

ASX ANNOUNCEMENT

7 FEBRUARY 2025



PANTORO

Employee Share Rights Issue

Pantoro Limited (**ASX:PNR**) (**Pantoro** or the **Company**) advises it has today issued 21,130,000 unlisted employee share rights (**Share Rights**). The Share Rights were issued as part of the enhanced benefits package Pantoro is offering to all employees as part of its drive to attract and retain high quality personnel.

A summary of the terms and conditions of the Company's Incentive Awards Plan, as well as a summary of the terms and conditions of the Share Rights are included in the appendix to this announcement.

An Appendix 3G - Notification of issue, conversion or payment up of unquoted equity securities follows.

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This announcement was authorised for release by David Okeby, Company Secretary.

About Pantoro

Pantoro is a WA-based gold producer focused on unlocking the full potential of its 100%-owned Norseman Gold Project, one of the highest-grade goldfields in Australia. With a rich history and strong presence in the WA mining sector, Pantoro is committed to driving long-term growth through consistent operational excellence and strategic exploration.

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SCHEDULE 1– SUMMARY OF THE PLAN

1 Nature of Plan

An incentive awards plan providing for the issue of Shares, Options and Performance Rights (**Awards**) as incentives to Eligible Participants.

2 Eligibility

Eligible Participants are current or proposed:

- (a) Directors (whether executive or non-executive) of the Company and any Associated Body Corporate of the Company (each, a “Group Company”); or
- (b) full, part time or casual employees or contractors of any Group Company,

who are declared by the Board to be eligible to receive grants of Awards under the Incentive Awards Plan.

3 Invitation and Application Form

The Board may, in its absolute discretion, make a written invitation to any Eligible Participant to apply for Awards upon the terms set out in the Incentive Awards Plan and upon such additional terms and conditions as the Board determines. On receipt of an Invitation, an Eligible Participant (or their permitted nominee) may apply for the Awards 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 its discretion.

4 Invitation Limits

Where an Invitation is proposed to be made, without prospectus disclosure, of Awards and the Invitation is intended to rely on ASIC Class Order 14/1000 (**ASIC Relief**) or, from 1 October 2022, be made under the new employee share scheme (**ESS**) provisions of the Corporations Act (**ESS Provisions**), the Company must have reasonable grounds to believe, when making such an Invitation, that the Invitation will not result in the Company breaching the cap imposed by ASIC Class Order relief or the ESS Provisions, as applicable.

In general terms:

- (a) if relying on ASIC Relief, the cap applies to Invitations for any Awards. If relying on the ESS Provisions, the cap only applies to Invitations that require the applicant or holder to pay the Company monies on issue or exercise of the Award (eg options);
- (b) in determining if the Invitation will exceed the cap, the Company must count the Shares that may be issued under the Invitation together with Shares that have been issued, or that could be issued, under invitations made under the Plan and other employee share schemes over the 3 years prior to the Invitation; and
- (c) the cap is 5% of Shares on issue at the time of the Invitation, or such other percentage as specified in the Company’s constitution (which does not currently specify a cap).

5 Conditions to acquisition of Awards

The issue of Awards is conditional on any necessary shareholder, constitutional and regulatory approval being obtained.

6 Terms of Convertible Securities

- (d) Each Option or Performance Right (each a **Convertible Security**) will entitle its holder to subscribe for and be issued or transferred, one Share (upon vesting and exercise of that Convertible Security) unless the Plan or an applicable Invitation otherwise provides.
- (e) There are no participating rights or entitlements inherent in Convertible Securities and participants will not be entitled to participate in new issues of securities offered to Shareholders of the Company without exercising the Convertible Securities.
- (f) There is no right to a change in the exercise price or in number of underlying Shares over which a Convertible Security can be exercised, except to the extent an Invitation otherwise provides where permitted by the ASX Listing Rules.
- (g) A Convertible Security does not entitle a participant to vote except as otherwise required by law.
- (h) A Convertible Security does not confer any right to a return of capital, whether in a winding up, or upon a return of capital or otherwise, or a right to participate in surplus profit or assets of the Company upon a winding up.
- (i) A Convertible Security does not confer an entitlement to participate in or receive any dividend (whether fixed or at the discretion of the Board) until the Convertible Security has vested and been exercised and Shares have been allocated as a result of the exercise of the Convertible Security.

7 Vesting and exercise of Convertible Securities

Convertible Securities will not vest and be exercisable unless the vesting conditions (if any) attaching to that Convertible Security (**Vesting Conditions**) have been satisfied and the Board has notified the Eligible Participant of that fact. The Board may, in its absolute discretion, by written notice to a Participant, resolve to waive any of the Vesting Conditions applying to Convertible Securities.

There is no automatic vesting on a change of control but it can be provided for in specific Invitations for specific Convertible Securities.

8 Cashless Exercise Facility

The Board may, in its discretion, where the 7 day VWAP price of Shares (**Market Value**) is higher than the exercise price of vested Options, permit a Participant not pay the exercise price for exercised Options and instead be issued 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) (**Cashless Exercise Facility**).

9 Lapsing of Convertible Securities

A Convertible Security will lapse upon the earlier of:

- (a) the Board, in its discretion, resolving a Convertible Security lapses as a result of an unauthorised disposal of, or hedging of, the Convertible Security;

- (b) a Vesting Condition not being satisfied or becoming incapable of satisfaction (and not being waived by the Board in its discretion);
- (c) in respect of an unvested Convertible Security, the holder ceases to be an Eligible Participant and the Board does not exercise its discretion to vest the Convertible Security or allow it to remain unvested;
- (d) in respect of a vested Convertible Security, a holder ceases to be an Eligible Participant and the Board, in its discretion, resolves that the Convertible Security must be exercised within one (1) month (or such later date as the Board determines) of the date the Relevant Person ceases to be an Eligible Participant, and the Convertible Security is not exercised within that period and the Board resolves, at its discretion, that the Convertible Security lapses as a result;
- (e) upon payment of a Cash Payment in respect of the vested Convertible Security;
- (f) the Board deems that an Convertible Security lapses due to fraud, dishonesty or other improper behaviour of the holder/Eligible Participant under the rules of the Incentive Plan;
- (g) in respect of an unvested Convertible Security, a winding up resolution or order is made, and the Convertible Security does not vest in accordance with rules of the Incentive Plan;
- (h) the Participant and the Company agreeing that the Convertible Security is voluntarily forfeited or cancelled; and
- (i) the Expiry Date of the Option or Performance Right.

10 Disposal Restriction on Convertible Securities

Except as otherwise provided for by the Incentive Awards Plan, an Invitation, the ASX Listing Rules or required by law, a Convertible Security may only be disposed:

- (a) with the consent of the Board (which may be withheld in its discretion) in Special Circumstances, being:
 - (i) ceasing to be an Eligible Participant due to death or total or permanent disability, or retirement or redundancy;
 - (ii) severe financial hardship; or
 - (iii) any other circumstance stated to constitute “special circumstances” in the terms of the relevant Invitation; or
- (b) by force of law upon death to the Participant’s legal personal representative or upon bankruptcy to the Participant’s trustee in bankruptcy.

11 Disposal Restrictions on Shares

- (a) Shares can be made subject to a Restriction Condition and/or a Restriction Period, either of which prohibit disposal until satisfied or waived at the Board’s discretion (unless an Invitation otherwise provides).
- (b) Shares are deemed to be subject to a Restriction Period to the extent necessary to comply with any escrow restrictions imposed by the ASX Listing Rules.

- (c) If a Restriction Condition is not met (and is not waived), the Company may, amongst other remedies, buyback and cancel the Shares for nil consideration, sell the Shares for at least 80% of Market Value and retain the sale proceeds, or declare the Shares to be forfeited and, where held by a trustee, for the Shares to return to the unallocated pool or to be allocated to a different Participant.
- (d) A Share that is subject to a Restriction Period is not at risk of buyback/forfeiture, it is just unable to be disposed during the Restriction Period.
- (e) The Company may implement any procedure it considers appropriate to restrict a Participant from dealing with any Shares for as long as those Shares are subject to a Restriction Period.
- (f) The Participant agrees to execute a restriction agreement in relation to the Restricted Shares reflecting any Restriction Period applying to the Restricted Shares under the Plan or any escrow imposed by the ASX Listing Rules.

12 Other Key Terms

- (a) All Shares issued under the Plan will rank equally in all respects with the Shares of the same class for the time being on issue except as regards any rights attaching to such Shares by reference to a record date prior to the date of their issue.
- (b) In the event of a reorganisation of the capital of the Company, all rights of the holder of an Award will be amended to the extent necessary to comply with the Corporations Act and the ASX Listing Rules applying to reorganisations at the time of the reorganisation.
- (c) Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) applies to the Awards except to the extent an Invitation provides otherwise.
- (d) No issue or allocation of Awards and/or Shares will be made to the extent that it would contravene the Constitution, Listing Rules, the Corporations Act or any other applicable law.

SCHEDULE 2 – TERMS & CONDITIONS

1. The Share Rights will vest and become exercisable subject to continuous employment by the offeree with the Company or a subsidiary until 31 January 2028.
2. The Share Rights are to be issued for no consideration.
3. The Exercise Price of a Share Right is nil.
4. The Share Rights will be automatically exercised within two weeks of the Vesting Date (subject to the service condition and other terms and conditions being met).
5. The Share Rights will not be transferable other than as per the terms of the Plan.
6. If you cease to be an Eligible Participant (eg by ceasing employment with the Company Group) any unvested Share Rights will lapse unless:
 - a. Special Circumstances apply (including death, Total Permanent Disability, Retirement or Redundancy), and the Board exercises its discretion to vest, in whole or in part, the Share Rights or allow them to continue unvested; or
 - b. the Board otherwise exercises its discretion to vest, in whole or in part, the Share Rights or allow them to continue unvested.
7. Upon the valid exercise of the Share Rights, the Company will issue fully paid ordinary Shares ranking pari passu with the then issued ordinary shares.
10. The Company will apply for listing on the ASX of the resultant Shares of the Company issued upon exercise of any Right.
11. As a Share Rights holder the holder will not participate in dividends or bonus issues, with respect to those Share Rights, unless those Share Rights are exercised and the underlying Shares are issued before the relevant record date.
12. As a Share Rights holder, the holder does not have any right to participate in new issues of securities in the Company made to shareholders with respect to those Share Rights. The Company will, where required pursuant to the ASX Listing Rules, provide the holder with notice prior to the record date (to determine entitlements to any new issue of securities made to shareholders generally) to exercise the Share Rights, in accordance with the requirements of the ASX Listing Rules.
13. The Board has the right to vary the entitlements of Participants to take account of the effect of capital reorganisations, bonus issues or rights issues.
14. The terms of the Share Rights shall only be changed if holders (whose votes are not to be disregarded) of Shares in the Company approve of such a change. However, the terms of the Share Rights shall not be changed to adjust the Exercise Price, increase the number of Share Rights or change any period for exercise of the Share Rights.
15. The Company does not intend to apply for listing of the Share Rights on the ASX.
16. There are no Forfeiture Conditions or Restricted Periods attaching to the Share Rights other than as per the terms of the Plan.
17. Each Share Right will convert into one ordinary share on exercise.

18. If prior to the Expiry Date the issued capital of the Company is reorganised, all rights of an Share Rights holder are to be changed in a manner consistent with the Corporations Act and any requirements with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.