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## ASX statement

1 July 2010

### Notice of substantial holder

In accordance with section 671B of the Corporations Act, we enclose Form 603 (Notice of initial substantial holder) in respect of Mosaic Oil NL.

Yours sincerely



Vikki Shizas

Acting Company Secretary



**Form 603**  
Corporations Act 2001  
Section 671B

**Notice of initial substantial holder**

To Company Name/Scheme Mosaic Oil NL

ACN/ARSN 003 329 084

**1. Details of substantial holder (1)**

Name AGL Energy Limited (AGL) and its related bodies corporate (as set out in Annexure A) (AGL Group)

ACN/ARSN (if applicable) 115 061 375

The holder became a substantial holder on 30 June 2010

**2. Details of voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary shares	105,104,370	105,104,370	12.80%

**3. Details of relevant interests**

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
AGL	Relevant interest under sections 608(1) and 608(8) of the Corporations Act 2001 (Cth) pursuant to Pre-bid Acceptance Agreements entered into on 30 June 2010 between AGL and each of the persons described in Annexure B, on the terms of the pro-forma agreement attached as Annexure C.	105,104,370

**4. Details of present registered holders**

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
AGL	Refer to Annexure B	Refer to Annexure B	105,104,370

**5. Consideration**

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)	Class and number of securities
AGL	30 June 2010	Refer to the terms of the pro-forma Pre-bid Acceptance Agreement attached as Annexure C	105,104,370

**6. Associates**

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
AGL Group	Members of the AGL Group are associates of AGL and each other pursuant to section 12(2) of the Corporations Act 2001 (Cth)

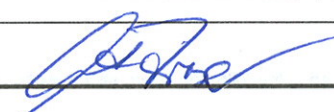
**7. Addresses**

The addresses of persons named in this form are as follows:

Name	Address
AGL and each member of the AGL Group	Level 22, 101 Miller Street, North Sydney NSW 2060

**Signature**

print name **Michael Fraser** capacity *Director*

sign here  date *1 17 10*

**DIRECTIONS**

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
  - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."
- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.




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## Annexure A to Form 603

AGL Energy Limited (ACN 115 061 375)

This is Annexure A of 3 page(s) referred to in the ASIC Form 603 signed by me and dated 11 JULY 2010.

  
\_\_\_\_\_  
Signature

**Michael Fraser**  
\_\_\_\_\_

Print Name

Company	ACN
AGL Limited	NZ No. 1054119
AGL ACT Retail Investments Pty Limited	ABN 53 093 631 586
AGL Corporate Services Pty Limited	ABN 98 093 015 724
AGL Electricity (VIC) Pty Limited	ABN 62 070 182 099
AGL Energy Limited	NZ No. 1054121
AGL Energy Sales & Marketing Limited	ABN 18 076 092 067
AGL Energy Services Pty Limited	ABN 57 074 821 720
AGL Gas Developments (Hunter) Pty Limited	ABN 32 073 928 631
AGL Gas Developments (PNG) Pty Limited	ABN 37 001 389 939
AGL Gas Developments (Sydney) Pty Limited	ABN 64 086 013 505
AGL Gloucester MG Pty Ltd	ABN 53 075 137 218
AGL HP1 Pty Limited	ABN 86 080 429 901
AGL HP2 Pty Limited	ABN 75 080 810 546
AGL HP3 Pty Limited	ABN 22 080 735 815
AGL Pipelines Investments (QLD) Pty Limited	ABN 98 091 258 472
AGL Power Generation Pty Limited	ABN 45 086 586 192
AGL Power Generation (NSW) Pty Limited	ABN 11 118 099 451
AGL Power Generation (QLD) Pty Limited	ABN 85 119 438 756
AGL Power Generation (Wind) Pty Limited	ABN 13 120 355 213
AGL Retail Energy Limited	ABN 21 074 839 464
AGL SA Generation Pty Limited	ABN 84 081 074 204

AGL Sales Pty Limited	ABN 88 090 538 337
AGL Sales (Queensland) Pty Limited	ABN 85 121 177 740
AGL Sales (Queensland Electricity) Pty Limited	ABN 66 078 875 902
AGL (SG) Pty Limited	ABN 93 003 324 310
AGL (SG) Operations Pty Limited	ABN 57 079 838 136
AGL (SG) (Camden) Operations Pty Limited	ABN 99 100 684 419
AGL (SG) (Hunter) Operations Pty Limited	ABN 90 100 714 716
AGL (SG) (Wyong) Operations Pty Limited	ABM 50 106 591 119
AGL Share Plan Pty Limited	ABN 78 080 609 749
AGL (SHL) Pty Limited	ABN 39 116 830 285
AGL South Australia Pty Limited	ABN 49 091 105 092
AGL Southern Hydro Holdings Pty Limited	ABN 78 104 646 424
AGL Southern Hydro Investments Pty Ltd	ABN 98 104 071 829
AGL Southern Hydro Pty Limited	ABN 89 088 976 327
AGL Southern Hydro (NSW) Pty Limited	ABN 73 056 452 601
AGL Torrens Island Pty Limited	ABN 67 081 074 197
AGL Torrens Island Holdings Pty Limited	ABN 96 071 611 017
AGL Upstream Infrastructure Investments Pty Limited	ABN 96 092 684 010
AGL Upstream Investments Pty Limited	ABN 58 115 063 744
AGL Utility Services Pty Limited	ABN 72 081 834 826
AGL Wholesale Gas Limited	ABN 26 072 948 504
AGL Wholesale Gas (SA) Pty Limited	ABN 13 094 384 291
Australian Energy Ltd	ABN 72 083 183 028
Australia Plains Wind Farm Pty Ltd	ABN 99 116 978 039
Barn Hill Wind Farm Pty Ltd	ABN 76 131 487 833
Ben Lomond Wind Farm Pty Ltd	ABN 23 105 363 853
Box Hill Wind Farm Pty Limited	ABN 18 110 666 021
Central Queensland Pipeline Pty Ltd	ABN 55 126 648 815
Coopers Gap Wind Farm Pty Ltd	ABN 95 126 594 714
Crows Nest Wind Farm Pty Ltd	ABN 75 105 363 255
Dual Fuel Systems Pty. Limited	ABN 58 001 499 314
Energy Infrastructure Management Pty Ltd	ABN 75 100 946 389

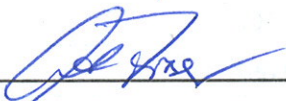
Geogen Pty Limited	ABN 51 113 102 686
Geogen Australia Pty Ltd	ABN 31 134 542 082
Geogen Victoria Pty Ltd	ABN 57 121 810 160
H C Extractions Pty Limited	ABN 70 002 945 655
Highfields Wind Farm Pty Limited	ABN 85 109 821 114
Macarthur Wind Farm Pty Ltd	ABN 19 106 134 507
MWF JV Pty Limited	ACN 129 819 852
Oaklands Hill Wind Farm Pty Ltd	ABN 88 126 595 935
Powerdirect Pty Ltd	ABN 28 067 609 803
Victorian Energy Pty Limited	ABN 97 069 892 379
Worlds End Wind Farm Pty Ltd	ABN 98 100 729 780

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## Annexure B to Form 603

AGL Energy Limited (ACN 115 061 375)

This is Annexure B of 2 pages referred to in the ASIC Form 603 signed by me and dated 1 JULY 2010.



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Signature

**Michael Fraser**

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Print Name

Each of the following persons entered into a Pre-bid Acceptance Agreement (on the terms of the pro-forma agreement attached to the Form 603 as Annexure C) with AGL Energy Limited on 30 June 2010:

Date	Mosaic shareholder	Number of Mosaic shares
30 June 2010	ASPAC MINING LIMITED	13,797,674
30 June 2010	BERNE NO 132 NOMINEES PTY LTD	11,005,927
30 June 2010	DOUGLAS FINANCIAL CONSULTANTS PTY LTD	9,498,864
30 June 2010	BERNE NO 132 NOMINEES PTY LTD	6,840,997
30 June 2010	HINDUJA BANK (SWITZERLAND) LIMITED	8,807,223
30 June 2010	BERNE NO 132 NOMINEES PTY LTD	5,886,364
30 June 2010	FARJOY PTY LTD	5,863,636
30 June 2010	DOUGLAS FINANCIAL CONSULTANTS PTY LTD	4,861,364
30 June 2010	BERNE NO 132 NOMINEES PTY LTD	4,162,777
30 June 2010	MR ANGUS DOUGLAS	2,861,364
30 June 2010	BERNE NO 132 NOMINEES PTY LTD	2,666,400
30 June 2010	A N DOUGLAS MANAGEMENT PTY LTD	2,336,364
30 June 2010	MR P GRENVILLE SCHOCH	2,236,364
30 June 2010	MR STUART BRUCE RAMSEY	2,236,364
30 June 2010	BOUSSAL PTY LTD	1,800,000
30 June 2010	WENGOR INVESTMENTS PTY LTD	1,336,364
30 June 2010	MR ANGUS DOUGLAS	1,226,364
30 June 2010	HANCROFT PTY LTD	1,136,364
30 June 2010	T B I C PTY LTD	1,000,000

30 June 2010	MRS SUSAN-JANE DOUGLAS	890,910
30 June 2010	MARARCH INVESTMENTS PTY LTD	836,364
30 June 2010	G DOUGLAS MANAGEMENT PTY LTD	711,364
30 June 2010	RESOURCE AND LAND MANAGEMENT SERVICES PTY LTD	11,090,364
30 June 2010	RESOURCE AND LAND MANAGEMENT SERVICES PTY LTD	1,294,000
30 June 2010	BEN SKERMAN	720,594
Total:		105,104,370

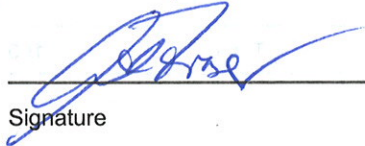


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**Annexure C to Form 603**

AGL Energy Limited (ACN 115 061 375)

This is Annexure C of 8 pages referred to in the ASIC Form 603 signed by me and  
dated *1 JULY* 2010.

  
\_\_\_\_\_  
Signature

**Michael Fraser**

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



Date: \_\_\_\_\_

To: \_\_\_\_\_

Address: \_\_\_\_\_

Dear Sir/Madam

### **Mosaic Oil NL: Pre-Bid Acceptance Agreement**

We refer to our recent discussions in relation to a potential proposal by AGL Energy Limited (ACN 115 061 375) (or one of its wholly owned subsidiaries) (AGL) to acquire all of the fully paid ordinary shares in Mosaic Oil NL (ACN 003 329 084) (Mosaic) by way of either a takeover bid or scheme of arrangement.

We understand that you are the registered holder of \_\_\_\_\_ fully paid ordinary shares in Mosaic (the **Acceptance Shares**).

This letter sets out the terms on which you have agreed to accept that takeover bid for all of the Acceptance Shares if AGL makes that takeover bid, or to give a proxy to vote in favour of that scheme if that scheme is proposed.

#### **1. Condition Precedent**

The provisions in this letter (other than those in this clause, clause 7 and clause 8) will cease to have any force or effect unless either:

- (a) AGL makes an announcement to the ASX on or before 14 July 2010 that it intends to make offers under an off-market takeover bid under Chapter 6 of the Corporations Act to acquire all of the fully paid ordinary shares in Mosaic:
  - (i) for a cash consideration of not less than \$0.15 per Mosaic share (AGL may also offer as an additional alternative form of consideration new AGL shares of equivalent value to the cash consideration per share); and
  - (ii) subject to conditions which are not substantially less favourable to Mosaic shareholders than those set out in annexure A to this letter,

(those offers being referred to in this letter as the **Takeover Offers**) and Mosaic makes an announcement to the ASX on or before 14 July 2010 that the Mosaic Board unanimously recommends that Mosaic shareholders accept the Takeover Offers in the absence of a superior proposal, and that all Mosaic Directors intend to accept the Takeovers Offers for the Mosaic shares that they control, in the absence of a superior proposal; or

- (b) Mosaic makes an announcement to the ASX on or before 14 July 2010 that:





- (i) Mosaic will propose a scheme of arrangement under Chapter 5 of the Corporations Act under which AGL will acquire all of the fully paid ordinary shares in Mosaic:
  - (A) for a cash consideration of not less than \$0.15 per Mosaic share (AGL may also offer as an additional alternative form of consideration new AGL shares of equivalent value to the cash consideration per share); and
  - (B) subject to conditions which are not substantially less favourable to Mosaic shareholders than those set out in annexure B to this letter, (that scheme of arrangement being referred to in this letter as the **Scheme**); and
- (ii) the Mosaic Board unanimously recommends that Mosaic shareholders vote in favour of the Scheme in the absence of a superior proposal, and that all Mosaic Directors intend to vote in favour of the Scheme for the Mosaic shares that they control, in the absence of a superior proposal.

## 2. **Obligation to accept Takeover Offers for all of the Acceptance Shares**

If clause 1(a) applies, then:

- (a) subject to paragraph (b), you agree to accept the Takeover Offers in respect of all of the Acceptance Shares by 7.00pm (Sydney time) on the 5<sup>th</sup> business day after the Takeover Offers become open for acceptance (the **Acceptance Deadline**) and you will not subsequently withdraw that acceptance; and
- (b) your obligation to accept the Takeovers Offers will cease to be enforceable, and this agreement will terminate, if a Higher Offer (as defined in clause 8(b)(ii)) is announced at or before 7.00pm (Sydney time) on the day that is 3 business days before the Acceptance Deadline and that Higher Offer is not at least matched by AGL varying, or announcing an intention to vary, the Takeover Offers to offer at least equivalent consideration (calculated having regard to the VWAP of Mosaic shares and AGL securities offered as consideration under the Takeover Offers (and, if applicable, under the Higher Offer) for the business day after the date of the announcement of the Higher Offer) before 7.00pm (Sydney time) on or before the day that is 1 business day before the Acceptance Deadline.

## 3. **Obligation to vote the Acceptance Shares in favour of the Scheme**

If clause 1(b) applies, then:

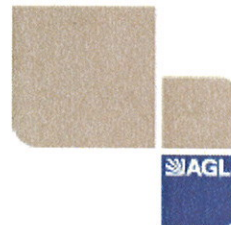
- (a) you irrevocably undertake that you will appoint the Chairman of Mosaic as your sole proxy to vote all of the Acceptance Shares in favour of the resolution to be put to Mosaic shareholders to approve the Scheme (the **Proxy Appointment**); and
- (b) you irrevocably appoint AGL as your attorney with the authority to make the Proxy Appointment and agree to ratify everything done or caused to be done by AGL in its capacity as attorney under that appointment.

## 4. **Obligation to accept takeover offer which equals or exceeds a competing proposal**

If:

- (a) clause 1(b) applies;
- (b) following the announcement referred to in clause 1(b), the Mosaic Board changes or withdraws its recommendation in favour of the Scheme to recommend a competing proposal; and
- (c) within 5 business days of Mosaic announcing the change or withdrawal referred to in paragraph (b) above, AGL makes an announcement to the ASX that it intends to make offers under an off-market takeover bid under Chapter 6 of the Corporations Act to acquire all of the fully paid ordinary shares in Mosaic:





- (i) for a cash consideration per Mosaic share which is not less than the value of the competing proposal; and
- (ii) subject to conditions which are not substantially less favourable to Mosaic shareholders than those set out in annexure A to this letter,

then you agree to accept that takeover offer in respect of all of the Acceptance Shares by 7.00pm (Sydney time) on the 5<sup>th</sup> business day after that takeover offer becomes open for acceptance and you will not subsequently withdraw that acceptance.

#### **5. Warranty**

By signing this letter, you warrant that you are (and will be as at completion of the transfer of the Acceptance Shares to AGL) the registered and beneficial owner of the Acceptance Shares free of encumbrances, with full power and authority to enter into the deed constituted by this letter without the consent of any person.

#### **6. Other conduct**

For so long as this letter remains in force, you will not:

- (a) dispose of, agree to offer or dispose of or encumber any of the Acceptance Shares (or any interest in them), except pursuant to an acceptance of the takeover offers in accordance with clause 2 or clause 4; or
- (b) enter into any discussions or negotiations relating to any possible disposal of the Acceptance Shares.

#### **7. Confidentiality**

You agree to keep this letter and its terms confidential until the earlier of:

- (a) AGL lodging a substantial holding notice with Mosaic and the Australian Securities Exchange in relation to the Acceptance Shares; and
- (b) AGL otherwise announcing the terms of this letter to the Australian Securities Exchange.

#### **8. General**

- (a) You agree not to assign this letter, or any right or benefit under this letter, to any person without the prior written consent of AGL.
- (b) In this letter:
  - (i) a "business day" means a day that is not a weekend or a public holiday in Sydney, Australia;
  - (ii) a "Higher Offer" means a takeover bid under Chapter 6 of the *Corporations Act 2001* (Cth) (the **Corporations Act**) to acquire all of the issued shares in Mosaic where:
    - (A) the offeror is not a party to this agreement or an associate of that party;
    - (B) the value of the consideration per share in Mosaic is at least 5% greater than the value of the consideration per share in Mosaic under the Takeover Offers; and
    - (C) the takeover bid is not subject to any condition which is materially more onerous than any of the conditions specified in the Takeover Offers,

provided that where the consideration under the Takeover Offers or the other takeover bid includes assets or securities, the value (in Australian dollars) of the relevant consideration for the purposes of sub-paragraph (B) will be determined according to the following principles:



- (D) in the case of securities quoted for trading on a stock exchange, the value will be equal to the VWAP for the business day after the date of the announcement of the Higher Offer; and
- (E) in all other cases, the value will be determined by an independent valuer to be appointed by AGL (acting reasonably and taking into account requests from you and any other shareholder who has entered into a letter on substantially the same terms as this letter). The valuer shall act as an expert and not as an arbitrator and the decision of the valuer will be final and binding on the parties to this agreement; and

(iii) "VWAP" means the volume weighted average sale price of the relevant securities on the home stock exchange on which those securities are quoted for trading (using, if necessary, the appropriate exchange rate or cross rate as reported by Bloomberg at 10am Australian Eastern Standard Time for each relevant day in respect of which a calculation is made) during the relevant period or on the relevant day, but does not include any trades which, in the reasonable opinion of AGL, were unusual in the context of trading in those securities and which may have the effect, if included, of distorting the calculation of the VWAP.

(c) This letter is governed by the laws of Queensland.

Executed and delivered as a Deed in Brisbane.

Each attorney executing this Deed states that he or she has no notice of revocation or suspension of his or her power of attorney.

**Signed Sealed and Delivered for  
AGL Energy Limited** by its attorney  
under power of attorney in the  
presence of:

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Attorney Signature

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

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

**Signed Sealed and Delivered by**

\_\_\_\_\_  
in the presence of:

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Signature

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





## Annexure A – Conditions of the Takeover Offers

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The Takeover Offers will be subject to the following conditions:

**1. (Minimum acceptance)**

During, or at the end of, the Offer Period, AGL and its associates together have relevant interests in at least 90% of the Mosaic Shares and becomes entitled to proceed with compulsory acquisition of all of the Mosaic Shares under Part 6A.1 of the Corporations Act.

**2. (No regulatory actions)**

Between the Announcement Date and the end of the Offer Period (each inclusive): there is not in effect any preliminary or final decision, order or decree issued by a Public Authority; no action or investigation is announced, commenced or threatened by any Public Authority; and no application is made to any Public Authority (other than by AGL or any of its associates), in consequence of or in connection with the Offer (other than an application to, or a decision or order of, ASIC or the Takeovers Panel under, or relating to a breach of, Chapter 6, 6A, 6B or 6C of the Corporations Act or relating to unacceptable circumstances within the meaning of section 657A of the Corporations Act) that restrains, prohibits or impedes, or threatens to restrain, prohibit or impede, the making of the Offer or the acquisition of Mosaic Shares under the Offer or the completion of any transaction contemplated by the Bidder's Statement, or seeks to require the divestiture by AGL of any Mosaic Shares, or the divestiture of any material assets of the Mosaic Group or the AGL Group.

**3. (No material adverse change)**

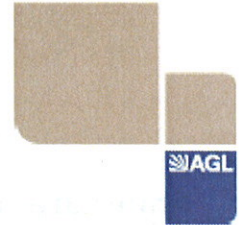
Before the end of the Offer Period, no event, change or condition occurs, is announced or becomes known to AGL (whether or not it becomes public) where that event, change or condition has had, or could reasonably be expected to have, a material adverse effect on the business, assets, liabilities, financial or trading position, profitability or prospects of the Mosaic Group, taken as a whole.

**4. (No material acquisitions, disposals or commitments during the Offer Period)**

Except for any proposed transaction publicly announced by Mosaic before the Announcement Date, none of the following events occurs during the period from the Announcement Date to the end of the Offer Period (each inclusive):

- (a) any member of the Mosaic Group acquires, offers to acquire or agrees to acquire any one or more entities or assets for a consideration, or with a value, which when aggregated with all other such acquisitions, offers and agreements exceeds \$1 million;
- (b) any member of the Mosaic Group disposes, offers to dispose or agrees to dispose of any one or more entities or assets for a consideration, or with a value, which when aggregated with all other such disposals, offers and agreements exceeds \$1 million;
- (c) any member of the Mosaic Group enters into, or offers to enter into any agreement which would require expenditure or the foregoing of revenue by the Mosaic Group which when aggregated with all other such agreements and offers exceeds \$1 million;
- (d) any member of the Mosaic Group enters into any gas storage agreement with any third party; or
- (e) Mosaic publicly announces, or it become known to AGL, that any of the events described in paragraphs (a) to (d) (inclusive) has occurred.





**5. (No change of control under material contracts)**

No person has or will have any right (whether subject to conditions or not) as a result of AGL acquiring Mosaic Shares under the Offer to:

- (a) acquire, or require the disposal of, or require any member of the Mosaic Group to offer to dispose of, any material asset of any member of the Mosaic Group; or
- (b) terminate, or vary the terms or performance of, any material agreement with any member of the Mosaic Group.

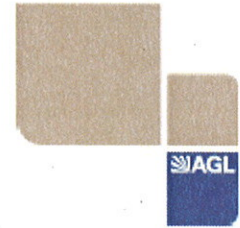
**6. (No dividends)**

Between the Announcement Date and the end of the Offer Period (each inclusive), neither Mosaic nor any of its Related Entities makes, determines as payable or declares any distribution (whether by way of dividend, capital reduction or otherwise and whether in cash or in specie).

**7. (No prescribed occurrences)**

During the period from the Announcement Date to the end of the Offer Period (each inclusive), none of the following occurrences (being the prescribed occurrences listed in section 652C of the Corporations Act) happens:

- (a) Mosaic converts all or any of its shares into a larger or smaller number of shares under section 254H of the Corporations Act;
- (b) Mosaic or a subsidiary of Mosaic resolves to reduce its share capital in any way;
- (c) Mosaic or a subsidiary of Mosaic enters into a buy-back agreement or resolves to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act;
- (d) Mosaic or a subsidiary of Mosaic issues shares (other than as a result of the exercise of Mosaic Employee Options) or grants an option over its shares, or agrees to make such an issue or grant such an option;
- (e) Mosaic or a subsidiary of Mosaic issues, or agrees to issue, convertible notes;
- (f) Mosaic or a subsidiary of Mosaic disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;
- (g) Mosaic or a subsidiary of Mosaic charges, or agrees to charge, the whole, or a substantial part, of its business or property;
- (h) Mosaic or a subsidiary of Mosaic resolves to be wound up;
- (i) a liquidator or provisional liquidator of Mosaic or of a subsidiary of Mosaic is appointed;
- (j) a court makes an order for the winding up of Mosaic or of a subsidiary of Mosaic;
- (k) an administrator of Mosaic or of a subsidiary of Mosaic is appointed under section 436A, 436B or 436C of the Corporations Act;
- (l) Mosaic or a subsidiary of Mosaic executes a deed of company arrangement; or
- (m) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of Mosaic or a subsidiary of Mosaic.



## **Annexure B – Scheme conditions**

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The implementation of the Scheme will be subject to the same conditions set out in conditions 2 to 7 (inclusive) of Annexure A (as applicable to a scheme of arrangement) and further standard conditions found in a scheme transaction of this type, including the following:

1. **(Independent Expert's Report)** the Independent Expert provides the Independent Expert's Report to Mosaic, stating that in its opinion the Scheme is in the best interests of Mosaic Shareholders, and the Independent Expert does not change its conclusion or withdraw the Independent Expert's Report by notice in writing to Mosaic prior to 8am on the Second Court Date;
2. **(Mosaic Shareholder approval)** the Scheme Resolution is approved by the requisite majorities of Mosaic Shareholders under section 411(4)(a)(ii) of the Corporations Act;
3. **(Court approval of Scheme)** the Scheme is approved by the Court in accordance with section 411(4)(b) of the Corporations Act; and
4. **(no restraints)** no judgment, order, decree, statute, law, ordinance, rule or regulation, or other temporary restraining order, preliminary or permanent injunction, restraint or prohibition, entered, enacted, promulgated, enforced or issued by any court or other Governmental Agency of competent jurisdiction, remains in effect as at 8am on the Second Court Date that prohibits, materially restricts, makes illegal or restrains the completion of the Transactions or any Transaction Document.