

April 24, 2016

Heads Of Agreement

This Heads of Agreement ("HOA") shall serve to confirm the understanding between Andrew Murray ("AM") and Ralph Paligaru ("RP") and Craig Adams ("CA") (each a "Party", together "Parties") regarding the purchase of 632 Old Northern Road, Dural ("the Property").

This HOA is intended to outline the material terms of our arrangements and will be followed by a Shareholder's Agreement upon purchase of the Property.

1. **Purchasing Entity.** Bargo Developments Pty Ltd is a Special Purpose Vehicle ("the SPV") set up by CA to purchase the Property.
2. **Purchase Amounts.** All payments made to the vendor will be funded via contributions made by CA to the SPV in the following order:
 - a. AUD 2 million plus stamp duty on the settlement date outlined in the Sales and Purchase Agreement ("Settlement Date").
 - b. AUD 1 million payable 6 months from the Settlement Date.
 - c. AUD 2.5 million payable 9 months from the Settlement Date whichever is earlier.
3. **Development Approval.** The Parties agree that the SPV appoints CA or his nominee to seek a development approval ("DA") for a private hospital, or other higher value use as deemed appropriate by CA. The DA process will be managed end to end by CA who will seek assistance from AM and RP as required. All costs and expenses for submission of the DA are to be met by CA.
4. **Shareholding.** The parties have agreed on the following shareholding structure within the SPV and agree to execute a Shareholders Agreement upon successful purchase of the Property by the SPV:
 - a. CA or nominee to be granted 80% of the SPV for providing DA expertise, the DA team and assuming the financial risk of the project.
 - b. RP or nominee to be granted 12.5% of the SPV for negotiating the sale of the property to the SPV and providing ongoing assistance as required by CA with the DA process. These shares will be no diluting in the event additional equity capital is required to fund future Purchase Amounts.
 - c. AM or nominee to be granted 7.5% of the SPV for brokering the transaction between CA and RP and providing ongoing assistance as required by CA in sourcing funding for the DA, and sourcing the purchaser of the operating lease for the private hospital. These shares will be no diluting in the event additional equity capital is required to fund future Purchase Amounts.

5. **Consulting Fees.** Upon successful purchase of the Property, the SPV agrees to pay the following consulting fees to the Parties in recognition of work completed to date in arranging the transaction:
 - a. RP or nominee AUD 150,000.
 - b. CA or nominee AUD 100,000.
 - c. AM or nominee AUD 100,000.
6. **Minimum Returns.** The Parties agree that the strategic intention of the SPV is to sell the Property on completion of the DA. The Parties agree to ensure the minimum cash return to RP on the disposal of his entire shareholding in the SPV will be AUD 500,000, provided that the SPV makes a net cash profit of AUD \$1,500,000.
7. **Governance.** A monthly shareholders meeting will be held by the appointed Project Manager to update the Parties on progress of the DA.
8. **Termination.** This HOA will only terminate on the sale and disposal of the Property by the SPV.
9. **Confidentiality** The terms of this Agreement are confidential between the Parties. Neither the Parties and their advisers will disclose the terms of this agreement to any third party without the prior agreement of the other except as required by law. The Parties hereby acknowledges and consents that CA may share information or matters relating to the Parties and the Property with affiliates of CA in order to complete the DA.
10. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of New South Wales. The Parties irrevocably and unconditionally submit to the non-executive jurisdiction of the courts of New South Wales and Courts of Appeal from them.
11. **Entire Agreement.** This Agreement contains the entire understanding of the Parties and has been duly authorized by each Party in accordance with all necessary corporate action on its part. There are no restrictions, agreements, promises, warranties, covenants or undertakings between the Parties with respect to the subject matter herein other than those expressly set forth herein. This Agreement may not be altered, modified or amended except by written instrument signed by the Parties hereto.
12. **Severability.** In the event that any one or more of the provisions of this agreement shall be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected thereby.

13. **Successors; Binding Agreement.** This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective heirs, representatives, successors and assigns. Neither the Hexagon nor Genero may assign this Agreement without the prior written consent of the other.
14. **Authority.** The undersigned warrants and covenants that he is authorized to bind the Party for which he is signing this agreement to its provisions.

Accepted and Agreed by:

Craig Adams

Andrew Murray

By: _____

Date: April 26, 2016

By: _____

Date: April 26, 2016

Ralph Paligaru

By: _____

Date: April 26, 2016