

11 July 2024

Dear Shareholder,

**RE: GENERAL MEETING OF SHAREHOLDERS**

Equinox Resources Limited (ACN 650 503 325) (**Company**) advises that the Company has prepared an Addendum in relation to the Company's general meeting of shareholders which will be held at 9:30 am (WST) on Monday, 29 July 2024 (**General Meeting**) at the Parmelia Hilton Hotel, 14 Mill Street, Perth Western Australia 6000 (**Location**).

In accordance with the Corporations Act 2001 (Cth), the Company will not be dispatching physical copies of the Addendum to the Notice of Meeting to shareholders unless a shareholder has requested to receive a hard copy. Instead, the Addendum to the Notice of Meeting and accompanying explanatory statement (**Meeting Materials**) are being made available to shareholders electronically and can be viewed and downloaded at the following link: [www.eqnx.com.au](http://www.eqnx.com.au) or from the ASX Company Announcements Platform at [asx.com.au](http://asx.com.au) (ASX: EQN).

The Company will be conducting the General Meeting at the Location without the use of video conferencing technology.

Shareholders are encouraged to participate in voting on the resolutions to be considered at the General Meeting. To vote by proxy, please complete, sign and return your personalised proxy form which was distributed with the original Notice of Meeting in accordance with the instructions set out in the proxy form. Alternatively, you may vote online at <https://investor.automic.com.au/#/loginsah>, or in person by attending the General Meeting.

If you have already lodged your proxy form and wish to change your proxy, please do so through the above instructions. Alternatively, if you have lodged your proxy form and do not wish to change your vote, no further action is required. The Company reserves the right to accept a Proxy Form dispatched with the original Notice of Meeting if an amendment is not provided by the relevant Shareholder.

Proxy form instructions (by proxy form or online voting) must be received by the Company's share registry by no later than 9.30 am (WST) on Saturday, 27 July 2024. Instructions received after that time will not be valid for the meeting.

The Company encourages all shareholders to vote prior to the Meeting by returning their proxy voting instructions before the deadline and advises that all voting in respect of resolutions considered at the meeting will be conducted on a poll.

The Company encourages all shareholders to communicate with the Company by email at [info@eqnx.com.au](mailto:info@eqnx.com.au) and Automic (the Company's share registry) at [hello@automic.com.au](mailto:hello@automic.com.au). These methods allow the Company to keep you informed without delay, are environmentally friendly, and reduce the Company's print and mail costs. Please register to receive electronic communications and update your shareholder details online at: <https://investor.automic.com.au/#/signup>.

The Meeting Materials are important and should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

If you have any difficulties obtaining a copy of the Meeting Materials please contact the Company's share registry or Company Secretary on +61 9389 4499.

Yours faithfully  
Harry Spindler  
Company Secretary

---

# EQUINOX RESOURCES LIMITED

## ACN 650 503 325

### ADDENDUM TO NOTICE OF GENERAL MEETING

---

Equinox Resources Limited (ACN 650 503 325) (**Company**), hereby gives notice to shareholders of the Company (**Shareholders**) that, in relation to the Notice of General Meeting that was distributed to Shareholders and released on the Company's ASX announcements platform on 27 June 2024 (**Notice of Meeting**) in respect of a general meeting of Shareholders to be held at 9:30am (WST) on Monday, 29 July 2024 at the Parmelia Hilton Hotel, 14 Mill Street, Perth Western Australia 6000, the Directors have determined to issue this addendum to the Notice of Meeting (**Addendum**) for the purposes set out below.

Definitions in the Notice of Meeting have the same meaning in this Addendum unless otherwise updated in this Addendum. This Addendum is supplemental to the original Notice of Meeting and should be read in conjunction with the original Notice of Meeting. Save for the amendments set out below, all resolutions and the Explanatory Statement in the original Notice of Meeting remain unchanged.

The purpose of the Addendum is to clarify that the exercise price of the ESA Group 2 Options (being the Options the subject of Resolution 6) will be \$0.50.

Subsequent to the dispatch of the Notice of Meeting, the Company discovered that, due to a typographical error, the Notice of Meeting noted that the ESA Group 2 Options were to be issued with a \$0.05 exercise price. The Company wishes to clarify that, as per the Company's ASX announcement dated 27 May 2024, the correct exercise price of the ESA Group 2 Options is intended to be \$0.50.

Therefore, all references to the exercise price of the ESA Group 2 Options in the Notice of Meeting should be read as being \$0.50. For the avoidance of doubt, all other information that is set out in the Notice of Meeting with respect to the ESA Group 2 Options (including the valuation of these Options) is correct and remains unchanged.

For ease of reference, the Company has restated Resolution 6 and Section 6 of the Notice of Meeting in this Addendum, with the relevant information corrected.

#### BY ORDER OF THE BOARD

**HARRY SPINDLER**  
**COMPANY SECRETARY**

**Enquiries:** Shareholders are advised to contact the Company Secretary on + 61 8 6109 6689 if they have any queries in respect of the matters set out in this Addendum.

---

## 1. **RESOLUTION 6 – APPROVAL TO ISSUE ESA GROUP 2 OPTIONS TO ZAC KOMUR**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to 500,000 Options to Zac Komur (or their nominee) under the Employee Securities Incentive Plan on the terms and conditions set out in the Explanatory Statement.”*

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

### **Voting Prohibition Statement**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
    - (i) a member of the Key Management Personnel; or
    - (ii) a Closely Related Party of such a member; and
  - (b) the appointment does not specify the way the proxy is to vote on this Resolution.
- However, the above prohibition does not apply if:
- (a) the proxy is the Chair; and
- the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

### **Voting Exclusion Statement**

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the Resolution set out below by or on behalf of Zac Komur (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 6 by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

---

## **2. SECTION 6 – ISSUE OF OPTIONS TO MR KOMUR**

### **2.1 General**

The Company has entered into an amended executive services agreement with the Company's Chief Executive Officer, Mr Komur, (**ESA**) pursuant to which he will receive 1,000,000 Options at a nil issue price, comprising:

- (a) 500,000 Options exercisable at \$0.25 and expiring three (3) years from the date of issue (**ESA Group 1 Options**) (the subject of Resolution 5); and
- (b) 500,000 Options exercisable at \$0.50 and expiring three (3) years from the date of issue (**ESA Group 2 Options**) (the subject of Resolution 6),

(together the **ESA Options**).

The full terms and conditions of the ESA Options are set out in Schedule 1 of this Addendum.

The ESA Options will be issued under the Company's Employee Securities Incentive Plan adopted on 29 November 2022 (**Plan**). The terms and conditions of the Plan are outlined in Schedule 2 of this Addendum.

Pursuant to a revised engagement agreement, Mr Komur will be paid \$371,500 per annum (inclusive of superannation) effective from 1 June 2024. Mr Komur and the Company may terminate Mr Komur's employment by giving one month's written notice.

### **2.2 Chapter 2E of the Corporations Act**

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the ESA Options to Mr Komur (or their nominee) constitutes giving a financial benefit and Mr Komur is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Komur) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of ESA Options, because the agreement to issue the ESA Options, reached as part of the remuneration package for Mr Komur, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

### **2.3 Listing Rule 10.14**

Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire equity securities under an employee incentive scheme without the approval of the holders of its ordinary securities:

- 10.14.1 a director of the entity;
- 10.14.2 an associate of a director of the entity; or

- 10.14.3 a person whose relationship with the entity or a person referred to in Listing Rules 10.14.1 to 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by security holders.

The issue of ESA Options to Mr Komur falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolutions 5 and 6 seeks the required Shareholder approval for the issue of the ESA Options under and for the purposes of Listing Rule 10.14.

If Resolutions 5 and 6 are passed, the Company will be able to proceed with the issue of the ESA Options to Mr Komur under the Plan within three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the ESA Options (because approval is being obtained under Listing Rule 10.14), the issue of the ESA Options will not use up any of the Company's 15% annual placement capacity.

If Resolution 5 and 6 are not passed, the Company will not be able to proceed with the issue of the ESA Options to Mr Komur under the Plan and in such circumstances the Company may be required to re-negotiate payment terms under the executive services agreement with Mr Komur which may require the Company to pay Mr Komur additional cash fees.

## **2.4 Technical information required by Listing Rule 10.15**

Pursuant to and in accordance with the requirements of Listing Rule 10.15, the following information is provided in relation to Resolutions 5 and 6:

- (a) the ESA Options will be issued to Mr Komur (or their nominee), who falls within the category set out in Listing Rule 10.14.1 by virtue of Mr Komur being a Director;
- (b) the maximum number of ESA Options to be issued is 1,000,000;
- (c) the current total remuneration package for Mr Komur is \$371,500 per annum comprising of directors' salary and superannuation, together with the prior issue of 1,370,000 performance rights valued at approximately \$223,611 at the date of grant. If the ESA Options are issued, the total remuneration package of Mr Komur will increase by approximately \$254,095 being the value of the ESA Options (based on the Black Scholes methodology);
- (d) 1,370,000 performance rights were previously issued to Mr Komur on 15 March 2024 for nil cash consideration under the Plan;
- (e) a summary of the material terms and conditions of the ESA Options is set out in Schedule 1 of this Addendum;
- (f) the ESA Options are unquoted Options. The Company has chosen to issue ESA Options to Mr Komur for the following reasons:
  - (i) the ESA Options are unquoted, therefore, the issue of the ESA Options has no immediate dilutionary impact on Shareholders;
  - (ii) the issue of ESA Options to Mr Komur will align the interests of Mr Komur with those of Shareholders;
  - (iii) the issue of the ESA Options is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater

proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Mr Komur;

- (iv) because of the deferred taxation benefit which is available to Mr Komur in respect of an issue of Options. This is also beneficial to the Company as it means Mr Komur is not required to immediately sell the ESA Options to fund a tax liability (as would be the case in an issue of Shares where the tax liability arises upon issue of the Shares) and will instead, continue to hold an interest in the Company; and
- (v) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the ESA Options on the terms proposed;
- (g) the Company values the ESA Options at \$254,095 based on the Black-Scholes methodology (key inputs; expected volatility of 95%, risk free rate of 3.94%);
- (h) the ESA Options will be issued to Mr Komur (or their nominee) no later than 3 years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the ESA Options will be issued on one date;
- (i) the issue price of the ESA Options will be nil, as such no funds will be raised from the issue of the ESA Options (other than in respect of funds received on exercise of the ESA Options);
- (j) a summary of the material terms and conditions of the Plan is set out in Schedule 2 of this Addendum;
- (k) no loan is being made to Mr Komur in connection with the acquisition of the ESA Options;
- (l) details of any Options issued under the Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14; and
- (m) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Options under the Plan and who were not named in the Notice of Meeting will not participate until approval is obtained under Listing Rule 10.14.

---

## SCHEDULE 1 – TERMS AND CONDITIONS OF ESA OPTIONS

---

### 1. Entitlement

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

### 2. Exercise Price

Subject to paragraph 16, the amount payable upon exercise of each Option will be:

(a) \$0.25 for the ESA Group 1 Options; and

(b) \$0.50 for the ESA Group 2 Options,

(each being an **Exercise Price**).

### 3. Expiry Date

Each Option will expire at 5:00 pm (WST) on or before the date that is three (3) years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

### 4. Exercise Period

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

### 5. 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.

### 6. 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**).

### 7. Issue of Shares

As soon as practicable after the valid exercise of an Option, 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) issue a substitute Certificate for any remaining unexercised Options held by the holder;
- (c) if required, and subject to clause 19, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (d) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules.

**8. Restrictions on transfer of Shares**

If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, 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. The Company is authorised by the holder to apply a holding lock on the relevant Shares during the period of such restriction from trading.

**9. Shares issued on exercise**

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

**10. Quotation of the Options**

The Company will not apply for quotation of the Options on any securities exchange.

**11. Cashless exercise of Options**

The holder of Options may elect not to be required to provide payment of the Exercise Price for the number of Options specified in a Notice of Exercise but that on exercise of those Options the Company will transfer or allot to the holder 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 Options (with the number of Shares rounded down to the nearest whole Share).

**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.

**12. Dividend rights**

An Option does not entitle the holder to any dividends.

**13. Voting rights**

An Option does not entitle the holder to vote on any resolutions proposed at a general meeting of the Company, subject to any voting rights provided under the Corporations Act or the ASX Listing Rules where such rights cannot be excluded by these terms.

**14. Adjustments for reorganisation**

If there is any reorganisation of the issued share capital of the Company, the rights of the Option holder will be varied in accordance with the Listing Rules.

**15. Entitlements and bonus issues:**

Subject to the rights under clause 16, holders will not be entitled to participate in new issues of capital offered to shareholders such as bonus issues and entitlement issues.

**16. Adjustment for bonus issues of Shares**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):



- (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
- (b) no change will be made to the Exercise Price.

**17. Return of capital rights**

The Options do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

**18. Rights on winding up**

The Options have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.

**19. Takeovers prohibition**

- (a) the issue of Shares on exercise of the Options is subject to and conditional upon the issue of the relevant Shares not resulting in any person being in breach of section 606(1) of the Corporations Act; and
- (b) the Company will not be required to seek the approval of its members for the purposes of item 7 of section 611 of the Corporations Act to permit the issue of any Shares on exercise of the Options.

**20. No other rights**

An Option does not give a holder any rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

**21. Amendments required by ASX**

The terms of the Options may be amended as considered necessary by the Board in order to comply with the ASX Listing Rules, or any directions of ASX regarding the terms provided that, subject to compliance with the Listing Rules, following such amendment, the economic and other rights of the holder are not diminished or terminated.

**22. Plan**

The Options are issued pursuant to and are subject to the Plan. In the event of conflict between a provision of these terms and conditions and the Plan, these terms and conditions prevail to the extent of that conflict.

**23. Constitution**

Upon the issue of the Shares on exercise of the Options, the holder will be bound by the Company's Constitution.

**24. Change in exercise price**

Subject to clause 16, 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.

**25. Transferability**

The Options are not transferable, except with the prior written approval of the Company at its sole discretion and subject to compliance with the Corporations Act and Listing Rules.

---

## SCHEDULE 2 - SUMMARY OF MATERIAL TERMS OF THE PLAN

---

The following is a summary of the material terms and conditions of the Plan:

### 1. Eligible Participant

A person is eligible to participate in the Plan (**Eligible Participant**) if they have been determined by the Board to be eligible to participate in the Plan from time to time and are an "ESS participant" (as that term is defined in Division 1A) in relation to the Company or an associated entity of the Company.

This relevantly includes, amongst others:

- (a) an employee or director of the Company or an individual who provides services to the Company;
- (b) an employee or director of an associated entity of the Company or an individual who provides services to such an associated entity;
- (c) a prospective person to whom paragraphs (a) or (b) apply;
- (d) a person prescribed by the relevant regulations for such purposes; or
- (e) certain related persons on behalf of the participants described in paragraphs (a) to (d) (inclusive).

### 2. Maximum allocation

The Company must not make an offer of Securities under the Plan in respect of which monetary consideration is payable (either upfront, or on exercise of convertible securities) where:

- (a) the total number of Plan Shares (as defined in paragraph 13 below) that may be issued or acquired upon exercise of the convertible securities offered; plus
- (b) the total number of Plan Shares issued or that may be issued as a result of offers made under the Plan at any time during the previous 3 year period,

would exceed 5% of the total number of Shares on issue at the date of the offer or such other limit as may be specified by the relevant regulations or the Company's Constitution from time to time.

### 3. Purpose

The purpose of the Plan is to:

- (a) assist in the reward, retention and motivation of Eligible Participants;
- (b) link the reward of Eligible Participants to Shareholder value creation; and
- (c) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.

### 4. Plan administration

The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion, subject to compliance with applicable laws and the Listing Rules. The Board may delegate its powers and discretion.

## **5. Eligibility, invitation and application**

The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides. An invitation issued under the Plan will comply with the disclosure obligations pursuant to Division 1A.

On receipt of an invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.

A waiting period of at least 14 days will apply to acquisitions of Securities for monetary consideration as required by the provisions of Division 1A.

## **6. Grant of Securities**

The Company will, to the extent that it has accepted a duly completed application, grant the successful applicant (**Participant**) the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.

## **7. Terms of Convertible Securities**

Each 'Convertible Security' (being an Option or a Performance Right) represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan.

Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. 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. 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.

## **8. Vesting of Convertible Securities**

Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.

## **9. Exercise of Convertible Securities and cashless exercise**

To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation.

At the time of exercise of the Convertible Securities, and subject to Board approval, 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 issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

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

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.

#### **10. Delivery of Shares on exercise of Convertible Securities**

As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.

#### **11. Forfeiture of Convertible Securities**

Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest.

Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules: any Convertible Securities which have 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; and any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.

#### **12. Change of control**

If a change of control event occurs in relation to the Company, 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.

#### **13. Rights attaching to Plan Shares**

All Shares issued under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, (**Plan Shares**) will rank *pari passu* in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may

participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.

**14. Disposal restrictions on Securities**

If the invitation provides that any Plan Shares or Convertible Securities 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.

**15. Adjustment of Convertible Securities**

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.

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 Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment 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 Convertible Securities are exercised.

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

**16. Participation in new issues**

There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.

**17. Amendment of Plan**

Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Plan 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 introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

**18. Plan duration**

The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.