



HAVILAH RESOURCES LIMITED

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# Rules

## **Havilah Resources Limited Employee Incentive Plan**

**30 October 2024**

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# Rules - Havilah Resources Limited Employee Incentive Plan

## 1. Purpose

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- 1.1 The Plan is established by Havilah Resources Limited (**Company**) to provide certain senior employees of the Company with a means of receiving Performance Rights to subscribe for Company Shares.
- 1.2 The intention is to give Participants the opportunity to share in the future growth and profitability of the Company by aligning their interests with that of shareholders, as well as providing a greater incentive for Participants to have a greater involvement with, and to focus on the longer term goals of the Company.

The Plan is a plan to which tax deferral under Subdivision 83A-C of the Tax Act applies (subject to requirements of the Tax Act), unless specifically stated otherwise in the Invitation.

## 2. Definitions and Interpretation

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### 2.1 Definitions

In these Rules, unless the context otherwise requires, the following terms and expressions will have the following meanings:

**Application** means the form provided to Employees in order to apply, in response to an Invitation, for a grant of Performance Rights in the form approved by the Board from time to time.

**Applicable Law** means any one or more or all, as the context requires of:

- (a) the *Corporations Act* (2001);
- (b) the Listing Rules;
- (c) the constitution of the Company;
- (d) the *Income Tax Assessment Act 1997* (Cth), (**ITAA 1997**), the *Income Assessment Act 1936* (Cth), (**ITAA 36**) and the *Taxation Administration Act 1953* (Cth), (**TAA 1953**), each as amended from time to time;
- (e) any practice note, policy statement, regulatory guide, class order, declaration, guideline, policy, procedure, ruling, judicial interpretation or other guidance note made to clarify, expand or amend (a), (b), (c), and (d) above; and
- (f) any other legal requirement that applies to the Plan.

**ASIC** means the Australian Securities and Investments Commission.

**Associated Body Corporate** means:

- (a) a related body corporate of the Company;
- (b) a body corporate which has a relevant interest in not less than 20% of the voting shares of the Company; or
- (c) a body corporate in which the Company has a relevant interest in not less than 20% of the voting shares.

**ASX** means ASX Limited (ABN 98 008 624 691), or as the context requires, the financial market known as the Australian Securities Exchange operated by it.

**ATO** means the Australian Taxation Office.

**Bad Leaver** means an individual who ceases to be an Employee in any of the following circumstances:

- (a) the employment of the Individual is terminated, or the Individual is dismissed from office (as the case may be), due to serious or wilful misconduct, wilful disobedience, negligence or incompetence, insubordination, behaviour which damages or is likely to damage the business or reputation of the Company or any of its clients, or any other conduct justifying termination of employment or office without notice at common law;
- (b) the Individual resigns or ceases their employment or office with the Company (as the case may be) and commences employment, or holds the office of director, or directly or indirectly holds more than 5% of the issued capital with a competitor of the Company in breach of any post-termination restrictions in their contract of employment or associated documentation; or
- (c) the Individual is ineligible to hold their office for the purposes of Part 2D.6 of the Corporations Act or as a result of any relevant corporations or securities law.

**Board** means the board of directors of the Company, a committee appointed by the board of directors of the Company as constituted from time to time, or any person who is provided with delegated authority by the board from time to time.

**Bonus Issue** means a bonus issue of Shares or other securities convertible into Shares pro rata to holders of Shares (other than an issue in lieu of dividends or by way of dividend reinvestment pursuant to any election by a holder of Shares).

**Business Day** means a day on which banks are open for general banking business in the state of South Australia, excluding Saturdays, Sundays or public holidays in the state of South Australia.

**Change of Control** means:

- (a) the acquisition by any person or entity (together with his, her or its associates, if applicable) of a relevant interest in a majority of the Company Shares;
- (b) the merger or consolidation of the Company as a result of which persons or entities who were shareholders of the Company immediately prior to such merger or consolidation do not, immediately thereafter, own, directly or indirectly, a majority of the combined voting power entitled to vote generally in the election of directors of the merged or consolidated company; or
- (c) the transfer of all or substantially all of the assets of the Company to one or more persons or entities that are not, immediately prior to such transfer, members of the Company except as part of a bona fide arrangement, reconstruction, restructuring, reorganisation, recapitalisation or consolidation that ultimately does not result in a Change of Control.

**Commissioner** means the Commissioner of Taxation for the Australian Taxation Office.

**Committee** means a committee appointed by the Board to administer the Plan from time to time.

**Company** or Company means Havilah Resources Ltd (ACN 609 200 580), or in the event the name of the Company is changed by special resolution, the new name of the company.

**Corporations Act** means the *Corporations Act 2001* (Cth) as amended from time to time.

**Director** means a director of the Company.

**Disposal Restrictions** means any restrictions on the disposal or other dealing with the Shares to be issued on the exercise of Performance Rights.

**Eligible Employee** means an Employee who:

- (a) is an Australian resident for tax purposes; and
- (b) has provided to the Company a valid tax file number.

**Employee** means:

- (a) an individual whom the Board determines to be in the full time, part time or casual employment of a body corporate in the Group (including any employee on parental leave, long service leave or other special leave as approved by the Board);
- (b) an executive director of a body corporate in the Group;
- (c) an individual otherwise in the employment of a body corporate in the Group whom the Board determines to be an Employee for the purposes of the Plan; or
- (d) an individual who provides services to the Group whom the Board determines to be an Employee for the purposes of the Plan,

but excludes a non-executive Director of the Company.

**ESS** means employee share scheme.

**Exercise Conditions** means any conditions that must be satisfied before a Performance Right can be exercised.

**Exercise Price** means the price to be paid by the Participant to exercise a vested Performance Right.

**First Exercise Date** means the earliest date any vested Performance Right may be exercised.

**Good Leaver** means an individual who ceases to be an Employee, but who is not a Bad Leaver (and includes, but is not limited to, where the individual ceases to be an Employee due to Redundancy, Retirement, Permanent Incapacity, or death).

**Grant Date** means the date on which Performance Rights are granted to a Participant following the acceptance by the Company of an Application. .

**Group** means the Company and its subsidiaries (if any).

**Holding Statement** means a statement provided to the Participant recording the acquisition and disposal of any Performance Rights issued under the Plan.

**Implementation Date** means the date on which the Rules have effect, being 15 December 2024

**Invitation** means an invitation to an Eligible Employee to apply for a grant of Performance Rights under these Rules in the form approved by the Board from time to time.

**Insolvency** means the commencement of the reorganisation, winding up or dissolution of a company or the appointment of a voluntary administrator, custodian, trustee, receiver, manager or similar insolvency administrator for a company or any substantial part of its assets, under any law in relation to bankruptcy, insolvency or the relief of debtors.

**Last Exercise Date** means the last date any vested Performance Right may be exercised.

**Listing Rules** means the listing rules, market rules or operating rules of a financial

market in respect of which the Company's Shares are quoted or are the subject of an application for quotation, including but not limited the official listing rules of the ASX (as relevant).

**Notice of Exercise** means the notice of exercise in the form approved by the Board from time to time.

**Performance Right** means a right, acquired as a result of the acceptance by the Company of an Application under the terms of the Plan, to acquire a Share in the Company.

**Participant** means a person who has been granted Performance Rights pursuant to these Rules.

**Participant's Employee** means:

- (a) where the Participant is the Employee – that Employee;
- (b) where the Participant is a Relative or Related Body Corporate of the Employee – that Employee.

**Permanent Incapacity** means a condition the effect of which is, in the opinion of the Board, to prevent a Participant from continuing to be an Eligible Employee engaged in a similar capacity as they held prior to the condition being acquired or in any occupation with the Company for which he or she is reasonably qualified by education, training and experience.

**Plan** means Havilah Resources Ltd Employee Incentive Plan in respect of which these Rules apply and is an Employee Share Scheme for the purposes of the *Corporation Act 2001* (Cth)

**Redundancy** means where a Participant's position is made redundant, there is no acceptable alternative position available within the Company, and the Participant's employment is terminated by a member of the Company by reason of redundancy.

**Related Body Corporate** means a body corporate controlled by an Employee and/or a Relative of the Employee.

**Relative** of an Employee means any spouse, parent, child, brother or sister of that Employee.

**Relevant Requirements** means any performance, vesting and/or other criteria, which are determined by the Board and notified to the Eligible Employee in an Invitation and which are required to be met before the Performance Rights to which such invitation relates may be exercised by the Participant.

**Retirement** means where a Participant intends to permanently cease all gainful employment permanently in circumstances where the Participant provides, in good faith, a written statutory declaration to the Board to that effect.

**Rules** means these Rules in respect of the operation of the Plan as amended from time to time.

**Sale of the Company** means:

- (a) a consolidation or merger of the Company with or into, or acquisition of, any other corporation or other entity or person, or any other corporate reorganisation, which results in the holdings of all voting securities of the Company immediately prior to such consolidation, merger, acquisition or reorganisation having less than 50% of the voting power of the surviving entity (or its parent) immediately following such consolidation, merger, acquisition or reorganisation; or
- (b) a scheme of arrangement pursuant to which a person or group of associated persons acquires more than 50% of the voting power of the Company or its successor in interest (if any) by way of a share cancellation, share transfer,

share buy-back, capital reduction or similar transaction involving the Company, which results in the holders of all voting securities of the Company immediately prior to such scheme of arrangement having less than 50% of the voting power of the surviving entity (or its parent) immediately following such scheme of arrangement.

**Secretary** means the company secretary of the Company.

**Security Interest** means a mortgage, charge, pledge, lien, encumbrance or other third party interest of any nature.

**Share** means a fully paid ordinary share in the capital of the Company.

**Share Trading Policy** means the Company's share trading policy as amended from time to time.

**Shareholder** means any holder of issued share capital in the Company.

**Shares** mean fully paid ordinary shares in the capital of the Company.

**TFN withholding tax (ESS)** means any tax payable under Subdivision 14-C of Schedule 1 to the TAA 1953 for Employees who fail to provide the Company with a valid tax file number.

**Year** means any period of 12 months commencing 1 July and ending on 30 June.

## 2.2 Interpretation

In these Rules unless otherwise stated or the contrary intention appears:

- (a) the singular includes the plural and vice versa;
- (b) a gender includes all genders;
- (c) if a word or phrase is defined its other grammatical forms have corresponding meanings;
- (d) 'includes' means includes without limitation;
- (e) no rule of construction will apply to a Rule to the disadvantage of a party merely because that party put forward the Rule or would otherwise benefit from it;
- (f) a provision of these Rules which has the effect of requiring anything to be done on or by a date which is not a Business Day is to be interpreted as if it required that thing to be done on or by the immediately following Business Day;
- (g) a reference to:
  - (i) a person includes a reference to the person's executors, administrators and successors and, in the case of the Trustee, includes any substituted or additional trustee;
  - (ii) any legislation includes any modification or replacement of it and any regulations and statutory instruments issued under it and a reference to any provision of any legislation includes any modification or substitution of it;
  - (iii) a bill of parliament includes the legislation as enacted, and as modified prior to enactment;
  - (iv) a right includes a benefit, remedy, discretion and power;
  - (v) time is to local time in the capital of the State of New South Wales;
  - (vi) '\$' or 'dollars' is a reference to Australian currency;

- (vii) this or any other document includes the document as varied or replaced;
- (viii) writing includes any mode of representing or reproducing words in tangible and permanently visible form, and includes email; and
- (ix) these Rules means these Rules as amended from time to time and includes all recitals, annexures, addendums and schedules of these Rules;

### **2.3 Applicable Legislation**

These Rules, the offering and granting of any Performance Rights and/or Shares issued on exercise of any Performance Rights and the rights attaching to or interests in the Performance Rights and/or Shares issued on exercise of the Performance Right will at all times be subject to the constitution of the Company, the Corporations Act, any other applicable legislation from time to time, and the Listing Rules (as applicable).

#### **Application of Rules**

These Rules apply only to Invitations made on or after the Implementation Date and do not apply to or vary the terms of any interests which were issued under the Plan prior to the Implementation Date.

### **2.4 Rounding**

Where any calculation or adjustment to be made pursuant of these Rules produces a fraction of a cent or a fraction of an Performance Right or Share, the fraction will be eliminated by rounding down to the nearest whole number.

### **2.5 Headings**

Headings are inserted in these Rules for convenience only and do not affect the interpretation of these Rules.

## **3. Invitations**

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3.1 Subject to the limit in Rule 4, the Company may make Invitations from time to time to Eligible Employees to participate in the Plan on the terms and conditions set out in these Rules.

3.2 The Board has absolute discretion:

- (a) as to whom Invitations are made, but Invitations can only be made to Eligible Employees, Relatives and Related Bodies Corporate; and
- (b) as to the number of Performance Rights offered in each case and the terms of their issue;

but if Performance Rights are to be issued under the Plan, such issue must be in accordance with any Applicable Law.

3.3 Each Invitation must be in writing, be accompanied by a copy of these Rules and specify the following terms of issue of the relevant Performance Rights:

- (a) the Exercise Price of the Performance Rights or the method of calculating the Exercise Price of the Performance Rights;
- (b) the number of Performance Rights which the Eligible Employee, Relative or Related Body Corporate is offered;
- (c) the First Exercise Date;
- (d) the Last Exercise Date;



- (e) applicable Disposal Restrictions;
- (f) the closing date for Application;
- (g) applicable Exercise Conditions; and
- (h) any other terms and conditions relating to the Performance Rights which in the opinion of the Board are fair and reasonable but not inconsistent with these Rules.

3.4 The terms of issue specified under Rule 3.3 may include (without limitation):

- (a) service conditions which may require an Eligible Employee to remain in the employment of the Company for a certain period of time in order to be entitled to exercise the Performance Rights (**'Service Conditions'**);
- (b) conditions which set out the number or percentage of Performance Rights able to be exercised at certain time periods;
- (c) performance conditions which may require that the number of Performance Rights able to be exercised be reduced or that some or all the Performance Rights lapse in circumstances determined by the Board in its absolute discretion (**'Performance Conditions'**);
- (d) any particular hurdle (**'Performance Hurdle'**) that applies as part of the Performance Conditions; and
- (e) a period or periods of time at the expiration of which the Board may review the Performance Conditions (**'Performance Period'**).

3.5 Where an Invitation involves monetary consideration, each Invitation must also:

- (a) provide general information about the risks of acquiring and holding the Performance Right;
- (b) state that advice given in relation to the Invitation does not take into account the Participant's objectives, financial situation and needs and suggest that they obtain personal advice in relation to the Invitation;
- (c) states either the acquisition price or if to be determined at a future date, how the acquisition price will be determined; and

explain how the market price of the Performance Rights can be ascertained by the Participant.

## **4. Certain limits in reliance on Division 1A of Part 7.12 of the Corporations Act 2001**

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4.1 Where an Invitation for Performance Rights which involves consideration is made under this Plan and relies on Division 1A of Part 7.12 of the *Corporations Act 2001* the Company must, at the time of making the Invitation, reasonably believe that:

- a) the total number of Performance Rights of the body corporate or scheme that may be issued under the offer; and
- b) the total number of interests (Performance Rights or otherwise) that have been issued, or could have been issued, under offers made in connection with the Plan at any time during the 3 year period ending on the day the offer is made;

do not exceed 5% of the number of those fully paid shares or other interests actually issued by the body corporate or scheme (whether in connection with the Plan or otherwise) as at the start of the day the offer is made.

## **5. Application by Eligible Employee**

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- 5.1 An Eligible Employee, Relative or Related Body Corporate may, on Invitation, apply to participate in the Plan by
- (a) completing the Application;
  - (b) signing the completed Application; and
  - (c) lodging the completed and signed Application with the Company by the time and date specified in the Invitation.
- 5.2 The Company may, after receiving a duly completed Application but subject to the conditions of the Invitation, issue to the Eligible Employee, Relative or Related Body Corporate all of the Performance Rights the subject of the Application and notify the Participant of the actual Date of Issue of such Performance Rights.
- 5.3 By lodging the completed and signed Application in accordance with Rule 5.1, the Participant agrees to acquire the Performance Rights and to be bound by these Rules as amended from time to time.
- 5.4 Notwithstanding any other provision of this Plan, a Participant has no entitlement to be granted any Performance Rights unless and until such Performance Rights are granted. A Participant acquires any Performance Right(s) upon the acceptance by the Company of the Participant's Application.
- Applications cannot be accepted until after 14 days of the date on which the Invitation was made.

## **6. Performance Conditions**

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- 6.1 At the end of any Performance Period, the Board will determine the outcome of any Performance Conditions. The determination may include (without limitation):
- (a) a determination that some or all of the Performance Rights are exercisable as a consequence of the outcome of any applicable Performance Hurdle;
  - (b) a reduction of the number of Performance Rights able to be exercised as a consequence of the outcome of any applicable Performance Hurdle; and
  - (c) a determination that the Performance Rights lapse, in whole or part, as a consequence of the outcome of any applicable Performance Hurdle.
- 6.2 A determination made by the Board under Rule 6.1 is final unless the Board in its absolute discretion decides to revise any determination.

## **7. Consideration**

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Performance Rights will be issued for no consideration unless otherwise determined by the Board and set out in the terms of issue specified under Rule 3.3.

## **8. Restriction on transfer of Performance Rights**

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- 8.1 The Participant must not sell, transfer, mortgage, charge or otherwise deal with or encumber any Performance Rights without the prior approval of the Board.

- 8.2 A legal personal representative of the Participant may be registered as a holder of the Participant's Performance Rights in circumstances where either the Participant has died or the Participant's estate is liable to be dealt with under the laws relating to mental health, upon the production to the Company, of such evidence reasonably required to establish the entitlement of the legal personal representative to be so registered.

## **9. Lapse of Performance Rights**

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- 9.1 Subject to Rule 9.2, a Participant's Performance Rights (vested or unvested) lapse on the earliest to occur of:
- (a) the Last Exercise Date;
  - (b) a determination that the Performance Rights lapse under Rule 6;
  - (c) the Participant's Employee ceases to be an Employee;
  - (d) a change in control of a Participant which is a Related Body Corporate without the Company's prior written consent;
  - (e) the breach by the Participant of any obligation arising under these Rules, including any purported transfer of its Performance Rights other than in accordance with Rule 8; and
  - (f) the Insolvency of the Company, a Participant, or a Participant which is a Related Body Corporate.
- 9.2 Notwithstanding Rule 9.1(c), if a Participant's Employee becomes a Good Leaver:
- (a) any vested Performance Rights held by that Participant will not lapse upon the cessation; and
  - (b) the Board may also determine, in its absolute discretion, that some or all of the unvested Performance Rights held by that Participant will not lapse upon the cessation, but will become exercisable and will lapse at such later time as may be specified by the Board (which time may not be later than the Last Exercise Date).

## **10. Change of Control**

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- 10.1 If a Change of Control, as defined, is proposed to be made or undertaken by the Company after the date the Plan is established, the Board in its absolute discretion may determine either or both of the following:
- (a) all then outstanding Performance Rights that are not yet able to be exercised will become exercisable at the time or upon the occurrence of an event determined by the Board; and
  - (b) notwithstanding Rule 9 and the terms of issue specified under Rule 3.3, all Performance Rights that are not exercised prior to the time or occurrence of an event determined by the Board will lapse at that time or upon the occurrence of that event.

## **11. Exercise of Performance Rights**

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- 11.1 Notwithstanding any other Rule of these Rules, a Performance Right may only be

exercised if:

- (a) the Performance Right is exercised during the period commencing on the First Exercise Date and ending on the Last Exercise Date or any other date determined by the Board under Rule 9 or Rule 10;
- (b) the Performance Right has not lapsed in accordance with Rule 9 or 10.1(b); and
- (c) each Exercise Condition to which the Performance Right is subject has been satisfied.

11.2 Subject to Rule 11.1, a Performance Right may be exercised by the Participant completing a Notice of Exercise and lodging the Notice of Exercise with the Company, together with:

- (a) if any certificate was given to the Participant upon grant of the Performance Rights, that certificate; and
- (b) payment of the Exercise Price in a form agreed between the Company and the Participant.

11.3 At the request of a Participant, the Company (in the absolute discretion of the Board) may enter into arrangements with the Participant for the Company to advance the Exercise Price upon such terms and conditions as the Board shall think fit.

## **12. Exercise Price**

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The Exercise Price per Performance Right will be the amount determined by the Board and set out in the terms of issue specified under Rule 3.3 (as such amount may be adjusted in accordance with Rule 15, if applicable).

## **13. Overriding Restrictions on Issue and Exercise**

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Despite any Rule or the terms of any Performance Right, no Performance Right may be offered, issued or exercised if to do so would contravene the Listing Rules, the Corporations Act, the law of the jurisdiction in which the Company may be incorporated from time to time or any other applicable law or where compliance with any applicable law would in the opinion of the Board be unduly onerous or impractical.

## **14. Hedging invested Performance Rights**

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Participants must not enter into transactions or arrangements, including by way of derivatives or similar financial products, which limit the economic risk of holding unvested Performance Rights.

## **15. Adjustments under certain events**

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15.1 If, at any time when the Shares are traded on the ASX, a pro rata issue (except a bonus issue) is made to holders of Shares before the exercise of Performance Rights, the Exercise Price applicable (if any) to each then outstanding Performance Right will be

reduced according to the following formula:

$$O' = O - \frac{E [P - (S+D)]}{N + 1}$$

where

- O' = the new Exercise Price for the Performance Right. O = the old Exercise Price for the Performance Right.
- E = the number of Shares into which one Performance Right is then exercisable.
- P = the average market price per Share (weighted by reference to volume) of Shares during the 5 trading days ending on the before the ex rights date or ex entitlements date.
- S = the subscription price for a Share under the pro rata issue.
- D = the dividend due but not yet paid on the existing ordinary shares (except those to be issued under the pro rata issue).
- N = the number of shares with rights or entitlements that must be held to receive a right to one new share.

- 15.2 Subject to Rule 3, upon any capital reorganisation of the Company prior to the exercise of then outstanding Performance Rights in accordance with Rule 11, the terms of such Performance Rights are to be reconstructed to the extent necessary to comply with any Listing Rules applying to a reorganisation of capital at the time of the reorganisation. Subject to the provisions with respect to the rounding of entitlements as sanctioned by the meeting of shareholders approving such a capital reorganisation, in all other respects the terms for the exercise of Performance Rights are to remain unchanged.
- 15.3 Any adjustment to the terms of the Performance Rights under Rule 15.2 may not be made if it would result in any benefits being conferred on the Participant which are not conferred on Shareholders.
- 15.4 Subject to the Corporations Act, the law of the jurisdiction in which the Company may be incorporated from time to time and the Listing Rules (where applicable), the number of Performance Rights (or the number of Shares issuable or transferable upon exercise of those Performance Rights) issued under the Plan, the Exercise Price for those Performance Rights may be adjusted by the Board, in its sole discretion, if it determines that such an adjustment is necessary or appropriate to reflect any share dividend, share split or share combination in relation to the Shares, any corporate restructure or any other recapitalisation, merger, consolidation or exchange of shares in relation to the Company.

## 16. Taxes or social security contributions

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- 16.1 Stamp duty or any similar tax which may be assessed, paid or payable in respect of any document or documents executed in connection with the Plan (other than any share transfer) is payable by the Company within the time prescribed by law.
- 16.2 The employer of a Participant will have the power to withhold, or to require the Participant to remit to it, an amount sufficient to satisfy all federal, state, local and foreign withholding tax requirements in respect of any or all of the Participant's Performance Rights or the Performance Rights issued to a Related Body Corporate of that Participant.

- 16.3 Where the Company, or a subsidiary (within the meaning of the Corporations Act) of the Company, must account for any tax or social security contributions (in any jurisdiction) for which a Participant is liable because of the issue or transfer of Shares, or the vesting or exercise of a Performance Right, either the Company or subsidiary of the Company may withhold the amount assessed in its discretion or the Participant must, prior to the Participant's Shares being issued or transferred or cash being paid to the Participant, or the Performance Right vesting or being exercised (as applicable), either:
- (a) pay the amount assessed to the Company; or
  - (b) make acceptable arrangements with the Company for the amount assessed to be made available to the Company.

## **17. Forms**

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The Company may from time to time require the Participant to complete and return to the Company such other documents as may be required by law to be completed by the Participant or such other documents which the Company considers should, for legal or taxation reasons, be completed by the Participant.

## **18. Rights of Participants and Eligible Employees**

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- 18.1 Nothing in these Rules or the terms of any Performance Rights:
- (a) confers upon an Eligible Employee a right to a grant or offer of a grant of Performance Rights;
  - (b) confers on a Participant or an Eligible Employee the right to continue as an employee or officer of a company in the Company (as the case may be);
  - (c) affects the rights of a company in the Company to terminate the employment or office of a Participant or an Eligible Employee (as the case may be);
  - (d) affects the rights and obligations of any Participant or an Eligible Employee under the terms of their office or employment with any company in the Company;
  - (e) confers any legal or equitable right on a Participant or an Eligible Employee whatsoever to take action against any company in the Company in respect of their office or employment; nor
  - (f) confers on a Participant or an Eligible Employee any rights to compensation or damages in consequence of the termination of their employment by a company in the Company for any reason whatsoever including ceasing to have rights under the Plan as a result of such termination.

## **19. Power of Attorney**

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- 19.1 In consideration of the issue of the Performance Rights, each Participant irrevocably appoints each director and the secretary for the time being of the Company severally as his or her attorney, to do all acts and things and to complete and execute any documents, including share transfers, in his or her name and on his or her behalf that

may be convenient or necessary for the purpose of giving effect to the provisions of these Rules or the terms of a Performance Right.

- 19.2 The Participant (or after his or her death, his or her legal personal representative) will be deemed to ratify and confirm any act or thing done under this power and must indemnify the attorney in respect of doing so.

## **20. Administration of the Plan**

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- 20.1 The Plan is administered by the Committee which has power to:
- (a) determine appropriate procedures for administration of the Plan consistent with these Rules;
  - (b) resolve conclusively all questions of fact or interpretation in connection with the Plan; and
  - (c) do anything delegated to it by the Board which the Board has the power to do.
- 20.2 The Board may delegate to the Committee the Board's authority in respect of any or all of the matters referred to in these Rules, either generally or with respect to any specific issuance of Performance Rights. In the event of any such delegation, each reference to the Board in the relevant Rule or Rules will be deemed to be a reference to the Committee.

## **21. Plan amendment**

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### **21.1 Amendment of Plan**

- (a) Subject to the Listing Rules and the constitution of the Company, the Board may at any time amend these Rules or the terms and conditions upon which any Performance Rights and Shares issued on exercise of Performance Rights have been issued under the Plan.
- (b) No amendment of these Rules or to Performance Rights and Shares issued on exercise of Performance Rights granted under the Plan may be made if the amendment materially reduces the rights of any Participant (unless agreed by the Participant) in respect of Performance Rights and Shares issued on exercise of Performance Rights granted to them prior to the date of the amendment other than an amendment introduced primarily:
  - (i) for the purposes of complying with or conforming to present or future legislation governing or regulating the Plan or like plans;
  - (ii) to correct any manifest error or mistake;
  - (iii) for the purpose of complying with Listing Rules; or
  - (iv) to take into consideration possible adverse taxation implications in respect of the Plan including changes to applicable taxation legislation or the interpretation of that legislation by a court of competent jurisdiction or any rulings from taxation authorities administering such legislation.

- (c) The Board may determine that any amendment of these Rules or the terms of Performance Rights or Shares issued on exercise of Performance Rights granted under the Plan be given retrospective effect.
- (d) Amendment of these Rules or the terms and conditions upon which Performance Rights and Shares issued on exercise of Performance Rights are granted under the Plan by the Board will be of immediate effect unless otherwise determined by them.
- (e) As soon as reasonably practicable after making any amendment of these Rules or the terms and conditions of Performance Rights and Shares issued on exercise of Performance Rights granted under the Plan the Board will give notice of the amendment to any Participant affected by the amendment. Failure by the Board to notify a Participant of any amendment will not invalidate the amendment as it applies to that Participant.

#### 21.2 **Amendment by Addendum**

Subject to any other provision of these Rules, the Board may from time to time amend the terms of this Plan as they will apply in particular jurisdictions or circumstances by means of an addendum of these Rules.

## 22. **Notices**

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22.1 Any notice or other communication given pursuant to these Rules must be in writing and is deemed to have been given properly if:

- (a) delivered;
- (b) sent by post; or
- (c) sent by email;

and is deemed to have been served:

- (i) if delivered, at the time of delivery;
- (ii) if posted, 6 business days after the date of posting (or, in the case of a notice posted to a Participant with an address outside Australia, 7 business days after the date of posting); and
- (iii) if sent by email, when sent when sent by the sender unless the sender receives a delivery failure notification indicating that the email has not been delivered to the addressee.

22.2 Delivery, postage and print-out communications to the Participant or the Company must be made:

- (a) in the case of the Company, to its registered office address; and
- (b) in the case of a Participant, to the address of the Participant according to the records of the Company,
- (c) or to such other address as the Company or the Participant may notify to the other party respectively.



## 23. Compliance with TAA 1953

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### 23.3 Liability for TFN withholding tax (ESS)

- (a) The Company will not be liable for tax imposed under the *Income Tax (TFN Withholding Tax (ESS)) Act 2009*, as participation in the Plan is conditional on the Participant providing a valid tax file number or Australian Business Number.
- (b) Applications to the Plan will not be processed unless the Participant provides a valid tax file number or Australian Business Number.

## 24. Listing

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### 24.1 No Listing

Where the Company is listed on the ASX, and unless determined otherwise by the Board in its sole and absolute discretion, Performance Rights issued under the Plan will not be quoted on the ASX.

### 24.2 Shares issued on exercise

Where the Company is listed on the ASX, the Shares issued on exercise of Performance Rights will be listed on the ASX.

## 25. Disposal restrictions

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### 25.1 Board determines

The Board may determine prior to an Invitation being made whether there will be any restrictions on the disposal or otherwise on dealing with Shares issued on exercise of Performance Rights.

### 25.2 No transfer

Subject to Rule 25.1, Shares issued on exercise of Performance Rights may not be transferred, encumbered or otherwise disposed of by a Participant unless all restrictions on transfer, encumbrance or disposal of the Shares issued on exercise of Performance Rights have been met or the Board has waived any such restrictions.

### 25.3 Board actions

The Company may do such things and enter such arrangements as it considers necessary to enforce the restrictions set out in this Rule 25. Participants will be bound by any action by the Company under this Rule 25.

## 26. Forfeiture Condition

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### 26.1 Forfeiture events

While Performance Rights are subject to any restriction, if the Board determines that the Participant:

- (a) has committed an act of fraud;

- (b) is ineligible to hold their office for the purposes of Part 2D.6 of the Corporations Act; or
- (c) is found to have acted in a manner that the Board considers to be gross misconduct or in such other circumstances as may be specified in an Invitation,

the Participant may forfeit any right or interest in the Performance Rights at the Board's absolute discretion.

## **27. ASIC relief**

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Notwithstanding any other provisions of the Plan, every covenant or other provisions set out in an exemption or modification granted from time to time by ASIC in respect of the Plan or which applies to the Plan pursuant to its power to exempt and modify the Corporations Act and required to be included in the Plan in order for that exemption or modification to have full effect, is deemed to be contained in the Plan. To the extent that any covenant or other provision deemed by this Rule to be contained in the Plan is inconsistent with any other provision in the Plan, the deemed covenant or other provision will prevail.

## **28. Non-exclusivity**

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### **28.1 Non-exclusivity**

This Plan will not be deemed to be the exclusive method of providing incentive compensation to Eligible Employees, nor will it preclude the Company from authorising or approving other forms of incentive compensation for employees of the Company.

### **28.2 Relationship to other Share Plans**

Participation in this Plan will not affect or be affected by any participation in any other employee equity plan operated by the Company, except as specifically provided in the terms of that other plan.

## **29. Termination of the Plan**

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The Board may at any time terminate the Plan or suspend the operation of the Plan for such period or periods as it thinks fit.

## **30. General**

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### **30.1 No fiduciary capacity**

The Board may exercise any power or discretion conferred on them by these Rules in the interest or for the benefit of the Company, and in so doing the Board is not required to act in the interests of another person or as requested by another person and will not be under any fiduciary obligation to another person.

### **30.2 Listing Rules**

Where the Company is listed on the ASX, the provisions of the Listing Rules of the ASX will apply to the Plan, and to the extent that the Plan and the Listing Rules are inconsistent, the provisions of the Listing Rules will apply.

### 30.3 **Governing Law**

This Plan, and any Performance Rights and Shares issued on exercise of Performance Rights granted under it, will be governed by, and must be construed according to, the laws of the state of South Australia and the Commonwealth of Australia.