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## **OPTION INCENTIVE PLAN ISSUE**

Rex Minerals Ltd (Rex or the Company) is pleased to advise that the issue of Options to the Company's Chief Executive Officer was approved by shareholders at its Annual General Meeting held on Friday, 27 November 2020.

For further details, please refer to the attached Appendix 3G. An Appendix 3Y follows this announcement.

This announcement has been authorised for release by the Board of Directors of Rex Minerals.

For more information about the Company and its projects, please visit our website '[www.rexminerals.com.au](http://www.rexminerals.com.au)' or contact:

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## Appendix 3G

### Notification of issue, conversion or payment up of equity +securities

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.

If you are an entity incorporated outside Australia and you are issuing a new class of +securities other than CDIs, you will need to obtain and provide an International Securities Identification Number (ISIN) for that class. Further information on the requirement for the notification of an ISIN is available from the Create Online Forms page. ASX is unable to create the new ISIN for non-Australian issuers.

\*Denotes minimum information required for first lodgement of this form, with exceptions provided in specific notes for certain questions. The balance of the information, where applicable, must be provided as soon as reasonably practicable by the entity.

#### Part 1 – Entity and announcement details

Question no	Question	Answer
1.1	*Name of entity <i>We (the entity here named) give notice of the issue, conversion or payment up of the following unquoted +securities.</i>	Rex Minerals Ltd
1.2	*Registration type and number <i>Please supply your ABN, ARSN, ARBN, ACN or another registration type and number (if you supply another registration type, please specify both the type of registration and the registration number).</i>	12 124 960 523
1.3	*ASX issuer code	
1.4	*This announcement is <i>Tick whichever is applicable.</i>	<input checked="" type="checkbox"/> A new announcement <input type="checkbox"/> An update/amendment to a previous announcement <input type="checkbox"/> A cancellation of a previous announcement
1.4a	*Reason for update <i>Mandatory only if "Update" ticked in Q1.4 above. A reason must be provided for an update.</i>	N/A
1.4b	*Date of previous announcement to this update <i>Mandatory only if "Update" ticked in Q1.4 above.</i>	N/A
1.4c	*Reason for cancellation <i>Mandatory only if "Cancellation" ticked in Q1.4 above.</i>	N/A
1.4d	*Date of previous announcement to this cancellation <i>Mandatory only if "Cancellation" ticked in Q1.4 above.</i>	NA
1.5	*Date of this announcement	1 December 2020

Part 2 – Type of issue

Question No.	Question	Answer
2.1	<p>*The +securities the subject of this notification are: <i>Select whichever item is applicable.</i> <i>If you wish to notify ASX of different types of issues of securities, please complete a separate Appendix 3G for each type of issue.</i></p>	<p><input type="checkbox"/> +Securities issued as a result of options being exercised or other +convertible +securities being converted and that are not to be quoted on ASX</p> <p><input type="checkbox"/> Partly paid +securities that have been fully paid up and that are not to be quoted on ASX</p> <p><input checked="" type="checkbox"/> +Securities issued under an +employee incentive scheme that are not being immediately quoted on ASX</p> <p><input type="checkbox"/> Other [please specify] <i>If you have selected 'other' please provide the circumstances of the issue here:</i></p>
2.2a.1	<p>Please state the number and type of options that were exercised or other +convertible securities that were converted (including their ASX security code if available)? <i>Answer this question if your response to Q2.1 is "securities issued as a result of options being exercised or other convertible securities being converted and that are not to be quoted on ASX".</i></p>	N/A
2.2a.2	<p>And the date the options were exercised or other +convertible securities were converted: <i>Answer this question if your response to Q2.1 is "securities issued as a result of options being exercised or other convertible securities being converted and that are not to be quoted on ASX".</i> <i>Note: If this occurred over a range of dates, enter the date the last of the options was exercised or convertible securities was converted.</i></p>	N/A
2.2b.1	<p>Please state the number and type of partly paid +securities that were fully paid up (including their ASX security code if available)? <i>Answer this question if your response to Q2.1 is "partly paid securities that have been paid up and that are not to be quoted on ASX".</i></p>	N/A
2.2b.2	<p>And the date the +securities were fully paid up: <i>Answer this question if your response to Q2.1 is "partly paid securities that have been paid up and that are not to be quoted on ASX".</i> <i>Note: If this occurred over a range of dates, enter the date the last of the securities was fully paid up.</i></p>	N/A

2.2c.1	<p>Please state the number and type of +securities (including their ASX security code) issued under an +employee incentive scheme that are not being immediately quoted on ASX</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>	<p>5,000,000 Unlisted Options with an exercise price of 17.5 cents subject to vesting in three tranches, being:</p> <p>Tranche 1 (1,666,667 Options) 30/11/2021; Tranche 2 (1,666,667 Options) 30/11/2022; Tranche 3 (1,666,666 Options) 30/11/2023</p> <p>The Options will expire on 30/11/2024 and have been issued under the Company's Option Incentive Plan.</p>						
2.2c.2	<p>*Please attach a document or provide details of a URL link for a document lodged with ASX detailing the terms of the +employee incentive scheme or a summary of the terms.</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>	<p>RXM Option Incentive Plan rules are attached to this announcement.</p>						
2.2c.3	<p>*Are any of these +securities being issued to +key management personnel (KMP) or an +associate</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>	<p>Yes</p>						
2.2c.3.a	<p>*Provide details of the recipients and the number of +securities issued to each of them.</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX" and your response to Q2.2c.3 is "Yes". Repeat the detail in the table below for each KMP involved in the issue. If the securities are being issued to the KMP, repeat the name of the KMP or insert "Same" in "Name of registered holder". If the securities are being issued to an associate of a KMP, insert the name of the associate in "Name of registered holder".</i></p> <table border="1" data-bbox="338 1220 1364 1317"> <thead> <tr> <th data-bbox="338 1220 676 1267">Name of KMP</th> <th data-bbox="676 1220 1048 1267">Name of registered holder</th> <th data-bbox="1048 1220 1364 1267">Number of +securities</th> </tr> </thead> <tbody> <tr> <td data-bbox="338 1267 676 1317">Richard Laufmann</td> <td data-bbox="676 1267 1048 1317">Richard Laufmann</td> <td data-bbox="1048 1267 1364 1317">5,000,000</td> </tr> </tbody> </table>		Name of KMP	Name of registered holder	Number of +securities	Richard Laufmann	Richard Laufmann	5,000,000
Name of KMP	Name of registered holder	Number of +securities						
Richard Laufmann	Richard Laufmann	5,000,000						
2.2d.1	<p>*The purpose(s) for which the entity is issuing the +securities is:</p> <p><i>Answer this question if your response to Q2.1 is "Other".</i></p> <p><i>You may select one or more of the items in the list.</i></p>	<p><input type="checkbox"/> To raise additional working capital</p> <p><input type="checkbox"/> To fund the retirement of debt</p> <p><input type="checkbox"/> To pay for the acquisition of an asset [provide details below]</p> <p><input type="checkbox"/> To pay for services rendered [provide details below]</p> <p><input type="checkbox"/> Other [provide details below]</p> <p><i>Additional details:</i></p> <p>N/A</p>						
2.2d.2	<p>Please provide any further information needed to understand the circumstances in which you are notifying the issue of these +securities to ASX, including (if applicable) why the issue of the +securities has not been previously announced to the market in an Appendix 3B</p> <p><i>You must answer this question if your response to Q2.1 is "Other". If there is no other information to provide, please answer "Not applicable" or "N/A".</i></p>	<p>N/A</p>						

2.3	<p>*The +securities being issued are: <i>Tick whichever is applicable</i></p>	<p><input checked="" type="checkbox"/> Additional +securities in an existing unquoted class that is already recorded by ASX ("existing class")</p> <p><input type="checkbox"/> New +securities in an unquoted class that is not yet recorded by ASX ("new class")</p>
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### Part 3A – number and type of +securities being issued (existing class)

Answer the questions in this part if your response to Q2.3 is "existing class".

Question No.	Question	Answer
3A.1	*ASX security code & description	RXMAA
3A.2	*Number of +securities being issued	5,000,000
3A.3a	*Will the +securities being issued rank equally in all respects from their issue date with the existing issued +securities in that class?	Yes
3A.3b	<p>*Is the actual date from which the +securities will rank equally (non-ranking end date) known?</p> <p><i>Answer this question if your response to Q3A.3a is "No".</i></p>	N/A
3A.3c	<p>*Provide the actual non-ranking end date</p> <p><i>Answer this question if your response to Q3A.3a is "No" and your response to Q3A.3b is "Yes".</i></p>	N/A
3A.3d	<p>*Provide the estimated non-ranking end period</p> <p><i>Answer this question if your response to Q3A.3a is "No" and your response to Q3A.3b is "No".</i></p>	N/A
3A.3e	<p>*Please state the extent to which the +securities do not rank equally:</p> <ul style="list-style-type: none"> <li>• in relation to the next dividend, distribution or interest payment; or</li> <li>• for any other reason</li> </ul> <p><i>Answer this question if your response to Q3A.3a is "No".</i></p> <p><i>For example, the securities may not rank at all, or may rank proportionately based on the percentage of the period in question they have been on issue, for the next dividend, distribution or interest payment; or they may not be entitled to participate in some other event, such as an entitlement issue.</i></p>	N/A

### Part 3B – number and type of +securities being issued (new class)

Answer the questions in this part if your response to Q2.3 is "new class".

Not Applicable

Part 4 – Issue details

Question No.	Question	Answer
4.1	*Have the +securities been issued yet?	No
4.1a	*What was their date of issue? <i>Answer this question if your response to Q4.1 is "Yes".</i>	N/A
4.1b	*What is their proposed date of issue? <i>Answer this question if your response to Q4.1 is "No".</i>	1 December 2020
4.2	*Are the +securities being issued for a cash consideration? <i>If the securities are being issued for nil cash consideration, answer this question "No".</i>	No
4.2a	*In what currency is the cash consideration being paid <i>For example, if the consideration is being paid in Australian Dollars, state AUD. Answer this question if your response to Q4.2 is "Yes".</i>	N/A
4.2b	*What is the issue price per +security <i>Answer this question if your response to Q4.2 is "Yes" and by reference to the issue currency provided in your response to Q4.2a. Note: you cannot enter a nil amount here. If the securities are being issued for nil cash consideration, answer Q4.2 as "No" and complete Q4.2c.</i>	N/A
4.2c	Please describe the consideration being provided for the +securities <i>Answer this question if your response to Q4.2 is "No".</i>	Issued for nil consideration under the Company's Option Incentive Plan.
4.3	Any other information the entity wishes to provide about the issue	Shareholder approval for the issue of Unlisted Options was received at the Company's 2020 Annual General Meeting held on 27 November 2020.

## Part 5 – Unquoted +securities on issue

Following the issue of the +securities the subject of this application, the unquoted issued +securities of the entity will comprise:

*Note: the figures provided in the table in section 5.1 below are used to calculate part of the total market capitalisation of the entity published by ASX from time to time. Please make sure you include in the table each class of unquoted securities issued by the entity.*

*Restricted securities should be included in table 5.1.*

5.1	*ASX security code and description	*Total number of +securities on issue
	RXMAA: unlisted Options exercisable at \$0.084 expiring 31/01/2023	1,333,334
	RXMAA: unlisted Options exercisable at \$0.070 expiring 29/02/2024	12,100,000
	RXMAA: unlisted Options exercisable at \$0.175 expiring 30/11/2024	5,000,000
	RXMAB – unlisted Consideration Rights expiring 31/10/2024	20,000,000

## Part 6 – Other Listing Rule requirements

*The questions in this Part should only be answered if you are an ASX Listing (ASX Foreign Exempt Listings and ASX Debt Listings do not need to complete this Part) and:*

- *your response to Q2.1 is “+securities issued under an +employee incentive scheme that are not being immediately quoted on ASX”; or*
- *your response to Q2.1 is “Other”*

Question No.	Question	Answer
6.1	<p>*Are the securities being issued under Listing Rule 7.2 exception 13<sup>1</sup> and therefore the issue does not need any security holder approval under Listing Rule 7.1?</p> <p><i>Answer this question if your response to Q2.1 is “securities issued under an employee incentive scheme that are not being immediately quoted on ASX”.</i></p>	<p>No</p> <p>5,000,000 Unlisted Options issued pursuant to ASX Listing Rule 10.14 and shareholder approval received 27 November 2020.</p>

<sup>1</sup> *Exception 13*

An issue of securities under an employee incentive scheme if within 3 years before the issue date:

- (a) in the case of a scheme established before the entity was listed – a summary of the terms of the scheme and the maximum number of equity securities proposed to be issued under the scheme were set out in the prospectus, PDS or information memorandum lodged with ASX under rule 1.1 condition 3; or
- (b) the holders of the entity’s ordinary securities have approved the issue of equity securities under the scheme as an exception to this rule. The notice of meeting must have included:
  - a summary of the terms of the scheme.
  - the number of securities issued under the scheme since the entity was listed or the date of the last approval under this rule;
  - the maximum number of +equity securities proposed to be issued under the scheme following the approval; and
  - a voting exclusion statement.

6.2	*Has the entity obtained, or is it obtaining, +security holder approval for the issue under listing rule 7.1? <i>Answer this question if the response to Q6.1 is "No".</i>	No
6.2a	*Date of meeting or proposed meeting to approve the issue under listing rule 7.1 <i>Answer this question if the response to Q6.1 is "No" and the response to Q6.2 is "Yes".</i>	N/A
6.2b	*Are any of the +securities being issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1? <i>Answer this question if the response to Q6.1 is "No" and the response to Q6.2 is "No".</i>	No
6.2b.1	*How many +securities are being issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1? <i>Answer this question if the response to Q6.1 is "No", the response to Q6.2 is "No" and the response to Q6.2b is "Yes".</i> <i>Please complete and separately send by email to your ASX listings adviser a work sheet in the form of Annexure B to Guidance Note 21 confirming the entity has the available capacity under listing rule 7.1 to issue that number of securities.</i>	N/A
6.2c	*Are any of the +securities being issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)? <i>Answer this question if the response to Q6.1 is "No" and the response to Q6.2 is "No".</i>	No
6.2c.1	*How many +securities are being issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A? <i>Answer this question if the response to Q6.1 is "No", the response to Q6.2 is "No" and the response to Q6.2c is "Yes".</i> <i>Please complete and separately send by email to your ASX listings adviser a work sheet in the form of Annexure C to Guidance Note 21 confirming the entity has the available capacity under listing rule 7.1A to issue that number of securities.</i>	N/A

Introduced 01/12/19; amended 31/01/20

Exception 13 is only available if and to the extent that the number of +equity securities issued under the scheme does not exceed the maximum number set out in the entity's prospectus, PDS or information memorandum (in the case of (a) above) or in the notice of meeting (in the case of (b) above).

Exception 13 ceases to be available if there is a material change to the terms of the scheme from those set out in the entity's prospectus, PDS or information memorandum (in the case of (a) above) or in the notice of meeting (in the case of (b) above).



## Rex Minerals Limited

### Option Plan Rules

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# Rex Minerals Limited

## Option Plan Rules

### Recitals

- A The Company has established this Plan to enable Eligible Persons to share in the ownership of the Group in order to:
- (a) promote the long-term success of the Group;
  - (b) provide a strategic, value based reward for Eligible Persons who make a key contribution to that success;
  - (c) align Eligible Person's interests with the interests of the Company's shareholders; and
  - (d) promote the retention of Eligible Persons.
- B Options issues under this Plan are subject to these Rules.

### Operative provisions

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#### 1. Introduction

##### Commencement and term of Plan

- 1.1 This Plan commences forthwith and will continue until terminated by the Board.

##### Advice

- 1.2 There are legal and tax consequences associated with participation in the Plan. Eligible Persons and Participants must ensure that they understand these consequences before submitting an Application.
- 1.3 Each person who completes and returns an Application to the Company acknowledges and agrees that each Group Company and its officers and employees make no representation or warranty concerning the financial consequences or benefits, or taxation consequences, of participating in the Plan.
- 1.4 Participants are advised that any advice given by a Group Company and its officers, employees and representatives is general advice only. Participants should consider obtaining their own financial product advice from an independent person who is licensed by the Australian Securities and Investments Commission to give such advice.

##### Inconsistency

- 1.5 To the extent of any inconsistency between this Plan, any Participation Letter and any Application:
- (a) a Participation Letter takes priority over this Plan unless a provision of this Plan is expressed to be incapable of modification;
  - (b) a Participation Letter takes priority over any Application;
  - (c) this Plan takes priority over any Application; and

- (d) any modifications to the terms of any Application as issued by the Company are not binding on the Company unless the Company expressly agrees to those modifications in writing.
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## 2. Definitions and interpretation

### Definitions

- 2.1 In these Rules, unless the contrary intention appears, the following terms have the meanings given below:

**Application** means an application for one or more Options which has been completed by an Eligible Person in accordance with Rule 4.1.

**ASX** means ASX Limited (ACN 008 624 691) or the securities market which it operates, as the case may be.

**ASX Listing Rules** means the official listing rules of the ASX, as amended or replaced from time to time, as they apply to the Company to the extent any express written waiver by the ASX is applicable.

**Bad Leaver** means any Relevant Person who ceases to be Engaged and who is not a Good Leaver and who:

- (a) has engaged in any act or omission constituting serious misconduct;
- (b) has been summarily terminated pursuant to any contract of employment, service contract or terms of office with any Group Company; or
- (c) has committed a serious or persistent breach or non-observance of a term or terms of any contract of employment, service contract or terms of office with any Group Company;
- (d) is disqualified by operation of law from carrying on the role for which he or she was Engaged;
- (e) is convicted of a criminal offence or engages in any other behaviour which in the opinion of the Board affects or might affect the reputation or the business of any Group Company or the Group; or
- (f) has provided any Group Company (or procured a third party to provide any Group Company) with information about the Participant's qualifications, experience, character or reputation which is misleading or was intended to be false or misleading.

**Board** means all or some of the directors of the Company acting as a board, a duly constituted committee of the Board or a delegate of the Board.

**Business Day** means a day that is not a Saturday, Sunday, a public holiday or bank holiday in either of Melbourne or Adelaide, Australia.

**Company** means Rex Minerals Limited (ACN 124 960 523).

**Constitution** means the constitution of the Company from time to time.

**Controller** has the meaning given in section 9 of the Corporations Act.

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

**A Change of Control Event** occurs:

- (a) when a Takeover Bid is made for the Shares which results in the bidder acquiring a Relevant Interest (as defined in the Corporations Act) in at least 50% of the Shares; or

- (b) either:
- (i) pursuant to an application made by the Company to the court under section 411 of the Corporations Act, the court orders a meeting to be held in relation to a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company and that resolution is passed by the requisite majorities; or
  - (ii) the Company passes a resolution for a selective capital reduction or other transaction is initiated,

which has a similar effect to a Takeover Bid made for the Shares which will result in a person (and its Related Bodies Corporate) being registered as the holder of more than 50% of the Shares.

**Deal** when used in relation to an item of property or a right or obligation, includes sell, offer for sale, transfer, assign or grant or allow to exist any Encumbrance, trust, option or other right in relation to the whole or any part of the item of property, right or obligation (as applicable), and **Dealt with** and **Dealing** have a corresponding meaning.

**Eligible Person** means any person who is an employee, officer, consultant or director of any Group Company and who is an eligible participant for the purposes of ASIC Class Order 14/1000, or other person approved by the Board.

**Encumbrance** means any interest which provides security for, or protects against default by, a person for the payment of money or satisfaction of a debt or liability or the performance of obligations, including a mortgage, lien, charge, bill of sale, deposit, pledge, hypothecation, trust, power, preferential right, interest or arrangement, restrictive or positive covenant or any agreement or arrangement to create or grant such an interest or right, or to allow any of them to exist.

**Engagement** means:

- (a) employment by any Group Company; or
- (b) engagement as a director or consultant of any Group Company, and

**Engaged** has a corresponding meaning.

**Exercise** means the act of exercising the right attached to an Option to require the issue, transfer or allocation of a Share to the holder of the Option pursuant to Rule 8.

**Exercise Notice** means a notice that an Option is Exercised, completed in accordance with Rule 8.6.

**Exercise Price** means, in relation to an Option, the amount (if any) payable by the Optionholder on the Exercise of that Option, as determined pursuant to Rules 8.7 and 10.

**Expiry** means, in relation to an Option, the point in time at which that Option can no longer be Exercised (including if the Exercise Period ends), as determined under Rule 9 and **Expire** has a corresponding meaning.

**Expiry Date** means, in relation to an Option, the date on which that Option lapses and ceases to be exercisable, being the date specified in the relevant Participation Letter or determined pursuant to these Rules.

**Good Leaver** means any Relevant Person who ceases Engagement:

- (a) because of redundancy or whose Engagement terminates due to the expiry of his/her contractual term, or who is terminated at the election of the Company other than by being a Bad Leaver; or

- (b) because of death (except for death which arises as a result of the Relevant Person's criminal act or intentional self-harm); or
- (c) because of sickness, disability or incapacity (other than sickness, disability or incapacity which arises as a result of the Relevant Person's criminal act or intentional self-harm) which renders the Relevant Person incapable of continued full time Engagement in his or her current position with any Group Company; or
- (d) because the Group Company by which he or she is Engaged ceases to be a Group Company; or
- (e) because the business or part of any business of any Group Company by which he or she is Engaged is transferred to a person other than any Group Company and the Relevant Person transfers their Engagement to that other person with the consent of the Company; or
- (f) otherwise in circumstances where the Company agrees that the Relevant Person is to be treated as a Good Leaver for the purposes of this Plan.

**Government Agency** means any government, governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity and includes any other person authorised by law to give consents, or impose requirements.

**Group** means the Company and the Company's Subsidiaries, from time to time.

**Group Company** means any entity which forms part of the Group.

**Insolvency Event** means, in respect of the Company:

- (a) except for the purpose of a solvent reconstruction or amalgamation:
  - (i) process is filed in a court seeking an order that it be wound up or that a Controller be appointed to it or any of its assets, unless the application is withdrawn, struck out or dismissed within 14 days of it being filed;
  - (ii) an order is made that it be wound up or that a Controller be appointed to it or any of its assets; or
  - (iii) a resolution that it be wound up is passed;
- (b) a liquidator, provisional liquidator, controller or any similar official is appointed to, or takes possession or control of, all or any of its assets or undertaking;
- (c) an administrator is appointed to it, a resolution that an administrator be appointed to it is passed or proposed, or any other steps are taken to appoint an administrator to it;
- (d) it is insolvent within the meaning of section 95A of the Corporations Act, as disclosed in its accounts or otherwise, states that it is unable to pay its debts or it is presumed to be insolvent under any applicable law;
- (e) anything having a substantially similar effect to any of the events specified in paragraphs (a) to (d) (each inclusive) happens to it under the law of any jurisdiction.

**Issue Price** means, in respect of an Option, the price (if any) determined in accordance with Rule 4.4.

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

**Listed** means admitted to the official list of a Stock Exchange.

**Listing Rules** means the listing rules of any Stock Exchange on which the Company is Listed, including the ASX Listing Rules.

**Option** means an option issued pursuant to this Plan.

**Optionholder** means a person who is registered as the holder of an Option in the register of the Company.

**Participant** means, subject to Rule 15.7:

- (a) an Eligible Person who has been issued a Participation Letter and has returned a corresponding Application to the Company which has been accepted by the Company pursuant to Rule 4.5; and
- (b) to the extent the content requires, an Optionholder who holds options on behalf of, at the nomination of, or by transfer from, an Eligible Person who has been issued a Participation Letter and has returned a corresponding Application to the Company which has been accepted by the Company pursuant to Rule 4.5.

**Participation Letter** means an invitation to an Eligible Person to apply for Options pursuant to Rule 3.2 and in relation to an Option, means the Participation Letter pursuant to which the relevant Participant was invited to apply for that Option.

**Performance-based Vesting Condition** means a Vesting Condition based on the achievement of a Performance Target.

**Performance Target** means an objective, target or status which must be achieved or maintained in order to satisfy a Performance-based Vesting Condition, as set out in the relevant Participation Letter.

**Plan** means the Rex Minerals Limited Option Plan, the rules of which are set out in this document.

**Related Body Corporate** has the meaning given to it in the Corporations Act.

**Relevant Person**, in respect of an Option and a Participant, means:

- (a) the person specified as the Relevant Person in the relevant Participation Letter; or
- (b) if not person is specified pursuant to paragraph (a), the Eligible Person to whom the Participation Letter in respect of that Option was originally issued.

**Rules** means these Plan rules as amended from time to time and **Rule** means a numbered paragraph of these Plan rules.

**Scheme of Arrangement** means a scheme of arrangement constituted under Part 5.1 of the Corporations Act.

**Service-based Vesting Condition** means a Vesting Condition based on the period of Engagement of the Participant by a Group Company or the continued Engagement of the Participant by a Group Company.

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

**Share Price Vesting Condition** means a Vesting Condition based on the Share price of the Company.

**Share Trading Policy** means the share trading policy of the Company (as amended from time to time) which governs the trading in securities in any Group Company (or financial products such as options, warrants, futures or other financial products issued over or in respect of securities in any Group Company) by any Participant or Eligible Person.

**Stock Exchange** means any stock exchange or securities market on which any part of the share capital of the Company is quoted.

**Subsidiary** has the same meaning given to it in Division 6 of Part 1.2 of the Corporations Act.

**Takeover Bid** has the meaning given in section 9 of the Corporations Act.

**Taxes** means a tax, levy, charge, impost, deduction, withholding or duty of any nature (including stamp and transaction duty) imposed or levied by any Government Agency or required to be remitted to, or collected, withheld or assessed by, any Government Agency, together with any related interest, penalty, fine, expense or other charge on those amounts.

**Unvested Option** means an Option which is not a Vested Option.

**Vested Option** means an Option which is a Vested Option pursuant to Rule 7.3.

**Vesting Condition** means, in relation to an Option, a condition which must be satisfied or waived before that Option becomes a Vested Option, as set out in the relevant Participation Letter.

## Interpretation

2.2 In these Rules, unless the context otherwise requires:

- (a) terms defined in the Corporations Act and, while the Company is Listed, the Listing Rules, have the same meaning in these Rules;
- (b) words importing:
  - (i) the singular includes the plural and vice versa; and
  - (ii) any gender includes the other genders;
- (c) if a word or phrase is defined, cognate words and phrases have corresponding definitions;
- (d) a reference to:
  - (i) a person includes any, individual, firm, association, body corporate, partnership, joint venture, trust and government or statutory body, agency or authority;
  - (ii) a person includes its legal personal representatives, executors, administrators, successors and permitted assigns, including any person taking by way of novation and, in the case of a trustee, includes any substituted or additional trustee;
  - (iii) a law includes any statute, ordinance, code, legislation, judgment, rule of common law or equity or rule of any applicable stock exchange, regulations, by-law or other subordinate legislation or statutory instrument and is a reference to that law as amended, consolidated, supplemented, re-enacted or replaced;
  - (iv) a right includes a benefit, remedy, discretion, authority or power;
  - (v) an agreement includes any undertaking, representation, deed, agreement or legally enforceable arrangement or understanding whether written or not;
  - (vi) a Rule or annexure is a reference to a Rule of or annexure to this Plan and a reference to this Plan includes any annexure;
  - (vii) "dollars", "\$" or "A\$" is a reference to the lawful currency of Australia;
  - (viii) time is a reference to time in Melbourne, Australia;
  - (ix) this or any other document includes the document as amended, consolidated, supplemented, novated, varied or replaced, notwithstanding any change in the identity of the parties; and
  - (x) anything (including, without limitation, any amount) is a reference to the whole or any part of it and a reference to a group of things or persons is a reference to any one or more of them;



- (e) the words "**includes**" or "**including**", "**for example**" or "**such as**" when introducing a list of items do not exclude a reference to other items, whether of the same class or genus or not;
- (f) where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the next Business Day; and
- (g) if a period starts from, after or before a day or the day of an act or event, it excludes that day.

2.3 Headings are for convenience only and do not affect the interpretation of these Rules.

2.4 This Plan is a plan to which Subdivision 83A-C of the ITAA 1997 applies (subject to the conditions in that act).

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### **3. Invitation to participate**

#### **Introduction**

3.1 The Company may, from time to time, invite any Eligible Person to participate in the Plan.

#### **Participation Letter**

3.2 If the Company chooses to invite an Eligible Person to participate in the Plan, the Company must issue the Eligible Person with a Participation Letter.

#### **Contents of Participation Letter**

3.3 A Participation Letter must:

- (a) be in writing and substantially in the form of **Annexure 1**, with such amendments as the Board determines; and
- (b) set out the particulars of the Eligible Person's proposed participation in the Plan including, in relation to the Options which would be issued to the Eligible Person in accordance with the Participation Letter:
  - (i) the number of Options;
  - (ii) any Issue Price(s);
  - (iii) the Expiry Date(s);
  - (iv) any Exercise Price(s); and
  - (v) any Vesting Conditions; and
- (c) set out the time and date by which the Eligible Person must return the Participation Letter as a completed Application.

3.4 Inadvertent non-compliance with Rules 3.2 and 3.3 does not invalidate a Participation Letter, or an Eligible Person's participation in the Plan.

#### **Power to revoke Participation Letters**

3.5 The Company may revoke a Participation Letter it has issued at any time until the Company formally accepts an Application in respect of the Participation Letter under Rule 4.5.

3.6 A Participation Letter is not an offer which is capable of acceptance and an Eligible Person is:

- (a) only able to participate in the Plan once, and
- (b) not entitled to be granted any Options until,

the requirements of Rules 4.1, 4.2 and 4.5 are satisfied.

### **Company's discretion**

- 3.7 Subject to Rule 3.1, the Company may determine in its discretion:
- (a) whether to invite any person to participate in the Plan;
  - (b) whether to revoke any Participation Letter or invitation made to any person to participate in the Plan;
  - (c) the timing of any Participation Letter; and
  - (d) the terms of any person's proposed participation in the Plan including the number and terms of Options to be granted under the Plan.
- 3.8 Eligible Persons may be invited to participate in the Plan on different terms.
- 3.9 An Eligible Person may be issued with more than one Participation Letter, in which case each Participation Letter may contain different terms.

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## **4. Application and allocation of Options**

### **Application for Options**

- 4.1 Once an Eligible Person has received a Participation Letter, the Eligible Person may apply to be issued with the Options detailed in the Participation Letter by:
- (a) validly signing the Application attached to the Participation Letter (substantially in the form set out in Annexure 1 with such amendments as are agreed to by the Board) and returning it to the Company;
  - (b) paying to the Company the Issue Price (if any) for each Option applied for by the Eligible Person under the relevant Participation Letter; and
  - (c) if required by the Constitution, signing any other documents necessary to enable the issue of the Options to the Eligible Person and delivering them to the Company,
- (together referred to as an **Application**).

### **Time limit to submit Applications**

- 4.2 Subject to Rule 4.3, an Eligible Person must submit an Application pursuant to Rule 4.1 within 14 days of the date of the relevant Participation Letter or the Application will not be valid.
- 4.3 The Company may extend or shorten the time for submission of an Application beyond the period referred to in Rule 4.2 and accept an Application after that period has elapsed.

### **Issue Price**

- 4.4 The Issue Price of an Option is the price determined by the Board from time to time and described in the relevant Participation Letter, and may be nil.

### **Acceptance of Applications**

- 4.5 Once an Eligible Person has complied with Rule 4.1, the Company may accept the Application by issuing, or procuring the transfer of, the Options detailed in the relevant Participation Letter to the Eligible Person.

## **Lapse of Applications**

- 4.6 An Application lapses if it is not accepted in accordance with Rule 4.5 within 28 days of its receipt by the Company, unless the Company determines otherwise.

## **Allocation of Options and participation in Plan**

- 4.7 If the Company accepts an Application in accordance with Rule 4.5:
- (a) the Company must issue to the Eligible Person the Options referred to in the Application by the Eligible Person; and
  - (b) the Eligible Person will be entitled to participate in the Plan as a Participant.
- 

## **5. Options and Shares**

### **Rights attaching to Options**

- 5.1 Subject to Rule 10, each Option entitles the Participant to subscribe for, and be issued with the number of Shares set out in the Participation Letter in respect of that Option provided:
- (a) the Option is a Vested Option; and
  - (b) the Participant Exercises the Option prior to the Expiry Date (or such later date determined by the Company), in accordance with these Rules and the relevant Participation Letter.

### **Rights of Shares**

- 5.2 A Share issued on the Exercise of an Option will:
- (a) rank equally, on and from its date of issue, in all respects with any Shares of the same class which are then on issue; and
  - (b) be subject to these Rules, the relevant Participation Letter and the Constitution.

### **Participation rights**

- 5.3 Options confer no right to participate in, and a Participant is not entitled to participate in, any new issue of Shares to existing holders of Shares in the capital of the Company, unless an Option is Exercised and the Participant is registered as a holder of Shares, and then only to the extent that the registered holder of those Shares would otherwise be entitled to participate as a member of the Company.

### **Participants' obligations**

- 5.4 Any holder of Options issued under this Plan are bound by the Constitution, these Rules and the relevant Participation Letter.

### **Quotation of Options and Shares**

- 5.5 Options will not be quoted on the ASX or any other securities exchange unless the Company determines otherwise.
- 

## **6. Restrictions on hedging and Dealing**

### **Restrictions on hedging**

- 6.1 Subject to Rule 6.2, Participants must not enter into any schemes, arrangements or transactions, including hedging arrangements, that hedge or protect the value of Options allocated under the Plan or Shares which will be issued, transferred or allocated on Exercise of Options.

- 6.2 Rule 6.1 does not apply to Vested Options provided that the details of that scheme, arrangement or transaction are fully disclosed to the Company.

### **Restrictions on Dealing**

- 6.3 A Participant must not Deal with any Option or any right or obligation under this Plan (including appointing a nominee to hold the Options) unless the following conditions are satisfied:
- (a) the Dealing has the prior written consent of the Company;
  - (b) the Dealing does not otherwise contravene the Constitution, these Rules and the relevant Participation Letter; and
  - (c) the Dealing complies with the Share Trading Policy.

### **General requirements for Dealing**

- 6.4 Any Dealing with an Option or any right or obligation under this Plan must be undertaken in a form and manner approved by the Company.

### **Void Dealings**

- 6.5 If any Dealing with an Option or any right or obligation under this Plan, or any scheme, arrangement or transaction, breaches this Rule 6:
- (a) unless the Company determines otherwise, it will be treated as void as against the Company, the members of the Company and any Participant; and
  - (b) the Company may cancel, on terms determined by the Company, some or all of the Options of the Participant that has breached this Rule 6, which may include cancelling those Options for nil consideration.

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## **7. Vesting of Options**

### **Vesting Conditions**

- 7.1 An Option may be subject to Vesting Conditions as determined by the Company.
- 7.2 Vesting Conditions may be:
- (a) a Service-based Vesting Condition;
  - (b) a Performance-based Vesting Condition;
  - (c) a Share Price Vesting Condition; and/or
  - (d) based on any other matter determined by the Company.

### **Vested Options**

- 7.3 An Option is a Vested Option if:
- (a) it is not subject to any Vesting Conditions; or
  - (b) it is no longer subject to any unsatisfied Vesting Conditions; or
  - (c) all Vesting Conditions in respect of the Option have been satisfied or waived by the Company pursuant to these Rules.

## **Vesting Conditions satisfied at the discretion of the Company**

7.4 Notwithstanding any other provision of this Plan, the Company may:

- (a) waive any Vesting Condition; and
- (b) determine that any of the following is satisfied notwithstanding that they may not be:
  - (i) a Performance Target;
  - (ii) a Performance-based Vesting Condition;
  - (iii) a Service-based Vesting Condition; and/or
  - (iv) a Share Price Vesting Condition.

7.5 A waiver of a Vesting Condition under Rule 7.4(a) or determination under Rule 7.4(b) may be expressed to be effective from the time the relevant Participant or Relevant Person ceases to be Engaged, notwithstanding that the waiver or determination may not occur until after that time.

## **Satisfaction of Service-based Vesting Condition**

7.6 Unless otherwise specified in the relevant Participation Letter, a Service-based Vesting Condition is satisfied if:

- (a) the Relevant Person is Engaged by a Group Company on a continuous basis until the date specified in the relevant Participation Letter; or
- (b) the Relevant Person completes the number of years continuous Engagement (allowing for any leave to which the Relevant Person is entitled) as specified in the relevant Participation Letter; or
- (c) the Company determines that the Service-based Vesting Condition is to be treated as satisfied notwithstanding that it may not have been.

7.7 For the purpose of Rule 7.6:

- (a) Engagement may be with one or more Group Companies and need not be continuously with any particular Group Company, provided that the Participant is at all relevant times Engaged by at least one Group Company; and
- (b) any approved leave taken by a Participant will be treated as forming part of that Participant's period of Engagement.

## **Satisfaction of Performance-based Vesting Condition**

7.8 A Performance-based Vesting Condition is satisfied if, and only if:

- (a) the relevant Performance Target is achieved, as determined by the Company; or
- (b) the Company determines that the Performance-based Vesting Condition is to be treated as satisfied notwithstanding that it may not have been.

## **Satisfaction of Share Price Vesting Condition**

7.9 A Share Price Vesting Condition is satisfied if, and only if:

- (a) the relevant requirement set out in the Participation Letter is achieved; or
- (b) the Company determines that the Share Price Vesting Condition is to be treated as satisfied notwithstanding that it may not have been.

## **Vesting of Unvested Options on Change of Control or Good Leaver**

7.10 Subject to the terms of issue applicable to an Option, if a Change of Control Event occurs or the Relevant Person is a Good Leaver:

- (a) all Vesting Conditions in respect of the Options will be deemed to be satisfied; and
- (b) all Unvested Options will automatically become Vested Options.

## **Clawback**

7.11 Notwithstanding that:

- (a) a Relevant Person may have been considered to be a Good Leaver at the time the Relevant Person ceased to be Engaged; or
- (b) the Company may have waived any Vesting Condition; or
- (c) the Company may have determined that a Vesting Condition was satisfied,

if it is later discovered that a Relevant Person was, in reality, not a Good Leaver at the time the person ceased to be Engaged then the Board may determine that:

- (d) all or some of the Options held by a Participant Expire and are incapable of being Exercised; and
- (e) the Participant must, or must procure that any relevant third party, immediately on request by the Company:
  - (i) transfers any or all Shares issued upon the exercise of an Option, as determined by the Board, on terms, and to a person, determined by the Company (which may include transferring them for nil consideration); and
  - (ii) pays the Company any:
    - (A) proceeds received from the sale of any Shares issued upon the exercise of Options; and
    - (B) any distributions or dividends paid on Shares issued upon the exercise of Options,as a debt due to the Company.

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## **8. Exercise of the Options**

### **Exercise**

8.1 Vested Options may be Exercised at any time prior to their Expiry or, at any time the Company determines.

8.2 The Exercise of a Vested Option is conditional upon:

- (a) the Optionholder complying with Rules 8.4 and 8.6; and
- (b) the Optionholder first executing a consent to become a member of the Company in a form acceptable to the Company.

### **Unvested Options not to be Exercised**

8.3 Notwithstanding any other provision of this Plan, Unvested Options may not be Exercised under any circumstance.

### **Exercise subject to Share Trading Policy**

8.4 A Participant must not Exercise any Option unless the Exercise of that Option complies with the Share Trading Policy.

### **Expired Options not to be Exercised**

8.5 Notwithstanding any other provision of this Plan, no Option may be Exercised after it has Expired.

### **Manner of Exercise**

8.6 Subject to Rule 8.3 and 8.5 and the relevant Participation Letter, an Optionholder may Exercise any of its Vested Options by:

- (a) delivering to the Company:
  - (i) a written notice substantially in the form of **Annexure 2** (or in such other form approved by the Company) duly completed and executed by the Optionholder;
  - (ii) the certificate(s) for those Options (if any has been issued); and
- (b) paying the Company the Exercise Price (if any) in respect of the Options as required by Rules 8.7 and 8.8,

each prior to the Expiry of the Option.

### **Exercise Price**

8.7 Subject to any adjustment under Rule 10, the Exercise Price of an Option is the price (if any) determined by the Company from time to time and set out in the relevant Participation Letter.

### **Payment of Exercise Price**

8.8 The Exercise Price of an Option must be paid to the Company, or to a third party at the direction of the Company, by:

- (a) cheque;
- (b) electronic funds transfer to a bank account nominated by the Company; or
- (c) in any other manner approved by the Company.

### **Issue of Shares on Exercise**

8.9 If an Option is Exercised in accordance with Rule 8.6, the Company must issue to or transfer to the Optionholder the number of Shares which the Option relates.

### **Procedures for issue of Shares**

8.10 The Company may adopt procedures for the issue or transfer of Shares on the Exercise of an Option which may (amongst other things) specify times, intervals or periods at or during which the Company will issue or transfer Shares on the Exercise of an Option.

8.11 Each Participant acknowledges and agrees that:

- (a) there will be some delay between the date that a Participant Exercises any Option and the time that Participant is registered as the holder of Share resulting from the Exercise of that Option; and
- (b) neither the Company, nor any of its officers, employees, advisers, representatives, nor any other person, will have any liability in connection with any change in value of Shares between the time a Participant Exercises an Option and is registered as the holder of Shares and able to Deal with those Shares.

8.12 The Company must ensure that Shares will be transferred or issued and allocated to a Participant within fifteen (15) Business Days after the Participant submits to the Company a properly executed Exercise Notice and the Company has received cleared funds. Such transfer or allocation may include a transfer or allocation from an employee incentive plan or share trust established by the Company.

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## 9. Expiry

### Expiry

9.1 An Option (whether vested or unvested) Expires on the earlier of:

- (a) **(Expiry Date)** 5:00pm (local time in Melbourne, Australia) on the Expiry Date applicable to that Option;
- (b) **(Bad Leaver - Ceasing to be Engaged)** where the Relevant Person is a Bad Leaver, 5 Business Days after the Relevant Person ceased to be Engaged;
- (c) **(Change of Control – all Options)** subject to clause 9.4, the earlier of:
  - (i) 5 Business Days after the occurrence of a Change of Control Event; and
  - (ii) if the Board determines that it expects a Change of Control Event to occur, the date determined by the Board (in which case the Company must give Participants notice that the Board has determined Options will expire under this rule at least 5 Business Days' prior to the determined date for expiry); and
- (d) **(Insolvency Event)** immediately on the Company suffering an Insolvency Event, unless otherwise determined by the Company.

### Effect of Expiry

9.2 All rights and obligations attaching to an Option cease to be of any force or effect once the Option Expires.

### Leave of absence

9.3 Leaves of absence approved by the Company will not be construed as a termination or cessation of Engagement if the underlying relationship of employment or officeholding remains during that absence.

### Change of Control Alternatives

9.4 In the event that a Change of Control Event is proposed, the Board shall determine the appropriate treatment of Options prior to expiry, on the basis that:

- (a) in the absence of a determination by the Board to the contrary in its discretion, the Company will cancel any unexpired Options for remuneration based on a Black-Scholes valuation, subject to receipt of an applicable ASX waiver to allow this to occur and subject to the agreement of the holder of the Options; or
- (b) the Board will consider in its discretion whether it is more appropriate to seek from the party proposing the Change of Control an alternative form of consideration for the Options which the holder of the Options could elect to accept (whether that consideration is in the form of replacement Options, cash or some other form of consideration).



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## **10. Adjustment of Options on capital reorganisation**

### **Reconstructions**

- 10.1 ASX Listing Rule 7.22 applies to Options.
- 10.2 The Company may alter the rights of any Optionholder to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation of the share capital of the Company.

### **Adjustment on pro rata issue or bonus issue**

- 10.3 ASX Listing Rules 6.22.3 but not ASX Listing Rule 6.22.2 applies to Options unless the relevant Participation Letter states otherwise.

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## **11. Calculations and fractional entitlements**

### **Application and calculation**

- 11.1 The Company may make any decisions on adjustments or rounding of fractional entitlements or Options which it considers necessary or desirable in connection with Rule 10 or another provision of these Rules.

### **Fractional Shares**

- 11.2 Where any provision of these Rules or a Participation Letter would result in the issue, transfer or allocation of a fractional number of Shares that provision is to be construed so that the number is to be rounded down to the nearest whole number, unless expressly stated otherwise or determined by the Company.

### **Calculations binding**

- 11.3 The decisions of the Board or the Company respectively as to all calculations made by them under these Rules are final, conclusive and binding on the Participant and any person with any interest in any Options.

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## **12. Administration of the Plan**

### **Administration by the Company**

- 12.1 The Plan will be administered by the Company in accordance with these Rules.
- 12.2 The Company may make further provisions for the operation of the Plan which are consistent with these Rules.

### **Company and Board powers**

- 12.3 Subject to the general purpose, terms and conditions of this Plan, the Company and Board will have full power and authority to implement and carry out this Plan including the power and authority to:
- (a) delegate some or all of the administration of the Plan to any person or persons or committee or sub-committee, for any period and on any terms and conditions it decides, to exercise any of its powers or discretions under the Plan;
  - (b) decide on appropriate procedures for administering the Plan, including the forms and notices to be issued under the Plan;

- (c) construe, interpret and resolve all questions of fact or interpretation concerning the Plan and these Rules and any dispute of any kind that arises under the Plan;
- (d) amend (in accordance with Rule 13), add to or waive any provision of the Plan (including this Rule) in relation to any or all Participants;
- (e) correct any defect, supply any omission or reconcile any inconsistency in this Plan;
- (f) determine that any decision made, or permission given, under the Plan, is subject to further conditions decided by the Company; and
- (g) make all other administrative determinations which the Board considers necessary or desirable for the administration of this Plan.

### **Company and Board's discretion**

12.4 Subject to the express requirements of these Rules, including Rule 3.1, the Company and the Board each have absolute and unfettered discretion:

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

### **Limit on powers, discretions and obligations**

12.5 Any power or discretion which is conferred on the Company or the Board respectively by these Rules must be exercised in the interests, or for the benefit, of the Company. The Company and the Board are not, in exercising any such power or discretion, under any fiduciary or other obligation to any other person.

### **Decisions final and conclusive**

12.6 The decisions of the Company and Board respectively as to the interpretation, effect or application of these Rules and all determinations made by the Company or Board under these Rules are final, conclusive and binding on the Participants, Optionholders and any person with any interest in any Options.

### **Documents**

12.7 The Company may from time to time require a Participant to complete and return any documents that are required by law to be completed by the Participant and any other documents which the Company considers should, for legal or taxation reasons, be completed by the Participant.

### **Foreign government requirements and sub-plans**

12.8 The Company may take any action consistent with the terms of this Plan, either before or after an Option has been granted, which the Company deems necessary or advisable to comply with any laws or regulatory requirements of a foreign country, including but not limited to, modifying or amending the terms and conditions governing any Options, or establishing any local country plans as sub-plans to this Plan. In addition, under all circumstances, the Company may make amendments to this Plan so as to conform with or take advantage of governmental requirements, statutes or regulations.

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## **13. Amendment, suspension and termination**

### **Amendment of the Rules**

13.1 Subject to Rules 13.2 and 13.5, the Board may, by written instrument amend, vary, add to, delete or modify all or any of the provisions of these Rules, including this Rule 13.

### **Limitation on amendment**

- 13.2 No amendment of the provisions of these Rules may materially reduce the rights or increase the obligations of any Participant in respect of their Options held at the date of the amendment, other than an amendment introduced primarily:
- (a) for the purpose of complying with or conforming to any present or future applicable law (including State, Territory or Commonwealth legal requirements) applicable to this Plan or the Options;
  - (b) to take into consideration possible adverse Tax implications in respect of this Plan arising from, amongst others, adverse Tax rulings, changes to Tax legislation (including an official announcement) and/or changes in the interpretation of Tax law by a court of competent jurisdiction;
  - (c) to correct any manifest error or mistake;
  - (d) to enable contributions or other amounts paid by any Group Company to qualify as income tax deductions for that Group Company or any other Group Company; or
  - (e) to enable any Group Company to comply with the Corporations Act, the Listing Rules and the constituent document of a Group Company.
- 13.3 Subject to Rule 14.2, in respect of Options which have already been issued as at the date of any alteration proposed to be made under Rule 13.1, the Company may not make any alteration which would be materially prejudicial to the rights of the Participant without the agreement of the relevant Participant.
- 13.4 As soon as reasonably practicable after making any amendment under this Rule, the Company must give notice in writing of that amendment to any Participant and any Group Company affected by the amendment.

### **Listing Rules**

- 13.5 If the Company is Listed, no amendment may be made to the Plan except in accordance with, and in the manner (if any) stipulated by, the Listing Rules.

### **Amendments may be retrospective**

- 13.6 Subject to the provisions of this Rule 13, any amendment made pursuant to Rule 13.1 may be given retrospective effect.

### **Suspension and termination**

- 13.7 Subject to Rule 13.8, the Company may suspend the operation of the Plan or terminate the Plan.
- 13.8 The suspension or termination of the Plan must not prejudice the existing rights of Participants except as permitted pursuant to Rule 13.2.

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## **14. Compliance with law, Corporations Act and Listing Rules**

### **Compliance with law, Corporations Act and Listing Rules**

- 14.1 Notwithstanding any other provision of these Rules or any term or condition of the participation of any Participant in the Plan, the Company must not issue an Option under the Plan, and no Option may be transferred or otherwise Dealt with unless:
- (a) all necessary approvals from any Government Agency in respect of the issue, transfer or Dealing have been obtained; and
  - (b) the issue, transfer or Dealing complies with the Constitution, all applicable laws, regulations

and rules that may govern the Company including the Corporations Act and, while the Company is Listed, the Listing Rules.

### **Listing Rules to take precedence**

14.2 While the Company is Listed, the following applies:

- (a) notwithstanding anything contained in this Plan, if the Listing Rules prohibit an act being done, the act must not be done;
- (b) nothing contained in this Plan prevents an act being done that the Listing Rules require to be done;
- (c) if the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the Listing Rules require this Plan to contain a provision and it does not contain such a provision, this Plan is deemed to contain that provision;
- (e) if the Listing Rules require this Plan not to contain a provision and it contains such a provision, this Plan is deemed not to contain that provision; and
- (f) if any provision of this Plan is or becomes inconsistent with the Listing Rules, this Plan is deemed not to contain that provision to the extent of the inconsistency.

The Company may amend, vary, add to, delete or modify all or any of the provisions of these Rules in any way it considers necessary to give effect to this Rule 14.2.

### **Termination Benefits**

14.3 This Rule 14.3 applies to any benefit which may be required to be provided by any entity within the Group (**Benefit**). This Rule 14.3 applies notwithstanding, and overrides, any other provision of this Plan and any agreement, understanding, policy, plan, scheme or arrangement (**Arrangement**). Notwithstanding any Arrangement, no person will be entitled to any Benefit in connection with any person's cessation of Engagement, if the giving of the Benefit would give rise to a breach of Part 2D.2 of the Corporations Act, any other provision of the Corporations Act, or any other applicable statute, rule or regulation which limits or restricts the giving of such Benefits (**Limiting Legislation**). If any Limiting Legislation limits the amount of the Benefit, or the amount of the Benefit that may be given without obtaining shareholder approval, the Benefit is capped at that amount and no further Benefit is required to be provided to the relevant person. The Group may reduce any Benefit in such manner as it determines appropriate to ensure compliance with Limiting Legislation and so that shareholder approval does not need to be obtained. No entity in the Group is required to seek or obtain the approval of its shareholders for the purpose of overcoming any limitation or restriction imposed by any Limiting Legislation.

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## **15. General rights and obligations under the Plan**

### **Participants' rights**

15.1 Except as expressly provided in these Rules, nothing in these Rules:

- (a) confers on any person any expectation to become a Participant;
- (b) confers on any person the right to be invited to apply for, to be offered, or to receive, any Options;
- (c) confers on any Participant the right to continue as an employee, officer or contractor of any Group Company (as the case may be);
- (d) affects an Eligible Person's terms of Engagement with any Group Company;

- (e) affects any rights which any Group Company may have to terminate the Engagement of any Participant;
- (f) may be used to increase damages in any action brought against any Group Company in respect of any termination of Engagement;
- (g) confers on an Eligible Person or a Participant person any rights to compensation or damages in consequence of the termination of their Engagement with a Group Company for any reason whatsoever including ceasing to have rights under the Plan as a result of such termination; or
- (h) confers on any Participant the right to assign his or her actual or prospective rights under the Plan, or any Options, to any person without the consent of the Company.

### **Relevant Persons' and Participants' acknowledgments**

15.2 By accepting an invitation to participate in the Plan and submitting an Application to the Company, the Participant acknowledges that:

- (a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, suspended or terminated by the Company at any time, as provided in the Plan;
- (b) participation in the Plan is voluntary and occasional and does not create any contractual or other right to future participation in the Plan, or benefits in lieu of participation in the Plan, even if participation is offered repeatedly;
- (c) all decisions with respect to future participation in the Plan, if any, will be at the sole discretion of the Company;
- (d) the Participant's participation in the Plan will not create a right to further employment with his or her employer;
- (e) Options and Shares acquired pursuant to the Plan are extraordinary items that do not constitute compensation of any kind for services of any kind rendered to any Group Company or the Participant's employer, and which are outside the scope of the Participant's employment contract, if any;
- (f) the future value of the underlying Shares is unknown and cannot be predicted with certainty and the Shares may increase or decrease in value, even below the Exercise Price; and
- (g) the Participant will have no entitlement to compensation or damages as a result of any loss or diminution in value of Shares or any other rights acquired pursuant to the Plan, including, without limitation, as a result of the termination of the Participant's employment by any Group Company or other affiliate for any reason whatsoever and whether or not in breach of contract, and, upon commencing participation in the Plan, the Participant will be deemed irrevocably to have waived any such entitlement as might arise.

### **Rights on cessation of Engagement**

15.3 No person, whether a Participant or otherwise, has any claim, right or interest in respect of this Plan or other property, whether against any Group Company or any other person, as a consequence of cessation of that person's Engagement or otherwise, except in accordance with these Rules.

15.4 Without limiting Rules 15.1 to 15.3, participation in the Plan does not form part of the Participant's remuneration for the purposes of determining payments in lieu of a notice of termination of Engagement, severance payments, leave entitlements, or any other compensation payable to a Participant upon the cessation of Engagement.

### **Other benefits scheme calculations**

- 15.5 No payment under the Plan will be taken into account in determining any benefits under any pension, retirement, savings, profit-sharing, group insurance, welfare or benefit plan of any Group Company.

### **Participation in other schemes**

- 15.6 Participation in the Plan does not affect, and is not affected by, participation in any other incentive or other scheme of a Group Company unless the terms of that incentive or scheme provide otherwise.

### **Cessation of membership**

- 15.7 A person ceases to be a Participant when all rights and obligations which the Participant is entitled to, or subject to, under the Plan have been satisfied or discharged in accordance with these Rules.

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## **16. General provisions**

### **Power of attorney**

- 16.1 In consideration of the issue of the Options, each Participant irrevocably appoints each current director and current secretary, from time to time, of the Company as his or her attorney, to do all acts and things and to complete and execute any documents, including Share and Option transfers, in his or her name and on his or her behalf that may be convenient or necessary for the purpose of giving effect to the provisions of these Rules and any relevant Participation Letter.
- 16.2 A Participant (or after his or her death, his or her legal personal representative) will be deemed to ratify and confirm any act or thing done under Rule 16.1 and to indemnify the attorney in respect of doing so.

### **Notices**

- 16.3 The address for the delivery, transmission and postage of notices to a Participant is the address of the Participant indicated on the Participation Letter or such other address as the Participant may notify to the Company in writing from time to time.

### **Expenses**

- 16.4 Except as provided in these Rules, the Company will meet the ongoing administration expenses of the Plan.

### **Taxes**

- 16.5 The Company will provide the Participants and the Commissioner of Taxation with a statement containing certain information after the end of the income year after the taxing point occurs. The Company is not responsible for any Taxes which may become payable by a Participant in connection with the issue or transfer of Options, the issue, transfer or allocation of Shares, or any other Dealing by a Participant with such Options or Shares including the payment of any cash amount. Relevant Persons and Participants are solely responsible for all such amounts.
- 16.6 Notwithstanding any other Rule, if the Company is required to make or deemed to make a payment to a Participant under these Rules, the Company may deduct or withhold any amount in respect of Taxes payable as a result of the payment (including by withholding Options or Shares and selling them to raise the necessary funds at any price reasonably obtainable by the Company).

### **Severability**

- 16.7 If the whole or any part of a provision of this Plan, any Participation Letter, any Application or the terms of any Option is void, unenforceable or illegal in a jurisdiction it is severed for that jurisdiction. The remaining provisions have full force and effect and the validity or enforceability of

that provision in any other jurisdiction is not affected. This Rule has no effect if the severance alters the basic nature of this Plan, any Participation Letter, any Application or any Option, or is contrary to public policy.

#### **Entire agreement**

16.8 This Plan, any Participation Letter and any Application constitute the entire agreement between the Company and the relevant Participant about their subject matter.

#### **Discretion in exercising rights**

16.9 The Company and Board may exercise a right or remedy or give or refuse its consent in any way it considers appropriate (including by imposing conditions), unless this Plan expressly states otherwise.

#### **Partial exercise of rights**

16.10 If the Company does not exercise a right or remedy fully at a given time, the Company may still exercise it later.

#### **No liability for loss**

16.11 The Company is not liable for costs or loss caused by the exercise or attempted exercise of, failure to exercise, or delay in exercising a right or remedy under this Plan.

#### **Variation and waiver**

16.12 A provision of this Plan, any Participation Letter or any Application, or a right created under any of them, may not be waived or varied except in writing, signed by the party or parties to be bound.

#### **Construction**

16.13 No rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of, or seeks to rely on, this Plan any Participation Letter any Application or any part of it.

#### **Governing law**

16.14 These Rules are governed by and are to be construed in accordance with the laws of the State of South Australia. Each of the Company, each Participant, each Relevant Person and each Optionholder submits to the non-exclusive jurisdiction of the courts of South Australia.

## Annexure 1

### Participation Letter

The following is an example of the form of Participation Letter. It needs to be customised as appropriate to cover the relevant circumstances.

<<insert date>>

<<insert name of Participant>>

<<insert address of Participant>>

Dear <<insert name>>

#### Rex Minerals Limited – Invitation to Participate in its Option Plan

The Board of Rex Minerals Limited (ACN 124 960 523) (the **Company**) is pleased to formally invite you to participate in its Option Plan (**Plan**).

The Company has established the Plan to allow people such as you to participate in the long-term success of the Company's business by giving those persons the opportunity to share in the ownership of the Company. This Plan offers select, high-achieving and loyal staff a generous opportunity to share in the Company's growth and profits alongside the Company's shareholders.

#### Key Features of the Plan

The Plan offers Eligible Persons (**Participants**) ownership of Options that may be converted into Shares. These Options are Exercisable and convertible into Shares in the future upon the satisfaction of certain Vesting Conditions (listed below), in accordance with the Plan Rules (**Rules**).

Capitalised terms used in this letter have the meaning given in the Rules unless the contrary intention appears.

#### Particulars of the Invitation

The particulars of this invitation to you are set out below:

Feature	Particulars
Relevant Person for the Purposes of the Plan	You.
Number of Options Offered to You (Rule 3.3)	<<insert>> Options
Issue Price per Option (Rule 4.4)	<<Nil or insert>>
Grant Date	<<insert>>
Exercise Price per Option (Rules 8.7 and 10)	<<Nil or insert>>



Feature	Particulars
Vesting Conditions	<<Nil or insert>>
Expiry Date (Rule 9.1(a))	<<insert>> Options may Expire earlier than this in certain situations, such as where the Relevant Person ceases to be Engaged by the Company (see Rule 9.1).
Restrictions on Dealing and Hedging	Options cannot be Dealt with and are not transferrable otherwise than in accordance with Rule 6.
Other Amendments to Rules	<<insert, or say nil >>

## Rules

A copy of the current Rules is enclosed. You should refer to them as they contain important information concerning the Plan.

## Taxation

The following summary is generally applicable to you assuming you are an Australian resident who is granted Options by the Company under the Plan.

Division 83A of the *Income Tax Assessment Act 1997* (Cth) contains specific rules governing the taxation of Shares and Options (called ESS interests) acquired by employees, independent contractors or directors under employee share schemes (ESS). Based on the terms of the Plan, assuming you remain as currently employed or engaged (with an appropriate group entity), you should generally be subject to tax on the Options when you exercise them. Once the ESS interest has been subject to tax under the ESS rules any subsequent gains may be subject to tax under the capital gains provisions in Part 3-1 and Part 3-3 of the 1997 Act.

You are responsible for reporting on your income tax return and paying any tax liability in connection with your participation in the Plan (including income arising at the deferred taxing point, any gains realised on sale of the Shares and dividends paid on the Shares).

## Further Advice

You are advised that any advice given by the Company, its Related Bodies Corporate and their respective officers, employees and representatives is general advice only and does not take account of your particular objectives, financial situation and needs. You should consider obtaining your own financial product advice from a person who is licensed by the Australian Securities and Investments Commission to give such advice. There are risks of acquiring and holding Options and Shares. You can from time to time ascertain the market price of Shares by checking it on ASX.

The taxation consequences of participation in the Plan may differ among different persons. The Company, its Related Bodies Corporate, and their respective officers, employees and representatives make no representation concerning the financial benefit or taxation consequences of participating in the Plan.

### **Application for Options**

If you would like to participate in this Plan you must sign the enclosed Application where indicated and return it to <<insert>> by <<insert date>> (**Acceptance Period**).

### **Obtaining further Information**

If you have any questions concerning this letter or the Plan you should contact <<insert appropriate contact>>.

We hope you will join us in this opportunity.  
Yours sincerely,

<<insert details of signatory>>  
Rex Minerals Limited

**APPLICATION FOR PARTICIPATION IN THE REX MINERALS LIMITED OPTION PLAN**

1. I confirm I have been given a copy of:
  - (a) the accompanying Participation Letter from Rex Minerals Limited (the **Company**) to me; and
  - (b) the Company's Option Plan Rules (**Plan**).
2. I covenant with the Company, each other Group Company and the parties to the Plan (whether original or by accession) to observe, perform and be bound by all terms of the Plan and the Participation Letter.
3. I agree to:
  - (a) accept the number of Options that are allotted by the Company to me in accordance with the terms of the Plan;
  - (b) be bound by and abide by the terms of the Plan, the Participation Letter, the Constitution and any Share Trading Policy of the Company; and
  - (c) have my name and address placed on the register of Optionholders of the Company, register of members of the Company and any other applicable statutory register.
4. I consent to the use and disclosure of my personal information for purposes related to, or required by, the Plan by the Company.

Capitalised terms used in this Application have the meaning given in the Plan.

.....  
Name of Eligible Person

.....  
Signature of Eligible Person

.....  
Date

**Annexure 2**

**Exercise Notice**

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**To:** The Company Secretary  
Rex Minerals Limited

**From:** <<specify name of Participant>>

**Rex Minerals Limited – Option Plan**

I refer to the Rex Minerals Limited Option Plan (**Plan**) and the letter to me inviting me to apply for Options under the Plan (**Participation Letter**).

Terms defined in the Plan and Participation Letter have the same meaning in this Notice. Pursuant to Rule 8.6 of the Plan and the Participation Letter, I hereby notify the Company that I

Exercise <<insert number>> Options as detailed in the Participation Letter.

I consent to becoming a member of the Company and agree to be bound by the terms of its Constitution.

**[Insert the following only if applicable] [I <<enclose a cheque for \$<<insert>>/have deposited \$<<insert>> into the Company's bank account>> by way of payment of the Exercise Price for each of the Options.]**

.....  
Name of Eligible Person

.....  
Signature of Eligible Person

.....  
Date