

EXECUTIVE SHARE PLAN TRUST DEED

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TRUST DEED

TABLE OF CONTENTS

1. PURPOSE	1
2. DEFINITIONS	1
3. OPERATION OF THE PLAN	3
4. HOW THE PLAN WORKS	4
5. LIMITATIONS ON INDIVIDUAL PARTICIPATION IN THE PLAN	5
6. LIMITATION ON THE SUBSCRIPTION FOR NEW SHARES	5
7. DIVIDENDS	6
8. RESTRICTIONS ON DEALINGS WITH SHARES	6
9. FORFEITURE	6
10. AUTHORISED DEDUCTIONS	7
11. VOTING RIGHTS	7
12. BONUS SHARES	7
13. RIGHTS ISSUES	7
14. OTHER ACCRETIONS	8
15. TAKEOVER OFFERS	8
16. VARIATION OF DEED	8
17. TERMINATION OR SUSPENSION OF THE PLAN AND THE TRUST	8
18. CONNECTION WITH OTHER PLANS	9
19. TAX	9
20. RELATIONSHIP OF COMPANY, THE PLAN TRUSTEE AND PARTICIPANTS	9
21. NOTICES	9
22. GOVERNING LAW	9
23. MANAGEMENT OF THE PLAN	9
24. GENERAL	10
25. BREACH OF THIS DEED BY A PARTICIPANT	10
26. ADVICE	10
27. INCONSISTENCY	10
28. PLAN TRUSTEE'S BASIC COVENANTS	10
29. REPLACEMENT OF PLAN TRUSTEE	11
30. LIABILITY	11

EXECUTIVE SHARE PLAN TRUST DEED

BLACKMORES LIMITED

ABN 35 009 713 343

THIS DEED is made on 3 February 2012

BETWEEN: Blackmores Limited ABN 35 009 713 343 ("**Company**") and having its registered office at 20 Jubilee Avenue, Warriewood in the state of New South Wales

AND: Blackmores Nominees Pty Ltd ABN 35 009 713 437 ("**Trustee**") and having its registered office at 20 Jubilee Avenue, Warriewood in the state of New South Wales

RECITALS

- A. The Company wishes to establish an employee share plan to be known as the Blackmores Executive Share Plan ("**Plan**") under which certain senior executives may be granted the opportunity to acquire Shares in the Company.
- B. The Company wishes to establish a trust for the purpose of subscribing for acquiring and holding Shares for the benefit of Participants under the Plan to be known as the Blackmores Executive Share Plan Trust.
- C. The Trustee has agreed to act as the first trustee of the Trust for the benefit of Participants and has agreed to receive funds from the Company from time to time to apply those funds in accordance with the terms and conditions of this Deed.
- D. The Company has paid the sum of \$100.00 to the Trustee to be held upon the trusts contained in this Deed.

1. PURPOSE

- 1.1 The Plan provides Eligible Executives with an opportunity to acquire beneficial ownership of Shares in the Company.
- 1.2 The Plan commences on the date that the Board determines.
- 1.3 The Trust commences on the date of execution of this Deed and continues until terminated and wound up on accordance with Clause 17.

2. DEFINITIONS

- 2.1 In this Deed, the following terms have these meanings unless the contrary intention appears:

Accounting Period means the period from the date of this Deed to the next ensuing 30th day of June and thereafter each of twelve months ending on the 30th day of June in each year until the 30th day of June next preceding the date referred to in Clause 17.3(e) and thereafter the succeeding period terminating on the date referred to in Clause 17.3(e).

Acceptance Form means an offer to acquire Shares under the Plan in the form approved by the Board from time to time.

Accretion means any accretion, dividend, distribution, entitlement, benefit or right of whatever kind whether cash or otherwise which is issued, declared, paid, made, arises or accrues directly or indirectly to, or in respect of, a Share, including any such entitlement relating to a subdivision, consolidation or other reconstruction or distribution from any reserve of the Company and any reduction of capital.

Applicant has the meaning set out in Clause 4.6.

Associate has the same meaning as in the Tax Act.

Associated Company means a body that is a related body corporate of the Company in accordance with section 50 of the Corporations Act and is nominated by the Company in accordance with Clause 4.1.

ASIC means Australian Securities and Investments Commission.

ASX means the Australian Securities Exchange Limited ACN 008 624 691.

Board means some of the Directors acting as a board, as constituted from time to time, and includes a committee or representative of the board as established by the board of Directors from time to time for the purpose of making decisions as required under the Plan.

Bonus Shares means the shares in respect of the Plan Shares issued as part of a bonus issue to security holders of the Company.

Cash Dividend means a dividend declared or paid with respect to Shares which is payable wholly in cash or, in the case of a dividend declared or paid with respect to Shares which is payable only partly in cash, that part of the dividend which is payable in cash.

Class Order means ASIC Class Order 03/184 or any other instrument issued by ASIC which relates

EXECUTIVE SHARE PLAN TRUST DEED

to disclosure relief for employee share schemes.

Company means Blackmores Limited ABN 35 009 713 343.

Conditions means, in respect of a Plan Share, one or more conditions as determined by the Board specified in the Invitation that must be satisfied (or waived by the Board) before the Plan Share will become an Unrestricted Share.

Constitution means the Company's Constitution.

Corporations Act means the Corporations Act 2001 (Cth) (as amended).

Deed means this Deed including the recitals to the Deed.

Director means a director, including both executive and non-executive directors, for the time being of the Company.

Eligible Executive means an Executive who has been invited by the Board to participate in the Plan.

Employee means an employee of the Group.

Employee Incentive Scheme means any plans involving an offer of Shares or options to acquire Shares to Employees other than this Plan.

Employment means employment as an Employee.

ESA means the Executive Service Agreement between the Eligible Executive and any Group Company.

Executive means an Employee nominated by the Managing Director to be considered for participation in the Plan by the Board.

Executive Director means a Director who is an Employee.

Forfeited Shares means Plan Shares forfeited pursuant to Clause 9.

Group means the Company and the Associated Companies.

Group Employer means the company within the Group employing the Eligible Executive.

Invitation means an invitation to participate in the Plan referred to in Clause 4.5.

Listing Rules means the official rules of the ASX in force from time to time.

Managing Director means the CEO and Managing Director appointed in this role from time to time by the Board.

Market Price means in respect of a Plan Share at any particular date the closing sale price of a Share on the ASX.

Notice of Withdrawal of Shares means a duly completed and executed notice by a Participant to the Plan Trustee requesting that some or all of their Plan Shares be sold or transferred. Such Notice of Withdrawal of Shares shall specify the number of Plan Shares to be transferred or sold and be submitted on the form approved by the Board from time to time.

Offer means an offer to acquire Shares made by an Eligible Executive or an Associate to the Company in response to an Invitation.

Participant means an Eligible Executive or an Associate who:

- (a) makes an Offer which is accepted by the Board; and
- (b) is for the time being the beneficial owner of Plan Shares.

Plan means the Blackmores Executive Share Plan established and operated in accordance with this Deed.

Plan Shares means:

- (a) Shares held by the Plan Trustee on behalf of Participants on the terms and conditions of this Deed; and
- (b) Bonus Shares which are deemed to be Plan Shares by virtue of Clause 12.

Plan Trustee means the Trustee and each subsequent entity that agrees to act in the capacity of trustee of the Trust.

Product Disclosure Statement has the same meaning as in the Corporations Act.

Redundancy means termination of Employment of a Participant or if the Participant is an Associate, the relevant Eligible Executive by the Company due to economic, technological, structural or other organisational change where, through no act or default of the Eligible Executive where:

- (a) the Company no longer requires the duties and responsibilities carried out by the Eligible Executive to be carried out by anyone;
- (b) the Company no longer requires the position held by the Eligible Executive to be held by anyone; or
- (c) the Company has materially changed the duties and responsibilities or some other fundamental feature of the position held by the Eligible Executive.

Resignation means the voluntary termination of Employment by the Participant pursuant to the relevant provisions of the Participant's ESA.

Restricted Shares means Plan Shares which are not Unrestricted Shares.

Security Interest means a mortgage, charge, pledge, lien or other encumbrance of any nature.

Share Price means the issue price or the acquisition price (or a formula for determining the issue price or the acquisition price) of the Shares in Australian dollars.

Share Rights means any rights to acquire shares or securities issued, or to be issued, by the Company.

Share Trading Policy means the policy adopted by the Company from time to time in relying to the buying and selling of Shares by Employees or Directors.

Shares means fully paid ordinary shares in the capital of the Company that rank equally with and have the same rights as other fully paid ordinary shares in the capital of the Company.

Special Circumstances means termination of Employment of the Participant or if the Participant is an Associate, the relevant Eligible Executive by the Company as a result of the death or the incapacity of the Participant arising from illness or accident as described in the relevant provisions of the Participant's ESA or as a result of Redundancy.

Tax Act means the Income Tax Assessment Act 1936 (Cth) or the Income Tax Assessment Act 1997 (Cth) or any other taxation legislation applicable to the operations of the Plan.

Termination means the termination of Employment by the Group Company pursuant to the Participant's ESA other than by Resignation or Termination for Cause.

Termination for Cause means termination of Employment of the Participant without notice by the Company pursuant to the relevant provisions of the Participant's ESA.

Trust means the trust established by this Deed.

Unallocated Shares means Shares that have been acquired by the Plan Trustee for the purposes of the Plan but have not been allocated to a Participant.

Unrestricted Shares means Plan Shares in respect of which the Board has approved the Notice of Withdrawal of Shares pursuant to Clause 8.7.

Vesting Date means the date or dates specified in the Conditions relating to the period of Employment which must be served by a Participant prior to Plan Shares becoming Unrestricted Shares.

2.2 Interpretation

In this Deed, unless the contrary intention appears:

- (a) the transfer by an Eligible Executive from one Group Employer to another does not constitute cessation of employment;
- (b) an Eligible Executive ceases to be an Employee if the Group Employer of the Participant ceases to be an Associated Company and the Eligible Executive does not contemporaneously become an employee of another Group Employer;
- (c) reference to any legislation or any provision of any legislation includes any modification or re-enactment of the legislation or any legislative provision substituted for, and all legislation and statutory instruments and regulations issued, under the legislation;
- (d) words denoting the singular include the plural and vice versa;
- (e) words denoting a gender include the other genders;
- (f) words denoting an individual or person include a body corporate or trust and vice versa and the individual's or person's legal personal representatives, executors, administrators and successors;
- (g) headings are for convenience only and do not affect the interpretation of this Deed;
- (h) reference to a clause or paragraph is a reference to a clause or paragraph of this Deed as amended from time to time;
- (i) reference to any document or agreement includes reference to that document or agreement as amended, novated, supplemented, varied or replaced from time to time; and
- (j) where any word or phrase is given a definite meaning in this Deed, any part of speech or other grammatical form of that word or phrase has a corresponding meanings.

3. OPERATION OF THE PLAN

- 3.1 The Plan must be operated in accordance with this Deed which binds the Company, each Associated Company, the Plan Trustee and each Participant.
- 3.2 The Board appoints the Trustee as the first Plan Trustee and the Trustee hereby accepts the appointment.
- 3.3 The assets, investments and other property of the Trust will be vested in the Plan Trustee upon trust for the benefit of the Participants, to be applied in accordance with the provisions of this Deed.
- 3.4 Subject to this Deed, the Constitution, the Listing Rules and the Corporations Act, the Plan Trustee will follow any direction given to it by the Board as to the operation of the Plan.
- 3.5 Subject to Clause 10, the Company will pay all the expenses, costs and charges incurred in establishing and operating the Plan, other than costs directly related to selling or transferring Plan

Shares. The Plan Trustee must not levy any fees or charges for operating or administering the Plan or the Trust, either payable directly by Participants or indirectly out of the assets of the Plan or the Trust.

3.6 Neither the Company nor the Plan Trustee may grant a Security Interest over any Plan Shares.

4. HOW THE PLAN WORKS

- 4.1 The Company may nominate any Associated Company to participate in the Plan. An Associated Company shall participate upon the delivery to the Plan Trustee of:
 - (a) a certified copy of a resolution duly adopted by the board of directors of the participating Associated Company to the effect that it:
 - (i) adopts and agrees to be bound by all the terms and conditions of the Plan as then in effect or thereafter amended; and
 - (ii) consents to have the Plan administered in accordance with this Deed;
 - (b) a certified copy of a resolution of the Board consenting to it becoming a participating Associated Company.
- 4.2 Any Associated Company that participates in the Plan, other than the Company, may cease their participation at any time and shall so cease to be an Associated Company on the first to occur:
 - (a) upon delivering to the Plan Trustee a certified copy of a resolution to that effect duly adopted by its board of directors; or
 - (b) upon ceasing to be a related body corporate of the Company in accordance with Section 50 of the Corporations Act; or
 - (c) if the Plan is terminated in accordance with the provisions of Clause 17, then all Associated Companies shall cease their participation in the Plan.
- 4.3 On and from the commencement of the Plan, the Company or any Associated Company may pay to the Plan Trustee contributions to fund the subscription or acquisition of Shares for the purposes of the Plan as determined by the Board from time to time.
- 4.4 The Plan Trustee must use such contributions to acquire Shares in the ordinary course of trading on the ASX, or subscribe for new Shares issued by the Company, as directed from time to time by the Board. Such Shares may be held by the Plan Trustee as Unallocated Shares until such Shares are allocated to Participants. Under no circumstances may the Plan Trustee repay to the Company or any Associated Company any amount received as contributions for the subscription or acquisition of Shares.
- 4.5 The Board may from time to time invite an Eligible Executive to participate in the Plan by making an Invitation. Each Invitation must specify:
 - (a) the number of Shares or the method of determining the number of Shares being offered for subscription or acquisition;
 - (b) the Conditions attaching to those Shares,
 - (c) the Share Price or method of determining the Share Price for the Shares to which the Invitation relates.
 - (d) the period in which the Invitation may be accepted;
 - (e) the Acceptance Form; and
 - (f) any other matters required to be specified in the Invitation by the Corporations Act, the Class Order and Listing Rules.
- 4.6 Following receipt by an Eligible Executive of an Invitation, the Eligible Executive or, an Associate of the Eligible Executive (the "Applicant") must, if they wish to participate in the Plan, make an Offer by returning an Acceptance Form duly signed and completed to the Company representative nominated in the Acceptance Form by the closing time specified in the Invitation.
- 4.7 The Offer may be accepted by the Company by the allocation of Shares to the Applicant. By making the Offer, the Applicant agrees to be bound by this Deed and the Constitution.
- 4.8 The Applicant is not liable to make any payment on acceptance of the Offer.
- 4.9 Pending the subscription for or the acquisition of Shares for the purposes of the Plan, the Plan Trustee may deposit moneys in an interest bearing bank account at commercial rates. Such monies shall be deposited in a separate bank account and shall not be mixed with any other monies held by the Plan Trustee.
- 4.10 Shares subscribed for or acquired for the benefit of a Participant are to be registered in the name of the Plan Trustee and allocated to that Participant. The Plan Trustee shall ensure that each Plan Share for the benefit of a Participant is identified in the books and records of the Trust as being held on account of that Participant.
- 4.11 A Participant's rights and obligations under the Plan are conditional on Shares being registered in the name of the Plan Trustee and allocated to that Participant in the books and records of the Trust.
- 4.12 The Plan Trustee must ensure that each Participant is notified in writing when Shares are acquired and registered in the name of the Plan Trustee for the benefit of that Participant and allocated to that Participant under the Plan.

- 4.13 The Plan Trustee must not hold fractions of Plan Shares. Any Shares remaining after the allocation of whole Shares to a Participant must be sold by the Plan Trustee and the cash proceeds used together with any funds remaining for the future purchase of Plan Shares. Under no circumstances may the Plan Trustee pay these proceeds of sale or other remaining funds to the Company or any Associated Company.
- 4.14 Where the Plan Trustee acts as the trustee of other share plans, the Plan Trustee must ensure that the Plan Shares are segregated from any other shares held by the Plan Trustee.
- 4.15 The Plan Trustee will keep proper books and records in relation to the administration of the Plan, and the Trust, including in particular records relating to the Plan Shares allocated to each Participant. Such books and records shall be kept separately from the books and records of any other share plan for which the Plan Trustee acts as trustee.
- 4.16 The Plan Trustee will identify and separately record and maintain in the books and records of the Trust, income including Cash Dividends and capital gains.
- 4.17 The Plan Trustee may in its discretion before the end of an Accounting Period resolve to accumulate the whole or any part of the income of that Accounting Period including Cash Dividends and capital gains which relate to Unallocated Shares or Forfeited Shares whereupon such accumulation shall form part of the capital of the Trust.
- 4.18 The Plan Trustee shall in each Accounting Period pay, apply or set aside the whole of any income of the Trust derived from Unallocated Shares and Forfeited Shares for the benefit of the Participants which income shall be distributed as the Plan Trustee sees fit in its absolute discretion.
- 4.19 A statement of each Participant's account shall be provided to each Participant by the Plan Trustee at least annually at such times and in such form as determined by the Board in consultation with the Plan Trustee.
- 4.20 The Plan Trustee will ensure that the books and records of the Plan are audited annually and are available for inspection by the Group (or its advisers) and the Participants at an office of the Plan Trustee or a place of business of the Company during normal business hours or such other time as is agreed by the Plan Trustee with the Group or the Participant (as applicable).
- 4.21 Subject to certain exceptions set out in this Deed, the Plan Trustee and the Company acknowledge that each Participant possesses substantially the same rights in respect of the Shares held by the Plan Trustee under the Plan as if that Participant was the legal owner of such Shares.
- 4.22 Any Unallocated Shares must be treated as Forfeited Shares and dealt with by the Plan Trustee in accordance with Clause 9.
- 4.23 In the event that the Board makes more than one Invitation to an Eligible Executive then each Invitation shall be separate and distinct from any other Invitation made to that Eligible Executive and the information required to provide it to the Eligible Executive pursuant to Clause 4.5 may vary in any respect or in all respects in each Invitation.

5. LIMITATIONS ON INDIVIDUAL PARTICIPATION IN THE PLAN

No Eligible Executive, may acquire Shares, by way of an Offer or otherwise, if, immediately after the acquisition of those Shares, the Eligible Executive would directly or indirectly hold or control a legal or beneficial interest in 5% or more of the issued capital of the Company (including the voting rights that relate to those Shares).

6. LIMITATION ON THE SUBSCRIPTION FOR NEW SHARES

In the case of an offer of new Shares for subscription by the Plan Trustee, the number of Shares, the subject of the offer when aggregated with:

- (A) the number of Shares in the same class which would be issued were each outstanding offer with respect to the Shares, units of Shares and options to acquire unissued Shares under any Employee Incentive Scheme to be accepted or exercised (as the case may be); and
 - (B) the number of Shares in the same class issued during the previous 5 years pursuant to the Plan or any other Employee Incentive Scheme extended only to Employees or Directors of an Employer Company,
- but disregarding any offer made, or option acquired or Share issued by way of or as a result of:
- (a) an offer to a person situated at the time of the receipt of the offer outside Australia; or
 - (b) an offer that was an excluded offer or Invitation within the meaning of the Corporations Act as it stood prior to the commencement of Schedule 1 to the Corporate Law Economic Reform Program Act 1999; or
 - (c) an offer that did not need disclosure to investors because of Section 708 of the Corporations Act or an offer that did not require the giving of a Product Disclosure Statement because of Section 1012D of the Corporations Act; or
 - (d) an offer made under a disclosure document or Product Disclosure Statement, must not exceed 5% or such other percentage as may be prescribed in the Class Order of the total number of issued Shares in that class of the Company at the time of the offer.

7. DIVIDENDS

- 7.1 Subject to this Deed:
- (a) a Participant is entitled to receive all Cash Dividends paid in respect of Plan Shares held by the Plan Trustee on behalf of the Participant; and
 - (b) the Plan Trustee must pay all Cash Dividends received in respect of Plan Shares to the relevant Participant without deductions.
- 7.2 In addition to the Cash Dividends payable to a Participant pursuant to Clause 7.1, a Participant shall also be entitled to all imputation credits (and any other tax related credits) attached to such Cash Dividends.
- 7.3 Plan Shares held by the Plan Trustee for the benefit of a Participant will not participate in any dividend reinvestment plan operated by the Company.

8. RESTRICTIONS ON DEALINGS WITH SHARES

- 8.1 Shares acquired under the Plan by the Plan Trustee shall be held subject to this Deed.
- 8.2 Plan Shares must not be withdrawn from the Plan, sold, disposed of or assigned by the Participant before the expiration or satisfaction of any applicable Conditions.
- 8.3 A Participant may not withdraw, sell, assign or otherwise dispose of any Plan Shares held by the Plan Trustee for the benefit of that Participant (whether or not such Shares are subject to the Conditions) without submitting a Notice of Withdrawal of Shares to the Plan Trustee and such notice having been approved by the Board in accordance with Clause 8.7.
- 8.4 A Participant must comply in all respects with the Share Trading Policy in so far as it applies to any Plan Shares.
- 8.5 The Company and the Plan Trustee are entitled to make such arrangements as they consider necessary to enforce the restrictions in Clauses 8.2, 8.3 and 8.4 on dealings with Plan Shares and Participants will be bound by such arrangements.
- 8.6 Subject to Clause 9, at any time after the expiration or the satisfaction of any Conditions, the Participant may submit a Notice of Withdrawal of Shares to the Plan Trustee to sell or transfer some or all of the Plan Shares held by the Plan Trustee on behalf of the Participant subject to any administrative guidelines established from time to time.
- 8.7 Where a Notice of Withdrawal of Shares has been submitted by a Participant, the Plan Trustee shall notify the Group Employer accordingly. The Board must then consider, by no later than the next meeting held by the Board, whether to approve the Notice of Withdrawal of Shares. Subject to Clause 9, the Board may only withhold approval if some of the Shares included in the Notice of Withdrawal of Shares are subject to Conditions which have not been satisfied and it has not been determined that the Conditions are no longer required to be satisfied. If the Board approves the Notice of Withdrawal of Shares, the Plan Trustee shall, to the extent possible, comply with the terms of the Notice of Withdrawal of Shares.
- 8.8 If Plan Shares held by the Plan Trustee on behalf of a Participant are sold under Clause 8.7, the Plan Trustee must give the Participant the cash value of those Plan Shares net of any costs in relation to selling those Plan Shares.
- 8.9 If Plan Shares held by the Plan Trustee on behalf of the Participant are transferred under Clause 8.7, the Plan Trustee must transfer the Shares to the Participant within 20 business days of the date of the Notice of Withdrawal of Shares. The Plan Trustee may require the Participant to reimburse the Plan Trustee in respect of the costs and expenses relating to the transfer.
- 8.10 A Participant may agree with the Board to repay debts owing or monies payable to the Company or an Associated Company on their behalf from the proceeds of disposal of Plan Shares or any amounts owing to that Participant by the Company or an Associated Company.

9. FORFEITURE

- 9.1 Notwithstanding any other clause, if a Participant, or, if the Participant is an Associate, the relevant Eligible Executive ceases to be an Employee at a time when the Plan Shares subscribed for or acquired for the benefit of the Participant under the Plan remain subject to any Conditions, the Participant (and any person claiming through the Participant) will forfeit any right or interest in those Plan Shares.
- 9.2 Notwithstanding any other clause, a Participant (and any person claiming through the Participant) will forfeit any right or interest in any Plan Shares acquired for the benefit of the Participant under the Plan if:
- (a) the Employment of the Participant ceases as a result of Resignation, Termination or Termination for Cause; or
 - (b) where the Participant transfers, mortgages, charges, assigns or otherwise encumbers or attempts to transfer, mortgage, charge, assign or otherwise encumber any right or interest the Participant may have in Plan Shares otherwise than in accordance with this Deed.
- 9.3 Notwithstanding any other clause if Special Circumstances apply, or if the Participant is an Associate, Special Circumstances apply to the relevant Eligible Executive then unless otherwise determined by the Board the Plan Shares acquired for the benefit of the Participant under the Plan will forfeit.

- 9.4 By notice in writing, the Board may require in its absolute discretion that the Plan Trustee reallocate any Forfeited Shares (or the proceeds of sale of such Shares) to:
- (a) one or more other Participants; or
 - (b) the trustee for the time being of any plan, scheme, or fund operated by the Company for the benefit of Employees as selected by the Board, subject to any conditions specified by the Board.
- 9.5 The Plan Trustee must hold Forfeited Shares (or the proceeds of sale of such Shares), for the purposes of the Plan until it receives a notice from the Board under Clause 9.4.
- 9.6 Under no circumstances may the Plan Trustee pay the proceeds of sale of any Forfeited Shares or transfer the Forfeited Shares to the Company or any Associated Company.

10. AUTHORISED DEDUCTIONS

Subject to Clause 3.5, before making any payment, or allocating any Forfeited Shares under Clause 9, the Plan Trustee, is authorised to deduct:

- (a) all reasonable outgoings and expenses it incurs in buying, selling and otherwise dealing with Plan Shares for Participants; and
- (b) any tax which in the reasonable opinion of the Plan Trustee, is or would be payable by the Plan Trustee in connection with the operation of the Plan; and
- (c) any other amounts that in the opinion of the Plan Trustee it is fair to deduct with the approval of the Board.

11. VOTING RIGHTS

The Plan Trustee may exercise the voting rights in respect of Plan Shares held for a Participant as directed by the Participant and failing any such direction in any manner as it thinks fit.

12. BONUS SHARES

- 12.1 Subject to Clause 12.2, a Participant is entitled to any Bonus Shares which accrue to Plan Shares held by the Plan Trustee on behalf of the Participant.
- 12.2 The Bonus Shares must be held by the Plan Trustee on the terms and conditions of this Deed on behalf of the relevant Participant, who will be the beneficial owner of the Bonus Shares.
- 12.3 Upon allotment to the Plan Trustee, Bonus Shares:
- (a) are deemed to be Plan Shares for the purposes of this Deed; and
 - (b) will be deemed to be acquired on a date determined by the Board.

13. RIGHTS ISSUES

- 13.1 The Plan Trustee must notify a Participant in writing of any Share Rights which accrue to Plan Shares held by the Plan Trustee on behalf of the Participant.
- 13.2 Within 7 days of receiving the notice referred to in Clause 13.1, the Participant may provide the Plan Trustee with written instructions in the form (if any) prescribed by the Board to either:
- (a) sell some or all of the Share Rights to the extent permitted by law; or
 - (b) acquire, to the extent permitted by law, some or all of the shares or securities in the Company to which the Share Rights relate.
- 13.3 If the Participant gives written instructions under Clause 13.2(a), the Participant must, at the time of giving the written instructions, provide to the Plan Trustee payment of an amount equal to the cost of accepting the Share Rights entitlement plus, if the Plan Trustee so requires, such additional amount as the Plan Trustee estimates and notifies to the Participant to be the cost of transferring the securities to the Participant.
- 13.4 If the Participant does not give written instructions under Clause 13.2(a), the Plan Trustee is entitled to sell the Share Rights.
- 13.5 If the Plan Trustee sells the Share Rights in accordance with this Clause 13, regardless of whether instructed by the Participant or not, the Plan Trustee:
- (a) must pay to the Participant the proceeds of the sale after deduction of the costs and expenses relating to sale;
 - (b) has no obligation to maximise the sale price of the Share Rights;
 - (c) may aggregate Share Rights to be sold; and
 - (d) may attribute a sale price to each Share Right sold equal to the average price for each Share Right sold.
- 13.6 If the Plan Trustee acquires, on behalf of the Participant, a specified number of securities pursuant to the Share Rights in accordance with Clause 13.2(b), the Plan Trustee:
- (a) will transfer those securities to the Participant; and
 - (b) may make it a condition of transfer that the Participant pay the costs and expenses relating to the transfer.

14. OTHER ACCRETIONS

If an Accretion arises in respect of a Share other than by way of:

- 14.1 Cash Dividends;
- 14.2 Bonus Shares; or
- 14.3 Share Rights,
the Plan Trustee may decide to transfer, or provide the benefit of, all or part of the Accretion to the Participant as the Plan Trustee determines.

15. TAKEOVER OFFERS

- 15.1 If the Company has been served with a takeover statement under the Corporations Act, the Board may declare that each Participant is permitted, if he or she so wishes, to direct the Trustee to accept the offer on the Participant's behalf in respect of all or part of the Plan Shares standing to the credit of the Participant's account and the Board shall notify the Trustee accordingly.
- 15.2 A Participant who wishes to direct the Trustee to accept such an offer in respect of all or part of the Plan Shares standing to the credit of his or her account must do so by notice in writing to the Trustee. By giving that notice, the Participant will be taken to have irrevocably directed the Trustee to take such action as may be necessary to convert non-cash consideration into cash and to apply the total cash received in accordance with Clause 8.8.
- 15.3 Unless the Board makes a decision in accordance with this clause, the Trustee must not accept any offer made for Plan Shares.

16. VARIATION OF DEED

- 16.1 Subject to the Listing Rules and Clause 16.2, the Board may, with the prior written consent of the Plan Trustee (which must not be unreasonably withheld), add to or vary any of this Deed, or waive or vary the application of any of this Deed in relation to any Participant, at any time by resolution of the Board.
- 16.2 Subject to Clause 16.3, if a proposed variation under Clause 16.1 would derogate from the rights of Participants in respect of Plan Shares held for their benefit under the Plan, the Board must obtain the prior written consent of at least three-quarters (by number) of the Participants affected by such variation.
- 16.3 Clause 16.2 shall not apply to any additions, variations or modifications to this Deed:
 - (a) that are required to be made by the Board by law;
 - (b) to take into consideration possible adverse tax implications to the Plan arising from rulings from the Commissioner of Taxation, changes or proposed changes to tax legislation and/or changes in the interpretation of tax legislation by a competent court or tribunal;
 - (c) to correct a manifest error or mistake; or
 - (d) to enable the Plan Trustee or any Group Employer to comply with the Act, the Listing Rules or instruments of relief issued by ASIC from time to time relating to employee share schemes.
- 16.4 Subject to this Clause 16, any change made pursuant to Clause 16.1 may be given such retrospective effect as is specified in the written instrument or resolution by which the change is made.
- 16.5 As soon as reasonably practicable after the Company makes an amendment under Clause 16.1, the Company must notify the Participants of the amendment.

17. TERMINATION OR SUSPENSION OF THE PLAN AND THE TRUST

- 17.1 The Company must terminate or suspend the Plan if changes to the law require that it do so.
- 17.2 The Board may at any time terminate the Plan or suspend the operation of the Plan.
- 17.3 The Trust will terminate and be wound up as provided by law or upon the first to occur of the following events:
 - (a) an order being made or an effective resolution being passed for the winding up of the Company (other than for the purpose of an amalgamation or reconstruction);
 - (b) a person becoming entitled to compulsorily acquire all the Shares;
 - (c) the passing of a resolution to cancel or buy-back all Plan Shares pursuant to a scheme of arrangement, reduction of capital, share buy-back or otherwise;
 - (d) the Board determining that the Plan be wound up;
 - (e) the day before the 80th anniversary of the date of this Deed.
- 17.4 Where the Plan is terminated:
 - (a) the Board must decide how Plan Shares which remain subject to any Conditions are to be dealt with and must give such other directions to the Plan Trustee regarding the operation of the Plan as the Plan Trustee may request. Plan Shares which are not subject to any Conditions shall be capable of being withdrawn by the Participant entitled to the same, subject to the provisions of Clauses 8 and 9;
 - (b) the balance of the capital of the Trust to which no Participant is entitled in accordance with (a) above must be applied by the Plan Trustee at the direction of the Board.

18. CONNECTION WITH OTHER PLANS

- 18.1 The Company is not restricted to using the Plan as the only method of providing incentive rewards to Employees. The Board may approve other incentive schemes.
- 18.2 Participation in the Plan does not affect, and is not affected by, participation in any other incentive or other scheme operated by the Company unless the terms of that other scheme provide otherwise.

19. TAX

- 19.1 Where the Plan Trustee is required pursuant to the Tax Act to pay tax concerning income of the Trust allocated or distributed to a Participant or to any entitlement or benefit of a Participant out of the Trust or monies held by the Plan Trustee on trust for a Participant pursuant to the provisions of this Deed, the Plan Trustee may pay same out of the income or capital to which the Participant is presently entitled or may deduct same out of monies which may then or thereafter come into the hands of the Plan Trustee or over which the Plan Trustee has control and to which the Participant is or becomes entitled.
- 19.2 Notwithstanding Clause 19.1 in the event that the Plan Trustee at any time incurs any income tax or other tax payable concerning the Trust pursuant to the Tax Act the Trustee shall pay out of the Trust or income thereof any such amount.

20. RELATIONSHIP OF COMPANY, THE PLAN TRUSTEE AND PARTICIPANTS

- 20.1 This Deed:
 - (a) does not confer on any Eligible Executive the right to continue as an employee of a Group Employer;
 - (b) does not affect any rights which the Group Employer may have to terminate the employment of any Employee; and
 - (c) may not be used to increase damages in any action brought or orders sought against the Group Employer in respect of any termination of employment of any Employee.
- 20.2 The Plan Trustee must not accept any contribution of money or money's worth from an Eligible Executive, an Associate or a Participant, as opposed to contributions by the Company or any Associated Company.
- 20.3 No Participant will have day to day control or any other control over the operation of the Plan irrespective of any rights they may have under this Deed.
- 20.4 The Plan Trustee does not act as agent of any Group Employer or Participant.
- 20.5 The Plan Trustee is not a trustee for any of the Group Employers.

21. NOTICES

Any notice or direction given under this Deed is validly given if it is handed to the person concerned or posted by ordinary prepaid post to the person's last known address or given in such other manner as the Board determines.

22. GOVERNING LAW

This Deed, this Deed, and the rights of the Participant under the terms and conditions of the Plan, shall be governed by the laws of the State of New South Wales.

23. MANAGEMENT OF THE PLAN

- 23.1 The Plan will be administered by the Board in accordance with this Deed.
- 23.2 The Board may form policy and make regulations for the administration of the Plan that are consistent with this Deed and may delegate necessary functions to an appropriate service provider capable of performing those functions and implementing those policies.
- 23.3 Where this Deed provides for or requires a determination, decision, approval or opinion, such determination, decision, approval or opinion will be made by the Plan Trustee after consultation with the Board.
- 23.4 The determination, decision, approval or opinion of the Board as to the interpretation, effect or application of this Deed will be final.
- 23.5 Except as expressly provided in this Deed, where this Deed provide for a determination, interpretation, decision, approval or opinion of the Plan Trustee, the Company or the Board, such determination, interpretation, decision, approval or opinion will be in its absolute discretion and final.
- 23.6 The Board may delegate such functions and powers as it may consider appropriate, for the efficient administration of the Plan, to a committee or committees made up of person or persons capable of performing those functions and exercising those powers.
- 23.7 Subject to this Deed, the Plan Trustee has all the powers in respect of the Plan that it is possible to confer on a trustee as though it were the absolute owner of the assets of the Trust and acting in its personal capacity.

- 23.8 The Plan Trustee may authorise any person to act as its delegate (in the case of a joint appointment, jointly and severally) to hold title to any assets of the Trust, perform any act or exercise any discretion within the Plan Trustee's power.
- 23.9 The Plan Trustee and the Board may take and rely upon independent professional or expert advice in or in relation to the exercise of any of their powers or discretions under this Deed.
- 23.10 Subject to Clause 3.5 and Clause 10 and without derogating from the right of indemnity given by law to trustees, the Company hereby covenants with the Plan Trustee that it will indemnify and keep indemnified the Plan Trustee in respect of all liabilities, costs and expenses incurred by the Plan Trustee in the execution or purported execution of the Trust or any of the powers, authorities or discretions vested in the Plan Trustee and from and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted other than a claim arising out of the Plan Trustee's negligence, dishonesty or the Plan Trustee wilfully or knowingly being a party to a breach of trust.
- 23.11 The Plan Trustee shall not be under any liability whatsoever except for negligence, dishonesty, fraud or wilful default committed by the Plan Trustee or any of its employees or agents.
- 23.12 Nothing in this Clause 23 enables the Plan Trustee to recover any liabilities, costs or expenses from any Participant.
- 23.13 The Plan Trustee is not entitled to receive from the Trust any fees, commission or other remuneration in respect of its office, but the Company may pay to the Plan Trustee, from the Company's own resources, such fees and reimburse such expenses incurred by the Plan Trustee as the Company and the Plan Trustee agree from time to time. The Plan Trustee is entitled to retain for its own benefit any such fee or reimbursement.
- 23.14 For the purposes of this Deed, the Plan Trustee is entitled to regard as valid an instruction, consent or other authorisation given or purported to be given by a Participant, whether in writing and signed by or purporting to be signed by the Participant or in any other form approved by the Board.

24. GENERAL

- 24.1 The entitlement of the Participants and this Deed are subject to the Company's constitution, the Listing Rules, the Corporations Act and any other applicable laws.
- 24.2 Notwithstanding any other provision of this Deed, every covenant or other provision set out in an exemption from, or modification to, the provisions of the Corporations Act granted from time to time by ASIC in respect of the Plan including the Class Order, and required to be included in this Deed in order for the exemption or modification to have effect, is deemed to be contained in this Deed. To the extent that any covenant, or other provision deemed by this clause to be contained in this Deed is inconsistent with any other provision in this Deed, the deemed covenant or other provision will prevail.

25. BREACH OF THIS DEED BY A PARTICIPANT

- 25.1 If a Participant breaches any of their obligations under this Deed, then the Group Employer may set-off the value of any benefit derived by that Participant and any loss incurred by the Group as a result of such breach, against any amounts payable by the Group to that Participant, whether such amounts are payable on termination of employment or otherwise, unless prohibited by law from doing so.
- 25.2 For the purposes of Clause 25.1, if a Participant sells Plan Shares in breach of Clause 8, or contests any forfeiture of Plan Shares which occurs under Clause 9, the value of the benefit to the Participant as a result of such breach is the amount received by the Participant from such sale, or the Market Price of the said Plan Shares sold or contested at the time they are sold or required to be forfeited, whichever is the greater.

26. ADVICE

Eligible Executives and Associates should obtain their own independent advice at their own expense on the financial, legal, taxation and other consequences to them relating to participation in the Plan.

27. INCONSISTENCY

To the extent there is an inconsistency between a provision in this Deed and a provision in any prospectus or handbook used to explain the operation of the Plan to Employees, this Deed prevails.

28. PLAN TRUSTEE'S BASIC COVENANTS

The Plan Trustee covenants, that it will:

- 28.1 act continuously, as trustee of the Trust until its termination or until it has retired or been removed in the manner provided in this Deed;
- 28.2 exercise all due diligence and vigilance in carrying out its functions and duties; and
- 28.3 perform those of its functions and exercise those of its powers under this Deed in the best interests of each Participant.

29. REPLACEMENT OF PLAN TRUSTEE

- 29.1 Subject to Clause 29.3, the Plan Trustee may retire at any time without assigning any reason, upon giving at least two month's prior notice in writing to the Board.
- 29.2 Subject to Clause 29.3, the Board may at any time without assigning any reason, upon giving at least one month's prior notice in writing to the Plan Trustee, remove the Plan Trustee from office.
- 29.3 The Plan Trustee's right to retire, and the Board's right to remove the Plan Trustee, is exercisable only upon the due appointment of a new Plan Trustee in accordance with Clause 29.5.
- 29.4 Upon ceasing to act as trustee, the Plan Trustee shall transfer to the new Plan Trustee all moneys, investments and other property held under this Deed.
- 29.5 The power to appoint a new Plan Trustee is vested in the Board.

30. LIABILITY

The Group Employer, the Company, the Plan Trustee and their respective directors and employees are not liable for anything done or omitted to be done by such person or any other person with respect to:

- 30.1 the price, time, quantity or other conditions and circumstances of the acquisition, custody or sale of Plan Shares;
- 30.2 any fluctuations in the Share Price; and
- 30.3 anything done in connection with the Plan,
unless such act or omission constitutes wilful misconduct on such pers

**EXECUTIVE
SHARE PLAN**
TRUST DEED

**DEED OF
AMENDMENT**
EXECUTIVE SHARE
PLAN TRUST DEED

BLACKMORES LIMITED

ABN 35 009 713 343

DEED OF AMENDMENT EXECUTIVE SHARE PLAN TRUST DEED

DATE 2 November 2015

BETWEEN: **Blackmores Limited** ABN 35 009 713 343 ("**Company**") and having its registered office at 20 Jubilee Avenue, Warriewood in the state of New South Wales; and
Blackmores Nominees Pty Ltd ABN 35 009 713 437 and having its registered office at 20 Jubilee Avenue, Warriewood in the state of New South Wales ("**Trustee**").

RECITALS

- A The Board of the Company has resolved to amend the trust deed made on 3 February 2012 between the Company and the Trustee relating to the Blackmores Executive Share Plan (**Trust Deed**) in the manner set out in this deed, and the Trustee has agreed to those amendments.

OPERATIVE PART

1 Interpretation

- (a) Unless expressed to the contrary in this deed, words or expressions defined in the Trust Deed have the same meaning when used in this deed.
- (b) This deed is supplemental to and constitutes an amendment of the Trust Deed, and the Trust Deed will be construed and take effect as amended in this deed.

2 Amendments

The Trust Deed is amended as follows:

- (a) insert the following new clause after clause 15.2:
"15.2A If a proposed scheme of arrangement in relation to the Company is announced, the Board may make any determination in relation to the Participant's participation in the proposed scheme of arrangement as it sees fit."
- (b) insert the following new clauses after clause 15.3:
"15.4 If at the time:
 - (a) the Company is served with a takeover statement; or
 - (b) a proposed scheme of arrangement is announced,
 - (c) the Plan Trustee has not yet acquired and/or allocated any Plan Shares for the benefit of an Eligible Executive (or his or her Associate) because the number of Plan Shares that may stand to the credit of that Eligible Executive (or his or her Associate) is unknown either by reason of a Condition not yet being satisfied or the formula for determining the number of Plan Shares being unable to be calculated at that time, the Board may in its discretion:
 - (d) bring forward the Vesting Date and/or declare that any right of an Eligible Executive (or his or her Associate) to Plan Shares has vested and is free of any Condition; and
 - (e) determine the number of Plan Shares to be acquired by the Plan Trustee in relation to that Eligible Executive (or his or her Associate), provided that the number of Plan Shares must not exceed the maximum number of Shares that could have been acquired by the Plan Trustee for the benefit of that Eligible Executive under the relevant Invitation.
- 15.5 If the Board makes a determination under clause 15.4(d), the Plan Trustee must acquire and/or allocate the relevant number of Plan Shares for the benefit of the Eligible Executive (or his or her Associate) and clauses 15.1 or 15.2A, as applicable, will then apply.
- 15.6 Without limiting the Board's discretion in clause 15.4, the Board may, in respect of any performance criteria in a Condition, have regard to whether the pro-rata performance is in line with those criteria."
 - (c) insert the following new clause after clause 23.14:
"23.15 Where this Deed refers to an act, treatment, entitlement, determination, decision, approval or opinion in relation to Plan Shares, and if at any particular time an Executive has been invited to participate in the Plan but the Plan Trustee has not yet acquired and/or allocated Plan Shares for the benefit of that Executive or his or her Associate in connection with that Invitation for any reason, the Board may:

EXECUTIVE SHARE PLAN TRUST DEED

- (a) deem that Executive or his her Associate to be a Participant;
- (b) make such determination as it sees fit to apply the relevant act, treatment, entitlement, determination, decision, approval or opinion to the Executive's rights under the Invitation or right to Plan Shares; and/or
- (c) direct the Plan Trustee to acquire such number of Plan Shares in relation to that Executive as it sees fit (provided that the number of Plan Shares must not exceed the maximum number of Shares that could have been acquired by the Plan Trustee for the benefit of that Executive under the relevant Invitation) so that the relevant act, treatment, entitlement, determination, decision, approval or opinion applies to the Plan Shares."

BLACKMORES LIMITED

ABN 35 009 713 343

DEED OF AMENDMENT EXECUTIVE SHARE PLAN TRUST DEED

DATE 19 July 2017

BETWEEN

- 1 **BLACKMORES LIMITED** ABN 35 009 713 343 (the Company) and having its registered office at 20 Jubilee Avenue, Warriewood in the state of New South Wales; and
- 2 **BLACKMORES NOMINEES PTY LTD** ABN 35 009 713 437 and having its registered office at 20 Jubilee Avenue, Warriewood in the state of New South Wales (Trustee).

RECITALS

- A The Board of the Company has resolved to amend the trust deed made on 3 February 2012 (as amended from time to time) between the Company and the Trustee relating to the Blackmores Executive Share Plan (Trust Deed) in the manner set out in this deed, and the Trustee has agreed to those amendments.

OPERATIVE PART

1. Interpretation

- (a) Unless expressed to the contrary in this deed, words or expressions defined in the Trust Deed have the same meaning when used in this deed.
- (b) This deed is supplemental to and constitutes an amendment of the Trust Deed, and the Trust Deed will be construed and take effect as amended in this deed.

2. Amendments

The Trust Deed is amended as follows:

- (a) in clause 4.4, insert the words "off market or" after the words "to acquire Shares"; and
- (b) insert the following new clause after clause 8.8:
"8.8A The Plan Trustee will be deemed to have satisfied an instruction in a Notice of Withdrawal from a Participant to sell Plan Shares held by the Plan Trustee on behalf of the Participant, if the Participant specifies in the Notice of Withdrawal that the Plan Trustee should cease to hold those Plan Shares on behalf of the Participant, and in that case, the Participant's interest in the Plan Shares will be extinguished. Following such instruction, the Plan Trustee will hold those Shares as Unallocated Shares (until such Shares are allocated to other Participants), and will pay the cash value of those Shares to the Participant. This shall be taken to be an off-market acquisition of Shares under clause 4.4."