

## ASX ANNOUNCEMENT

21 June 2024



# ISSUE OF INCENTIVE OPTIONS

In accordance with resolutions passed at the Company's General Meeting held on 20 June 2024, **Lord Resources Limited (ASX: LRD) ("Lord" or the "Company")** has issued a total of 8.7 million options exercisable at \$0.10 and expiring on 15 June 2027 ("**Options**") to the Directors and their nominees (comprising 4 million Options to Mr Egerton-Warburton, 3.2 million Options to Mr Lloyd and 1.5 million Options to Mr Swallow). Refer attached Schedule 1 for further terms and conditions.

In addition, the Directors have issued 2.5 million options exercisable at \$0.10, expiring 15 June 2027 ("**Incentive Options**") to technical staff and consultants. These Incentive Options are issued pursuant to the Company's 15% capacity under the Australian Securities Exchange Listing Rules. Refer attached Schedule 2 for further terms and conditions.

An Appendix 3G has been lodged with ASX.

This announcement was authorised by Mr Paul Jurman, Company Secretary of Lord Resources Limited.

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For further information please contact:

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## SCHEDULE 1 - TERMS AND CONDITIONS OF OPTIONS

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The terms and conditions of the Options to be issued are set out below:

**a. Entitlement**

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

**b. Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.10 (**Exercise Price**).

**c. Expiry Date**

Each Option will expire at 5:00 pm (WST) on 15 June 2027 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

**d. Exercise Period**

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

**e. Notice of Exercise**

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

**f. Exercise Date**

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

**g. Timing of issue of Shares on exercise**

Within 5 Business Days after the latter of the following:

- (i) Exercise Date; and
- (ii) when excluded information in respect to, the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

but in any case, not later than 20 Business Days after the Exercise Date, the Company will:

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

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

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

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

**h. Shares issued on exercise**

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

**i. Reconstruction of capital**

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

**j. Participation in new issues**

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

**k. Change in exercise price**

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

**l. Transferability**

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

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## **SCHEDULE 2 - TERMS AND CONDITIONS OF INCENTIVE OPTIONS**

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### **1. Entitlement**

Subject to the terms and conditions set out below, each Option entitles the holder, on exercise, to the issue of one fully paid ordinary share in the capital of the Company (**Share**).

### **2. Plan**

The Company will grant the Options (**Options**) under the Company's Employee Securities Incentive Plan (**Plan**).

Defined terms in these terms and conditions have the same meaning as in the Plan. In the event of any inconsistency between the Plan and these terms and conditions, these terms and conditions will apply to the extent of the inconsistency.

### **3. Consideration**

The Options will be granted to the Eligible Participant (or their permitted nominee) for nil cash consideration.

### **4. Exercise Price**

The amount payable upon exercise of each Option will be \$0.10 (**Exercise Price**).

### **5. Expiry Date**

Each Option will expire at 5.00pm (WST) on 15 June 2027 (**Expiry Date**). For the avoidance of doubt any unexercised Options will automatically lapse on the Expiry Date.

### **6. Exercise**

The holder may exercise their Options by lodging with the Company, on or prior to the Expiry Date:

- (a) in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion;
- (b) a written notice of exercise of Options specifying the number of Options being exercised (Exercise Notice); and
- (c) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised. Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.

### **7. Timing of issue of Shares and quotation of Shares on exercise**

As soon as practicable after the issue of a Notice of Exercise by the holder, the Company will:

- (a) issue, allocate or cause to be transferred to the holder the number of Shares to which the holder is entitled;
- (b) if required, issue a substitute Certificate for any remaining unexercised Options held by the holder;

- (c) if required and subject to paragraph 8, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (d) in the event the Company is admitted to the official list of ASX, do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules and subject to the expiry of any restriction period that applies to the Shares under the Corporations Act or the Listing Rules.

**8. Restrictions on transfer of Shares**

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 Options 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 Corporations Act.

**9. Shares issued on exercise**

All Shares issued upon the exercise of Options will upon issue rank *pari passu* in all respects with the then Shares of the Company.

**10. Transfer**

The Options are transferable with the prior written approval of the Board and subject to compliance with the Corporations Act and the Listing Rules.

**11. Quotation**

No application for quotation of the Options will be made by the Company.

**12. Dividend and voting rights**

The Options do not confer on the holder an entitlement to vote at general meetings of the Company or to receive dividends.

**13. Participation in entitlements and bonus issues**

Subject always to the rights under paragraphs 14 and 15, holders of Options will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

**14. Adjustment for bonus issue**

If securities are issued pro-rata to shareholders generally by way of bonus issue (other than an issue in lieu of dividends by way of dividend reinvestment), the number of Options to which the holder is entitled will be increased by that number of securities which the holder would have been entitled if the Options held by the holder were exercised immediately prior to the record date of the bonus issue, and in any event in a manner consistent with the Listing Rules at the time of the bonus issue.

**15. Reorganisation of capital**

In the event that the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all the holder's rights as a holder of Options will be changed to the extent necessary to comply with the Listing Rules at the time of reorganisation provided that, subject to compliance with the Listing Rules, following such reorganisation the holder's economic and other rights are not diminished or terminated.

**16. Leaver**

Where the holder of the Options (or the relevant Eligible Participant in the case of a Permitted Nominee holder) is no longer employed, or their office or engagement is discontinued with the Group:

- (a) as a result of total and permanent disablement, death or terminal illness, mental illness, redundancy or any other circumstances determined at the discretion of the Board to be a special circumstance, the Options will be exercisable within 1 month of the date the Eligible Participant ceases to be an Eligible Participant; and
- (b) in all other circumstances, any unexercised Options will automatically lapse and be forfeited by the holder,

unless the Board otherwise determines in its discretion in accordance with the Plan.