

CHALLENGER EXPLORATION LIMITED
ACN 123 591 382
(Company)

SALARY SACRIFICE SHARE PLAN

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1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

The following words and expressions have the following meanings unless a contrary intention appears:

Allocation Date means the date on which the Plan Securities are granted, issued, transferred or allocated.

Ancillary Documents or **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 Plan Securities.

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

- (a) the Corporations Act (including Division 1A of Part 7.12 which comes into effect on 1 October 2022);
- (b) the Listing Rules;
- (c) the constitution of the Company;
- (d) the ITAA 1997;
- (e) the *Income Tax Assessment Act 1936 (Cth)* as amended from time to time;
- (f) the applicable laws in Israel insofar as they relate to the Company and the Plan as set out in Annexure A;
- (g) any practice note, policy statement, regulatory guide, class order, declaration, guideline, policy, procedure, ruling, judicial interpretation or other guidance note made to clarify, expand or amend (a), (b), (c), (d) and (e) above;
- (h) 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
- (i) in respect of acquisition or disposals of any Participant Shares, any formal policy relating to dealings in Participant Shares adopted by the Board from time to time, including the Securities Trading Policy.

Associate has the same meaning given to that term in section 12 of the Corporations Act.

ASX means ASX Limited (ACN 008 624 691) trading as the Australian Securities Exchange.

Board means all or some of the directors of the Company acting as a board, and includes a committee of the Board and a delegate of the Board.

Bonus means the amount of the cash bonus (whether discretionary or guaranteed) to which the Eligible Participant may become entitled in respect of their employment.

Business Day means a day other than a Saturday, Sunday or public holiday and on which banks are open for business generally in Western Australia.

Change of Control Event means:

- (a) a person (together with its Associates), who does not as at the date of adoption of this Plan by the Board have such a Relevant Interest, obtaining a Relevant Interest in sufficient Shares to give it or them the ability, in a general meeting, to replace all or a majority of the Board;
- (b) where a Takeover Bid is made to acquire more than 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);
- (c) a person becomes bound or entitled to acquire shares in the Company under section 414 of the Corporations Act (upon a scheme of arrangement being approved by Shareholders), Chapter 6A of the Corporations Act, or section 444GA of the Corporations Act;
- (d) a Court orders a meeting to be held in relation to, or members of the Company approve, a compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies (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 50% of Issued Capital, where such a person (either alone or together with its Associates) does not as at the date of adoption of this Plan by the Board own more than 50% of Issued Capital;
- (e) the Company passes a resolution for the voluntary winding up of the Company;
- (f) an order is made for the compulsory winding up of the Company; or
- (g) the sale of all or substantially all of the business and assets of the Group,

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

Cleansing Notice means a written notice by the Company to ASX pursuant to section 708A(5) of the Corporations Act in a form that is sufficient to permit secondary trading on the ASX of the Participant Shares to which it relates.

Company means Challenger Exploration Limited (ACN 123 591 382).

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

Corporations Act Exemption means the exemption from various disclosure requirements under the Corporations Act for offers of securities made by a company under an employee share scheme as set out in the ESS Regime.

Deal or Dealing in relation to a Plan Security or Participant Share (as the case may be), any dealing, including but not limited to:

- (a) a sale, transfer, assignment, grant of a Security Interest or option or swap, or any other alienation of all or any part of the rights attaching to the Plan Security or Participant Share;
- (b) any attempt to do any of the actions set out in paragraph (a) above; and
- (c) any hedging (including any dealing with a derivative instrument intended to "lock in" a profit relating to a Plan Security, and any other transactions in financial products that operate to limit the economic risk associated with holding a Plan Security).

Director means any person occupying the position of a director of any Group Company (including an alternate director or managing director appointed in accordance with the relevant constitution).

Eligible Participant means a person that is:

- (a) a 'primary participant' (as that term is defined in the ESS Regime) 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.

Eligible Participant Employer means any Group Company, and in relation to any particular Participant means the company by which that Participant is for the time being employed.

Engagement Arrangement means in respect of:

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

ESS Regime means Division 1A of Part 7.12 of the Corporations Act.

Government Agency means any government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity whether foreign, federal, state, territorial or local.

Group means the Company and each of its Subsidiaries.

Group Company means the Company or any of its Subsidiaries.

Incentive Scheme means an employee share or option scheme extended to either or both employees and directors of Group Companies, and includes the Plan.

Invitation means an invitation to apply for Plan Securities under the Plan made in accordance with Rule 3.2 and includes all relevant documentation provided to an Eligible Participant in connection with that invitation.

Issued Capital means the aggregate number of issued Shares from time to time.

ITAA 1997 means the *Income Tax Assessment Act 1997* (Cth) as amended from time to time.

Leaver means a Participant who ceases to be an Eligible Participant.

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, except to the extent of any express waiver granted by the operator of the relevant financial market.

Nominated Party means, in respect of an Eligible Participant:

- (a) a spouse, parent, child or sibling of the Eligible Participant;
- (b) another body corporate controlled by the Eligible Participant, or a person mentioned in paragraph (a);
- (c) a body corporate that is the trustee of a self-managed superannuation fund (within the meaning of the *Superannuation Industry (Supervision) Act 1993*) where the Eligible Participant is a director of the body corporate; or
- (d) a person prescribed in relation to the Eligible Participant by the regulations for the purposes of section 1100L(1)(b)(iv) of the Corporations Act.

Participant means an Eligible Participant who has been granted a Plan Security under this Plan.

Participant Share means, in relation to a Participant, a Share issued, transferred or allocated to a Participant under the Plan.

Plan means this Salary Sacrifice Share Plan and the Rules of which are set out in this document as amended from time to time.

Plan Security means a Participant Share.

Relevant Interest has the meaning given to that term in the Corporations Act.

Remuneration means the payments, emoluments and other benefits which the Eligible Participant may become entitled to receive from time to time as remuneration for services to be provided or work to be performed by the Eligible Participant in the course of, or in connection with, the Eligible Participant's employment, engagement or position as a Director including, but not limited to, salary, wages, fees (in the case of a Director), or a Bonus.

Rules are the rules of this Plan set out in this document, as amended from time to time.

Salary Sacrifice means where the Eligible Participant agrees to contractually forgo part of their future pre-tax Remuneration in consideration for the grant, issue, transfer or allocation of one or more Plan Securities.

Securities Trading Policy means the securities trading policy of the Company from time to time.

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

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

Shareholder means a holder of a Share.

Special Circumstances means:

- (a) a Participant ceasing to be an Eligible Participant due to death or Total or Permanent Disability of a Participant; or
- (b) any other exceptional or extraordinary circumstances as determined by the Board to constitute "Special Circumstances".

Subsidiary has the same meaning as in Division 6 of Part 1.2 of the Corporations Act.

Takeover Bid has the meaning given to it in the Corporations Act.

Tax includes any tax, levy, impost, value-added tax, deduction, charge, rate, contribution, duty or withholding which is assessed (or deemed to be assessed), levied, imposed or made by any Government Agency together any interest, penalty, fine, charge, fee or other amount assessed (or deemed to be assessed), levied, imposed or made on or in respect of any or all of the foregoing.

Total and Permanent Disability means that the Participant has, in the opinion of the Board, after considering such medical and other evidence as it sees fit, become incapacitated to such an extent as to render the Participant unlikely ever to engage in any occupation with the Company or its Associated Bodies Corporate for which he or she is reasonably qualified by education, training or experience.

1.2 Interpretation

In these Rules, unless the contrary intention appears:

- (a) words importing the singular include the plural and vice versa;
- (b) references to these Rules, or any particular Rule or paragraph of these Rules, means these Rules, or the relevant Rule or paragraph, as amended from time to time;
- (c) a reference to a person includes a reference to the person's executors, administrators, substitutes (including any person taking by way of novation) and in the case of a Participant, includes any person to whom that Participant transfers a Plan Security or Participant Share in accordance with the terms of an Australian court order or an injunction granted by an Australian court;
- (d) references to a statute or other law include regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;

- (e) references to the exercise of a power or discretion include a decision not to exercise the power or discretion;
- (f) references to a "year" mean any period of 12 months;
- (g) the words "include", "including" or "such as" are not used as, nor are they to be interpreted as words of limitation, and when introducing a list of items does not exclude a reference to other items whether of the same class or genus or not;
- (h) "Australian dollars", "dollars", "A\$" or "\$" is a reference to the lawful currency of Australia;
- (i) law means common law, principles of equity, and laws made by parliament (and laws made by parliament include State, Territory and Commonwealth of Australia laws and regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of any of them);
- (j) a group of persons or things is a reference to any two or more of them jointly and to each of them individually;
- (k) if a period of time dates from a given day or the day of an act or event, it is to be calculated exclusive of that day; and
- (l) if an act under these Rules to be done by a party on or by a given day is done after 5:30 pm on that day, it is taken to be done on the next day.

1.3 Heading

Headings are for convenience only and, except where they are inserted as a means of cross-reference, do not affect the interpretation of these Rules.

1.4 Applicable Law

The Board will ensure that the Plan is at all times operated in accordance with Applicable Law.

1.5 Inconsistencies

Notwithstanding anything to the contrary in any employment agreement or contract between a Participant and any Group Company, but subject at all times to these Rules, if there is any inconsistency between these Rules and that agreement or contract, these Rules prevail.

1.6 Rounding

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

1.7 Constitution

The entitlements of Eligible Participants and 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.

1.8 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) except to the extent an Invitation provides otherwise.

2. INTRODUCTION

2.1 Purpose

The purpose of the Plan is to:

- (a) align the interests of Eligible Participants and Shareholders by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Plan Securities;
- (b) provide competitive remuneration for the retention of key Eligible Participants;
- (c) support a culture of share ownership by Eligible Participants;
- (d) provide the Company with the ability to attract employees of a high calibre;
- (e) allow the Company to retain cash reserves; and
- (f) assist with remuneration planning for Eligible Participants.

2.2 Commencement

The Plan commences on the date that the Company determines.

2.3 Rules are binding

The Company, each other Group Company and each Participant are bound by these Rules.

3. INVITATION, APPLICATION AND ACCEPTANCE

3.1 Eligibility

The Board may determine the Eligible Participants who are eligible to participate in the Plan from time to time.

3.2 Invitation may be made

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.

3.3 Invitation to acquire Plan Securities

An Invitation to an Eligible Participant to acquire Plan Securities may be on such terms and conditions as the Board decides from time to time, including as to:

- (a) the number of Plan Securities (or the method by which the number will be calculated) for which that Eligible Participant may acquire;

- (b) the market value payable for the acquisition of a Plan Security or how that market value is to be calculated;
- (c) the terms and conditions of the Salary Sacrifice arrangement;
- (d) the manner in which the Eligible Participant must apply for the Plan Securities;
- (e) the amount (if any) that will be payable for the grant of the Plan Securities;
- (f) how Plan Securities may be treated on a Change of Control Event or the likely occurrence of a Change of Control Event, and any discretions retained by the Board;
- (g) how Plan Securities may be treated in the event that the Eligible Participant becomes a Leaver, and any discretions retained by the Board;
- (h) any restrictions (including the period of restriction) on Dealing attaching to a Participant Share; and
- (i) any other supplementary terms and conditions, including those contained within any Ancillary Documents.

3.4 Salary Sacrifice

- (a) The Board may determine the terms and conditions of the Salary Sacrifice arrangement for which Plan Securities are offered in lieu of that Remuneration.
- (b) In respect of an offer to participate under the Plan through a Salary Sacrifice arrangement:
 - (i) the Board may determine the amount of the Remuneration which may be Salary Sacrificed by each Eligible Participant;
 - (ii) the number of Plan Securities granted, issued, transferred or allocated (as applicable) to a Participant will be indicated in the Invitation; and
 - (iii) such offer will be conditional on the Company and the Participant entering into an agreement setting out the terms and conditions of the Salary Sacrifice arrangement.
- (c) The Board may determine in its sole and absolute discretion that any Salary Sacrifice arrangement agreed to by a Participant is to be continued until the Participant is no longer an Eligible Participant under the Plan.

3.5 Form of Application

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

3.6 Invitations non-transferable

An Invitation is not transferable or capable of being acted upon by a person other than the Eligible Participant to whom it is addressed.

3.7 Who may apply

On receipt of an Invitation, an Eligible Participant may apply for the Plan 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) agreeing to the terms of the Plan, by the time and date specified in the Invitation, unless otherwise determined by the Board.

3.8 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 Plan 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.

3.9 Eligible Participant agrees to be bound

Upon acceptance of an Invitation, each Participant is deemed to have agreed to be bound by:

- (a) the terms of the Invitation;
- (b) the Ancillary Documentation (if any);
- (c) the provisions of these Rules, as amended from time to time; and
- (d) all Applicable Laws.

3.10 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.

3.11 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 Plan 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 Rule 3.11 (b) in favour of the Nominated Party where to do so would be inconsistent with:
 - (i) the ESS Regime; 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 Plan 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.

3.12 Terms and conditions of Invitation prevail

To the extent of any inconsistency, the terms and conditions advised to an Eligible Participant by the Board in an Invitation will prevail over any other provision of these Rules.

3.13 Cessation of membership

A person ceases to be a Participant when all other property or moneys to which the Participant is entitled under the Plan have been transferred or paid in accordance with these Rules.

4. SALARY SACRIFICE CONTRIBUTIONS

4.1 Frequency

Each Participant must elect in accordance with the instructions that accompany the Invitation to make their Salary Sacrifice contributions by way of:

- (a) regular deductions from the Participant's Remuneration during the relevant year; or
- (b) a lump sum deduction from the Participant's Remuneration in the first payroll period during the relevant year; or

- (c) application of part or all of any Bonus.

4.2 Tax treatment

- (a) Each Participant's Salary Sacrifice contribution will be made from the Participant's Remuneration prior to the deduction of any applicable income tax from that Remuneration.
- (b) This Plan is a scheme to which Subdivision 83A-C of the ITAA 1997 applies (subject to the conditions in the ITAA 1997) except to the extent an Invitation provides otherwise.

4.3 Payroll deductions prior to delivery of Plan Securities

The Salary Sacrifice amount of a Participant's Remuneration will be held for the relevant Participant, subject to Applicable Law, on trust by the Company in an account with an Australian authorised deposit-taking institution that is kept solely for the purpose of holding Participant's Salary Sacrifice contributions, until those Salary Sacrifice contributions have been used to or applied toward the grant, issue, transfer or allocate Plan Securities to a Participant.

4.4 Superannuation Contributions

Salary Sacrifice amounts or contributions will be eligible for employer paid superannuation contributions. The prevailing Superannuation Guarantee Contribution rate will be applied to the salary sacrifice amount in accordance with the amount as elected in Rule 4.1.

5. PARTICIPANT SHARES

5.1 Issue, transfer or allocation

- (a) Upon acceptance of an Invitation and the deduction of any Salary Sacrifice contribution under Rule 4, the Board must, subject to its discretion under Rule 4, either issue, transfer or allocate the prescribed number of Participant Shares to the Eligible Participant in accordance with the Invitation.
- (b) Unless the Board determines otherwise, Participant Shares issued, transferred or allocated under the Plan:
 - (i) will be granted in consideration for the Participant's Salary Sacrifice amount in accordance with the terms of the Invitation; and
 - (ii) may not be registered in any name other than that of the Eligible Participant.

6. RESTRICTIONS ON DEALING WITH PLAN SECURITIES

- (a) The Board may, at its discretion, impose restrictions on Dealing in respect of any Participant Shares allocated under the Plan and may implement any procedure it considers appropriate to enforce such restrictions.
- (b) A Participant may, in Special Circumstances, request, in writing to the Board, to remove any restrictions on Dealing, which the Board may accept or decline the request in its sole and absolute discretion.

- (c) For the avoidance of doubt, the Board may impose restrictions on Dealing in respect of any Participant Share to allow for the deferred tax concessions under Subdivision 83A-C of the *Income Tax Assessment Act 1997* (Cth) to apply.

6.2 Participant's undertaking

For so long as a Participant 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 Participant 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.

6.3 Expiry of restriction

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

6.4 Share entitlements

For the avoidance of doubt, the imposition of a disposal restriction on a Participant Share held by a Participant will not affect the 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 Participant Share.

7. RIGHTS ATTACHING TO PARTICIPANT SHARES

7.1 Participant Shares to rank equally

All Participant 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 Participant Shares.

7.2 Listing

- (a) If Participant Shares are in the same class as Shares which are listed on the ASX, the Company will apply for quotation of the Participant Shares issued (or any unquoted Participant Shares transferred) within the time required by the Listing Rules after the date of allotment.
- (b) Where required to enable Participant Shares issued to be freely tradeable on the ASX, the Company will use reasonable endeavours to issue a Cleansing Notice under Section 708A(5) of the Corporations Act, if eligible, or a cleansing prospectus under section 708A(11) of the Corporations Act, at the time Participant Shares are issued.
- (c) Where a Cleansing Notice is required, but cannot be issued, the Company will use its best endeavours to impose an ASX Holding Lock on the Participant Shares or use an employee share trust to hold the Participant Shares during the relevant restriction period to allow the Company to lodge a prospectus in relation to the Participant Shares with ASIC which complies with the

requirements of the Corporations Act and allows the Participant Shares to be freely tradeable on the ASX.

7.3 Dividends

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

7.4 Dividend reinvestment plan

A Participant may participate in any dividend reinvestment plan operated by the Company in respect of Participant Shares held by the Participant. Shares issued under any dividend reinvestment plan operated by the Company will be subject to the same terms and conditions as the Participant Shares held by the Participant unless the Board determines otherwise.

7.5 Voting rights

A Participant may exercise any voting rights attaching to Participant Shares held by the Participant.

8. WITHHOLDING AND OTHER TAXES

- (a) Unless otherwise required by law, no Group Company is responsible for any Tax that may become payable by a Participant as a consequence of or in connection with the grant of any Right, the issue, transfer or allocation of any Participant Shares or any Dealing with any Plan Security or any Participant Shares.
- (b) If a Group Company is obliged, or reasonably believes it may have an obligation, as a result of or in connection with any Plan Securities granted or Participant Shares issued, transferred or allocated under this Plan, to account for:
 - (i) income tax or employment taxes under any wage, withholding or other arrangements; or
 - (ii) any other tax, social security contributions or levy or charge of a similar nature,that is a liability of the Participant, then the relevant Group Company is entitled to be reimbursed by the Participant for the amount or amounts so paid or payable.
- (c) Where Rule 7(b) applies, the relevant Group Company is not obliged to grant any Plan Securities or issue, transfer or allocate Participant Shares unless the Company is satisfied that arrangements for payment or reimbursement of the amounts referred to in Rule 8 have been made. Those arrangements may include, without limitation:
 - (i) the provision by the Participant of sufficient funds to reimburse the relevant Group Company for the amount (by salary deduction, reduction of any amount owed by the Group to the Participant or otherwise);
 - (ii) the sale on behalf of the Participant of Participant Shares issued, transferred or allocated pursuant to these Rules for payment or

reimbursement of these amounts, as well as the costs of any such sale; or

- (iii) a reduction in any amount payable to the Participant in lieu of an issue, transfer or allocation of Participant Shares under these Rules.

9. LEAVERS

The Board may specify in the Invitation how the Participant's Plan Securities will be treated on the Participant becoming a Leaver, which may vary depending upon circumstances in which the Participant becomes a Leaver.

Any Salary Sacrifice contributions made under the Plan that have not at the time of receipt of the Termination Notice been used for or applied to the grant, issue, transfer or allocation of Plan Securities under this Plan, any such amounts will be repaid to the Participant by the Company as soon as practicable.

Any payment to a Participant under this Rule 8 will, to the extent possible, be treated as a payment of Remuneration to the Participant in relation to services rendered by the Participant to any Group Company. Any amount for superannuation contributions made by the Company under Rule 4.4 will be offset against any Superannuation Guarantee Contribution that will be made to a Leaver.

10. CHANGE OF CONTROL EVENT

10.1 Effect of Change of Control Event

- (a) Notwithstanding any other provisions of the Rules, if a Change of Control Event occurs, or the Board determines such event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Plan 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.
- (b) The Board may specify in the Invitation how the Participant's Plan Securities will be treated on a Change of Control Event occurring, or the Board determining that such event is likely to occur, which may:
 - (i) vary depending upon circumstances in which the Participant becomes a Leaver; and
 - (ii) preserve some or all of the Board's discretion under Rule 9.1(a).

10.2 Acquisition of securities in Acquirer

If:

- (a) an entity (**Acquirer**) obtains Control of the Company as a result of a Change of Control Event; and
- (b) the Company, Acquirer and the Participant agree,

subject to Applicable Laws, a Participant may, upon satisfaction of any conditions applicable to the Plan Securities (including any exercise), be provided with securities in the Acquirer or its parent in lieu of Participant Shares in such manner

as the parties may agree (including by a replacement security or exchange of Participant Shares issued, transferred or allocated on exercise (if required)) and on substantially the same terms and conditions but with any necessary or appropriate adjustments to the number of kind of securities.

11. ALTERATION AND TERMINATION OF SALARY SACRIFICE ARRANGEMENTS

11.1 Alteration of Salary Sacrifice contribution

A Participant may, in Special Circumstances, request, in writing to the Board, to vary the Participant's Salary Sacrifice contribution amount, which the Board may accept or decline the request in its sole and absolute discretion.

11.2 Termination by request

- (a) A Participant may, in writing to the Board, request to terminate a prior Salary Sacrifice arrangement and their participation in the Plan at any time (**Termination Notice**).
- (b) Subject to Applicable Law, with effect from the time the Board receives a Termination Notice:
 - (i) the Salary Sacrifice arrangement will be terminated and no further Salary Sacrifice contributions for Participant Shares will be made in respect of the Participant;
 - (ii) no Participant Shares will be granted, issued, transferred or allocated to the Participant in consideration for any Salary Sacrifice contributions made under the Plan that have not at the time of receipt of the Termination Notice been used for or applied been used for or applied to the grant of Participant Shares and any such amounts will be repaid to the Participant by the Company as soon as practicable but within 45 days of the termination in accordance with clause 11.2(b), including any accumulated interest; and
 - (iii) any payment to a Participant under this Rule 11.2(b) will, to the extent possible, be treated as a payment of Remuneration to the Participant in relation to services rendered by the Participant to any Group Company. Any amount for superannuation contributions made by the Company under Rule 4.4 will be offset against any Superannuation Guarantee Contribution that will be made to a Leaver.

12. ADMINISTRATION OF PLAN

12.1 Board to administer Plan

The Plan is to be administered by the Board. For the avoidance of doubt, the Board may make further provisions for the operation of the Plan which are consistent with these Rules.

12.2 Waiver of terms and conditions

Notwithstanding anything in these Rules, the Board may at any time waive in whole or in part any terms or conditions in relation to any Plan Securities granted or Participant Shares issued, transferred or allocated to a Participant.

12.3 Board powers and discretions

- (a) Any power, right or discretion which is conferred on the Board by these Rules may be exercised in its sole and absolute discretion except to the extent that it prevents the Participant relying on the deferred tax concessions under Subdivision 83A-C of the *Income Tax Assessment Act 1997* (Cth).
- (b) Subject to Applicable Law, 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.

12.4 Delegation of Board powers and discretions

Any power or discretion which is conferred on the Board by these Rules including the power to invite Eligible Participants to participate in the Plan may be delegated by the Board to:

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

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

12.5 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 Rule 3.11 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.

12.6 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.

12.7 Suspension of Plan

The Board may from time to time suspend the operation of the Plan and may at any time cancel the Plan. The suspension or cancellation of the Plan must not prejudice the existing rights (if any) of Participants.

13. RESTRICTIONS ON THE PLAN

- (a) Notwithstanding these Rules or any terms of a Security, no Share Right may be offered, granted, transferred or allocated, and no Share may be issued, transferred or allocated, under this Plan if to do so would contravene any Applicable Laws.

(b) In particular where monetary consideration is payable by the Eligible Participant (or deemed to be payable under the Salary Sacrifice arrangement), the Company must reasonably believe when making an Invitation:

- (i) the total number of Participant Shares that are, or are covered by the Plan Securities that may be issued under an Invitation; and
- (ii) the total number of Participant Shares that are, or are covered by the Plan Securities that have been issued, or could have been issued in connection with the Plan in reliance on the Corporations Act Exemption at any time during the previous 3 year period prior to the date the Invitation is made,

does not exceed 5% of the issued capital of the Company at the date of the Invitation (unless the Constitution specifies a different percentage).

14. AMENDMENT OF THE PLAN

14.1 Board may amend

Subject to Rule 14.2, the Board may at any time amend the Plan in any respect.

14.2 Power of amendment - limitations

- (a) No amendment may be made to the advantage of Participants to the provisions of the Plan relating to:
 - (i) the persons to whom, or for whom, securities, cash or other benefits are provided under the Plan;
 - (ii) limitations on the number or amount of the securities, cash or other benefits subject to the Plan;
 - (iii) the maximum entitlement for any one Participant; or
 - (iv) the basis for determining a Participant's entitlement to, and the terms of, securities, cash or other benefit to be provided and for the adjustment thereof (if any) in the event of a capitalisation issue, rights issue, sub-division or consolidation of shares, reduction of capital or any other variation of capital, without the prior approval of the Company in general meeting.
- (b) No amendment may be made which would affect adversely any of the subsisting rights of a Participant except either with his consent in writing or with the consent of the majority of Participants affected by the amendment or addition.

14.3 Power of amendment - exceptions

The Board may make minor amendments to the Plan in order to:

- (a) take account of any change in Applicable Law;
- (b) comply with present or future State, Territory or Commonwealth legislation or the Listing Rules governing or regulating the maintenance or operation of the Plan or like plans;

- (c) correct any manifest error or mistake;
- (d) enable the Plan or a Group Company to comply with Applicable Law; and/or
- (e) obtain or maintain favorable tax, exchange control or regulatory treatment for Participants, for the Company or any Group Company, or to benefit the administration of the Plan.

14.4 Notification of amendments

The Board must give written notice to all Participants of any amendment which affects their rights.

15. TERMINATION OF THE PLAN

The Plan terminates and is to be wound up (as provided below) on the occurrence of any of the following events:

- (a) if an order is made or an effective resolution is passed for the winding up of the Company other than for the purpose of amalgamation or reconstruction; or
- (b) if the Board determines that the Plan is to be wound up.

16. MISCELLANEOUS PROVISIONS

16.1 Rights of Participants

Nothing in these Rules:

- (a) confers on any person any expectation to become a Participant;
- (b) confers on any Eligible Participant the right to be invited to apply for, to be offered or to receive any Plan Security;
- (c) confers on any Participant the right to continue as an Eligible Participant of any Employer;
- (d) affects any rights which any Employer may have to terminate the employment of any Eligible Participant; or
- (e) may be used to increase damages in any action brought against any Employer in respect of any termination of employment.

No person, whether a Participant or otherwise, has any claim, right or interest in respect of the Plan or any Plan Security or other property of the Plan, whether against the Company or any other person, as a consequence of termination of the Eligible Participant's employment or appointment or otherwise, except under and in accordance with these Rules.

16.2 Non-exclusivity

- (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 Group Company from remunerating or otherwise rewarding employees or directors of any Group Company outside the Plan.

- (b) Participation in the Plan does not affect, and is not affected by, participation in any other incentive or other scheme operated by any Group Company unless the terms of that other scheme provide otherwise.

16.3 Instructions by Participants

For the purposes of these Rules, the Board, the Company and any Employer is entitled to regard any notice, direction or other communication given or purported to be given by or on behalf of a Participant (or a legal personal representative of a Participant) as valid, whether given orally or in writing. Any notice, direction or other communication given or purported to be given by or on behalf of a Participant (or a legal personal representative of a Participant) or any other person under these Rules to the Company or the Employer is duly given only if actually received by the Company or Employer (as the case may be).

16.4 Attorney

Each Participant, in consideration of an Invitation, shall be deemed to irrevocably appoint the Company, and any person nominated from time to time by the Company (each an **Attorney**), severally, as the Participant's attorney to complete and execute any documents including applications for Plan Securities and transfers of Plan Securities and to do all acts or things on behalf of and in the name of the Participant which may be convenient or necessary for the purpose of giving effect to the provisions of these Rules and the Participant shall be deemed to covenant that the Participant shall ratify and confirm any act or thing done pursuant to this power and shall release the Company, each member of the Board, each Group Company and the Attorney (where applicable) from any liability whatsoever arising from the exercise of the powers conferred by this Rule and shall indemnify and hold harmless the Company, each member of the Board, each Group Company and the Attorney (where applicable) in respect thereof.

16.5 Notices

Any notice, certificate, consent, approval, waiver or other communications given by the Board, the Company or the Employer is deemed to have been duly given if:

- (a) sent by electronic mail or delivered by hand; or
- (b) sent by ordinary prepaid mail, and

is deemed to have been served:

- (c) if sent by electronic mail or delivered by hand, at the time of sending or delivery; or
- (d) if posted, three Business Days (or, if posted to a Participant's address outside Australia, seven Business Days) after the date of posting.

Delivery, transmission and postage is to the address as the Board or any Participant may notify to the other or in the case of a Participant who is an Eligible Participant, the address of the place of business at which the Participant performs the whole or substantially the whole of the duties of his or her office or employment.

16.6 Data protection

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

- (a) administering and maintaining Participant records;
- (b) providing information to trustees of any employee benefit trust, registrars, brokers or third party administrators of the Plan;
- (c) providing information to any regulatory authority (including the Australian Tax Office) where required under law; and
- (d) providing information to future purchasers of the Group or a Group Company or the business in which the Participant works.

16.7 Governing law

- (a) These Rules are governed by the laws in force in Western Australia and are construed and take effect in accordance with those laws.
- (b) Each Participant submits to the non-exclusive jurisdiction of the courts of Western Australia, and the courts competent to determine appeals from those courts, with respect to any proceedings that may be brought in connection with this Plan.