

Terms and Conditions of Performance Rights

Entitlement

- 1 Each Performance Right once vested entitles the holder of that Performance Right (**Holder**), upon the full satisfaction of the Vesting Conditions, to be provided with one (1) fully paid ordinary share (**Share**) in the capital of Toubani Resources Limited ACN 661 082 435 (**Company**), on and subject to these terms and conditions.

Term and Expiry

- 2 Each Performance Right will come into effect on the date of issue (**Grant Date**) and each Performance Right that is not exercised will expire on the earlier of:
 - 2.1 5:00pm (AWST) on the date that is three (3) years from the Grant Date (**Expiry Date**);
 - 2.2 the Performance Right is cancelled in accordance with its terms; and
 - 2.3 the Board determines (acting reasonably) that it is impossible for the Vesting Condition for that Performance Right to be met.

Vesting Conditions

- 3 The Performance Rights are subject to the following conditions, each of which constitutes a **Vesting Condition**:

Tranche	Number of Performance Rights	Vesting Conditions
1	275,000	Upon the 10-day VWAP of the Company's Shares being equal to or greater than \$0.25.
2	200,000	The release of an ASX announcement by the Company of a JORC Code Indicated Mineral Resource at the Kobada Gold Project that has increased by at least 200,000oz compared to that announced in August 2023.
3	625,000	The release of an ASX announcement by the Company of the results of a definitive feasibility study (DFS) which contains: (i) production rate which is greater than the production rate in the Company's previously announced feasibility study in September 2021; and (ii) the results of the DFS maintaining positive economics.

- 4 Performance Rights will only vest and entitle the Holder to be issued Shares if the applicable Vesting Conditions have been satisfied prior to the end of the Performance Period, waived by the Board, or are deemed to have been satisfied, following which the Company will issue the Holder a Vesting Notification to that effect.
- 5 The Board will determine in its sole discretion whether (and, where applicable, to what extent) the Holder has satisfied the Vesting Conditions (if any) applicable to the Performance Rights.
- 6 For the purposes of these terms and conditions, **10-day VWAP** means the volume weighted average market price (as defined in the ASX Listing Rules) for a period of ten (10) consecutive trading days on which Shares are traded (disregarding any intervening days on which no trade occurred, if any).

Exercise of Performance Rights

- 7 Performance Rights may only be exercised when the Company has issued a Vesting Notification to the Holder.
- 8 As soon as practicable following the issuing of a Vesting Notification to the Holder, the Company must allot and issue, or transfer, the number of Shares for which the Holder is entitled to acquire upon satisfaction of the Vesting Conditions for the relevant number of Performance Rights held in accordance with clause 10.

Lapse of Performance Rights

- 9 Where Performance Rights have not satisfied the Vesting Conditions within the Performance Period or Expiry Date (whichever occurs earlier) those Performance Rights will automatically lapse. The Performance Rights will also lapse in the circumstances detailed in the Rules.

Timing of the Issue of Shares and Quotation

- 10 Within five (5) Business Days after the later of the following:
 - 10.1 the satisfaction or waiver of the Vesting Conditions (if any) applicable to the Performance Rights; and
 - 10.2 when excluded information in respect of the Company (as defined in section 708A(7) of the *Corporations Act 2001* (Cth) (**Corporations Act**) (if any) ceases to be excluded information,

the Company will:

 - 10.3 allot and issue the Shares pursuant to the vesting of the Performance Rights;
 - 10.4 as soon as reasonably practicable and if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - 10.5 if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the vesting of the Performance Rights.
- 11 Notwithstanding clause 10 above, the Company's obligation to issue such Shares shall be postponed if such Holder at any time after the relevant Vesting Conditions are satisfied, elects for the Shares to be issued to be subject to a holding lock for a period of twelve (12) months. Following any such election:
 - 11.1 the Shares to be issued or transferred will be held by such Holder on the Company's issuer sponsored sub-register (and not in a CHESSE sponsored holding);
 - 11.2 the Company will apply a holding lock on the Shares to be issued or transferred and such Holder is taken to have agreed to that application of that holding lock;
 - 11.3 the Company shall release the holding lock on the Shares on the date that is twelve (12) months from the date of issue of the Shares.

Shares Issued

- 12 Shares issued on the satisfaction of the Vesting Conditions attaching to the Performance Rights rank equally with all existing Shares, including those Shares issued, directly, under the Plan.

Quotation of the Shares Issued on Exercise

- 13 The Company will apply to ASX for official quotation of the Shares issued upon the vesting of the Performance Rights.

Reorganisation

- 14 If there is any reorganisation of the issued share capital of the Company, the terms of Performance Rights and the rights of the Holder who holds such Performance Rights will be varied, including an adjustment to the number of Performance Rights, in accordance with the ASX Listing Rules that apply to the reorganisation at the time of the reorganisation.

Holder Rights

- 15 A Holder who holds Performance Rights is not entitled to:
- 15.1 notice of, or to vote or attend at, a meeting of the shareholders;
 - 15.2 receive any dividends declared by the Company;
 - 15.3 participate in any new issues of securities offered to shareholders during the term of the Performance Rights; or
 - 15.4 cash for the Performance Rights or any right to participate in surplus assets or profits of the Company on winding up,

unless and until the Vesting Conditions attaching to the Performance Rights are satisfied and the Holder holds Shares.

Pro Rata Issue of Securities

- 16 If during the term of any Performance Right, the Company makes a pro rata issue of securities to shareholders by way of a rights issue, the Holder shall not be entitled to participate in the rights issue in respect of any Performance Rights, only in respect of Shares issued in respect of vested Performance Rights.
- 17 The Holder will not be entitled to any adjustment to the number of Shares they are entitled to or adjustment to any Vesting Conditions which is based, in whole or in part, upon the Share price, as a result of the Company undertaking a rights issue.

Adjustment for Bonus Issue

- 18 If, during the term of any Performance Right, securities are issued pro rata to shareholders by way of bonus issue, the number of Shares which the Holder is entitled to receive when they exercise the Performance Right, shall be increased by that number of securities which the Holder would have been issued if the Performance Rights then held by the Holder had been validly exercised and the resulting Shares had been held immediately prior to the record date for the bonus issue.

Change of Control

- 19 For the purposes of these terms and conditions, a **Change of Control Event** occurs if:
- 19.1 the Company announces that its shareholders have at a Court convened meeting of shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement (excluding a merger by way of scheme of arrangement for the purposes of a corporate restructure (including change of domicile, or any reconstruction, consolidation, sub-division, reduction or return) of the issued capital of the Company) and the Court, by order, approves the scheme of arrangement;
 - 19.2 a Takeover Bid:
 - 19.2.1 is announced;
 - 19.2.2 has become unconditional; and
 - 19.2.3 the person making the Takeover Bid has a Relevant Interest in fifty percent (50%) or more of the issued Shares;

19.3 any person acquires a Relevant Interest in fifty and one-tenths percent (50.1%) or more of the issued Shares by any other means; or

19.4 the announcement by the Company that a sale or transfer (in one transaction or a series of related transactions) of the whole or substantially the whole of the undertaking and business of the Company has been completed.

20 Where a Change of Control Event has occurred or, in the opinion of the Board, there is a state of affairs that will or is likely to result in a Change of Control Event occurring, all granted Performance Rights which have not yet vested or lapsed shall automatically and immediately vest, regardless of whether any Vesting Conditions have been satisfied.

21 For the purposes of these terms and conditions, **Takeover Bid** and **Relevant Interest** have the meanings given to those terms under section 9 of the Corporations Act.

Quotation

22 The Company will not seek official quotation of any Performance Rights.

Performance Rights Not Property

23 The Holder's Performance Rights are personal contractual rights granted to the Holder only and do not constitute any form of property.

No Transfer of Performance Rights

24 The Performance Rights may not be assigned, transferred, encumbered with a Security Interest in or over them, or otherwise disposed of by the Holder, unless:

24.1 the prior consent of the Board is obtained, which consent may be withheld in the Board's sole discretion and which, if granted, may impose such terms and conditions on such assignment, transfer, encumbrance with a Security Interest or disposal as the Board sees fit; or

24.2 such assignment or transfer occurs by force of law upon the death or total and permanent disablement of the Holder to the Holder's legal personal representative.

Rules

25 The Performance Rights are issued under and in accordance with the Plan and the terms and conditions of these Performance Rights are subject to the Rules.

26 Unless otherwise defined, capitalised terms have the meanings given to those terms in the Rules.