

## **Terms and Conditions of Option issued on 5 March 2010**

Each option will entitle the holder to subscribe for one share in Mayan Iron Corporation Ltd (“the Company”) on the following terms:

**(a) Exercise Price**

The exercise price of each option is 20 cents.

**(b) Entitlement**

Each Option shall entitle the holder the right to subscribe in cash one(1) share in the capital of the Company

**(c) Expiry Date**

The Options will expire at 5.00pm WST on 31 May 2016 subject to clause (g), Options may be exercised at any time prior to the expiry date (subject to a above) and Options not exercised shall automatically expire on the expiry date.

**(d) Ranking of Share Allotted on Exercise of Option**

Each share allocated as a result of the exercise of any Option will be subject to the Constitution of the Company, rank in all respects pari passu with the existing Shares in the capital of the Company on issue at the date of allotment.

**(e) Voting**

A registered owner of an Option (“Option Holder”) will not be entitled to attend or vote at any meetings of the members of the Company unless they are in, addition to being an Option Holder, a member of the Company.

**(f) Transfer of Options**

Options are transferable at any time prior to the expiry date. The right is subject to any restrictions on the transfer of Options that may be imposed by the ASX in circumstance where the Company is listed on the ASX.

**(g) Method of Exercise of an Option**

(i) The company will provide to each options holder a notice that is to be completed when the Options are exercised (“Notice of Exercise of Options”). Options may be exercised by the Option Holder by completing the Notice of Exercise of Options and forwarding the same to the Secretary of the Company which must be received prior to the expiry date. The Notice of Exercise of Options must state the number of Options exercised and the consequent number of ordinary shares in the capital of the Company to be allotted which; number of Options must be a multiple of 2,000 if only part of the Option Holder’s total Options are exercised, or if the total number of Option held by an Option Holder total is less than 2,000, then the total on all Options held by the Option Holder must be exercised.

(ii) The Notice of Exercise of Options by the Option Holder must be accompanied by payment in full for the relevant number of shares being subscribed, being an amount of 20 cents (\$0.20) per share

(iii) Subject to paragraph (g) (i) above, the exercise of less than all of an Options Holder’s Options will not prevent the Option Holder from exercising

the whole or any part of the balance of the Options Holder's entitlement under the Option Holder's remaining Options.

(iv) Within 14 days from the date the Options Holder properly exercises options held by the Option Holder, the Company shall issue and allot the Option Holder that number of Shares in the capital of the Company to subscribe for by the Option Holder.

(v) If the Company is listed on the SX, the Company will within 3 business days from the date of issue and allotment of Shares pursuant to the exercise of an Option, apply to the ASX for, and use its best endeavours obtain, Official Quotation of all such Shares, in accordance with the Corporations Act and the Listing Rules of the ASX.

(vi) The Company will generally comply with the requirements of the Listing Rules in relation to the timetable imposed when quoted Options are due to expire. Where there shall be any inconsistency between the timetables outlined herein regarding the expiry of the Options and the timetable outlined in the Listing Rules, the timetable outlined in the Listing Rules shall apply.

**(h) Reconstruction**

In the event of a reconstruction (including consolidations, subdivision, reduction or return) of the issued capital of the Company; all rights of the Options Holder will be changed to the extent necessary to comply with the Listing Rules applying to the reconstruction of capital, at the time of the reconstruction.

**(i) Participation in New Issues**

There are no participation rights or entitlements inherent in the Options to participate in any new issues of capital which may be made or offered by the Company to its shareholders from time to time prior to the expiry date unless and until the Options are exercised. The Company will ensure that during the exercised period, the record date for the purposes of determining entitlements to any new such issues, will be at least nine (9) business days after such new issues are announced (or such other date if required under the Listing Rules) in order to afford the Option Holder the opportunity to exercise the Options held by the Option Holder.

**(j) No change of Options Exercise Price or Number of Underlying Shares**

There are no rights to change the exercise price or the number of underlying Shares.

**NOTICE TO EXERCISE**

I/We..... (name)hereby give notice to exercise..... (number) options at \$A0.20 each and request the issue of .....(number of fully paid shares)and herewith enclose payment of \$A.....

.....  
Signed; Individual

.....  
Sole/Director/Director/Secretary

.....  
Director/Secretary