Status: **legally binding**

Class Ruling

Amaero Ltd – employee share scheme – scheme of arrangement

Relying on this Ruling

This publication is a public ruling for the purposes of the *Taxation Administration Act 1953*.

If this Ruling applies to you, and you correctly rely on it, we will apply the law to you in the way set out in this Ruling. That is, you will not pay any more tax or penalties or interest in respect of the matters covered by this Ruling.

Table of Contents	**Paragraph**

What this Ruling is about

1. This Ruling sets out the income tax consequences for holders of options to acquire shares in Amaero Ltd (Amaero) acquired under an employee share scheme (Amaero Options) that were cancelled in exchange for options to acquire CHESS Depositary Interests (CDIs) in Amaero Inc. (Amaero Inc. Options) on 22 June 2026 (Implementation Date).

2. Details of this scheme are set out in paragraphs 15 to 33 of this Ruling.

3. All legislative references in this Ruling are to the *Income Tax Assessment Act 1997*, unless otherwise indicated.

Who this Ruling applies to

4. This Ruling applies to you if you:

- are a resident of Australia as defined in subsection 6(1) of the *Income Tax Assessment Act 1936*
- held Amaero Options as at 7:00 pm on 15 June 2026 (Record Date) which were issued under the Employee Incentive Plan (EIP)
- had not had an ESS deferred taxing point under Subdivision 83A-C occur in relation to the Amaero Options prior to the Implementation Date
- acquired Amaero Inc. Options in exchange for your Amaero Options being cancelled, and
- continue to be employed by Amaero Inc., or one of its subsidiaries, following the implementation of the scheme of arrangement.

5. This Ruling does not apply to anyone who is subject to the taxation of financial arrangements rules in Division 230 in relation to the scheme outlined in paragraphs 15 to 33 of this Ruling.

Note: Division 230 will not apply to individuals unless they have made an election for it to apply.

When this Ruling applies

6. This Ruling applies from 1 July 2025 to 30 June 2026.

Ruling

Options under an employee share scheme

7. The Amaero Options you acquired pursuant to the EIP were ESS interests acquired under an employee share scheme (paragraph 83A-10(1)(b) and subsection 83A-10(2)).

8. The Amaero Inc. Options you acquired on 22 June 2026 pursuant to the scheme of arrangement between Amaero and its option holders are ESS interests acquired under an employee share scheme (subsection 83A-10(1) and (2)).

9. Subdivision 83A-C applied to the Amaero Options and to the Amaero Inc. Options (subsection 83A-105(1)).

New ESS interests are a continuation of old ESS interests

10. The Amaero Inc. Options you acquired are treated as a continuation of the Amaero Options for the purposes of Division 83A (section 83A-130).

11. Therefore, the disposal of your Amaero Options which you acquired prior to the Implementation Date will not result in an ESS deferred taxing point occurring within the meaning of section 83A-120.

Continuation of employment

12. Your employment with Amaero Inc., or one of its subsidiaries, after the Implementation Date is treated as a continuation of your employment in respect of which you acquired Amaero Options prior to the Implementation Date for the purposes of Division 83A (subsection 83A-130(6)).

Cost base of new ESS interests

13. The cost base of the Amaero Options you held just prior to the Implementation Date will be allocated to the matching Amaero Inc. Options you held just after the Implementation Date (subsection 83A-130(7)).

Capital gains and capital losses

14. Any capital gain or capital loss you made from CGT event C2 happening to your Amaero Options is disregarded (section 130-80).

Status: **legally binding**

Scheme

15. This description of the scheme is based on information provided by the applicant. If the scheme is not carried out as described, this Ruling cannot be relied upon.

Amaero Ltd

16. Amaero is a public company that was incorporated in Australia on 17 May 2019.

17. Amaero was listed on the Australian Securities Exchange (ASX) on 5 December 2019. The shares in Amaero (Amaero Shares) were traded under the ASX code '3DA'.

18. Amaero was the holding company for the Amaero group, which is a producer of high value refractory and titanium alloy spherical powders and manufacturing operations principally in McDonald, Tennessee in the United States of America (US).

19. Amaero had 953,327,162 Amaero Shares and 110,970,672 Amaero Options on issue just before the Implementation Date.

Employee Incentive Plan

20. Key features of the EIP were:

- The Amaero Options granted were subject to performance criteria.
- The Amaero Options were subject to a real risk of forfeiture and were forfeitable in the event the individual ceases employment with the Amaero group.
- Once vested at the end of the performance period, resulting Amaero Shares were to be delivered by way of an issuance or transfer within 20 days after the Amaero Options were exercised.

Amaero Inc.

21. Amaero Inc. was incorporated on 20 February 2026 under the laws of the state of Delaware in the US.

22. Amaero Inc. had no shareholders on incorporation (as allowed under Delaware law).

Scheme of arrangement

23. On 24 February 2026, Amaero announced a proposal to enter into a scheme of arrangement pursuant to Part 5.1 of the *Corporations Act 2001* (Corporations Act), pursuant to which Amaero Inc. would acquire all of the:

- Amaero Shares, for which holders of Amaero Shares would receive one CDI in Amaero Inc. (conferring an interest in one-fortieth of a share of common stock in Amaero Inc.) for each Amaero Share held on the Record Date, and
- Amaero Options, for which holders of Amaero Options would receive one Amaero Inc. Option for each Amaero Option held on the Record Date.

24. On 5 June 2026, a resolution was passed by the shareholders of Amaero as required by subsection 251AA(2) of the Corporations Act.

25. On 10 June 2026, the scheme of arrangement was approved by the Federal Court of Australia under subsection 411(10) of the Corporations Act.

26. On the Implementation Date, Amaero Inc. acquired 100% of Amaero Shares.

27. On the Implementation Date, shareholders of Amaero received one CDI for each Amaero Share they held on the Record Date. Amaero Shareholders hold their interest in Amaero Inc. through CDIs, representing their beneficial ownership in Amaero Inc. shares, via CHESS Depository Nominees Pty Ltd (ACN 071 346 506).

28. On the Implementation Date, holders of Amaero Options received one Amaero Inc. Option for each Amaero Option held on the Record Date.

29. The Amaero Shares were suspended from trading on the ASX on 11 June 2026. Amaero CDIs retained the ASX code ‘3DA’ and were admitted to the ASX Official List on 12 June 2026.

30. On 23 June 2026, CDIs commenced trading on a normal T+2 settlement trading basis.

31. There was no cash consideration involved in the exchange of Amaero Shares for CDIs.

32. Amaero Options that remained outstanding prior to the Implementation Date were cancelled in exchange for Amaero Inc. Options pursuant to the terms outlined in the scheme of arrangement, which among other things, continue to be governed by the EIP, such as the performance criteria and vesting conditions.

33. Other key features of the replacement Amaero Inc. Options are:

- Each Amaero Inc. Option shall be exercisable to allow participants to acquire CDIs equal to the number of Amaero Shares issuable upon exercise of such option at the Implementation Date.
- The Amaero Inc. Options shall have an exercise price per CDI equal to the exercise price per Amaero Share of the relevant Amaero Option it replaces, converted from Australian dollars to US dollars at the prevailing currency exchange rate on the Implementation Date, being the rate described by the Reserve Bank of Australia, rounded to 4 decimal places.

Commissioner of Taxation
26 August 2026

Status: **not legally binding**

References

Legislative references:
- ITAA 1936 6(1)
- ITAA 1997 Div 83A
- ITAA 1997 83A-10(1)
- ITAA 1997 83A-10(1)(b)
- ITAA 1997 83A-10(2)
- ITAA 1997 Subdiv 83A-C
- ITAA 1997 83A-105(1)
- ITAA 1997 83A-120
- ITAA 1997 83A-130
- ITAA 1997 83A-130(6)
- ITAA 1997 83A-130(7)
- ITAA 1997 130-80
- ITAA 1997 Div 230
- Corporations Act 2001 Part 5.1
- Corporations Act 2001 251AA(2)
- Corporations Act 2001 411(10)

ATO references

NO:	1-1BBIKJ9U
ISSN:	2205-5517
BSL:	PG
ATOlaw topic:	Income tax ~~ Assessable income ~~ Employee share schemes ~~ Taxation of discounts - deferred Income tax ~~ Assessable income ~~ Employee share schemes ~~ Other