

SHAREHOLDERS AGREEMENT

of

MOKAI PTY LTD

ACN:

Date: / /2025

Parties

1. **Harrison Robert Sayers** of [•] (Indigenous Shareholder) ("HRS").
2. **Jack Bell** of [•] (Non-Indigenous Shareholder) ("JB").
3. Any other person who becomes a Shareholder by executing a **Deed of Accession** (Schedule 6).

Recitals

- A. The Shareholders are the registered holders of all issued shares in the Company set out in Schedule 1.
- B. The Shareholders wish to regulate their relationship as shareholders of the Company and the management of the Company's business as an Indigenous-owned cybersecurity and technology consultancy.
- C. The parties intend that the Company maintains Indigenous ownership and control in accordance with Supply Nation and applicable Indigenous Procurement Policy (IPP) criteria.

1. Definitions & Interpretation

1.1 Definitions

Business means the business conducted by the Company of providing cyber security and technology solutions to government departments, and private corporations.

Business Day means a day other than a Saturday, Sunday or public holiday in the Australian Capital Territory.

Corporations Act means the Corporations Act 2001 (Cth).

Deed of Accession means a deed in the form of Schedule 6.

Director means a director of the Company.

Fair Value has the meaning in clause 19.

Indigenous Australian means a person of Aboriginal or Torres Strait Islander descent who identifies as such and is accepted as such by the community in which they live.

Indigenous Ownership Threshold means that Indigenous Australians hold, in aggregate, **not** less than fifty-one percent (51%) of the issued shares in the Company **and** exercise equivalent control, as evidenced by current certification or equivalent recognition under Supply Nation or applicable Commonwealth/State Indigenous procurement frameworks.

PPSA means the Personal Property Securities Act 2009 (Cth).

Reserved Matters means the matters listed in Schedule 2.

Share means an ordinary share in the capital of the Company.

Shareholder means a holder of Shares.

Shareholder Loan means a loan made by a Shareholder to the Company in accordance with clause 16 and Schedule 4.

Tax includes any tax, levy, impost, deduction, charge, rate, duty or withholding.

Valuation Expert has the meaning in clause 19.2.

1.2 Interpretation – Precedence

If there is any inconsistency between this Agreement and the Corporations Act or the Company's Constitution, the Corporations Act prevails to the extent of the inconsistency, and the Constitution prevails over this Agreement to the **minimum** extent required for the Company to comply with the Corporations Act.

1.3 Good Faith

Each party must act in good faith towards the others and use reasonable endeavours to give effect to this Agreement.

2. Objects & Indigenous Status

2.1 The parties acknowledge the strategic objective that the Company remains an Indigenous-owned and controlled enterprise and maximises access to Indigenous procurement pathways.

2.2 The Company will maintain appropriate documentation and certification evidencing its Indigenous status.

2.3 The Board must ensure that strategic and governance decisions support the Indigenous Ownership Threshold and compliance with IPP and Supply Nation requirements.

3. Share Capital and Issues of Shares

3.1 Shares are ordinary shares with equal ranking in all respects.

3.2 **New Issues & Pre-emptive Rights.** Subject to clause 3.3 and Schedule 3, before issuing any new Shares the Company must first offer them to existing Shareholders pro-rata to their existing holdings at the same price and on the same terms.

3.3 **Indigenous Restoration Carve-out.** Despite clause 3.2, pre-emptive rights do **not** apply to an issue of Shares that the Board reasonably determines is **solely necessary** to restore or maintain the Indigenous Ownership Threshold. The Board must give Shareholders prior written **not**ice of the proposed issue and the basis for the determination.

3.4 **Voting method (members).** Resolutions of Shareholders are decided on a **poll** **unless** the Chair determines otherwise. On a show of hands, each person present has one vote. On a poll, each Shareholder has one vote per Share held.

4. Dividends & Policy

4.1 Subject to law, the Board may declare and pay dividends having regard to profitable performance, working capital needs, client contract covenants and prudent reserves.

4.2 The Company will adopt a written dividend policy reviewed annually.

5. Governance – Board & Management

5.1 **Board composition.** The Board will initially comprise **[3] Directors**, including at least **one (1) Indigenous Director** while the Indigenous Ownership Threshold applies.

5.2 **Quorum – Board.** A majority of Directors then in office (rounded up). If numbers are even and a vote is tied, the Chair has a casting vote **except** on Reserved Matters.

5.3 **Chair.** The Board will appoint a Chair. The Chair coordinates meetings and agenda **but** has no additional powers **except** as provided.

5.4 **Ordinary Board decisions.** Simple majority of Directors present and voting.

5.5 **Reserved Matters (Board).** Decisions on Reserved Matters require at least a **two-thirds (2/3)** majority of all Directors then in office, **unless** a higher threshold is stated in

Schedule 2.

5.6 Security-Sensitive Decisions. Decisions involving classified material or cleared roles must be determined by the Board, or a committee comprised **only** of Directors who hold the necessary clearances, acting within a documented charter. Shareholder voting rights are **not** limited by clearance status; where a member decision is required, the Board must provide a de-classified summary sufficient for decision-making.

5.7 Management. The Board appoints and oversees the CEO and key executives, approves role descriptions.

6. Meetings of Shareholders

6.1 Quorum – Members. Shareholders present in person or by proxy who together hold **>50%** of votes that may be cast. If no quorum within 30 minutes, adjourn for 7 days (or next Business Day). At the adjourned meeting, those present constitute a quorum.

6.2 Member Resolutions. An Ordinary Resolution passes by **>50%** of votes cast; a Special Resolution requires **≥75%** of votes cast or a higher threshold expressly stated in this Agreement.

7. Information, Records & Privacy

7.1 The Company will provide monthly management accounts and quarterly board packs to all Shareholders.

7.2 Privacy & Vetting Records. The Company must handle all personal information, including security vetting information, in accordance with the **Privacy Act 1988 (Cth)**. Access is limited to personnel with a need-to-know and appropriate clearance.

8. Indigenous Status Changes

8.1 Shareholders must promptly **not**ify the Company of any change that may affect the Indigenous Ownership Threshold or certification status.

8.2 The Board will use reasonable endeavours to rectify any risk to certification, including exercising the carve-out in clause 3.3.

9. Transfers of Shares

9.1 A Shareholder must **not** transfer Shares **except** in accordance with this Agreement or the Constitution.

9.2 **Permitted transfers.** A Shareholder may transfer Shares to a Permitted Transferee (e.g., family trust or controlled entity) if the transferee executes a Deed of Accession and the transfer does **not** prejudice the Indigenous Ownership Threshold.

9.3 **Other transfers.** Subject to pre-emptive rights (Schedule 3) and drag/tag provisions (clause 10), a Shareholder proposing to transfer Shares must first offer them to existing Shareholders.

10. Drag-Along and Tag-Along

10.1 **Drag-Along.** If Shareholders holding at least **75%** of all Shares (including at least one Indigenous Shareholder while the Indigenous Ownership Threshold applies) approve a bona fide third-party sale of all Shares, each other Shareholder must sell their Shares on the same terms, subject to customary minority protections.

10.2 **Tag-Along.** If Shareholders holding $\geq 50\%$ propose to sell more than **50%** of Shares to a third party, each other Shareholder may elect to sell the same proportion of their Shares on the same terms.

11. Confidentiality & IP

11.1 Each party must keep confidential the confidential information of the others and of the Company.

11.2 All intellectual property created by a Director, employee or contractor **for** the Company in the course of the Business vests in the Company upon creation (or is assigned to the Company on creation).

11.3 Consultants must sign IP assignment and confidentiality agreements acceptable to the Board.

12. Non-Compete & Non-Solicit (Restraint)

12.1 Each Exiting Shareholder agrees to the restraint in Schedule 3A.

12.2 The parties intend the cascading provisions to be read down to the maximum enforceable scope.

14. Insurance

14.1 The Company must maintain professional indemnity and cyber liability insurance at levels appropriate to its risk profile as advised by a qualified broker.

14.2 The Board will review insurance at least annually and may adjust coverage by Board resolution where market conditions, client requirements or risk justify variation.

15. Finance & Related Party Dealings

15.1 All related party transactions must be on arm's-length terms, documented, and approved by non-conflicted Directors.

15.2 The Company must maintain a related party transactions register accessible to the Board.

16. Shareholder Loans & PPSA Security

16.1 Any Shareholder Loan is governed by Schedule 4.

16.2 **Security & Perfection.** To secure repayment of a Shareholder Loan, the Company must execute a **General Security Agreement (GSA)** in favour of the lending Shareholder. The Company must register a financing statement on the **PPSR** within **20 Business Days** after the first advance, describing collateral as all present and after-acquired property.

16.3 Interest, repayment priority and events of default are as set out in Schedule 4.

17. Accounts, Audit & Tax

17.1 The Company will maintain proper accounts and prepare annual financial statements in accordance with applicable accounting standards.

17.2 The Board will appoint an external accountant and, if required by law or the Board, an auditor.

17.3 The Board will adopt and annually review a tax governance plan appropriate to the Business.

18. Dispute Resolution

18.1 If a dispute arises, the parties must first negotiate in good faith between the CEOs/Founders.

18.2 If unresolved within 14 days, the dispute is referred to mediation administered by the Resolution Institute (Australia).

18.3 If unresolved within a further 21 days, either party may commence proceedings, save for urgent injunctive relief.

19. Valuation & Fair Value

19.1 **Fair Value.** Unless otherwise agreed, Fair Value is the value of the Shares determined on a going-concern basis by reference to the Company's maintainable earnings and prospects, applying generally accepted valuation principles **without any discount for minority interests or lack of marketability**, **unless** the specific trigger event expressly provides otherwise.

19.2 **Valuation Expert Appointment.** The expert will be a Chartered Accountant with demonstrable valuation expertise in technology services businesses and will be appointed by the **President of Chartered Accountants Australia and New Zealand (CA ANZ)** upon application by the Company or any interested party. If CA ANZ declines or fails to appoint within 14 days, the appointment may be made by the **President of CPA Australia**; failing that, by the **Chair of the Australian Institute of Company Directors (AICD)**. The expert acts as an expert and **not** an arbitrator. The expert's determination is final and binding in the absence of manifest error.

19.3 Costs are borne as the expert directs, failing which equally by the parties to the valuation.

20. Notices

20.1 A **not**ice under this Agreement must be in writing and sent to the address or email last **not**ified by the recipient.

20.2 **Email deemed receipt.** A **not**ice sent by email is deemed received on the **next Business Day** after transmission, **unless** the sender receives an automated message that the email was **not** delivered.

21. Term, Amendment & Termination

21.1 This Agreement commences on the date first written above and continues while any party is a Shareholder.

21.2 No amendment is effective **unless** in writing and signed by all Shareholders.

21.3 A Shareholder who ceases to hold any Shares is released from obligations accruing after the date they cease to be a Shareholder, **but** remains liable for prior breaches.

22. General

22.1 Each party must do all things reasonably necessary to give full effect to this Agreement.

22.2 This Agreement is governed by the laws of the Australian Capital Territory.

22.3 This Agreement may be executed in counterparts and by electronic signatures.

22.4 The parties acknowledge they have had the opportunity to obtain independent legal and accounting advice.

Schedules

Schedule 1 – Shareholdings (at Signing)

Shareholder	Indigenous?	Shares	%
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Harrison Robert Sayers	Yes	51	51 %
Jack Bell	No	49	49 %
Total		100	100 %

Note: Update to reflect any ESOP or other classes if issued.

Schedule 2 – Reserved Matters (Illustrative)

Member-level (Special Resolution ≥75%)

(a) Amendments to the Constitution; (b) change to share capital, class rights or creation of new classes (other than under clause 3.3); (c) winding up; (d) sale of substantially all assets;

(e) change of control of the Company; (f) selection of option under clause 8.4 following failure of restoration within the Restoration Period.

Board-level (≥2/3 of all Directors)

(g) Issue of Shares or securities (other than Indigenous restoration under clause 3.3); (h) admission of a new Shareholder; (i) material contracts > \$[X]; (j) acquisitions or disposals > \$[Y]; (k) borrowings or guarantees > \$[Z] (excluding ordinary course); (l) adoption/amendment of dividend policy; (m) approval of Security Vetting Records Standard; (n) appointment/removal of CEO; (o) change to minimum insurance levels; (p) establishment of or material changes to ESOP.

Schedule 3 – Pre-emptive Rights (Issue & Transfer)

A. New Issues (clause 3.2). Pro-rata offer to all Shareholders, price and terms no less favourable than third-party terms; acceptance period **20 Business Days**; lapsed entitlements may be offered to others; Board may place any shortfall within **60 days** on terms no more favourable. **Carve-out:** clause 3.3.

B. Transfers (clause 9). Proposed transfer must be first offered to existing Shareholders pro-rata at the same price/terms; acceptance period **20 Business Days**; if **not** fully taken up within **60 days**, seller may sell to the nominated third party on terms no more favourable within **60 days**.

Schedule 3A – Restraint (Cascading)

Restraint Activities: soliciting key Company employees/contractors; carrying on a business that competes with the Company's core services as conducted at Exit.

Restraint Periods: 24 months; 18 months; 12 months; 6 months.

Restraint Areas: Australia; NSW & ACT; ACT **only**.

Carve-outs: passive investments <5%; prior client relationships expressly disclosed before Exit; activities approved by Board in writing.

Severance: If any layer is unenforceable, read down to the next shortest period and smallest area that is enforceable.

Schedule 4 – Shareholder Loans

Form: Written loan agreement incorporating this Schedule.

Purpose: Working capital / project financing.

Interest: [●]% p.a. (or RBA Cash Rate + [●]%).

Term: [●] months; repayable on earlier of maturity or change of control, subject to permitted subordination.

Security: GSA over all present and after-acquired property (clause 16.2).

PPSR: Registration within **20 Business Days** of first advance.

Events of Default: non-payment >5 Business Days; insolvency event; material breach uncured 10 Business Days; loss of key certifications **not** remedied within 30 days.

Prepayment: Permitted **without** penalty with 5 Business Days' **not** ice.

Ranking: Senior to dividends and subordinated **only** as agreed with senior lenders.

Schedule 5 – Security Vetting Records Standard (Outline)

Purpose & lawful basis; Data minimisation; Storage & encryption; Access controls & logging; Retention & destruction; Third-party processors & offshoring controls; Breach response aligned with the Notifiable Data Breaches scheme; **Audit** annually; **Roles & responsibilities** (Board sponsor; Security Officer; Privacy Officer).

Schedule 6 – Deed of Accession (Form)

Parties: (1) Company; (2) Joining Shareholder.

Operative provisions: The Joining Shareholder agrees to be bound by the Shareholders Agreement as if an original party; representations of power and authority; **not** ices details; execution blocks.

Execution

Executed as an agreement.

MOKAI PTY LTD (ACN [●])

by its authorised representative:

Name: ____

Title: ____

Signature: ____

Date: ____

[Harrison Robert Sayers]

Signature: ____

Date: ____

Jack Bell

Signature: ____

Date: ____

Important Disclaimer: This consolidated draft is provided for preparatory purposes **only** and does **not** constitute formal legal or accounting advice. Obtain qualified counsel review before execution.

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