

GRANT OF INCENTIVE OPTIONS

New World Resources Limited (“NWC”, “New World” or the “Company”) advises that that the Board has resolved to grant a total of 56,250,000 unlisted options (“Incentive Options”), pursuant to the Company’s Long-Term Incentive Plan (“Plan”), to directors, key management and other employees. The grant of the Incentive Options follows the expiry on 28 November 2022, of 39.5 million existing incentive options, held by directors and key management, which were exercisable at 3.85 cents each.

The Incentive Options will be exercisable at 4.9 cents each on or before 8 December 2026. The exercise price represents a 44% premium to the last closing share price. Applicable vesting conditions are set out in the Annexure 1.

The 24,000,000 Incentive Options that were granted to key management and other employees, have been issued on the terms set out in Annexure 2.

The grant of Incentive Options to the Company’s directors is subject to receipt of requisite shareholder approvals at an upcoming general meeting, with the full terms and conditions of the Incentive Options to be set out in the corresponding notice of meeting.

The Incentive Options represent approximately 3% of the Company’s current shares on issue.

Authorised for release by the Board

For further information

Ian Cunningham
Company Secretary
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New World Resources Limited

ABN: 23 108 456 444

ASX Code: NWC

DIRECTORS AND OFFICERS:

Richard Hill
Chairman

Mike Haynes
Managing Director/CEO

Tony Polglase
Non-Executive Director

Nick Woolrych
Non-Executive Director

Ian Cunningham
Company Secretary

CAPITAL STRUCTURE:
(Pre-Placement)
Shares: 1,851.9m
Share Price (7/12/22):
\$0.034

PROJECTS:

Antler Copper Project,
Arizona, USA

Tererro Copper-Gold-Zinc Project,
New Mexico, USA

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Annexure 1 – Details of Incentive Option Grants

Recipient	Number of Incentive Options	Vesting Conditions*
Michael Haynes	19,750,000	<ul style="list-style-type: none"> • 6,583,333 vest on issue date • 6,583,333 vest on submission of Mine Plan of Operations • 6,583,334 vest on completion of a positive pre-feasibility study and announcement to the ASX of the commencement of a feasibility study
Richard Hill	4,000,000	<ul style="list-style-type: none"> • 2,000,000 vest 12 months from the date of issue provided that, at that time, Richard Hill remains a director of the Company • 2,000,000 vest 24 months from the date of issue provided that, at that time, Richard Hill remains a director of the Company
Anthony Polglase	3,500,000	<ul style="list-style-type: none"> • 1,750,000 vest 12 months from the date of issue provided that, at that time, Anthony Polglase remains a director of the Company • 1,750,000 vest 24 months from the date of issue provided that, at that time, Anthony Polglase remains a director of the Company
Nick Woolrych	5,000,000	<ul style="list-style-type: none"> • 2,500,000 vest 12 months from the date of issue provided that, at that time, Nick Woolrych remains a director of the Company • 2,500,000 vest 24 months from the date of issue provided that, at that time, Nick Woolrych remains a director of the Company
Key management & other employees	24,000,000	<ul style="list-style-type: none"> • 8,000,000 vest on issue date • 8,000,000 vest on submission of Mine Plan of Operations • 8,000,000 vest on completion of a positive pre-feasibility study and announcement to the ASX of the commencement of a feasibility study

Notes:

1. The issue of the Incentive Options to Michael Haynes, Richard Hill, Anthony Polglase and Nick Woolrych are subject to subsequent shareholder approval in accordance with the ASX Listing Rules.
2. There will be automatic vesting of all of the Incentive Options in the event of a change of control (as defined in the Plan).

Annexure 2 – Terms and Conditions of Management and Employee Options

The Incentive Options issued to key management and employees were issued pursuant to Plan and with the following key terms and conditions:

1. Each Option entitles the holder to subscribe for and be allotted one ordinary fully paid share in the Company (“Share”).
2. Each Option expires at 5.00 pm (Perth WST) on 8 December 2026 (“Expiry Date”).
3. The exercise price of each Option will be 4.9 cents (“Exercise Price”).
4. The Options are subject to the vesting conditions set out in Annexure 1.
5. Subject to satisfaction of any vesting conditions, the Options are exercisable at any time on or prior to the Expiry Date by notice in writing to the Company in the manner specified on the notice of exercise (“Notice of Exercise”) accompanied by payment of the Exercise Price for each Option being exercised via electronic funds transfer. The holder may elect to pay the Exercise Price by using the Cashless Exercise Facility in the manner set out in the Plan.
6. A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (“Exercise Date”).
7. Within 10 business days of the Exercise Date, the Company will:
 - (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.
8. All Shares issued upon exercise of the Options will rank pari passu in all respects with the Company’s then existing Shares.
9. In the event of any reorganisation of the issued capital of the Company on or prior to the Expiry Date, the rights of the Option holder will be changed to the extent necessary to comply with the applicable ASX Listing Rules in force at the time of the reorganisation.
10. There are no participation rights or entitlements inherent in the Options and the holder will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Options without exercising the Options.
11. There is no right to a change in the exercise price of the Options or to the number of shares over which the Options are exercisable in the event of a new issue of capital (other than a bonus issue) during the currency of the Options.
12. The Company will not seek quotation of the Options on the ASX.

13. The Options are transferable subject to Board approval.

In the event of an inconsistency between the Plan and these terms and conditions, these terms and conditions shall prevail.