

**Rift Valley Resources Limited (ABN 88 147 483 341) (“Company”)**

**Terms and conditions of Options**

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Options are issued on the following terms:

- (a) Each Option entitles the holder to acquire one ordinary share in the Company upon exercise of that Option.
- (b) The exercise price payable on exercise of the Options is:
  - (i) If the Options are issued as tranche 1 Options: \$0.20; or
  - (ii) If the Options are issued as tranche 2 Options: \$0.25.
- (c) Subject to paragraph (f) the Options will expire 3 years from the date of issue.
- (d) Options may be issued to a Permitted Nominee. A Permitted Nominee is a third party nominated by the party to whom Options would otherwise be issued and approved by the Company’s board in its absolute discretion.
- (e) Options may be exercised at any time prior to expiry by completing an Option exercise form and delivering it to the registered office of the Company together with the exercise price payment for the number of Options exercised.
- (f) All ordinary shares issued upon exercise of the Options will, from the date they are issued, rank pari passu in all respects with the Company’s then issued ordinary shares. The Company will apply for official quotation by ASX of all shares issued upon exercise of the Options.
- (g) The optionholder will be entitled to participate in any new issue of securities to existing holders of ordinary shares in the Company to the extent that the optionholder has exercised their Options prior to the record date for determining entitlements.
- (h) The Options do not confer on the holder any right to participate in dividends until ordinary shares are allotted pursuant to the exercise of the Options.
- (i) Subject to paragraph (j), if the Company makes a bonus share issue, a rights issue or any other similar issue of rights or entitlements, there will be no adjustment to the exercise price, the number of ordinary shares per Option or any other terms of the Options.
- (j) On a reorganisation of the Company’s capital, the rights of optionholders (including the number of Options and the exercise price) will be changed to the extent necessary to comply with the Listing Rules of the ASX.
- (k) Subject to the Corporations Act, the ASX Listing Rules and the Company’s Constitution, the Options are transferable at the discretion of the Company’s board. The Options will not be listed for quotation on the ASX.