

Form 603

Corporations Act 2001

Section 671B

Notice of initial substantial holder

To Company Name/Scheme Chalmers Limited (*Chalmers*)

ACN/ARSN ACN 004 471 032

1. Details of substantial holder (1)

Name Qube Holdings Limited (ACN 149 723 053) (*Qube*) and each of Qube's subsidiaries including those listed in Annexure "A" as updated from time to time and available from Qube on request (each Qube subsidiary being a *Qube Group Company* and together the *Qube Group Companies*).

ACN/ARSN (if applicable)

The holder became a substantial holder on (d/m/y) 28 June 2019

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	1,515,186	1,515,186	19.90%

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
Qube	Relevant interest under section 608(1)(c) pursuant to a pre-bid acceptance agreement dated 28 June 2019 between Qube Holdings Limited and Alljet Investments Pty Ltd (the <i>Pre-bid Acceptance Agreement</i>) in the form attached as Annexure "B".	1,515,186
Qube Group Companies	Each Qube Group Company has a relevant interest in the shares by virtue of section 608(3) of the Corporations Act.	As above

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
Qube	Alljet Investments Pty Ltd	Alljet Investments Pty Ltd	1,515,186 ordinary shares

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 (d/m/y)	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Qube	28 June 2019	As specified in the Pre-bid Acceptance Agreement.		1,515,186 ordinary shares

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
Qube Group Companies	Each Qube Group Company is a subsidiary of Qube

7. Addresses

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

Name	Address
Qube and each Qube Group Company	C-/ Level 27, 45 Clarence Street, Sydney, New South Wales, 2000.
Alljet Investments Pty Ltd	Level 3, 493 St Kilda Road, Melbourne, Victoria, 3004.

Signature

ADAM JACOBS
 print name capacity Director/Secretary/Local agent for Qube Holdings Limited
 (ACN 149 723 053)

sign here



Date 28 June 2019

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, money 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.

Annexure "A" to Form 603

This is Annexure "A" of 4 pages referred to in Form 603 signed by me and dated 28 June 2019.



ADAM JACOBS

Director/~~Secretary~~/Local agent for Qube Holdings Limited

Qube Terminals Pty Ltd

Qube Employee Share Accumulation Plan Pty Ltd

Qube Terminals Investments Pty Ltd

Qube Property Management Services Pty Ltd

Qube RE Services Pty Ltd

Qube Properties Pty Ltd

Qube Logistics Trust

Qube Equity Ltd

Qube Agri Investments Pty Ltd

Qube Bulk Liquids Pty Ltd

KIL Property Investments Pty Ltd

KFM Property Logistics 1 Pty Ltd

Minto Properties Pty Ltd

Moorebank Industrial Property Trust

KW Auto Logistics Pty Ltd

K-NSS Pty Ltd

Oversea & General Stevedoring Co Pty Ltd

K-AA Terminals Pty Ltd

P&O Wharf Management Pty Ltd

Jingle SPV1 Pty Ltd

Jingle SPV2 Pty Ltd

Qube RE Services (No.2) Pty Ltd

Qube MB Warehousing Pty Ltd

Moorebank Industrial Hold Trust

Moorebank Industrial Investment Trust

Qube Moorebank Warehousing Trust

Moorebank Industrial Warehouse Hold Trust

Moorebank Industrial Warehouse Trust

Moorebank Industrial Terminals Asset Hold Trust

Moorebank Industrial Terminals Asset Trust

VGWS 505394235v1 120845574

Moorebank Industrial Terminals Operations Hold Trust
Moorebank Industrial Terminals Operations Trust
Qube (AU) Moorebank Holding Pty Ltd
Qube (AU) Moorebank Pty Ltd
Qube (AU) Moorebank Investment Pty Ltd
Qube (AU) Moorebank Unit Trust
Qube (AU) Moorebank Intermodal Hold Trust
Qube (AU) Moorebank Intermodal Trust
Qube (AU) Moorebank Warehouse Hold Trust
Qube (AU) Moorebank Warehouse Trust
Qube (AU) Moorebank Warehouse Lot Hold Trust
Qube (AU) Moorebank Terminals Assets Hold Trust
Qube (AU) Moorebank Terminals Assets Trust
Qube (AU) Moorebank Terminals Operations Hold Trust
Qube (AU) Moorebank Terminals Operations Trust
Australian Automotive Terminals Pty Ltd
Australian Amalgamated Terminals Pty Ltd
AAT Port Kembla Pty Ltd
K-POAGS Pty Ltd
KFM Logistics Investments 2 Pty Ltd
Qube Ports Pty Ltd
Qube Ports (No 1) Pty Ltd
Qube Bulk Pty Ltd
Qube Energy Pty Ltd
Markhaven Pty Ltd
Qube Defence Logistics Pty Ltd
Stonecrest Enterprises Pty Ltd
Giacci Holdings Pty Ltd
Giacci Port Services Pty Ltd
Giacci Limestone Pty Ltd
Giacci Group Operations Pty Ltd
Giacci SA Pty Ltd
Giacci Bros. Pty Ltd
Giacci Management Services Pty Ltd
Giacci NT Pty Ltd
Giacci Contracting Pty Ltd
Jamlewin Enterprises Pty Ltd
Qube Learning Pty Ltd
W Qube Port of Dampier Pty Ltd
Beaumont Transport Pty Ltd

BBH Services Pty Ltd
Latot Pty Ltd
Norsea Qube Logistics Pty Ltd
Oztran Aust Pty Ltd
Oztran Assets Pty Ltd
Stanton Oztran Pty Ltd
Australian Heavy Logistics Pty Ltd
ISO Marshalling Pty Limited
NZ Bidco Ltd
ISO Ltd
Marshalling Solutions LLC
ISO Transport Limited
ISO Logistics Limited
ISO Warehousing Limited
Qube International Pte Ltd
Continental Freight Employees Unit Trust Qube Energy Sdn BHD
K-POTA Pty Ltd
Qube Logistics (Aust) Pty Ltd
Qube Logistics (Qld) Pty Ltd
Qube Logistics (Global) Pty Ltd
Qube Logistics (NZ) Limited
Qube Logistics (SB) Pty Ltd
Qube Logistics (NSW) Pty Ltd
Qube Logistics (QldT) Pty Ltd
Qube Logistics (QldT1) Pty Ltd
Qube Logistics (QldT2) Pty Ltd
Qube Logistics (QldT3) Pty Ltd
Qube Logistics (QldT4) Pty Ltd
Qube Logistics (QldT5) Pty Ltd
Qube Logistics (QldT6) Pty Ltd
Qube Logistics (Vic) Pty Ltd
Qube Logistics (WA) Pty Ltd
Qube Logistics (WA1) Pty Ltd
Qube Logistics (H&S) Pty Ltd
Qube Logistics (Rail) Pty Ltd
Qube Logistics (SA) Pty Ltd
Qube Logistics (SA1) Pty Ltd
Macarthur Intermodal Shipping Terminal Pty Ltd
Independent Railways of Australia Pty Ltd
Independent Railroad of Australia Pty Ltd

Rail Equipment Leasing Pty Ltd
Bowport All Roads Transport Pty Ltd
Indy Equipment Pty Ltd
Qube Logistics (WA2) Pty Ltd
Qube Logistics (SL) Pty Ltd
D&J Holding Co Pty Ltd
D&J Subsidiary Co Pty Ltd
Maritime Container Services Pty Ltd
Australian Grain Packers Pty Ltd
Crane & Haulage Partners Holdings Limited
C&H Acquisition Pty Ltd
C&H Finance Pty Ltd
C&H Employee Services Pty Ltd
LCR HoldCo Pty Ltd
LCR Finance Pty Ltd
LB Consolidated Pty Ltd
LCR Group Pty Ltd
LCR PNG Ltd
LPE Pty Ltd
Canopus Pty Ltd
LCR Holdings Group Pty Ltd
LCR Properties Group
LCR Mining Group Pty Ltd
LCR Haulage Group Pty Ltd
LCR Finance Trust
LCR Properties Group Trust
LCR Mining Group Trust
LCR Haulage Group Trust
Beveridge Property Management Services Pty Ltd
Beveridge Terminals Holdings Pty Ltd
Beveridge Terminals Pty Ltd
Beveridge Warehouse Holdings Pty Ltd
Beveridge Warehouse Pty Ltd
Beveridge Terminals Holdings Trust
Beveridge Terminals Trust
Beveridge Warehouse Holdings Trust
Beveridge Warehouse Trust

Annexure "B" to Form 603

This is Annexure "B" of 8 pages referred to in Form 603 signed by me and dated 28 June 2019.



ADAM JACOBS

~~Director~~**Secretary**/~~Local agent~~ for Qube Holdings Limited



28 June 2019

Alljet Investments Pty. Ltd
Level 3, 493 St Kilda Road
MELBOURNE VIC 3004

Attention: Lindsay Fox

QUBE HOLDINGS LIMITED
ABN 14 149 723 053

Level 27, 45 Clarence Street
Sydney NSW 2000

Dear Lindsay

T: +61 2 9080 1900
F: +61 2 9080 1999

Chalmers Limited (ASX: CHR)

qube.com.au

- 1 This agreement contains the terms on which you, Alljet Investments Pty Ltd (ACN 095 898 507) (**Alljet**), agree to accept the offers to be made to shareholders of Chalmers Limited (ACN 004 471 032) (**Target**) (the **Offers**) under an off-market takeover bid (the **Bid**) proposed to be made by Qube Holdings Limited or a wholly owned subsidiary of Qube Holdings Limited (**Bidder**) for all of the issued shares in the Target. Nothing in this agreement obliges Bidder to announce or proceed with the Bid or the Offers.
 - 2 In consideration of the payment of the sum of A\$10.00 (receipt of which is acknowledged), Alljet agrees with Bidder that Alljet will, within 10 business days of the earlier of: (a) the despatch of a bidder's statement by the Bidder in respect of the Offers; and (b) despatch of a supplementary bidder's statement in respect of any Matching Offer (defined below), accept, or procure the acceptance of, the Offers in respect of 1,515,186 fully paid ordinary shares in Target (the **Acceptance Shares**) held by Alljet and its related bodies corporate, comprising 19.9% of Target's issued shares as at the date of this agreement, in the absence of a bona fide superior proposal from a third party to acquire a relevant interest in more than 20% of the shares in the Target which is not matched by the Bidder (a **Matching Offer**) within 5 business days of: (i) the lodgement of a bidder's statement by such third party; or (ii) approval of a notice of meeting (together with a scheme booklet) by the Court (whichever is relevant), in each case, in accordance with the *Corporations Act 2001* (Cth) (the **Corporations Act**). Whether the Offers or a competing proposal is superior will be determined solely by reference to the cash consideration offered, where the competing proposal is an all cash offer or has an all cash option, or otherwise based on the 5 day volume weighted average price of securities in the same class as the scrip consideration being offered under the relevant offer.
 - 3 The consideration under the Offer will be the option to elect to receive either:
 - 3.1 not less than 2.31 Bidder shares (subject to rounding) for each Target share (the **Scrip Option**). The Bidder shares issued under the Offer will be fully paid and will rank equally with existing Bidder shares from the date of issue; or
 - 3.2 \$6.50 cash for each Target share (the **Cash Option**).
 - 4 The Offers will be subject to the defeating conditions set out in Annexure A to this agreement. The Bidder is permitted to vary the terms and conditions of the offers under the Bid (including the Offers), provided that the varied bid conditions are not substantially less favourable to shareholders of Target than those set out in Annexure A of this agreement. Bidder also has the right, subject to the Corporations Act, to vary or waive any condition of the offers under the Bid (including the Offers), declare those offers unconditional or extend the period of those offers at any time. This agreement will terminate if:
 - (a) Bidder varies the terms and conditions of the offers under the Bid (including the Offers) in a manner not permitted by this agreement;
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(b) Bidder does not make the Offers by 18 August 2019 or makes but subsequently withdraws the Offers; or

(c) a defeating condition to the Offers is triggered and is not waived by Bidder within 5 business days.

5 Alljet must keep, and must procure that its related bodies corporate and their respective directors, employees, agents and advisers keep, this agreement and its terms confidential until the Bidder lodges a substantial holding notice with Target and the Australian Securities Exchange annexing a copy of this agreement. Nothing in this agreement affects any right of Alljet or any of its related bodies corporate to dispose of shares in Target which are in excess of the number of the Acceptance Shares , or to exercise voting rights in respect of any shares in Target. This agreement is intended to be legally binding and is governed by the laws of Victoria, Australia.

Executed in accordance with section 127 of the *Corporations Act 2001* by **Qube Holdings Limited**

Director Signature

Director/Secretary Signature

Print Name

Print Name

By signing this agreement you indicate your acceptance of these terms.

Executed in accordance with section 127 of the
Corporations Act 2001 by **Alljet Investments Pty
Ltd:**

Sole Director and Sole Secretary Signature

LINDSAY EDWARD FOX

Annexure A

Defeating Conditions

1 Minimum Relevant Interest

During, or at the end of, the Offer Period, Bidder and its Related Bodies Corporate together have relevant interests (disregarding any relevant interests which Bidder has or acquires merely because of the operation of section 608(3) of the Corporations Act) in at least 90% of the Target Shares (even if subsequently Bidder and its associates together have relevant interests in less than 90% of all the Target Shares as a result of the issue of further Target Shares).

2 No Regulatory Action

Between the Announcement Date and the date which is the earlier of (a) the date on which condition 1 is satisfied, and (b) the end of the Offer Period (each inclusive):

- (a) there is not in effect any preliminary or final decision, order or decree issued by a Public Authority;
- (b) no action or investigation is announced, threatened or commenced by any Public Authority; and
- (c) no application is made to any Public Authority (other than by Bidder or any of its Related Bodies Corporate),

(other than an application to, or a decision or order of, ASIC or the Australian Takeovers Panel under, or relating to a breach of Chapter 6A, 6B or 6C of the Corporations Act or relating to unacceptable circumstances within the meaning of section 657A of the Corporations Act in consequence of, or in connection with, the Offer) that:

- (d) restrains, impedes or prohibits (or if granted, could restrain, impede or prohibit), or otherwise materially adversely impacts upon, the making of the Offer, the acquisition of any Target Shares under the Offer or any transaction contemplated by the Bidder's Statement, the Offer or the rights of Bidder or any of its Related Bodies Corporate in respect of Target Shares, or requires the divestiture by any entity within the Bidder Group of any Target Shares, or requires the divestiture of any assets of the Bidder Group or Target Group; or
- (e) imposes any new terms on, amends the existing terms of or otherwise affects the rights held by any entity within the Target Group under any Approval issued to any entity within the Target Group in a manner that is materially adverse to the Target Group.

3 No cessation of licences, registrations, certifications or accreditations

Between the Announcement Date and the date which is the earlier of (a) the date on which condition 1 is satisfied, and (b) the end of the Offer Period (each inclusive), no entity within the Target Group and no key employee of the Target Group, materially breaches the terms and conditions of, fails to renew or ceases to hold, any material licences, registrations, certifications or accreditations required in the ordinary course of business.

4 No Material Adverse Change

Between the Announcement Date and the date which is the earlier of (a) the date on which condition 1 is satisfied, and (b) the end of the Offer Period (each inclusive), no event, change or condition occurs, is announced or becomes known to Bidder or Target (whether or not it becomes public) where that event, change or condition has had, or could reasonably be expected to have, either individually or in aggregate with all such events, changes and conditions:

- (a) an adverse effect of A\$500,000 or more on the operating earnings before interest, tax, depreciation and amortisation of the Target Group in any financial year; or

- (b) an adverse effect of A\$2,000,000 or more on the value of the net assets of the Target Group, or 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 Target Group,
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taken as a whole, since 31 December 2018, except for events, changes and conditions publicly announced by Target to the ASX prior to the Announcement Date or otherwise disclosed in public filings by Target prior to the Announcement Date where the relevant disclosure is not, and is not likely to be, incomplete, incorrect, untrue or misleading (including by omission).

5 No Material Acquisitions, Disposals, New Commitments or Other Events

Except to the extent fully and fairly disclosed in any announcement made by Target to the ASX prior to the Announcement Date, none of the following events occurs during the period from the Announcement Date to the date which is the earlier of (a) the date on which condition 1 is satisfied, and (b) the end of the Offer Period (each inclusive):

- (a) any entity within the Target Group acquires or leases, or agrees or offers to acquire or lease, any one or more entities, businesses or assets (or any interest in one or more entities, businesses or assets) for an amount or consideration in excess of A\$100,000 for any individual item or in excess of A\$200,000 in aggregate;
- (b) any entity within the Target Group disposes of, or agrees or offers to dispose of, any one or more entities, businesses or assets (or any interest in one or more entities, businesses or assets):
 - (i) for an amount or consideration in excess of A\$100,000 for any individual item or in excess of A\$200,000 in aggregate; or
 - (ii) in respect of which the book value (as recorded in Target's statement of financial position as at 31 December 2018) is in excess of A\$100,000 for any individual item or in excess of A\$200,000 in aggregate;
- (c) any entity within the Target Group enters into, agrees to enter into or amend or offers to enter into or amend, any agreement, joint venture or partnership that requires or is reasonably likely to involve payments, expenditure, or the foregoing of revenue, by the Target Group in excess of A\$200,000 in aggregate;
- (d) the commitment by the Target Group to capital expenditure in excess of A\$200,000 in aggregate;
- (e) any entity within the Target Group incurs, agrees to incur or bring forward the time for incurring, or granting to a third party a right the exercise of which would involve a Target Group entity incurring or agreeing to incur an amount of capital expenditure in excess of A\$200,000 in aggregate;
- (f) any entity within the Target Group settles any legal proceedings, claim, investigation, arbitration or other like proceeding where the amount claimed by or against an entity within the Target Group exceeds A\$100,000;
- (g) any entity within the Target Group becomes the subject of any litigation which is commenced or threatened, or there is a material adverse development in any litigation to which an entity within the Target Group is already subject (as at the Announcement Date), which results in, or may reasonably be expected to result in, a judgment or order against any entity within the Target Group that:
 - (i) is for an amount not covered by insurance in excess of A\$100,000;
 - (ii) would require the Target Group to undertake expenditure in excess of A\$100,000; or
 - (iii) materially affects the rights held by or for the benefit of any entity within the Target Group under any Approval issued to any entity within the Target Group;
- (h) any entity within the Target Group incurs any indebtedness or issues any debt securities, where doing so would result in the value of the indebtedness incurred or debt issued by the Target Group following the Announcement Date exceeding A\$200,000 in aggregate, other than:
 - (i) any draw down within existing limits of any existing debt facility in the ordinary course of business;
 - (ii) trade credit in the ordinary course of business; or

- (iii) indebtedness to an entity within the Target Group;
- (i) any entity within the Target Group gives or agrees to give any encumbrance over any of its assets (or an interest in any of its assets), other than liens in the ordinary and usual course of business;
- (j) any entity within the Target Group incurs or otherwise become exposed to a liability or contingent liability with an amount or value exceeding A\$200,000 in aggregate;
- (k) any entity within the Target Group enters into, terminates, extends, renews or varies any commitment (including any non-contractual commitment or undertaking) which has a value or involves a liability, expenditure or revenue, as the case may be, in excess of A\$200,000 when aggregated with related transactions;
- (l) any entity within the Target Group exercises a contractual right or other option which has a value or involves a liability or expenditure, as the case may be, in excess of A\$200,000 when aggregated with related transactions;
- (m) any entity within the Target Group enters into any long-term commitment (including any non-contractual commitment or undertaking) with any customers which:
 - (i) has a duration of more than 12 months; or
 - (ii) is inconsistent in a material respect with typical arrangements;
- (n) any entity within the Target Group enters into any commitment (including any non-contractual commitment or undertaking) with any customer which has a volume rebate or similar arrangement where the value or aggregate value of the new commitment or commitments is in excess of A\$200,000;
- (o) any entity within the Target Group enters into a new employment contract or increases the remuneration of, or otherwise varies the existing employment arrangements with, any of its directors or executives or any other employees which employee's total annual employment cost is in excess of A\$200,000;
- (p) any entity within the Target Group pays or agrees to pay any bonus to any of its directors or executives or any other employees where such payment, if made, would result in the aggregate value of the bonuses paid or agreed to be paid by entities within the Target Group following the Announcement Date being in excess of A\$200,000 (provided that any bonus already agreed or accrued as at the Announcement Date shall be excluded for the purposes of this sub-paragraph);
- (q) any entity within the Target Group accelerates the rights of any of its directors or executives or any key employee to benefits of any kind (other than under any executive or employee share plans or in relation to leave) or enters into a commitment to pay a director or executive a termination payment (including a 'golden parachute') with an additional cost to the Target Group in excess of \$200,000 or in breach of the law;
- (r) any entity within the Target Group enters into any guarantee or indemnity on behalf of any entity within the Target Group or provides security for the obligations of any entity within the Target Group in relation to amounts in excess of A\$200,000;
- (s) any entity within the Target Group provides financial accommodation to any Target Director or any employee or officer of any entity within the Target Group with an additional cost to the Target Group in excess of \$200,000 or in breach of the law;
- (t) any entity within the Target Group enters into, amends, or agrees to enter into or amend any contract, commitment or other arrangement with a related party (as defined in section 228 of the Corporations Act) of Target;
- (u) the constitution of any entity within the Target Group is amended or replaced or any entity within the Target Group states its intention to or makes any change to its constitution; or

- (v) any entity within the Target Group announces an intention to do any of the matters referred to in the sub-paragraphs above, or brings forward the time for performance of or releases any rights it has against third parties in respect of any obligations or commitments relating to such matters in existence at the Announcement Date.

6 No Change of Control or Other Rights

Except as disclosed in any announcement made by Target to the ASX prior to or on the Announcement Date, no person has, or before the date which is the earlier of (a) the date on which condition 1 is satisfied and (b) the end of the Offer Period is granted, any right (whether subject to conditions or not) as a result of Bidder making the Offer or announcing its intention to make the Offer, or acquiring Target Shares under the Offer, to:

- (a) acquire, or require the disposal of, or require any entity within the Target Group to offer to dispose of, any material asset of any entity within the Target Group;
- (b) terminate, or vary the terms or performance of, any material agreement with any entity within the Target Group;
- (c) require repayment of any moneys borrowed by or any other indebtedness of any entity within the Target Group earlier than its stated maturity date, or withdraw or inhibit the ability of any entity within the Target Group to borrow moneys or incur indebtedness,

other than a right in respect of which a written, enforceable, irrevocable and unconditional waiver has been obtained and announced by Target to the ASX.

7 No Dividends

Between the Announcement Date and the end of the Offer Period (each inclusive), Target does not make, determine as payable or declare any distribution (whether by way of dividend, capital reduction or otherwise and whether in cash or in specie).

8 No Prescribed Occurrences

Between the period from the date on which the Bidder's Statement is given to Target and the end of the Offer Period (each inclusive), none of the following events occur:

- (a) Target converts all or any of its shares into a larger or smaller number of shares under section 254H of the Corporations Act;
- (b) Target or a Subsidiary of Target resolves to reduce its share capital in any way;
- (c) Target or a Subsidiary of Target 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) Target or a Subsidiary of Target issues shares or grants an option over its shares, or agrees to make such an issue or grant such an option in each case;
- (e) Target or a Subsidiary of Target issues, or agrees to issue, convertible notes;
- (f) Target or a Subsidiary of Target disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;
- (g) Target or a Subsidiary of Target grants, or agrees to grant, a Security Interest in the whole, or a substantial part, of its business or property;
- (h) Target or a Subsidiary of Target resolves to be wound up;
- (i) a liquidator or provisional liquidator of Target or of a Subsidiary of Target is appointed;
- (j) a court makes an order for the winding up of Target or of a Subsidiary of Target;
- (k) an administrator of Target or of a Subsidiary of Target is appointed under section 436A, 436B or 436C of the Corporations Act;

- (l) Target or a Subsidiary of Target 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 Target or a Subsidiary of Target.

9 No Prescribed Occurrences Between the Announcement Date and the Date of the Bidder's Statement

During the period beginning on the Announcement Date and ending on the day before the Bidder's Statement is given to Target, none of the events listed in sub-paragraphs (a) to (m) of paragraph 8 happens.

Definitions used in Defeating Conditions

Announcement Date means the date of announcement of Bidder's intention to make the Offer.

Approval means:

- (a) a consent, authority, licence, approval, permit, order, ruling, waiver or exemption that is required by law or by a Public Authority; or
- (b) in relation to anything that will be fully or partly prohibited or restricted by law if a Public Authority intervenes or acts in any way within a specified period after lodgement, filing, registration or notification, the expiry or termination of that period without intervention or action.

ASIC means the Australian Securities and Investments Commission.

associate has the meaning given in the Corporations Act.

ASX means ASX Limited (ABN 98 008 624 691) or the Australian Securities Exchange as appropriate.

Bidder means Qube Holdings Limited (ACN 149 723 053) or one of its wholly owned subsidiaries.

Bidder Group means Bidder and its Related Bodies Corporate.

Bidder's Statement means the bidder's statement to be prepared in relation to the Offer and includes any supplementary or replacement bidder's statement.

Corporations Act means the *Corporations Act 2001 (Cth)*.

Offer means an off market takeover offer to be made by Bidder under Chapter 6 of the Corporations Act to acquire all of the Target Shares, including as varied or extend in accordance with the Corporations Act.

Offer Period means the period during which the Offer remains open for acceptance by Target Shareholders.

Public Authority means any government or any governmental, semi-governmental, statutory or judicial entity or authority, or any minister, department, office or delegate of any government, whether in Australia or elsewhere. It also includes any self-regulatory organisation established under statute and any securities exchange.

Related Body Corporate has the meaning given in the Corporations Act.

relevant interest has the meaning given in the Corporation Act.

Security Interest has the same meaning as in section 51A of the Corporations Act.

Subsidiary has the meaning given in the Corporations Act.

Target means Chalmers Limited (ACN 004 471 032).

Target Group means Target and its Subsidiaries.

Target Shares means fully paid ordinary shares in Target.

Target Shareholder means a person who is the registered holder of one or more Target Shares.

Target's Statement means the target's statement to be prepared in relation to the Offer and includes any supplementary target's statement.