

Schedule 1 – Terms of Promissory Notes

1.	Face Value	Each Promissory Note has a face value of \$1.00.
2.	Loan Amount	A\$3,000,000 (Loan Amount).
3.	Interest	5% per annum capitalised at the earlier of conversion or redemption
4.	Security	Each Promissory Note is unsecured.
5.	Maturity Date	24 months from the issue date (Issue Date) of the Promissory Notes (Maturity Date).
6.	Conversion	<p>(a) Subject to shareholder approval, a Lender may separately elect, by giving notice to the Company at any time during a Conversion Period that the Loan Amount plus any interest accrued and capitalised (Outstanding Amount) of the Promissory Notes be converted into fully paid ordinary shares in ECT (Shares) (Conversion).</p> <p>(b) The number of Shares to be issued pursuant to a Conversion will be calculated by dividing the Outstanding Amount for that Lender by a conversion price equal to the lower of:</p> <ul style="list-style-type: none"> (i) 80% of the 5 trading day VWAP of Shares immediately prior to the relevant Conversion date; and (ii) \$0.01, <p style="text-align: center;">(Conversion Price).</p> <p>(c) Conversion Period means each period commencing on the date the Company obtains Shareholder Approval in accordance with paragraph 6(d) below and ending on the date that is: (a) for a Lender who is someone to whom Listing Rule 10.11 applies on the date of the Shareholder Approval, 20 days after each General Meeting Date (as applicable); and (b) for all other Lenders, 80 days after each General Meeting Date (as applicable).</p> <p>(d) ECT will seek shareholder approval to enable the Lenders to convert all of the Promissory Notes as follows:</p> <ul style="list-style-type: none"> (i) at the 2021 Annual General Meeting; (ii) on or before a date that is 6 months following the date of the 2021 Annual General Meeting (Second Meeting Date); (iii) on or before a date that is 12 months following the date of the 2021 Annual General Meeting; (iv) on or before a date that is 18 months following the date of the 2021 Annual General Meeting; and (v) on or before a date that is at least one (1) month prior to the Maturity Date (Final Meeting Date),

		<p>(each a General Meeting Date and together the General Meeting Dates).</p> <p>(e) Unless the Promissory Notes have otherwise been converted or redeemed, subject to the Company obtaining shareholder approval at the Final Meeting Date, on the Maturity Date, all the Promissory Notes will automatically be Converted into such number of Shares as is determined by dividing the Outstanding Amount by the Conversion Price.</p> <p>(f) If shareholders do not approve the Conversion, the Outstanding Amount will be repayable in immediately available funds at the Maturity Date or earlier at a Lender's election (pursuant to paragraph 7 below).</p>
7.	Redemption and Repayment	<p>(a) At any time during the Redemption Period, a Lender may redeem all of the Promissory Notes by giving the Company written notice of redemption (Redemption Notice) and:</p> <p>(i) if the Redemption Notice is given to the Company within the one (1) month period following the 2021 Annual General Meeting or Second Meeting Date (as applicable), the Company will, within 30 days after the date of the Redemption Notice, pay an amount equivalent to the sum of the Outstanding Amount plus 10% of the Loan Amount to the Lender; or</p> <p>(ii) if the Redemption Notice is given to the Company within the one (1) month period following a General Meeting Date (other than the 2021 Annual General Meeting and Second Meeting Date), the Company will, within 30 days after the date of the Redemption Notice, pay an amount equivalent to the sum of the Outstanding Amount plus 20% of the Loan Amount to the Lender.</p> <p>(g) Redemption Period means each period commencing on a General Meeting Date (as applicable) at which relevant general meeting shareholder approval for Conversion is not obtained and concluding one (1) month after that date.</p> <p>(b) If the Promissory Notes have not been converted or redeemed prior to the Maturity Date and if shareholders do not approve the Conversion at the Final Meeting Date, then the Company must pay an amount equivalent to the Outstanding Amount plus 20% of the Loan Amount to the Lender to a bank account nominated by the Lender in full satisfaction of all Promissory Notes.</p>
8.	Events of Default	<p>(a) Events of Default under the Promissory Notes include:</p> <p>(i) the Company not complying with the Promissory Note conditions or repudiating the Promissory Note conditions;</p> <p>(ii) any representation or statement made or deemed to be made by the Company in the Note Conditions is or proves to have been incorrect or misleading in any material respect;</p> <p>(iii) the Company becoming insolvent;</p>

		<ul style="list-style-type: none">(iv) any corporate action, legal proceedings or other procedure or step is taken in relation to insolvency or creditor proceedings which is not dismissed within 20 business days; or(v) it is or becomes unlawful for the Company to perform any of its obligations under the Promissory Notes. <p>(b) If an Event of Default occurs, a Lender may by written notice to the Company declare outstanding Promissory Notes due and payable and:</p> <ul style="list-style-type: none">(i) if such declaration is given to the Company in the 12 month period commencing on the Issue Date, the Company will pay an amount equivalent to the Outstanding Amount plus 10% of the Loan Amount to the Lender; or(ii) if such declaration is given to the Company during the period commencing on the date that is 12 months after the Issue Date and ending on the Maturity Date, the Company will pay an amount equivalent to the Outstanding Amount plus 20% of the Loan Amount to the Lender.
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