

LOAN AGREEMENT

*LENERA PTY LTD
(ABN: 76 007 661 065)*

("Lender")

and

**FRASIL GROUP PTY LIMITED
ACN 169 813 085**

("Borrower")



VALE LEGAL

Level 12, 111 Elizabeth Street
SYDNEY NSW 2000

T: +61 2 9993 3833

F: +61 2 9993 3830

W: www.valelegal.com.au

E: info@valelegal.com.au

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THIS AGREEMENT made on

30th day of April 2021

PARTIES:

Lerema Pty Ltd

(ABN: 76 007 661 065)

1.

of P.O. Box
("Lender").

25, HOUMALA QLD, 4738

2. FRASIL GROUP PTY LIMITED ACN 169 813 085 of Level 10, 60 York Street, Sydney, NSW 2000 ("Borrower").

RECITALS:

- A. The Lender has agreed, at the request of the Borrower to provide a Loan facility to the Borrower, the principal amount of which is not to exceed \$[loan amount] **\$20,000**
- B. The Lender and the Borrower have agreed to enter into this Agreement to set out the terms and conditions of the Loan facility.

WITNESSES:

1. Definitions and interpretation

In this Agreement, unless the contrary intention appears:

"**Advance**" means an amount of \$[loan amount] provided or, where the context requires, to be provided under this Agreement by the Lender to, or at the direction of, the Borrower;

"**Default Interest**" means a rate of 15% per annum;

"**Final Repayment Date**" means the first anniversary of the date of this Agreement.

"**indebtedness**" means any payment, repayment or other financial obligation existing or arising including, without limitation, any payment, repayment or other financial obligation with respect of moneys borrowed (including interest and other charges in respect of moneys borrowed);

"**Initial Drawdown Date**" means the date of this Agreement or such other date as the Lender and the Borrower agree in writing;

"**Interest payment dates**" means the Final Repayment Date;

"**Interest Rate**" means the rate of 12% for the Loan Period;

"**Loan**" means, at any time and from time to time, the principal amount of the Advance outstanding at that time;

"**Loan Period**" means the ensuing period commencing on the Initial Drawdown Date and ending on the Final Repayment Date.

Words importing the singular number include the plural and vice versa. Any gender includes the other gender. Any reference to a person includes a reference to a corporation, firm, authority, government or governmental agency.

A reference to any party to this Agreement or to any other deed, agreement, licence, document or other instrument required under this Agreement or for the purposes of this Agreement includes that party's executors, administrators, substitutes, successors and permitted assigns.

Where a party comprises more than one person, the covenants and agreements on their part contained or implied in this Agreement bind them jointly and each of the severally.

2. Facility provision

It is agreed that the Advance may be drawdown in whole or in part and repaid in whole or in part by the Borrower without penalty at any time and the Advance will be available to the Borrower during the Loan Period.

3. Sole Agreement

The covenants and provisions contained in this Agreement exclusively and completely state the rights of the Borrower with respect to the Loan. This Agreement supersedes all negotiations and prior agreements, whether written or oral, in respect of the Loan. If there is any conflict or inconsistency between the terms, conditions and provisions of this Agreement, the terms, conditions and provisions of this Agreement will prevail.

4. Payment of interest

Interest is payable by the Borrower on the Loan on the Final Repayment Date at the Interest Rate.

5. Default interest

Where any sum, or any part of any sum, payable by the Borrower under this Agreement is not paid to, or as directed by, the Lender on or before its due date for payment, Default interest will accrue on the outstanding amount. Accrued default interest must be paid by the Borrower to the Lender upon demand by the Lender.

6. Repayments

- 6.1 The Borrower shall repay the Loan together with all outstanding interest on or before the Final Repayment Date.
- 6.2 All payments to be made under this Agreement by the Borrower to the Lender must be paid to the Lender at Sydney or at such other place as the Lender may from time to time direct in writing. Any payment made in any other way and any payment sent by mail will be at the Borrower's risk until it is actually received by the Lender.

7. Costs and Expenses

The Borrower will pay to the Lender on demand:

- (a) all stamp and other duties and taxes and all other charges and imposts payable in respect or as a consequence of this Agreement;
- (b) the Lender's costs and expenses for any variation or discharge of any of them and/or incidental to the exercise or attempted exercise of any of the powers, authorities or remedies conferred on the Lender under this Agreement or by statute and/or on account of any default by the borrower in the performance or observance of any of its obligations under this Agreement;

together with interest at the Interest Rate upon all such moneys from the respective time of payment by the Lender until paid by the Borrower.

8. Events of Default

The Borrower shall at the option of the Lender be immediately in default upon the occurrence of any of the following Events of Default:

- (a) if there is default (other than by the Lender) in the performance of any term agreement or condition contained in or implied by this Agreement;
- (b) if the Borrower stops payment or without the consent in writing of the Lender ceases or threatens to cease to carry on its business;

- (c) if an application for winding up or analogous process of the Borrower is presented or an order is made or any effective resolution is passed for the winding up of the Borrower;
- (d) if proceedings are initiated with a view to obtaining an order for the winding up or analogous process of the Borrower or any shareholder or director either calls or threatens to call any meeting for the purpose of considering or passing any resolution for the winding up or analogous process of the Borrower;
- (e) if any distress or execution is levied or enforced against any of the assets or property of the Borrower.

9. Rights upon Default

9.1 At any time after default the Lender may in the manner and at the times the Lender in its absolute discretion deems appropriate but without any obligation to do so and notwithstanding any omission, neglect, delay or waiver of the right to exercise such option and without liability for loss:

- (a) cancel the Loan facility;
- (b) require repayment of the Loan and recover same from the Borrower;
- (c) exercise any powers, rights or privileges conferred by law, this Agreement, the Security and/or any other collateral document or securities; and/or
- (d) perform any one or more of the Borrower's obligations under this Agreement.

9.2 Any restriction, requirements for notice or effluxion of time stipulated or required by any statute is hereby negated insofar as is lawful.

10. Lender not responsible for loss

The Lender shall not be liable to the Borrower in damages or otherwise for any consequential loss or damage which the Borrower may suffer or incur by reason of any improper exercise of its powers under this Agreement.

11. Lender's Certificate

A certificate signed by or on behalf of the Lender or by its solicitors as to a matter or as to an amount payable to the Lender in connection with this Agreement in the absence of manifest error shall be conclusive and binding on the Borrower as to the amount stated in it or any other matter of a factual nature.

12. Notices

Any notice or demand under this Agreement may be given by the Lender or by any officer of the Lender and may be served by being delivered to the Borrower's address herein or as last advised to the lender or may be posted by prepaid post and if posted shall be deemed served two (2) Business Days following the date of posting whether actually received or not.

13. Exclusion of Moratoria

The provisions of any statute or regulation postponing payment of money reducing rates of interest or purporting to curtail or restrict the rights, powers or remedies of the Lender are expressly excluded from and shall not apply to this Agreement or any renewal or extension of it.

14. Assignment

Neither party may assign the benefit of this Agreement without written approval from the other party.

15. **Time of Essence**

Time shall be of the essence of the Borrower's obligations under this Agreement.

16. **Severability**

If any term, agreement or condition of the Agreement or the application of the same to any person or any circumstance shall be or become illegal, invalid or unenforceable in any jurisdiction the same shall be severed and neither the remaining terms, agreements and conditions nor the validity or enforceability of such provision in any other jurisdiction shall be affected.

17. **Governing Law**

This Agreement shall be governed by and construed in accordance with the law for the time being in force in New South Wales and the Borrower agrees to submit to the non-exclusive jurisdiction of the Courts thereof.

EXECUTED as an Agreement

SIGNED on behalf of *LEMERA Pty Ltd*)

by its authorised officer in the presence of:)


PAUL G. ERSCH

SIGNED on behalf of **Frasil Group Pty Limited**)

by its authorised officer in the presence of:)

