

AKORA Resources Limited
(ACN 139 847 555)

Long Term Incentive Plan

Rules

Amended 23 November 2020

Plan Rules

The purpose of this Plan is to allow the Board to make Offers to Eligible Employees to acquire securities in the Company.

These Rules outline the terms and conditions upon which Offers will be made, including:

- the process for making and accepting Offers under the Plan (**Part A**);
- the type of securities that may be offered (being Performance Rights and Options) (**Part B**); and
- the general terms and conditions that apply to Shares and other securities under this Plan (**Part C**).

Capitalised terms are defined in **Part D** of these Rules.

PART A

1 Offers of LTI Securities

1.1 Board to make invitations

- (a) The Board may, from time to time and in its absolute discretion, invite Eligible Employees to participate in a grant of LTI Securities, which may comprise of any one or more of:
- Performance Rights; and/or
 - Options.
- (Offer).
- (b) Offers will be made on the terms set out in the Plan and on any additional terms as the Board determines.

1.2 Information to be provided to Participants

The Board will advise each Eligible Employee of the following minimum information in connection with an Offer:

- (a) the number of LTI Securities being offered, or the method by which the number will be calculated;
- (b) the amount (if any) that will be payable for the grant of LTI Securities;
- (c) when Performance Rights and/or Options may vest;
- (d) the procedure for exercising an Option (including any exercise price that will be payable) following vesting and the period(s) during which it may be exercised;

- (e) the circumstances in which Performance Rights and/or Options will lapse;
- (f) any Performance Conditions or other conditions that apply and when such conditions must be satisfied by; and
- (g) any restrictions (including the period of restriction) on Dealing in relation to a Share allocated to the Eligible Employee under this Plan.

1.3 Acceptance of Offer

- (a) Acceptance of an Offer must be made by the Eligible Employee in accordance with the instructions that accompany the Offer, or in any other way the Board determines.
- (b) The Board may only allow the participation of an Eligible Employee where that Eligible Employee continues to satisfy any relevant conditions imposed by the Board (which may include, without limitation, that the Eligible Employee continues to be an employee of the Group at the time of grant).
- (c) Nothing in these Rules or in an Offer limits the Board's ability to treat the conduct of an Eligible Employee in respect of an Offer (including the failure of an Eligible Employee to lodge an election not to participate within the time specified in the instructions accompanying the Offer) as valid acceptance of that Offer under these Rules.

1.4 Offer terms and conditions take precedence

To the extent of any inconsistency, the terms and conditions advised to an Eligible Employee by the Board at the time that an Offer is made will prevail over any other provision of these Rules.

PART B

2 Performance Rights

2.1 Grant

- (a) Where an Eligible Employee has accepted an Offer to participate in a grant of Performance Rights in accordance with rule 1.3 of these Rules, the Board will grant Performance Rights to the Eligible Employee.
- (b) Unless the Board determines otherwise:
 - (1) no payment is required for the grant of a Performance Right; and
 - (2) Performance Rights may not be registered in any name other than that of the Eligible Employee.

2.2 Vesting

- (a) Subject to rules 6, 7 and 13.4, a Performance Right will only vest where any Performance Condition and any other relevant conditions advised to the Participant by the Board pursuant to rule 1.2 have been satisfied.
- (b) Upon vesting of a Performance Right, a Share will be allocated pursuant to rule 2.3 without any further action on the part of the Participant.

2.3 Allocation

On vesting of a Performance Right, the Board must allocate the number of Shares in respect of which Performance Rights have vested by either:

- (a) issuing Shares to;
- (b) procuring the transfer of Shares to; or
- (c) procuring the setting aside of Shares for, the Participant.

2.4 Lapse of Performance Rights

A Performance Right will lapse upon the earliest to occur of:

- (a) the Performance Right lapsing in accordance with a provision of rule 4, 5, 6 or 7; and
- (b) failure to meet a Performance Condition or any other conditions applicable to the Performance Right within the prescribed period.

3 Options

3.1 Grant

- (a) Where an Eligible Employee has accepted an Offer to participate in a grant of Options in accordance with rule 1.3 of these Rules, the Board will grant Options to the Eligible Employee.
- (b) Unless the Board determines otherwise:
 - (1) no payment is required for the grant of an Option; and
 - (2) Options may not be registered in any name other than that of the Eligible Employee.

3.2 Exercise pre-conditions

- (a) Subject to rules 6, 7 and 13.4, an Option granted under the Plan will only vest and become exercisable where any Performance Condition and any other

relevant conditions advised to the Participant by the Board pursuant to rule 1.2 have been satisfied.

- (b) The exercise of any Option granted under the Plan will be effected in the form and manner determined by the Board, and must be accompanied by payment of the relevant exercise price (if any) advised to the Participant pursuant to rule 1.2.

3.3 Allocation following exercise

Following the exercise of an Option, the Board must allocate the number of Shares in respect of which Options have been exercised by either:

- (a) issuing Shares to;
- (b) procuring the transfer of Shares to; or
- (c) procuring the setting aside of Shares for, the Participant.

3.4 Lapse of Options

An Option will lapse upon the earliest to occur of:

- (a) 7 years or any other date nominated as the expiry date in the invitation letter;
- (b) the Option lapsing in accordance with a provision of rule 4, 5, 6 or 7; and
- (c) failure to meet a Performance Condition or any other conditions applicable to the Option within the prescribed period.

PART C

4 Prohibited dealings

- (a) Any Dealing in respect of an LTI Security is prohibited unless:
 - (1) the Board determines otherwise; or
 - (2) the Dealing is required by law.
- (b) Where a Participant Deals with a Performance Right or an Option in contravention of rule 4(a), the Performance Right or Option will immediately lapse.
- (c) The Board may, at its discretion, impose restrictions on Dealing in respect of any Shares that are allocated upon the vesting of Performance Rights under rule 2.3 and/or the exercise of Options under rule 3.3, and may implement any procedure it considers appropriate to enforce such restrictions.

5 Preventing inappropriate benefits

(a) Where, in the opinion of the Board, a Participant acts fraudulently or dishonestly or is in breach of his or her obligations to the Group, any:

- (1) unvested Performance Rights or Options held by the Participant;
and/or
- (2) vested but unexercised Options held by the Participant;

will lapse unless the Board determines otherwise within three months from the date when the Board became aware of the fraudulent or dishonest act or the relevant breach.

(b) Without limiting rule 5(a), where, in the opinion of the Board:

- (1) a Participant's LTI Securities vest as a result of the fraud, dishonesty or breach of obligations of either the Participant or of any other person and, in the opinion of the Board, the instruments would not have otherwise vested; or
- (2) the Company is required by or entitled under law to reclaim an overpaid bonus from a Participant,

the Board may, subject to applicable laws, determine any treatment in relation to the Participant's LTI Securities or Shares that have been allocated to the Participant under this Plan in order to comply with the law or to ensure that the Participant does not receive an unfair benefit.

6 Cessation of employment

(a) Subject to rule 6(b), where a Participant ceases to be an employee of the Group, that Participant's LTI Securities will:

- (1) continue to be held by the Participant (or by his or her estate as a representative); and
- (2) continue to be subject to these Rules and the relevant conditions advised to the Participant by the Board pursuant to rule 1.2, except that any continuous service condition will be deemed to have been waived.

(b) Notwithstanding rule 6(a), the Board may determine (in its absolute discretion) that some or all of a Participant's LTI Securities will:

- vest or become exercisable;
- are only exercisable for a prescribed period and will otherwise lapse;
- continue to be subject to some or all of the Performance Conditions;
or
- lapse on the date of cessation of employment,

either prior to or within 60 days after a Participant ceases to be an employee of the Group.

7 Takeover, Scheme of Arrangement and Winding-up

7.1 Takeovers

- (a) In the event of each of:
- (1) a Takeover Bid being made for Shares in the Company (for these purposes, a Takeover Bid will be made when a bidder serves its bidder's statement on the Company);
 - (2) the Board recommending that shareholders accept any Takeover Bid for Shares in the Company; and
 - (3) a Takeover Bid for Shares in the Company becoming unconditional,
- (each a **Takeover Event**)

the Board in its absolute discretion may determine that all or a specified number of a Participant's unvested Performance Rights and/or Options vest, having regard to all relevant circumstances, including whether performance is in line with any applicable Performance Condition over the period from the date of grant of the Performance Right or Option (Grant Date) to the date of the relevant event described in paragraphs (1) to (3) above, and the portion of any applicable performance period or period of service that has expired at the date of the relevant event.

- (b) Where, pursuant to rule 7.1, the Board determines that Performance Rights or Options vest, the Board must as soon as practicable give written notice to each Participant of the number of Performance Rights and Options that have vested.
- (c) If the Board determines under rule 7.1 that only some of a Participant's unvested Performance Rights or Options will vest, all Performance Rights and Options that remain unvested will lapse, unless the Board determines otherwise.
- (d) Unless the Board determines otherwise, where a Takeover Event occurs, any vested Options (including those that vest in accordance with rule 7.1):
- (1) will be exercisable for a period specified by the Board notified to the Participant; and
 - (2) will lapse if not exercised within the specified period.

7.2 Compromises, arrangements and other transactions

- (a) The Board may, in its absolute discretion, determine that all or a specified number of a Participant's LTI Securities vest or cease to be subject to restrictions (as applicable) having regard to all relevant circumstances, including whether performance is in line with the Performance Conditions over the period from the Grant Date to the date of the event, and the portion of any applicable performance period or period of service that has expired at the date of the relevant event, if any of the following events occur:

- (1) a Court orders a meeting to be convened in relation to a proposed compromise or arrangement for the purposes of, or in connection with;
 - (A) a scheme which would, if it becomes effective, result in any person (either alone or together with its related bodies corporate) owning all of the shares in the Company; or
 - (B) a scheme for the reconstruction of the Company or its amalgamation with any other company or companies;
 - (2) members of the Company approve any compromise or arrangement referred to in rule 7.2(a)(1);
 - (3) any person becomes bound or entitled to acquire shares in the Company under:
 - (A) any compromise or arrangement referred to in rule 7.2(a)(1) which has been approved by the Court;
 - (B) section 414 of the Corporations Act; or
 - (C) Part 6A.1 or Part 6A.2 of the Corporations Act;
 - (4) a resolution is proposed to be put to shareholders proposing a voluntary winding up;
 - (5) an order is sought for the compulsory winding up of the Company; or
 - (6) the Board in its discretion determines that any other transaction, event or state of affairs is likely to result in a change in the Control of the Company.
- (b) Where the Board makes a determination pursuant to rule 7.2(a), the Board will, as soon as practicable, give written notice to each Participant of the number of Performance Rights and Options that have vested.
- (c) If the Board determines that only some of a Participant's invested Performance Rights or Options will vest, all Performance Rights or Options that remain unvested will lapse, unless the Board determines otherwise.
- (d) Unless the Board determines otherwise, where an event occurs as described in paragraphs 7.2(a)(1) to (6) above occurs, any vested Options (including those that vest in accordance with rule 7.2(a)):
- (1) will be exercisable for a period specified by the Board notified to the Participant; and
 - (2) will lapse if not exercised within the specified period.

7.3 Effect on Shares

On the occurrence of a Takeover Event or an event described in Rule 7.2(a):

- (a) any Dealing restrictions in respect of Shares allocated on vesting of Performance Rights and/or exercise of Options, will cease to have effect; and
- (b) where such Shares are held by the Trustee on behalf of the Participant, the Company will require the Trustee to arrange for the Shares to be transferred into the name of the Participant, unless the Board determines otherwise.

8 Power to adjust Performance Rights and/or Options and the exercise price

- (a) Prior to the allocation of Shares to a Participant upon vesting of Performance Rights or exercise of Options, the Board may make any adjustments it considers appropriate to the terms of a Performance Right and/or Option granted to that Participant in order to minimise or eliminate any material advantage or disadvantage to a Participant resulting from a corporate action or capital reconstruction.
- (b) Without limiting rule 8(a), if:
- (1) Shares are issued pro rata to the Company's shareholders generally by way of a bonus issue (other than an issue in lieu of dividends or by way of a dividend reinvestment) involving capitalisation of reserves of distributable profits;
 - (2) Shares are issued pro rata to the Company's shareholders generally by way of a rights issue; or
 - (3) any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company is effected,
then the Board may, in its discretion, adjust:
 - (4) the number of Performance Rights or Options to which each Participant is entitled;
 - (5) the number of Shares to which each Participant is entitled upon vesting of Performance Rights or exercise of Options;
 - (6) any amount payable on vesting of the Performance Rights or exercise of Options; or
 - (7) where appropriate, a combination of (4), (5), and/or (6) above,
to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation, bonus issue at the time of the issue or rights issue at the time of the issue.
- (c) Where additional Performance Rights or Options are granted to the Participant under this rule 8, such Performance Rights or Options will be subject to the same terms and conditions as the original Performance Rights or Options granted to the Participant (including without limitation, any Performance Conditions) unless the Board determines otherwise.
- (d) As soon as reasonably practicable after making any adjustments under this rule 8, the Board must give notice in writing of the adjustment to any affected Participant.

9 Dividends and other rights associated with Shares

- (a) Subject to the terms of any Trust Deed (if applicable), the following rules apply in respect of Shares allocated to a Participant under this Plan:

- (1) the Participant is entitled to receive all dividends and other distributions or benefits payable to the Participant or to the Trustee in respect of the Shares;
 - (2) the Participant is entitled to exercise, or to direct the Trustee in writing how to exercise, the voting rights attaching to the Shares, either generally or in a particular case;
 - (3) any bonus Shares that are issued in respect of the Shares will be issued to the Participant, or to the Trustee on the Participant's behalf, and will be held by the Participant or Trustee as Shares subject to the same terms, conditions and restrictions on Dealing as the Shares; and
 - (4) if a Participant becomes entitled to rights under a rights issue in respect of the Shares, the Participant may deal with or exercise those rights, or instruct the Trustee in relation to those rights in accordance with the Trust Deed. If the Shares are held by the Trustee on the Participant's behalf and the Participant does not instruct the Trustee how to deal with the rights, the rights will be dealt with in accordance with the terms of the Trust Deed.
- (b) For the avoidance of doubt, where Performance Rights have been awarded or Options have been granted to a Participant, the Participant is not entitled to participate in any new issues of Shares without having first converted the Performance Rights or exercised the Options into Shares.

10 Withholding

- (a) If the Company or a Group Company is obliged, or reasonably believes it may have an obligation, as a result of or in connection with any LTI Securities granted or Shares allocated under this Plan, to account for:
- (1) income tax or employment taxes under any wage, withholding or other arrangements; or
 - (2) any other tax, social security contributions or levy or charge of a similar nature,
- then the relevant Group company is entitled to be reimbursed by the Participant for the amount or amounts so paid or payable.
- (b) Where rule 10(a) applies, the relevant Group company may make arrangements with the Participant for payment or reimbursement of the amounts referred to in rule 10(a). Those arrangements may include, without limitation:
- (1) the provision by the Participant of sufficient funds to reimburse the Group company for the amount (by salary deduction or otherwise); or
 - (2) the sale, on behalf of the Participant, of Shares allocated pursuant to these Rules for payment or reimbursement of these amounts as well as the costs of any such sale.

11 Amendments

11.1 Power to make amendments

- (a) Subject to rule 11.2, the Board may at any time by resolution:
 - (1) amend all or any of the provisions of the Plan;
 - (2) amend the terms or conditions of any LTI Security granted under the Plan; or
 - (3) suspend or terminate the operation of the Plan.
- (b) Notwithstanding rule 11.2, the Board may waive, amend or replace any performance measure in a Performance Condition attaching to an LTI Security if the Board determines that the original Performance Condition is no longer appropriate or applicable (including, without limitation, a particular stock market index is no longer published, extraneous economic circumstances or a corporate action, including a discounted rights issue, that impacts on the performance measure), provided that the interests of the relevant Participant are not, in the opinion of the Board, materially prejudiced or advantaged relative to the position of the Participant that was reasonably anticipated at the time of the relevant grant.

11.2 Restrictions on amendments

Without the consent of the Participant, the Board may not exercise its powers under rule 11.1(a) in a manner which reduces the rights of the Participant in respect of any LTI Security or Share already granted other than an amendment introduced primarily:

- (a) for the purpose of complying with or conforming to present or future laws governing or regulating the maintenance or operation of the Plan or similar Plans, in any jurisdiction in which invitations under the Plan have been made;
- (b) to correct any manifest error or mistake; or
- (c) to take into consideration possible adverse tax implications in respect of the Plan arising from, amongst others, adverse rulings, changes to tax legislation and/or changes in the interpretation of tax legislation by a court of competent jurisdiction.

11.3 Notice of amendment

As soon as reasonably practicable after making any amendment under rule 11.1, the Board will give notice in writing of that amendment to any Participant affected by the amendment.

12 Participants based overseas

12.1 Overseas transfers

If a Participant is transferred to work in another country and, as a result of that transfer, the Participant would:

- (a) suffer a tax disadvantage in relation to his or her LTI Securities (this being demonstrated to the satisfaction of the Board); or
- (b) become subject to restrictions on his or her ability to Deal with the LTI Securities or any Shares allocated to the Participant in respect of those LTI Securities because of the security laws or exchange control laws of the country to which he or she is transferred,

then, if the Participant continues to hold an office or employment with the Group, the Board may decide that:

- (c) some or all of the Participant's Performance Rights will vest, with the balance (if any) continuing to be held on the original terms; or
- (d) some or all of the Participant's Options will vest and become exercisable, with the balance (if any) continuing to be held on the original terms.

12.2 Non-Australian residents

When an LTI Security is granted under the Plan to a Participant who is not a resident of Australia, the provisions of the Plan apply subject to such alterations as the Board determines, having regard to any relevant laws and/or matters of convenience and desirability for the Participant or to the Company in relation to the LTI Security.

13 Miscellaneous

13.1 Shares issued under the Plan

- (a) Any Shares issued under the Plan will rank equally in all respects with other Shares for the time being on issue by the Company except as regards any rights attaching to such Shares by reference to a record date prior to the date of their issue.
- (b) If the Company is listed on the ASX, the Company will apply for quotation of Shares issued under the Plan within the period required by ASX.

13.2 Rights and obligations of Participants

- (a) Unless expressly provided under a Participant's employment:

- (1) the rights and obligations of any Participant under the terms of his or her office, employment or contract with the Group are not affected by his or her participation in the Plan;
- (2) these Rules will not form part of and are not incorporated into any contract of any Participant (whether or not they are an employee of the Group);
- (3) the grant of LTI Securities on a particular basis in any year does not create any right or expectation of the grant of LTI Securities on the same basis, or at all, in any future year; and
- (4) no Participant has any right to compensation for any loss in relation to the Plan, including:
 - any loss or reduction of any rights or expectations under the Plan in any circumstances or for any reason (including lawful or unlawful termination of employment or the employment relationship);
 - any exercise of a discretion or a decision taken in relation to a grant of LTI Securities or in relation to the Plan, or any failure to exercise a discretion under these Rules; or
 - the operation, suspension, termination or amendment of the Plan.

13.3 Power of the Board

- (a) The Plan is administered by the Board which has power to:
 - (1) determine appropriate procedures for administration of the Plan consistent with these Rules including so as to implement an employee share trust for the purposes of delivering and holding Shares on behalf of Participants upon the vesting of Performance Rights or the exercise of Options; and
 - (2) delegate the exercise of any of its powers or discretions arising under the Plan to any one or more persons for such period and on such conditions as it may determine.
- (b) Except as otherwise expressly provided in the Plan, the Board has absolute and unfettered discretion to act or refrain from acting under or in connection with the Plan and in the exercise of any power or discretion under the Plan.

13.4 Waiver of terms and conditions

Notwithstanding any other provisions of the Plan, the Board may at any time waive in whole or in part any terms or conditions (including any Performance Condition) in relation to any LTI Securities granted or Shares allocated to a Participant under this Plan.

13.5 Dispute or disagreement

In the event of any dispute, disagreement or uncertainty as to the interpretation of the Plan or in relation to a right arising from or related to the Plan or to any LTI Securities or Shares granted under it, the decision of the Board is final and binding.

13.6 Approved leave of absence

Subject to applicable laws, at the discretion of the Board, a Participant who is granted an approved leave of absence and who exercises his or her right to return to work under any applicable award, enterprise agreement, other agreement, statute or regulation may be treated as not having ceased to be an employee for the purposes of the Plan.

13.7 Communication

- (a) Any notice or other communication provided under or in connection with the Plan may be given by personal delivery or by sending the same by post or facsimile to:
- (1) in the case of a company, to its registered office;
 - (2) in the case of an individual, to the individual's last notified address; or
 - (3) where a Participant is a director or employee of the Group, either to the Participant's last known address, email address or to the address of the place of business at which the Participant performs the whole or substantially the whole of the duties of the Participant's office or employment.
- (b) Where a notice or other communication is given by post, it is deemed to have been received 48 hours after it was put into the post properly addressed and stamped. Where a notice or other communication is given by facsimile or email, it is deemed to have been received on completion of transmission.

13.8 Data protection

By participating in the Plan, the Participant consents to the holding and processing of personal data provided by the Participant to the Company for all purposes relating to the operation of the Plan.

13.9 Laws governing Plan

The Plan, and any LTI Securities granted and Shares allocated under it, are governed by the laws of Victoria and the Commonwealth of Australia.

PART D

14 Definition and Interpretation

14.1 Definitions

Term	Meaning
ASX	ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as the context requires
Board	the board of directors of the Company, any committee of the Board or a duly authorised person or body to which the Board has delegated its powers under this Plan
Cessation Date	the date on which a Participant ceases to be an employee of the Group
Company	AKORA Resources Limited
Control	has the meaning given in section 50AA of the Corporations Act
Corporations Act	Corporations Act 2001 (Cth)
Deal or Dealing	<p>in relation to an LTI Security or Share (as the case may be), any dealing, including but not limited to:</p> <ul style="list-style-type: none"> (a) a sale, transfer, assignment, encumbrance, option, swap, any alienation of all or any part of the rights attaching to the LTI Security or Share; (b) any attempt to do any of the actions set out in paragraph (a) above; and (c) any hedging (including any dealing with a derivative instrument intended to “lock in” a profit relating to an LTI Security, and any other transactions in financial products that operate to limit the economic risk associated with holding an LTI Security)

Eligible Employee	an employee of the Group (including a director of the Company) or any other person who is declared by the Board to be eligible to receive a grant of LTI Securities under the Plan
Group	the Company and its Subsidiaries, joint venture companies and associates, as the Board determines from time to time
Listing Rules	the official Listing Rules of the ASX as they apply to the Company from time to time
LTI Security	a Performance Right or Option (as the case may be)
Offer	an invitation to an Eligible Employee made by the Board under rule 1.1 to apply for, or participate in a grant of, LTI Securities
Option	an entitlement to receive a Share subject to satisfaction of applicable conditions (including any Performance Condition) and compliance with the applicable exercise procedure (including payment of any applicable exercise price)
Participant	a person who holds an LTI Security or Share under the terms of this Plan from time to time
Performance Condition	one or more conditions which must be satisfied or circumstances which must exist before a Performance Right or Option vests under these Rules
Plan	the AKORA Resources Limited Long Term Incentive Plan as set out in these Rules
Rules	the terms and conditions of the Plan as set out in this document as amended from time to time
Share	a fully paid ordinary share in the capital of the Company
Performance Right	an entitlement to a Share subject to satisfaction of applicable conditions (including any Performance Condition)
Subsidiary	means a body corporate which is a subsidiary of the Company within the meaning of section 9 of the Corporations Act

Takeover Bid	has the meaning given in section 9 of the Corporations Act
Trust Deed	any trust deed made between the Company and a trustee for the purposes of the Plan as amended from time to time
Trustee	the trustee under the Trust Deed

14.2 Interpretation

In the Plan, the following rules apply unless a contrary intention appears:

- (a) headings are for convenience only and do not affect the interpretation of the Plan unless the context requires otherwise;
- (b) any reference in the Plan to any statute or statutory instrument includes a reference to that statute or statutory instrument as from time to time amended, consolidated, re-enacted or replaced;
- (c) any words denoting the singular include the plural and words denoting the plural include the singular; and
- (d) where any word or phrase is given a definite meaning in this Plan, any part of speech or other grammatical form of that word or phrase has a corresponding meaning.