

## Appendix 3G

### Notification of issue, conversion or payment up of equity +securities

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

*If you are an entity incorporated outside Australia and you are issuing a new class of +securities other than CDIs, you will need to obtain and provide an International Securities Identification Number (ISIN) for that class. Further information on the requirement for the notification of an ISIN is available from the Create Online Forms page. ASX is unable to create the new ISIN for non-Australian issuers.*

*\*Denotes minimum information required for first lodgement of this form, with exceptions provided in specific notes for certain questions. The balance of the information, where applicable, must be provided as soon as reasonably practicable by the entity.*

#### Part 1 – Entity and announcement details

Question no	Question	Answer
1.1	*Name of entity <i>We (the entity here named) give notice of the issue, conversion or payment up of the following unquoted +securities.</i>	Sipa Resources Limited
1.2	*Registration type and number <i>Please supply your ABN, ARSN, ARBN, ACN or another registration type and number (if you supply another registration type, please specify both the type of registration and the registration number).</i>	ACN 009 448 980
1.3	*ASX issuer code	SRI
1.4	*This announcement is <i>Tick whichever is applicable.</i>	<input checked="" type="checkbox"/> A new announcement <input type="checkbox"/> An update/amendment to a previous announcement <input type="checkbox"/> A cancellation of a previous announcement
1.4a	*Reason for update <i>Mandatory only if "Update" ticked in Q1.4 above. A reason must be provided for an update.</i>	N/A
1.4b	*Date of previous announcement to this update <i>Mandatory only if "Update" ticked in Q1.4 above.</i>	N/A
1.4c	*Reason for cancellation <i>Mandatory only if "Cancellation" ticked in Q1.4 above.</i>	N/A
1.4d	*Date of previous announcement to this cancellation <i>Mandatory only if "Cancellation" ticked in Q1.4 above.</i>	N/A
1.5	*Date of this announcement	19 November 2020

## Part 2 – Type of issue

Question No.	Question	Answer
2.1	<p>*The +securities the subject of this notification are:</p> <p><i>Select whichever item is applicable.</i></p> <p><i>If you wish to notify ASX of different types of issues of securities, please complete a separate Appendix 3G for each type of issue.</i></p>	<p><input type="checkbox"/> +Securities issued as a result of options being exercised or other +convertible +securities being converted and that are not to be quoted on ASX</p> <p><input type="checkbox"/> Partly paid +securities that have been fully paid up and that are not to be quoted on ASX</p> <p><input checked="" type="checkbox"/> +Securities issued under an +employee incentive scheme that are not being immediately quoted on ASX</p> <p><input type="checkbox"/> Other [please specify]</p> <p><i>If you have selected 'other' please provide the circumstances of the issue here:</i></p>
2.2a.1	<p>Please state the number and type of options that were exercised or other +convertible securities that were converted (including their ASX security code if available)?</p> <p><i>Answer this question if your response to Q2.1 is "securities issued as a result of options being exercised or other convertible securities being converted and that are not to be quoted on ASX".</i></p>	N/A
2.2a.2	<p>And the date the options were exercised or other +convertible securities were converted:</p> <p><i>Answer this question if your response to Q2.1 is "securities issued as a result of options being exercised or other convertible securities being converted and that are not to be quoted on ASX".</i></p> <p><i>Note: If this occurred over a range of dates, enter the date the last of the options was exercised or convertible securities was converted.</i></p>	N/A
2.2b.1	<p>Please state the number and type of partly paid +securities that were fully paid up (including their ASX security code if available)?</p> <p><i>Answer this question if your response to Q2.1 is "partly paid securities that have been paid up and that are not to be quoted on ASX".</i></p>	N/A
2.2b.2	<p>And the date the +securities were fully paid up:</p> <p><i>Answer this question if your response to Q2.1 is "partly paid securities that have been paid up and that are not to be quoted on ASX".</i></p> <p><i>Note: If this occurred over a range of dates, enter the date the last of the securities was fully paid up.</i></p>	N/A

2.2c.1	<p>Please state the number and type of +securities (including their ASX security code) issued under an +employee incentive scheme that are not being immediately quoted on ASX</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>	656,167 Unlisted options to acquire fully paid ordinary shares (ASX: SRI)									
2.2c.2	<p>*Please attach a document or provide details of a URL link for a document lodged with ASX detailing the terms of the +employee incentive scheme or a summary of the terms.</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>	A Summary of the Terms is attached									
2.2c.3	<p>*Are any of these +securities being issued to +key management personnel (KMP) or an +associate</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>	Yes									
2.2c.3.a	<p>*Provide details of the recipients and the number of +securities issued to each of them.</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX" and your response to Q2.2c.3 is "Yes". Repeat the detail in the table below for each KMP involved in the issue. If the securities are being issued to the KMP, repeat the name of the KMP or insert "Same" in "Name of registered holder". If the securities are being issued to an associate of a KMP, insert the name of the associate in "Name of registered holder".</i></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Name of KMP</th><th style="text-align: left;">Name of registered holder</th><th style="text-align: left;">Number of +securities</th></tr> </thead> <tbody> <tr> <td>Pip Darvall</td><td>Elmix Pty Ltd &lt;Western Darvall Family A/C&gt;</td><td>459,167</td></tr> <tr> <td>Tara Robson</td><td>Tara Robson</td><td>197,000</td></tr> </tbody> </table>		Name of KMP	Name of registered holder	Number of +securities	Pip Darvall	Elmix Pty Ltd <Western Darvall Family A/C>	459,167	Tara Robson	Tara Robson	197,000
Name of KMP	Name of registered holder	Number of +securities									
Pip Darvall	Elmix Pty Ltd <Western Darvall Family A/C>	459,167									
Tara Robson	Tara Robson	197,000									
2.2d.1	<p>*The purpose(s) for which the entity is issuing the +securities is:</p> <p><i>Answer this question if your response to Q2.1 is "Other".</i></p> <p><i>You may select one or more of the items in the list.</i></p>	<div style="display: flex; flex-direction: column; gap: 10px;"> <div><input type="checkbox"/> To raise additional working capital</div> <div><input type="checkbox"/> To fund the retirement of debt</div> <div><input type="checkbox"/> To pay for the acquisition of an asset [provide details below]</div> <div><input type="checkbox"/> To pay for services rendered [provide details below]</div> <div><input type="checkbox"/> Other [provide details below]</div> </div> <p><i>Additional details:</i></p>									

2.2d.2	Please provide any further information needed to understand the circumstances in which you are notifying the issue of these +securities to ASX, including (if applicable) why the issue of the +securities has not been previously announced to the market in an Appendix 3B  <i>You must answer this question if your response to Q2.1 is "Other". If there is no other information to provide, please answer "Not applicable" or "N/A".</i>	Not applicable
2.3	*The +securities being issued are:  <i>Tick whichever is applicable</i>	<input type="checkbox"/> Additional +securities in an existing unquoted class that is already recorded by ASX ("existing class") <input checked="" type="checkbox"/> New +securities in an unquoted class that is not yet recorded by ASX ("new class")

## Part 3A – number and type of +securities being issued (existing class)

Answer the questions in this part if your response to Q2.3 is "existing class".

Question No.	Question	Answer
3A.1	*ASX security code & description	
3A.2	*Number of +securities being issued	
3A.3a	*Will the +securities being issued rank equally in all respects from their issue date with the existing issued +securities in that class?	Yes or No
3A.3b	*Is the actual date from which the +securities will rank equally (non-ranking end date) known?  <i>Answer this question if your response to Q3A.3a is "No".</i>	Yes or No
3A.3c	*Provide the actual non-ranking end date  <i>Answer this question if your response to Q3A.3a is "No" and your response to Q3A.3b is "Yes".</i>	
3A.3d	*Provide the estimated non-ranking end period  <i>Answer this question if your response to Q3A.3a is "No" and your response to Q3A.3b is "No".</i>	
3A.3e	*Please state the extent to which the +securities do not rank equally: <ul style="list-style-type: none"> <li>• in relation to the next dividend, distribution or interest payment; or</li> <li>• for any other reason</li> </ul> <i>Answer this question if your response to Q3A.3a is "No".</i>  <i>For example, the securities may not rank at all, or may rank proportionately based on the percentage of the period in question they have been on issue, for the next dividend, distribution or interest payment; or they may not be entitled to participate in some other event, such as an entitlement issue.</i>	

## Part 3B – number and type of +securities being issued (new class)

Answer the questions in this part if your response to Q2.3 is “new class”.

Question No.	Question	Answer
3B.1	*Security description	Unquoted options which vest 19 November 2021 with an exercise price of \$0.102 per options which expire on 18 November 2023.
3B.2	<p>*Security type</p> <p>Select one item from the list that best describes the securities the subject of this form. This will determine more detailed questions to be asked about the security later in this section. Select “ordinary fully or partly paid shares/units” for stapled securities or CDIs. For interest rate securities, please select the appropriate choice from either “Convertible debt securities” or “Non-convertible debt securities”. Select “Other” for performance shares/units and performance options/rights or if the selections available in the list do not appropriately describe the security being issued.</p>	<input type="checkbox"/> Ordinary fully or partly paid shares/units <input checked="" type="checkbox"/> Options <input type="checkbox"/> +Convertible debt securities <input type="checkbox"/> Non-convertible +debt securities <input type="checkbox"/> Redeemable preference shares/units <input type="checkbox"/> Other
3B.3	<p>ISIN code</p> <p>Answer this question if you are an entity incorporated outside Australia and you are issuing a new class of securities other than CDIs. See also the note at the top of this form.</p>	
3B.4	*Number of +securities being issued	656,167
3B.5a	*Will all the +securities issued in this class rank equally in all respects from the issue date?	Yes
3B.5b	<p>*Is the actual date from which the +securities will rank equally (non-ranking end date) known?</p> <p>Answer this question if your response to Q3B.5a is “No”.</p>	N/A
3B.5c	<p>*Provide the actual non-ranking end date</p> <p>Answer this question if your response to Q3B.5a is “No” and your response to Q3B.5b is “Yes”.</p>	N/A
3B.5d	<p>*Provide the estimated non-ranking end period</p> <p>Answer this question if your response to Q3B.5a is “No” and your response to Q3B.5b is “No”.</p>	N/A
3B.5e	<p>*Please state the extent to which the +securities do not rank equally:</p> <ul style="list-style-type: none"> <li>• in relation to the next dividend, distribution or interest payment; or</li> <li>• for any other reason</li> </ul> <p>Answer this question if your response to Q3B.5a is “No”.</p> <p>For example, the securities may not rank at all, or may rank proportionately based on the percentage of the period in question they have been on issue, for the next dividend, distribution or interest payment; or they may not be entitled to participate in some other event, such as an entitlement issue.</p>	N/A

3B.6	<p>Please attach a document or provide a URL link for a document lodged with ASX setting out the material terms of the +securities being issued</p> <p><i>You may cross reference a disclosure document, PDS, information memorandum, investor presentation or other announcement with this information provided it has been released to the ASX Market Announcements Platform.</i></p>	Terms and conditions attached
3B.7	<p>*Have you received confirmation from ASX that the terms of the +securities are appropriate and equitable under listing rule 6.1?</p> <p><i>Answer this question only if you are an ASX Listing. (ASX Foreign Exempt Listings and ASX Debt Listings do not have to answer this question).</i></p> <p><i>If your response is "No" and the securities have any unusual terms, you should approach ASX as soon as possible for confirmation under listing rule 6.1 that the terms are appropriate and equitable.</i></p>	No
3B.8a	<p><b>Ordinary fully or partly paid shares/units details</b></p> <p><i>Answer the questions in this section if you selected this security type in your response to Question 3B.2.</i></p>	
	<p>*+Security currency</p> <p><i>This is the currency in which the face amount of an issue is denominated. It will also typically be the currency in which distributions are declared.</i></p>	N/A
	<p>*Will there be CDIs issued over the +securities?</p>	N/A
	<p>*CDI ratio</p> <p><i>Answer this question if you answered "Yes" to the previous question. This is the ratio at which CDIs can be transmuted into the underlying security (e.g. 4:1 means 4 CDIs represent 1 underlying security whereas 1:4 means 1 CDI represents 4 underlying securities).</i></p>	N/A
	<p>*Is it a partly paid class of +security?</p>	N/A
	<p>*Paid up amount: unpaid amount</p> <p><i>Answer this question if answered "Yes" to the previous question.</i></p> <p><i>The paid up amount represents the amount of application money and/or calls which have been paid on any security considered 'partly paid'</i></p> <p><i>The unpaid amount represents the unpaid or yet to be called amount on any security considered 'partly paid'.</i></p> <p><i>The amounts should be provided per the security currency (e.g. if the security currency is AUD, then the paid up and unpaid amount per security in AUD).</i></p>	N/A
	<p>*Is it a stapled +security?</p> <p><i>This is a security class that comprises a number of ordinary shares and/or ordinary units issued by separate entities that are stapled together for the purposes of trading.</i></p>	N/A
3B.8b	<p><b>Option details</b></p> <p><i>Answer the questions in this section if you selected this security type in your response to Question 3B.2.</i></p>	
	<p>*+Security currency</p> <p><i>This is the currency in which the exercise price is payable.</i></p>	AUD

	<p><b>*Exercise price</b>  <i>The price at which each option can be exercised and convert into the underlying security. If there is no exercise price please answer as \$0.00.</i>  <i>The exercise price should be provided per the security currency (i.e. if the security currency is AUD, the exercise price should be expressed in AUD).</i></p>	\$0.102
	<p><b>*Expiry date</b>  <i>The date on which the options expire or terminate.</i></p>	18/11/2023
	<p><b>*Details of the number and type of +security (including its ASX security code if the +security is quoted on or recorded by ASX) that will be issued if an option is exercised</b>  <i>For example, if the option can be exercised to receive one fully paid ordinary share with ASX security code ABC, please insert "One fully paid ordinary share (ASX:ABC)".</i></p>	One fully paid ordinary shares (ASX: SRI) per each option exercised
3B.8c	<p><b>Details of non-convertible +debt securities, +convertible debt securities, or redeemable preference shares/units</b>  <i>Answer the questions in this section if you selected one of these security types in your response to Question 3B.2.</i>  <i>Refer to Guidance Note 34 and the "Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities" for further information on certain terms used in this section</i></p>	
	<p><b>*Type of +security</b>  <i>Select one item from the list</i></p>	<input type="checkbox"/> Simple corporate bond <input type="checkbox"/> Non-convertible note or bond <input type="checkbox"/> Convertible note or bond <input type="checkbox"/> Preference share/unit <input type="checkbox"/> Capital note <input type="checkbox"/> Hybrid security <input type="checkbox"/> Other
	<p><b>*+Security currency</b>  <i>This is the currency in which the face value of the security is denominated. It will also typically be the currency in which interest or distributions are paid.</i></p>	
	<p><b>Face value</b>  <i>This is the principal amount of each security.</i>  <i>The face value should be provided per the security currency (i.e. if security currency is AUD, then the face value per security in AUD).</i></p>	
	<p><b>*Interest rate type</b>  <i>Select one item from the list</i>  <i>Select the appropriate interest rate type per the terms of the security. Definitions for each type are provided in the Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities</i></p>	<input type="checkbox"/> Fixed rate <input type="checkbox"/> Floating rate <input type="checkbox"/> Indexed rate <input type="checkbox"/> Variable rate <input type="checkbox"/> Zero coupon/no interest <input type="checkbox"/> Other
	<p><b>Frequency of coupon/interest payments per year</b>  <i>Select one item from the list.</i></p>	<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-annual <input type="checkbox"/> Annual <input type="checkbox"/> No coupon/interest payments <input type="checkbox"/> Other

	<p>First interest payment date</p> <p><i>A response is not required if you have selected "No coupon/interest payments" in response to the question above on the frequency of coupon/interest payments</i></p>	
	<p>Interest rate per annum</p> <p><i>Answer this question if the interest rate type is fixed.</i></p>	% p.a.
	<p>*Is the interest rate per annum estimated at this time?</p> <p><i>Answer this question if the interest rate type is fixed.</i></p>	Yes or No
	<p>If the interest rate per annum is estimated, then what is the date for this information to be announced to the market (if known)</p> <p><i>Answer this question if the interest rate type is fixed and your response to the previous question is "Yes".</i> <i>Answer "Unknown" if the date is not known at this time.</i></p>	
	<p>*Does the interest rate include a reference rate, base rate or market rate (e.g. BBSW or CPI)?</p> <p><i>Answer this question if the interest rate type is floating or indexed</i></p>	Yes or No
	<p>*What is the reference rate, base rate or market rate?</p> <p><i>Answer this question if the interest rate type is floating or indexed and your response to the previous question is "Yes".</i></p>	
	<p>*Does the interest rate include a margin above the reference rate, base rate or market rate?</p> <p><i>Answer this question if the interest rate type is floating or indexed.</i></p>	Yes or No
	<p>*What is the margin above the reference rate, base rate or market rate (expressed as a percent per annum)</p> <p><i>Answer this question if the interest rate type is floating or indexed and your response to the previous question is "Yes".</i></p>	% p.a.
	<p>*S128F of the Income Tax Assessment Act status applicable to the +security</p> <p><i>Select one item from the list</i></p> <p><i>For financial products which are likely to give rise to a payment to which s128F of the Income Tax Assessment Act applies, ASX requests issuers to confirm the s128F status of the security:</i></p> <ul style="list-style-type: none"> <li>• "s128F exempt" means interest payments are not taxable to non-residents;</li> <li>• "Not s128F exempt" means interest payments are taxable to non-residents;</li> <li>• "s128F exemption status unknown" means the issuer is unable to advise the status;</li> <li>• "Not applicable" means s128F is not applicable to this security</li> </ul>	<input type="checkbox"/> s128F exempt <input type="checkbox"/> Not s128F exempt <input type="checkbox"/> s128F exemption status unknown <input type="checkbox"/> Not applicable
	<p>*Is the +security perpetual (i.e. no maturity date)?</p>	Yes or No
	<p>*Maturity date</p> <p><i>Answer this question if the security is not perpetual</i></p>	

	<p>*Select other features applicable to the +security</p> <p><i>Up to 4 features can be selected. Further information is available in the Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities.</i></p>	<input type="checkbox"/> Simple <input type="checkbox"/> Subordinated <input type="checkbox"/> Secured <input type="checkbox"/> Converting <input type="checkbox"/> Convertible <input type="checkbox"/> Transformable <input type="checkbox"/> Exchangeable <input type="checkbox"/> Cumulative <input type="checkbox"/> Non-Cumulative <input type="checkbox"/> Redeemable <input type="checkbox"/> Extendable <input type="checkbox"/> Reset <input type="checkbox"/> Step-Down <input type="checkbox"/> Step-Up <input type="checkbox"/> Stapled <input type="checkbox"/> None of the above
	<p>*Is there a first trigger date on which a right of conversion, redemption, call or put can be exercised (whichever is first)?</p>	Yes or No
	<p>*If yes, what is the first trigger date</p> <p><i>Answer this question if your response to the previous question is "Yes".</i></p>	
	<p>Details of the number and type of +security (including its ASX security code if the +security is quoted on ASX) that will be issued if the securities to be quoted are converted, transformed or exchanged</p> <p><i>Answer this question if the security features include "converting", "convertible", "transformable" or "exchangeable".</i></p> <p><i>For example, if the security can be converted into 1,000 fully paid ordinary shares with ASX security code ABC, please insert "1,000 fully paid ordinary shares (ASX:ABC)".</i></p>	

## Part 4 – Issue details

Question No.	Question	Answer
4.1	*Have the +securities been issued yet?	Yes
4.1a	*What was their date of issue? <i>Answer this question if your response to Q4.1 is "Yes".</i>	19/11/20
4.1b	*What is their proposed date of issue? <i>Answer this question if your response to Q4.1 is "No".</i>	N/A
4.2	*Are the +securities being issued for a cash consideration? <i>If the securities are being issued for nil cash consideration, answer this question "No".</i>	No

4.2a	*In what currency is the cash consideration being paid <i>For example, if the consideration is being paid in Australian Dollars, state AUD. Answer this question if your response to Q4.2 is "Yes".</i>	N/A
4.2b	*What is the issue price per +security <i>Answer this question if your response to Q4.2 is "Yes" and by reference to the issue currency provided in your response to Q4.2a. Note: you cannot enter a nil amount here. If the securities are being issued for nil cash consideration, answer Q4.2 as "No" and complete Q4.2c.</i>	N/A
4.2c	Please describe the consideration being provided for the +securities <i>Answer this question if your response to Q4.2 is "No".</i>	Employment service and exercise proceeds if exercised.
4.3	Any other information the entity wishes to provide about the issue	N/A

## Part 5 – Unquoted +securities on issue

Following the issue of the +securities the subject of this application, the unquoted issued +securities of the entity will comprise:

*Note: the figures provided in the table in section 5.1 below are used to calculate part of the total market capitalisation of the entity published by ASX from time to time. Please make sure you include in the table each class of unquoted securities issued by the entity.*

*Restricted securities should be included in table 5.1.*

5.1		
	*ASX security code and description	*Total number of +securities on issue
	SRIAA Expiring 31 Aug 2021 Exercise price \$1.32	162,500
	SRIAA Expiring 18 Dec 2021 Exercise price \$0.72	331,251
	SRIAB Expiring 24 Nov 2023 Exercise price \$0.13	750,000
	SRIAC Expiring 31 Jan 2023 Exercise price \$0.15	2,000,000
	SRI (subject of this APP3G) Expiring 18 Nov 2023 Exercise price \$0.102	656,167

## Part 6 – Other Listing Rule requirements

The questions in this Part should only be answered if you are an ASX Listing (ASX Foreign Exempt Listings and ASX Debt Listings do not need to complete this Part) and:

- your response to Q2.1 is "+securities issued under an +employee incentive scheme that are not being immediately quoted on ASX"; or
- your response to Q2.1 is "Other"

Question No.	Question	Answer
6.1	<p>*Are the securities being issued under Listing Rule 7.2 exception 13<sup>1</sup> and therefore the issue does not need any security holder approval under Listing Rule 7.1?</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>	Yes, the securities are being issued under an Employee Share Option Plan approved by shareholders on 15 November 2018
6.2	<p>*Has the entity obtained, or is it obtaining, +security holder approval for the issue under listing rule 7.1?</p> <p><i>Answer this question if the response to Q6.1 is "No".</i></p>	N/A
6.2a	<p>*Date of meeting or proposed meeting to approve the issue under listing rule 7.1</p> <p><i>Answer this question if the response to Q6.1 is "No" and the response to Q6.2 is "Yes".</i></p>	N/A
6.2b	<p>*Are any of the +securities being issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?</p> <p><i>Answer this question if the response to Q6.1 is "No" and the response to Q6.2 is "No".</i></p>	N/A

<sup>1</sup> Exception 13

An issue of securities under an employee incentive scheme if within 3 years before the issue date:

- (a) in the case of a scheme established before the entity was listed – a summary of the terms of the scheme and the maximum number of equity securities proposed to be issued under the scheme were set out in the prospectus, PDS or information memorandum lodged with ASX under rule 1.1 condition 3; or
- (b) the holders of the entity's ordinary securities have approved the issue of equity securities under the scheme as an exception to this rule. The notice of meeting must have included:
  - a summary of the terms of the scheme.
  - the number of securities issued under the scheme since the entity was listed or the date of the last approval under this rule;
  - the maximum number of +equity securities proposed to be issued under the scheme following the approval; and
  - a voting exclusion statement.

Exception 13 is only available if and to the extent that the number of +equity securities issued under the scheme does not exceed the maximum number set out in the entity's prospectus, PDS or information memorandum (in the case of (a) above) or in the notice of meeting (in the case of (b) above).

Exception 13 ceases to be available if there is a material change to the terms of the scheme from those set out in the entity's prospectus, PDS or information memorandum (in the case of (a) above) or in the notice of meeting (in the case of (b) above).

6.2b.1	<p>*How many +securities are being issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?</p> <p><i>Answer this question if the response to Q6.1 is "No", the response to Q6.2 is "No" and the response to Q6.2b is "Yes".</i></p> <p><i>Please complete and separately send by email to your ASX listings adviser a work sheet in the form of Annexure B to Guidance Note 21 confirming the entity has the available capacity under listing rule 7.1 to issue that number of securities.</i></p>	N/A
6.2c	<p>*Are any of the +securities being issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?</p> <p><i>Answer this question if the response to Q6.1 is "No" and the response to Q6.2 is "No".</i></p>	N/A
6.2c.1	<p>*How many +securities are being issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?</p> <p><i>Answer this question if the response to Q6.1 is "No", the response to Q6.2 is "No" and the response to Q6.2c is "Yes".</i></p> <p><i>Please complete and separately send by email to your ASX listings adviser a work sheet in the form of Annexure C to Guidance Note 21 confirming the entity has the available capacity under listing rule 7.1A to issue that number of securities.</i></p>	N/A

Introduced 01/12/19; amended 31/01/20



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### Terms of Incentive Options

- (a) Each Option entitles the holder to subscribe for one ordinary Share in the Company upon payment of \$0.102 (equal to 150% of the volume weighted average price of the Shares for the 5 days prior to the date of the Annual General Meeting).
- (b) The Options will expire at 5pm AWST on 3 years from the date of grant, being 3 years from the date of issue (Option Expiry Date).
- (c) The Options will vest 1 year from the date of grant, subject to achievement of the performance hurdles outlined in the letter of offer.
- (d) The Company will not apply to the ASX for official quotation of the Options.
- (e) There are no participating rights or entitlements inherent in the Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to Shareholders during the currency of the Options except upon exercise of the Options.
- (f) If the Company makes a pro rata issue (except a bonus issue), the exercise price of the Options will be reduced in accordance with the Listing Rules.
- (g) If the Company makes a bonus issue, the number of securities over which the Options are exercisable will be increased in accordance with the Listing Rules.
- (h) Optionholders have the right to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company, made during the currency of the Options.
- (i) In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
- (j) The Options shall be exercisable at any time on or before the Option Expiry Date by the delivery to the registered office of the Company of a notice in writing stating the intention of the optionholder to exercise all or a specified number of Options held by them accompanied by an Option certificate and a cheque made payable to the Company for the subscription monies for the Shares. The notice and cheque must be received by the Company during the exercise period. An exercise of only some Options shall not affect the rights of the optionholders to the balance of Options held by him or her.
- (k) The Shares allotted shall rank, from date of allotment, equally with the existing ordinary Shares of the Company in all respects.
- (l) The Options will not give any right to participate in dividends until Shares are issued pursuant to the exercise of the relevant Options.
- (m) The Options are not transferable, unless:
  - (i) the prior consent of the Board is obtained, which consent may impose such terms and conditions on such assignment, transfer, novation, encumbrance or disposal as the Board sees fit in its sole and absolute discretion; or
  - (ii) such assignment or transfer occurs by force of law upon the death of a holder of an Option to the holder's legal personal representative.

## **Annexure – Summary of terms of the Plan**

### **1 Employee Options**

Under the Plan, the Board, acting in its absolute discretion, may:

- (a) offer Options to any Eligible Employee from time to time as determined by the Board; and
- (b) impose Vesting Conditions on the right of the Participant to exercise any Option granted (**Employee Options**).

Awards may have grant conditions. Subject to those grant conditions being satisfied, all Employee Options may be granted subject to the satisfaction of vesting conditions as determined by the Board in its absolute discretion (**Vesting Conditions**).

### **2 Eligibility**

At the discretion of the Board, a person who is:

- (a) a full time or part time employee (including an executive Director) of the Company or an associated body corporate (being a body corporate that is a related body corporate of the body, a body corporate that has voting power in the body of not less than 20% or a body corporate in which the body has voting power of not less than 20%) (**Group Company**);
- (b) an individual who is or might reasonably be expected to be engaged to work the number of hours that are the pro rata equivalent of 40% or more of a comparable full time position with a Group Company; or
- (c) an individual or company with whom a Group Company has entered into a contract for the provision of services under which the individual or a director or their spouse performs work for a Group Company, where the work is or might reasonably be expected to be the number of hours that are the pro rata equivalent of 40% or more of a comparable full time position with a Group Company,

may have an offer made to them to participate in the Plan.

People eligible to participate in the Plan are called “**Eligible Employees**”. The Board may permit Employee Options the subject of an offer to be issued to another party nominated by an Eligible Employee (for example, the Eligible Employee’s (a) immediate family member; (b) a corporate trustee of a self-managed superannuation fund (within the meaning of the *Superannuation Industry (Supervision) Act 1993*) where the Eligible Employee is a director of the trustee; or (c) a company whose members are no-one other than the Eligible Employee or their immediate family members) (**Nominated Party**).

A “**Participant**” is an Eligible Employee or Nominated Party to whom Employee Options have been granted.

### **3 Payment for Employee Options**

Employee Options can be issued at a price (if any) determined by the Board in their absolute discretion.

### **4 Limits on number of Employee Options granted**

Under the Plan rules, where an offer is made under the Plan in reliance on ASIC Class Order 14/1000 (or any amendment or replacement of it) the Board must, at the time of making the offer, have reasonable grounds to believe that the total number of Shares which would be issued if those

Employee Options were exercised, will not exceed 5% of the total number of Shares on issue when aggregated with the number of Shares issued or that may be issued as a result of offers made at any time during the previous 3 year period under the Plan or any other employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme.

This limit is in accordance with the current ASIC Class Order which provides disclosure, licensing, advertising and hawking relief for employee incentive schemes, and which the Company may seek to rely on in connection with making offers under the Plan.

## **5 Entitlements of Participants**

### **(a) Interest in Shares**

A Participant has no right or interest in a Share the subject of an Employee Option held by the Participant unless and until the Employee Option is exercised and the Share is issued. A Participant does not have any rights to dividends, rights to vote or rights to the capital of the Company as a shareholder as a result of holding an Employee Option. Subject to the Corporations Act and the Company's Constitution, a Participant will not, as a holder of an Employee Option, have any right to attend to vote at general meetings of holders of Shares.

### **(b) Changes in capital**

If the Company makes a bonus issue of Shares to existing holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and no Share has been issued in respect of an Employee Option before the record date for determining entitlements to the bonus issue, then the number of underlying Shares over which the Employee Option is exercisable will be increased by the number of Shares which the Participant would have received if the Participant had exercised the Employee Option before the record date for the bonus issue. No adjustment will be made to the exercise price.

Employee Options do not confer on the Participant the right to participate in new issues of Shares by the Company unless they exercise their Employee Options and receive Shares before the record date for the determination of entitlements to the new issue of securities and participate as a holder of Shares.

If there is a reorganisation of the issued capital, the rights of a Participant (including the number of Employee Options to which each Participant is entitled and the exercise price) will be changed to the extent necessary to comply with the Listing Rules.

If the Company makes a pro rata issue (except a bonus issue) the exercise price of Employee Options will be reduced in accordance with the Listing Rules.

If a resolution for a voluntary winding up is proposed (other than for the purpose of a reconstruction or amalgamation), the Board may give notice to Participants providing a period to exercise Employee Options, subject to the relevant Vesting Conditions.

## **6 Dealing, vesting and exercise**

### **(a) Dealing**

Employee Options issued under the Plan may not be assigned, transferred, novated, encumbered with a Security Interest in or over them, or otherwise disposed of by a Participant, unless:

- (i) the prior consent of the Board is obtained, which consent may impose such terms and conditions on such assignment, transfer, novation, encumbrance or disposal as the Board sees fit in its sole and absolute discretion; or

- (ii) such assignment or transfer occurs by force of law upon the death of a Participant to the Participant's legal personal representative.

Unless otherwise decided by the Board, where a Participant purports to transfer an Employee Option other than in accordance with the above, the Employee Option immediately lapses.

(b) Vesting

Employee Options only vest if the applicable vesting conditions are satisfied, waived by the Board or are deemed to have been satisfied under the Plan. The vesting conditions are determined prior to the granting of such Employee Options by the Company.

(c) Exercise

Employee Options can only be exercised if:

- (i) any Vesting Conditions have been satisfied or waived; and
- (ii) they are otherwise capable of exercise in accordance with the terms of the relevant offer and the rules of the Plan.

The exercise price per Share in respect of an Employee Option granted pursuant to the Plan will be determined by the Board. Upon exercise, one Share in the Company will be issued to the Participant for each exercised Employee Option.

Employee Options will expire on such date as the Board determines in its discretion with respect to that Employee Option at the time of the grant of that Employee Option (**Expiry Date**).

## **7 Lapse of Employee Options**

Unless otherwise specified in the Vesting Conditions or determined otherwise by the Board an Employee Option lapses on the earlier of:

- (a) the Board determining that any Vesting Condition applicable to the Employee Option has, or is not capable of, being satisfied, reached or met;
- (b) the day immediately following the Expiry Date;
- (c) there is a cessation of employment (other than under a special circumstance);
- (d) there is a change of control event; or
- (e) the board determining that a Participant's Employee Options have lapsed due to that Participant's misconduct which may include breaching their duties to the Company or an associated body corporate of the Company, committing an act of fraud or engaging in misconduct.

## **8 Change of control events**

On the occurrence of a Change of Control Event (as defined in the Plan, which includes an unconditional takeover offer, a court approved scheme of arrangement, a merger resulting in the current Shareholders being entitled to 50% or less of the shares of the merged entity, a Group Company agreeing to sell a majority of its business or assets or a determination of the Board that control of the Company has or is likely to change), the Board may in its sole and absolute discretion and subject to the Listing Rules, determine how unvested Employee Options will be treated, including but not limited to:

- (a) determining that all or a portion of unvested Employee Options will vest; and/or
- (b) reducing or waiving Vesting Conditions.

## **9 Clawback**

If an event occurs which means vesting conditions were not or should not have been determined to have been satisfied, the Participant will cease to be entitled to those Employee Options, and the Board may:

- (a) cancel the affected Employee Options for no consideration;
- (b) require the Participant pay the Company the after tax value of the affected Employee Options which have been converted to Shares within 30 business days of receipt of notice; or
- (c) adjust fixed remuneration, incentives or participation in the Plan to take account of the after tax value of the affected Employee Options.

## **10 Amendments to terms of exercise or the Plan**

The Board may vary the terms of exercise of Employee Options, and may reduce or waive Vesting Conditions. However, no variation to the terms of exercise of an Employee Option will be made without the consent of the Participant if it would have a material prejudicial effect on them, unless introduced primarily to comply with the law or Plan, to correct manifest error or to enable regulatory compliance.

The Board may amend the terms of the Plan, provided that rights or entitlements granted before the amendment shall not be reduced or adversely affected without the prior written approval of the affected Participant.