

NOTICE OF EXERCISE OF OPTION

To: Cadence Capital Limited C/- Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001

I / We.....
Name of Option holder/s (Please use block letters)

.....
Registered address of Option holder/s (Please use block letters)

hereby exercise my options to apply for
(number in words) (in figures)

fully paid ordinary shares in the capital of Cadence Capital Limited and I/we enclose my/our cheque for \$.....
in payment of such shares at \$1.25 per option subscription.

Alternatively, payment can be made into the following NAB Account: Cadence Capital Limited BSB: 082-356 ACC NUMBER: 588 396 981. **Please use your Holder reference Number (SRN/ or HIN) or Full Name as a reference for your bank transfer.**

(Please return this options exercise form with a copy of the receipt of payment via email to corporateactions@boardroomlimited.com.au or faxed to 02 9290 9649)

I/we request that you allot me/us on the share register the number of shares to which I am/we are entitled and I/we agree to accept such shares subject to the Company's Constitution.

PLEASE SIGN HERE:

Shareholder 1 (Individual)

Sole Director & Sole Company
Secretary

Joint Shareholder 2 (Individual)

Director

Joint Shareholder 3 (Individual)

Director / Company Secretary

Business Telephone No. () Date

TERMS OF OPTIONS

Cadence Capital Limited

The terms and conditions of the Options are as follows:

Register

The Company will maintain a register of holders of Options in accordance with Section 168(1)(b) of the Corporations Act.

Transfer/Transmission

An Option may be transferred or transmitted in any manner approved by the ASX.

Exercise

An Option may be exercised by delivery to the Company of a duly completed notice of exercise of Options, signed by the registered holder of the Option, together with payment to the Company of \$1.25 per Option being exercised and where relevant the holding certificate. A blank notice of exercise of Options will be provided to Optionholders at the same time as Option holding statements are despatched. An Option may be exercised on any business day from the date of grant to 15 September 2012 (inclusive), but not thereafter.

A notice of exercise of Options is only effective when the Company has received the full amount of the exercise price in cash or cleared funds.

Dividend Entitlement

Options do not carry any dividend entitlement until they are exercised. Shares issued on exercise of Options rank equally with other issued Shares of the Company on and from their date of issue.

Participating rights

An Optionholder may only participate in new issues of securities to holders of ordinary shares in the Company if the Option has been exercised and Shares allotted in respect of the Option before the record date for determining entitlements to the issue. The Company must give at least 7 business days' notice to Optionholders of any new issue before the record date for determining entitlements to the issue in accordance with the Listing Rules.

If between the date of issue and the date of exercise of an Option the Company makes one or more rights issues (being a pro rata issue of ordinary shares in the capital of the Company that is not a bonus issue), the exercise price of options on issue will be reduced in respect of each rights issue according to the following formula:

$$NE = OE - \frac{E(P - (S + D))}{(N + 1)}$$

where:

NE is the new exercise price of the Option;

OE is the old exercise price of the Option;

E is the number of underlying ordinary shares into which one Option is exercisable;

P is the average closing sale price per ordinary share (weighted by reference to volume) recorded on the stock market of the ASX during the 5 trading days ending on the day before the ex rights date or ex entitlements date (excluding special crossings and overnight sales);

S is the subscription price for an ordinary share under the rights issue;

D is the dividend due but not yet paid on each ordinary share at the relevant time; and

N is the number of ordinary shares that must be held to entitle holders to receive a right to one new ordinary share in the rights issue.

If there is a bonus issue to the holders of ordinary shares in the capital of the Company, the number of ordinary shares over which the Option is exercisable will be increased by the number of ordinary shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.

Reconstructions and Alteration of Capital

Any adjustment to the number of Outstanding Options and the Exercise Price under a re-organisation of the Company's share capital must be made in accordance with the Listing Rules.

The rights of an Optionholder may be changed by the Company to comply with the Listing Rules applying to a reorganisation of capital at the time of reorganisation.

Stock Exchange Listing

The Company must make application for quotation of shares issued on exercise of the Options on the ASX in accordance with the Listing Rules. Shares so issued will rank equally with other issued ordinary shares of the Company.