



## **FULL TERMS AND CONDITIONS OF ALL OPTIONS ON ISSUE**

### **Full Terms and Conditions of Director Options**

The Company has issued 6,000,000 Director Options to three directors of the Company, as approved at a meeting of shareholders on 29 January 2021.

The full terms and conditions of the Director Options are:

**(a) Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

**(b) Exercise Price**

The amount payable upon exercise of each Option will be:

- 200% of the 5-day volume weighted average price prior to grant date; or
- 200% of the price at which equity is raised, but no less than \$0.05. (**Exercise Price**)

**(c) Expiry Date**

Each Option will expire at 5:00 pm (WST) on 31 May 2023 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

**(d) Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

**(e) Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

**(f) Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

**(g) Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

# ELMORE

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

## **(h) Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

## **(i) Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

## **(j) Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

## **(k) Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

## **(l) Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.



## **Full Terms and Conditions of Betros Director Options**

The Company has issued 333,334 Director Options to Ray Betros, a former director of the Company, as approved at a meeting of shareholders on 28 June 2018.

The full terms and conditions of the Director Options are:

**(a) Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

**(b) Exercise Price**

The amount payable upon exercise of each Option will be \$0.2091. (**Exercise Price**)

**(c) Expiry Date**

Each Option will expire at 5:00 pm (WST) on 28 June 2021 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

**(d) Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

**(e) Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

**(f) Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

**(g) Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (iv) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (v) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all



such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (vi) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

**(h) Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

**(i) Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

**(j) Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

**(k) Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

**(l) Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.



### **Full Terms and Conditions of Broker Options**

The Company has issued 10,500,000 Broker Options, as approved at a meeting of shareholders on 8 March 2021.

The full terms and conditions of the Broker Options are:

- (a) Subject to sub-paragraph (c) each Broker Option gives the Option Holder the right to subscribe for one fully paid ordinary share in the capital of the Company (Share);
- (b) The Broker Option will expire at 5.00pm Perth time on the date which is three years from the date of this Prospectus (Expiry Date);
- (c) If at any time the issued capital of the Company is reconstructed, all rights of an Option Holder are to be changed in a manner that is consistent with that reconstruction, subject to the Corporations Act and the ASX listing rules;
- (d) The amount payable on the exercise of a Broker Option is \$0.03 (Exercise Price);
- (e) The Broker Options may be exercised in whole or in part, but if in part, must be exercised in multiples of 10,000;
- (f) An Option Holder may exercise their Broker Options by lodging with the Company, before the Expiry Date:
  - (i) a written notice of exercise of Broker Options (Exercise Notice) specifying the number of Broker Options being exercised; and
  - (ii) a cheque or electronic funds transfer for the Exercise Price;
- (g) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds;
- (h) The Broker Options are transferrable but will not be quoted on the ASX;
- (i) All Shares allotted upon the exercise of the Broker Options will upon allotment rank equally in all respects with all other Shares in the Company;
- (j) The Company will apply for quotation of all Shares allotted pursuant to the exercise of Broker Options on the ASX within 2 Business Days after the date of allotment of those Shares;

The holders of Broker Options will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Broker Options. However, the Company will ensure that for the purposes of determining the entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give Option Holders the opportunity to exercise their Broker Options prior to the date for determining entitlements to participate in such issue.