

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

Apollo Minerals Limited

ABN

96 125 222 924

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

- (a) Ordinary Shares
- (b) Class A Performance Shares
- (c) Class B Performance Shares
- (d) Class C Performance Shares
- (e) Class D Performance Shares
- (f) Class E Performance Shares
- (g) \$0.20 Incentive Options
- (h) \$0.25 Incentive Options

2 Number of +securities issued or to be issued (if known) or maximum number which may be issued

- (a) 15,000,000
- (b) 10,000,000
- (c) 10,000,000
- (d) 10,000,000
- (e) 15,000,000
- (f) 20,000,000
- (g) 1,250,000
- (h) 1,600,000

+ See chapter 19 for defined terms.

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)	<p>(a) Fully paid ordinary shares</p> <p>(b) Refer to Annexure 2</p> <p>(c) Refer to Annexure 2</p> <p>(d) Refer to Annexure 2</p> <p>(e) Refer to Annexure 2</p> <p>(f) Refer to Annexure 2</p> <p>(g) Unlisted options exercisable at \$0.20 each on or before 30 June 2020</p> <p>(h) Unlisted options exercisable at \$0.25 each on or before 30 June 2021</p>
4	<p>Do the ⁺securities rank equally in all respects from the ⁺issue date with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional ⁺securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • 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 	<p>(a) Yes</p> <p>(b) Not applicable</p> <p>(c) Not applicable</p> <p>(d) Not applicable</p> <p>(e) Not applicable</p> <p>(f) Not applicable</p> <p>(g) Not applicable</p> <p>(h) Not applicable</p>
5	Issue price or consideration	<p>(a) to (f) Nil – Issued in consideration for the acquisition of Ariege Tungstene SAS.</p> <p>(g) to (h) Nil</p>
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	<p>(a) to (f) Issued in consideration for the acquisition of Ariege Tungstene SAS.</p> <p>(g) to (h) Issued to a Director and key consultants as an incentive to perform</p>
6a	<p>Is the entity an ⁺eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the ⁺securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	No
6b	The date the security holder resolution under rule 7.1A was passed	Not applicable
6c	Number of ⁺ securities issued without security holder approval under rule 7.1	Nil

6d	Number of +securities issued with security holder approval under rule 7.1A	Nil				
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	(a) 15,000,000 (b) 10,000,000 (c) 10,000,000 (d) 10,000,000 (e) 15,000,000 (f) 20,000,000 (g) 1,250,000 (h) 1,600,000				
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.	Not applicable				
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	Not applicable				
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	Capacity under rule 7.1 – 20,987,132 Capacity under rule 7.1A – Nil				
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.	30 June 2017				
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>139,914,218</td> <td>Ordinary shares</td> </tr> </tbody> </table>	Number	+Class	139,914,218	Ordinary shares
Number	+Class					
139,914,218	Ordinary shares					

+ See chapter 19 for defined terms.

	Number	+Class
9	10,000,000	Class A Performance Shares (1 for 1 conversion upon achievement of milestone)
	10,000,000	Class B Performance Shares (1 for 1 conversion upon achievement of milestone)
	10,000,000	Class C Performance Shares (1 for 1 conversion upon achievement of milestone)
	15,000,000	Class D Performance Shares (1 for 1 conversion upon achievement of milestone)
	20,000,000	Class E Performance Shares (1 for 1 conversion upon achievement of milestone)
	1,678,125	\$0.52 unlisted options expiring 28 February 2018
	1,500,000	\$0.05 unlisted options expiring 30 June 2018
	2,000,000	\$0.075 unlisted options expiring 30 June 2019
	1,250,000	\$0.20 unlisted options expiring 30 June 2020
	1,500,000	\$0.32 unlisted options expiring 30 November 2020
	1,600,000	\$0.25 unlisted options expiring 30 June 2020

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable
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Part 2 - Pro rata issue

11	Is security holder approval required?	Not applicable
12	Is the issue renounceable or non-renounceable?	Not applicable
13	Ratio in which the +securities will be offered	Not applicable
14	+Class of +securities to which the offer relates	Not applicable
15	+Record date to determine entitlements	Not applicable

+ See chapter 19 for defined terms.

16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable
17	Policy for deciding entitlements in relation to fractions	Not applicable
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	Not applicable
19	Closing date for receipt of acceptances or renunciations	Not applicable
20	Names of any underwriters	Not applicable
21	Amount of any underwriting fee or commission	Not applicable
22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	Not applicable
25	If the issue is contingent on security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	Not applicable
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	Not applicable
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable

+ See chapter 19 for defined terms.

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|----|---|----------------|
| | | |
| 30 | How do security holders sell their entitlements <i>in full</i> through a broker? | Not applicable |
| 31 | How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | Not applicable |
| 32 | How do security holders dispose of their entitlements (except by sale through a broker)? | Not applicable |
| 33 | +Issue date | Not applicable |

Part 3 - Quotation of securities

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

- 34 Type of +securities
(tick one)
- (a) +Securities described in Part 1
- (b) All other +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 +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +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 +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought	Not applicable	
39	+Class of +securities for which quotation is sought	Not applicable	
40	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • 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 	Not applicable	
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another +security, clearly identify that other +security)</p>	Not applicable	
42	Number and +class of all +securities quoted on ASX (<i>including</i> the +securities in clause 38)	Number	+Class

+ See chapter 19 for defined terms.

Quotation agreement

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

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +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 +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +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 +quotation of the +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: Date: 30 June 2017
(Director/Company secretary)

Print name: Clint McGhie.

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+ 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	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	20,382,141
Add the following: <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	34,000,000 – Placement 7 July 2016 8,000,000 – Placement 15 July 2016 45,312,077 – Entitlements Issue 19 August 2016 17,070,000 – Shortfall Issue 31 August 2016 150,000 – 31 August 2016 15,000,000 – 30 June 2017
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	139,914,218

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	20,987,132
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert 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"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
“C”	Nil
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	20,987,132
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	Nil
Total [“A” x 0.15] – “C”	20,987,132 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

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

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	Not applicable
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	Nil
Total [“A” x 0.10] – “E”	Not applicable <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.

Annexure 2 - Terms and Conditions of Performance Shares

The terms of the Class A Convertible Performance Shares, Class B Convertible Performance Shares, Class C Convertible Performance Shares, Class D Convertible Performance Shares and Class E Convertible Performance Shares are as follows:

1. Definitions

In these terms and conditions, unless the context otherwise requires:

ASX means ASX Limited and where the context permits the Australian Securities Exchange operated by ASX Limited.

Asset Sale means the announcement by the Company of any completed direct or indirect sale, lease, exchange, or other transfer (in one transaction or a series of related transactions) of all or part of the Exploration Permit, other than to an entity controlled by the Company, provided that the total amount of consideration received by the Company is at least A\$21 million.

Class A Convertible Performance Share means a Class A Convertible Performance Share issued by the Company as part of the consideration under the Share Sale Agreement.

Class A Milestone means the announcement by the Company to ASX of the delineation of at least an Inferred and Indicated Mineral Resource of at least 25,000 tonne WO₃ at an average grade of not less than 1.0% WO₃ using a cut-off grade of not less than 0.3% WO₃ on the Project Licences and which is prepared and reported in accordance with the provisions of the JORC Code. For the avoidance of doubt, the referenced tonnes and grade are WO₃ values, not WO₃ equivalent values incorporating by-products credits.

Class B Convertible Performance Share means a Class B Convertible Performance Share issued by the Company as part of the consideration under the Share Sale Agreement.

Class B Milestone means the announcement by the Company to ASX of the delineation of at least an Inferred and Indicated Mineral Resource of at least 500,000 troy ounces of gold at an average grade of not less than 0.8 grams per tonne on the Project Licences and which is prepared and reported in accordance with the provisions of the JORC Code.

Class C Convertible Performance Share means a Class C Convertible Performance Share issued by the Company as part of the consideration under the Share Sale Agreement.

Class C Milestone means the release of a comprehensive announcement by the Company to ASX of the results of a positive Scoping Study on all or part of the Project Licences.

Class D Convertible Performance Share means a Class D Convertible Performance Share issued by the Company as part of the consideration under the Share Sale Agreement.

Class D Milestone means the release of a comprehensive announcement by the Company to ASX of the results of a positive Pre-Feasibility Study on all or part of the Project Licences.

Class E Convertible Performance Share means a Class E Convertible Performance Share issued by the Company as part of the consideration under the Share Sale Agreement.

Class E Milestone means the release of a comprehensive announcement by the Company to ASX of the results of a positive Definitive Feasibility Study on all or part of the Project Licences.

Company means Apollo Minerals Limited ABN 96 125 222 924.

Corporations Act means *Corporations Act 2001* (Cth).

Definitive Feasibility Study has the meaning given to the term 'Feasibility Study' in the JORC Code. For the avoidance of doubt, a Definitive Feasibility Study does not require all permits and financing necessary to commence production to have been completed or received.

Expiry Date means 5.00pm (Perth time) on the date which is 5 years after the date of issue of the Performance Shares.

Exploration Permit means an exclusive exploration permit (*Permis exclusif de recherches de mines*) covering part of the Ariège department in the Midi-Pyrénées region of France as detailed more specifically in the application contained in Schedule 7 of the Share Sale Agreement (and any other exploration or mining tenements or exploration or mining tenements which may be granted in lieu of (in whole or part) or relate to the same ground (in whole or part) as that licence) and includes all rights to mine and other privileges appurtenant to that licence.

Exploration Permit Mining Information means all technical and legal documentation and information including geological, geochemical and geophysical reports, surveys, mosaics, aerial photographs, drill logs, assay results, title documents, maps and plans relating to the Exploration Permit, whether in physical, written or electronic form, which is owned by, or has been provided to the Company by, Variscan France.

Inferred and Indicated Mineral Resource has the meaning given to that term in the JORC Code.

Joint Venture Company means a company incorporated in France and named Mines du Salat SAS, being the company to which Variscan France must apply to transfer the Exploration Permit in accordance with the Shareholders Agreement.

JORC Code means the Joint Ore Reserves Committee's Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 Edition).

Performance Share means a Class A Convertible Performance Share, Class B Convertible Performance Share, Class C Convertible Performance Share, Class D Convertible Performance Share or a Class E Convertible Performance Share.

Performance Shareholder means the holder of a Performance Share.

Pre-Feasibility Study has the meaning given to that term in the JORC Code.

Project or **Couflens Project** means the Exploration Permit, the Exploration Permit Mining Information and all related intellectual property and physical property.

Project Licences means the Exploration Permit and any other exploration or mining tenements which the Joint Venture Company acquires within 50km of the Exploration Permit.

Relevant Interest has the meaning given to that term in the Corporations Act.

Scoping Study has the meaning given to that term in the JORC Code.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of Shares.

Shareholders Agreement means the shareholders agreement between Ariege Tungstene SAS, Variscan France and the Joint Venture Company.

Share Sale means:

- (a) the announcement by the Company of an unconditional Takeover Bid in relation to the Company resulting in the person making the Takeover Bid having a Relevant Interest of 50% or more of the Shares and which is announced as, or has been declared, unconditional; or
- (b) the announcement by the Company that shareholders of the Company have, at a Court convened meeting of shareholders, voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Shares are to be either cancelled or transferred to a third party, and the Court, by order, approves the proposed scheme of arrangement; or
- (c) the announcement by the Company of the acquisition by a person or any group of related persons (other than the Company) of the power, directly or indirectly, to vote or direct the voting of the Shares having more than 50% of the ordinary voting power of the Company,

provided that that the price paid per Share acquired is at least A\$0.15 (as adjusted to take into account any pro rata issue of securities, bonus issue of securities, or reconstruction of issued capital, including consolidation, sub-division, reduction or return, taking place after the grant or issue of the Performance Shares).

Share Sale Agreement means the share sale agreement between E-Mines, Juniper Capital Partners Limited, the Company and Ariege Tungstene SAS dated 13 March 2017.

Takeover Bid has the meaning given to that term in the Corporations Act.

Variscan France means Variscan Mines SAS, a simplified joint stock company registered with the Trade and commerce registry of Orleans under number 528 859 846 and whose registered seat is located at 10 rue Léonard de Vinci, 45100 Orleans.

2. Dividend

Performance Shareholders are not entitled to a dividend.

3. Conversion

(a) Conversion

The Performance Shares will convert into Shares in accordance with this clause 3.

(b) Conversion of Class A Convertible Performance Shares

Subject to clause 3(i), each Class A Convertible Performance Share will convert into one Share upon the first of the following occurring, on or prior to the Expiry Date:

- (i) the satisfaction of the Class A Milestone; and
- (ii) an Asset Sale.

(c) Conversion of Class B Convertible Performance Shares

Subject to clause 3(i), each Class B Convertible Performance Share will convert into one Share upon the first of the following occurring, on or prior to the Expiry Date:

- (i) the satisfaction of the Class B Milestone; and
- (ii) an Asset Sale.

(d) Conversion of Class C Convertible Performance Shares

Subject to clause 3(i), each Class C Convertible Performance Share will convert into one Share upon the first of the following occurring, on or prior to the Expiry Date:

- (i) the satisfaction of the first to occur of the:
 - (A) Class C Milestone;
 - (B) Class D Milestone; and
 - (C) Class E Milestone; and
- (ii) an Asset Sale.

(e) Conversion of Class D Convertible Performance Shares

Subject to clause 3(i), each Class D Convertible Performance Share will convert into one Share upon the first of the following occurring, on or prior to the Expiry Date:

- (i) the satisfaction of the first to occur of the:
 - (A) Class D Milestone; and
 - (B) Class E Milestone; and
- (ii) an Asset Sale.

(f) Conversion of Class E Convertible Performance Shares

Subject to clause 3(i), each Class E Convertible Performance Share will convert into one Share upon the first of the following occurring, on or prior to the Expiry Date:

- (i) satisfaction of the Class E Milestone; and
- (ii) an Asset Sale.

(g) Conversion on Share Sale

- (i) Subject to clauses 3(g)(ii) and 3(i), if on or prior to the Expiry Date a Share Sale occurs then each Performance Share will immediately convert into one Share.
- (ii) The maximum number of Performance Shares that can be converted into Shares under this clause 3(g) upon a Share Sale must not exceed 10% of the issued Share capital of the Company (as at the date of the Share Sale). The Company shall ensure a pro-rata allocation of Shares converted under this clause 3(g) to all Performance Shareholders. Performance Shares that are not converted into Shares will continue to be held by the Performance Shareholder on the same terms and conditions.

(h) Conversion after Expiry Date

- (i) If the Class A Milestone is not met by the Expiry Date, the Company will, as soon as reasonably practical and in any event no later than 90 days after the Expiry Date, convert the total number of Class A Performance Shares on issue into one Share. For the avoidance of doubt, the Class B Convertible Performance Shares, Class C Convertible Performance Shares, Class D Performance Shares and Class E Performance Shares are independent and will not convert in such circumstances.
- (ii) If the Class B Milestone is not met by the Expiry Date, the Company will, as soon as reasonably practical and in any event no later than 90 days after the Expiry Date, convert the total number of Class B Convertible Performance Shares on issue into one Share. For the avoidance of doubt, the Class C Convertible Performance Shares, Class D Performance Shares and Class E Performance Shares are independent and will not convert in such circumstances.
- (iii) If the Class C Milestone is not met by the Expiry Date, the Company will, as soon as reasonably practical and in any event no later than 90 days after the Expiry Date, convert the total number of Class C Convertible Performance Shares on issue into one Share. For the avoidance of doubt, the Class D Performance Shares and Class E Performance Shares are independent and will not convert in such circumstances.
- (iv) If the Class D Milestone is not met by the Expiry Date, the Company will, as soon as reasonably practical and in any event no later than 90 days after the Expiry Date, convert the total number of Class D

Convertible Performance Shares on issue into one Share. For the avoidance of doubt, the Class E Performance Shares are independent and will not convert in such circumstances.

(v) If the Class E Milestone is not met by the Expiry Date, the Company will, as soon as reasonably practical and in any event no later than 90 days after the Expiry Date, convert the total number of Class E Convertible Performance Shares on issue into one Share.

(i) Takeover provisions

(i) If the conversion of Performance Shares (or part thereof) under clauses 3(b) to 3(h) would result in any person being in contravention of section 606(1) of the Corporations Act, then:

(A) the Company must convert so many Performance Shares to Shares as it can provided that the relevant person does not exceed the maximum voting power permitted through use of item 9 of section 611 of the Corporations Act; and

(B) to the extent further Performance Shares would otherwise convert to Shares:

(1) if requested by a Performance Shareholder in writing, within 120 days of receipt of such request prepare and lodge with ASIC for review a notice of meeting in respect a general meeting of shareholders to seek approval of such conversion pursuant to item 7 of section 611 of the Corporations Act;

(2) procure that, in the absence of a superior proposal, the directors of the Company unanimously recommend that shareholders vote in favour of such resolution but only if and to the extent that the directors of the Company have determined, in good faith and acting reasonably, that they can do so without breaching their fiduciary or statutory duties;

(3) immediately on obtaining shareholder approval, procure the conversion of such Performance Shares to Shares; and

(4) if shareholder approval is not obtained, the conversion of each Performance Share that would cause the contravention shall be deferred until such time or times thereafter that the conversion would not result in a contravention of section 606(1).

(ii) The Performance Shareholders must give notice to the Company in writing if they consider that the conversion of Performance Shares (or part thereof) under clauses 3(b) to 3(h) may result in the contravention of section 606(1), failing which the Company shall

assume that the conversion of Performance Shares (or part thereof) under clauses 3(b) to 3(h) will not result in any person being in contravention of section 606(1).

(j) After conversion

The Share resulting from conversion of any Performance Share will as and from 5.00pm (Perth time) on the date of conversion rank equally with and confer rights identical with all other Shares then on issue and application will be made by the Company to ASX for official quotation of the Shares upon the date of conversion. Subject to the terms of the Share Sale Agreement, the Share resulting from conversion of a Performance Share must be free from all encumbrances, securities and third party interests. The Company must ensure that the Share resulting from conversion of a Performance Share is freely tradeable, without being subject to on-sale restrictions under section 707 of the Corporations Act, on and from their date of issue.

4. Conversion of Performance Shares for no consideration

The Performance Shares will convert into Shares for no consideration and the Company must immediately record the conversion in the manner required by the Corporations Act.

5. Reorganisation

If there is any reorganisation of the issued share capital of the Company, the rights of the Performance Shareholders will be varied to the extent necessary to comply with the ASX Listing Rules which apply to the reorganisation at the time of the reorganisation.

6. Winding up

If the Company is wound up prior to conversion of all of the Performance Shares into Shares then the Performance Shareholders will have:

- (a) no right to be paid cash for the Performance Shares; and
- (b) no right to participate in surplus assets or profits of the Company on winding up.

7. Non-transferable

The Performance Shares are not transferrable.

8. Copies of notices and reports

The Performance Shareholders have the same rights as Shareholders to receive notices, reports and audited accounts and to attend general meetings of the Company but are only entitled to vote in the circumstances referred to in clause 9.

9. Voting rights

The Performance Shareholders shall have no right to vote, subject to the Corporations Act.

10. Participation in new issues

There are no participation rights or entitlements inherent in the Performance Shares and Performance Shareholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Shares.

11. Quotation

The Performance Shares are unquoted. No application for quotation of the Performance Shares will be made by the Company.