

This **Subscription Agreement** is made on the \_\_\_\_\_ day of \_\_\_\_\_ 2015

**Between** **Chatham Rock Phosphate Limited**, a New Zealand incorporated company holding the company number 2089337 (the **Company**)

**and** \_\_\_\_\_ (*insert full legal name*) of the address provided on the execution page to this Agreement (**Investor**)

## Introduction

- A. The Company is a New Zealand listed company involved in marine mining, particularly in relation to rock phosphate.
- B. The Investor wishes to invest in the Company by subscribing for Subscription Securities.
- C. This Agreement records the terms and conditions upon which the Investor will invest in the Company.

## It is agreed

### 1. INTERPRETATION

#### 1.1 Definitions

In this Agreement, unless the context otherwise requires:

**Agreement** means this Agreement;

**Associated Person** has the meaning given to it in the Listing Rules;

**Business Day** means a day (other than a Saturday or Sunday) on which retail banks are open for the transaction of normal business in Wellington, New Zealand;

**Companies Act** means the Companies Act 1993;

**FMCA** means the Financial Markets Conduct Act 2013;

**Investment Amount** means \$\_\_\_\_\_;

**Issue Price** means the issue price payable for the Subscription Securities, being NZ\$0.006 per Share;

**Listing Rules** means the listing rules of the NZAX or any other registered market in New Zealand on which Shares are quoted at a relevant time;

**NZAX** means the NZX Alternative Market operated by NZX or any other registered market in New Zealand on which Shares are quoted at the relevant time;

**NZX** means NZX Limited;

**Shares** means fully paid ordinary shares in the capital of the Company;

**Share Registrar** means Computershare Investor Services Limited;

**Subscription Date** means the date that is five (5) Business Days following the date of this Agreement;

**Subscription Securities** means a number of Shares determined by dividing the Investment Amount by the Issue Price.

#### 1.2 General references

In this Agreement, any reference to:

- (a) a **person** includes an individual, body corporate, an association of persons (whether corporate or not), a trust, estate and agency of a state (in each case, whether or not having separate legal personality and whether incorporated or existing in New Zealand or elsewhere);
- (b) a **clause** is to a clause in this Agreement;
- (c) one gender includes each other gender;
- (d) the singular includes the plural and *vice versa*;
- (e) references to money are to New Zealand dollars unless expressly stated otherwise; and
- (f) an **agreement** includes that agreement as amended, supplemented, novated or substituted from time to time.

### 1.3 **Headings**

Headings are to be ignored in construing this Agreement.

## 2. **SUBSCRIPTION SECURITIES**

### 2.1 **Subscription**

On or prior to the Subscription Date the Investor agrees to subscribe for the Subscription Securities by paying the Investment Amount to the Company in immediately available funds. Payment may be made by either:

- (a) electronic transfer of funds from a New Zealand bank account to the bank account of the Company at ANZ Bank, account number 01 0505 0240747 00; or
- (b) wire transfer of funds from an offshore bank account to the bank account of the Company at ANZ Bank, account number 01 0505 0240747 00 – SWIFT CODE ANZBNZ22.

### 2.2 **Allotment and Announcement**

Subject to receipt of cleared funds in accordance with clause 2.1 above, the Company will on the Subscription Date issue the Subscription Securities and:

- (a) procure that the Share Registrar enters the Investor's name in the Company's securities register, as the holder of the Subscription Securities; and
- (b) make an announcement to NZX in relation to the issue of the Subscription Securities in compliance with its obligations under the Listing Rules.

### 2.3 **Disclosure**

The Investor will lodge, if legally required to do so, a substantial security holder notice with the Company and NZX in compliance with its obligations under the FMCA.

## 3. **INVESTOR ACKNOWLEDGEMENTS**

### 3.1 **Investor**

The Investor acknowledges and agrees:

- (a) that the Investor is not resident in New Zealand and that it is lawful for them to receive this offer and subscribe for the Subscription Securities under the laws of the jurisdiction in which this offer is received without any further documentation, registration or other act on the part of the Company in that jurisdiction;

- (b) that subject to the terms and conditions in this Agreement, that the Investor is agreeing to subscribe for the Subscription Securities on the basis of their own assessment of the investment and not in reliance on any representation from the Company, its directors, officers, or any other Associated Person of the Company; and
- (c) and warrants that, on execution and delivery of this Agreement by the Investor, that such execution and delivery, and the performance by the Investor of its obligations under this Agreement:
  - (i) will have been validly authorised by all necessary action on its part;
  - (ii) will not contravene any law binding on it;
  - (iii) will not contravene its incorporation or constitutional documents; and
  - (iv) will not contravene the provisions of, or constitute a default under, any other material agreement to which it is a party or by which any of its assets are bound.

### 3.2 Chatham Rock Phosphate

The Company covenants to the Investor that:

- (a) the Subscription Securities will be issued:
  - (i) to the Investor fully paid and free of all liens, charges, encumbrances or other adverse interests;
  - (ii) on terms identical to, and will rank pari passu in all respects with, all of the Shares on issue at the time the Shares are issued; and
  - (iii) in accordance with the Listing Rules (where applicable) and the Companies Act 1993.
- (b) the execution, delivery and performance by the Company of its obligations under this Agreement will not contravene or constitute a material breach or default under any applicable law, regulation, Listing Rule, order, judgment, permit or consent, or under any provision contained in any deed, agreement or instrument by which the Company, or any material part of its business or any of its material assets, is bound or affected, in any relevant jurisdiction (including the constitution of the Company).
- (c) the Company has been duly incorporated and is validly existing under the laws of New Zealand, and the constitution of the Company permits the Company:
  - (i) to own its assets;
  - (ii) to carry on its business as it is now being conducted, and is proposed to be conducted, in a manner consistent with the disclosures made to NZX by the Company; and
  - (iii) execute, deliver and perform this Agreement,

and all material consents, authorisations, licences, permits or any governmental or other authority (whether in New Zealand or elsewhere) necessary for the Company to hold for such purposes have been duly obtained and are expected by the Company to remain in full force and effect.

## 4. MISCELLANEOUS

### 4.1 Non-waiver

Failure or delay by a party in exercising any right with respect to any matter arising under, or in connection with, this Agreement does not constitute a waiver of that right. A waiver of any

right under this Agreement is only effective if it is in writing and is executed by the party waiving that right.

#### 4.2 **Notices**

Unless provided otherwise in this clause 4.2 or any other provision of this Agreement, each notice or other communication under this Agreement is to be by email (PDF), personal delivery or by post to the addressee at the email address or physical address, and is to be marked for the attention of the person or office holder (if any), from time to time designated for the purpose by the addressee to the other parties. The initial email address and physical address and relevant person or office holder of each party is set out under its name at the end of this Agreement. No notice or other communication is to be effective until received. A notice or other communication will, however, be deemed to be received by the addressee:

- (a) in the case of an email transmission, when successfully sent to the addressee's email address;
- (b) in the case of personal delivery, when delivered; and
- (c) in the case of a letter, on the fourth Business Day after posting by airmail,

unless it would be deemed received on a day that is not a Business Day or after 5:00 p.m. on a Business Day in which case it is to be deemed received at 9:00 a.m. on the next succeeding Business Day.

#### 4.3 **Severability**

If any of the provisions of this Agreement are invalid or unenforceable, the invalidity or unenforceability is not to affect the operation, construction or interpretation of any other provision of this Agreement, with the intent that the invalid or unenforceable provision is to be treated for all purposes as severed from this Agreement.

#### 4.4 **Entire agreement**

This Agreement constitutes the entire agreement of the parties on the subject matter of this Agreement and except as expressly provided supersedes any and all prior negotiations, representations and agreements in relation to that subject matter.

#### 4.5 **Exclusion of implied terms**

All terms and conditions relating to this Agreement that are implied by law are excluded to the maximum extent permitted by law.

#### 4.6 **Assignment**

Neither party may transfer its interest in, or its rights and obligations under, this Agreement, without the prior written consent of the other party.

#### 4.7 **Amendment**

This Agreement may only be amended by an instrument in writing signed by the parties.

#### 4.8 **Counterparts**

- (a) This Agreement may be executed in two or more counterparts (including emailed copies) each of which will be deemed an original, but all of which together will constitute one and the same instrument.
- (b) A party may enter into this Agreement by executing any counterpart.

#### 4.9 **Governing law**

This Agreement is governed by and is to be construed in accordance with New Zealand law. The parties hereby irrevocably submit to the non-exclusive jurisdiction of the courts of New Zealand.

**Execution**

**Executed** as an agreement.

**Chatham Rock Phosphate Limited** by

\_\_\_\_\_  
Authorised Person

\_\_\_\_\_  
Print Name

**The Investor** by

\_\_\_\_\_  
Authorised Signatory

\_\_\_\_\_  
Print Name

<p><b>Address for Notices</b></p> <p>Chatham Rock Phosphate Limited  Level 1  93 the Terrace  Wellington  New Zealand</p> <p><b>Attention:</b> Chris Castle</p> <p><b>Email:</b> <a href="mailto:chris@widespread.co.nz">chris@widespread.co.nz</a></p>
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*Please complete the following section to provide registration details for your shareholding*

**Full Legal Name of Holder for Registration:** \_\_\_\_\_

**Postal address:** \_\_\_\_\_

**Attention:** \_\_\_\_\_

**Contact Email:** \_\_\_\_\_

**Contact Phone Number:** \_\_\_\_\_

**CSN (if any):** \_\_\_\_\_