

SECURITIES INCENTIVE PLAN

Burley Minerals Ltd
ABN: 44 645 324 992

Securities Incentive Plan Rules

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BURLEY MINERALS LTD SECURITIES INCENTIVE PLAN

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

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

Ancillary Documentation means all documentation which the Board specifies in an Invitation that an Eligible Participant must enter into and/or provide in connection with an Application for Securities.

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

- (a) the Corporations Act and any applicable ASIC Class Orders;
- (b) the Listing Rules;
- (c) the Constitution;
- (d) the *Income Tax Assessment Act 1936* (Cth) and the *Income Tax Assessment Act 1997* (Cth);
- (e) any relevant practice note, policy statement, regulatory guide, class order, declaration, guideline, policy, procedure, ruling, judicial interpretation or other guidance note made to clarify, expand or amend (a), (b), or (d) above;
- (f) any other legal requirement (including, without limitation, the rules of the general law, including common law and equity, and any judgment, order, decree, declaration or ruling of a court of competent jurisdiction or government agency binding on a person or the assets of that person) that applies to the Plan; and
- (g) in respect of acquisition or disposals of any Shares, any formal policy relating to dealings in Shares adopted by the Board from time to time, including the Share Trading Policy.

Application means, in respect of a Security, an application for that Security made by an Eligible Participant in response to an Invitation.

Application Form means an application form attached to, or enclosed with, an Invitation.

ASIC means the Australian Securities and Investments Commission.

ASIC Class Order 14/1000 means ASIC Class Order [CO 14/1000] which provides relief for employee incentive scheme offers from disclosure, licensing, advertising, hawking and on-sale in relation to listed bodies.

Associate has the same meaning as in section 12 of the Corporations Act.

Associated Body Corporate has the meaning given to that term in ASIC Class Order 14/1000.

ASX means the ASX Limited (ABN 98 008 624 691) trading as the Australian Securities Exchange or the securities exchange operated by that entity, as appropriate.

ASX Holding Lock has the same meaning as "Holding Lock" in Chapter 19 of the Listing Rules.

Bad Leaver means an Eligible Participant (who, or whose Nominated Party, holds Convertible Securities) whose employment, office or engagement with a Group Company ceases in any of the following circumstances:

- (a) the Eligible Participant's employment or engagement is terminated, or the Eligible Participant is dismissed from office, due to:
 - (i) serious and wilful misconduct;
 - (ii) a material breach of the terms of any contract of employment, engagement or office entered into by a Group Company and the Eligible Participant;
 - (iii) gross negligence; or
 - (iv) any other conduct justifying termination of employment, engagement or office without notice either under the Eligible Participant's contract of employment or engagement or office, or at common law;
- (b) the Eligible Participant ceases his or her employment or engagement or office for any reason, and breaches a post-termination restriction contained in the Eligible Participant's employment contract; or
- (c) the Eligible Participant becomes ineligible to hold his or her office for the purposes of Part 2D.6 (disqualification from managing corporations) of the Corporations Act.

Blackout Period means a period during which the Eligible Participant is prohibited from trading in the Company's securities under the Company's Trading Policy.

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

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth, Western Australia.

Buy-Back means the purchase by the Company of Convertible Securities prior to their exercise or the buy-back by the Company of Plan Shares, pursuant to clause 22.

Certificate means a certificate or holding statement issued by the Company evidencing the grant of a Security.

Change of Control Event means:

- (a) change in Control of the Company;
- (b) where members of the Company approve any compromise or arrangement for the purpose of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other body corporate or bodies corporate (other than

a scheme that does not involve a change in the ultimate beneficial ownership of the Company), which will, upon becoming effective, result in any person (either alone or together with its Associates) owning more than fifty per cent (50%) of Issued Capital;

- (c) where a person becomes the legal or the beneficial owner of, or has a Relevant Interest in, more than fifty per cent (50%) of Issued Capital;
- (d) where a person becomes entitled to acquire, hold or has an equitable interest in more than fifty per cent (50%) of Issued Capital; and
- (e) where a Takeover Bid is made to acquire more than fifty per cent (50%) of Issued Capital (or such lesser number of Shares that when combined with the Shares that the bidder (together with its Associates) already owns will amount to more than 50% of Issued Capital) and the Takeover Bid becomes unconditional and the bidder (together with its Associates) has a Relevant Interest in more than 50% of Issued Capital,
- (f) any other merger, consolidation or amalgamation involving the Company occurs which results in Shareholders who held Shares immediately prior to the merger, consolidation or amalgamation being entitled to 50% or less of the voting shares in the body corporate resulting from the merger, consolidation or amalgamation;
- (g) any Group Companies enter into agreements to sell in aggregate a majority in value of the businesses or assets (whether or not in the form of shares in a Group Company) of the Group to a person, or a number of persons, none of which are Group Companies; or
- (h) the Board determines in its reasonable opinion, that control of the Company has or is likely to change or pass to one or more persons, none of which are Group Companies,

but, for the avoidance of doubt, does not include any internal reorganisation of the structure, business and/or assets of the Group.

Company means Burley Minerals Ltd (ABN: 44 645 324 992).

Constitution means the constitution of the Company.

Control has the same meaning as in section 50AA of the Corporations Act.

Convertible Security means a Security exercisable for Plan Share(s) in accordance with these Rules, including an Option or Performance Right.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Eligible Participant means a person that:

- (a) is an "eligible participant" (as that term is defined in ASIC Class Order 14/1000) in relation to the Company or an Associated Body Corporate; and
- (b) has been determined by the Board to be eligible to participate in the Plan from time to time.

Employee Share Scheme Buy-Back has the same meaning given to that term in the Corporations Act.

End Date means the date by which a vested Convertible Security is required under an Invitation to be exercised by or the Convertible Securities will be forfeited.

Engagement Arrangement means in respect of:

- (a) an employee of a member of the Group, the terms under which the relevant member of the Group has employed that person;
- (b) a director of a member of the Group that is not also an employee, the terms under which the relevant member of the Group has appointed that director to their office; or
- (c) a contractor or consultant to a member of the Group, the terms under which the relevant member of the Group has engaged that contractor or consultant.

Exercise Price means, in respect of a Convertible Security, the price to be paid by the Participant (if any) when exercising that Security as specified in the relevant Invitation. For the avoidance of doubt, the Exercise Price for a Security may be nil.

Expiry Date means, in relation to a Convertible Security, the 'expiry date' which is specified in the Invitation or Vesting Notice (if any).

Good Leaver means an Eligible Participant (who, or whose Nominated Party, holds Convertible Securities) who ceases employment, office or engagement with any Group Company ceases and who is not a Bad Leaver, and includes where an Eligible Participant's employment, office or engagement ceases due to death, permanent incapacity, mental incapacity, redundancy, resignation, retirement or any other reason the Board decides.

Grant Date means, in relation to a Security, the date on which that Security is granted to a Participant, as set out on the relevant Certificate.

Group means the Company and each of its Associated Bodies Corporate from time to time and **Group Company** means any of them.

Invitation means a written invitation to an Eligible Participant to apply for the grant of one or more Securities made in accordance with clause 3.2 of these Rules and which must be contained within, or accompanied by, an Offer Document.

Issued Capital means issued Shares from time to time.

Listing Rules means the listing rules, market rules and operating rules of a financial market in respect of which the Company's shares are quoted or are the subject of an application for quotation, including but not limited to, the official listing rules of the ASX.

Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the five (5) trading days immediately preceding that given date, unless otherwise specified in an Invitation.

Nominated Party means in respect of an Eligible Participant:

- (a) an immediate family member of the Eligible Participant;

- (b) a company whose members comprise no persons other than the Eligible Participant or immediate family members of the Eligible Participant; and
- (c) a corporate trustee of a self-managed superannuation fund (within the meaning of the *Superannuation Industry (Supervision) Act 1993* (Cth)) where the Eligible Participant is a director of the trustee.

Notice of Exercise means a notice given by or on behalf of the Participant (in the form determined by the Board from time to time) to exercise a Convertible Security in accordance with clause 7.1.

Offer Document means an “offer document” as that term is defined in ASIC Class Order 14/1000.

Option means an option granted under these Rules to acquire one or more Shares by transfer or allotment, as set out in the relevant Invitation.

Participant means an Eligible Participant (or his or her Nominated Person) who has been granted any Security under this Plan.

Performance Right means a right granted under these Rules to acquire one or more shares by transfer or allotment as set out in the relevant Invitation.

Plan means the Burley Minerals Ltd Securities Incentive Plan established and operated in accordance with these Rules.

Plan Shares means all Shares issued or transferred to a Participant under these Rules, including upon the valid exercise of a Convertible Security.

Plan Limit has the meaning given to it in clause 18.1(b).

Quotation means official quotation by ASX.

Rules means the rules of the Plan which are set out in this document.

Security means a security in the capital of the Company granted under these Rules, including a Plan Share, Option, Performance Right or other Convertible Security.

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

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

Shareholder means a holder of a Share.

Share Trading Policy means any share trading policy of the Company, as amended from time to time.

Takeover Bid has the meaning given to that term in the Corporations Act.

Tax means all forms of taxes (including, without limitation, PAYG withholding, income tax and fringe benefits tax), imposts, charges, withholdings or other governmental impositions collected, imposed, assessed or charged by a taxation authority and any related interest penalties, fines, expenses and other additional statutory charges.

Term means the period commencing on the Grant Date and ending on the Expiry Date (inclusive).

Trustee means the trustee, from time to time, of any employee share trust used by the Company to deliver any Plan Shares arising from the exercise of a Convertible Security under these Rules.

Vesting Condition means, in relation to a Convertible Security, any criteria, requirements or conditions to vesting of that Convertible Security that are set out in the Invitation for that Convertible Security (which the Board may, after its Grant Date, waive, bring forward or extend as the Board considers appropriate).

Vesting Notice means, in relation to a Convertible Security, the notice given by or on behalf of the Company to a Participant informing him or her that the Convertible Security has vested and may be exercised in accordance with the terms of these Rules.

Withholding Tax Amount has the meaning set out in clause 20.2.

1.2 Interpretation

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

- (a) the singular includes the plural and vice versa;
- (b) a gender includes all genders;
- (c) a reference to a document, agreement, plan or rules includes that document, agreement, plan or rules as novated, amended, varied, supplemented or replaced from time to time;
- (d) headings are for convenience only and do not affect the interpretation of these Rules;
- (e) a reference to anything (including any amount) includes any part of that thing and a reference to a group of things or persons includes each thing or person in that group;
- (f) a reference to any legislation includes any modification or replacement of it and all regulations and statutory instruments issued under it and a reference to any provision of any legislation includes any modification or substitution of it;
- (g) a reference to these Rules includes all recitals, annexures, addendums and schedules to these Rules;
- (h) the phrase “in relation to” has the widest possible import and encompasses the phrases “in connection with”, “in respect of”, “arising out of” and “resulting from”;
- (i) a reference to a power, right or discretion being exercisable by the Board is taken to be a reference to that power, right or discretion being exercisable by a delegate of the Board;
- (j) when the day on which something must be done is not a Business Day, that thing must be done on the following Business Day; and

- (k) in determining the time of day, where relevant to these Rules, the relevant time of day is:
 - (i) for the purposes of giving or receiving notices, the time of day where a party receiving a notice is located; or
 - (ii) for any other purpose under these Rules, the time of day in the place where the party required to perform an obligation is located.
- (l) a reference to a person includes a reference to the person's executors, legal personal representatives, administrators and successors or a body corporate including any person taking by way of novation and, in the case of a trustee, includes any substituted or additional trustee;
- (m) the expression "person" includes an individual, the estate of an individual, the legal personal representative of an individual, a corporation, an authority, an association or a joint venture (whether incorporated or unincorporated), a partnership and a trust;
- (n) in these Rules any reference to "include" means to include without limitation;
- (o) a reference to "including" (or any similar term) is not to be construed as implying any limitation;
- (p) a monetary amount is a reference to Australian dollars;
- (q) where any word is given a defined meaning, any other part of speech or other grammatical form in respect of such word or phrase has a corresponding meaning;
- (r) any capitalised terms in these Rules that are not defined in clause 1.1 have the meaning given to them in the Corporations Act; and
- (s) references to rules, schedules and annexures are references to rules, schedules and annexures of and to these Rules.

1.3 Inconsistencies

Notwithstanding anything to the contrary in any Engagement Arrangement with a Participant, but subject at all times to these Rules, if there is any inconsistency between these Rules and an Engagement Arrangement, these Rules prevail.

1.4 Income Tax Assessment Act

This Plan is a plan to which Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) applies (subject to the conditions in that Act).

1.5 Construed against a party

No provision or expression in these Rules is to be construed against a party on the basis that the party (or its advisers) was responsible for the drafting of these Rules.

1.6 Applicable Law

These Rules, the offering and granting of any Security and the rights attaching to or interests in any Security will at all times be subject to Applicable Law.

1.7 Rounding

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

1.8 Constitution

The entitlements of Eligible Participants under these Rules are subject to the Constitution. In the event of any inconsistency between these Rules and the Constitution, the terms of the Constitution will prevail.

2 INTRODUCTION

2.1 Purpose

The purpose of the Plan is to:

- (a) assist in the reward, retention and motivation of Eligible Participants;
- (b) establish a method by which Eligible Participants can participate in the future growth and profitability of the Company;
- (c) link the reward of Eligible Participants to Shareholder value creation; and
- (d) align the interests of Eligible Participants with shareholders of the Group by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities; and
- (e) attract and retain a high standard of managerial and technical personnel for the benefit of the Company.

2.2 Commencement

The Plan will commence on a date determined by the Board.

2.3 Rules are binding

The Company and each Participant are bound by these Rules.

2.4 Name of Plan

This document sets out the rules of the Burley Minerals Ltd Securities Incentive Plan.

3 ELIGIBILITY, INVITATION AND APPLICATION

3.1 Eligibility

The Board may from time to time determine that an Eligible Participant may participate in the Plan.

3.2 Invitation

- (a) Following determination that an Eligible Participant may participate in the Plan, the Board may at any time and from time to time make an Invitation to that Eligible Participant.

- (b) An Invitation to an Eligible Participant to apply for Securities may be made in such manner, form, content, lining, frequency and on such terms and conditions as the Board decides from time to time, including as to:
 - (i) the number of Securities for which that Eligible Participant may apply;
 - (ii) the Grant Date;
 - (iii) the Expiry Date;
 - (iv) the amount payable (if any) for the grant of each Security or how such amount is calculated;
 - (v) the Exercise Price (if any);
 - (vi) the Vesting Conditions (if any);
 - (vii) disposal restrictions attaching to the Plan Shares (if any);
 - (viii) whether cashless exercise of the Securities is permitted under clause 7.2;
 - (ix) the method by which Shares will be delivered to the Participant under clause 8 after the valid exercise of the Convertible Security (if relevant); and
 - (x) any other supplementary terms and conditions.
- (c) Each Invitation must be presented in a clear, concise and effective manner and include:
 - (i) the date of the Invitation, and the final date by which the Invitation must be accepted (**Final Acceptance Date**);
 - (ii) the name and address of the Eligible Participant to whom the Invitation is made;
 - (iii) the type of Security being offered;
 - (iv) any rights attaching to the Securities and/or Plan Shares;
 - (v) agreement with the Eligible Participant for the Company to supply details to third parties where required by law; and
 - (vi) any other matters required to be specified in the Invitation by any Applicable Laws or ASIC instrument of relief including Class Order 14/1000.

3.3 Form of Application

An Invitation to an Eligible Participant must be accompanied by an Application Form, a copy of the Plan and the Ancillary Documentation (if any).

3.4 Eligible Participant agrees to be bound

Each Eligible Participant is, by submitting a completed Application Form on or before the Final Acceptance Date, deemed to have agreed to be bound by:

- (a) the terms of the Invitation and the Application Form;
- (b) the Ancillary Documentation (if any);
- (c) these Rules; and
- (d) the Constitution.

3.5 Who may apply

On receipt of an Invitation, an Eligible Participant may apply for the Securities the subject of the Invitation by sending the completed Application Form to the Company (or its designated officer as set out in the Application Form) by the time and date specified in the Invitation, unless otherwise determined by the Board.

3.6 Acceptance of Application

- (a) The Board may accept an Application from an Eligible Participant in whole or in part.
- (b) The Company may not grant a Security to an Eligible Participant unless it has received a duly signed and completed Application Form together with all applicable Ancillary Documentation from that Eligible Participant. The Application Form and, where applicable, the Ancillary Documentation must be in the form included with the Invitation, and may not be made on the basis that it is subject to any terms and conditions other than those specified in the Invitation.

3.7 When an Application will not be accepted

Unless otherwise determined by the Board, an Application will not be accepted if at the time the Company received the duly signed and completed Application Form together with all Ancillary Documentation:

- (a) the applicant is not an Eligible Participant;
- (b) notice of termination of the applicant's Engagement Arrangement has been given (whether by the applicant or by one or more members of the Group); or
- (c) the Board has determined that the applicant is no longer eligible to participate in the Plan.

3.8 Right to nominate

- (a) Unless otherwise expressly permitted in the Invitation, an Eligible Participant may only submit an Application in the Eligible Participant's name and not on behalf of any other person.
- (b) If an Eligible Participant is permitted in the Invitation, the Eligible Participant may, by notice in writing to the Board, nominate a Nominated Party in whose favour the Eligible Participant wishes to renounce the Invitation in order for the Nominated Party to be granted the Securities the subject of the Invitation.
- (c) The Board may in its discretion resolve not to allow a renunciation of an Invitation in favour of a Nominated Party without giving any reason for that decision. For the avoidance of doubt, the Board will not facilitate the renunciation of the Invitation as set out in clause 3.8(b) in favour of the Nominated Party where to do so would be inconsistent with:
 - (i) ASIC Class Order 14/1000; or
 - (ii) any covenant or other provision set out in an exemption or modification granted from time to time by ASIC in respect of the Plan or which applies to the Plan pursuant to ASIC's power to exempt or modify the Corporations Act.
- (d) If the Board resolves to allow a renunciation of an Invitation in favour of a Nominated Party:

- (i) the Board may impose any such conditions that it thinks fit in respect of that renunciation; and
 - (ii) the Eligible Participant must procure that the permitted Nominated Party accepts the Invitation made to the Eligible Participant and that both the Eligible Participant and the Nominated Party agree to be bound by the Rules and execute any documents required by the Company in order to receive the grant and to give effect to these Rules.
- (e) If Securities are granted to a Nominated Party nominated by an Eligible Participant, then to the extent necessary to give effect to the intent of these Rules, the Eligible Participant will continue to be treated as the Participant.

3.9 Multiple Invitations

The Board may invite an Eligible Participant to apply for any number and type of Security, notwithstanding that the Eligible Participant has previously been invited to apply for Securities.

4 GRANT OF SECURITIES

4.1 Company to grant Securities

Following receipt of a duly completed and signed Application Form together with all applicable Ancillary Documentation, the Company will, to the extent that it has accepted such Application, grant the Participant the relevant number and type of Securities, subject to the terms and conditions set out in the Invitation, these Rules and the Ancillary Documentation.

4.2 Certificate of Security

Following the grant of a Security, the Company will issue to the Participant a Certificate.

5 TERMS OF CONVERTIBLE SECURITIES

5.1 Participant's rights

Prior to a Convertible Security being exercised in accordance with clause 7:

- (a) a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security other than those expressly set out in these Rules; and
- (b) a Participant is not entitled to:
 - (i) notice of, or to vote or attend at, a meeting of the shareholders of the Company; and
 - (ii) receive any dividends declared by the Company, by virtue of holding the Convertible Security.

5.2 Restriction of dealing

Other than in accordance with clause 3.8 unless determined otherwise by the Board in its absolute discretion, or the relevant dealing is effected by force of law on death or legal incapacity to the Participant's legal personal representative, a Participant may not sell, assign, transfer, grant a Security Interest over or otherwise deal with a Convertible

Security that has been granted to them in or over them other than in accordance with clause 3.8, unless:

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

The Convertible Security is forfeited immediately on purported sale, assignment, transfer, dealing or grant of a Security Interest other than in accordance with these Rules.

5.3 Prohibition on hedging

A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

5.4 Register of Convertible Securities

Each Convertible Security granted under these Rules will be registered in the appropriate register of the Company.

5.5 Listing

Unless determined otherwise by the Board in its absolute discretion, a Convertible Security granted under the Plan will not be quoted on the ASX or any other recognised exchange.

6 VESTING OF CONVERTIBLE SECURITIES

6.1 Vesting

A Convertible Security will vest when a Vesting Notice in respect of that Convertible Security is given to the Participant.

6.2 Waiver of Vesting Condition

A Vesting Condition for a Convertible Security may, subject to Applicable Laws, be waived, brought forward or extended by the Board by written notice to the relevant Participant and on such terms and conditions as determined by the Board and set out in that notice.

7 EXERCISE OF CONVERTIBLE SECURITIES

7.1 Exercise of Convertible Securities

- (a) A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with clause 6, or such earlier date on which the Participant is entitled to exercise that Convertible Security in accordance with these Rules.
- (b) To exercise a Convertible Security, the Participant must:
 - (i) deliver a signed Notice of Exercise;
 - (ii) subject to clause 7.2, pay the Exercise Price (if any) to or as directed by the Company;

- (iii) deliver the Certificate, or documentary evidence satisfactory to the Board that the Certificate was lost or destroyed; and
- (iv) where required by the Company in accordance with clause 20.2, pay in full of the amount of Withholding Tax Amount that the Company is required to remit as a result of the exercise of the Option,

at any time prior to the earlier of:

- (v) any date specified in the Vesting Notice; and
- (vi) the Expiry Date.

For the avoidance of doubt and subject to clause 7.2, the total Exercise Price (if any) payable by the Participant on exercise of their Convertible Securities is the Exercise Price multiplied by the number of Convertible Securities being exercised by that Participant, rounded up to the nearest cent.

- (c) If the Participant does not deliver a signed Notice of Exercise and (subject to clause 7.2,) pay the Exercise Price to or as directed by the Company in relation to a Convertible Security by the requisite date referred to in clause 7.1(b), that Convertible Security will automatically be forfeited. For the avoidance of doubt more than one signed Notice of Exercise can be delivered by a Participant in relation to a holding of Convertible Securities from the date of a Vesting Notice until the requisite date referred to in clause 7.1(b).
- (d) Where payment is received by the Company under clause 7.1(b)(iv), those moneys will be held on behalf of the Participant, and remitted to the appropriate taxing authority by the Company on behalf of the Participant as soon as reasonably practicable.

7.2 Cashless exercise of Convertible Securities

An Invitation may specify that at the time of exercise of the Convertible Securities subject of the Invitation, the Participant may elect not to be required to provide payment of the Exercise Price for the number of Convertible Securities specified in a Notice of Exercise but that on exercise of those Convertible Securities the Company will transfer or allot to the Participant that number of Shares equal in value to the positive difference between the then Market Value of the Shares at the time of exercise and the Exercise Price that would otherwise be payable to exercise those Convertible Securities (with the number of Shares rounded down to the nearest whole Share).

7.3 No issue unless cleared funds

Where a cheque is presented as payment of the Exercise Price on the exercise of Options, the Company will not, unless determined otherwise by the Board, issue Plan Shares until after that cheque has been cleared by the banking system.

7.4 Actions on exercise of Convertible Securities

On completion of the exercise of Convertible Securities:

- (a) the Convertible Securities will automatically lapse;
- (b) the Company will, within 10 Business Days, issue the number of Plan Shares for which the Participant is entitled to subscribe for or acquire through the exercise of the Convertible Securities;
- (c) the Company will deliver to the Participant a holding statement for those Plan Shares; and

- (d) the Company will issue a substitute Certificate for any remaining Convertible Securities.

8 DELIVERY OF SHARES ON EXERCISE OF CONVERTIBLE SECURITIES

As soon as practicable after the valid exercise of a Convertible Security by a Participant in accordance with clause 7, the Company will:

- (a) issue, allocate or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under these Rules; and
- (b) issue a substitute Certificate for any remaining unexercised Convertible Securities held by that Participant.

9 FORFEITURE OF CONVERTIBLE SECURITIES

9.1 Good Leaver

Where an Eligible Participant (who, or whose Nominated Party, holds Convertible Securities) becomes a Good Leaver, unless the Board determines otherwise:

- (a) Vested Convertible Securities that have not been exercised will continue in force and remain exercisable until the Expiry Date; and
- (b) Unvested Convertible Securities will be forfeited in accordance with clause 10 unless the Board determines otherwise.

9.2 Bad Leaver

Unless the Board determines otherwise, where an Eligible Participant (who, or whose Nominated Party, holds Convertible Securities) becomes a Bad Leaver:

- (a) unvested Convertible Securities will be forfeited in accordance with clause 10; and
- (b) vested Convertible Securities that have not been exercised will be forfeited on the date of the cessation of employment or office of such Participant in accordance with clause 10.

9.3 Fraudulent or dishonest actions

Where the Board determines that an Eligible Participant (who, or whose Nominated Party, holds Convertible Securities) has:

- (a) acted negligently, recklessly, fraudulently or dishonestly; or
- (b) wilfully breached his or her duties to a member of the Group or is in material breach of his or her duties or obligations to any member of the Group,

the Board may in its discretion deem all unvested and/or vested Convertible Securities that have not yet been exercised held by that Participant to have been forfeited.

9.4 Failure to satisfy Vesting Conditions

Unless otherwise stated in the Invitation or determined by the Board, a Convertible Security which has not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable Vesting Conditions have not been met or cannot be met by the relevant date.

9.5 Other forfeiture events

- (a) Unless the Board otherwise determines, or as otherwise set out in these Rules, any Convertible Securities which have not yet vested will be automatically forfeited on the Expiry Date.
- (b) Notwithstanding clause 9.5(a) if the Term of a Convertible Security held by any Participant would otherwise expire during, or within 10 Business Days of the expiration of a Blackout Period applicable to such Participant, then the term of such Convertible Security will be extended to the close of business on the 10th Business Day following the expiration of that Blackout Period.

9.6 Discretion to determine that the Convertible Securities are not forfeited

Notwithstanding clauses 9.1 to 9.5 (inclusive), the Board may decide (on any conditions which it thinks fit) that some or all of the Participant's Convertible Securities will not be forfeited at that time, but will be forfeited at the time and subject to the conditions it may specify by written notice to the Participant.

9.7 Voluntary forfeiture

A Participant may by written notice to the Company voluntarily forfeit their Convertible Securities for no consideration.

9.8 Application of Part 2D.2 Division 2 of the Corporations Act

- (a) This clause 9.8 applies to all termination payments to which Part 2D.2 Division 2 of the Corporations Act applies.
- (b) Notwithstanding any other provision of these Rules, in the absence of shareholder approval, the Company is not required to provide, or procure the provision, of any benefit under these Rules which is not permitted by Part 2D.2 Division 2 of the Corporations Act.
- (c) Any benefits required to be provided to a Participant in accordance with these Rules will, by operation of this clause, be reduced to ensure compliance with Part 2D.2 Division 2 of the Corporations Act and the provision of such reduced benefit shall constitute full satisfaction of the obligations of each member of the Group. In the event of overpayment to a Participant, the Participant must, on receiving written notice from the Board, immediately repay any monies or benefits specified in such notice to ensure compliance with Part 2D.2 Division 2 of the Corporations Act.
- (d) Where clause 9.8(b) applies, the Company may seek or not seek shareholder approval in its discretion.

10 EFFECT OF FORFEITURE OF CONVERTIBLE SECURITIES

Where a Convertible Security has been forfeited in accordance with these Rules:

- (a) the Convertible Security will automatically lapse;
- (b) the Participant or the Participant's agent or attorney must sign any transfer documents required by the Company to effect the forfeiture of that Convertible Security; and
- (c) the Company will not be liable for any damages or other amounts to the Participant in respect of that Convertible Security.

11 CHANGE OF CONTROL

Notwithstanding any other provisions of the Rules, if a Change of Control Event occurs, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the Change of Control Event, regardless of whether or not the employment, office or engagement of the Participant is terminated or ceases in relation to the Change of Control Event.

12 RIGHTS ATTACHING TO PLAN SHARES

12.1 Plan Shares to rank equally

All Plan Shares will rank *pari passu* in all respects with the Shares of the same class for the time being on issue except for any rights attaching to the Shares by reference to a record date prior to the date of the allotment or transfer of the Plan Shares.

12.2 Listing

If Plan Shares are in the same class as Shares which are listed on the ASX, the Company will apply for quotation of the Plan Shares issued (or any unquoted Plan Shares transferred) within the time required by the Listing Rules after the date of allotment.

12.3 Dividends

A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares which, at the closing date for determining entitlement to such dividends, are standing to the account of the Participant (or a Trustee for and on behalf of the Participant).

12.4 Dividend reinvestment plan

A Participant may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares held by the Participant (or a Trustee for and on behalf of the Participant). Shares issued under any dividend reinvestment plan operated by the Company will be subject to the same terms and conditions as the Plan Shares held by the Participant (or a Trustee for and on behalf of the Participant) unless the Board determines otherwise.

12.5 Voting rights

A Participant may exercise any voting rights attaching to Plan Shares held by the Participant (or a Trustee for and on behalf of the Participant).

12.6 Quotation requirement

Notwithstanding any other provision of these Rules, or any Invitation, Plan Shares will not be issued or become issuable as a result of the exercise of Convertible Securities granted or to be granted under the Plan, unless and until those Shares are in a class that has, at the time of the Invitation, been Quoted for at least 3 months without suspension from trading for more than 5 'trading days' (as that term is defined in the Listing Rules) in the shorter of:

- (a) the period in which Shares have been Quoted; and
- (b) the 12 months before the Invitation is made.

13 DISPOSAL RESTRICTIONS ON PLAN SHARES

13.1 Disposal restriction

- (a) Prior to an Invitation being made, the Board may determine whether any restrictions will be imposed on the Plan Shares held by any Participants, in relation to:
 - (i) the disposal of the Plan Shares held by any Participants;
 - (ii) the granting (or purporting to grant) of any Security Interest in or over the Plan Shares held by any Participants; or
 - (iii) any other dealing with (or purporting to deal with) the Plan Shares held by any Participant.
- (b) If the Invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction, including but not limited to imposing an ASX Holding Lock (where applicable) on the Plan Shares or using an employee share trust to hold the Plan Shares during the relevant restriction period. Participants will be bound by an action by the Company under this clause 13.1.

13.2 Participants undertaking

For so long as a Plan Share is subject to any disposal restrictions under this Plan, the Participant will not:

- (a) transfer, encumber or otherwise dispose of, or have a Security Interest granted over that Plan Share; or
- (b) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.

13.3 Expiry of restriction

Subject at all times to the Share Trading Policy, upon the expiry of any disposal restrictions over a Plan Share, the Company will take all action necessary to ensure that the Participant can deal with that Plan Share.

13.4 Share entitlements

For the avoidance of doubt, the imposition of a disposal restriction on a Plan Share held by a Participant's entitlement to receive a notice of, or to vote or attend at, a meeting of the members of the Company, and to receive any dividends declared by the Company during the relevant disposal restriction period on that Plan Share. If an employee share trust arrangement is implemented in respect of this Plan, the Board may implement such procedures it deems appropriate to give effect to the intent of this clause 13.4.

13.5 No transfer

Subject to clause 13.1, Plan Shares, or any beneficial or legal interest in Plan Shares, may not be transferred, encumbered or otherwise disposed of, or have a Security Interest granted over them by a Participant, unless:

- (a) any and all restrictions on the transfer, encumbrance or disposal of the Plan Shares had been met;
- (b) the Board has waived any restrictions; or
- (c) prior consent of the Board is obtained which consent may impose such terms and conditions on such transfer, encumbrance or disposal as the Board sees fit.

13.6 Company's Share Trading Policy

Participants must comply with the Company's Share Trading Policy at all times.

13.7 Overriding restrictions on dealing with Plan Shares

Plan Shares must not be dealt with under the Plan if to do so would contravene any Applicable Laws.

14 IRREVOCABLE POWER OF ATTORNEY

In order to ensure compliance with these Rules, each Participant must (if requested by the Company) grant an irrevocable power of attorney (in the form set out in the Invitation or such other form determined by the Board) to any person nominated from time to time by the Board.

15 ADJUSTMENT OF CONVERTIBLE SECURITIES

15.1 Reorganisation

If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

15.2 Bonus Issue

- (a) If Shares are issued by the Company pro rata to shareholders generally by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive, in addition to the Shares in respect of which the Convertible Securities are exercised and without the payment of any further consideration, an allotment of as many additional Shares as would have been issued to a shareholder who, on the date of determining entitlements under the bonus issue, held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.
- (b) Additional Shares to which the holder of Convertible Securities becomes so entitled will, as from the time Shares are issued pursuant to the bonus issue and until those additional Shares are allotted, be regarded as Shares in respect of which the Convertible Securities are exercised for the purposes of subsequent applications of clause 15.2(a), and any adjustments which, after the time just

mentioned, are made under clause 15.1 to the number of Shares will also be made to the additional Shares.

15.3 Rights Issue

Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rate issue of Shares made by the Company or sell renounceable rights.

15.4 No other participation

Subject to clauses 15.1 to 15.3 (inclusive), during the currency of any Convertible Securities and prior to their exercise, the holders of Convertible Securities are not entitled to participate in any new issue of Shares of the Company as a result of their holding of Convertible Securities.

15.5 Rounding

Until a Convertible Security is exercised, all calculations adjusting the number of Shares must be carried out to include all fractions, but when a Convertible Security is exercised and is settled in Shares the number of Shares to be issued or transferred to the Participant is rounded down to the next lowest whole number.

15.6 Application of adjustment

- (a) In the application of this clause 15, the Board may (as far as possible) make whatever adjustments it deems necessary or desirable to ensure that the consequences of that application are fair as between the Participants and the holders of other securities in the Company, subject to the Listing Rules and other Applicable Laws.
- (b) Unless otherwise provided in these Rules, a Participant has no right to:
 - (i) change the Exercise Price; or
 - (ii) change the number of Shares over which the Convertible Security can be exercised.

15.7 No adjustment to Options or Performance Rights to reflect payment of dividends and distributions

Adjustment will not be made to the number of Convertible Securities granted to a Participant under the Plan if dividends or other distributions are paid on Shares before Convertible Securities are exercised.

16 ADMINISTRATION OF THE PLAN

16.1 Board administration

The Plan will be administered by the Board. Subject to the requirements of the Listing Rules and Corporations Act, the Board will administer this Plan and determine:

- (a) the persons whom the Securities will be offered under this Plan;
- (b) the number of Securities which may be offered to those persons;
- (c) any approvals required under the Listing Rules or otherwise; and

- (d) any performance associated criteria that must be satisfied by a Participant.

16.2 Further provisions by Board

For the avoidance of doubt, the Board may make further provisions for the operation of the Plan which are consistent with these Rules.

16.3 Board administration discretion

In administering the Plan, the Board has discretion to:

- (a) determine appropriate procedures for the administration of the Plan consistent with these Rules;
- (b) conclusively resolve all questions of fact or interpretation in relation to with the Plan and these Rules;
- (c) delegate to any one or more persons, for such period and on such conditions as the Board sees fit, the exercise of any of the Board's powers or discretion under the Plan; and
- (d) formulate special terms and conditions, subject to the Listing Rules, in addition to those set out in these Rules to apply to Participants who are employed and/or resident in, and/or who are citizens of countries other than Australia.

16.4 Board powers and discretions

Any power or discretion which is conferred on the Board by these Rules may be exercised in its sole and absolute discretion. Any decision by the Board regarding the interpretation, effect or application of these Rules, is final, conclusive and binding. The Board does not, in exercising any power or discretion under these Rules, owe any fiduciary or other obligations to any Eligible Participant or Participant.

16.5 Delegation of Board powers and discretions

Any power or discretion which is conferred on the Board by these Rules (including, without limitation, the power to invite Eligible Participants to participate in the Plan and to determine the terms and conditions of the Securities) may be delegated by the Board to:

- (a) a committee consisting of such directors, other officers or employees of the Group, or any combination of such persons as the Board thinks fit;
- (b) a member of the Group; or
- (c) a third party,

for such periods and on such conditions as the Board thinks fit.

16.6 Documents

The Company may from time to time require an Eligible Participant invited to participate in the Plan or a Participant or a person nominated by an Eligible Participant under clause 3.8 to complete and return such other documents as may be required by law to be completed by that person or entity, or such other documents which the Company considers should, for legal, taxation and/or administrative reasons, be completed by that Eligible Participant, Participant or person in order to give effect to the intent of the Plan.

16.7 Decisions final

Every exercise of a discretion by the Board (or its delegates) and any decision by the Board (or its delegates) regarding the interpretation, effect or application of these Rules and all calculations and determination made by the Board under these Rules are final, conclusive and binding in the absence of manifest error.

16.8 Directors

Securities may only be offered to a Director or his or her associates if:

- (a) approval to do so has been given by the Shareholders in a general meeting; and
- (b) all applicable requirements of the Corporations Act and Listing Rules have been satisfied.

16.9 Notification to ASIC

The Company must notify ASIC of its reliance on ASIC Class Order 14/1000 in relation to the Plan by completing and lodging the ASIC-approved notice of reliance in the prescribed form (currently ASIC Form CF08 or such other form as may be prescribed by ASIC) within one month of making the first Invitation (and relying on ASIC Class Order 14/1000).

17 TRUST

The Board may, in its discretion, use an employee share trust or other mechanism for the purposes of holding Shares and Plan Shares before or after the exercise of a Convertible Security or delivering any Plan Shares arising from exercise of a Convertible Security under these Rules on such terms and conditions as determined by the Board. For the avoidance of doubt, the Board may do all things necessary for the establishment, administration, operation and funding of an employee share trust.

18 RESTRICTIONS ON AND AMENDMENTS TO THE PLAN

18.1 Compliance with Applicable Laws

- (a) Notwithstanding these Rules or any terms of a Security, no Security may be offered, granted, vested or exercised, and no Share may be issued or transferred, if to do so would contravene any Applicable Laws.
- (b) In particular, the Company must have reasonable grounds to believe, when making an Invitation, that the total number of Plan Shares that may be issued, or acquired upon exercise of Convertible Securities offered, under an Invitation, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on ASIC Class Order 14/1000 at any time during the previous 3 year period under:
 - (i) an employee incentive scheme covered by ASIC Class Order 14/1000; or
 - (ii) an ASIC exempt arrangement of a similar kind to an employee incentive scheme,but disregarding any offer made or securities issued in the capital of the Company by way of or as a result of:
 - (i) an offer to a person situated at the time of receipt of the offer outside Australia;

- (ii) an offer that did not need disclosure to investors because of section 708 of the Corporations Act (exempts the requirement for a disclosure document for the issue of securities in certain circumstances to investors who are deemed to have sufficient investment knowledge to make informed decisions, including professional investors, sophisticated investors and senior managers of the Company); or
 - (iii) an offer made under a disclosure document,

would exceed 5% (or such other maximum permitted under any Applicable Law) of the total number of Shares on issue at the date of the Invitation (**Plan Limit**).
- (c) Despite any other provision of these Rules, no Eligible Participant is entitled to be issued Securities under this Plan if, before or immediately after that person is issued with the Securities:
 - (i) the person and their associates holds a beneficial interest in more than 10% of the total Shares on issue or that would be on issue if all Convertible Securities were exercised; and
 - (ii) The person and their associates are in a position to cast, or to control the casting of, more than 10% of the maximum number of votes that might be cast at a general meeting of the Company if all Convertible Securities were exercised.

18.2 Amendment of Plan

- (a) Subject to clause 18.2(b) and clause 18.2(c), the Board may:
 - (i) at any time amend any provisions of these Rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan; and
 - (ii) determine that any amendments to these Rules be given retrospective effect, immediate effect or future effect.
- (b) No amendment to any provision of these Rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment:
 - (i) introduced primarily:
 - A. for the purposes of complying with or conforming to present or future legislation governing or regulating the Plan or like plans;
 - B. to correct any manifest error or mistake;
 - C. to allow the implementation of an employee share trust arrangement pursuant to clause 17;
 - D. to enable the Plan or any member of the Group to comply with its constituent documents, and any other Applicable Laws; and/or
 - E. to take into consideration possible adverse taxation implications in respect of the Plan or Securities granted including as a result of changes to applicable taxation legislation or the interpretation of that legislation by a court of competent jurisdiction or any rulings from taxation authorities administering such legislation; or
 - (ii) agreed to in writing by all Participant(s).
- (c) An amendment to these Rules that requires the approval of the Shareholders under any Applicable Laws or other relevant securities laws will not become effective until such approval is obtained.

- (d) Subject to the Listing Rules and, if applicable, any Shareholder approval, the Board may determine that any amendment to these Rules or the terms of Securities granted under the Plan be given retrospective effect.
- (e) Amendment of these Rules or the terms upon which Securities are granted under the Plan by the Board will be of immediate effect unless otherwise determined by the Board.
- (f) As soon as reasonably practicable after making any amendment to any provision of these Rules, the Board will give notice of the amendment to each Participant affected by the amendment. Failure by the Board to notify a Participant of any amendment will not invalidate the amendment as it applies to that Participant.

18.3 Amendment by addendum

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

19 DURATION

19.1 Termination

The Plan continues in operation until the Board decides to end it.

19.2 Suspension

The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension.

19.3 Effect of termination / suspension

If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

19.4 Cancellation of Securities

Notwithstanding any other provisions of these Rules, but subject at all times to any Applicable Laws and regulations, if a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

19.5 Convertible Securities issued before termination

Participants who hold a Convertible Security issued pursuant to the Plan, before termination of the Plan under clause 19.1, will continue to be entitled to exercise such Convertible Security in accordance with the Plan and the Company will be bound to comply with the Plan in relation to such Convertible Securities.

20 TAXATION

20.1 No liability

Neither the Company nor its directors, officers, employees, representatives, advisers or agents:

- (a) takes any responsibility or assumes any liability for the Tax liabilities of Eligible Participants as a consequence of their participation in the Plan; or
- (b) represents or warrants that the Plan will have any particular Tax or financial consequences or that the Eligible Participant will gain any Tax or financial advantage by participating in the Plan.

20.2 Taxes

- (a) Upon the issue or exercise of a Security, the Participant must make arrangements satisfactory to the Company regarding payment of any federal, state, provincial, local or other taxes of any kind required by law to be paid in relation to the issue or exercise of a Security.
- (b) In order to satisfy the Company's obligation (if any) to remit an amount to a taxation authority on account of the taxes referred to in clause 20.2(a) in relation to the exercise, transfer or other disposition of a Security (the Withholding Tax Amount), the Company will have the right, at its discretion, to do any one or more, or any combination of, the following:
 - (i) retain and withhold amounts from any amount owing to the Participant, whether under the Plan or otherwise;
 - (ii) require the Participant to pay to the Company the Withholding Tax Amount as a condition of the exercise or issue of a Security by a Participant, where the payment received by the Company will be held on behalf of the Participant, and remitted to the appropriate taxing authority by the Company on behalf of the Participant; and/or
 - (iii) withhold from the Plan Shares that would otherwise be deliverable to the Participant on the exercise of Convertible Securities a number of Shares that have a market value of not less than the Withholding Tax Amount, and cause such withheld Shares to be sold on the Participant's behalf to fund the Withholding Tax Amount.
- (c) If the Company exercises its discretion under clause 20.2(b)(iii):
 - (i) the Company will not be responsible for obtaining any particular price for the Shares;
 - (ii) the proceeds of any Shares sold will be held by the Company on behalf of the Participant and remitted to the appropriate taxing authority by the Company on behalf of the Participant; and
 - (iii) any proceeds from such sale in excess of the Withholding Tax Amount will be promptly paid over to the Participant.
- (d) Nothing in this clause 20.2 precludes the Company and the Participant from agreeing to use a combination of the methods described in this clause 20.2 or some other method to fund the Withholding Tax Amount.

21 CONTRAVENTION OF APPLICABLE LAWS

- (a) An act must not be done nor determination made in accordance with these Rules where to do so would be a breach of any Applicable Laws, and where any such act is done or determination made it will be considered void and to the extent possible be rescinded such that it does not have any effect in relation to unexercised Convertible Securities or Plan Shares.
- (b) Notwithstanding any of the Rules contained in the Plan or in any Invitation, the Company's obligation to issue Plan Shares is subject to the following:
 - (i) completion of such registration or other qualification of such Plan Shares and the receipt of any approvals of governmental authority or securities exchange as the Company determines to be necessary or advisable in relation to the authorisation, issuance or sale thereof;
 - (ii) the admission of such Plan Shares to Quotation; and
 - (iii) the receipt from the Participant of such representations, agreements and undertakings, including as to future dealings in such Shares, as the Company or its counsel determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any applicable jurisdiction.
- (c) In relation to clause 21(b), the Company will, to the extent necessary, take all steps determined by the Board, in its discretion, to be reasonable to obtain such approvals, registrations and qualifications as may be necessary for the issuance or procurement of such Shares in compliance with Applicable Laws and other relevant securities laws and for the Quotation of such Plan Shares.

22 BUY-BACK

22.1 Buy-Back of Awards

- (a) Subject to compliance with Applicable Laws, the Company may Buy-Back Awards for an amount agreed with the Participant at any time.
- (b) Each Participant must do all acts, matters and things which are necessary or desirable to give effect to any Buy-Back of the Participant's Awards.

22.2 Buy-Back of Plan Shares

- (a) Subject to compliance with Applicable Laws, the Company may Buy-Back Plan Shares from a Participant by way of an Employee Share Scheme Buy-Back.
- (b) Each Participant must do all acts, matters and things which are necessary or desirable to give effect to any Buy-Back under clause 22.2(a).

23 MISCELLANEOUS

23.1 Rights of Participants

Nothing in these Rules:

- (a) confers on any person any right or expectation to become a Participant, or the right to be invited to apply for, or be offered or to receive any Securities;
- (b) confers on any person the right to continue as an employee, contractor or officer of any member of the Group (as the case may be);

- (c) affects the rights of any member of the Group to terminate the Engagement Arrangement of an Eligible Participant;
- (d) forms part of any contract of service between an Eligible Participant and any member of the Group;
- (e) may be used to increase rights of compensation or damages in any action brought against a member of the Group in respect of an Engagement Arrangement;
- (f) confers any legal or equitable right on an Eligible Participant whatsoever to take action against any member of the Group in respect of their Engagement Arrangement;
- (g) confers on an Eligible Participant any rights to compensation or damages in consequence of the termination of their Engagement Arrangement by any member of the Group for any reason whatsoever including ceasing to have rights under the Plan as a result of such termination; or
- (h) confers any responsibility or liability on any Group Company or its directors, officers, employees, contractors, representatives, advisers or agents in relation to any taxation liabilities of the Eligible Participant.

23.2 Non-exclusivity and relationship to other Company schemes or plans

- (a) This Plan is not the sole means by which all members of the Group intend to provide incentives to Eligible Participants. Nothing in this Plan is intended to restrict any member of the Group from remunerating incentivising or otherwise rewarding employees or directors of any member of the Group outside the Plan.
- (b) Participation in the Plan does not affect, and is not affected by, participation in any other incentive or other scheme or plan operated by any member of the Group unless the terms of that other scheme or plan provide otherwise.

23.3 Notice

- (a) Any notice or other communication under or concerning the Plan is validly given:
 - (i) to a Participant, if delivered personally to the addressee or sent by prepaid post to the Participant's last known residential address, or sent to the Participant by facsimile or email at the Participant's place of work; and
 - (ii) to the Company, if delivered or sent by prepaid post addressed to the company secretary at the Company's registered office (or any other address the Board specifies), or as otherwise notified by the Company from time to time.
- (b) Subject to clause 23.3(a), a notice or other communication will be deemed to have been served:
 - (i) if delivered by hand, at the time of delivery;
 - (ii) if sent by facsimile or electronic mail, on receipt of a successful transmission notice, return receipt or such other confirmation by which the sender can reasonably verify delivery; or
 - (iii) if posted, and provided it is properly addressed and stamped, 48 hours after mailing in Australia and 7 days after mailing outside Australia.

23.4 Further assurances

All parties that have agreed to be bound by these Rules must do all things reasonably necessary to give full effect to this Plan and the transactions contemplated by this Plan.

23.5 Costs and charges

- (a) The Company will be responsible for any brokerage, commission, stamp duty or other costs payable in relation to the issue or transfer of Plan Shares to or on behalf of a Participant (except for taxes, which are payable by Participants, and the Exercise Price for the purposes of the Plan).
- (b) Each Participant will be responsible for all costs associated with the disposal of a Plan Share by that Participant.

23.6 No representation or warranty

- (a) The Company makes no representation or warranty as to the value of Securities or with respect to any tax matters affecting any Eligible Participant or Participant in connection with the Plan.
- (b) Neither the Company, nor any of its directors, officers or employees are liable for anything done or omitted to be done by such person or any other person with respect to price, time, quantity or other conditions and circumstances of the issue or acquisition of Shares hereunder, with respect of any fluctuations in the market price of Shares, or in any other manner related to the Plan.

23.7 Data protection

By participating in the Plan, the Participant consents to the holding and processing of personal data provided by the Participant for the purposes of the Plan. These purposes include, but are not limited to:

- (a) administering and maintaining records held in respect to a Participant;
- (b) providing information to members of the Group, registrars, brokers or third party administrators of the Plan (if any) or advisers of the Board;
- (c) providing information to corporate advisers or potential future third party purchasers in connection with a sale of shares in a member of the Group, or the business and assets of a member of the Group; and
- (d) transferring information about the Participant to a country or territory outside Australia.

23.8 Governing law

- (a) This Plan is governed by the laws of Western Australia, Australia.
- (b) Each Participant submits to the non-exclusive jurisdiction of the courts of Western Australia, Australia, and the courts competent to determine appeals from those courts, with respect to any proceedings that may be brought in connection with these Rules.

23.9 Waiver of rights

- (a) A waiver of any right, power, authority, discretion or remedy arising upon a breach of or default under these Rules must be in writing and signed by the party granting the waiver, and may be subject to such terms and conditions as determined by the party granting the waiver.
- (b) A failure or delay in the exercise, or partial exercise, of a right, power, authority, discretion or remedy arising from a breach of or default under these Rules, does

not prevent the exercise of or result in a waiver of that right, power, authority, discretion or remedy.

- (c) A party is not entitled to rely on a delay in the exercise or non-exercise of a right, power, authority, discretion or remedy arising from a breach of these Rules or default under these Rules as constituting a waiver of that right, power, authority, discretion or remedy.
- (d) A party may not rely on any conduct of another party as a defence to the exercise of a right, power, authority, discretion or remedy by that other party.
- (e) A waiver is only effective in the specific instance and for the specific purpose for which it is given and subject to any specific terms and conditions as specified in the waiver.
- (f) This clause may not itself be waived except in writing.

23.10 Listing Rules

- (a) While the Company remains admitted to the ASX, these Rules must at all times comply with the Listing Rules.
- (b) If there is any inconsistency between these Rules and the Listing Rules, then the Listing Rules will prevail to the extent of the inconsistency.

23.11 ASIC relief

- (a) Notwithstanding any other provisions of the Plan, every covenant or other provision set out in an exemption or modification granted by ASIC in relation to the Plan or which applies to the Plan pursuant to its power to exempt and modify the Corporations Act and required to be included in the Plan in order for that exemption or modification to have full effect, is deemed to be contained in these Rules.
- (b) To the extent that any covenant or other provision deemed by this clause 23.11 to be contained in these Rules is inconsistent with any other provision in these Rules, the deemed covenant or other provision will prevail.

23.12 Error in Allocation

If any Security is provided under the Plan in error or by mistake to a person (**Mistaken Recipient**) who is not the intended recipient, the Mistaken Recipient will not have any right or interest, and will be taken never to have had any right or interest, in that Security and any such Security will immediately lapse or be forfeited.

23.13 Dispute

Any disputes or differences of any nature in relation to the Plan will be referred to the Board for determination.

23.14 No fiduciary capacity

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

23.15 Non-residents of Australia

- (a) The Board may adopt additional rules applicable to any jurisdiction outside Australia under which Securities offered under the Plan may be subject to additional or modified terms, having regard to any securities exchange control or taxation laws or regulations or similar factors which may apply to the Participant or any Group Company in relation to those Securities. Any additional rules must conform to the basic principles of this Plan.
- (b) When a Security is granted under the Plan to a Participant who is not a resident of Australia, the Rules apply subject to such alterations or additional terms as the Board determines having regard to any securities exchange control or taxation laws or regulations or similar factors which may apply to the Participant or to any Group Company in relation to the Security.

23.16 Enforcement

These Rules, any determination of the Board made pursuant to the Rules, and the terms of any Securities granted under the Plan, will be deemed to form a contract between the Company and the Participant.

23.17 Participants Bound

Participants who are issued Securities under the Plan are bound by the Plan and by the Constitution.