

DRILL CLUB NFT LICENCE AGREEMENT

By purchasing or otherwise accepting ownership of the non-fungible token within the Drill Club collection (**NFT**), You (being the person who is the initial purchaser of the NFT or any persons to whom ownership of the NFT is transferred by the initial purchaser or any subsequent owner, whether by sale, donation, inheritance, or other operation of law) agree to the terms and conditions of this NFT Licence Agreement (**Agreement**), as amended from time to time. If You do not accept those terms and conditions, You must not accept ownership of, or otherwise use or interact with, the NFT, and are hereby prohibited from doing so.

1. OWNERSHIP AND LICENCE

- 1.1. When You purchase or otherwise accept ownership of the NFT, You acquire all right, title, and interest in and to the NFT, including, the right to sell, transfer, assign, donate, or otherwise dispose of ownership of the NFT, subject to the terms and conditions of this Agreement. You do not gain any right, title, or interest in or to any of the artwork, images, music, audiovisual works, or other content associated with, or represented by, the NFT (collectively, **Artwork**). Your rights to use the Artwork are subject to the terms and conditions of this Agreement.
- 1.2. Subject to Your compliance with the terms and conditions of this Agreement, Drill Club hereby grants to You, for as long as You own the NFT, a limited, non-exclusive, worldwide, non-sublicensable right and licence to use the Artwork:
 - (a) for personal non-commercial use;
 - (b) subject to clause 2.2, for the purpose of creating derivative works (including, but not limited to, running a commercial business or enterprise) based upon the Artwork (**Commercial Use**); and
 - (c) as necessary to effectuate secondary sales or transfers to other persons or entities lawfully purchasing or accepting ownership of the NFT either through a recognised third-party marketplace or through another authorised and legal method of transfer, whether now or later known, provided that the Artwork, including Drill Club's IP, appears in its original form and does not constitute a derivative work. This licence is transferrable only if all of the conditions in clause 3.1 are met in full.

2. RESTRICTIONS ON LICENSE RIGHTS

- 2.1. You hereby understand and agree that the licence to the Artwork granted in this Agreement is conditioned on Your agreement that, for as long as You hold ownership rights in and to the NFT, you will not and will not encourage or permit others to:
 - (a) use the Artwork in any manner that depicts, constitutes, or encourages hate speech, intolerance, cruelty, violence, vulgarity (e.g., pornography), offensive behaviour, political statements, or illegal, unlawful, defamatory, harassing, abusive, or fraudulent activities or language;
 - (b) attempt to or actually register or otherwise acquire any trademark, copyright, or other intellectual property or proprietary rights in or to the Artwork or any of Drill Club's IP;
 - (c) represent or imply that Drill Club endorses or otherwise supports Your use of or interactions with the NFT or Artwork;

- (d) make any defamatory or otherwise false or misleading statements about Drill Club, the NFT or Artwork;
- (e) engage in any fraudulent or deceptive activity intended or designed to artificially increase or decrease the value of the NFT; or
- (f) use any software, hardware or other technology, device or means, including any virus, worm, malware, malicious, or other harmful computer code, the purpose or effect of which is to destroy, disrupt, disable, distort, or otherwise harm or impede in any manner the security or integrity of the systems and marketplaces supporting the NFT or Artwork, including any associated crypto wallets or smart contracts.

2.2. In exploiting the NFT or Artwork for Commercial Use, You:

- (a) must seek our prior written approval by either contacting Drill Club on drillclubmarketing@gmail.com or submitting a Commercial Use licence application via the following link <https://forms.gle/SJHtY6rjBno8JvD4A>;
- (b) must not create the same as or substantially similar to Artwork for other NFTs or Artwork that you do not own;
- (c) must not infringe on any other Commercial Use derivatives that have already been created;
- (d) must not mislead the public into thinking that Drill Club has created, sold or endorsed Your derivative artwork;
- (e) must immediately cease any Commercial Use upon Your sale, transfer or disposal of the respective NFT;
- (f) irrevocably covenant and agree not to assert or bring any suit, claim, demand or challenge against:
 - (i) Drill Club or its affiliates or licensees (or any of their employees, partners, members, officers, directors, and stockholders) in connection with their use of any NFT, Artwork or any of their own derivatives; or
 - (ii) any other NFT holder or its affiliates or licensees (or any of their employees, partners, members, officers, directors, and stockholders) in connection with use their NFT, Artwork or any of their own derivatives.

2.3. All right, title, and interest in and to the Artwork is hereby expressly reserved for Drill Club, including Drill Club's rights in and to Australian and foreign:

- (a) trademarks, service marks, trade dress, trade names, logos, domain names, and other similar designations of source or origin, together with the goodwill associated with any of the above;
- (b) copyrights, moral rights, and all other rights relating to works of authorship (whether copyrightable or not), including computer programs, and rights in data and databases;
- (c) industrial design rights;
- (d) rights of publicity; and

- (e) all other intellectual property and proprietary rights of any kind, in each case whether registered or unregistered, and including all registrations and applications for, and renewals or extensions of, such rights, and all similar or equivalent rights or forms of protection anywhere in the world, whether now or later existing (collectively, **Drill Club's IP**).
- 2.4. You hereby acknowledge and agree that You will do nothing inconsistent with Drill Club's ownership of Drill Club's IP and will not use Drill Club's IP other than pursuant to the terms and conditions of this Agreement.
- 2.5. Drill Club retains the sole and exclusive right to apply for and own any registrations in and to Drill Club's IP (and any components of Drill Club's IP) and to bring any infringement, misappropriation, or unfair competition proceedings that involve Drill Club's IP.
- 2.6. You further acknowledge and agree that all of Your uses of Drill Club's IP shall inure solely to the benefit of Drill Club. If You nevertheless acquire any rights in Drill Club's IP, by operation of law or otherwise, You hereby irrevocably assign such rights to Drill Club, without any further action required by any of the parties.

3. SALE, TRANSFER OR DISPOSAL OF NFT

- 3.1. Prior to selling, transferring, assigning, donating, or otherwise disposing of Your ownership of the NFT, You must provide, or cause to be provided, to any third-party intending to accept ownership rights in the NFT, adequate notice of this Agreement, including a description of the material terms and a link to or copy of this Agreement.
- 3.2. Doing so is a condition of any transfer of the NFT. If you do not comply with this condition, Your transfer will be null and void and grounds for immediate termination of this Agreement by Drill Club.
- 3.3. By accepting ownership of the NFT, the transferee shall be deemed to have accepted all of the terms and conditions of this Agreement and from that point on shall be considered "You" under this Agreement.
- 3.4. You also hereby acknowledge and agree that all subsequent sales, assignments, donations, or other transfers of ownership of the NFT shall be cryptographically recorded on the blockchain supporting the NFT and that all payments for the NFT shall originate from the intended third-party transferee's crypto wallet.

4. FEES AND TAXES

- 4.1. By purchasing or otherwise accepting ownership of the NFT, You agree to pay all applicable fees and You authorise Drill Club to automatically deduct Resale Royalties (as defined below) and any transaction fees (including gas fees applicable to the blockchain supporting the NFT) directly from Your crypto wallet or other authorised and legal payment method. Drill Club has no control over the execution of any smart contract operation or functionality or any transaction fees associated with the NFT. Drill Club additionally does not have the ability to reverse any transactions. Accordingly, Drill Club shall not be liable to You or to any third party for any claims or damages arising out of or relating to Your use or transfer of, or other interactions with, the NFT or Artwork.
- 4.2. 6.99% of such third-party transferee's gross purchase price, if any, for the NFT shall automatically be paid to Drill Club through the use of smart contracts associated with the NFT (**Resale Royalty**).

- 4.3. You are responsible for any and all sales, use, value-added, GST, and other taxes, duties, and assessments now or hereafter claimed or imposed by any governmental, regulatory, or administrative authority governing Your use of or interaction with the NFT or Artwork, including any taxes that may become payable as a result of Your sale, transfer, assignment, donation, or other disposal of ownership of the NFT.

5. TERMINATION

- 5.1. Subject to clause 3, You may sell, assign, donate, or otherwise transfer ownership of the NFT at any time. Except as otherwise expressly stated in this Agreement, this Agreement will cease to apply to any given person, following that person's sale, assignment, donation, or other transfer of ownership of the NFT. The transferor will, however, continue to be bound by the surviving provisions as stated in clause 20 below.
- 5.2. Drill Club may also terminate this Agreement immediately if:
- (a) You breach of any of the terms and conditions of this Agreement; or
 - (b) You unlawfully or illegally use the NFT.
- 5.3. On termination of this Agreement, for any reason, including Your sale, assignment, donation, or other transfer of Your ownership of the NFT, all of the rights and licences that Drill Club has granted to You under this Agreement shall immediately terminate without any requirement of further notice.
- 5.4. In circumstances where You use the NFT for Commercial Use, upon termination of this Agreement, You must immediately cease any Commercial Use that is based upon the NFT or the Artwork.

6. USER REPRESENTATIONS AND WARRANTIES

- 6.1. As a condition to purchasing or accepting the NFT, and Your use of any Artwork, you represent and warrant that:
- (a) you are not a current resident of the United States of America, China (Mainland), Cuba, Crimea and Sevastopol, Iran, Afghanistan, Syria, North Korea, Antigua and Barbuda, Hong Kong, Thailand, Malaysia, India or Canada (Ontario);
 - (b) you are not the subject of economic or trade sanctions administered or enforced by any governmental authority or otherwise designated on any list of prohibited or restricted parties (including but not limited to the list maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury), or a citizen, resident, or organised in a jurisdiction or territory that is the subject of comprehensive country-wide, territory-wide, or regional economic sanctions by any jurisdiction or country;
 - (c) your access to and use of the NFT is lawful in your country of residence in the manner in which you access and use them;
 - (d) you will fully comply with all applicable laws and regulations, and that you will not access or use the NFT to conduct, promote, or otherwise facilitate any illegal activity or any activity contrary to this Agreement;
 - (e) any advertising or promotion of the NFTs by you or on your behalf will not constitute false, misleading or deceptive conduct, unconscionable conduct, or unfair

advertising or disparagement under any applicable laws and will not make any representations as to any increase in the value of the NFTs; and

- (f) you will not use the proceeds retained from sales of the NFT, a Third-Party Marketplace or any other platform for capital raising purposes or any purpose that violates any applicable law, statute, rule or regulation.

7. ASSUMPTION OF RISKS

7.1. Use of the NFT is subject to various risks. By purchasing and using the NFT, you acknowledge and agree, amongst other risks:

- (a) that Drill Club is not responsible for the website that hosts the Artwork or any blockchain or distributed ledger on which the NFT is recorded, or for repairing, supporting, replacing, or maintaining same. You further understand and agree that Drill Club has no obligation to maintain any link or other connection between the NFT and the Artwork;
- (b) Drill Club does not store, send, or receive crypto assets, including tokens available on any blockchain. Any transfer of crypto assets occurs within the supporting blockchain, which Drill Club does not control. Due to rapidly changing pricing and fluctuating demand, increased regulation, and other variables, public blockchains and associated distributed ledgers can experience significant periods of network congestion, inconsistent, or slowed processing speeds, and unpredictable failures. As a result, transactions, including Your sale, assignment, donation, or other transfer of ownership of the NFT, may be:
 - (i) irreversible, and losses due to fraudulent or accidental transactions may occur; and
 - (ii) recorded on a public blockchain's distributed ledger at a time later than when You or Drill Club initiated the transaction involving the NFT;
- (c) risks associated with using an Internet based digital asset are inherent, including risks arising out of or relating to hardware, software, and Internet connections, the risk of malicious software introduction, and the risk that third parties may obtain unauthorised access to information stored within Your crypto wallet or other method of holding and transferring crypto assets. You agree not to hold Drill Club liable or responsible for any communication failures, disruptions, errors, distortions, inaccuracies, or delays that You may experience when conducting or otherwise engaging in any transactions involving the NFT or Artwork, regardless of how such transaction was initiated or completed;
- (d) digital assets, including blockchain-based assets such as the NFT, are subject to developing statutes, regulations, rules, orders, treaties, and other laws (collectively, **Laws**) worldwide. Such Laws, and any updates or changes to them, may affect this Agreement or its terms and conditions. If any Laws cause this Agreement, any provision of it, or any terms and conditions incorporated in it by reference, to become illegal or unenforceable, Drill Club shall not be deemed in breach of this Agreement, and, at Drill Club's option, Drill Club may terminate this Agreement;
- (e) the markets for NFTs and digital assets are highly volatile due to factors including (but not limited to) adoption, speculation, technology, security, and regulation, and may be subject to large fluctuations that could materially and adversely affect the value, price, and other aspects of the NFT. The value of the NFT may be derived

from the continued willingness of market participants to exchange fiat currency or digital assets for the NFT, which may result in the potential for permanent and total loss of value of the NFT, should the market for the NFT disappear.

- 7.2. You acknowledge that Drill Club is not responsible for any of these variables or risks, does not own or control the Smart Contract, and cannot be held liable for any resulting losses that Your use of the NFT or the Artwork. Accordingly, You understand and agree to assume full responsibility for all of the risks of purchasing and using the NFT or the Artwork.

8. THIRD-PARTY MARKETPLACES

- 8.1. Drill Club relies on third-party marketplaces to facilitate transactions involving the NFT, including any of Your uses of or other interactions with the NFT. Accordingly, Your transactions involving the NFT are subject to the terms and conditions of such third-party marketplaces, including those on which Your transactions occur, whether or not through such third-party marketplaces' service offerings (i.e., marketplace NFT or crypto wallets). Drill Club is not in control of, and You hereby agree not to hold Drill Club responsible or liable for, such third-party marketplaces' terms and conditions.
- 8.2. Your uses of and other interactions with the NFT may be limited or otherwise affected if:
- (a) the terms and conditions or pricing of such third-party marketplaces change;
 - (b) You or Drill Club cannot comply with the terms and conditions of such third-party marketplaces or any update or modification to them; or
 - (c) a third-party marketplace dissolves, declares bankruptcy, becomes insolvent, or otherwise ceases business operations.

9. THIRD-PARTY SITES

- 9.1. The NFT may grant You access to certain in-person or virtual experiences or facilitate access to third-party websites (**Third-Party Sites**). Third-Party Sites are not under Drill Club's control and You hereby agree that You will not hold Drill Club liable or responsible for any content or information contained on or in any Third-Party Sites, including for any errors, omissions, or inaccuracies, or for any losses or damages of any kind incurred as a result of Your use of or access to any Third-Party Site. You use or rely on Third-Party Sites at Your own risk and subject to any licence agreements, terms and conditions, privacy policies, and other notifications, disclaimers, and legal requirements applicable to such Third-Party Sites. Links and other access to Third-Party Sites are provided or facilitated only as a convenience or benefit to You and do not necessarily constitute or imply Drill Club's endorsement or support of them. Drill Club does not guarantee the availability, accuracy, or display of or access to any Third-Party Sites and reserves the right to remove, delete, alter, edit, suspend, or otherwise modify any interactions with or access to such Third-Party Sites made available on or through the NFT, at any time and in Drill Club's sole discretion. Any opinions, advice, statements, offers, services, performances, or other content expressed, displayed, or made available on any Third-Party Sites:
- (a) are those of the respective authors or applicable distributors; and
 - (b) may be protected by copyright, trademark, right of publicity, and other Australian or international intellectual property or proprietary rights Laws (as defined below). By using or otherwise owning the NFT, You do not acquire any right, title, or interest in or to any Third Party Sites or any portion of them.

10. DISCLAIMER OF WARRANTIES AND LIMITATION OF LIABILITY

- 10.1. Subject to clause 10.4, any non-excludable consumer guarantees and other consumer protection provisions set out in the Australian Consumer Law or equivalent consumer protection law, the material displayed on the NFT or NFT Website is provided without any guarantees, conditions or warranties as to its accuracy.
- 10.2. Subject to clause 10.4, to the fullest extent permitted by law Drill Club hereby expressly excludes all warranties and other terms which might otherwise be implied by statute, common law or the law of equity and is not liable for any damages whatsoever, including but without limitation to any direct, indirect, special, consequential, punitive or incidental damages, or damages for loss of use, profits, data or other intangibles, non-value or diminution in the value of digital assets, damage to goodwill or reputation, or the cost of procurement of substitute goods and services, arising out of or related to the use, inability to use, performance or failures of the NFT and any materials posted on those NFT Website or sites, irrespective of whether such damages were foreseeable or arise in contract, tort, equity, restitution, by statute, at common law or otherwise.
- 10.3. This does not affect Drill Club's liability for death or personal injury arising from its negligence, fraudulent misrepresentation, misrepresentation as to a fundamental matter or any other liability which cannot be excluded or limited under applicable law.
- 10.4. If the Australian Consumer Law or any other legislation provides that there is a guarantee in respect of goods or services supplied, and Drill Club's liability for failure to comply with that guarantee may not be excluded but may be limited, clauses 10.1 and 10.2 do not apply to that liability and instead Drill Club's liability for such failure is limited to:
- (a) in the case of a supply of goods, Drill Club replacing the goods or supplying equivalent goods or repairing the goods; or
 - (b) in the case of a supply of services, Drill Club supplying the services again or paying the cost of having the services supplied again.

11. INDEMNIFICATION

- 11.1. Without limiting any other provision of this Agreement, You shall indemnify, defend, and hold harmless Drill Club, its parents, subsidiaries and affiliates, and its and their respective officers, directors, managers, members, employees, agents, representatives, successors, and assigns (with Drill Club, each a Drill Club Party, and collectively, the Drill Club Parties) from and against any and all actual or alleged demands, allegations, claims, suits, actions, or other proceedings (collectively, **Claims**) and any related orders, awards, fines, penalties, settlements, costs, expenses, damages, liabilities, judgments, or other losses, including legal fees on an indemnity basis (collectively, **Losses**), that arise out of or are related to Your:
- (a) purchase, ownership, sale, assignment, donation, or any other transfer or use of, or interaction with, the NFT or Your use of any Artwork;
 - (b) alleged or actual breach of this Agreement;
 - (c) alleged or actual violation of any applicable Laws in connection with any of Your uses of or interactions with the NFT or Artwork; or
 - (d) fraud, misconduct, or other misrepresentation in connection with the NFT or Artwork.

12. EQUITABLE RELIEF

- 12.1. Notwithstanding any other provision of this Agreement, the parties acknowledge and agree that a breach of this Agreement may cause irreparable harm to the non-breaching party, for which an award of damages would not be adequate compensation.
- 12.2. The parties agree that, in the event of any such breach or threatened breach, either party will be entitled to equitable relief, including in the form of a restraining order, orders for preliminary or permanent injunction, specific performance, and any other relief that may be available from any court of competent jurisdiction, without any requirement to secure or post any bond, undertaking as to damages or show any actual monetary damages.
- 12.3. These remedies are not exclusive and are instead in addition to all other remedies available under this Agreement at law or in equity.

13. ASSIGNMENT

- 13.1. This Agreement will be binding upon, and will inure to the benefit of, the parties and their permitted successors and assigns. You may transfer this Agreement or any rights or obligations under it only to a third-party transferee that accepts ownership of the NFT and all of the terms and conditions of this Agreement in accordance with clause 3.1. Drill Club may transfer this Agreement without Your consent and after any such transfer, shall have no continuing obligation or liability to You.

14. INDEPENDENT CONTRACTORS

- 14.1. The relationship between the parties is that of independent contractors. Nothing contained in this Agreement will be construed as creating any agency, partnership, joint venture, or other form of joint enterprise, employment, or fiduciary relationship between the parties, and neither party has authority to contract for nor bind the other party in any manner whatsoever.

15. AMENDMENT

- 15.1. Drill Club may amend this Agreement at any time in its sole and absolute discretion; provided, that Drill Club shall provide reasonable notice to You of any material amendments to this Agreement through reasonable public means (i.e., public post on a social media network, through any websites associated with the NFT or Artwork that are owned or controlled by Drill Club, on any third-party site that hosts the Artwork, or on any third-party marketplace through which the NFT is sold). Your continued exercise of any licence rights or other rights granted under this Agreement, including Your access to or use of any Artwork after notice of an amendment has been posted constitutes Your acceptance of the amendment.

16. FURTHER STEPS

- 16.1. Each party will do all things and execute all further documents necessary to give full effect to this Agreement.

17. WAIVER

- 17.1. No waiver by either party of any of the provisions of this Agreement will be effective unless explicitly stated in writing and signed by the waiving party. Except as otherwise expressly stated in this Agreement, no failure to exercise, or delay in exercising, any rights, remedy, power, or privilege arising from this Agreement will operate or be

construed as a waiver; nor will any single or partial exercise of any right, remedy, power, or privilege preclude any other or further exercise, or the exercise of any other right, remedy, power, or privilege.

18. ENTIRE AGREEMENT

18.1. This Agreement represents the entire agreement between the parties and supersedes any prior or contemporaneous communications between the parties, whether oral or written.

19. SEVERABILITY

19.1. If any court of competent jurisdiction determines that any provision of this Agreement is illegal, unenforceable, or invalid, such illegality, unenforceability, or invalidity shall not affect any other provision and all remaining provisions shall continue in full force and effect.

20. SURVIVAL

20.1. Clauses 1, 2, 3, 4, 5, 10 and 11 shall survive the termination of this Agreement for any reason, along with all related definitions and any other provisions that, by their nature, are intended to survive termination.

21. INTERPRETATION

21.1. The headings used in this Agreement will not affect the interpretation of this Agreement. Terms defined in the singular shall include the plural and vice versa; the words "include," "includes" and "including" shall be deemed to be followed by the words "without limitation"; the word "or" is not exclusive; and variants of the defined terms have the meanings the context requires.

22. GOVERNING LAW AND JURISDICTION

22.1. This Agreement governed by the laws of New South Wales, Australia.

22.2. The parties irrevocably submit to the exclusive jurisdiction of the courts of New South Wales, Australia.