

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Peninsula Mines Limited

ABN

56 123 102 974

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |   |   |
|---|---|---|
| 1 | +Class of +securities issued or to be issued  | Options   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued   | 18,900,000 Class A, B & C Options<br>9,000,000 Class D, E & F Options   |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 6,300,000 Class A Options with an exercise price of 2.65 cents and expiring on 29 Nov 2018<br>6,300,000 Class B Options with an exercise price of 3.79 cents and expiring on 29 Nov 2019<br>6,300,000 Class C Options with an exercise price of 5.68 cents and expiring on 29 Nov 2020<br>3,000,000 Class D Options with an exercise price of 3.89 cents and expiring on 29 Nov 2018<br>3,000,000 Class E Options with an exercise price of 5.56 cents and expiring on 29 Nov 2019<br>3,000,000 Class F Options with an exercise price of 8.34 cents and expiring on 29 Nov 2020<br>Full Terms are attached in Annexure to this Appendix 3B |

+ See chapter 19 for defined terms.

4	<p>Do the <sup>+</sup>securities rank equally in all respects from the <sup>+</sup>issue date with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?</p> <p>If the additional <sup>+</sup>securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>These Options do not rank for voting and dividends and are not listed.</p> <p>Each Option on exercise becomes a fully paid ordinary share which will be listed and will rank equally with other fully paid ordinary listed shares.</p>
5	Issue price or consideration	Nil consideration
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	<p>(1) Issue of 18,900,000 Options to 4 Directors and 2 Consultants, as an incentive component of their remuneration pursuant to the approval granted by shareholders at the Annual General Meeting of the Company held on 29 November 2016.</p> <p>(2) Issue of 9,000,000 Options to the Chief Executive Officer of the Company as an incentive component of his remuneration.</p>
6a	<p>Is the entity an <sup>+</sup>eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the <sup>+</sup>securities the subject of this Appendix 3B, and comply with section 6i</p>	Yes
6b	The date the security holder resolution under rule 7.1A was passed	29 November 2016
6c	Number of <sup>+</sup> securities issued without security holder approval under rule 7.1	Nil
6d	Number of <sup>+</sup> securities issued with security holder approval under rule 7.1A	Nil

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<sup>+</sup> See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A
6f	Number of +securities issued under an exception in rule 7.2	Nil
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	LR 7.1 Capacity: 77,161,174 LR 7.1A Capacity: 51,440,782
7	+Issue dates  Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.  Cross reference: item 33 of Appendix 3B.	1 December 2016

8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		514,407,827	Ordinary Shares

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+ See chapter 19 for defined terms.

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	8,000,000	Options exercisable at 40 cents by 17 May 2017
	10,000,000	Options exercisable at 40 cents by 22 June 2017
	10,546,646	Options exercisable at 0.5 cents by 30 September 2017
	11,946,000	Options exercisable at 0.5 cents by 30 November 2017
	700,000	Options exercisable at 1.4 cents by 30 November 2018
	20,023,354	Options exercisable at 0.5 cents by 30 September 2017
	14,150,000	Options exercisable at 0.5 cents by 30 September 2017
	15,000,000	Options exercisable at 2.1 cents by 29 October 2018
	1,500,000	Options exercisable at 3.0 cents by 29 April 2018
	6,300,000	Options exercisable at 2.65 cents by 29 Nov 2018
	6,300,000	Options exercisable at 3.79 cents by 29 Nov 2019
	6,300,000	Options exercisable at 5.68 cents by 29 Nov 2020
	3,000,000	Options exercisable at 3.89 cents by 29 Nov 2018
	3,000,000	Options exercisable at 5.56 cents by 29 Nov 2019
	3,000,000	Options exercisable at 8.34 cents by 29 Nov 2020

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	No dividend policy is currently in place since the Company is involved only in exploration.
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## Part 2 - Pro rata issue

11 Is security holder approval required?	N/A
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+ See chapter 19 for defined terms.

12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the +securities will be offered	N/A
14	+Class of +securities to which the offer relates	N/A
15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has security holders who will not be sent new offer documents  <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A

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+ See chapter 19 for defined terms.

26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	<sup>+</sup> Issue date	N/A

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of <sup>+</sup>securities  
(tick one)

(a) ☒ <sup>+</sup>Securities described in Part 1

(b) ☐ All other <sup>+</sup>securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

### Entities that have ticked box 34(a)

Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

35 ☐ If the <sup>+</sup>securities are <sup>+</sup>equity securities, the names of the 20 largest holders of the additional <sup>+</sup>securities, and the number and percentage of additional <sup>+</sup>securities held by those holders

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<sup>+</sup> See chapter 19 for defined terms.

- 36 ☐ If the <sup>+</sup>securities are <sup>+</sup>equity securities, a distribution schedule of the additional <sup>+</sup>securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over
- 37 ☐ A copy of any trust deed for the additional <sup>+</sup>securities

### Entities that have ticked box 34(b)

- 38 Number of <sup>+</sup>securities for which <sup>+</sup>quotation is sought
- 39 <sup>+</sup>Class of <sup>+</sup>securities for which quotation is sought
- 40 Do the <sup>+</sup>securities rank equally in all respects from the <sup>+</sup>issue date with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?
- If the additional <sup>+</sup>securities do not rank equally, please state:
- the date from which they do
  - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
  - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
- 
- 41 Reason for request for quotation now
- Example: In the case of restricted securities, end of restriction period
- (if issued upon conversion of another <sup>+</sup>security, clearly identify that other <sup>+</sup>security)
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Number	<sup>+</sup> Class
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+ See chapter 19 for defined terms.

42 Number and <sup>+</sup>class of all <sup>+</sup>securities quoted on ASX (including the <sup>+</sup>securities in clause 38)

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#### Quotation agreement

1 <sup>+</sup>Quotation of our additional <sup>+</sup>securities is in ASX's absolute discretion. ASX may quote the <sup>+</sup>securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the <sup>+</sup>securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those <sup>+</sup>securities should not be granted <sup>+</sup>quotation.
- An offer of the <sup>+</sup>securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any <sup>+</sup>securities to be quoted and that no-one has any right to return any <sup>+</sup>securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the <sup>+</sup>securities be quoted.
- ~~If we are a trust, we warrant that no person has the right to return the <sup>+</sup>securities to be quoted under section 1019B of the Corporations Act at the time that we request that the <sup>+</sup>securities be quoted.~~

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before <sup>+</sup>quotation of the <sup>+</sup>securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Company secretary

Date: 1 December 2016

Print name:

Eric Moore

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<sup>+</sup> See chapter 19 for defined terms.



# Appendix 3B – Annexure 1

## Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

### Part 1

Rule 7.1 – Issues exceeding 15% of capital	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	232,026,206
<b>Add</b> the following: <ul style="list-style-type: none"> <li>Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval</li> <li>Number of partly paid +ordinary securities that became fully paid in that 12 month period</li> </ul>	30,046,709 31 December 2015 28,300,000 31 December 2015 10,000,000 6 January 2016 75,093,225 16 March 2016 55,427,416 29 April 2016 1,448,000 2 June 2016 1,882,000 14 June 2016 300,000 15 June 2016 64,279,510 5 October 2016 2,500,000 5 October 2016 13,104,761 1 December 2016
<b>Note:</b> <ul style="list-style-type: none"> <li>Include only ordinary securities here – other classes of equity securities cannot be added</li> <li>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</li> <li>It may be useful to set out issues of securities on different dates as separate line items</li> </ul>	
<b>Subtract</b> the number of fully paid +ordinary securities cancelled during that 12 month period	0
<b>“A”</b>	514,407,827

+ See chapter 19 for defined terms.

<b>Step 2: Calculate 15% of “A”</b>	
<b>“B”</b>	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply “A” by 0.15</b>	77,161,174
<b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>	
<p><b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> <li>• Under an exception in rule 7.2</li> <li>• Under rule 7.1A</li> <li>• With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	0
<b>“C”</b>	<b>0</b>
<b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	77,161,174
<p><b>Subtract “C”</b></p> <p><i>Note: number must be same as shown in Step 3</i></p>	0
<b>Total [“A” x 0.15] – “C”</b>	<p>77,161,174</p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p>

+ See chapter 19 for defined terms.

## Part 2

<b>Rule 7.1A – Additional placement capacity for eligible entities</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>A”</b>  <i>Note: number must be same as shown in Step 1 of Part 1</i>	514,407,827
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10  <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	51,440,782
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <i>Notes:</i> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities – not just ordinary securities</i></li> <li>• <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	0
<b>“E”</b>	0

<b>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</b>	
<b>“A” x 0.10</b>  <i>Note: number must be same as shown in Step 2</i>	51,440,782
<b>Subtract “E”</b>  <i>Note: number must be same as shown in Step 3</i>	0
<b>Total [“A” x 0.10] – “E”</b>	51,440,782  <i>Note: this is the remaining placement capacity under rule 7.1A</i>

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+ See chapter 19 for defined terms.

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## Terms and Conditions of Class A Options

**The Options entitle the holder to subscribe for Shares on the following terms and conditions:**

- (a) Each Option gives the Optionholder the right to subscribe for one Share.
- (b) The Options will expire at 5.00pm (WST) on the date which is 24 months after the date of grant (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) Subject to (e) below, the amount payable upon exercise of an Option will be equal to 140% of the volume weighted average price of Shares for the 5 days on which the shares were traded prior to the Option grant date (**Exercise Price**).
- (d) The Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 100,000 must be exercised on each occasion.
- (e) An Optionholder may exercise Options by lodging with the Company, before the Expiry Date either:
  - A. a written notice of exercise of Options specifying the number of Options being exercised together with a cheque or electronic funds transfer for the Exercise Price for the Options being exercised; or
  - B. a written election signed by the Optionholder electing to use the Cashless Exercise Facility in respect of the number of Options set out in the written election,(either of the above being an **Exercise Notice**).

For the purpose of the above “Cashless Exercise Facility” means to exercise a number of Options and not pay an Exercise Price, and thereby receive a lesser number of Shares on exercise of the Options such that the Optionholder is allotted a number of Shares with an aggregate value equivalent to the net value of the Shares the Optionholder would have otherwise acquired if the Optionholder had paid an Exercise Price, after that Exercise Price is deducted from the value of those Shares.
- (f) Within 10 Business Days of receipt of an Exercise Notice, the Company will allot the number of Shares required under these terms in respect of the number of Options specified in the Exercise Notice.
- (g) Subject to the Listing Rules of the ASX, the Options can be transferred to a Nominee of the Optionholder, but otherwise are not transferable, without the prior written approval of the Directors. “Nominee” means (a) a spouse or de facto spouse of the Optionholder, or (b) a child, sibling or parent of the Optionholder, or (c) a family trust associated with the Optionholder, or (d) a superannuation fund in which the Optionholder or any of the persons referred to in the foregoing is a member, or any other nominee approved by the Company.
- (h) All Shares allotted upon the exercise of Options will upon allotment rank pari passu with other Shares.
- (i) The Company will not apply for quotation of the Options on ASX. However, The Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.
- (j) 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 ASX Listing Rules at the time of the reconstruction.
- (k) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.
- (l) In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities in the Company, the exercise price of the Options may be reduced according to the formula set out in ASX Listing Rule 6.22.2. Subject to the foregoing an Option does not otherwise 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.
- (m) In the event of the death of the Optionholder then all of the Options shall remain in full force and effect for the full term up until the Expiry Date and may be exercised at any time up to the Expiry Date by the deceased Option Holder's legal personal representative.
- (n) In the event that that the person to whom the Options were originally offered to ceases to provide services to, or be employed by, the Company following the takeover of the Company or following a Change in Control, all of the Options shall remain in full force and effect for the full term up until the Expiry Date. A ‘Change in Control’ means a change in the composition of the shareholders of the Company whereby a person who does not presently control the Company within the meaning of section 50AA of the Corporations Act gains such control over the Company.
- (o) In the event that the person to whom the Options were originally offered to ceases to provide services to, or be employed by, the Company all of the Options shall remain in full force and effect for the full term up until the Expiry Date.
- (p) For the avoidance of doubt it is recorded that the terms of the Options will not be affected in the event that in the future if an Optionholder who is a director of the Company ceases to be a director of the Company.

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## Terms and Conditions of Class B Options

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Optionholder the right to subscribe for one Share.
- (b) The Options will expire at 5.00pm (WST) on the date which is 36 months after the date of grant (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) Subject to (e) below, the amount payable upon exercise of an Option will be equal to 200% of the volume weighted average price of Shares for the 5 days on which the shares were traded prior to the Option grant date (**Exercise Price**).
- (d) The Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 100,000 must be exercised on each occasion.
- (e) An Optionholder may exercise Options by lodging with the Company, before the Expiry Date either:
  - A. a written notice of exercise of Options specifying the number of Options being exercised together with a cheque or electronic funds transfer for the Exercise Price for the Options being exercised; or
  - B. a written election signed by the Optionholder electing to use the Cashless Exercise Facility in respect of the number of Options set out in the written election,

(either of the above being an **Exercise Notice**).

For the purpose of the above “Cashless Exercise Facility” means to exercise a number of Options and not pay an Exercise Price, and thereby receive a lesser number of Shares on exercise of the Options such that the Optionholder is allotted a number of Shares with an aggregate value equivalent to the net value of the Shares the Optionholder would have otherwise acquired if the Optionholder had paid an Exercise Price, after that Exercise Price is deducted from the value of those Shares.

- (f) Within 10 Business Days of receipt of an Exercise Notice, the Company will allot the number of Shares required under these terms in respect of the number of Options specified in the Exercise Notice.
- (g) Subject to the Listing Rules of the ASX, the Options can be transferred to a Nominee of the Optionholder, but otherwise are not transferable, without the prior written approval of the Directors. “Nominee” means (a) a spouse or de facto spouse of the Optionholder, or (b) a child, sibling or parent of the Optionholder, or (c) a family trust associated with the Optionholder, or (d) a superannuation fund in which the Optionholder or any of the persons referred to in the foregoing is a member, or any other nominee approved by the Company.
- (h) All Shares allotted upon the exercise of Options will upon allotment rank pari passu with other Shares.
- (i) The Company will not apply for quotation of the Options on ASX. However, The Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.
- (j) 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 ASX Listing Rules at the time of the reconstruction.
- (k) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.
- (l) In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities in the Company, the exercise price of the Options may be reduced according to the formula set out in ASX Listing Rule 6.22.2. Subject to the foregoing an Option does not otherwise 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.
- (m) In the event of the death of the Optionholder then all of the Options shall remain in full force and effect for the full term up until the Expiry Date and may be exercised at any time up to the Expiry Date by the deceased Option Holder’s legal personal representative.
- (n) In the event that that the person to whom the Options were originally offered to ceases to provide services to, or be employed by, the Company following the takeover of the Company or following a Change in Control, all of the Options shall remain in full force and effect for the full term up until the Expiry Date. A ‘Change in Control’ means a change in the composition of the shareholders of the Company whereby a person who does not presently control the Company within the meaning of section 50AA of the Corporations Act gains such control over the Company.
- (o) In the event that the person to whom the Options were originally offered to ceases to provide services to, or be employed by, the Company all of the Options shall remain in full force and effect for the full term up until the Expiry Date.
- (p) For the avoidance of doubt it is recorded that the terms of the Options will not be affected in the event that in the future if an Optionholder who is a director of the Company ceases to be a director of the Company.

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## Terms and Conditions of Class C Options

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Optionholder the right to subscribe for one Share.
- (b) The Options will expire at 5.00pm (WST) on the date which is 48 months after the date of grant (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) Subject to (e) below, the amount payable upon exercise of an Option will be equal to 300% of the volume weighted average price of Shares for the 5 days on which the shares were traded prior to the Option grant date (**Exercise Price**).
- (d) The Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 100,000 must be exercised on each occasion.
- (e) An Optionholder may exercise Options by lodging with the Company, before the Expiry Date either:
  - A. a written notice of exercise of Options specifying the number of Options being exercised together with a cheque or electronic funds transfer for the Exercise Price for the Options being exercised; or
  - B. a written election signed by the Optionholder electing to use the Cashless Exercise Facility in respect of the number of Options set out in the written election,(either of the above being an **Exercise Notice**).

For the purpose of the above “Cashless Exercise Facility” means to exercise a number of Options and not pay an Exercise Price, and thereby receive a lesser number of Shares on exercise of the Options such that the Optionholder is allotted a number of Shares with an aggregate value equivalent to the net value of the Shares the Optionholder would have otherwise acquired if the Optionholder had paid an Exercise Price, after that Exercise Price is deducted from the value of those Shares.

- (f) Within 10 Business Days of receipt of an Exercise Notice, the Company will allot the number of Shares required under these terms in respect of the number of Options specified in the Exercise Notice.
- (g) Subject to the Listing Rules of the ASX, the Options can be transferred to a Nominee of the Optionholder, but otherwise are not transferable, without the prior written approval of the Directors. “Nominee” means (a) a spouse or de facto spouse of the Optionholder, or (b) a child, sibling or parent of the Optionholder, or (c) a family trust associated with the Optionholder, or (d) a superannuation fund in which the Optionholder or any of the persons referred to in the foregoing is a member, or any other nominee approved by the Company.
- (h) All Shares allotted upon the exercise of Options will upon allotment rank *pari passu* with other Shares.
- (i) The Company will not apply for quotation of the Options on ASX. However, The Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.
- (j) 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 ASX Listing Rules at the time of the reconstruction.
- (k) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.
- (l) In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities in the Company, the exercise price of the Options may be reduced according to the formula set out in ASX Listing Rule 6.22.2. Subject to the foregoing an Option does not otherwise 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.
- (m) In the event of the death of the Optionholder then all of the Options shall remain in full force and effect for the full term up until the Expiry Date and may be exercised at any time up to the Expiry Date by the deceased Option Holder's legal personal representative.
- (n) In the event that that the person to whom the Options were originally offered to ceases to provide services to, or be employed by, the Company following the takeover of the Company or following a Change in Control, all of the Options shall remain in full force and effect for the full term up until the Expiry Date. A ‘Change in Control’ means a change in the composition of the shareholders of the Company whereby a person who does not presently control the Company within the meaning of section 50AA of the Corporations Act gains such control over the Company.
- (o) In the event that the person to whom the Options were originally offered to ceases to provide services to, or be employed by, the Company all of the Options shall remain in full force and effect for the full term up until the Expiry Date.
- (p) For the avoidance of doubt it is recorded that the terms of the Options will not be affected in the event that in the future if an Optionholder who is a director of the Company ceases to be a director of the Company.

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## Terms and Conditions of Class D Options

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Optionholder the right to subscribe for one Share.
- (b) The Options will expire at 5.00pm (WST) on the date which is 2 years after the date of grant of the Options (**Expiry Date**).
- (c) Subject to (e) below, the amount payable upon exercise of an Option will \$0.0389 (**Exercise Price**).
- (d) The Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 100,000 must be exercised on each occasion.
- (e) An Optionholder may exercise Options by lodging with the Company, before the Expiry Date either:
  - A. a written notice of exercise of Options specifying the number of Options being exercised together with a cheque or electronic funds transfer for the Exercise Price for the Options being exercised; or
  - B. a written election signed by the Optionholder electing to use the Cashless Exercise Facility in respect of the number of Options set out in the written election,

(either of the above being an **Exercise Notice**).

For the purpose of the above "Cashless Exercise Facility" means to exercise a number of Options and not pay an Exercise Price, and thereby receive a lesser number of Shares on exercise of the Options such that the Optionholder is allotted a number of Shares with an aggregate value equivalent to the net value of the Shares the Optionholder would have otherwise acquired if the Optionholder had paid an Exercise Price, after that Exercise Price is deducted from the value of those Shares.

- (f) Within 10 Business Days of receipt of an Exercise Notice, the Company will allot the number of Shares required under these terms in respect of the number of Options specified in the Exercise Notice.
- (g) Subject to the Listing Rules of the ASX, the Options can be transferred to a Nominee of the Optionholder, but otherwise are not transferable, without the prior written approval of the Directors. "Nominee" means (a) a spouse or de facto spouse of the Optionholder, or (b) a child, sibling or parent of the Optionholder, or (c) a family trust associated with the Optionholder, or (d) a superannuation fund in which the Optionholder or any of the persons referred to in the foregoing is a member, or any other nominee approved by the Company.
- (h) All Shares allotted upon the exercise of Options will upon allotment rank *pari passu* with other Shares.
- (i) The Company will not apply for quotation of the Options on ASX. However, The Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.
- (j) 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 ASX Listing Rules at the time of the reconstruction.
- (k) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.
- (l) In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities in the Company, the exercise price of the Options may be reduced according to the formula set out in ASX Listing Rule 6.22.2. Subject to the foregoing an Option does not otherwise 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.
- (m) In the event of the death of the Optionholder then all of the Options shall remain in full force and effect for the full term up until the Expiry Date and may be exercised at any time up to the Expiry Date by the deceased Option Holder's legal personal representative.



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## Terms and Conditions of Class E Options

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Optionholder the right to subscribe for one Share.
- (b) The Options will expire at 5.00pm (WST) on the date which is 3 years after the date of grant of the Options, however, if the Company terminates the letter agreement (Re 'Consultancy Agreement') between Peninsula Mines Limited and Discover Resource Services Pty Ltd dated on or about 8 August 2016 (as amended from time to time), then the Options will expire on the earlier of 5.00pm (WST) on the date which is 3 years from the date of grant of the Options and 5.00pm (WST) on the date which is 3 months from the date of such termination (**Expiry Date**).
- (c) Subject to (e) below, the amount payable upon exercise of an Option will \$0.0556 (**Exercise Price**).
- (d) The Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 100,000 must be exercised on each occasion.
- (e) An Optionholder may exercise Options by lodging with the Company, before the Expiry Date either:
  - C. a written notice of exercise of Options specifying the number of Options being exercised together with a cheque or electronic funds transfer for the Exercise Price for the Options being exercised; or
  - D. a written election signed by the Optionholder electing to use the Cashless Exercise Facility in respect of the number of Options set out in the written election,(either of the above being an **Exercise Notice**).

For the purpose of the above "Cashless Exercise Facility" means to exercise a number of Options and not pay an Exercise Price, and thereby receive a lesser number of Shares on exercise of the Options such that the Optionholder is allotted a number of Shares with an aggregate value equivalent to the net value of the Shares the Optionholder would have otherwise acquired if the Optionholder had paid an Exercise Price, after that Exercise Price is deducted from the value of those Shares.
- (f) Within 10 Business Days of receipt of an Exercise Notice, the Company will allot the number of Shares required under these terms in respect of the number of Options specified in the Exercise Notice.
- (g) Subject to the Listing Rules of the ASX, the Options can be transferred to a Nominee of the Optionholder, but otherwise are not transferable, without the prior written approval of the Directors. "Nominee" means (a) a spouse or de facto spouse of the Optionholder, or (b) a child, sibling or parent of the Optionholder, or (c) a family trust associated with the Optionholder, or (d) a superannuation fund in which the Optionholder or any of the persons referred to in the foregoing is a member, or any other nominee approved by the Company.
- (h) All Shares allotted upon the exercise of Options will upon allotment rank pari passu with other Shares.
- (i) The Company will not apply for quotation of the Options on ASX. However, The Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.
- (j) 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 ASX Listing Rules at the time of the reconstruction.
- (k) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.
- (l) In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities in the Company, the exercise price of the Options may be reduced according to the formula set out in ASX Listing Rule 6.22.2. Subject to the foregoing an Option does not otherwise 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.
- (m) In the event of the death of the Optionholder then all of the Options shall remain in full force and effect for the full term up until the Expiry Date and may be exercised at any time up to the Expiry Date by the deceased Option Holder's legal personal representative.

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## Terms and Conditions of Class F Options

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Optionholder the right to subscribe for one Share.
- (b) The Options will expire at 5.00pm (WST) on the date which is 4 years after the date of grant of the Options, however, if the Company terminates the letter agreement (Re 'Consultancy Agreement') between Peninsula Mines Limited and Discover Resources Pty Ltd dated on or about 8 August 2016 (as amended from time to time) then the Options will expire on the earlier of 5.00pm (WST) on the date which is 4 years after the date of grant of the Options and 5.00pm (WST) on the date which is 3 months from the date of such termination (**Expiry Date**).
- (c) Subject to (e) below, the amount payable upon exercise of an Option will \$0.0834 (**Exercise Price**).
- (d) The Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 100,000 must be exercised on each occasion.
- (e) An Optionholder may exercise Options by lodging with the Company, before the Expiry Date either:
  - A. a written notice of exercise of Options specifying the number of Options being exercised together with a cheque or electronic funds transfer for the Exercise Price for the Options being exercised; or
  - B. a written election signed by the Optionholder electing to use the Cashless Exercise Facility in respect of the number of Options set out in the written election,(either of the above being an **Exercise Notice**).

For the purpose of the above "Cashless Exercise Facility" means to exercise a number of Options and not pay an Exercise Price, and thereby receive a lesser number of Shares on exercise of the Options such that the Optionholder is allotted a number of Shares with an aggregate value equivalent to the net value of the Shares the Optionholder would have otherwise acquired if the Optionholder had paid an Exercise Price, after that Exercise Price is deducted from the value of those Shares.
- (f) Within 10 Business Days of receipt of an Exercise Notice, the Company will allot the number of Shares required under these terms in respect of the number of Options specified in the Exercise Notice.
- (g) Subject to the Listing Rules of the ASX, the Options can be transferred to a Nominee of the Optionholder, but otherwise are not transferable, without the prior written approval of the Directors. "Nominee" means (a) a spouse or de facto spouse of the Optionholder, or (b) a child, sibling or parent of the Optionholder, or (c) a family trust associated with the Optionholder, or (d) a superannuation fund in which the Optionholder or any of the persons referred to in the foregoing is a member, or any other nominee approved by the Company.
- (h) All Shares allotted upon the exercise of Options will upon allotment rank pari passu with other Shares.
- (i) The Company will not apply for quotation of the Options on ASX. However, The Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.
- (j) 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 ASX Listing Rules at the time of the reconstruction.
- (k) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.
- (l) In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities in the Company, the exercise price of the Options may be reduced according to the formula set out in ASX Listing Rule 6.22.2. Subject to the foregoing an Option does not otherwise 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.
- (m) In the event of the death of the Optionholder then all of the Options shall remain in full force and effect for the full term up until the Expiry Date and may be exercised at any time up to the Expiry Date by the deceased Option Holder's legal personal representative.
- (n) For the avoidance of doubt it is recorded that the terms of the Options will not be affected in the event that in the future if an Optionholder who is a director of the Company ceases to be a director of the Company.