Face Value, Issue and Title

2.1 Form

Notes are unsecured and subordinated debt obligations of the Issuer in registered uncertificated form. Notes are constituted under, and issued according to, the Trust Deed. Notes take the form of entries in the Register. No certificate will be issued to a Holder unless the Issuer determines that a certificate should be available or is required by any applicable law or regulation.

Notes are unsecured notes for the purposes of section 283BH of the Corporations Act.

2.2 Face Value

Each Note will have a Face Value of \$100.

2.3 Issue

The Issuer may issue Notes at any time to any person at an issue price of \$100 per Note. The issue price must be paid in full on application.

2.4 Title

An entry in the Register is conclusive evidence that the person is the absolute owner of Notes subject to correction for fraud or error. Except as required by law, the Issuer must treat the person entered in the Register as the absolute owner of Notes.

3. Ranking

3.1 Ranking

Notes constitute unsecured and subordinated obligations of the Issuer and will at all times rank equally and without any preference among themselves. The rights and claims of the Holders are subordinated as described in Term 3.2.

3.2 Subordination

The Holder Claims, including any claim in respect of Deferred Interest Payments, will, in the Winding-Up of the Issuer, rank in such Winding-Up:

- (a) junior to the rights and claims of the holders of all Senior Obligations of the Issuer;
- (b) equally with each other and with the rights and claims of the holders of any Equal Ranking Obligations of the Issuer; and
- (c) senior to the rights and claims of holders of any Junior Ranking Obligations and any Shares, and, for the purposes of giving effect to this ranking, in any Winding-Up of the Issuer the Holder Claims:
 - (i) are subordinated and postponed and subject in right of payment to payment in full of the rights and claims of the holders of Senior Obligations of the Issuer; and
 - (ii) may only be proved as a debt which is subject to prior payment in full of the rights and claims of the holders of Senior Obligations of the Issuer.

3.3 Holder Acknowledgments

Each Holder acknowledges and agrees that:

- (a) this Term 3 is a debt subordination for the purposes of section 563C of the Corporations Act;

Appendix A

- (b) the debt subordination effected by this Term 3 is not affected by any act or omission of the Issuer or the holder of a Senior Obligation which might otherwise affect it at law or in equity;
- (c) to the maximum extent permitted by applicable law, it may not exercise or claim (nor will the Trustee exercise or claim on its behalf) any right of set-off or counterclaim in respect of any amount owed by it to the Issuer against any amount owed to it by the Issuer in respect of Notes and it shall waive and be deemed to have waived such rights of set-off or counter-claim; and
- (d) it may not exercise any voting rights as a creditor in a Winding-Up in a manner inconsistent with the subordination contemplated in this Term 3.

4. Interest

4.1 Interest

Subject to these Terms, the Issuer shall pay interest in respect of a Note on an Interest Payment Date to the person recorded as Holder of Notes on the Record Date in respect of that Interest Payment Date.

4.2 Interest amount

- (a) The amount of an Interest Payment in respect of a Note on an Interest Payment Date is calculated according to the following formula:

$$\text{Interest Payment} = \frac{\text{Interest Rate} \times \text{Face Value} \times \text{N}}{365}$$

where:

Interest Rate (expressed as a percentage per annum) is calculated according to the following formula:

$$\text{Interest Rate} = \text{Bank Bill Rate} + \text{Margin}$$

where:

Bank Bill Rate (expressed as a percentage per annum) means, for an Interest Period, the average mid-rate for bills of a term of 90 days which average rate is displayed on Reuters page BBSW (or any page which replaces that page) on:

- (i) in the case of the first Interest Period, the Issue Date; and
- (ii) in the case of any other Interest Period, the first Business Day of that Interest Period, or if there is a manifest error in the calculation of that average rate or that average rate is not displayed by 10.30am (Sydney time) on that date, the rate specified in good faith by the Issuer at or around that time on that date having regard, to the extent possible, to:
- (iii) the rates otherwise bid and offered for bills of that term or for funds of that tenor displayed on Reuters page BBSW (or any page which replaces that page) at that time on that date; or
- (iv) if bid and offer rates for bills of that term are not otherwise available, the rates otherwise bid and offered for funds of that tenor at or around that time on that date;

Margin (expressed as a percentage per annum) means in respect of the Interest Period:

- (i) for each Interest Period commencing on a date before the Step-up Date, the Initial Margin; and



-
- (ii) for each Interest Period commencing on or after the Step-up Date, the Step-Up Margin;

Face Value is the Face Value of each Note;

N means in respect of:

- (i) the first Interest Payment Date, the number of days from (and including) the Issue Date until (but not including) the first Interest Payment Date; and
 - (ii) each subsequent Interest Payment Date, the number of days from (and including) the preceding Interest Payment Date until (but not including) the relevant Interest Payment Date.
- (b) Interest accrues daily and is payable to Holders in arrears on the relevant Interest Payment Date subject to these Terms.
 - (c) If any Interest Payment Date would otherwise fall on a calendar day which is not a Business Day, the Interest Payment Date will be postponed to the next calendar day which is a Business Day.

4.3 Deferral of Interest Payments

- (a) The Issuer may determine in its sole discretion not to pay all or part of the Interest Payment payable on that Interest Payment Date. If the Issuer so determines, the Interest Payment (or part thereof) will not be due and payable and will not be paid, until the relevant Payment Reference Date and will constitute a Deferred Interest Payment. Additional interest will accrue on each Deferred Interest Payment:
 - (i) at the same Interest Rate as applies to Notes from time to time in accordance with Term 4.2; and
 - (ii) from (and including) the date on which (but for such deferral) the Deferred Interest Payment would otherwise have been due to (but excluding) the date the Deferred Interest Payment is paid,and will be added to the Deferred Interest Payment (and thereafter accumulate additional interest accordingly) on each Interest Payment Date. Each Deferred Interest Payment and additional interest thereon will be payable in accordance with Term 4.5.
- (b) The Issuer will notify the Holders and the Trustee of any resolution not to pay all or part of the Interest Payment falling due on an Interest Payment Date not less than 16 Business Days prior to the relevant Interest Payment Date. Deferral of Interest Payments pursuant to this Term will not constitute a default of the Issuer or a breach of its obligations under Notes or for any other purpose.

4.4 Dividend and capital restrictions

If:

- (a) some or all of an Interest Payment is deferred under Term 4.3; and
- (b) the Interest Payment has not been paid in full within 20 Business Days after the relevant Interest Payment Date on which it would otherwise have been due, the Issuer will not:
 - (i) declare or pay any dividend, interest or distribution, on any Equal Ranking Obligations, Junior Ranking Obligations or any Shares (other than a payment made pro rata on Notes and Equal Ranking Obligations in relation to that payment); or

Appendix A

- (ii) redeem, reduce, cancel, purchase or buy-back any of its Equal Ranking Obligations, Junior Ranking Obligations or Shares (other than in respect of employee incentive plans), until the date on which all Deferred Interest Payments have been paid in full, unless Holders by Special Resolution have approved such action.

4.5 Payment of Deferred Interest Payments

- (a) Subject to paragraph (b), the Issuer may elect to pay any Deferred Interest Payment at any time.
- (b) A Deferred Interest Payment will become due and payable, and the Issuer must pay the Deferred Interest Payment, on the relevant Payment Reference Date, by giving at least six and no more than 15 Business Days' prior notice to the Holders and the Trustee.

4.6 Interest on unpaid Redemption Amounts

When any Notes become due for Redemption, until the actual payment of the Redemption Amount to, or to the order of, the Trustee, interest on the Redemption Amount will accrue at the Interest Rate determined from time to time in accordance with Term 4.2 (except that any determination of the Bank Bill Rate required for the purposes of Term 4.2 will be by the Trustee or a calculation agent appointed by it) and such interest will be payable until Notes are finally redeemed.

5. Redemption and purchase

5.1 Maturity

Unless redeemed earlier in accordance with these Terms and subject to applicable laws, Notes will be redeemed upon the Maturity Date at their Redemption Amount.

5.2 Early Redemption at the option of the Issuer

Subject to applicable laws and the Replacement Capital Deed, the Issuer may redeem Notes (in whole but not in part) on the Step-up Date or on any Interest Payment Date after that date at their Redemption Amount, by giving at least 30 but no more than 60 calendar days' irrevocable notice of redemption to the Holders and the Trustee in accordance with Term 13.

5.3 Early Redemption due to a Gross-Up Event or a Change of Control Event

- (a) If a Gross-Up Event or a Change of Control Event occurs, the Issuer may, subject to applicable laws, redeem Notes (in whole but not in part):
 - (i) in the case of a Gross-Up Event, on any Business Day prior to the Step-up Date; and
 - (ii) in the case of a Change of Control Event, on any Business Day;in each case at their Redemption Amount, by giving at least 30 but no more than 60 calendar days' irrevocable notice of redemption to the Holders and the Trustee in accordance with Term 13.
- (b) In the case of a Gross-Up Event:
 - (i) no notice of redemption may be given earlier than 45 calendar days prior to the earliest calendar day on which the Issuer would be for the first time obliged to pay the Additional Amounts in question on payments due in respect of Notes; and
 - (ii) prior to the giving of any notice of redemption, the Issuer will obtain and deliver to the Trustee, an opinion of an independent legal or tax adviser of recognised standing to the effect that the Issuer has or will become obliged to pay the Additional Amounts in question as a result of a Gross-Up Event,



and the Trustee will be entitled to accept the notice and opinion as sufficient evidence of the satisfaction of the conditions set out above, and then it will become conclusive and binding on the Holders.

- (c) In the case of a Change of Control Event, a notice of redemption may only be given simultaneously with or at any time after a notification to the Holders by the Issuer that a Change of Control Event has occurred.

5.4 Early Redemption due to a Tax Event, Rating Event or Accounting Event

- (a) If a Tax Event or an Accounting Event occurs, the Issuer may, subject to applicable laws, redeem Notes (in whole but not in part) on any Business Day prior to but excluding the Step-up Date at their Redemption Amount by giving at least 30 but no more than 60 calendar days' irrevocable notice of redemption to the Holders and the Trustee in accordance with Term 13.
- (b) If a Rating Event occurs, the Issuer may, subject to applicable laws, redeem Notes (in whole but not in part) on any Business Day prior to but excluding the Step-up Date, at their Make Whole Amount by giving at least 30 but not more than 60 calendar days' irrevocable notice of redemption to the Holders and the Trustee in accordance with Term 13.
- (c) A notice of redemption may only be given simultaneously with or after a notification by the Issuer in accordance with Term 13 that a Tax Event, Rating Event or Accounting Event has occurred.

5.5 Purchase of Notes

- (a) The Issuer or any Subsidiary of the Issuer may, subject to the applicable laws and the ASX Listing Rules and any rules of any other Notes exchange on which any of Notes are quoted from time to time and subject to the provisions of the Replacement Capital Deed, at any time purchase or procure others to purchase beneficially for its account, Notes in any manner and at any price. Such acquired Notes may be surrendered for cancellation or held or resold.
- (b) In the event that the Issuer or any Subsidiary of the Issuer has, individually or in aggregate, purchased (and cancelled) or redeemed Notes equal to or in excess of 80% of the aggregate Face Value of Notes issued on the Issue Date, the Issuer may redeem the remaining Notes (in whole but not in part) on any Business Day at their Redemption Amount, by giving at least 30 but no more than 60 calendar days' irrevocable notice of redemption to the Holders and the Trustee in accordance with Term 13.

5.6 Optional Holder redemption upon a Change of Control Event

- (a) If both a Negative Rating Event and a Change of Control Event have occurred and remain current, the Issuer will no later than 14 calendar days after the end of the Change of Control Period relating to that Change of Control Event notify the Holders and the Trustee accordingly (a Change of Control Notice). The notice will contain a statement confirming whether or not the Issuer intends to exercise its right to redeem Notes and, if the Issuer does not intend to exercise its right to redeem Notes, of the Holder's entitlement to exercise their rights under Term 5.6(b) below. The Change of Control Notice will also specify, if relevant:
 - (i) the material facts comprising the Change of Control Event;
 - (ii) the Put Date; and
 - (iii) that a Put Notice, once validly given, may not be withdrawn.

Appendix A

- (b) If the Change of Control Notice specifies that the Issuer does not intend to exercise its right to redeem Notes, or the Issuer does not give a Change of Control Notice as required by Term 5.6(a), a Holder may require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of), all Notes held by the Holder on the Put Date at their aggregate Redemption Amount, by giving at least 30 but no more than 60 calendar days' irrevocable notice prior to the Put Date (a Put Notice).
- (c) The Put Notice must include:
 - (i) the name and address of the Holder;
 - (ii) the aggregate Redemption Amount of Notes held by the Holder;
 - (iii) the details of the bank account to which payments can be made; and
 - (iv) confirmation that the Holder authorises the production of the Put Notice in any applicable administrative proceedings.
- (d) If, after a Holder exercises its rights under Term 5.6(b), the Issuer chooses to exercise its right to redeem Notes pursuant to Term 5.3 or 5.4, all Notes will be redeemed in accordance with Term 5.3 or 5.4 (as relevant) and not in accordance with Term 5.6(b). In such circumstances, all Put Notices will be disregarded.

5.7 Cancellations

All Notes which are (a) redeemed or (b) purchased by or on behalf of the Issuer or any Subsidiary of the Issuer and which the Issuer elects to cancel will promptly be cancelled, and accordingly may not be held, reissued or resold.

6. Payments

6.1 Method of payment

Any amount which is payable to Holders in respect of Notes in accordance with these Terms will, unless the Issuer and the relevant Holder otherwise agree, be paid by direct credit to a nominated account at an Australian financial institution or by cheque drawn in favour of the Holder and sent by prepaid post to the address of the Holder in the Register.

6.2 Payments subject to applicable laws

Payments in respect of Notes are subject in all cases to any fiscal or other laws and regulations applicable in the place of payment.

6.3 Time Limit on Payments

A claim against the Issuer for payment under these Terms is void, to the fullest extent permitted by applicable law, unless made within 10 years (in the case of a Redemption Amount) or five years (in case of an Interest Payment or other payment) after the relevant due date for payment.

7. Taxation and Gross-up

7.1 Payment without withholding

All payments in respect of Notes by or on behalf of the Issuer, will be made free and clear of, and without withholding or deduction for, or on account of Taxes imposed, levied, collected, withheld or



assessed by or on behalf of the Relevant Jurisdiction, unless the withholding or deduction of the Taxes is required by law. In that event, the Issuer will pay such additional amounts (“Additional Amounts”) as may be necessary in order that the net amounts received by the Holders after the withholding or deduction will equal the respective amounts which would otherwise have been receivable in respect of Notes in the absence of the withholding or deduction. However, no Additional Amounts will be payable in relation to any payment in respect of any Notes:

- (a) to, or to a third party on behalf of, a Holder who is liable for the Taxes in respect of such Notes by reason of their having some connection with the Relevant Jurisdiction other than the mere holding of Notes;
- (b) to, or to a third party on behalf of, a Holder who is liable for the Taxes in respect of Notes by reason of that person being an associate of the Issuer for the purposes of Section 128F of the Tax Act;
- (c) to, or to a third party on behalf of, a Holder who could lawfully avoid (but has not so avoided) the deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where payment in respect of the relevant Notes is made; or
- (d) to, or to a third party on behalf of, a Holder who has not supplied to the Registrar an appropriate tax file number, an Australian business number or exemption details, to the extent that such information would have reduced or eliminated the relevant Taxes.

7.2 Additional Amounts

Any reference in these Terms to any amounts in respect of Notes (including in relation to any Deferred Interest Payments and any additional interest accumulated on them under Term 4.3 includes a reference to any Additional Amounts which may be payable under this Term 7).

8. No Other Rights

8.1 No rights to surplus

Notes do not confer on their holders any further right to participate in the surplus assets of the Issuer on a winding-up, beyond the payment of the Redemption Amount in respect of each Notes.

8.2 No rights to new securities

Notes confer no rights to subscribe for new securities in the Issuer, or to participate in any bonus issues.

8.3 Meetings and Voting

- (a) Holders have the same rights as holders of Ordinary Shares to receive reports, accounts and notices of meetings in relation to the Issuer and to attend meetings of the Issuer’s members.
- (b) Holders may not speak or vote at such meetings except to the extent required under the Corporations Act or the ASX Listing Rules.

Appendix A

9. Further Issues

For so long as any Notes are on issue, the Issuer cannot incur any other debt obligation, which is both subordinated and ranks in priority to Notes in respect of interest, dividends or distributions of capital in a winding-up, without the prior approval of Holders by a Special Resolution, but otherwise there are no restrictions on the Issuer incurring any other debt obligations, whether subordinated or not or ranking in priority ahead of, equal with or behind Notes (including any Notes that rank equally with Notes and are consolidated and form a single series with Notes).

10. Events of Default

10.1 Events of Default

Each of the following is an Event of Default:

- (a) the Issuer fails to pay any Redemption Amount, Interest Payment or Additional Amount within 20 Business Days after it has become due and payable;
- (b) the Issuer fails to comply with any of its other material obligations under these Terms or the Trust Deed and the failure, if it is capable of being remedied, is not remedied to the reasonable satisfaction of the Trustee within 30 Business Days (or such longer period as the Trustee may permit) after notice of the failure has been given to the Issuer by the Trustee; or
- (c) an order is made (other than an order which is successfully appealed or permanently stayed within 60 days) by a State or Federal Court in the Commonwealth of Australia or a resolution is passed by the shareholders of the Issuer for the winding-up of the Issuer, other than for the purposes of a Solvent Reorganisation of the Issuer.

10.2 Exceptions

Each of the following do not constitute an Event of Default falling within Term 10.1(a):

- (a) the non-payment by the Issuer of any amount due and payable in respect of any of the Notes:
 - (i) in order to comply with any fiscal or other law or regulation or with the order of any court of competent jurisdiction, in each case applicable to such payment; or
 - (ii) (subject as provided in the Trust Deed) in cases of doubt as to the validity or applicability of any such law, regulation or order, in accordance with advice given by an independent law firm acceptable to the Trustee as to such validity or applicability; and
- (b) the deferral of any Interest Payment under clause 4.3.

10.3 Consequences

If an Event of Default occurs, the Trustee may, and must if so directed by a Special Resolution of the Holders or so requested in writing by the holders of at least one-quarter of the total Face Value of Notes then Outstanding (subject in each case to clause 9.8 of the Trust Deed):

- (a) in the case of an Event of Default under Term 10.1(a) or (c), give notice to the Issuer that the total Redemption Amount of Notes is due and payable (and that amount will immediately become due and payable when the notice is served); or
- (b) in the case of an Event of Default under Term 10.1(b), serve notice on the Issuer that it is in default under the Trust Deed and Notes.



10.4 Enforcement

If an Event of Default occurs and while it is subsisting, the Trustee may take such action as it considers appropriate on account of the Event of Default, except that:

- (a) the Trustee must not obtain any judgment against the Issuer for damages or in debt in relation to any failure of the Issuer to pay an amount referred to in Term 10.1(a); and
- (b) the only legal proceedings that the Trustee may bring for a failure of the Issuer to comply with its other material obligations referred to in Term 10.1(b) is to seek a declaration, specific performance or an injunction.

10.5 Trustee not bound to enforce

The Trustee shall not in any event be bound to take any action referred to in Term 10.4 unless:

- (a) it shall have been so requested by Holders holding between them at least one-quarter of the total Face Value of the Notes then Outstanding or it shall have been so directed by a Special Resolution; and
- (b) it shall have been indemnified as contemplated by clause 9.8 of the Trust Deed.

10.6 No other remedies against Issuer

Except as permitted by this Term 10 (including, without limitation, any rights or remedies of the Trustee under Term 10.4), no remedy against the Issuer shall be available to the Trustee or the Holders in respect of any breach by the Issuer of any of its obligations under the Trust Deed (or these Terms), other than payment of the costs, charges, liabilities, expenses or remuneration of the Trustee.

10.7 Holders' right to enforce

No Holder shall be entitled to proceed directly against the Issuer to enforce any right or remedy under or in respect of any Note unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure is continuing, in which case any such Holder may, upon giving an indemnity satisfactory to the Trustee, in the name of the Trustee (but not otherwise), itself institute proceedings against the Issuer for the relevant remedy to the same extent (but not further or otherwise) that the Trustee would have been entitled to do so.

11. Amendments and Meetings

11.1 Amendments with Holder approval

Without limiting Term 11.4 below, the Issuer may amend these Terms subject to the approval of Holders by a Special Resolution and provided the amendment does not alter any of the rights and obligations of the Trustee.

11.2 Notice

Where the Issuer proposes to amend these Terms with the approval of Holders by a Special Resolution, it must notify the Holders and the Trustee of the proposal and give them at least 28 days' notice of the meeting at which the Special Resolution relating to the proposed variation is to be proposed (exclusive of the day on which the notice is given and the meeting is held), specifying the terms of the proposed amendment, and the day, time and place of the meeting.

Appendix A

11.3 Amendment binding

Any amendment of the Terms proposed by the Issuer in accordance with this Term 11 and approved by the Holders by Special Resolution is binding on all Holders.

11.4 Amendments without Holder approval

Subject to complying with all laws, providing the Trustee with a copy of the amendment and the amendment not altering any of the rights and obligations of the Trustee, the Issuer may, without the authority, assent or approval of Holders, by written instrument amend these Terms if the amendment is, in the opinion of the Trustee:

- (a) made to correct a manifest error;
- (b) of a formal, minor or technical nature;
- (c) made to comply with any law, the ASX Listing Rules or the requirements of any exchange on which the Issuer proposes from time to time to seek listing of Notes;
- (d) convenient for the purposes of obtaining or maintaining the listing or quotation of Notes; or
- (e) is not, and is not likely to become, taken as a whole and in conjunction with all other amendments to be made contemporaneously with that amendment, materially prejudicial to Holders generally.

Any such amendment is binding on all Holders.

11.5 Meetings of Holders

The Trust Deed contains provisions for convening meetings of the Holders.

11.6 Compliance with stock exchange rules

The Issuer will comply with the ASX Listing Rules or the rules of any Notes exchange on which Notes are quoted in connection with any amendment under this Term 11.

11.7 “Amend”

In this Term 11, “amend” includes modify, cancel, amend or add to.

11.8 No consent of holders of Senior Obligations

Nothing in these Terms requires the consent of the holder of any Senior Obligation or Equal Ranking Obligation to the amendment of any Terms made in accordance with this Term 11.

12. Issuer Substitution

The Trustee may, without the consent of the Holders, agree with the Issuer to the substitution in place of the Issuer or any of its Related Bodies Corporate (or of any previous substitute under this Term) as the principal debtor under Notes and the Trust Deed, subject to:

- (a) the Trustee being satisfied that the interests of the Holders will not be materially prejudiced by the substitution; and
- (b) compliance with certain other applicable conditions set out in the Trust Deed.



13. Notices

13.1 Service of notices

- (a) Without limiting anything else in these Terms, a notice may be given by the Issuer to any Holder, or in the case of joint Holders to the Holder whose name appears first in the Register, personally, by leaving it at the Holder's address as shown on the Register or by sending it by prepaid post (airmail if posted to a place outside Australia) to the Holder's address as shown on the Register or, in any case, by other electronic means determined by the Issuer. If the notice is signed, the signature may be original or printed.
- (b) Where a notice is given by the Issuer to Holders generally, a copy of the notice must also be given to ASX.
- (c) A notice given by a Holder to the Issuer must:
 - (i) be in writing; and
 - (ii) be left at, or sent by prepaid post (airmail if posted from a place outside Australia) to the address below or the address last notified by the Issuer, or sent by facsimile transmission to the fax number below or the fax number last notified by the Issuer:

Woolworths Limited

c/- Computershare Investor Services Pty Limited
Level 4, 60 Carrington Street
Sydney NSW 2000
(03) 9473 2500

13.2 When notice considered to be received

Any notice is taken to be given:

- (a) if served personally or left at the intended recipient's address, when delivered;
- (b) if sent by post, on the second Business Day after it is mailed in a prepaid envelope to the intended recipient's address; and
- (c) if sent by facsimile or other electronic transmission, on production of a report by the sending machine or other system by which the transmission is sent indicating that the transmission has been made in its entirety to the correct fax number or other transmission address and without error.

13.3 Notice to transferor bind transferee

Every person who, by operation of law, transfer or other means, becomes entitled to be registered as the holder of any Notes is bound by every notice which, prior to the person's name and address being entered in the Register, was properly given to the person from whom the person derived title to those Notes.

13.4 Service on deceased Holders

A notice served in accordance with this Term 13 is (despite the fact that the Holder is dead and whether or not the Issuer has notice of the Holder's death) considered to have been properly served in respect of any Notes, whether held solely or jointly with other persons by the Holder, until some other person is registered in the Holder's place as the Holder or joint Holder. The service is sufficient service of the notice or document on the Holder's personal representative and any person jointly interested with the Holder in Notes.

Appendix A

13.5 Copy of notices to Trustee

Whenever the Issuer issues any notice under these Terms to Holders, the Issuer must at the same time provide to the Trustee a copy of the notice.

14. Transfer of Notes

14.1 Forms of transfer

A Holder may transfer any Notes the Holder holds by:

- (a) a Proper ASTC Transfer or any other method of transferring or dealing in Notes introduced by ASX or operating in accordance with the operating rules of a clearing and settlement facility (as that term is defined in the Corporations Act), the ASX Settlement Operating Rules or the ASX Listing Rules and, in any such case, recognised under the Corporations Act; or
- (b) a written instrument of transfer in any usual form or in any other form approved by either the Issuer or ASX, that is otherwise permitted by law.

14.2 Registration of transfer

A transferor of Notes remains the owner of Notes transferred until the transfer is registered and the name of the transferee is entered in the Register in respect of Notes.

15. Non-resident Holders

- (a) Where Notes are held by, or on behalf of, a person resident outside the Commonwealth of Australia, then, despite anything else to the contrary contained in or implied by these Terms, it is a condition precedent to any right of the Holder to receive payment of any monies in respect of those Notes that all necessary authorisations (if any) and any other statutory requirements which may then be in existence are obtained at the cost of the Holder and satisfied.
- (b) For the purposes of Term 15(a), authorisation includes any consent, authorisation, registration, filing, lodgement, permit, franchise, agreement, notarisation, certificate, permission, licence, approval, direction, declaration, authority or exemption from, by or with any government or any government agency.

16. Quotation

The Issuer must use all reasonable endeavours and furnish all such documents, information and undertakings as may be reasonably necessary in order to procure, at its own expense, that Notes are quoted by ASX within 7 Business Days after the initial issue of Notes and to maintain quotation so long as any Notes are Outstanding.

17. Governing Law

- (a) These Terms are governed by the law in force in the state of New South Wales, Australia.
- (b) The Issuer, the Trustee and each Holder submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia in connection with matters concerning Notes or these Terms. The Issuer, the Trustee and each Holder waives any right they have to an objection to an action being brought in those courts, or to claim that the action has been brought in an inconvenient forum, or to claim those courts do not have jurisdiction.