



29 July 2024

Annual Review of Compensation Arrangements

The Board of Tivan Limited (ASX: TVN) (“Tivan” or the “Company”) advises that as part of its annual governance processes following conclusion of the financial year ended 30 June 2024, the Board has completed a review of compensation arrangements for Tivan including both remuneration and incentive mechanisms.

Owing to the Company’s shift in strategic priorities during the last financial year, including the decision to progress the Speewah Fluorite Project in Western Australia, the Board has resolved to update the Company’s Awards Plan approved by the Company’s shareholders in November 2023 (“Awards Plan”).

Under the Awards Plan, Tivan can make offers of incentive securities (namely options and shares) to its senior management, Non-Executive Directors and other eligible employees and individuals who provide services to the Company (subject to receipt of any required shareholder approvals). Amongst other changes, the Board has resolved to update the Awards Plan to include offers of performance rights. The ability to offer performance rights provides the Company with greater flexibility to structure incentive securities that reward performance aligned with long-term shareholder value creation.

The Awards Plan was supported by Shareholders at last year’s Annual General Meeting, with Resolution 10 carrying by a 99.5/0.5% margin. The capacity of the Awards Plan is 78.5 million incentive securities. To date, Tivan has issued 19 million long term, out-of-the-money options to eligible employees and Non-Executive Directors under the Awards Plan. This Annual Review of compensation does not propose to change the capacity limit of the Awards Plan.

The Board’s overarching principle with respect to offers of incentive securities remains to incentivise the Company’s people to drive the growth of the Company and its share price in a clear, simple and transparent manner.

The Company intends to seek shareholder approval for the updated Awards Plan for the purposes of ASX Listing Rule 7.2, Exception 13 at its upcoming Annual General Meeting (“AGM”) to be held in November 2024. The Notice of Meeting for the AGM will contain further details regarding the updated Awards Plan.

Review of Executive Chairman’s Compensation

The Board recognises the pivotal leadership role Mr Wilson has played to date, the importance of his role in achieving upcoming milestones. As part of the review of the Company’s compensation arrangements, the Board has reviewed the remuneration of Tivan’s Executive Chairman Mr Grant Wilson.

The Board (in the absence of Mr Wilson) has determined to increase Mr Wilson’s base salary from \$325,000 per annum (exclusive of superannuation) to \$350,000 per annum (exclusive of superannuation) with effect from 1 July 2024. This determination reflects Mr Wilson’s performance as Tivan’s senior executive since December 2022 and over the past year in driving the shift in the Company’s strategic priorities. Mr Wilson’s compensation was previously reviewed in Q3 2023 (see ASX announcement of 29 September 2023).

In addition, the Board (in the absence of Mr Wilson) has determined, subject to shareholder approval, to offer Mr Wilson, as part of his incentive arrangements, performance rights under the Company's updated Awards Plan to further align Mr Wilson's performance with Tivan's performance and value creation for the Company's key development, exploration and technology projects during the current financial year.

The offer of performance rights to Mr Wilson is proposed to be made on the following basis:

- The offer of performance rights to Mr Wilson is subject to shareholder approval for the purposes of ASX Listing Rule 10, to be sought at the AGM.
- Subject to shareholder approval, the number of performance rights offered to Mr Wilson will be 5 million.
- The performance rights will be issued to Mr Wilson for no cash consideration.
- The number of fully paid ordinary shares ("Shares") issued on conversion of each performance right is the number equal to:

$$\text{Shares on exercise} = \text{TVN Share Price less } 5c$$

where the TVN Share Price is calculated as Tivan's maximum volume weighted average share price ("VWAP") across any 20 sequential trading days of the trading days between and inclusive of 1 January 2025 and 31 March 2025 ("Tivan Q1 2025 VWAP"), rounded to nearest 0.1 of a cent.

- The TVN Q1 2025 VWAP is capped at a maximum of 10c; therefore, the maximum number of Shares issued on exercise of the performance rights that may be offered to Mr Wilson is 25 million.
- The performance rights will vest if the Tivan Q1 2025 VWAP is greater than 5c and:
 - conditional on Mr Wilson remaining in the employment of the Company on 1 April 2025, 50% of the awarded performance rights issued will vest on that date and may be exercised into Shares by Mr Wilson between 1 April 2025 and 30 June 2025
 - conditional on Mr Wilson remaining in the employment of the Company on 1 July 2025, the remaining 50% of the awarded performance rights will vest on that date, and may be exercised by Mr Wilson into Shares between 1 July 2025 and 30 September 2025
- No consideration is payable by Mr Wilson to exercise vested performance rights
- Any vested performance rights not exercised during the exercise periods above will lapse

The Tivan Board also intends to consider offers of performance rights to other staff members and Non-Executive Directors under the updated Awards Plan. Details of such offers will be announced when confirmed.



Comment from Tivan Non-Executive Director Christine Charles on behalf of the Board

Christine Charles commented:

"The independent Directors of Tivan are pleased to advise that they have undertaken a review of compensation, with a view to strengthening the alignment of the team with the interests of shareholders. The Non-Executive Directors recognise the incredible efforts of the team led by Mr Wilson and the contributions to date.

Reflecting changes over direction and strategy and the opportunities before us, the Board are proposing to put an updated awards plan to shareholders at the AGM in November. The Board will advise the broader staff and Non-Executive Director package in the coming period.

Today we are pleased to announce changes to Mr Wilson's salary and Short Term Incentive which reflect Mr Wilson's critical role and performance, and incorporate an increased risk proportion in an unchanged total package."

This announcement has been approved by the Board of the Company.

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Forward looking statements

This announcement contains certain "forward-looking statements" and comments about future matters. Forward-looking statements can generally be identified by the use of forward-looking words such as, "expect", "anticipate", "likely", "intend", "should", "estimate", "target", "outlook", and other similar expressions and include, but are not limited to, the timing, outcome and effects of the future studies, project development and other work. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements. You are cautioned not to place undue reliance on forward-looking statements. Any such statements, opinions and estimates in this announcement speak only as of the date hereof, are preliminary views and are based on assumptions and contingencies subject to change without notice. Forward-looking statements are provided as a general guide only. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. Any such forward looking statement also inherently involves known and unknown risks, uncertainties and other factors and may involve significant elements of subjective judgement and assumptions that may cause actual results, performance and achievements to differ. Except as required by law the Company undertakes no obligation to finalise, check, supplement, revise or update forward-looking statements in the future, regardless of whether new information, future events or results or other factors affect the information contained in this announcement.