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ASX Market Announcements Office
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Sydney NSW 2000

Update on Employee Incentive Matters

On 26 August 2024, Regal Partners Limited (ASX:RPL; “Regal” or the “Company”) announced that it planned to issue performance share rights (“PSRs”) to certain employees under a Deferred Bonus Grant for the FY24 remuneration year (12 months ended 30 June 2024). The Deferred Bonus Grant forms part of Regal’s Short-Term Incentive (STI) compensation and involves deferring a portion of staff bonuses that exceed a certain amount for up to two years. PSRs vest into fully paid ordinary RPL shares at the relevant vesting dates, subject to the required conditions being met.

In the same announcement on 26 August 2024, the Company confirmed that a Long-Term Incentive (LTI) Plan had recently been approved by the Board and that an initial PSR grant (“LTI Grant”) under the new plan would be forthcoming.

Indicative values for the proposed grants for both schemes were included in the Company’s 1H24 Results Presentation.

The parameters for both grants have now been finalised and the PSRs have been issued. Further details are provided below.

DEFERRED BONUS GRANT

For the FY24 remuneration year, 3,976,656 PSRs were issued on 4 September 2024 at a total value of approximately \$13.5 million under the Deferred Bonus Grant.¹ The rights were issued at a price of \$3.3886, which is equal to the five-day volume weighted average price (VWAP) of the Company’s shares up to and including 30 August 2024. The rights will vest into fully paid ordinary RPL shares in two tranches (50% on 4 September 2025 and 50% on 4 September 2026), subject to the recipients remaining employed with the Company or its subsidiaries on the relevant vesting dates. If these rights vest in full, this will represent approximately 1.2% of the total issued ordinary share capital of the Company as at the date of this announcement.

LONG-TERM INCENTIVE GRANT

Under the LTI Grant, 805,723 PSRs were issued on 4 September 2024 at a total value of approximately \$2.7 million.¹ The rights were issued at a price of \$3.3886, which is equal to the five-day VWAP of the Company’s shares up to and including 30 August 2024. The rights will vest on 4 September 2027 into fully paid ordinary RPL shares, subject to the recipients remaining employed with the Company or its subsidiaries on the relevant vesting date and meeting the required Total

¹ This does not reflect the fair value of the awards granted for accounting purposes. For the grants made on 4 September 2024, the fair value is expected to be approximately \$11.8 million for the Deferred Bonus Grant and \$2.3 million for the LTI Grant.



Shareholder Return (TSR) hurdle (which is outlined in the following table). If these rights vest in full, this will represent approximately 0.2% of the total issued ordinary share capital of the Company as at the date of this announcement.

Vesting Schedule of PSRs under the LTI Grant	
Compound annual growth in TSR over the performance period	Percentage of PSRs under the LTI that vest
Less than 7% per annum	0%
7-10% per annum	Straight-line vesting from 0% to 33.33%
10-15% per annum	Straight-line vesting from 33.33% to 100%
15% or above	100%

For the purpose of the LTI Grant, the TSR will be the compound annual capital accumulation rate that the holder of a RPL ordinary share (RPL Share) earns over the 3-year performance period if the holder reinvests all cash dividends paid on that RPL Share over the performance period in additional RPL Shares. The start and end price of RPL Shares for calculating the TSR will be the 30-day VWAP of RPL Shares prior to the award of the PSRs and prior to the end of the performance period, as the case may be. In calculating the TSR, it will be assumed that dividends are reinvested at the closing price on the ex-date.

The PSRs issued under the FY24 Deferred Bonus Grant and the LTI Grant have been pursuant to an Employee Incentive Plan adopted by the Board. A copy of the Employee Incentive Plan is set out in Appendix A.

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ABOUT REGAL PARTNERS LIMITED

Regal Partners Limited is an ASX-listed, specialist alternatives investment manager with over \$16.5 billion² in funds under management.

Formed on 3 June 2022 following the merger of Regal Funds Management Pty Limited and VGI Partners Limited, the group manages a broad range of investment strategies covering long/short equities, private markets, real & natural assets and credit & royalties on behalf of institutions, family offices, charitable groups and private investors.

Housing eight dedicated alternative investment management businesses – Regal Funds Management, PM Capital, Merricks Capital, Taurus Funds Management, Attunga Capital, Kilter Rural, Argyle Group and VGI Partners – the group employs approximately 185 staff, including more than 90 investment professionals, in offices across Australia and offshore.³

Combining deep industry experience, extensive networks and multi-award-winning performance track records, Regal Partners seeks to be a leading provider of alternative investment strategies in Australia and Asia.

² Management estimate of FUM for 30 June 2024 and which is pro forma for the acquisition in July 2024 of Merricks Capital and 40% of Argyle Group (shown on a 100% FUM ownership basis). FUM (including 100% of Taurus Funds Management, Attunga Capital, Kilter Rural and Argyle Group) is rounded, unaudited and includes non-fee-earning FUM.

³ Includes full-time and part-time staff in all RPL group entities except Argyle Group (given RPL's interest is a minority stake).



APPENDIX A – REGAL PARTNERS LIMITED EMPLOYEE INCENTIVE PLAN

A copy of the Employee Incentive Plan is attached.

Regal Partners Limited Employee Incentive Plan

Regal Partners Limited

Adopted by the Board on 29 August 2024

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Regal Partners Limited Employee Incentive Plan

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Regal Partners Limited Employee Incentive Plan

General terms

1 Purpose

The Plan is designed to allow the Board to make grants of Awards to Employees which provide the opportunity to acquire Shares to assist with:

- (a) attracting, motivating and retaining Employees;
- (b) delivering rewards to Employees for individual and Group performance;
- (c) allowing Employees the opportunity to become Shareholders; and
- (d) aligning the interests of Employees with those of Shareholders.

2 Operation of the Plan

2.1 Grant of Awards

- (a) The Board may, from time to time, in its absolute discretion, operate the Plan and:

- (i) invite an Employee to apply for a grant of;
- (ii) grant to an Employee,

Awards in accordance with the terms of the Plan and upon such additional terms and conditions as the Board determines.

- (b) The grant of Awards may, at the Board's discretion, be in the form one or more of:

- (i) Shares; or
- (ii) Rights; or
- (iii) Options.

- (c) The Grant Letter will be made on the terms set out in these Rules and/or on any additional or alternative terms as the Board determines, as specified in the terms of the Grant Letter.

2.2 Information to be provided

At the time of the invitation or grant under Rule 2.1, provide each Employee with a Grant Letter which contains the following minimum information regarding the Awards (to the extent it is relevant):

- (a) the number or value of Awards being granted, or the method or formula for determining the number or value of Awards;
- (b) the type or types of Awards being granted;

- (c) the method and form of applying for the grant of Awards under an invitation from the Board or the method and form of rejecting a grant of Awards by the Board, as applicable;
- (d) details of any applicable Conditions, including performance or service and the applicable Period;
- (e) the time or times at which the Conditions will be tested in respect of the Period (at which time, the Awards may Vest and, if applicable, become exercisable);
- (f) the period or period(s) during which Options may be exercised and the manner of exercise of those Options (if applicable);
- (g) the Exercise Price payable in order to exercise an Option (if applicable) and any applicable Exercise Restrictions;
- (h) details of any Trading Restriction on Shares, whether on a mandatory or voluntary basis, following the Vesting or exercise (as the case may be), of the Awards;
- (i) a statement as to whether Awards may be settled in cash at the discretion of the Board;
- (j) a statement as to whether the Award entitles the Employee to vote, receive dividends or have any other rights of a Shareholder.
- (k) the time and circumstances when Awards lapse; and
- (l) any other relevant terms and conditions to be attached to the Awards or Shares allocated on Vesting of Rights, or exercise of Options, as applicable.

2.3 No payment on grant of Awards

Unless the Board determines otherwise, an Employee is not required to pay for a grant of Awards. If it is determined an amount is payable, the amount payable must be stated in the Grant Letter.

2.4 Differing terms

The Board may decide to invite Employees to participate in a grant of Awards, or make a grant of Awards, on different terms for different Employees. In making this decision, the Board may have regard to:

- (a) the Employee's length of service with the Group;
- (b) the Employee's position and remuneration; and
- (c) any other matter the Board considers relevant.

2.5 Terms of the grant of Awards

- (a) An Employee who applies for a grant, or is granted Awards, is deemed to have agreed to be bound by:
 - (i) the Rules and the terms and conditions set out in the Grant Letter;

- (ii) following issue of Shares upon the allocation, Vesting or exercise of Awards (as the case may be), the Constitution (and agrees to become a Shareholder); and
 - (iii) any other relevant Group policies, such as the Securities Trading Policy, including any modifications applicable from time to time.
- (b) A grant of Awards will not be made in part. In participating in the grant, the Employee agrees to be granted the whole number of Awards described in the Grant Letter.
- (c) The Board reserves the right to reject an application for a grant of Awards or to not make a grant of Awards to an Employee who has accepted a grant. If the Board determines to exercise its discretion, the grant shall be deemed never to have been made.
- (d) To the extent of any inconsistency, the terms and conditions advised to an Employee in the Grant Letter will prevail over any other provision of these Rules.

2.6 Title to Awards

Unless the Board determines otherwise:

- (a) a grant of Awards is personal to the Participant and cannot be transferred to other persons or entities prior to vesting; and
- (b) Awards may only be registered in the name of the Participant.

2.7 Acceptance of Grant Letter

- (a) Acceptance of a Grant Letter must be made by the Employee in accordance with the instructions in the Grant Letter, or in any other way the Board determines.
- (b) The Board may, at its discretion, refuse to allow the participation of an Employee where that Employee ceases to be an Employee, or ceases to satisfy any other conditions imposed by the Board, before the grant is made.

3 Unvested Awards

3.1 Shareholder entitlements

A Participant's right to vote, receive dividends or have any other rights as a Shareholder in respect of the Awards will be set out in the Grant Letter.

3.2 Lapse of Awards

- (a) Subject to the Board's overriding discretion, a Participant's unvested Awards will lapse upon the earliest to occur of:
 - (i) the date specified by the Board for the purposes of Rule 2.2;
 - (ii) an event described in any of Rule 3.3 (Restrictions on Dealing), Rule 6 (Variations of capital), Rule 7 (Change of control), or Rule 8 (Clawback and lapse for fraud or breach);

- (iii) failure to satisfy the Conditions by the end of the Period;
 - (iv) the 8th anniversary of the date of grant of the Award.
- (b) The Board may specify in the Grant Letter additional circumstances in which a Participant's Awards may lapse prior to Vesting.

3.3 Restrictions on Dealing

- (a) An unvested Award is only transferable:
- (i) with the consent of the Board; or
 - (ii) by force of law upon death to the Participant's legal personal representative or upon bankruptcy to the Participant's trustee in bankruptcy.
- (b) Where the Participant purports to transfer an Award other than in accordance with Rule 3.3(a), the Award immediately lapses.

3.4 Prohibition against hedging

- (a) A Participant must not enter into any scheme, arrangement or agreement (including options and derivative products) under which the Participant may alter the economic benefit to be derived from any Awards that remain subject to these Rules, irrespective of future changes in the market price of Shares.
- (b) Where the Participant enters, or purports to enter, into any scheme, arrangement or agreement described in Rule 3.4(a), the Award immediately lapses.

4 Vesting of Awards

4.1 Testing

- (a) Awards will only Vest once the Board, in its discretion, determines that any relevant Conditions have been satisfied.
- (b) Subject to Rule 4.1(a), at the end of the Period, the Board will:
- (i) test the applicable Conditions (including any service conditions, if relevant) and determine the extent to which the Conditions have been satisfied and Awards vest (and in relation to Options, become exercisable subject to any Exercise Restrictions);
 - (ii) determine the time when the Awards Vest; and
 - (iii) within a reasonable timeframe, notify Participants of the extent to which any applicable Conditions have been satisfied and Awards will Vest or have Vested, and, if relevant, whether Awards will be settled in Shares or Cash Equivalent Value.

4.2 Settlement of Awards

- (a) Subject to any applicable Trading Restrictions, restrictions imposed by Law or the Securities Trading Policy, upon:
- (i) Vesting of a Right; or

- (ii) exercise of an Option,

the Company must issue or procure the transfer of Shares (or pay the Cash Equivalent Value, where relevant) to, or for the benefit of, the Participant for each Award that Vests or is exercised (as relevant).

- (b) Subject to any Exercise Restrictions, an Option is validly exercised if the Participant:
 - (i) follows the process set out in the Grant Letter; and
 - (ii) pays the Exercise Price (if any) to the Group.
- (c) If a Participant purports to exercise an Option in contravention of any applicable Exercise Restriction, the Option will be deemed to have been exercised on the first date the Exercise Restriction ceases to apply, subject to payment of the relevant Exercise Price.

4.3 Shares settlement

- (a) Subject to Rule 4.4, each Vested or exercised Award, as relevant, entitles the Participant to receive one Share in the Company.
- (b) If the Company issues Shares to the Participant, the Company will apply for quotation on the ASX of the Shares issued under the Plan within the period required by the ASX Listing Rules.
- (c) All Shares issued under the Plan will rank equally in all respects with other Shares for the time being on issue by the Company as at their date of issue.
- (d) Subject to any applicable Trading Restrictions, the terms of the Grant Letter and the terms of the Securities Trading Policy, no restrictions shall apply to any Shares issued or allocated under the Plan.

4.4 Cash settlement

- (a) Provided such discretion was stated in the Grant Letter pursuant to Rule 2.2, Vested Awards, as relevant, maybe satisfied, at the discretion of the Board, in cash rather than Shares, by payment to the Participant of the Cash Equivalent Value.
- (b) In the case of Rights, the Cash Equivalent Value is equal to the gross value of the Shares that would have been allocated or transferred to the Participant if the Board chose to settle Rights in Shares.
- (c) In the case of Options, the Cash Equivalent Value is equal to the gross value of the Shares that would have been allocated or transferred to the Participant if the Board chose to settle Options in Shares, less any applicable Exercise Price.
- (d) The Board retains discretion as to how the gross value of the Shares is calculated for the purpose of this Rule 4.4.

4.5 Dividend equivalent payments and other rights associated with Rights and Options

- (a) Unless or until Shares are allocated to a Participant following Vesting or exercise of their Rights or Options (as applicable), the Participant has no

interest in those Shares in respect of which the Right or Option was granted.

- (b) Notwithstanding Rule 4.5(a), the Board may determine at the time the Grant Letter is given that a dividend equivalent payment will be paid to a Participant who becomes entitled to an allocation of Shares (or equivalent cash amount) following the Vesting or exercise of Rights or Options under that Grant Letter (minus any applicable tax).
- (c) A Participant will have no right to receive a dividend equivalent payment made in respect of any Rights or Options that lapse in accordance with the Plan.
- (d) Subject to the terms of any Grant Letter, the Board may determine that a dividend equivalent payment:
 - (i) will be an amount determined by the Company that will be approximately equal to the amount of dividends that would have been payable to the Participant had they been the owner of the Shares referred to in Rule 4.5(b) during the Period;
 - (ii) will not be grossed up or otherwise adjusted to account for any tax consequences which would have applied if the Participant had actually been paid a dividend; and
 - (iii) may be satisfied through the allocation of Shares or payment of cash.

5 Ceasing employment

5.1 General rule

Subject to Rules 5.2 and 5.3, if a Participant ceases to be an Employee of the Group, the Participant's unvested Awards will remain on foot with any relevant Conditions continuing to apply, unless otherwise determined by the Board in the Grant Letter or at the time of cessation of the employment of the Employee with the Group.

5.2 Exceptions

Subject to Rule 5.3:

- (a) if a Participant resigns or their employment is terminated for poor performance or misconduct, any unvested Awards will automatically lapse;
- (b) if a Participant's employment is terminated as a result of retirement or total and permanent disablement, a pro-rated number of Awards based on the proportion of the Period served to the relevant termination date will remain on foot with any relevant Conditions continuing to apply; and
- (c) if a Participant ceases to be an Employee of the Group due to death, any Awards which have not Vested will immediately Vest.

5.3 Board discretion to determine treatment

If a Participant ceases to be an Employee of the Group prior to the end of a Period for any reason then, the Board may, in respect of any Awards which have not Vested at the date of cessation of the Participant's employment:

- (a) determine that a pro-rata number, or such other number, of the Participant's unvested Awards will lapse on cessation of the Participant's employment;
- (b) determine that a pro-rata number, or such other number, of the Participant's unvested Awards will vest to the extent that the Conditions have been satisfied when tested at the end of the applicable Period (and where the Conditions include service related conditions, the service related condition will be deemed to have been satisfied);
- (c) determine that a pro rata number, or such other number, of the Participant's unvested Awards will vest to the extent that the Conditions have been satisfied when tested at the time of cessation of employment; and/or
- (d) modify or waive any applicable Conditions or Periods in respect of some or all of the Awards;

and, in making the determination, the Board may have regard to any matter the Board considers relevant, including the proportion of the Period that has elapsed at the time of cessation of employment and the degree to which the Conditions have been (or are estimated to have been) achieved.

5.4 Vested Options

- (a) In the case of Options, where a Participant ceases to be an employee of the Group all vested Options, including Options that vest pursuant to Rule 5.1 or 5.3, must, unless the Board determines otherwise, be exercised within the later of 90 days following cessation of employment or Vesting as relevant.
- (b) Awards which are not exercised within the period specified in Rule 5.4(a) will lapse.

5.5 When employment ceases

- (a) For the purposes of this Plan, a Participant will be treated as ceasing employment on the date the Participant is no longer an Employee of the Group.
- (b) Subject to applicable Laws, at the discretion of the Board, a Participant who is granted an approved leave of absence and who exercises their right to return to work under any applicable award, enterprise agreement, other agreement, statute or regulation before the Awards Vest, will not be treated for those purposes as ceasing employment with the Group.

5.6 Overseas transfers

If a Participant remains an Employee but is transferred to work in another country, or changes tax residence status, and, as a result, would;

- (a) become subject to restrictions on his or her ability to hold or deal in Awards or Shares or receive any proceeds of sale from the sale of Shares due to the securities laws or exchange control laws of the country to which he or she is transferred;
- (b) suffer a tax disadvantage (or cause a member of the Group to suffer a tax disadvantage),

the Board, in its discretion, may determine that Awards Vest on such date, to such extent and on such terms as they determine, before or after the Employee's transfer takes effect.

6 Variations of capital

6.1 Capital reorganisations, bonus issues and rights issues

If, prior to Vesting, one of the following events occurs:

- (a) any reorganisation (including consolidation, subdivision, reduction or return) of the equity capital of the Company;
- (b) Shares are issued to the Shareholders by way of a bonus issue; or
- (c) Shares are offered to the Shareholders by way of a rights issue or other pro rata issue,

then:

- (d) the number of Awards to which each Participant is entitled or the Exercise Price applying to such Awards (if any) may be adjusted (including lapsing Awards) in the manner determined by the Board and as permitted by the ASX Listing Rules. To the extent permitted by Law, it is intended that the Board will exercise its discretion under this Rule 6.1(d) to ensure that Participants do not enjoy a windfall gain and do not suffer a material detriment as a result of any corporate action; and
- (e) if new Awards are granted as part of such an adjustment, such Awards will, unless the Board determines otherwise, be subject to the same terms and conditions as the original Awards, including without limitation, any Condition.

7 Change of control

7.1 Board discretion upon a Change of Control Event

- (a) If a Change of Control Event occurs prior to Vesting, the Participant's unvested Awards will, subject to Rule 7.1(b), Vest based on the extent to which any applicable Conditions have been satisfied (or are estimated to have been satisfied) at the time of completion of the relevant Change of Control Event, or at such other time as the Board determines.
- (b) The Board may determine, in its absolute discretion, whether an additional number of the Participant's unvested Awards:
 - (i) Vest at the completion of the relevant Change of Control Event (or at such other time as the Board determines);
 - (ii) remain subject to the applicable Conditions and/or Period(s); or
 - (iii) become subject to substitute or varied Conditions and/or Period(s).
- (c) The Board may determine, in its absolute discretion, that Awards that Vest pursuant to Rules 7.1(a) or 7.1(b) be settled in cash, or with an allocation of Shares.

7.2 Notification of Vesting of Awards

- (a) If a Change of Control Event occurs, the Board must immediately notify all affected Participants.
- (b) Where a Participant holds a vested Option at the date of the Change of Control Event (including those that Vest pursuant to Rule 7.1) which must be exercised to receive Shares, he or she will have 30 days from the date of the Change of Control Event, or such other period as the Board determines, in which to exercise the Option.
- (c) If the Board so resolves and an Award is settled in cash pursuant to Rule 7.1(c), any part of the Award that Vests pursuant to this Rule 7.2(c) will be satisfied by a cash payment (net of applicable taxes and other withholdings) and the Company will, notwithstanding the terms of the Award, be under no obligation to deliver any part of a Vested Award in the form of Shares.

7.3 Acquisition of Shares by another group or company

If another company or entity (**Acquiring Company**) obtains control of the Group and the Acquiring Company, the Group and the Participant agree, a Participant may be provided with awards or Shares in the Acquiring Company (or its parent or its subsidiary) in substitution for the Awards, on substantially the same terms and subject to substantially the same Conditions as the awards, but with appropriate adjustments as to the number and type of awards or Shares.

8 Clawback and lapse for fraud or breach

8.1 Adverse risk or conduct events

Each of the following events is an **Adverse Risk or Conduct Event** where in the opinion of the Board:

- (a) **(breach, bribery, fraud, dishonesty or misconduct)** a Participant:
 - (i) is, or has been, in material breach of their obligations to the Company or any other Group Company, or
 - (ii) has engaged in:
 - (A) fraudulent or dishonest conduct;
 - (B) bribery or any other unlawful conduct; or
 - (C) conduct which may result in significant financial and/or reputation detriment to the Company or any other Group Company; or
 - (D) conduct which would justify summary dismissal of the Participant's (or would have justified summary dismissal of a former Participant's) employment;
- (b) **(unforeseen circumstances)** an adjustment is appropriate to:
 - (i) protect the financial soundness of the Company, and in such circumstances, the Board will apply its discretion in an equitable manner across all Participants;

- (ii) respond to significant unexpected or significant unintended circumstances, consequences or risks that were not foreseen by the Board; or
 - (iii) respond to any material inaccuracy in the measurement of the performance of the Company or any other Group Company (or any part thereof) where the inaccurate measurement contributed to the initial issue or allocation of Awards;
- (c) **(new significant circumstance or new information)** a significant circumstance or new information has come to light after the date on which an Award was determined to be made that suggests:
- (i) all or part of the Award was not justified or results (or will result) in an inappropriate reward outcome for the Participant; or
 - (ii) all or part of the Awards which vest as Vested Shares was not justified or results (or will result) in an inappropriate reward outcome for the Participant;
- (d) **(financial and non-financial risks)** the Participant was involved in a significant failure to manage financial or non-financial risks of the Company or a Group Company;
- (e) **(other adverse conduct)** the Participant has engaged in any other misconduct, or deliberate, reckless or unlawful conduct that may have a significant adverse outcome on the Company, any Group Company or any of their customers, beneficiaries, counterparties or people; or
- (f) **(significant error or misstatement)** there was a significant error, material inaccuracy or a significant misstatement of criteria on which the determination of any Award or vesting outcome for Awards (including its calculation) for the Participant (or former Participant) was based.

8.2 Determination of Adverse Risk or Conduct Event

- (a) The Board's determination of an Adverse Risk or Conduct Event in clause 8.1 will be final and binding.
- (b) For the avoidance of doubt, the Board may determine that an Adverse Risk or Conduct Event occurred at any time.

8.3 Delayed Vesting

- (a) The Board may delay the Vesting of any number of a Participant's unvested Awards to any later date that it considers appropriate:
 - (i) if that Participant is under investigation in connection with matters which may constitute an Adverse Risk or Conduct Event;
 - (ii) if that Participant is the subject of legal or regulatory proceedings, the outcome of which may result in an Adverse Risk or Conduct Event;
 - (iii) in any other circumstances where the Board considers it is reasonable to delay the Vesting of a Participant's unvested Awards; or
 - (iv) where the deferral of the Vesting Date is otherwise required by Law.

- (b) The Board may exercise the right in clause 8.3(a) more than once, such that the Vesting of the unvested Awards is determined to be a later date.

8.4 Application of malus

- (a) If the Board determines that an Adverse Risk or Conduct Event has occurred, the Board may reset the Conditions and/or alter the Period applying to the Award or adjust the number of a Participant's unvested Awards downwards, including to zero, by:
 - (i) determining the number of unvested Options or Rights that will lapse;
 - (ii) determining the number of unvested Shares that will be forfeited; or
 - (iii) determining any combination of sub-clause 8.4(a)(i) and 8.4(a)(ii) above.
- (b) Unless the Board determines otherwise, the relevant unvested Awards will immediately lapse or be forfeited upon the Board's determination being made under clause 8.4(a)(i), (ii) or (iii).
- (c) For the avoidance of doubt, the Board may determine that any Options or Rights lapse or any unvested Shares are forfeited where such Options, Rights or Shares are derived from an Award issued in a year in which the Adverse Risk or Conduct Event did not occur.

8.5 Application of clawback

- (a) If the Board determines that an Adverse Risk or Conduct Event has occurred and that it is inappropriate for the Participant or former Participant to have received the benefit of Shares (including any Shares received on the Vesting of Rights or Options) or cash amounts, including cash amounts received from payment of a Cash Equivalent Value and/or dividend equivalent payments (**Cash Amount**) issued, transferred, allocated or paid to the Participant or former Participant under this Plan such that the relevant Shares or Cash Amount should be subject to clawback, then the Board may:
 - (i) deem all or any relevant Shares issued, transferred or allocated to the Participant or former Participant under this Plan to be forfeited;
 - (ii) where any relevant Shares have been sold by that Participant or former Participant, require the Participant or former Participant to pay to the Company (as a debt immediately due and payable) all or part of the net proceeds realised on that sale plus a cash amount equal to all or part of the net amount of any dividends or other rights or benefits or distributions paid on or attributed to the relevant Shares prior to their disposal by the Participant or former Participant;
 - (iii) where a Cash Amount has been received by the Participant or former Participant, require the Participant or former Participant to pay to the Company (as a debt immediately due and payable) an amount equal to the net amount received by the Participant; and/or
 - (iv) require the Participant or former Participant to pay to the Company (as a debt immediately due and payable) a Cash

Amount equal to the net amount of all or part of any dividends or other rights or benefits or distributions paid on or attributed to the relevant Shares which are forfeited under this clause.

- (b) For the avoidance of doubt, the Board may clawback any relevant Shares or a Cash Amount including relevant Shares or a Cash Amount that derive from an Award issued or allocated in a year in which the Adverse Risk or Conduct Event did not occur.
- (c) A Participant agrees to be bound by the conditions in this clause and comply with these upon being required to do so in accordance with this Plan.

9 Amendments to the Plan and terms

9.1 Amendments by the Board

- (a) Subject to Rule 9.2 and 9.3, the Board may at any time and from time to time in its sole discretion:
 - (i) amend, supplement or revoke, including by way of schedule, all or any of these Rules or all or any of the rights or obligations of the Participants or any of them; and
 - (ii) formulate (and subsequently amend) special terms and conditions, in addition to those set out in these Rules, to apply to Employees employed in, resident in, or who are citizens of, countries other than Australia. Each of such sets of special terms and conditions shall be restricted in its application to those Employees employed in, resident in, or who are citizens of the foreign country or countries specified by the Board, and may be revoked, added to or varied in accordance with this Rule 9.1.
- (b) The Board must provide written notification to Participants affected by any amendment made pursuant to Rule 9.1(a) as soon as reasonably practicable after any such amendment has been made.

9.2 Amendments which reduce rights

- (a) Despite Rule 9.1, and subject to Rule 9.2(b) to 9.2(e) (inclusive), no amendment of these Rules may materially reduce the rights of any Participant attaching to Awards granted under the Plan prior to the date of the amendment or formulation, unless the amendment is made primarily for the purpose of complying with present or future Laws applicable to the Plan or a member of the Group (including regulatory developments, changes to tax legislation and/or changes in the interpretation of tax legislation by a court of competent jurisdiction), to correct any manifest error or mistake, or with the consent of the relevant Participants.
- (b) Where, in the opinion of the Board, a proposed amendment to these Rules may materially reduce the rights of any Participant attaching to Awards granted under the Plan prior to the date of the proposed amendment, and the consent of relevant Participants has not been obtained, the Board shall:
 - (i) give written notice of the terms of the proposed amendment to those Participants whose rights may, in the opinion of the Board, be materially reduced by the proposed amendment; and

- (ii) invite such Participants to make written submissions to the Board within 14 days of receiving the notice issued pursuant to Rule 9.2(b), setting out how their rights are affected and why the proposed amendment should not be made.
- (c) The Board shall duly consider any submissions made to it pursuant to Rule 9.2(b) before making any amendment to the Rules which materially reduces the rights of any Participant attaching to Awards granted under the Plan prior to the date of the amendment.
- (d) The Board is not required to, but may, give reasons for making any amendment which materially reduces the rights of any Participant attaching to Awards granted under the Plan prior to the date of the amendment.
- (e) Any decision made by the Board shall be final and conclusive and each Participant agrees to be bound by the decision made by the Board. Each Participant agrees that there shall be no review of the decision so made.

9.3 Listing Rules

The exercise of any powers under these Rules by the Board is subject to any restrictions or procedural requirements relating to the amendment of the rules of an employee incentive scheme or of issued securities imposed by any Law or by the ASX Listing Rules as applicable to the Plan or Awards, as the case may be, unless those restrictions, conditions or requirements are relaxed or waived by the ASX or any of its delegates either generally or in a particular case or class of cases and either expressly or by implication.

9.4 Retrospective effect

Subject to this Rule 9.4, any amendment made pursuant to Rule 9.1 may be given such retrospective effect, if so determined by the Board.

9.5 Non-residents of Australia

- (a) Notwithstanding anything in these Rules, the Board may at any time, and from time to time, amend, supplement or revoke, including by way of schedule, any of these Rules, to apply to an Employee or Participant, employed in, resident in, or who are citizens of, countries other than Australia.
- (b) Any different rules made under Rule 9.5(a) shall be restricted in its application to those Employees and Participants employed in, resident in, or who are citizens of the foreign country or countries specified by the Board, and may be amended, supplemented or revoked in accordance with Rule 9.1(a)(i).
- (c) For the purposes of clarification, any different rules that are adopted under Rule 9.5(a) may have an adverse impact upon Employees or Participants. However, any different rules that may apply must comply, to the extent legal and practicable, with the basic principles of the Plan.

10 General terms and conditions

10.1 Awards and obligations of Participants

- (a) Unless the subject of an express provision in an employment contract, the rights and obligations of any Participant under the terms of their

office, employment or contract with the Group are not affected by their participation in the Plan.

- (b) Participation in the Plan does not confer on any Participant any right to future employment and does not affect any rights which any member of the Group may have to terminate the employment of any Participant.
- (c) Except where expressly contemplated, these Rules will not form part of and are not incorporated into any contract between any Participant (whether or not they are an Employee) and the Group. The grant of Awards on a particular basis in any year does not create any right or expectation of the grant of Awards on the same basis, or at all, in any future year.
- (d) No Participant has any right to compensation for any loss in relation to the Plan, including (but not limited to):
 - (i) any loss or reduction of any rights or expectations under the Plan in any circumstances or for any reason (including lawful or unlawful termination of employment or the employment relationship);
 - (ii) any exercise of a discretion or a decision taken in relation to a grant of Awards or in relation to the Plan, or any failure to exercise a discretion under these Rules;
 - (iii) the operation, suspension, termination or amendment of the Plan; or
 - (iv) lapse or forfeiture (as applicable) of any Awards.
- (e) The Participant appoints the company secretary of the Group (or any other officer of the Group authorised by the Board for this purpose) as his or her agent to do anything necessary to:
 - (i) allocate Shares to the Participant in accordance with these Rules;
 - (ii) effect a forfeiture of Shares in accordance with these Rules; and
 - (iii) execute transfers of Shares in accordance with these Rules.

10.2 Power of the Board

- (a) The Board administers the Plan and has absolute and unfettered discretion in exercising any power or discretion concerning the Plan and may:
 - (i) delegate to any person for the period and on the terms it decides the exercise of any of its powers or discretions under the Plan;
 - (ii) decide on appropriate procedures for administering the Plan consistent with these Rules;
 - (iii) implement an Employee Share Trust for the purposes of delivering and holding Shares on behalf of Participants;
 - (iv) resolve conclusively all questions of fact or interpretation concerning the Plan and these Rules and any dispute of any kind that arises under the Plan;

- (v) subject to Rule 9, amend, add to or waive any provision of the Plan (including this Rule 10.2) or any term or condition (including a Condition or other restriction) relating to the Awards or Shares;
 - (vi) determine to suspend or cease operation of the Plan at any time and take any actions required to effect the winding up of the Plan;
 - (vii) act or refrain from acting at its discretion under these Rules or concerning the Plan or the Awards or Shares held under the Plan; and
 - (viii) waive any breach of a provision of the Plan.
- (b) Except as otherwise expressly provided in the Plan, the Board has absolute and unfettered discretion to act or refrain from acting under or in connection with the Plan and in the exercise of any power or discretion under the Plan.

10.3 Waiver of terms and conditions

Notwithstanding any other provisions of the Plan, the Board may at any time waive in whole or in part any terms or conditions (including any Condition) in relation to any Awards granted to a Participant under the Plan and the Rules.

10.4 Error in Allocation

- (a) If any Award is provided under the Plan in error or by mistake to a person who is not the intended recipient (**Mistaken Recipient**), the Mistaken Recipient will have no right or interest, and will be taken never to have had any right or interest in, that Award and the Award will immediately lapse or be forfeited (as applicable).
- (b) If any cash payment is paid under the Plan in error or by mistake to a Mistaken Recipient, the Mistaken Recipient will have no right to retain that cash payment and the Company may take whatever steps it deems reasonably necessary to seek repayment of that cash payment as a debt.

10.5 Dispute or disagreement

In the event of any dispute, disagreement or uncertainty as to the interpretation of the Plan, or as to any question or right arising from or related to the Plan or to any Awards or Shares granted under it, the decision of the Board is final and binding.

10.6 Personal information

The Participant consents to each member of the Group or its agents (and each of their related parties) collecting, holding and using personal information that the Participant provides in the application to participate in the Plan or otherwise provides to the Group or its agents (and each of their related parties) as part of their employment, in order to carry out the administration and operation of the Plan in accordance with these Rules, including providing relevant information to:

- (a) the Plan manager or another entity that manages or administers the Plan on behalf of the Group;
- (b) any broker or external service provider, including a tax or financial adviser;

- (c) the trustee of any Employee Share Trust;
- (d) any government department or body; and
- (e) any other person or body as required or authorised by law.

10.7 Notices

A notice or other communication under or concerning the Grant Letter or the Rules is validly given to a Participant if:

- (a) delivered personally to the Participant;
- (b) sent by prepaid post to the Participant's last known residential address;
- (c) sent to the Participant by facsimile, email or other electronic means at the Participant's place of work; or
- (d) posted on an electronic notice board maintained by or on behalf of any member of the Group and accessible by the Participant,

and will in the case of (a), (c) and (d) above, be treated as being received immediately following the time it was sent, posted, or delivered, and where it is sent by regular post it will be treated as received 48 hours after it was posted.

10.8 Laws governing Plan

The Plan and any Awards granted and Shares allocated under it are governed by the laws of New South Wales and the Commonwealth of Australia. Any agreement made under the Plan is entered into in the state of New South Wales and each participant submits to the exclusive jurisdiction of courts of that state to herein determine matters arising under the Plan.

10.9 Tax

- (a) Unless otherwise required by Law, no member of the Group is responsible for any Taxes which may become payable by a Participant as a consequence of or in connection with the grant of any Awards, the allocation or transfer of any Shares or any Dealing with any Awards or any Shares.
- (b) The Group or the Trustee will have the right to withhold or collect from a Participant such Taxes as any member of the Group or the Trustee is obliged, or reasonably believes it is obliged, to account for to any taxation authority. In exercising this right, the Group or the Trustee may:
 - (i) require the Participant to provide sufficient funds (by way of salary deduction or otherwise); or
 - (ii) sell Shares to be issued or transferred to the Participant, including the sale of sufficient Shares to cover any costs of such sale.

11 Interpretation and Definitions

11.1 Interpretation

In the Plan, the following rules apply unless a contrary intention appears:

- (a) capitalised terms have the meanings provided in Rule 11.2;
- (b) headings are for convenience only and do not affect the interpretation of the Plan unless the context requires otherwise;
- (c) any reference in the Plan to any statute or statutory instrument includes a reference to that statute or statutory instrument as from time to time amended, consolidated, re-enacted or replaced;
- (d) any words denoting the singular include the plural and words denoting the plural include the singular;
- (e) any words denoting the masculine apply equally to the feminine equivalent; and
- (f) where any word or phrase is given a definite meaning in this Plan, any part of speech or other grammatical form of that word or phrase has a corresponding meaning.

11.2 Definitions

Term	Meaning
Acquiring Company	as defined in Rule 7.3.
Adverse Risk of Conduct Event	as defined in Rule 8.1.
Award	a Share, Right or Option granted to a Participant under the Plan on the terms and conditions determined by the Board.
ASX	Australian Securities Exchange.
Board	the board of directors of the Company, or any committee, person or body to which the Board duly delegates its powers and authorities to under this Plan.
Cash Amount	as defined in Rule 8.5.
Cash Equivalent Value	as defined in Rule 4.4(b) and 4.4(c).
Change of Control Event	<p>a Change of Control Event occurs where:</p> <ol style="list-style-type: none"> 1 a Takeover Bid is made for the Company and the Board resolves to recommend the bid to Shareholders; or 2 a court convenes a meeting of Shareholders to be held to vote on a proposed scheme of arrangement pursuant to which control of the majority of the Shares in the Company may change; or 3 a notice is sent to Shareholders proposing a resolution for the winding up of the Group; or 4 any transaction or event is proposed that, in the opinion of the Board, may result in a person becoming entitled to exercise control over the

	Group. Each Change of Control Event is a separate event that allows the Board to exercise its discretion pursuant to Rule 7.
Company	Regal Partners Limited ACN 129 188 450.
Condition	one or more performance or service related conditions which must be satisfied before a Right vests or an Option may be exercised.
Constitution	the constitution of the Company.
Deal	<ol style="list-style-type: none"> 1 transfer, assign, encumber or otherwise dispose all or any part of the rights or obligations attaching to an Award or a Share, or to attempt to do any of these things; or 2 hedge or take any action designed to limit the economic risk associated with holding an Award, <p>(and Dealing shall be construed accordingly).</p>
Employee	any employee (including any executive director) of a member of the Group or any other person so designated by the Board.
Employee Share Trust	an employee share trust established by the Company.
Exercise Price	the amount payable on exercise of an Option as determined by the Board and specified for the purposes of the Rule 2.2 (which may be nil).
Exercise Restriction	restrictions on the ability of a Participant to exercise a Vested Option as specified for the purposes of the Rule 2.2.
Grant Letter	a letter or document, in any form, provided by the Company (or member of the Group) to an Employee setting out the terms and conditions of the grant of their Award, including the information set out in Rule 2.2.
Group	the Company and any of its Subsidiaries.
Law	the laws applicable to the operation of the Plan from time to time, including any applicable securities laws of the jurisdiction in which an Employee receiving a Grant Letter under the Plan is located.
Listing Rules	the official Listing Rules of the ASX and any other exchange on which the Company is listed as they apply to the Company from time to time.
Option	an entitlement to receive a Share (or to receive a Cash Equivalent Value, at the discretion of the Board) subject to satisfaction of applicable conditions and compliance with the applicable exercise procedure (including payment of any applicable Exercise Price), granted to a Participant under the Plan on the terms and conditions determined by the Board.

Participant	an Employee who has been granted an Award under the Plan.
Period	the period or periods over which the Conditions are measured or tested as specified by the Board for the purpose of the Award.
Plan	this Regal Partners Limited Employee Incentive Plan.
Right	a performance right, being an entitlement to acquire a Share (or to receive a Cash Equivalent Value, at the discretion of the Board), granted to a Participant under the Plan on the terms and conditions determined by the Board.
Rules	the rules of the Plan, as amended from time to time.
Security Trading Policy	the securities trading policies that apply to the Company (or a member of the Group) from time to time.
Share	a fully paid ordinary share in the Company.
Shareholder	a registered holder of a Share.
Subsidiary	has the meaning given to that term in the <i>Corporations Act 2001</i> (Cth).
Takeover Bid	as defined in section 9 of the <i>Corporations Act 2001</i> (Cth).
Taxes	any tax, levy, contribution or duty (including any associated penalty or interest amount), social security liability or other liability imposed by any Law, governmental, semi-governmental, judicial or other authority.
Trading Restriction	restriction on transfer imposed on Shares issued under the Plan.
Trustee	the trustee from time to time of the Employee Share Plan Trust.
Variation of Capital Event	any event affecting the number or type of Shares on issue in the capital of the Company, including a subdivision, consolidation, reduction, redemption, rights issue, bonus issue or other further issue of shares.
Vest and Vesting	<p>A Participant becoming entitled to:</p> <ol style="list-style-type: none"> 1 in the case of Shares, require the Shares to be transferred to the Participant's own name; 2 in the case of Rights, require the Shares to be issued in the Participant's own name; 3 in the case of Options, exercise the Options and receive Shares in the Participant's name or to transfer the Options to a related parties name. <p>subject to the Rules of the Plan (and Vesting shall be construed accordingly)</p>