

**Australian Securities Exchange Announcement**

**4 October 2023**

King River Resources Ltd (ASX:KRR) (**King River** or the **Company**) advises, in accordance to the Appendix 3B lodged with the ASX today, the Company proposes to issue Performance Rights to senior management and directors. The Performance Rights will vest, and be convertible into Shares, on achievement of the Milestones and in accordance with the terms and conditions summarised in the schedule of this announcement.

The Company proposes to issue Performance Rights to two specific groups based on the appropriate approval process.

**Senior management:**

The initial Performance Rights issue will be to Senior Managers within the Company's existing placement capacity under ASX Listing Rule 7.1 and does not require shareholder approval. The participants are not related parties of the Company and the Performance Rights are to be issued as ordinary course of business remuneration in accordance with the ASX Guidance Note 19.

The proposed issue to non-directors/senior managers are as follows:

Performance Rights Hurdles	Number
The Performance Rights will vest upon: (a) the Company completing 15,000 metres of drilling within 24 months of the date of issue of the Performance Rights; and (b) the Company's 20-day volume weighted average share price achieving \$0.03 or higher.	40,000,000
The Performance Rights will vest upon the Company's 20-day volume weighted average share price achieving \$0.03 or higher.	10,000,000

**Directors**

Performance Rights to be issued to Directors will require shareholder approval. The Company will seek shareholder approval for the issue of the Performance Rights to the Directors at the upcoming 2023 Annual General Meeting ('AGM').

The details of the Performance Rights to Directors resolution will be included in the Notice of Meeting of the AGM, to be released mid-October 2023. The Notice of Meeting will be made available on the ASX Company Announcement Platform and the Company's website <https://kingriverresources.com.au/investors/>.

The proposed issue to directors are as follows:

Director	Performance Rights Hurdles	Number
Antony Barton	The Performance Rights will vest upon the Company's 20-day volume weighted average share price achieving \$0.05 or higher.	25,000,000
Gregory MacMillan	The Performance Rights will vest upon the Company's 20-day volume weighted average share price achieving \$0.05 or higher.	25,000,000
Leonid Charuckyj	The Performance Rights will vest upon the Company's 20-day volume weighted average share price achieving \$0.05 or higher.	25,000,000

Following the issue of the Performance Rights, the Company's shareholding structure will be as follows:

Securities	Number Prior to Issue	To be issued	Total Securities
Ordinary fully paid Shares	1,553,524,947	-	1,553,524,947
Performance Rights – Directors	-	75,000,000	75,000,000
Performance Rights – Senior Management	-	50,000,000	50,000,000

This announcement was authorised for release by the Board of King River Resources Limited.

**Anthony Barton**

Chair

King River Resources Limited

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**Schedule 1 : Summary of Performance Rights**

The terms and conditions attaching to the Performance Rights are set out below:

1.	<b>Entitlement</b>	Each Performance Right entitles the holder to subscribe for one Share upon exercise of the Performance Right.
2.	<b>Consideration</b>	Nil consideration is payable for the grant of the Performance Right.
3.	<b>Vesting Conditions / Milestones</b>	<p><u><i>Chief Geologist and Exploration Manager</i></u> The Performance Rights will vest upon:</p> <p>(a) the Company completing 15,000 metres of drilling within 24 months of the date of issue of the Performance Rights; and</p> <p>(b) the Company's 20-day volume weighted average share price achieving \$0.03 or higher,</p> <p><u><i>Financial Controller</i></u> The Performance Rights will vest upon:</p> <p>(a) the Company's 20-day volume weighted average share price achieving \$0.03 or higher,</p> <p><u><i>Directors</i></u> The Performance Rights will vest upon:</p> <p>(a) the Company's 20-day volume weighted average share price achieving \$0.05 or higher,</p> <p>A Performance Right will vest when a vesting notice is given to the holder.</p>
4.	<b>Expiry Date</b>	<p>Each Performance Right will expire on the earlier to occur of:</p> <p>(a) 3 years from the date of issue; or</p> <p>(b) the Performance Rights lapsing and being forfeited under these terms and conditions,</p> <p><b>(Expiry Date).</b></p> <p>A Performance Right not exercised before the Expiry Date will automatically lapse on the Expiry Date.</p>
5.	<b>Rights attaching to Performance Rights</b>	<p>Prior to a Performance Right being exercised, the holder:</p> <p>(a) does not have any interest (legal, equitable or otherwise) in any Share the subject of the Performance Right;</p> <p>(b) is not entitled to receive notice of, vote at or attend a meeting of the shareholders of the Company;</p> <p>(c) is not entitled to receive any dividends declared by the Company; and</p> <p>(d) is not entitled to participate in any new issue of Shares (refer to section 13).</p>

6.	<b>Restrictions on dealing with Performance Rights</b>	<p>The Performance Rights cannot be sold, assigned, transferred, have a security interest granted over or otherwise dealt with unless with the consent of the Board.</p> <p>A holder must not enter into any arrangement for the purpose of hedging their economic exposure to a Performance Right that has been granted to them.</p>
7.	<b>Forfeiture Conditions</b>	<p>Performance Rights will be forfeited in the following circumstances:</p> <p>(a) in the case of unvested Performance Rights only, where you cease to be employed by the Company or your office or engagement is discontinued with the Company; or</p> <p>(b) on the Expiry Date,</p> <p>subject to the discretion of the Board.</p>
8.	<b>Exercise</b>	<p>The holder may exercise their Performance Rights by lodging with the Company, on or prior to the Expiry Date a written notice of exercise of Performance Rights specifying the number of Performance Rights being exercised (<b>Exercise Notice</b>).</p>
9.	<b>Timing of issue of Shares and quotation of Shares on exercise</b>	<p>Within five business days after the issue of a Notice of Exercise by the holder, the Company will:</p> <p>(a) issue, allocate or cause to be transferred to the holder the number of Shares to which the holder is entitled; and</p> <p>(b) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the ASX Listing Rules.</p>
10.	<b>Restrictions on transfer of Shares on exercise</b>	<p>Shares issued on exercise of the Performance Rights are subject to the following restrictions:</p> <p>(a) if the Company is required but is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on exercise of the Performance Rights may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Act;</p> <p>(b) all Shares issued on exercise of the Performance Rights are subject to restrictions imposed by applicable law on dealing in Shares by persons who possess material information likely to affect the value of the Shares and which is not generally available; and</p> <p>(c) all Shares issued on exercise of the Performance Rights are subject to the terms of the Company's Securities Trading Policy.</p>
11.	<b>Rights attaching to Shares on exercise</b>	<p>All Shares issued upon exercise of the Performance Right will rank equally in all respects with the then Shares of the Company.</p>
12.	<b>Change of Control</b>	<p>Upon:</p> <p>(a) a bona fide takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:</p> <p>(i) having received acceptances for not less than 50.1% of the Company's Shares on issue; and</p> <p>(ii) having been declared unconditional by the bidder; or</p> <p>(b) a Court granting orders approving 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; or</p> <p>(c) in any other case, a person obtains Voting Power (as defined in the Corporations Act) in the Company that the Board (which for</p>

		<p>the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board,</p> <p>then, to the extent Performance Rights have not converted into Shares due to satisfaction of the relevant Vesting Conditions, Performance Rights will accelerate vesting conditions and will automatically convert into Shares on a one-for-one basis.</p>
<b>13.</b>	<b>Participation in entitlements and bonus issues</b>	Subject always to the rights under paragraphs 14 and 15, holders of Performance Rights will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.
<b>14.</b>	<b>Adjustment for bonus issue</b>	If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Performance Rights is entitled, upon exercise of the Performance Rights, to receive an issue of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Performance Rights are exercised.
<b>15.</b>	<b>Reorganisation</b>	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 Performance Rights will be changed to the extent necessary to comply with the ASX Listing Rules applicable to a reorganisation.