

EMPLOYEE INCENTIVE PLAN RULES

Coda Minerals Limited (ACN 625 763 957)

Adopted: 19th June 2020

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Employee Incentive Plan Rules Coda Minerals Limited (ACN 625 763 957)

Adopted on 19th June 2020.

1. GLOSSARY

Words in these Rules that are capitalised are defined in the Glossary located in the Schedule.

2. INTRODUCTION

2.1. Rules

This document sets out the Rules of the Employee Incentive Plan of the Company.

2.2. Purpose

The Company has established the Plan with the following objectives:

- (a) to establish a method by which Eligible Participants can participate in the future growth and profitability of the Company;
- (b) to provide an incentive and reward for Eligible Participants for their contributions to the Company;
- (c) to attract and retain a high standard of managerial and technical personnel for the benefit of the Company; and
- (d) to align the interests of the Eligible Participants more closely with the interests of Shareholders, by providing an opportunity for Eligible Participants to hold an equity interest in the Company.

2.3. Implications and risks

- 2.3.1. There are legal and tax consequences, as well as commercial risks, associated with participation in the Plan.
- 2.3.2. Eligible Participants should ensure that they understand these consequences before accepting an Offer to participate in the Plan.

3. OPERATION

3.1. Commencement

The Plan will commence on a date determined by resolution of the Board.

3.2. Application of Rules

Participation in the Plan is subject to these Rules.

3.3. Administration and Board powers

- 3.3.1. The Plan will be administered by the Board which has the power and absolute discretion to:
- (a) determine the appropriate procedures from time to time for the administration of the Plan, including the form of Acceptance and other forms and notices to be issued under the Plan, subject to these Rules;
 - (b) subject to rules 3.3.2, 3.11 and 18, amend, modify or waive any or all of these Rules (including this rule), or any restriction or other condition relating to any Awards allocated under the Plan;
 - (c) resolve conclusively all questions of fact or interpretation concerning the Plan and the applicable Rules and any dispute of any kind that arises under the Plan, including as to the interpretation or application of the Plan or any restrictions or other conditions relating to any Awards allocated under the Plan, and the decision of the Board is final and binding on the Company and the Participants;
 - (d) make any payment or settlement of an amount to a Participant in consideration for any cancellation of Awards as may be agreed with a Participant; and
 - (e) delegate to any one or more persons for such period and on such conditions as the Board may determine the exercise of any of the Board's powers or discretions under the Plan; and
 - (f) waive any breach of a provision of the Plan.
- 3.3.2. Subject to the applicable Rules, without the consent of the Participant, amendments may not be made to any restriction or other condition relating to any Awards allocated under the Plan, which reduces the rights of a Participant to those Awards other than an amendment made primarily to:
- (a) comply with present or future applicable laws including without limitation any State or Commonwealth legislation;
 - (b) correct any manifest error; or
 - (c) take into consideration possible adverse tax implications in relation to the Plan arising from, among other things:
 - (i) adverse rulings from the Commissioner of Taxation or its equivalent in any other relevant jurisdiction;

- (ii) changes to Australian law legislation or equivalent legislation in any other relevant jurisdiction; or
- (iii) changes in the interpretation of Australian tax legislation or equivalent legislation in any other relevant jurisdiction by a court or tribunal of competent jurisdiction.

3.3.3. Subject to rule 20, the Board has absolute and unfettered discretion:

- (a) to act or refrain from acting under the applicable Rules or concerning the Plan or any Awards allocated under the Plan; and
- (b) in exercising any power or discretion concerning the Plan or any Awards allocated under the Plan.

3.3.4. If and for so long as the Company is listed on the Exchange, the Board may only exercise its powers in accordance with the Listing Rules.

3.4. Indemnification

The Company must indemnify, and keep indemnified, to the full extent permitted by law, each person who is or has been a Director or alternate Director of the Company against all proceedings, actions, claims, demands, losses, liabilities, damages, costs and expenses which may be made, brought against, suffered or incurred by the person arising directly or indirectly out of or in connection with the operation of the Plan.

3.5. Eligibility

3.5.1. Subject to rule 18.5, Eligible Participants are eligible to participate in the Plan.

3.5.2. The Board may in its absolute discretion determine criteria to apply to an Eligible Participant for participation in the Plan including, without limitation, a minimum period of service.

3.5.3. Eligibility to participate in the Plan does not confer a right to participate in the Plan. Participation in the Plan will be solely determined by the Board in accordance with these Rules.

3.6. Awards

3.6.1. Subject to these Rules and the terms of an Offer, the Board may, at its discretion, Offer and issue Awards to any Eligible Participant under the Plan.

3.6.2. Awards may be issued or granted to Eligible Participants or, subject to rule 5.5, their Nominees as approved by the Board from time to time.

3.6.3. The Board may in its discretion determine the number of Awards to be offered to an Eligible Participant and the Board may, subject to these Rules, determine the terms and conditions applicable to such Awards.

3.6.4. These Rules do not limit the type or class of Awards that may be issued under the Plan. The Board may from time to time Offer and issue Awards to any Eligible Participant under the Plan, so long as each such Offer and issue comply with the Rules, the Listing Rules, and any applicable law.

3.7. Separate schemes

The operation of the Plan in relation to each class of Award constitutes a separate scheme for the purposes of Division 83A of the ITAA97.

3.8. Trust

The Board may, in its sole and absolute discretion, use an employee share trust or other mechanism for the purposes of holding any Plan Shares for Participants under the Plan.

3.9. Rights of participants

Nothing in these Rules or participation in the Plan:

- (a) confers upon an Eligible Participant:
 - (i) a right to an Offer; or
 - (ii) any interest in a Plan Share unless and until that Plan Share is held by the Participant;
- (b) confers on an Eligible Participant or a Participant the right to continue as an Employee, contractor or officers of any Company (as the case may be) or participate in the Plan;
- (c) affects the rights of any Company to terminate the employment, engagement or office of or of an Eligible Participant or a Participant (as the case may be);
- (d) affects the rights and obligations of any Eligible Participant or Participant under the terms of their employment, engagement or office with the Company;
- (e) confers any legal or equitable right on an Eligible Participant or a Participant whatsoever to take action against the Company in relation to their employment, engagement or office;
- (f) confers on an Eligible Participant or a Participant any rights to compensation or damages in consequence of the termination of their employment, engagement or office by the Company for any reason whatsoever including ceasing to have rights under the Plan as a result of such termination; or
- (g) confers any responsibility or liability on the Company or its Directors, officers, Employees, representatives or agents in relation to any taxation liabilities of the Eligible Participant or Participant.

3.10. Prohibition on hedging

A Participant must not enter into any transaction or arrangement, including by way of derivatives or similar financial products, which limit the economic risk of holding unvested Awards.

3.11. Termination, suspension and amendment to the plan

Subject to any applicable laws, the Plan will take effect when the Board decides and may be suspended, terminated or amended at any time by resolution of the Board.

3.12. ASIC Modifications

- 3.12.1. Notwithstanding any other provision of the Plan, every condition or other provision set out in an ASIC Modification which is relied upon by the Company in relation to the Plan, or which otherwise applies to the Plan and required to be included in the Plan in order for that ASIC Modification to have full effect, is deemed to be contained in the Plan.
- 3.12.2. To the extent that any condition or other provision deemed by this rule 3.12 to be contained in the Plan is inconsistent with any other provision in the Plan, the deemed condition or other provision will prevail.

4. LIMITATION ON ISSUE OF AWARDS

4.1. Limits whilst Company is unlisted

- 4.1.1. This rule 4.1 applies if and for so long as the Company is not listed on the Exchange and seeks to rely upon CO 14/1001.
- 4.1.2. Subject to rule 4.3, the Board may not make an Offer unless the Board has reasonable grounds to believe that the number of Plan Shares that have been or may be issued in any of the circumstances covered by the following paragraphs will not exceed 20% of the total number of underlying Shares on issue:
- (a) Plan Shares that may be issued under the relevant Offer; and
 - (b) Plan Shares issued or that may be issued as a result of offers made at any time during the previous 3-year period under:
 - (i) an employee incentive share plan covered by CO 14/1001 or an individual ASIC Modification on terms similar to CO 14/1001; or
 - (ii) an employee incentive scheme or employee share scheme of the Company or a wholly-owned subsidiary of the Company, where the offers were covered by ASIC Class Order [CO 03/184] or an individual ASIC Modification on terms similar to [CO 03/184].

4.2. Limits whilst Company is listed

- 4.2.1. This rule 4.2 applies if and for so long as the Company is listed on the Exchange and seeks to rely upon CO 14/1000.
- 4.2.2. Subject to rule 4.3, the Board may not make an Offer unless the Board has reasonable grounds to believe that the number of Plan Shares that have been or may be issued in any of the circumstances covered by the following paragraphs will not exceed 5% of the total number of underlying Shares on issue:
- (a) Plan Shares that may be issued under the relevant Offer; and
 - (b) Plan Shares issued or that may be issued as a result of offers made at any time during the previous 3-year period under:
 - (i) an employee incentive share plan covered by CO 14/1000 or an individual ASIC Modification on terms similar to CO 14/1000; or

- (ii) an employee incentive scheme or employee share scheme of the Company or a wholly-owned subsidiary of the Company, where the offers were covered by ASIC Class Order [CO 03/184] or an individual ASIC Modification on terms similar to [CO 03/184].

4.3. Exclusions from calculations

The following will be ignored and will not be counted in calculating the Award limits in rule 4.2.2 or rule 4.2.2 (as applicable):

- (a) the Plan Shares which would have otherwise been received on the exercise or vesting of the Award where those Awards lapse without being exercised or vesting; and
- (b) any Awards or Plan Shares:
 - (i) which are issued by the Company in circumstances where the Company does not rely upon on CO 14/1000, CO 14/1001 or another similar ASIC Modification; or
 - (ii) offered in the following circumstances:
 - (1) an Offer made to a person situated outside of Australia at the time of receipt of the Offer;
 - (2) an Offer that did not need disclosure to the Eligible Participant because of section 708 or section 1012D of the Corporations Act; or
 - (3) an Offer made pursuant to a disclosure document (as defined in the Corporations Act).

5. OFFER AND ACCEPTANCE OF AWARDS

5.1. Form of Offers

An Offer must:

- (a) be in writing;
- (b) name the relevant Eligible Participant to whom the Offer is made and be given to that Eligible Participant;
- (c) be dated;
- (d) set out:
 - (i) the type and number of Award(s) being offered;
 - (ii) the Acquisition Price for the Award(s) being offered, or the method by which the Acquisition Price is determined;
 - (iii) if Loan Awards are being offered, any Financial Assistance being offered for such Loan Awards;

- (iv) any Vesting Conditions applicable to the Award(s) being offered;
 - (v) any Restriction Period applicable to the Award(s) being offered;
 - (vi) the Acceptance Period for the Offer; and
 - (vii) any other terms or conditions applicable to the Offer, as determined by the Board; and
- (e) be accompanied by:
- (i) a copy of these Rules or include details of where a copy of these Rules may be obtained;
 - (ii) an Acceptance Form; and
 - (iii) if Loan Awards are being offered, the proposed Loan Agreement for the Financial Assistance applicable to the Offer.

5.2. Offers personal

- 5.2.1. An Offer is personal to, and may only be accepted by, the relevant Eligible Participant to whom it is made.
- 5.2.2. An Offer may not be transferred or assigned by the Eligible Participant to whom it is made other than to the extent permitted under rule 5.5.

5.3. Acceptance

- 5.3.1. An Offer may be accepted by the relevant Eligible Participant to whom it was made:
- (a) completing and signing the Acceptance Form which accompanied the Offer (or otherwise provided by the Company to the Eligible Participant in relation to the Offer) and returning it to the Company before the expiry of the relevant Acceptance Period; and
 - (b) if Loan Awards are offered, signing the Loan Agreement which accompanied the Offer (or otherwise provided by the Company to the Eligible Participant in relation to the Offer) and returning it to the Company before the expiry of the relevant Acceptance Period.
- 5.3.2. Unless the Board determines otherwise, an Acceptance will not be effective if before the relevant Award(s) are issued in response to the Acceptance:
- (a) the Eligible Participant who provided the Acceptance ceases to be an Eligible Participant;
 - (b) the Eligible Participant who provided the Acceptance gives notice of his or her proposed Resignation such that they will no longer be employed or otherwise engaged by any Group Company; or
 - (c) the Eligible Participant who provided the Acceptance is given a notice of termination such that they will no longer be employed or otherwise engaged by any Group Company.

5.4. Effect of Acceptance

By giving an Acceptance, the relevant Eligible Participant agrees to:

- (a) participate the Plan;
- (b) become bound by these Rules, the terms of the Offer and, if applicable, the terms of the Loan Agreement; and
- (c) upon receiving a Share pursuant to an Award, become a member of the Company and be bound by the Company's Constitution.

5.5. Nominees

5.5.1. Subject to rule 5.5.3, the Board may, in an Offer or on request by an Eligible Participant, permit the Eligible Participant to nominate a Nominee to whom the Awards offered to the Eligible Participant will be issued or transferred in the place of the Eligible Participant.

5.5.2. For the purposes of rule 5.2.1, if Awards are held by a Nominee on behalf of an Eligible Participant:

- (a) the Eligible Participant will continue to be treated as the Participant under these Rules for the purposes of any provision regarding restraint, restriction, vesting, forfeiture and rights of the Company in relation to Awards and any associated Financial Assistance;
- (b) the Nominee must covenant by deed in favour of the Company that the Nominee will be bound by, comply with and perform the obligations of the Eligible Participant in relation to the Awards in accordance with the Plan (including these Rules and the terms of an Offer) as if the Nominee was the Eligible Participant; and
- (c) without limiting rule 5.5.2(a), for the purposes of rule 5.5.2(b), all references in these Rules and the terms of an Offer to an Eligible Participant will include the Nominee.

5.5.3. Unless the Board expressly determines otherwise, Loan Awards must not be issued or otherwise acquired by a Nominee on behalf of an Eligible Participant.

5.6. Legal requirements

5.6.1. An Offer must not be made, and if made, will not be capable of acceptance, to the extent that such Offer would contravene applicable law (including Listing Rules, if applicable) or the Company's Constitution.

5.6.2. If and to the extent required by applicable law, the Company must undertake in an Offer to provide an Eligible Participant with the current Market Value of Shares at the date of request, within a reasonable time of a request for the same by such Eligible Participant.

6. LOAN AWARDS

6.1. Acquisition Price

Unless the Board determines otherwise, the Acquisition Price for each Loan Award offered to an Eligible Participant will be the Market Value of a Share at the date of the Offer to that Eligible Participant.

6.2. Financial Assistance

6.2.1. Offer of Financial Assistance

- (a) The Company may provide Financial Assistance to a Participant in relation to some or all of the Acquisition Price for Loan Awards to be issued or otherwise acquired by that Participant, by providing a loan to the Participant pursuant to this rule 6.2.
- (b) The Company must not provide or offer to provide Financial Assistance to a Participant, and if made, will not be capable of acceptance, to the extent that such Financial Assistance would contravene applicable law (including the Listing Rules, if applicable) or the Company's Constitution.
- (c) For the purposes of rule 6.2.1(a), an offer of Financial Assistance must be in the form of a Loan Agreement which complies with this rule 6.2.

6.2.2. Terms of Financial Assistance

A Loan Agreement must set out the terms and conditions of the Financial Assistance to be provided to a Participant, including:

- (a) that unless the Offer states otherwise, interest will not accrue or be payable in relation to the loan;
- (b) the events or date that the loan will be repayable;
- (c) the amount that will be repayable or the method for calculation; and
- (d) that the loan is provided on a limited recourse basis under rule 6.2.6.

6.2.3. Repayment events

- (a) Unless the terms of an Offer state otherwise, Financial Assistance must be repaid in full on the earlier of the following to occur:
 - (i) the date falling 3 months from the Participant's Resignation;
 - (ii) the date falling 30 days from the Participant's Dismissal;
 - (iii) subject to rule 6.2.3(c), the date immediately following the last date by which the Vesting Condition for the relevant Award may be satisfied;
 - (iv) the date on which the Participant's Plan Shares are bought back or transferred under rule 14;

- (v) the Participant suffers an Insolvency Event;
 - (vi) the Participant breaches a material term of the Plan and such breach is not remedied within 30 days of written notice to that effect being given to the Participant by the Company;
 - (vii) the date falling 30 days from the date that the Plan is terminated; and
 - (viii) 7 years from the date that the relevant Award is issued or otherwise acquired by the Participant.
- (b) The Participant may, in relation to Awards to which Vesting Conditions do not apply, voluntarily repay all or any part of the Financial Assistance prior to the due date for repayment.
 - (c) For the purposes of rule 6.2.3(a)(iii), if Financial Assistance is provided in relation to Awards which have Vesting Conditions in the form of multiple Performance Hurdles that on satisfaction allow for separate tranches of Plan Shares to vest, the Financial Assistance will become repayable on a pro rata basis in relation to each Performance Hurdle which is not satisfied unless stated otherwise in an Offer.
 - (d) The Board may, in its absolute discretion, by written notice to the Participant, extend the date for repayment of the Financial Assistance by a Participant or otherwise vary the terms of the Financial Assistance for the benefit of the Participant.

6.2.4. Repayment amount

- (a) The Company must accept the following in full and complete satisfaction of the Participant's indebtedness and obligations to the Company under the relevant Financial Assistance, if that Financial Assistance (or any portion of it) becomes due and payable:
 - (i) if the relevant Vesting Conditions have been satisfied, the total amount of the Financial Assistance which has become due and payable; or
 - (ii) if rule 6.2.4(a)(i) does not apply, the transfer, redemption, forfeiture or cancellation of the applicable Loan Awards to which the Financial Assistance which has become due and payable relates.
- (b) Repayment of the Financial Assistance under rule 6.2.4(a)(i) must be made in cash or such other form as the Company and the Participant agree in writing.

6.2.5. Security

- (a) This rule 6.2.5 applies to the extent permitted by section 259B of the Corporations Act.
- (b) Each Participant grants to the Company a Security Interest by way of a fixed charge over the Participant's Plan Shares (including the Loan Awards) provided under the Plan to secure payment by the Participant of the Financial Assistance, and performance by the Participant of the Participant's obligations, under the Plan (**Plan Security**).
- (c) The Plan Security is conditional upon all necessary legal, regulatory and Shareholder approvals being obtained, including for the purposes of section 295B of the Corporations Act.
- (d) The Company may:
 - (i) retain possession of all share certificates in relation to a Participant's Plan Shares;

- (ii) if and for so long as the Company is listed on the Exchange, apply a Holding Lock on those Plan Shares (if applicable); and
- (iii) register the Plan Security on the Personal Property Securities Register established under the PPS Act or such other applicable register of Security Interests.

6.2.6. **Limited recourse**

- (a) The Financial Assistance will be provided on a limited recourse basis such that, if the Financial Assistance (or any portion of the Financial Assistance) becomes due and payable and the Participant is not able to repay such amount, then:
 - (i) the Company's entire recourse is limited to its rights under rule 6.2.4(a)(ii); and
 - (ii) the Company is not entitled to recover, and Participant is not required to pay to the Company, any further amount in relation to any shortfall in repayment under the Financial Assistance.
- (b) If the Company sells any Loan Awards or other Plan Shares in exercise of its rights under rule 6.2.4(a)(ii) to pay any money owed to the Company by the Participant under the Plan, and a surplus of sale proceeds remain after the Company has repaid the amount owing and the Company's reasonable costs incurred in effecting the sale, the Company must pay such surplus to the Participant.

7. DEFERRED AWARDS

7.1. Tax regime

Subdivision 83A-C of the ITAA97 apply to Deferred Awards unless an Offer expressly states otherwise.

7.2. Eligibility

Deferred Awards may be offered by the Company:

- (a) to Eligible Participants who elect to receive Plan Shares funded through Salary Sacrifice contributions (up to a maximum of \$5,000 worth of Shares in each financial year, or such higher amount permitted under subdivision 83A-C of the ITAA97); or
- (b) at the Board's discretion, in addition to an Eligible Participant's wages, salary and other remuneration, at an Acquisition Price which is a discount to the Market Value of a Share at the date of the Offer.

7.3. Limitations

Notwithstanding any other provision of these Rules, the Company must not offer or issue Deferred Awards to an Eligible Participant (or his or her Nominee) if:

- (a) immediately after Eligible Participant (or his or her Nominee) accepts such issue or acquisition:
 - (i) the Eligible Participant (and his or her Nominees, if any) would hold a beneficial interest in more than 10% of the Shares in the Company; or

- (ii) the Eligible Participant (and his or her Nominees, if any) would not have the ability to cast, or to control the casting of, more than 10% of the maximum number of votes that might be cast at a general meeting of the Company; or
- (b) at least 75% of the Australian-resident permanent Employees of the Group Company that employs that Eligible Participant, who have completed at least 3 years of service (whether continuous or otherwise) are not, or have not previously been, entitled to acquire Shares under an employee share scheme operated by a Group Company.

7.4. Restriction Period

Unless an Offer expressly states otherwise, the Restriction Period for a Deferred Award will commence on the issue or acquisition of the Deferred Award by the relevant Eligible Participant (or his or her Nominee) and will expire on the earlier of:

- (a) the date that the Eligible Participant Resigns, is Dismissed or otherwise ceases employment within the meaning of section 83A-330 of the ITAA97;
- (b) the date that the Board, in its absolute discretion, determines to end the Restriction Period; and
- (c) in the case of a Deferred Award of Plan Shares, 3 years from the date that those Plan Shares are issued or otherwise acquired by the Eligible Participant.

8. PLAN SHARES

8.1. Rights

8.1.1. All Plan Shares issued or transferred under the Plan will:

- (a) be credited as fully paid;
- (b) rank equally in all respects with Shares already on issue, except for entitlements which had a record date before the date of issue or transfer of the Plan Share; and
- (c) be subject to any restrictions imposed under these Rules.

8.1.2. The Company may, in its discretion:

- (a) issue new Plan Shares to an Eligible Participant under the Plan; or
- (b) cause or procure existing Shares to be transferred to or otherwise become available for acquisition by an Eligible Participant under the Plan.

8.1.3. Any Shares transferred to an Eligible Participant under rule 8.1.2(b) must be free from Security Interests other than Security Interests granted under these Rules or otherwise specified in an Offer.

8.2. Quotation

8.2.1. The Company will apply for quotation of Plan Shares on the Exchange as soon as practicable following the issue of those Plan Shares and otherwise in accordance with the Listing Rules, unless the Board otherwise determines.

8.2.2. The Board may determine that Plan Shares will remain unquoted during the Restriction Period.

8.3. Restriction

A Plan Share will be a Restricted Award for the purposes of these Rules until any applicable Restriction Period has elapsed or been waived by the Board in accordance with these Rules.

8.4. Trustee

For the purposes of rule 3.8, the Company may appoint a trustee to acquire or hold Awards or Plan Shares either on behalf of Participants or for the purposes of this Plan, on such terms and conditions as the Board so determines.

9. CONVERTIBLE SECURITIES

9.1. Terms

9.1.1. The terms of Awards that are Convertible Securities are as determined by the Board from time to time in accordance with this rule 9.

9.1.2. The exercise period or duration of a Convertible Security is the period determined by the Board, in its absolute discretion, prior to or on issue of the Convertible Security.

9.2. New issues of securities

A Participant is not entitled to participate in any offer or new issue to Shareholders of securities in the Company (including by way of bonus issue) in their capacity as the holder of a Convertible Security unless the Participant has, before the record date for determining entitlements to the new issue of securities, received the Plan Shares on exercise or vesting of that Convertible Security.

9.3. Reorganisation of capital

9.3.1. In the event of a reorganisation (including a consolidation, subdivision, reduction or return) of the issued capital of the Company, the number of Convertible Securities to which a Participant is entitled or the exercise price (if any) or both will be changed:

- (a) for a consolidation of capital, the number of Convertible Securities must be consolidated in the same ratio as Shares and, if applicable, the exercise price must be amended in the inverse proportion to that ratio;
- (b) for a sub-division of capital, the number of Convertible Securities must be sub-divided in the same ratio as Shares and, if applicable, the exercise price must be amended in the inverse proportion to that ratio;
- (c) for a return of capital, the number of Convertible Securities must remain the same and, if applicable, the exercise price of each Convertible Security must reduce by the same amount as the amount returned in relation to each Share;
- (d) for a reduction of capital by cancellation of paid-up capital that is lost or not represented by available assets where securities are not cancelled, the number of Convertible

Securities and, if applicable, the exercise price of each Convertible Security must remain unchanged;

- (e) for a pro rata cancellation of capital, the number of Convertible Securities must be reduced in the same ratio as Shares and, if applicable, the exercise price must be amended in the inverse proportion to that ratio; and
- (f) in any other case, the number of Convertible Securities or exercise price (if applicable), or both, must be reorganised so that the Participant holding the Convertible Securities will not receive any benefit that Shareholders do not receive.

9.3.2. Any calculations or adjustments which are required to be made will be made by the Directors and will, in the absence of manifest error, be final and conclusive and binding on the Company and a Participant who holds Convertible Securities.

9.4. Amendments required by the Exchange

If and for so long as the Company is listed on the Exchange, the terms and conditions of Convertible Securities may be amended as necessary in order to comply with the Listing Rules or any directions of the Exchange regarding the Convertible Securities.

9.5. Restriction on exercise

Convertible Securities may not be exercised or otherwise converted into Plan Shares during the Restriction Period, unless expressly approved by the Board in writing.

9.6. Restrictions on transfer

Convertible Securities will not be transferrable or assignable by a Participant:

- (a) unless expressly approved by the Board in writing, at its absolute discretion; or
- (b) except in relation to a transfer or the transmission of Convertible Securities to the executor, administrator or legal personal representative of a Participant on the death of such Participant.

9.7. Maximum term

Without limiting any earlier expiry date stated in, or determined by the terms of, an Offer, an Convertible Security which has not been exercised will expire on the date that is 7 years after the date on which it became exercisable or such earlier date as required by the Listing Rules.

10. VESTING OF AWARDS

10.1. Determination of Vesting Conditions

The Board may, when Awards are offered, determine that the Awards issued or to be acquired will be subject to Vesting Conditions, at the Board's absolute discretion.

10.2. Vesting

- 10.2.1. Awards which are subject to Vesting Conditions cannot vest in the Participant until such time as those Vesting Conditions have been satisfied or waived.
- 10.2.2. Awards held by a Participant will vest upon the satisfaction of the Vesting Conditions for those Awards, as specified in the Offer and otherwise under these Rules.
- 10.2.3. If rule 10.2.1 applies, the Participant will become liable to repay any Financial Assistance (or a relevant portion of that Financial Assistance) provided by the Company in relation to the vested Awards.
- 10.2.4. The Board may, at its absolute discretion, waive any Vesting Condition applicable to an Award:
- (a) provided that such waiver is in writing and the waiver is not prohibited by these Rules; and
 - (b) subject to any further conditions that the Board so determines.

10.3. Non-satisfaction of Vesting Conditions

- 10.3.1. The non-satisfaction of Vesting Conditions applicable to any Awards which are Plan Shares will result in those Plan Shares being dealt with under rule 14.
- 10.3.2. The non-satisfaction of Vesting Conditions applicable to any Awards which are Plan Options or Performance Rights will result in those Plan Options or Performance Rights automatically lapsing and being cancelled.
- 10.3.3. Without limiting the Board's power to determine or impose Vesting Conditions, Vesting Conditions may include:
- (a) a condition that the Eligible Participant remain as an Employee, contractor or officer (as the case may be) of a Group Company for a stipulated minimum period;
 - (b) a condition that any stipulated performance criterion be satisfied by the Eligible Participant;
 - (c) a condition that certain specified milestones in connection with the business of a Group Company be completed within a specified time or in a specified manner; and
 - (d) a condition that the value of Shares attain a specified price (or remain at a specified price for a specified number of days) within a specified period.

10.4. Variation of Vesting Conditions

Subject to restrictions under applicable law, the Company may vary any Vesting Conditions by notice in writing to the Participant of the relevant Awards provided such variation is not materially adverse to the Participant holding the relevant Awards.

11. RESTRICTED AWARDS

11.1. Determination of restrictions

The Board may, in its sole and absolute discretion, determine prior to an Offer being accepted, whether any Awards to be issued to a Participant will be Restricted Awards which are subject to restrictions on the disposal of, the granting (or purporting to grant) of any Security Interest in or over, or otherwise on dealing with (or purporting to dispose or deal with), such Awards.

11.2. Restrictions

11.2.1. An Award will be a Restricted Award for the purposes of these Rules until any applicable Restriction Period has elapsed or been waived by the Board in accordance with these Rules.

11.2.2. Subject to rules 6 and 14, a Participant must not, without the Board's prior written consent:

- (a) transfer, sell or otherwise dispose of any legal or beneficial right, title or interest of the Participant in a Restricted Award; and
- (b) grant any Security Interest over any legal or beneficial right, title or interest of the Participant in a Restricted Award.

11.2.3. The Company may do such things and enter into such arrangements with the Company's securities registry or otherwise as it considers necessary to enforce the transfer restrictions set out in rule 11.2.2, including but not limited to imposing a Holding Lock on the Plan Shares or using an employee share trust to hold the Plan Shares during the relevant Restriction Period. Participants will be bound by any action by the Company under this rule 11.2.3.

11.2.4. For the avoidance of doubt, the imposition of a restriction on the Plan Shares held by a Participant pursuant to rule 11.2.2 will not affect the Participant's entitlement to receive a notice of, or to vote or attend at, a meeting of the members of the Company or Shareholders, and to receive any dividends declared by the Company during the relevant Restriction Period.

11.3. Securities Trading Policy

If the Company has a Securities Trading Policy, Participants must comply with the policy at all times.

11.4. Bonus issues

If the Company makes a bonus issue on a pro rata basis to holders of Restricted Awards, the securities issued under the bonus issue will be subject to the balance of the Restriction Period that applied to the Restricted Awards.

12. CHANGE OF CONTROL EVENTS

12.1. Vesting and participation

Subject to rules 17 and 18.3, if a Change of Control Event occurs, then:

- (a) the Participant may accept or participate in the relevant Change of Control Event transaction in relation to all or any part of the Participant's Restricted Awards for which the Vesting Conditions have been satisfied;
- (b) Upon the occasion of a Change of Control Event occurring, all unvested options will vest.

12.2. Notification

The Board must, as soon as practicable, notify all participants if a Change of Control Event occurs.

13. DIVIDENDS AND VOTING RIGHTS

13.1. Plan Shares

13.1.1. A Participant who holds Awards in the form of Plan Shares (including Plan Shares that are Restricted Awards) is entitled to receive:

- (a) a notice of a meeting of the Shareholders and may exercise (whether in person or by proxy, attorney or corporate representative) any voting rights attaching to those Plan Shares; and
- (b) income deriving from those Plan Shares, including dividends and distributions declared or paid on those Plan Shares.

13.1.2. If Plan Shares have been acquired by and are held by a trustee for a Participant (pursuant to rule 8.4) on an allocated basis using Salary Sacrifice contributions made by that Participant, the Participant has the right to:

- (a) exercise, or to direct the trustee to exercise on their behalf, any voting rights attaching to those Plan Shares; and
- (b) receive income deriving from those Plan Shares including all dividends and distributions declared or paid on those Plan Shares.

13.2. Convertible Securities

Holders of Convertible Securities do not have any rights to vote at meetings of the Company or receive dividends unless and until Plan Shares are allocated or acquired on vesting and exercise (as applicable) of those Convertible Securities pursuant to these Rules.

14. BUY-BACK OR TRANSFER OF AWARDS

14.1. Relevant events

Subject to rule 14.4, the Company may buy back and cancel, or require the transfer of, Awards of a Participant if:

- (a) the Participant agrees to transfer those Awards to the Company or to have them bought back:
 - (i) in satisfaction of the amount owed by the Participant under any Financial Assistance under rule 6.2; or
 - (ii) if the Vesting Conditions applicable to those Awards are not satisfied (or waived) in accordance with their terms;
- (b) the Awards are subject to forfeiture under rule 16; or
- (c) the Company and the Participant otherwise agree in writing that the Awards will be bought back and cancelled by the Company, or transferred, under this rule 14.

14.2. Consideration

- 14.2.1. Unless these Rules state otherwise, the consideration payable by the Company, or that the Company must procure a third party to pay, to the Participant for the buy back and cancellation or transfer of Awards under this rule 14 will be the Acquisition Price actually paid by the Participant for those Awards, less the amount of any Financial Assistance outstanding.
- 14.2.2. If the calculation of the consideration under rule 14.2.1 results in a negative number, the consideration is deemed to be \$10.
- 14.2.3. The Board may, in its absolute discretion, determine that the Company should pay to the Participant a greater amount of consideration than the amount calculated under rule 14.2.1.

14.3. Implementation

- 14.3.1. The Company and a Participant must do all things necessary or desirable to effect a buy-back and cancellation or transfer of Awards as required under this rule 14.
- 14.3.2. Each Participant irrevocably appoints the Company and each of its Directors as the Participant's joint and several attorneys to do all acts and to sign all documents necessary or desirable on the Participant's behalf for the purposes of this rule 14.
- 14.3.3. If the Board has elected that Awards are to be transferred to a third party pursuant to this rule 14, the Board may direct the Participant to transfer those Awards to the relevant third party and such transfer will discharge the Participant's obligation to pay the Financial Assistance applicable to those Awards (if any).

14.4. Legal compliance condition

The Company's ability to buy back Awards under this rule 14 is conditional upon all applicable legal, regulatory and Shareholder approval requirements (if any) being satisfied.

15. CASH SETTLEMENT

- 15.1. The Board may determine that for legal, taxation, accounting or compliance reasons, it is not appropriate or would be unduly burdensome to issue Plan Shares to a Participant on vesting or exercise (whichever is the later) of an Award.
- 15.2. If the Board makes a determination under rule 15.1:

- (a) the Company must pay the Participant (including by cheque or electronic funds transfer) an amount in cash that is equal to the Market Value of the relevant Award calculated as at the date of vesting or exercise (whichever is the later) of the Award, less any unpaid exercise price or other amount payable by the Participant to the Company for the Award or resulting Plan Share, in lieu of the Company's obligation to issue a Plan Share under that Award; and
- (b) upon making the payment under rule 15.2(a), the Company is no longer obligated to issue the Plan Share on vesting and exercise of the relevant Award.

16. FORFEITURE OF AWARDS

16.1. Forfeiture events

- 16.1.1. Unless the Board determines otherwise, Awards will be subject to forfeiture if any of the following events occurs:
 - (a) during the Restriction Period, the Participant to whom the Awards were first granted is Dismissed or Resigns;
 - (b) the Vesting Conditions for those Awards are not satisfied:
 - (i) in which case a proportion of the Awards may be forfeited, such proportion to be at the absolute discretion of the Board; or
 - (ii) below a minimum threshold, in which case all Awards subject to such Vesting Conditions will be forfeited;
 - (c) if the Awards are Loan Awards:
 - (i) the Participant breaches any term under which the Financial Assistance is provided by the Company (including under the relevant Loan Agreement);
 - (ii) any Financial Assistance or any portion of it has become due and payable and the Participant has not paid such amount to the Company;
 - (d) the Company and a Participant agree in writing that specific Awards will be forfeited; or
 - (e) these Rules otherwise provide that the Awards will be forfeited.
- 16.1.2. The Board may, at its absolute discretion, elect to waive forfeiture in relation to any Awards (or any number of Awards) if an event under rule 16.1 occurs, whether held by one or any group of Participants, in which case those Awards will not be subject to forfeiture as a result of that specific forfeiture event.
- 16.1.3. The Board's exercise of its right of waiver under rule 16.1.2 will not prevent the relevant Awards from become subject to forfeiture as a result of another or a subsequent event specified in rule 16.1.

16.2. Effect of forfeiture on Plan Shares

If any Awards in the form of Plan Shares are subject to forfeiture under rule 16.1, and the Board does not exercise its right of waiver under rule 16.1.2, then:

- (a) the Board will determine whether those Plan Shares are to be bought-back in accordance with rule 14 or transferred to a new Participant;
- (b) to the extent permitted by law, the Participant will forfeit and cease to have any right, interest or entitlement to those Plan Shares; and
- (c) unless the Board determines otherwise, the Participant will not have any right, interest or entitlement in or to any proceeds from the buy back or transfer of the Plan Shares and the Participant releases the Company from any claim that the Participant may have in relation to the same.

16.3. Effect of forfeiture on Convertible Securities

If any Awards in the form of Convertible Securities are subject to forfeiture under rule 16.1, and the Board does not exercise its right of waiver under rule 16.1.2, then:

- (a) those Convertible Securities will lapse and be cancelled;
- (b) to the extent permitted by law, the Participant will forfeit and cease to have any right, interest or entitlement to those Convertible Securities; and
- (c) the Participant releases the Company from any claim that the Participant may have in relation to forfeiture of the Convertible Securities.

17. TAKEOVER RESTRICTIONS

17.1. Application

This rule 17 applies if and for so long as the Company is, for the purposes of the Corporations Act a 'listed corporation' (as defined in the Corporations Act) or an unlisted corporation with more than 50 Shareholders, in which case this rule is a term of each Award.

17.2. Restriction on issue

The Company must not issue or procure the transfer of any Awards (or a number of those Awards) to the extent that it would result in a person contravening section 606 of the Corporations Act (**Takeover Restriction**).

17.3. Deferral of exercise or vesting

If the vesting or exercise of any Awards (or a number of those Awards) would result in any person contravening the Takeover Restriction, then any purported vesting or exercise of those Awards (or any part thereof) will be deferred until such later time or times that it would not result in a contravention of the Takeover Restriction.

17.4. Assumption

- 17.4.1. The Company may assume that the issue, transfer, vesting or exercise of Awards (or part thereof) will not result in any person being in contravention of the Takeover Restriction, unless the Board has actual knowledge to the contrary.
- 17.4.2. An Eligible Participant or a Participant must notify the Company immediately if the Eligible Participant or the Participant has reason to suspect that the issue, transfer, vesting or exercise of any Awards would result in the Eligible Participant or the Participant, or their respective Associates, contravening the Takeover Restriction.

18. LISTED CORPORATION PROVISIONS

18.1. Application

This rule 18 applies if and for so long as the Company is listed on the Exchange, in which case this rule is a term of each Award.

18.2. Rules of Exchange

- 18.2.1. The terms and conditions of the Plan must at all times comply with the Listing Rules.
- 18.2.2. The Listing Rules will prevail to the extent of any conflict or inconsistency between these Rules and the Listing Rules.

18.3. Release of conditions

In the event that a Trigger Event occurs, then:

- (a) subject to rule 18.4, the Vesting Conditions are released and cease to apply for Restricted Awards equal in number to 10% of the Shares on issue at that time, such that those Restricted Awards may vest and be exercised (as applicable);
- (b) if the Company has more than one class of Restricted Award on issue, the release and cessation of Vesting Conditions under rule 18.3(a) will be completed on a pro rata basis for each class of Restricted Award such that the total number of Restricted Awards that may vest across all classes is equal to 10% of the Shares on issue at that time; and
- (c) the release and cessation of Vesting Conditions under rule 18.3(a) will be completed on a pro rata basis for each Participant who holds Restricted Awards.

18.4. Secondary trading restrictions

- 18.4.1. This rule 18.4 applies if and for so long as the Company is listed on the Exchange operated in Australia which is subject to the Corporations Act, in which case this rule is a term of each Award
- 18.4.2. Subject to rule 18.4.3, the Company must lodge with the Exchange a duly completed Cleansing Statement within 5 Business Days of issuing Plan Shares on the exercise or vesting of an Award.

- 18.4.3. If the Company is unable to issue a Cleansing Statement in relation to any Plan Shares due to an inability to satisfy the conditions under the Corporations Act to do so (including the conditions set out in section 708A(5) or (6) of the Corporations Act:
- (a) subject to paragraph (d), the Company must, as soon as reasonably practicable, and in any event within 60 days, lodge with ASIC a prospectus prepared in accordance with Chapter 6D of the Corporations Act offering Shares (**Cleansing Prospectus**);
 - (b) the Company is not required to issue the Plan Shares prior to the Cleansing Prospectus being lodged with ASIC unless the Participant elects, by notice in writing to the Company, to receive those Plan Shares (issuance election), in which case:
 - (i) without limiting any rule restricting disposal of the Plan Shares, the Participant undertakes not to sell or otherwise dispose of those Plan Shares prior to lodgement of the Cleansing Prospectus with ASIC, other than to an Exempt Investor; and
 - (ii) the Company is authorised to instruct its securities registry to place a Holding Lock on those Plan Shares until the Cleansing Prospectus is lodged with ASIC;
 - (c) unless the Participant has made an issuance election, the Company is not required to issue Plan Shares on exercise or vesting of an Award until the date that a Cleansing Prospectus is lodged with ASIC; and
 - (d) as an alternative to lodging a Cleansing Prospectus, the Company may, in its discretion, apply to ASIC for relief under section 741 of the Corporations Act to permit the Company to issue a Cleansing Statement (relief application) notwithstanding that it may not satisfy the requirements set out in section 708A(5) or (6) of the Corporations Act, in which case the Participant may make an issuance election provided that:
 - (i) without limiting any rule restricting disposal of the Plan Shares, the Participant undertakes not to sell or otherwise dispose of those Plan Shares prior to ASIC granting the relief application and the Company issuing a Cleansing Statement, other than to an Exempt Investor; and
 - (ii) the Company is authorised to instruct its securities registry to place a Holding Lock on those Plan Shares until the Cleansing Statement is announced to the Exchange by the Company.

18.5. Related parties

Awards may not be issued to a Director or a Director's Associate, or any other person to whom the issue of equity securities would require Shareholder approval under applicable law (including under the Corporations Act, the Listing Rules or both), unless and until approval is given by Shareholders in general meeting in accordance with applicable legal requirements.

19. TAXATION

19.1. Exclusion of liability

Neither the Company nor its Directors, officers, Employees, representatives or agents take any responsibility to assume any liability for the taxation liabilities of Participants that arise in relation to the issue, transfer, exercise or vesting of Awards.

19.2. Participant's obligations

- 19.2.1. Each Participant is responsible for the income tax (including any levies, charges and surcharges imposed or collected with income tax) and superannuation liabilities arising in relation to the issue, transfer, vesting, exercise or dealing in an Award.
- 19.2.2. The Company may account for any liabilities under rule 19.2.1, including by withholding or deducting such liabilities from any entitlements of a Participant or as otherwise set out in these Rules.

20.

MISCELLANEOUS PROVISIONS

20.1. Notices

- 20.1.1. A notice or other communication under or concerning the Plan is validly given:
- (a) by the Company to a Participant, if delivered personally to the addressee or sent by prepaid post to his or her last known residential address, or sent to him or her by facsimile or email at his or her place of work or posted on an electronic noticeboard maintained by the Company and accessible by the Participant; and
 - (b) by a Participant to the Company if delivered or sent by prepaid post addressed to, as appropriate, the Company secretary of the Company at the Company's registered office (or any other address the Board specifies).
- 20.1.2. A notice or other communication sent by post will be treated as received 48 hours after it was posted.

20.2. Brokerage

Broker's fees or commissions are not payable by an Eligible Participant for the issue or grant of Awards pursuant to this Plan.

20.3. Costs, charges and duties

The Company:

- (a) is not responsible for any costs, charges or duties which are or may become payable on the transfer, allotment and issue or grant of Awards under the Plan or any other dealing with the Awards; and
- (b) may make any withholding or payment which it is required by law to make in connection with the Plan or the Awards.

20.4. Register

The Company will establish and maintain a register of Participants.

20.5. Other plans

Neither the adoption of the Plan by the Board nor any provisions of these Rules will be construed as creating any limitation on the power of the Board to adopt such additional remuneration arrangements as it may deem desirable, including without limitation, the granting of Awards and bonuses otherwise than under the Plan, and any such arrangements may be either generally applicable or applicable only in specific cases.

20.6. Winding up

All Convertible Securities lapse and are cancelled on winding up of the Company.

20.7. Governing law

The Plan and these Rules are governed by the laws of Western Australia and the Commonwealth of Australia, as applicable.

20.8. Severance

If any provision in these Rules is void, voidable by any party, or illegal, it is to be read down so as to be valid and enforceable or, if it cannot be read down, the provision (or where possible, the offending words) must be severed from these Rules to the extent that it does not affect the validity, legality or enforceability of the remaining provisions (or parts of those provisions) of these Rules will continue in full force and effect.

20.9. Interpretation

- 20.9.1. This rule 20.9 applies to the interpretation of these Rules, unless the context requires otherwise.
- 20.9.2. If a word or phrase is defined, then its other grammatical forms have a corresponding meaning.
- 20.9.3. Where any word or phrase is given a definite meaning in these Rules, any part of the speech or other grammatical form of that word or phrase has a corresponding meaning.
- 20.9.4. The singular includes the plural and vice versa.
- 20.9.5. A reference to:
- (a) a gender includes any gender;
 - (b) a living thing includes a reference to an inanimate thing and vice versa;
 - (c) a rule or schedule is a reference to a rule or schedule to these Rules;
 - (d) a document includes a variation or replacement of that document;
 - (e) a statute includes its subordinate legislation and a modification, replacement or re-enactment of either;
 - (f) these Rules includes a schedule to these Rules;
 - (g) a power, right or discretion being exercisable by the Board is taken to be a reference to that power, right or discretion being exercisable by a delegate of the Board;

- (h) an application or offer to participate in the Plan includes any process implemented by the Board to provide for deemed applications;
- (i) person includes a reference to:
 - (i) an individual, a body corporate, a trust, a partnership, a joint venture an unincorporated body or other entity, whether or not it is a separate legal entity; and
 - (ii) the person's personal representatives, successors and assigns;
- (j) a thing, including a right, is a reference to either the whole thing or a part of the thing;
- (k) an obligation includes a warranty or representation, and a reference to a failure to observe or perform an obligation includes a breach of warranty or representative
- (l) Australia is to the Commonwealth of Australia, including any State or Territory of the same;
- (m) currency is to Australian currency unless specified otherwise;
- (n) time is to Australian Western Standard Time unless specified otherwise;
- (o) a day is a reference to the period which starts at midnight and ends 24 hours later;
- (p) a right includes a benefit, remedy, discretion or power, and vice versa; and
- (q) an obligation includes a duty, and vice versa.

20.9.6. The words "include", "includes", "including" and similar words are not words of limitation and do not restrict the interpretation of a word or phrase in these Rules.

20.9.7. Part performance of an obligation does not constitute performance of that obligation.

20.9.8. A term, condition or warranty in these Rules in favour of or on the part of two or more people benefits or binds them jointly and severally.

20.9.9. If the date on which a thing must be done is not a Business Day, then that thing must be done on the next Business Day.

20.9.10. If a period of time runs from a given date, act or event, then the time is calculated exclusive of the date, act or event.

20.9.11. A rule is not to be construed against the Company on the ground that the Company is responsible for the preparation of these Rules.

20.9.12. A heading in these Rules is for convenience only and does not affect the interpretation of these Rules.

20.9.13. Any word or phrase used in these Rules which is not defined in these Rules, but which is defined in the Listing Rules, has the same meaning given to that word or phrase in the Listing Rules.

20.9.14. A reference to the Listing Rules has effect only if and for so long as the Company is listed on the Exchange and is otherwise to be disregarded (save where any term is defined by reference to the meaning given to it in the Listing Rules).

Schedule – Glossary

Acceptance means the acceptance of an Offer, in such form as the Board may from time to time determine.

Acceptance Form means form of an Acceptance, as approved by the Board from time to time.

Acceptance Period means the period in which an Offer may be accepted, as set out in the Offer.

Acquisition Price means the price (if any) payable for the issue or transfer of an Award, as set out in an Offer, and in the case of Awards for a Convertible Security which is issued or transferred for nil consideration, includes the exercise price or other consideration payable for the issue of the Plan Share on exercise or conversion of that Convertible Security.

ASIC means the Australian Securities & Investments Commission.

ASIC Modification means an exemption or modification to the Corporations Act granted by ASIC pursuant to ASIC's power to grant such exemption or modification under the Corporations Act, including in the form of a class order or legislative instrument.

Associate in relation to a person, has the meaning given to that term in sections 10 to 17 of the Corporations Act.

Award means a Deferred Award, a Loan Award, or any other form of share-based incentive award determined by the Board for the purposes of this Plan, including those in the form of a Plan Share, Plan Option or Performance Right.

Board means the Board of Directors of the Company from time to time.

Business Day means:

- (a) if the Company is listed on the Exchange, a "business day" as defined in the Listing Rules; or
- (b) otherwise, a day other than a Saturday, Sunday, public holiday or bank holiday in Perth, Western Australia.

Change of Control Event means any one or more of the following events:

- (a) a takeover bid under Chapter 6 of the Corporations Act is made to acquire all of the issued Shares, and the Board resolves to recommend the bid be accepted by Shareholders;
- (b) a meeting of Shareholders is convened by court order to vote on a proposed scheme of arrangement under Part 5.1 of the Corporations Act under which all of the issued Shares will be acquired by a person who is not a Group Company; or
- (c) a selective capital reduction or other transaction which, if completed, will have substantially the same effect as the events in paragraphs (a) or (b) of this definition;
- (d) a meeting of Shareholders is convened to consider a proposed resolution for the winding-up of the Company; or

- (e) the Board determines, in its reasonable opinion, that 'control' (within the meaning given to that term under the Corporations Act) of the Company has or is likely to change or pass to one or more persons, none of which is a Group Company.

Cleansing Statement means a written notice issued by the Company to the Exchange pursuant to section 708A(5) of the Corporations Act and which satisfies the requirements for section 708A(6) of the Corporations Act.

CO 14/1000 means ASIC Class Order [CO 14/1000] issued by ASIC pursuant to subsections 283GA(1), 601QA(1), 741(1), 926A(2), 992B(1) and 1020F(1) and paragraph 911A(2)(l) of the Corporations Act.

CO 14/1001 means ASIC Class Order [CO 14/1001] issued by ASIC pursuant to subsections 283GA(1), 601QA(1), 741(1), 926A(2), 992B(1) and 1020F(1) and paragraph 911A(2)(l) of the Corporations Act.

Company means Coda Minerals Limited (ACN 625 763 957).

Constitution means the constitution of the Company, as amended from time to time.

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

Convertible Security means a Plan Option or a Performance Right.

Deferred Award means an Award issued or granted under rule 7.

Director means a director of the Company.

Dismissal means, in relation to a Participant, if the Participant:

- (a) is dismissed from employment, is removed from his or her position with a Group Company, or has their contract of engagement terminated for any one or more of the following reasons:
- (i) material breach of the terms of any contract of employment, engagement or office entered into by the Group Company;
 - (ii) a negligent act or omission; or
 - (iii) other conduct justifying termination of employment, engagement or office without notice either under the Participant's contract of employment, engagement or office, or at common law;
- (b) ceases his or her employment, engagement or office for any reason and commences employment, engagement or office, or otherwise acts, in breach of any post termination restrictions contained in his or her contract of employment, engagement or office entered into by the relevant Group Company and the Participant; or;
- (c) is ineligible to hold his or her office pursuant to the Corporations Act or any other applicable law.

Eligible Contractor means a consultant or contractor that has entered into a contract which requires or might reasonably be expected to require the consultant or contractor to provide the pro-rata equivalent of 40% or more of a comparable full time position with a Group Company:

- (a) directly in their individual capacity; or

- (b) through a company (e.g. a small family owned company or a corporate trustee of a family trust) where the individual who performs the work under or in relation to the contract is a director of the company or the spouse of a director of that company.

Eligible Participant means a person who is, in relation to a Group Company:

- (a) a full time or part time Employee, including an executive director;
- (b) a non-executive Director;
- (c) an Eligible Contractor;
- (d) a casual Employee where they are, or might reasonably be expected to be, engaged to work the pro rata equivalent of 40% or more of a comparable full time position; or
- (e) a person to whom an Offer is made but who can only accept that Offer if an arrangement has been entered into that will result in the person becoming covered by one of paragraphs (a) to (d) of this definition.

Employee means a full time or part time employee of a Group Company.

Exchange means ASX Limited (ACN 008 624 691) or the securities market operated by it known as the Australian Securities Exchange, as the context requires.

Exempt Investor means a person referred to in section 708 of the Corporations Act or any applicable ASIC class order to whom securities may be issued or sold without providing disclosure under Chapter 6D of the Corporations Act.

Financial Assistance means a loan by the Company to a Participant to enable the Participant to acquire a Plan Share, made on and subject to these Rules.

Group Company means the Company and any Related Body Corporate of the Company.

Holding Lock has the meaning given to that term in ASX Settlement Operating Rules published by the Exchange.

Insolvency Event means, in relation to a Participant or a Participant's Nominee, any one or more of the following:

- (a) a receiver, administrator, liquidator, bankruptcy trustee or similar officer is appointed to that Participant or the Nominee or in relation to any of their assets (as applicable);
- (b) an application is made to a court for an order to appoint a person described in paragraph (a) of this definition and that application is not permanently stayed, withdrawn or dismissed within 21 days;
- (c) that Participant or the Nominee enters into, or resolves to enter into, a deed of company arrangement, scheme of arrangement (other than for a solvent restructure), compromise or composition with any class of creditors;
- (d) a resolution is passed or an application to a court is taken or an order is made for the winding up, dissolution, official management or administration of that Participant or the Nominee;
- (e) that Participant or the Nominee ceases, or is unable, to pay its creditors (or any class of them) in the ordinary course of business, or announces its intention not to pay its creditors;

- (f) that Participant or the Nominee becomes an insolvent under administration within the meaning given to that term under the Corporations Act; or
- (g) that Participant or the Nominee is, or states that it is, insolvent or is deemed to be insolvent under applicable bankruptcy or insolvency law.

ITAA97 means the *Income Tax Assessment Act 1997* (Cth).

Listing Rules means the official listing rules of the Exchange.

Loan Agreement means an agreement between the Company and a Participant for, and governing, the provision of Financial Assistance.

Loan Award means an Award issued or granted under rule 6.

Market Value means any one of the following, as determined by the Board:

- (a) for a valuation of Shares while the Company is listed on the Exchange, the volume weighted average price (as that term is defined in the Listing Rules) of Shares traded on the Exchange in the 5 trading days preceding the day that the valuation is taken to be conducted at;
- (b) if the Company ceases to be listed on the Exchange, the value of securities determined in a “valuation document” within the meaning of that term in CO 14/1001; or
- (c) if the valuation is required for the purposes of determining “market value” under the ITAA97, the market value determined in accordance with subdivision 960-S and section 83A.315 of the ITAA97.

Nominee means, in relation to an Eligible Participant or a Participant:

- (a) a company of which more than 50% of the voting shares are held or controlled by that Eligible Participant or Participant;
- (b) a trust of which that Eligible Participant or Participant:
 - (i) controls the appointment of the trustee; and
 - (ii) is a primary beneficiary; or
- (c) the spouse of that Eligible Participant or Participant.

Offer means the offer of Awards made by the Board in accordance with these Rules.

Participant means an Eligible Participant:

- (a) to whom Awards have been validly issued, transferred or granted under the Plan; or
- (b) on whose behalf Awards have been validly issued, transferred or granted to a Nominee of that Eligible Participant under the Plan.

Performance Hurdle means, in relation to an Award, a performance hurdle or milestone which must be satisfied for that Award to vest in the Participant, as specified in an Offer of an Award.

Performance Right means a contractual right to be issued or transferred a Plan Share under the Plan, exercisable by a Participant.

Permanent Disablement means:

- (a) the illness or incapacity of the Eligible Participant or Participant necessitating the permanent withdrawal of the Eligible Participant or Participant from the work force, as accepted to the satisfaction of the Board; or
- (b) any other circumstances which the Board considers should be treated as Permanent Disablement for the purposes of the Plan.

Plan means the Employee Incentive Plan for the Company established in accordance with these Rules.

Plan Option means a right, other than a Performance Right, to subscribe for or otherwise acquire a Plan Share under the Plan.

Plan Share means any Share held by a Participant which is, or is received pursuant to, an Award.

PPS Act means the *Personal Property Securities Act 2009* (Cth).

Related Body Corporate has the same meaning as given to that term in the Corporations Act.

Resignation means the termination of an Eligible Participant's or a Participant's employment, engagement or office with a Group Company by the volition of that Eligible Participant or Participant, but does not include:

- (a) Dismissal;
- (b) resignation from on Group Company to in order to become an Employee or Eligible Contractor for another Group Company;
- (c) taking study leave or a leave of absence approved by the Board;
- (d) permanent retirement from the workforce;
- (e) termination of the Eligible Participant or Participant for redundancy; or
- (f) death or Permanent Disablement of the Eligible Participant or Participant.

Restricted Award means an Award that is subject to a restriction on the sale, transfer, encumbering (including the grant of a Security Interest) or disposal of that Award, pursuant to these Rules or the terms of an Offer.

Restriction Period means, in relation to a Restricted Award, the period during which the Restricted Award is subject to a restriction on sale, transfer, encumbering (including the grant of a Security Interest) or disposal, as specified in the Offer for that Restricted Award or otherwise under these Rules.

Rules means the rules of the Plan as set out in this document as amended from time to time.

Salary Sacrifice means a contractual undertaking by a Participant to forgo part of their future pre-tax remuneration with a Group Company in return for Awards.

Securities Trading Policy means the Company's policy for trading in Company securities by officers, employees and contractors of Group Companies, including for the purposes of the Listing Rules, as amended from time to time.

Security Interest means any one or more of the following, whether registered or unregistered, statutory, legal or equitable:

- (a) a 'security interest' within the meaning given to that term under the PPS Act; or

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- (b) a mortgage, bill of sale, charge, lien, pledge, trust, power or retention of title arrangement, right of set-off, assignment of income, garnishee order or monetary claim, or a flawed deposit arrangement.
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Share means a fully paid ordinary share in the Company.

Shareholder means a holder of a Share.

Trigger Event means:

- (a) a takeover bid under Chapter 6 of the Corporations Act is made in relation to the Company under which acceptances have been received for more than 50% of the Shares on issue and the bid is declared unconditional by the bidder; or
- (b) a meeting of Shareholders is convened by court order to vote on a proposed scheme of arrangement under Part 5.1 of the Corporations Act under which all of the issued Shares will be acquired by a person who is not a Group Company.
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Vesting Condition in relation to an Award, means a condition which must be satisfied or waived before the Award can vest or can be exercised (as applicable), as specified in the terms on which that Award was granted, including a Performance Hurdle (if applicable).
