

PETRATHERM LIMITED
ACN 106 806 884

**NOTICE OF EXTRAORDINARY GENERAL
MEETING**

EXPLANATORY MEMORANDUM

PROXY FORM

Date of Meeting

Thursday 20 March 2025

Time of Meeting

11.00 am (Adelaide time)

Place of Meeting

HLB Mann Judd
Level 1, 169 Fullarton Road
Dulwich SA 5065

NOTICE OF EXTRAORDINARY GENERAL MEETING

PETRATHERM LIMITED ACN 106 806 884

Notice is hereby given that the Extraordinary General Meeting of shareholders of Petratherm Limited (**Company**) will be held at HLB Mann Judd, Level 1, 169 Fullarton Road, Dulwich SA 5065 at 11.00 am (Adelaide time) on Thursday 20 March 2025.

Ordinary Business

Resolution 1: Approval of Performance Rights Plan

To consider and, if thought fit, pass, with or without amendment, the following resolution as an ordinary resolution:

'That for the purpose of ASX Listing Rule 7.2, Exception 13 and for all other purposes, the Company approves the issue of Equity Securities under the employee incentive scheme known as 'Petratherm Limited Performance Rights Plan', the rules of which are annexed as Annexure A to the Explanatory Memorandum, as an exception to ASX Listing Rule 7.1.'

Resolution 2: Approval of Previous Issue of Performance Rights

To consider and, if thought fit, pass, with or without amendment, the following resolution as an ordinary resolution:

'That for the purpose of ASX Listing Rule 7.4 and for all other purposes, approval is given to the previous issue by the Company of 3,000,000 performance rights under the Petratherm Limited Performance Rights Plan on the terms and conditions described in the Explanatory Memorandum.'

Resolution 3: Approval for Issue of Zero Exercise Price Options to Non-Executive Director, Mr Derek Carter

To consider and, if thought fit, pass, with or without amendment, the following resolution as an ordinary resolution:

'That for the purposes of sections 195(4) and 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given to the issue by the Company of 750,000 zero exercise price options to Mr Derek Carter (or his nominee) under the employee incentive scheme known as 'Petratherm Limited Employee Option Plan' on the terms and conditions set out in the Explanatory Memorandum.'

Resolution 4: Approval for Issue of Zero Exercise Price Options to Non-Executive Director, Mr Donald Stephens

To consider and, if thought fit, pass, with or without amendment, the following resolution as an ordinary resolution:

'That for the purposes of sections 195(4) and 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given to the issue by the Company of 600,000 zero exercise price options to Mr Donald Stephens (or his nominee) under the employee incentive scheme known as 'Petratherm Limited Employee Option Plan' on the terms and conditions set out in the Explanatory Memorandum.'

Resolution 5: Approval for Issue of Zero Exercise Price Options to Non-Executive Director, Mr Simon O'Loughlin

To consider and, if thought fit, pass, with or without amendment, the following resolution as an ordinary resolution:

'That for the purposes of sections 195(4) and 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given to the issue by the Company of 600,000 zero exercise price options to Mr Simon O'Loughlin (or his nominee) under the employee incentive scheme known as 'Petratherm Limited Employee Option Plan' on the terms and conditions set out in the Explanatory Memorandum.'

Resolution 6: Approval for Issue of Zero Exercise Price Options to Non-Executive Director, Mr Simon Taylor

To consider and, if thought fit, pass, with or without amendment, the following resolution as an ordinary resolution:

'That for the purposes of sections 195(4) and 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given to the issue by the Company of 600,000 zero exercise price options to Mr Simon Taylor (or his nominee) under the employee incentive scheme known as 'Petratherm Limited Employee Option Plan' on the terms and conditions set out in the Explanatory Memorandum.'

DATED 24 JANUARY 2025

**BY ORDER OF THE BOARD
PETRATHERM LIMITED**



**KATELYN ADAMS
COMPANY SECRETARY**

NOTES:

1. Explanatory Memorandum

The Explanatory Memorandum accompanying this Notice of Extraordinary General Meeting is incorporated in and comprises part of this Notice of Extraordinary General Meeting and should be read in conjunction with this Notice of Extraordinary General Meeting.

Shareholders are specifically referred to the Glossary in the Explanatory Memorandum which contains definitions of capitalised terms used in both this Notice of Extraordinary General Meeting and the Explanatory Memorandum.

2. Voting Exclusion Statements

2.1 Resolution 1

(i) For the purposes of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 1 if:

- the person is either:
 - a member of the Key Management Personnel for the Company or, if the Company is part of a consolidated entity, for the entity; or
 - a Closely Related Party of such a member; and
- the appointment does not specify the way the proxy is to vote on the Resolution.

However, the Company will not disregard a vote if:

- the person is the chair of the meeting at which the Resolution is voted on; and
- the appointment expressly authorises the chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company or, if the Company is part of a consolidated entity, for the entity.

(ii) For the purposes of the ASX Listing Rules, the Company will disregard any votes cast in favour of Resolution 1 by or on behalf of a person who is eligible to participate in the Petratherm Limited Performance Rights Plan and any associate of that person.

However, subject always to paragraph 2.1(i) above, this does not apply to a vote cast in favour of Resolution 1 by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or

- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

2.2 Resolution 2

The Company will disregard any votes cast in favour of Resolution 2 by or on behalf of Mrs Jennifer Anne Reid, or an associate of Mrs Reid.

However, this does not apply to a vote cast in favour of Resolution 2 by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

2.3 Resolutions 3, 4, 5 and 6

- (i) For the purposes of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolutions 3, 4, 5 and 6 if:
- the person is either:
 - a member of the Key Management Personnel for the Company or, if the Company is part of a consolidated entity, for the entity; or
 - a Closely Related Party of such a member; and
 - the appointment does not specify the way the proxy is to vote on the Resolution.

However, the Company will not disregard a vote if:

- the person is the chair of the meeting at which the Resolution is voted on; and

- the appointment expressly authorises the chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company or, if the Company is part of a consolidated entity, for the entity.
- (ii) For the purposes of the ASX Listing Rules, the Company will disregard any votes cast in favour of Resolutions 3, 4, 5 and 6 by or on behalf of a person (and their associates) referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Petratherm Limited Employee Option Plan. The Company's Directors being Messrs Derek Carter, Donald Stephens, Simon O'Loughlin and Simon Taylor, are currently eligible to participate in the Petratherm Limited Employee Option Plan.

However, subject always to paragraph 2.3(i) above, this does not apply to a vote cast in favour of Resolutions 3, 4, 5 or 6 by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

3. Proxies

A shareholder entitled to attend this Meeting and vote is entitled to appoint a proxy to attend and vote for the shareholder at the Meeting. A proxy need not be a shareholder. If the shareholder is entitled to cast two or more votes at the Meeting the shareholder may appoint two proxies and may specify the proportion or number of votes which each proxy is appointed to exercise. A form of proxy accompanies this Notice.

To record a valid vote, a shareholder will need to take the following steps:

- 3.1 cast the shareholder's vote online by visiting www.investorvote.com.au and entering the shareholder's Control Number, SRN/HIN and PIN, which are shown on the first page of the enclosed proxy form; or
- 3.2 complete and lodge the manual proxy form at the share registry of the Company, Computershare Investor Services Pty Limited:
 - (a) by post at the following address:

Computershare Investor Services Pty Limited
GPO Box 242
MELBOURNE VIC 3001

OR

(b) by facsimile on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia); or

3.3 for Intermediary Online subscribers only (custodians), cast the shareholder's vote online by visiting www.intermediaryonline.com,

so that it is received no later than 11.00 am (Adelaide time) on Tuesday 18 March 2025

Please note that if the chair of the meeting is your proxy (or becomes your proxy by default), you expressly authorise the chair to exercise your proxy on Resolutions 1, 3, 4, 5 and 6, even though they are connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company, which includes the chair. If you appoint the chair as your proxy you can direct the chair to vote for or against or abstain from voting on Resolutions 1, 3, 4, 5 and 6 by marking the appropriate box on the proxy form.

The chair intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the chair may change his or her voting intention on any resolution, in which case an ASX announcement will be made.

4. 'Snap Shot' Time

The Company may specify a time, not more than 48 hours before the Meeting, at which a 'snap shot' of shareholders will be taken for the purposes of determining shareholder entitlements to vote at the Meeting. The Directors have determined that all shares of the Company that are quoted on ASX as at 7.00 pm (Adelaide time) on Tuesday 18 March 2025 shall, for the purposes of determining voting entitlements at the Meeting, be taken to be held by the persons registered as holding the shares at that time.

5. Corporate Representative

Any corporate shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum forms part of the Notice convening the Extraordinary General Meeting of shareholders of Petratherm Limited to be held on Thursday 20 March 2025. This Explanatory Memorandum is to assist shareholders in understanding the background to and the legal and other implications of the Notice and the reasons for the resolutions proposed. Both documents should be read in their entirety and in conjunction with each other.

Other than the information set out in this Explanatory Memorandum, the Directors believe that there is no other information that could reasonably be required by shareholders to consider Resolutions 1 to 6 (inclusive).

1. RESOLUTION 1: APPROVAL OF PERFORMANCE RIGHTS PLAN

The Company has adopted the Petratherm Limited Performance Rights Plan (**Plan**) which reflects the new Division 1A in Part 7.12 of the Corporations Act in relation to employee share schemes, as amended by *ASIC Corporations (Employee Share Schemes) Instrument 2022/1021*.

Under the Plan, employees, consultants, officers and Directors may be offered the opportunity to receive performance rights in the Company in order to increase the range of potential incentives available to them, and to strengthen links between the Company and its employees, consultants, officers and Directors.

The Plan is designed to provide incentives to the employees, consultants, officers and Directors of the Company and to recognise their contribution to the Company's success. Under the Company's current circumstances the Directors consider that performance rights are a cost effective and efficient means of incentivising employees, consultants, officers and Directors. To enable the Company to secure employees, consultants, officers and Directors who can assist the Company in achieving its objectives, it is necessary to provide remuneration and incentives to such persons. The Plan is designed to achieve this objective by encouraging continued improvement in performance over time and by encouraging those persons to acquire and retain significant shareholdings in the Company.

Under the Plan, the Board may offer to eligible persons the opportunity to receive such number of performance rights in the Company as the Board may decide and on terms set out in the rules of the Plan, a copy of which is contained in Annexure A to this Explanatory Memorandum. Performance rights granted under the Plan will be offered to participants in the Plan on the basis of the Board's view of the contribution of the eligible person to the Company.

Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

ASX Listing Rule 7.2 contains a number of exceptions to ASX Listing Rule 7.1. In particular, Exception 13(b) of ASX Listing Rule 7.2 provides that ASX Listing Rule 7.1 does not apply to an issue under an employee incentive scheme if within three years before the date of issue, holders of ordinary securities have approved the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

The purpose of Resolution 1 is to seek approval of the issue of securities under the Plan for the purpose of Exception 13(b) of ASX Listing Rule 7.2 and for all other purposes.

If Resolution 1 is passed, the Company may issue performance rights under the Plan without using up any of the Company's 15% limit on issuing equity securities without shareholder approval set out in ASX Listing Rule 7.1.

If Resolution 1 is not passed, the Company may still issue performance rights under the Plan but it will reduce, to that extent, the Company's capacity to issue equity securities without shareholder approval under ASX Listing Rule 7.1 for 12 months following the issue.

In accordance with the requirements of Exception 13(b) of ASX Listing Rule 7.2 the following information is provided:

- (a) the Company is seeking shareholder approval of the Plan;
- (b) a copy of the rules of the Plan is contained in Annexure A to this Explanatory Memorandum;
- (c) as the Plan is being approved for the first time, no securities have been issued under the Plan for the purposes of Exception 13(b) of ASX Listing Rule 7.2 (and which therefore excludes from its scope the 3,000,000 performance rights issued under the Plan on 2 December 2024, as referred to in Resolution 2);
- (d) in accordance with the Listing Rules, should the Plan be approved, a maximum number of up to 15,400,000 performance rights may be issued under the Plan in the three years following the date of approval pursuant to this Resolution 1;
- (e) the Directors have no immediate intent to issue further securities under the Plan; and
- (f) a voting exclusion statement has been included for the purpose of Resolution 1.

Resolution 1 is an ordinary resolution.

As the Directors are excluded from voting on this resolution they do not wish to make a recommendation as to how shareholders ought to vote in respect of the resolution.

Please note that if the chair of the meeting is your proxy (or becomes your proxy by default), you expressly authorise the chair to exercise your proxy on Resolution 1 even though it is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company, which includes the chair. If you appoint the chair as your proxy you can direct the chair to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box on the proxy form.

The chair intends to vote undirected proxies in favour of Resolution 1.

2. **RESOLUTION 2: APPROVAL OF PREVIOUS ISSUE OF PERFORMANCE RIGHTS**

On 20 December 2024 (**Issue Date**) the Company issued 3,000,000 performance rights (**Performance Rights**) under the Petratherm Limited Performance Rights Plan (**Plan**), each to acquire one ordinary share in the Company (**Share**), to Mrs Jennifer Anne Reid the nominee (and spouse) of the Company's Chief Executive Officer, Mr Peter Reid, as part of his incentive based remuneration package (**Issue**).

Each of the Performance Rights will vest (and may be exercised) upon satisfaction of certain performance criteria (**Vesting Conditions**), details of which are contained in Annexure B to this Explanatory Memorandum. In the event that the Vesting Conditions are not met, the Performance Rights will not vest and, as a result, no new Shares will be issued. A copy of the Petratherm Limited Performance Rights Plan is annexed as Annexure A to this Explanatory Memorandum.

The Performance Rights have been granted as a key component of Mr Reid's remuneration, as a means of retaining his services by providing a competitive remuneration package, providing

incentives linked to the performance of the Company, thereby aligning his interests more closely with that of the Company, and providing him with an opportunity to acquire more equity in the Company. Shares issued on vesting and exercise of the Performance Rights will rank equally in all respects with the existing fully paid ordinary shares in the Company.

Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Under ASX Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%. The Company obtained approval from its members under ASX Listing Rule 7.1A at its 2024 annual general meeting.

The Issue does not fit within any of the exceptions to ASX Listing Rule 7.1 and, as it has not yet been approved by the Company's shareholders, it effectively uses up part of the 15% limit in ASX Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without shareholder approval under ASX Listing Rule 7.1 for the 12 month period following the Issue Date.

ASX Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of Equity Securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under ASX Listing Rule 7.1 and so does not reduce the Company's capacity to issue further Equity Securities without shareholder approval under ASX Listing Rule 7.1.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain shareholder approval for such issues under ASX Listing Rule 7.1.

To this end, Resolution 2 seeks shareholder approval to the Issue under and for the purposes of ASX Listing Rule 7.4.

If Resolution 2 is passed, the Issue will be excluded in calculating the Company's combined 25% limit in ASX Listing Rule 7.1 and ASX Listing Rule 7.1A, effectively increasing the number of Equity Securities it can issue without shareholder approval over the 12 month period following the Issue Date.

If Resolution 2 is not passed, the Issue will be included in calculating the Company's combined 25% limit in ASX Listing Rule 7.1 and ASX Listing Rule 7.1A, effectively decreasing the number of Equity Securities it can issue without shareholder approval over the 12 month period following the Issue Date.

For the purpose of ASX Listing Rule 7.5 information regarding the Issue is provided as follows:

- The Performance Rights were issued under the Petratherm Limited Performance Rights Plan (a copy of which is attached as Annexure A) to Mrs Jennifer Reid, as nominee, pursuant to the Plan, of Mr Peter Reid, Chief Executive Officer.
- 3,000,000 Performance Rights have been issued.
- The Performance Rights were issued on 20 December 2024.

- Each Performance Right entitles Mrs Reid to subscribe for one new ordinary share in the Company, upon satisfaction of the Vesting Conditions as set out in Annexure B to this Explanatory Memorandum.
- No funds have been raised by the issue of the Performance Rights to Mrs Reid as they have been granted for no cash consideration, in order to provide cost effective remuneration and incentives for Mr Reid in his role as Chief Executive Officer, and provide incentive linked to the performance of the Company.
- A voting exclusion statement has been included for the purposes of Resolution 2.

Resolution 2 is an ordinary resolution.

The Directors do not have an interest in the outcome of Resolution 2 and recommend that shareholders vote in favour of Resolution 2.

The chair intends to vote undirected proxies in favour of Resolution 2.

3. **RESOLUTIONS 3, 4, 5 AND 6 – APPROVAL FOR ISSUE OF ZERO EXERCISE PRICE OPTIONS TO NON-EXECUTIVE DIRECTORS MESSRS DEREK CARTER, DONALD STEPHENS, SIMON O'LOUGHLIN AND SIMON TAYLOR**

3.1 **Proposed Issue of ZEPOs**

The Company proposes, subject to obtaining shareholder approval, to issue zero exercise price options (**ZEPOs**), each to acquire one ordinary share in the Company (**Share**) under the Petratherm Limited Employee Option Plan (**Employee Option Plan**) to its current non-executive Directors as part of their remuneration package. Resolutions 3, 4, 5 and 6 seek shareholder approval for the grant of ZEPOs to the following current non-executive Directors (or their nominees):

- (a) Mr Derek Carter: 750,000 ZEPOs;
- (b) Mr Donald Stephens: 600,000 ZEPOs;
- (c) Mr Simon O'Loughlin: 600,000 ZEPOs; and
- (d) Mr Simon Taylor: 600,000 ZEPOs.

3.2 **ZEPOs to be issued to Mr Carter**

In order for the ZEPOs proposed to be issued to Mr Carter (or his nominee) to vest and become exercisable into Shares, Mr Carter must be a Director of the Company as at the vesting assessment date of the respective tranche (**Vesting Condition**) as shown below:

Tranche 1	250,000 ZEPOs – Vesting assessment date 31 December 2025
Tranche 2	250,000 ZEPOs – Vesting assessment date 31 December 2026
Tranche 3	250,000 ZEPOs – Vesting assessment date 31 December 2027

In the event that the Vesting Condition of any tranche is not met, the ZEPOs for that tranche will not vest and, as a result, will not be exercisable into Shares.

Once vested, ZEPOs will be exercisable by notice to the Company, for no exercise price. All of the ZEPOs will have a two year exercise period commencing after the vesting assessment date as shown below:

Tranche 1 Vesting date 31 December 2025. Expiry Date 31 December 2027

Tranche 2 Vesting date 31 December 2026. Expiry Date 31 December 2028
 Tranche 3 Vesting date 31 December 2027. Expiry Date 31 December 2029

Full details of the terms and conditions of the ZEPOs proposed to be issued to Mr Carter (or his nominee) are set out in Annexures C and E respectively.

3.3 **ZEPOs to be issued to Messrs Stephens, O'Loughlin and Taylor**

In order for the ZEPOs proposed to be issued to each of Messrs Stephens, O'Loughlin and Taylor (or their nominees) to vest and become exercisable into Shares, Messrs Stephens, O'Loughlin or Taylor (as the case may be) must be a Director of the Company as at the vesting assessment date of their respective tranches (**Vesting Condition**) as shown below:

Tranche 1 200,000 ZEPOs – Vesting assessment date 31 December 2025
 Tranche 2 200,000 ZEPOs – Vesting assessment date 31 December 2026
 Tranche 3 200,000 ZEPOs – Vesting assessment date 31 December 2027

In the event that the Vesting Condition of any tranche is not met, the ZEPOs for that tranche will not vest and, as a result, will not be exercisable into Shares.

Once vested, ZEPOs will be exercisable by notice to the Company, for no exercise price. All of the ZEPOs will have a two year exercise period commencing after the vesting assessment date as shown below:

Tranche 1 Vesting date 31 December 2025. Expiry Date 31 December 2027
 Tranche 2 Vesting date 31 December 2026. Expiry Date 31 December 2028
 Tranche 3 Vesting date 31 December 2027. Expiry Date 31 December 2029

Full details of the terms and conditions of the ZEPOs proposed to be issued to Messrs Stephens, O'Loughlin and Taylor (or their nominees) are set out in Annexures D and E respectively.

3.4 **General**

The ZEPOs are proposed to be issued to Messrs Carter, Stephens, O'Loughlin and Taylor as a means of providing cost effective remuneration and incentives in their roles as non-executive Directors, to recognize and incentivise continued service and recognition of their skills and experience. The ZEPOs are proposed to be part of the annual remuneration of the Directors, under the approved Petratherm Limited Employee Option Plan, subject to shareholder approval.

It is considered appropriate to grant the ZEPOs to the Directors as a means of retaining their experience as Directors, by providing a competitive remuneration package, providing service based incentives to align their interests more closely with that of the Company, and providing them with an opportunity to acquire more equity in the Company, whilst allowing the Company to spend a greater proportion of its cash reserves on its operations than would otherwise be the case.

It is further considered that the retention of the Directors and the performance and value of the Company will be closely related. The Directors believe that the proposed issue of the ZEPOs is in the best interests of the Company and promotes the interests of the Company on the basis that the Directors will be increasingly committed to improving the performance of the Company for the benefit of shareholders.

The number of ZEPOs to be issued to the Directors has been determined based upon a consideration of:

- (a) current market standards and/or practices of other ASX listed companies of a similar size and stage of development to the Company;
- (b) the remuneration of the Directors; and
- (c) incentives to retain the services of the Directors, given their appropriate knowledge and expertise, while maintaining the Company's cash reserves. The Company does not consider that there are any significant opportunity costs to the Company or benefits forgone by the Company in issuing the ZEPOs upon the terms proposed.

The ZEPOs are unquoted securities. The proposed issue of ZEPOs has been chosen for the following reasons:

- (a) The ZEPOs are unquoted; therefore, the issue of the ZEPOs has no immediate dilutionary impact on shareholders;
- (b) The milestones attaching to the ZEPOs will align the interests of the Directors with those of Shareholders;

The breakdown of the ZEPOs that the Directors (or their nominees) will receive in accordance with Resolutions 3, 4, 5 and 6 is highlighted in the following table:

Related Party	No. of ZEPOs	Vesting Date	Expiry Date	Value per ZEPO	Total Value
Mr Derek Carter	250,000 (Tranche 1)	31/12/2025	31/12/2027	\$0.328	\$82,000
	250,000 (Tranche 2)	31/12/2026	31/12/2028	\$0.328	\$82,000
	250,000 (Tranche 3)	31/12/2027	31/12/2029	\$0.328	\$82,000
					\$246,000
Mr Donald Stephens	200,000 (Tranche 1)	31/12/2025	31/12/2027	\$0.328	\$65,000
	200,000 (Tranche 2)	31/12/2026	31/12/2028	\$0.328	\$65,000
	200,000 (Tranche 3)	31/12/2027	31/12/2029	\$0.328	\$65,000
					\$196,800
Mr Simon O'Loughlin	200,000 (Tranche 1)	31/12/2025	31/12/2027	\$0.328	\$65,000
	200,000 (Tranche 2)	31/12/2026	31/12/2028	\$0.328	\$65,000
	200,000 (Tranche 3)	31/12/2027	31/12/2029	\$0.328	\$65,000
					\$196,800
Mr Simon Taylor	200,000 (Tranche 1)	31/12/2025	31/12/2027	\$0.328	\$65,000
	200,000 (Tranche 2)	31/12/2026	31/12/2028	\$0.328	\$65,000
	200,000 (Tranche 3)	31/12/2027	31/12/2029	\$0.328	\$65,000
					\$196,800

A valuation of the ZEPOs has been conducted and this value is included in the above table. The valuation imputes a total value of the ZEPOs to be issued to Mr Carter (or his nominee) at \$246,000, and of each of Messrs Stephens, O'Loughlin and Taylor (or their nominees) at 196,800. The value may increase or decrease after the date of the valuation as it will depend upon the future price of shares in the Company. The valuation has applied the Black-Scholes valuation methodology together with the following assumptions:

- (i) A volatility index of 273.13% based on the historic volatility of the Company's shares;
- (ii) an assumed market value of \$0.328 being the average closing price at which the Company's shares have traded on ASX over 30 trading days up to 20 January 2025;
- (iii) for the purposes of the valuation it is assumed that the ZEPOs will not be exercised any earlier than the expiration date; and
- (iv) a risk free rate of 4.31% has been used.

The remuneration and emoluments from the Company for each of the Directors for current financial year are:

Related party	Current financial year remuneration
Mr Derek Carter	\$66,600 per annum inclusive of superannuation* 750,000 ZEPOs per Resolution 3 (subject to shareholder approval)
Mr Donald Stephens	\$44,400 per annum inclusive of superannuation* 600,000 ZEPOs per Resolution 4 (subject to shareholder approval)
Mr Simon O'Loughlin	\$44,400 per annum inclusive of superannuation* 600,000 ZEPOs per Resolution 5 (subject to shareholder approval)
Mr Simon Taylor	\$44,400 per annum inclusive of superannuation* 600,000 ZEPOs per Resolution 6 (subject to shareholder approval)

*Non-executive Director fees

The Directors are also entitled to reimbursement of all reasonable travelling, accommodation and other expenses that they properly incur in attending meetings of Directors or any meetings of committees of Directors, in attending meetings of shareholders or in connection with the business of the Company.

The current relevant interests (ie before Resolutions 3, 4, 5 and 6 are approved) of the Directors the securities of the Company are set out below:

<i>Related party</i>	Shares	Options	Performance Rights
Mr Derek Carter	4,409,311	Nil	Nil
Mr Donald Stephens	5,430,876	Nil	Nil
Mr Simon O'Loughlin	6,044,042	Nil	Nil
Mr Simon Taylor	5,241,000	Nil	Nil

If Resolutions 3, 4, 5 and 6 are approved by shareholders, the relevant interests (ie after the Resolutions are approved) of the Directors in the securities of the Company will be as set out below:

Related party	Shares	Options	ZEPOs	Performance Rights
Mr Derek Carter	4,409,311	Nil	750,000	Nil
Mr Donald Stephens	5,430,876	Nil	600,000	Nil
Mr Simon O'Loughlin	6,044,042	Nil	600,000	Nil
Mr Simon Taylor	5,241,000	Nil	600,000	Nil

**Includes direct and indirect holdings*

If all of the ZEPOs to be granted to the Directors pursuant to Resolutions 3, 4, 5 and 6 vest and are exercised, a total of 2,550,000 Shares would be allotted and issued. This would increase the total number of Shares on issue from 309,196,589 to 311,746,589 (assuming no other options, performance rights or Shares are issued or options or performance rights exercised), with the effect that the shareholding of existing shareholders would be diluted by 0.82%.

The following table demonstrates the dilution of all other shareholdings in the Company upon exercise of all existing options and performance rights and upon vesting and exercise of the ZEPOs issued to the Directors under Resolutions 3, 4, 5 and 6, assuming that shareholders pass each of those Resolutions:

Current shares issued*	309,196,589	Dilution effect
Shares issued assuming all existing options and performance rights are exercised	4,550,000	1.47 %
Shares issued assuming exercise of all of the ZEPOs to be granted to the Directors pursuant to Resolutions 3, 4, 5 and 6	2,550,000	0.82%
Total shares	316,296,589	2.29%

* figures are current as at 20 January 2025

The trading history of the Shares in the Company on ASX in the 12 months before the date of this notice is set out below:

- Highest \$0.49 on 22 January 2025
- Lowest \$0.016 on 3 July 2024
- Last \$0.415 on 23 January 2025

3.5 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The proposed issue of ZEPOs constitutes giving a financial benefit and Messrs Carter, Stephens, O'Loughlin and Taylor, are related parties of the Company by virtue of being Directors.

On that basis, the proposed issue of the ZEPOs to Messrs Carter, Stephens, O'Loughlin and Taylor (or their nominees) requires the approval of shareholders pursuant to Chapter 2E of the Corporations Act.

3.6 ASX Listing Rule 10.14

ASX Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire equity securities under an employee incentive scheme:

- in accordance with ASX Listing Rule 10.14.1, a director of the company; or
- in accordance with ASX Listing Rule 10.14.2, an associate of a director of the company; or

- (c) in accordance with ASX Listing Rule 10.14.3, a person whose relationship with the company or a person referred to in ASX Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The proposed issue of the ZEPOs falls within ASX Listing Rule 10.14.1 and therefore requires the approval of the Company's shareholders under ASX Listing Rule 10.14 and section 208 of the Corporations Act.

Resolutions 3, 4, 5 and 6 seek the required shareholder approval to the issue of the ZEPOs under and for the purposes of ASX Listing Rule 10.14.

If any of Resolutions 3, 4, 5 and 6 is passed, the Company will be able to proceed with the issue of the ZEPOs the subject of that Resolution.

If any of Resolutions 3, 4, 5 and 6 is not passed, the Company will not be able to proceed with the issue of the ZEPOs the subject of that Resolution and may need to consider other ways to remunerate the relevant Director.

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the ZEPOs as approval is being obtained under ASX Listing Rule 10.14.

Accordingly, the issue of the ZEPOs will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

3.7 **Technical Information Required ASX Listing Rule 10.15 and Section 219**

Pursuant to and in accordance with the requirements of ASX Listing Rule 10.15 and section 219 of the Corporations Act, the following information is provided in relation to Resolutions 3, 4, 5 and 6 and the proposed issue of ZEPOs to the Directors:

- (a) Subject to shareholder approval, it is proposed that the ZEPOs will be issued under the Employee Option Plan to Messrs Derek Carter, Donald Stephens, Simon O'Loughlin and Simon Taylor, or their respective nominees.
- (b) Each of Messrs Carter, Stephens, O'Loughlin and Taylor is a director of the Company and therefore falls within ASX Listing Rule 10.14.1.
- (c) The number of ZEPOs proposed to be issued is as follows:
 - (i) Mr Carter: 750,000 ZEPOs;
 - (ii) Mr Stephens: 600,000 ZEPOs;
 - (iii) Mr O'Loughlin: 600,000 ZEPOs; and
 - (iv) Mr Taylor: 600,000 ZEPOs.
- (d) The terms and conditions of the ZEPOs to be issued to Mr Carter, and the conditions required for vesting, are summarised in Annexure C to this Explanatory Memorandum, and a full copy of the Employee Option Plan is attached as Annexure E to this Explanatory Memorandum.

The terms and conditions of the ZEPOs to be issued to Messrs Stephens, O'Loughlin and Taylor, and the conditions required for vesting, are summarised in Annexure D to this Explanatory Memorandum, and a full copy

of the Employee Option Plan is attached as Annexure E to this Explanatory Memorandum.

- (e) Shares issued on vesting and exercise of the ZEPOs will rank equally in all respects with the existing fully paid ordinary shares in the Company.
- (f) No funds will be raised by the issue of the ZEPOs to the Directors (or their nominees) as they have been granted for no consideration.
- (g) No options (including ZEPOs) have previously been issued under the Employee Option Plan since it was approved at the 2024 Annual General Meeting.
- (h) There are no loans associated with the issue of the ZEPOs.
- (i) The primary purpose of the issue of the ZEPOs is to provide cost effective remuneration and incentives for the Non-Executive Directors in their role as Directors and reflects what the Board considers to be appropriate in the circumstances.
- (j) It is considered appropriate to grant the ZEPOs to the Directors as part of their remuneration (as outlined in paragraph 3.4) in order to retain the experience of the Directors and incentivise service.
- (k) A valuation of the ZEPOs has been conducted and is included in paragraph 3.4, together with an explanation as to the basis for the number of ZEPOs proposed to be issued, and dilution effect of the issue on existing shareholders.
- (l) If shareholder approval is obtained, the ZEPOs will be issued as soon as practicable after the Meeting, and in any case not later than 15 months after the date of the Meeting.
- (m) Details of any securities issued under the Employee Option Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14.
- (n) Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the Employee Option Plan after the resolutions are approved and who are not named in this Notice will not participate until approval is obtained under ASX Listing Rule 10.14.
- (o) The total remuneration and emoluments from the Company for Messrs Derek Carter, Donald Stephens, Simon O'Loughlin and Simon Taylor for the current financial year are set out in section 3.4 above.
- (o) Voting exclusion statements have been included for the purposes of Resolutions 3, 4, 5 and 6.

Each of Resolutions 3, 4, 5 and 6 is an ordinary resolution.

As the Directors have an interest in Resolutions 3, 4, 5, and 6, they do not wish to make a recommendation as to how shareholders ought to vote in respect of Resolutions 3, 4, 5, and 6.

Please note that if the chair of the meeting is your proxy (or becomes your proxy by default), you expressly authorise the chair to exercise your proxy on Resolutions 3, 4, 5 and 6 even though they are connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company, which includes the chair. If you appoint the chair as your proxy you can direct the chair to vote for or against or abstain from voting on Resolutions 3, 4, 5 and 6 by marking the appropriate box on the proxy form.

The chair intends to vote undirected proxies in favour of each of Resolutions 3, 4, 5 and 6.

2. GLOSSARY

In this Explanatory Memorandum and Notice of Extraordinary General Meeting the following expressions have the following meanings unless stated otherwise or unless the context otherwise requires:

ASX means ASX Limited ACN 008 624 691;

ASX Listing Rules means the listing rules of ASX;

Board means the board of directors of the Company;

Closely Related Party of a member of the Key Management Personnel for an entity means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or of the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity;
- (e) a company the member controls; or
- (f) a person prescribed as such by the *Corporations Regulations 2001* (Cth);

Company means Petratherm Limited ACN 106 806 884;

Corporations Act means *Corporations Act 2001* (Cth);

Director means a director of the Company;

Equity Securities has the same meaning as in the ASX Listing Rules;

Key Management Personnel has the same meaning as in the accounting standards as defined in section 9 of the Corporations Act (so the term broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director, whether executive or otherwise, of the Company);

Meeting means the meeting of shareholders convened by the Notice;

Notice means the notice of meeting to which this Explanatory Memorandum is attached;

**ANNEXURE A - PETRATHERM LIMITED
PERFORMANCE RIGHTS PLAN**

Level 2, 99 Frome Street
Adelaide SA 5000

Telephone: +61 8 8111 4000
email: admin@oloughlins.com.au



Petratherm Limited
ACN 106 806 884

Performance Rights Plan

For personal use only

1. Definitions and interpretation

1.1 Definitions

In these Rules, unless the contrary intention appears, terms defined in the Corporations Act, the Listing Rules or other Applicable Law and not otherwise defined herein are deemed to have the meanings ascribed to them in the Corporations Act, Listing Rules or other Applicable Law (as the case may be), and:

Applicable Law means any one or more or all, as the context requires of:

- (a) Corporations Act and the Corporations Regulations 2001 (Cth);
- (b) Listing Rules;
- (c) any other applicable securities laws;
- (d) the constitution of the Company;
- (e) any practice note, policy statement, class order, declaration, guideline, policy or procedure pursuant to the provisions of which ASIC, ASX or other equivalent authority is authorised or entitled to regulate, implement or enforce, either directly or indirectly, the provisions of any of the foregoing statutes, regulations or rules or any conduct of any duly authorised person, pursuant to any of the abovementioned statutes, regulations or rules;

Approved Foreign Market means a financial market recognised under Division 1A of Part 7.12 of the Corporations Act;

ASIC means Australian Securities and Investments Commission;

Associated Body Corporate has the meaning ascribed to the term 'associated entity' in section 50AAA of the Corporations Act;

ASX means Australian Securities Exchange;

Australian CDI means a CHESS Depository Interest traded on ASX, with a Share or stock as the underlying security;

Board means the Board of Directors of the Company as it may be constituted from time to time, or where appropriate, a committee of the Board;

Business Day means a day on which the stock market of ASX is open for trading in securities;

Company or Petratherm means Petratherm Limited ACN 106 806 884;

Control has the meaning ascribed to that term in section 50AA of the Corporations Act;

Corporations Act means the *Corporations Act, 2001* (Cth);

Depository Interest means:

- (a) Australian CDIs, able to be traded on ASX, where the underlying security is a share or stock; or
- (b) depository interests that are able to be traded on an Approved Foreign Market where the underlying security is a share or stock,

where, 'able to be traded' has the meaning given in s761A of the Corporations Act;

Directors means the directors for the time being of the Company;

Eligible Employee, Eligible Associate, Eligible Service Provider, Eligible Person have the meanings ascribed to those terms in clause 12;

Eligible Financial Market means ASX or an Approved Foreign Market (and, unless otherwise stated, is limited to the main board of that market);

Eligible Related Person means:

- (a) a spouse, parent, child or sibling of the Eligible Person;
- (b) a body corporate Controlled by the Eligible Person or a person mentioned in subparagraph (a);
- (c) a body corporate that is the trustee of a self-managed superannuation fund (within the meaning of the *Superannuation Industry (Supervision) Act 1993*), where the Eligible Person is a director of the body corporate; or
- (d) a person otherwise prescribed in relation to the Eligible Person for the purposes of section 1100L(1)(b) of the Corporations Act;

Eligible Products means, subject to and without limiting the operation of section 1100M(1) of the Corporations Act:

- (a) Shares in a class able to be traded on ASX;
- (b) Shares or fully paid stocks in a class able to be traded on an Approved Foreign Market;
- (c) Depository (beneficial) Interests in a class able to be traded on an Eligible Financial Market; and
- (d) fully paid Stapled Securities in a class able to be traded on ASX; or
- (e) other similar interest prescribed for the purposes of section 1100M(1) of the Corporations Act,

where, 'able to be traded' has the meaning given in s761A of the Corporations Act, and subject to such other criteria as may be imposed by Division 1A of Part 7.12 of the Corporations Act or otherwise from time to time;

Eligible Products Registry means the applicable Eligible Products registry of the Company from time to time;

Eligible Prospective Person means a person to whom an offer of a Performance Right is made, but who can only accept the offer if an arrangement is entered into that will result in the person becoming an Eligible Person of a kind other than an Eligible Prospective Person;

Group Company means any one of the Company or its Associated Bodies Corporate (if any);

Listing Rules means the official listing rules of ASX, as varied from time to time and, for so long as the Eligible Products are listed or quoted on any other stock exchange (if ever) where such stock exchange requires compliance with its listing rules, the listing rules applicable to that stock exchange;

Participant means an Eligible Person who, at the relevant time, holds one or more Performance Rights;

Performance Conditions means, in relation to each Performance Right, the performance related conditions which must be satisfied or circumstances which must exist before a Performance Right vests and can be exercised, as set out in the Terms and Conditions attached to that Performance Right;

Performance Right means a right granted under these Rules to be issued or transferred, one Eligible Product, subject to the Terms and Conditions attached thereto and these Rules;

Permitted Related Person has the meaning given to it by clause 4.2(b);

Plan Product means, in respect of any Performance Right, the Eligible Product a Participant is entitled to subscribe for, or take a transfer of, by reason of the grant to him or her of that Performance Right, including any securities resulting from an adjustment made thereto pursuant to these Rules;

Plan means the Petratherm Limited Performance Rights Plan as administered in accordance with these Rules, and as the same may be amended from time to time;

Related Body Corporate has the meaning given to that term in the Corporations Act;

Rules means these rules setting out the terms and conditions of the Plan, as amended from time to time;

Securities Dealing Policy means any policy established by the Company applicable to trading in securities of the Company;

Shares means fully paid ordinary shares in the capital of the Company;

Stapled Security means two or more Eligible Products which, under the terms on which each is traded, must be transferred together; and

Terms and Conditions means, generally, the terms and conditions in the form attached hereto as Annexure A, and with reference to any Performance Right, the terms and conditions in the form attached hereto as Annexure A, amended to include the Performance Conditions and other conditions specific to that Performance Right.

1.2 Interpretation

- (a) Words importing gender mean each other gender.
- (b) Words denoting the singular include the plural and vice versa.
- (c) Headings for are convenience only and do not affect the interpretation of these Rules.
- (d) A reference to any legislation or any section of any legislation includes any legislation or section amending, consolidating or replacing the legislation or section referred to.
- (e) These Rules, the offer and grant of any Performance Right, and the issue or transfer of any Plan Products shall at all times be subject to the Listing Rules, the Corporations Act and any other Applicable Laws.
- (f) A reference to an offer, issue or distribution to the Company's shareholders generally is a reference to an offer, issue or distribution to the generality of the Company's shareholders, whether or not such offer, issue or distribution is extended to the holders of other securities issued by the Company and whether or not such offer, issue or distribution excluded persons in particular places outside Australia or other minority groups who may for a particular reason be precluded from participating.
- (g) Where any calculation or adjustment to be made pursuant to these Rules, produces a fraction of a cent or a fraction of a share, the fraction shall be rounded to the nearest whole number, favourable to the Participant.

2. Establishment of the Plan

2.1 The purpose of the Plan is to:

- (a) attract quality Eligible Persons;
- (b) motivate and retain Eligible Persons;
- (c) align the interests of Eligible Persons and the Company;
- (d) increase shareholder value by motivating Eligible Persons; and
- (e) provide Eligible Persons with an opportunity to share in the success of the Company by acquiring an ownership interest therein.

2.2 The Plan shall take effect on the date determined by the Board.

2.3 The Plan shall operate in accordance with these Rules and the Terms and Conditions, which shall bind each Participant.

3. Administration of the Plan

- 3.1 The Plan shall be administered by the Board which shall have the power to:
- (a) determine appropriate procedures for administration of the Plan consistent with the Rules;
 - (b) resolve conclusively all questions of fact or interpretation in connection with the Plan, the Rules and the Terms and Conditions; and
 - (c) delegate such functions and powers as it may consider appropriate for the efficient administration of the Plan to a person or persons.
- 3.2 The Company, at the Board's discretion, may grant Performance Rights to Participants who are resident outside of Australia, and make rules, and determine procedures and documentation, for the operation of the Plan which are not inconsistent with these Rules to apply to Participants who are resident outside of Australia.
- 3.3 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 or any Performance Rights and in the exercise of any power or discretion granted to it by the Plan.

4. Offer of Performance Rights

- 4.1 Offer
- (a) The Company may, in its absolute discretion, from time to time offer and grant Performance Rights to any Eligible Person upon the terms set out in these Rules and the Terms and Conditions.
 - (b) The number and terms of Performance Rights (if any) to be offered to any Eligible Person, shall be determined by the Board in its discretion, subject to these Rules and the Terms and Conditions.
 - (c) The Board shall complete Schedule 1 to the Terms and Conditions for each offer of Performance Rights to specify the Performance Conditions, milestone date, expiry, exercise period (if applicable) and other similar terms attached to such Performance Rights.
 - (d) An offer of Performance Rights shall be personal and shall not be assignable, other than as provided in the Terms and Conditions.
 - (e) Each offer of Performance Rights pursuant to the Plan will:
 - (1) be in writing;
 - (2) be expressed to be made under Division 1A of Part 7.12 of the Corporations Act;

- (3) be made in accordance with the Corporations Act and regulations made under the Corporations Act, the Listing Rules, these Rules, the Terms and Conditions and any other Applicable Laws; and
 - (4) otherwise be on the terms which the Board may, in its discretion, determine.
- (f) Each offer of Performance Rights must be accompanied by:
- (1) a copy of these Rules;
 - (2) the Terms and Conditions; and
 - (3) such documents and undertakings as may be required by ASIC, the Corporations Act, the Listing Rules or any other Applicable Law.

4.2 Grant of Performance Rights

- (a) An Eligible Person, who receives an offer of Performance Rights and wishes to accept it, must deliver written notice of acceptance, to the Company, in accordance with the instructions set out in the offer received in accordance with clause 4.1.
- (b) The Eligible Person may nominate an Eligible Related Person in whose favour the Eligible Person wishes to renounce the offer by notice in writing to the Directors. The Directors may, in their absolute discretion, resolve not to allow such renunciation of an offer in favour of an Eligible Related Person without giving any reason for such decision.
- (c) Upon delivery to the Company of written notice of acceptance of an offer of Performance Rights, the Company shall grant Performance Rights to that Eligible Person (or, in the event that the Directors resolve to allow a renunciation of an offer in favour of an Eligible Related Person (**Permitted Related Person**), and that Permitted Related Person accepts the offer in accordance with clause 4.2(a), the Permitted Related Person) in accordance with the accepted offer and the Eligible Person or Permitted Related Person, as the case may be, shall become a Participant, bound by these Rules and the Terms and Conditions.
- (d) If Performance Rights are issued to a Permitted Related Person of an Eligible Person, the Eligible Person must, without limiting any provision in these Rules or the Terms and Conditions, ensure that the Permitted Related Person complies with these Rules and the Terms and Conditions.
- (e) The Performance Rights will not be listed on ASX, or other Eligible Financial Market.

5. Number of Performance Rights

An offer of Performance Rights may only be made under the Plan if the number of Eligible Products that may be acquired on exercise of the Performance Rights is within any threshold

prescribed for the purposes of Division 1A of Part 7.12 of the Corporations Act, the Listing Rules or otherwise from time to time.

6. Performance Conditions

- 6.1 A Performance Right granted under the Plan may contain Performance Conditions which will be specified in Schedule 1 to the Terms and Conditions attached to that Performance Right. Satisfaction of the Performance Conditions may be tested by a relevant milestone date as specified in the Terms and Conditions.
- 6.2 A Performance Right will not vest unless the Board determines that the relevant Performance Conditions have been satisfied by the relevant milestone date (if any) specified in the Terms and conditions.

7. Right to exercise Performance Rights

- 7.1 A Performance Right may be exercised in accordance with, and at any time during, the period specified in the Terms and Conditions, provided that:
- (a) the Performance Conditions in respect of the Performance Right have been satisfied;
 - (b) the vesting period (if any) in respect of the Performance Right has expired;
 - (c) the issue or transfer of the underlying Plan Product does not contravene the Corporations Act, the Listing Rules, other Applicable Law or any Securities Dealing Policy; and
 - (d) any other condition or term attached to that Performance Right has been satisfied in accordance with, and by the time specified, in these Rules or the Terms and Conditions.
- 7.2 The procedure for exercise of Performance Rights shall be determined by the Board and set forth in the Terms and Conditions.

8. Issue of Eligible Products

8.1 Issue of Plan Products

Subject to clause 1.1(e) and 7.1, upon exercise of a Performance Right the Company must issue to, or transfer to, the Participant or his or her personal representative, or if applicable, Permitted Related Person (as the case may be) the Plan Products to which he or she is entitled under these Rules and the relevant Terms and Conditions.

8.2 Eligible Product ranking

All Plan Products will rank equally in all respects with all existing Eligible Products in that class on issue, except as regards to any entitlements attaching to such Eligible Products by reference to a record date that is prior to the date of allotment of the Plan Products.

8.3 Listing of Eligible Products on an Eligible Financial Market

The Company will apply to the ASX or Approved Financial Market (as applicable) for quotation of all Plan Products issued under the Plan within the period required by the relevant Eligible Financial Market, if the Eligible Products are then quoted on it.

9. Rights and obligations of Participants

- 9.1 All Participants shall be entitled to the benefit of and shall be bound by the terms and conditions of the Rules, the Terms and Conditions and any amendments thereto.
- 9.2 Whenever the Board exercises its discretion pursuant to the Rules, the exercise of that discretion shall be in the sole and absolute discretion of the Board and each decision shall be conclusive, final and binding upon Participants.
- 9.3 The Plan shall not form part of any contract between a Group Company and any Participant and shall not confer directly or indirectly on any Participant any legal or equitable rights whatsoever against a Group Company (other than the rights conferred upon a Participant under the Plan and these Rules).
- 9.4 A Participant has no legal or equitable interest in an Eligible Product by virtue of acquiring a Performance Right. A Participant's rights under the Plan and these Rules are purely personal and contractual.
- 9.5 The Plan and these Rules:
- (a) do not confer on any Participant the right to continue as an employee, contractor, service provider or officer of the Company or any Associated Body Corporate of the Company;
 - (b) are separate to, and do not amend the terms of, employment or engagement of a Participant;
 - (c) do not affect any rights which the Company, or any Associated Body Corporate of the Company, may have to terminate the employment, engagement or office of a Participant; and
 - (d) may not be used to increase damages in any action brought against the Company, or any Associated Body Corporate of the Company, in respect of the termination of a Participant.

10. Termination, suspension and amendment

10.1 Termination, suspension and amendment

The Board may terminate, suspend or amend the Plan at any time, subject to any resolution of the Company required by the Listing Rules.

10.2 Notice of amendment

As soon as reasonably practicable after suspending, terminating or amending the Plan, the Board will give notice in writing of that occurrence to any Participant affected thereby.

11. Provision of information

The Board will advise each Participant of the following minimum information regarding Performance Rights:

- (a) the number of Performance Rights being offered;
- (b) the expiry date;
- (c) the Terms and Conditions, the Performance Conditions, including milestones and milestone dates, exercise period (if applicable) and any other relevant conditions to be attached to the Performance Rights or the Plan Products; and
- (d) any other information required under any applicable law or regulations.

12. Eligible Persons

12.1 Eligible Employee means:

- (a) a person who is engaged in the full time, part time or casual employment of the Company or an Associated Body Corporate of the Company and includes any Director holding a salaried employment or office in the Company or an Associated Body Corporate of the Company; and
- (b) subject to the requirements of Division 1A of Part 7.12 of the Corporations Act as varied or replaced from time to time, any person acquiring and holding any Plan Product or Performance Rights for the benefit of any such employee (other than any employee who is a Director), provided that the Plan Product and Performance Rights are acquired and held on such terms and conditions as have been previously approved by the Directors including, without limitation, and subject to the requirements of Division 1A of Part 7.12 of the Corporations Act any trustee of a trust established by the Company to hold Plan Products or Performance Rights for the benefit of such employees.

12.2 Eligible Associate means:

- (a) any Director, including non-executive Director or officer, of the Company or an Associated Body Corporate of the Company; and
- (b) subject to the requirements of Division 1A of Part 7.12 of the Corporations Act as varied or replaced from time to time, any person or entity acquiring and holding any Plan Product for the benefit of any Eligible Employee who is a Director or officer of the Company or an Associated Body Corporate of the Company at the time of such acquisition or any person referred to in clause 12.2(a), and provided that the Plan Product is acquired and held on

such terms and conditions as have been previously approved by the Directors.

12.3 **Eligible Service Provider** means:

- (a) an individual who provides services to the Company or an Associated Body Corporate of the Company; and
- (b) subject to the requirements of Division 1A of Part 7.12 of the Corporations Act as varied or replaced from time to time, any person acquiring and holding any Plan Product or Performance Rights for the benefit of any such Eligible Service Provider (other than any Eligible Service Provider who is a Director), provided that the Plan Product and Performance Rights are acquired and held on such terms and conditions as have been previously approved by the Directors including, without limitation, and subject to the requirements of Division 1A of Part 7.12 of the Corporations Act any trustee of a trust established by the Company to hold Plan Products or Performance Rights for the benefit of such Eligible Service Providers.

12.4 An Eligible Employee or Eligible Service Provider may also be an Eligible Associate.

12.5 **Eligible Persons** means Eligible Employees, Eligible Associates and Eligible Service Providers and includes an Eligible Prospective Person and a person otherwise prescribed for the purposes of section 1100L(1)(a) of the Corporations Act.

13. **General provisions**

13.1 Whenever the number or type of securities issuable upon exercise of a Performance Right is adjusted pursuant to these Rules, the Company shall give notice of the adjustment to the Participant and the ASX (or other Eligible Financial Market), as required, together with calculations on which the adjustment is based.

13.2 Any notice to be given by the Company to the Participant shall be taken to have been given if served personally on the Participant or left at his or her last known place of residence.

14. **Taxation**

The Plan is a plan to which tax deferral under Subdivision 83A.120 of the *Income Tax Assessment Act 1997* (Cth) applies (subject to requirements of that Act), unless specifically stated otherwise in the offer of Performance Rights.

15. **Governing law**

15.1 The Plan, these Rules, the Terms and Conditions and the rights and obligations of Participants shall be governed by and construed in accordance with the laws for the time being in force in the State of South Australia.

15.2 Each Participant irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of the State of South Australia.

Annexure A

Petratherm Limited

Performance Rights Plan

Terms and Conditions

1. Definitions and interpretation

1.1 Definitions

In these Rules, unless the contrary intention appears, terms defined in the Corporations Act, the Listing Rules or other Applicable Law and not otherwise defined herein are deemed to have the meanings ascribed to them in the Corporations Act, Listing Rules or other Applicable Law, and:

Applicable Law means any one or more or all, as the context requires of:

- (a) Corporations Act and the Corporations Regulations 2001 (Cth);
- (b) Listing Rules;
- (c) any other applicable securities laws;
- (d) the constitution of the Company;
- (e) any practice note, policy statement, class order, declaration, guideline, policy or procedure pursuant to the provisions of which ASIC, ASX or other equivalent authority is authorised or entitled to regulate, implement or enforce, either directly or indirectly, the provisions of any of the foregoing statutes, regulations or rules or any conduct of any duly authorised person, pursuant to any of the abovementioned statutes, regulations or rules;

Approved Foreign Market means a financial market recognised under Division 1A of Part 7.12 of the Corporations Act;

ASIC means Australian Securities and Investments Commission;

Associated Body Corporate has the meaning ascribed to the term 'associated entity' in section 50AAA of the Corporations Act;

ASX means Australian Securities Exchange;

Australian CDI means a CHESS Depository Interest traded on ASX, with a Share or stock as the underlying security;

Board means the Board of Directors of the Company as it may be constituted from time to time, or where appropriate, a committee of the Board;

Business Day means a day on which the stock market of ASX is open for trading in securities;

Company means Petratherm Limited ACN 106 806 884;

Control has the meaning ascribed to that term in section 50AA of the Corporations Act;

Corporations Act means the *Corporations Act, 2001* (Cth);

Depository Interest means:

- (a) Australian CDIs, able to be traded on ASX, where the underlying security is a share or stock; or
- (b) depository interests that are able to be traded on an Approved Foreign Market where the underlying security is a share or stock,

where, 'able to be traded' has the meaning given in s761A of the Corporations Act;

Directors means the directors for the time being of the Company.

Eligible Employee, Eligible Associate, Eligible Service Provider, Eligible Person have the meanings ascribed to those terms in clause 16;

Eligible Financial Market means ASX or an Approved Foreign Market (and, unless otherwise stated, is limited to the main board of that market);

Eligible Related Person means:

- (a) a spouse, parent, child or sibling of the Eligible Person;
- (b) a body corporate Controlled by the Eligible Person or a person mentioned in subparagraph (a);
- (c) a body corporate that is the trustee of a self-managed superannuation fund (within the meaning of the *Superannuation Industry (Supervision) Act 1993*), where the Eligible Person is a director of the body corporate; or
- (d) a person otherwise prescribed in relation to the Eligible Person for the purposes of section 1100L(1)(b) of the Corporations Act;

Eligible Products means, subject to and without limiting the operation of section 1100M(1) of the Corporations Act:

- (a) Shares in a class able to be traded on ASX;
- (b) Shares or fully paid stocks in a class able to be traded on an Approved Foreign Market;
- (c) Depository (beneficial) Interests in a class able to be traded on an Eligible Financial Market; and
- (d) fully paid Stapled Securities in a class able to be traded on ASX; or
- (e) other similar interest prescribed for the purpose of section 1100M(1) of the Corporations Act,

where, 'able to be traded' has the meaning given in s761A of the Corporations Act, and subject to such other criteria as may be imposed by Division 1A of Part 7.12 of the Corporations Act or otherwise from time to time;

Eligible Products Registry means the applicable Eligible Products registry of the Company from time to time;

Eligible Prospective Person means a person to whom an offer of a Performance Right is made, but who can only accept the offer if an arrangement is entered into that will result in the person becoming an Eligible Person of a kind other than an Eligible Prospective Person;

Exercise Period means (if applicable) in relation to a Performance Right which has vested the period during which it must be exercised, after which it will lapse, as may be specified in part 1 of Schedule 1 hereto;

Expiry Date means, in respect of an unvested Performance Right, the date specified in column 4, part 2 of Schedule 1 hereto by which it will lapse if before that date the Performance Right has not vested;

Group Company means any one of the Company or its Associated Bodies Corporate (if any);

Holder means the person named in part 1 of Schedule 1 hereto;

Incentive Scheme means a share, performance right or option scheme extended to any or all of the employees, service providers and/or directors of the Company and its Associated Bodies Corporate, and includes the Plan;

Listing Rules means the official listing rules of ASX, as varied from time to time and, for so long as the Eligible Products are listed or quoted on any other stock exchange (if ever) where such stock exchange requires compliance with its listing rules, the listing rules applicable to that stock exchange;

Managerial or Executive Office has the meaning given in section 200AA of the Corporations Act;

Material Project means a mining or exploration project in which any Group Company has an economic interest, or the right to earn or acquire an economic interest, of at least 25%;

Milestone Date means, in respect of a Performance Condition, the date specified in column 3, part 2 of Schedule 1 hereto by which such Performance Condition must be satisfied;

Performance Conditions means the performance conditions listed in part 2 of Schedule 1 hereto;

Performance Right means a right granted to the Holder to be issued or transferred, one Eligible Product, subject to the terms and conditions set out in Schedule 1 hereto;

Permitted Related Person means an Eligible Person in favour of whom the Board has resolved to allow a renunciation of an offer of Performance Rights made to an Eligible Person, and who has accepted that offer in accordance with the Rules and has been issued Performance Rights subject to the Rules;

Plan Product means, in respect of any Performance Right, the Eligible Product the Holder is entitled to subscribe for, or take a transfer of, by reason of the grant to him or her of that Performance Right, including any securities resulting from an adjustment made thereto pursuant to these Rules;

Plan means the Petratherm Limited Performance Rights Plan as the same may be amended from time to time;

Related Body Corporate has the meaning given to that term in the Corporations Act;

Relevant Interest has the meaning given to that term in the Corporations Act;

Rules means the rules setting out the terms and conditions of the Plan, as amended from time to time;

SEATS means the Stock Exchange Automated Trading Exchange of ASX;

Securities Dealing Policy means any policy established by the Company applicable to trading in securities of the Company;

Security Interest means any mortgage, pledge, charge, lien, encumbrance, assignment, security, interest, preferential right, set-off or any other security arrangement;

Share means an issued ordinary share in the capital of the Company;

Stapled Security means two or more Eligible Products which, under the terms on which each is traded, must be transferred together;

Takeover Bid has the meaning given to that term in section 9 of the Corporations Act;

Terms and Conditions means these terms and conditions; and

Vested Performance Right has the meaning given to that term in clause 5.7.

1.2 Interpretation

- (a) Words importing gender mean each other gender.
- (b) Words denoting the singular include the plural and vice versa.
- (c) Headings for are convenience only and do not affect the interpretation of these Rules.
- (d) A reference to any legislation or any section of any legislation includes any legislation or section amending, consolidating or replacing the legislation or section referred to.
- (e) These Terms and Conditions, the offer and grant of any Performance Right, and the issue or transfer of any Plan Products shall at all times be subject to the Listing Rules, the Corporations Act and any other Applicable Laws.

- (f) A reference to an offer, issue or distribution to the Company's shareholders generally is a reference to an offer, issue or distribution to the generality of the Company's shareholders, whether or not such offer, issue or distribution is extended to the holders of other securities issued by the Company and whether or not such offer, issue or distribution excluded persons in particular places outside Australia or other minority groups who may for a particular reason be precluded from participating.
- (g) Where any calculation or adjustment to be made pursuant to these Terms and Conditions, produces a fraction of a cent or a fraction of a Share or other Eligible Product, the fraction shall be rounded to the nearest whole number, favourable to the Holder.

2. Eligibility

The Holder is an Eligible Person (or the Permitted Related Person of an Eligible Person).

3. Issue price

Each Performance Right shall be granted to the Holder for no consideration.

4. Plan

The Performance Rights are issued under, and in accordance with, the Plan.

5. Expiry Date, Milestone Date and Performance Conditions

- 5.1 The Performance Rights shall have an Expiry Date.
- 5.2 The Board is not permitted to extend an Expiry Date without shareholder approval.
- 5.3 The Performance Rights shall have a Milestone Date pursuant to which the Performance Condition must be satisfied.
- 5.4 The Board of the Company shall have discretion to extend a Milestone Date in circumstances that the Board (in its sole discretion) considers that unforeseen circumstances or events have caused a delay in achieving the Performance Condition by the Milestone Date.
- 5.5 The Board shall not be permitted to extend the Milestone Date beyond the Expiry Date of the Performance Rights.
- 5.6 The Board, in its sole discretion, will determine if the relevant Performance Condition has been satisfied prior to the Milestone Date.
- 5.7 If the Board determines, in its sole discretion, that the relevant Performance Condition has been satisfied prior to the relevant Milestone Date then the Performance Right shall vest and the Company shall notify the Holder in writing that the Performance Right has vested (such Performance Right being a Vested Performance Right).

- 5.8 If any Performance Condition is not satisfied by the earlier of the relevant Milestone Date or Expiry Date, then the Performance Right shall automatically lapse, and the Company shall notify the Holder in writing accordingly.

6. Exercise of Vested Performance Rights into Eligible Products

- 6.1 Subject to clause 6.2 and any adjustment prescribed hereby, Vested Performance Rights may be exercised (whether by notice within the Exercise Period or automatically if no Exercise Period is specified) into the corresponding number of Eligible Products as identified in Schedule 1 as follows:
- (a) The exercise of any vested Performance Right granted under the Plan will be effected in the form and manner determined by the Board.
- 6.2 The allotment of Eligible Products to a Holder, following the exercise of Vested Performance Rights, is subject to such allotment not contravening the Corporations Act, the Listing Rules, the Securities Dealing Policy or any other Applicable Law.
- 6.3 Following the exercise of Vested Performance Rights in accordance with clause 6.1, the Company shall, within a reasonable period of time thereafter, allot or transfer to the Holder the Plan Products or other securities to which the Holder is entitled.
- 6.4 If the Holder dies during the term of a Performance Right, the Holder's legal personal representative shall stand in the place of the Holder for the purposes of clause 6.3, subject only to prior production to the Company of such evidence as would be required to permit the legal personal representative to become registered as a security holder in respect of any Eligible Products held by the Holder.
- 6.5 From and including the date of allotment or transfer to a Holder of any Plan Products, the Holder must not sell or transfer those Plan Products if to do so would be in breach of the insider trading provisions of the Corporations Act (Part 7.10 Division 3), any other applicable law or any Securities Dealing Policy.
- 6.6 From and including the date of allotment or transfer to a Holder of any Plan Products the Holder shall:
- (a) be the absolute indefeasible beneficial owner of those Plan Products; and
- (b) subject to clause 6.5, the Corporations Act, the Listing Rules, any Securities Dealing Policy or any other Applicable Law, be entitled to sell, transfer, dispose of, mortgage, pledge or otherwise deal with those Plan Products or any interest therein in every manner whatsoever.
- 6.7 Subject to clause 6.4, where the Holder dies or becomes bankrupt the legal personal representative of the deceased Holder or the trustee in bankruptcy of the bankrupt Holder, as the case may be, shall be the only person recognised as being entitled to the Plan Products issuable to the Holder.
- 6.8 All Plan Products will rank equally in all respects with all existing Eligible Products on issue in that class, except as regards to any entitlements attaching to such Eligible Products by reference to a record date that is prior to the date of allotment of the Plan Products.

- 6.9 After Eligible Products have been allotted pursuant to clause 6.3, the Company will apply to the ASX or Approved Foreign Market (as applicable) for quotation of all Plan Products issued under the Plan within the period required by the relevant Eligible Financial Market, if the Eligible Products are then quoted on it.

7. Forfeiture and cessation as an Eligible Person

7.1 Lapse of an unvested Performance Right

An unvested Performance Right will lapse upon the earliest of:

- (a) the Performance Right lapsing in accordance with clause 7.2, 7.3 or 7.4; or
- (b) the Performance Right lapsing in accordance with clause 5.8.

7.1A Lapse of a Vested Performance Right

A Performance Right which has vested but has not been exercised will immediately lapse on the first to occur of:

- (a) close of business on the last day of the Exercise Period (if any), if the Performance Right is not exercised prior to that day;
- (b) the Performance Right lapsing in accordance with clause 7.2, 7.3 or 7.4; or
- (c) the day which is 6 months after an event which gives rise to a vesting under clause 11 of these Terms and Conditions.

7.2 Fraudulent or dishonest action

Unless the Board resolves otherwise, where, in the opinion of the Board, a Holder at any time:

- (a) acts or has acted fraudulently or dishonestly; or
- (b) is in breach or has breached any of his or her obligations to the Company,

the Board will:

- (c) deem any unvested Performance Rights (or vested Performance Rights which have not been exercised) of the Holder to have immediately lapsed; and/or
- (d) deem all or any Plan Products transferred or issued to the Holder to be forfeited, in which event the Holder will be deemed to either have:
 - (1) agreed to sell such Plan Products to the Company pursuant to a Share Scheme Buy-Back (as defined in the Corporations Act) or equivalent for no consideration; or
 - (2) (appointed an officer of the Company as his or her agent to sell such Products; and/or

- (e) where any Plan Products transferred or issued to the Holder have been sold by the Holder, require the Holder to pay all or part of the net proceeds of that sale to the Company.

7.3 Ceasing to be an Eligible Person

Subject to clauses 7.4 and 7.5, where a Holder ceases to be an Eligible Person before the Performance Rights then held by him or her become Vested Performance Rights (or after vesting but before the Performance Rights have been exercised) by reason of his or her:

- (a) death or total and permanent disability;
- (b) bona fide redundancy;
- (c) bona fide retirement; or
- (d) removal from a position of Managerial or Executive Office in the Company,

unless the Board determines otherwise, and provided that, at that time, the Holder continues to satisfy all other relevant conditions set forth in Schedule 1 hereto, then in respect of those Performance Rights which have not satisfied the Performance Condition but have not lapsed (and those Performance Rights which have vested, but not yet exercised), the Holder will be permitted to continue to hold those Performance Rights as if the Holder was still an Eligible Employee or Eligible Service Provider, as the case may be.

7.4 Ceasing to satisfy relevant conditions

Unless the Board determines otherwise, if a Holder ceases to be an Eligible Employee or Eligible Service Provider for any reason other than contemplated by clause 7.3, all Performance Rights (including unvested Performance Rights and vested Performance Rights which have not been exercised) then held by the Holder will be deemed to immediately lapse.

7.5 When employment or engagement ceases

Notwithstanding clause 7.3, and subject to all applicable laws, unless otherwise resolved by the Board, a Holder granted an approved leave of absence and who exercises their right to return to work under any applicable award, enterprise agreement, other agreement, statute or regulation before the exercise of a Performance Right under the Plan will be treated for the purposes of clauses 7.3 and 7.4 as not having ceased to be an Eligible Employee or Eligible Service Provider.

8. Transfer of Rights

Except on the death of a Holder, Performance Rights may not be transferred, assigned or novated without the prior written approval of the Board and subject to the requirements of Division 1A of Part 7.12 of the Corporations Act or other applicable requirements from time to time.

9. Security Interest

Subject to clause 8, a Holder will not grant a Security Interest in or over or otherwise dispose of or deal with any Performance Rights or any interest in them until the underlying Plan Products are either issued or transferred to that Holder, and any such Security Interest or disposal or dealing will not be recognised in any manner by the Company.

10. Dividend and voting rights

Performance Rights will not confer upon the Holder the right to dividends or to vote as a shareholder of the Company until the Vested Performance Rights have been exercised and the Plan Products allocated to the Holder.

11. Takeover, scheme of arrangement and change in control

Performance Rights will automatically vest and be deemed to immediately become Vested Performance Rights upon the occurrence of any of the following events:

- (a) a Takeover Bid is announced and has become unconditional, and the person making the Takeover Bid has a Relevant Interest in 50% or more of the Shares; or
- (b) a Court approves a merger by way of scheme of arrangement which will result in a third party having a Relevant Interest in 50% or more of the Shares (but shall not include a merger by way of scheme of arrangement for the purposes of a corporate restructure (including change of domicile, consolidation, sub-division, reduction or return) of the Company); or
- (c) a third party acquires a Relevant Interest in 50% or more of the Shares by any other means; or
- (d) a third party acquires (in one transaction or a series of related transactions), following the approval of the Company's shareholders, a direct or indirect interest in at least 50% of the Company's interest in a Material Project.

12. Pro Rata issue of securities

12.1 If, during the term of any Performance Right, the Company makes a pro rata issue of securities to the Company's shareholders by way of a rights issue, the Holder shall only be entitled to participate in the rights issue to the extent that the Holder's Performance Rights have been exercised and Plan Products allotted prior to the record date for determining entitlement under the pro rata issue.

12.2 A Holder will not be entitled to any adjustment to the number of Plan Products he or she is entitled to or adjustment to any Performance Condition which is based, in whole or in part, upon the Company's share price, as a result of the Company undertaking a rights issue.

13. Adjustment for bonus issue

If, during the term of any Performance Right, securities are issued pro rata to the Company's shareholders generally (otherwise than pursuant to any Incentive Scheme) by way of bonus

issue, the number of Plan Products each Holder is then entitled, shall be increased by that number of securities which the Holder would have been issued if the Performance Rights then held by the Holder were exercised immediately prior to the record date for the bonus issue.

14. **Adjustment for reconstruction**

In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company (not being a reconstruction referred to in clauses 12 and 13 above), the number of Performance Rights shall be reconstructed (as appropriate) in accordance with the Listing Rules (applying at that time) and in a manner which will not result in any additional benefits being conferred on a Holder which are not conferred on holders of Eligible Products in the relevant class generally, but in all other respects the terms of exercise will remain unchanged.

15. **Accumulation of adjustments**

Clauses 12, 13 and 14 are cumulative and shall apply (without duplication) to successive issues, subdivisions, combinations, consolidations, distributions and any other events that require adjustment of the number of Eligible Products of that class or the number or kind of securities that can be acquired upon the exercise of Performance Rights.

16. **Eligible Persons**

16.1 **Eligible Employee** means:

- (a) a person who is engaged in the full time, part time or casual employment of the Company or an Associated Body Corporate of the Company and includes any Director holding a salaried employment or office in the Company or an Associated Body Corporate of the Company; and
- (b) subject to the requirements of Division 1A of Part 7.12 of the Corporations Act as varied or replaced from time to time, any person acquiring and holding any Plan Product or Performance Rights for the benefit of any such employee (other than any employee who is a Director), provided that the Plan Product and Performance Rights are acquired and held on such terms and conditions as have been previously approved by the Directors including, without limitation, and subject to the requirements of Division 1A of Part 7.12 of the Corporations Act any trustee of a trust established by the Company to hold Plan Products or Performance Rights for the benefit of such employees.

16.2 **Eligible Associate** means:

- (a) any Director, including non-executive Director or officer, of the Company or an Associated Body Corporate of the Company; and
- (b) subject to the requirements of Division 1A of Part 7.12 of the Corporations Act as varied or replaced from time to time, any person or entity acquiring and holding any Plan Product for the benefit of any Eligible Employee who is a Director or officer of the Company or an Associated Body Corporate of the Company at the time of such acquisition or any person referred to in clause 16.2(a), and provided that the Plan Product is acquired and held on

such terms and conditions as have been previously approved by the Directors.

- 16.3 **Eligible Service Provider** means:
- (a) an individual who provides services to the Company or an Associated Body Corporate of the Company; and
 - (b) subject to the requirements of Division 1A of Part 7.12 of the Corporations Act as varied or replaced from time to time, any person acquiring and holding any Plan Product or Performance Rights for the benefit of any such Eligible Service Provider (other than any Eligible Service Provider who is a Director), provided that the Plan Product and Performance Rights are acquired and held on such terms and conditions as have been previously approved by the Directors including, without limitation, and subject to the requirements of Division 1A of Part 7.12 of the Corporations Act any trustee of a trust established by the Company to hold Plan Products or Performance Rights for the benefit of such Eligible Service Providers.
- 16.4 An Eligible Employee or Eligible Service Provider may also be an Eligible Associate.
- 16.5 **Eligible Persons** means Eligible Employees, Eligible Associates and Eligible Service Providers and includes an Eligible Prospective Person and a person otherwise prescribed for the purposes of section 1100L(1)(a) of the Corporations Act.

Schedule 1 – Performance Rights

Part 1 – Details of Performance Rights

Item	Detail
Holder	[REDACTED]
Number of Performance Rights	[REDACTED] comprising: - [REDACTED] (Tranche 1) - [REDACTED] (Tranche 2) - [REDACTED] (Tranche 3) - [REDACTED] (Tranche 4)
Issue Price	Nil
Exercise Price	Nil
Exercise Period (if applicable)	

Part 2 – Performance Condition, Milestone Date and Expiry Date

Tranche	Performance Condition	Milestone Date	Expiry Date
Tranche 1	Milestone means		
Tranche 2	Milestone means		
Tranche 3	Milestone means		
Tranche 4	Milestone means		

For personal use only

ANNEXURE B

SUMMARY OF VESTING CONDITIONS ATTACHING TO PERFORMANCE RIGHTS ISSUED TO CHIEF EXECUTIVE OFFICER

Part 1 – Details of Performance Rights

Item	Detail
Holder	Mrs Jennifer Anne Reid (nominee of Mr Peter Reid)
Number of Performance Rights	3,000,000 comprising: <ul style="list-style-type: none"> - 1,000,000 (Tranche 1) - 1,000,000 (Tranche 2) - 1,000,000 (Tranche 3)
Issue Price	Nil
Exercise Price	Nil
Exercise Period (if applicable)	Up to four years from 31 December 2024

Part 2 – Performance Condition, Milestone Date and Expiry Date

Tranche	Performance Condition	Milestone Date	Expiry Date
Tranche 1	<p>Tranche 1 Milestone means:</p> <ul style="list-style-type: none"> - Based on the results of at least 40 drill holes, the Directors of the Company are sufficiently satisfied that a potentially economic discovery has been made at the Company's Muckanippie Project; and - Continued service 2 years from 31 December 2024 	31 December 2026	31 December 2028
Tranche 2	<p>Tranche 2 Milestone means:</p> <ul style="list-style-type: none"> - The Company reports a Mineral Resource estimate in accordance with the JORC Code, 2012 Edition of at least 100Mt tonnes of not less than 8% average Heavy Mineral Sands (HMS) in the Inferred Category at the Company's Muckanippie Project with Reasonable Prospects for Eventual Economic Extraction (RPEEE); and - Continued service 2.5 years from 31 December 2024; 	30 June 2027	31 December 2028
Tranche 3	<p>Tranche 3 Milestone means:</p> <ul style="list-style-type: none"> - The Company reports a Mineral Resource estimate in accordance with the JORC Code, 2012 Edition of at least 100Mt tonnes of not less than 8% average HMS in the Indicated Category at the Company's Muckanippie Project with RPEEE; and - Continued service 3 years from 31 December 2024; 	31 December 2027	31 December 2028

ANNEXURE C

(SUMMARY OF TERMS OF ZERO EXERCISE PRICE OPTIONS (ZEPOS) TO BE ISSUED TO NON-EXECUTIVE DIRECTOR, MR DEREK CARTER UNDER THE PETRATHERM LIMITED EMPLOYEE OPTION PLAN (PLAN))

1. Each ZEPO entitles the holder to one ordinary share in the Company.
2. Each of the ZEPOs has an exercise price of zero.
3. Subject to paragraph 4, the ZEPOs held by the optionholder are exercisable in whole or in part at any time during the period (**Exercise Period**) commencing on the date of grant and expiring, in respect of each Tranche, at 5.00 pm (Adelaide time) on that date which is two (2) years after the relevant Vesting Date (**Expiry Date**). ZEPOs not exercised on or before the Expiry Date will lapse.
4. Prior to the Expiry Date, the ZEPOs shall vest in three individual tranches as shown below (**Vesting Date**):

Tranche 1	250,000 ZEPOs – Vesting date 31 December 2025
Tranche 2	250,000 ZEPOs – Vesting date 31 December 2026
Tranche 3	250,000 ZEPOs – Vesting date 31 December 2027

providing the participant remains a Director of the Company as at the respective tranche Vesting Date (each a **Vesting Condition**).
5. ZEPOs are exercisable by notice in writing to the Board delivered to the registered office of the Company.
6. The Company will not apply for official quotation on ASX of the ZEPOs. The Company will make application for official quotation on ASX of new shares allotted on exercise of the ZEPOs. Those shares will participate equally in all respects with existing issued ordinary shares, and in particular new shares allotted on exercise of the ZEPOs will qualify for dividends declared after the date of their allotment.
7. Notwithstanding the above, but subject to the written consent of the Directors, all ZEPOs may be exercised during a Bid Period, at any time after a Change of Control Event has occurred or where a Court orders a meeting to be held concerning 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 (as those terms are defined in the Plan and by reference to the corresponding provisions of the Corporations Act).
8. If, prior to the expiry date of ZEPOs, a Director ceases to be a Director (other than pursuant to a determination by the Directors that the relevant Director has acted fraudulently, dishonestly or in breach of their obligations to the Company and that ZEPO is to be forfeited) the ZEPOs held by that Director (or that Director's nominee) must be exercised within 30 days after that Director ceases to be a Director (but prior to the expiry date of the ZEPOs) otherwise they will automatically lapse. Where a Director is removed from office by resolution of a general meeting of the Company, they will only be entitled to exercise a proportion of their ZEPOs.
9. ZEPOs can only be transferred with Board approval. The Directors may in their discretion, and subject to the requirements of Division 1A of Part 7.12 of the Corporations Act or other applicable requirements from time to time, allow the transfer of ZEPOs to an associate or Related Body Corporate of a participant (as defined in the Plan and by reference to the corresponding provisions of the Corporations Act).

10. A holder of ZEPOs may only participate in new issues of securities to holders of ordinary shares in the Company if the ZEPO has been exercised and shares allotted in respect of the ZEPO before the record date for determining entitlements to the issue. The Company must give prior notice to the holder of any new issue before the record date for determining entitlements to the issue in accordance with the ASX Listing Rules.
11. If there is a bonus issue to the holders of ordinary shares in the capital of the Company, the number of ordinary shares over which the ZEPO is exercisable will be increased by the number of ordinary shares which the holder of the ZEPO would have received if the ZEPO had been exercised before the record date for the bonus issue.
12. If, during the currency of the ZEPOs the issued capital of the Company is reorganised, those ZEPOs will be reorganised to the extent necessary to comply with ASX Listing Rules.

ANNEXURE D

(SUMMARY OF TERMS OF ZERO EXERCISE PRICE OPTIONS (ZEPOS) TO BE ISSUED TO NON-EXECUTIVE DIRECTORS, MESSRS DONALD STEPHENS, SIMON O'LOUGHLIN AND SIMON TAYLOR UNDER THE PETRATHERM LIMITED EMPLOYEE OPTION PLAN (PLAN))

1. Each ZEPO entitles the holder to one ordinary share in the Company.
2. Each of the ZEPOs has an exercise price of zero.
3. Subject to paragraph 4, the ZEPOs held by the optionholder are exercisable in whole or in part at any time during the period (**Exercise Period**) commencing on the date of grant and expiring, in respect of each Tranche, at 5.00 pm (Adelaide time) on that date which is two (2) years after the relevant Vesting Date (**Expiry Date**). ZEPOs not exercised on or before the Expiry Date will lapse.
4. Prior to the Expiry Date, the ZEPOs shall vest in three individual tranches as shown below (**Vesting Date**):

Tranche 1	200,000 ZEPOs – Vesting date 31 December 2025
Tranche 2	200,000 ZEPOs – Vesting date 31 December 2026
Tranche 3	200,000 ZEPOs – Vesting date 31 December 2027

providing the participant remains a Director of the Company as at the respective tranche Vesting Date (each a **Vesting Condition**).
5. ZEPOs are exercisable by notice in writing to the Board delivered to the registered office of the Company.
6. The Company will not apply for official quotation on ASX of the ZEPOs. The Company will make application for official quotation on ASX of new shares allotted on exercise of the ZEPOs. Those shares will participate equally in all respects with existing issued ordinary shares, and in particular new shares allotted on exercise of the ZEPOs will qualify for dividends declared after the date of their allotment.
7. Notwithstanding the above, but subject to the written consent of the Directors, all ZEPOs may be exercised during a Bid Period, at any time after a Change of Control Event has occurred or where a Court orders a meeting to be held concerning 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 (as those terms are defined in the Plan and by reference to the corresponding provisions of the Corporations Act).
8. If, prior to the expiry date of ZEPOs, a Director ceases to be a Director (other than pursuant to a determination by the Directors that the relevant Director has acted fraudulently, dishonestly or in breach of their obligations to the Company and that ZEPO is to be forfeited) the ZEPOs held by that Director (or that Director's nominee) must be exercised within 30 days after that Director ceases to be a Director (but prior to the expiry date of the ZEPOs) otherwise they will automatically lapse. Where a Director is removed from office by resolution of a general meeting of the Company, they will only be entitled to exercise a proportion of their ZEPOs.
9. ZEPOs can only be transferred with Board approval. The Directors may in their discretion, and subject to the requirements of Division 1A of Part 7.12 of the Corporations Act or other applicable requirements from time to time, allow the transfer of ZEPOs to an associate or

Related Body Corporate of a participant (as defined in the Plan and by reference to the corresponding provisions of the Corporations Act).

10. A holder of ZEPOs may only participate in new issues of securities to holders of ordinary shares in the Company if the ZEPO has been exercised and shares allotted in respect of the ZEPO before the record date for determining entitlements to the issue. The Company must give prior notice to the holder of any new issue before the record date for determining entitlements to the issue in accordance with the ASX Listing Rules.
11. If there is a bonus issue to the holders of ordinary shares in the capital of the Company, the number of ordinary shares over which the ZEPO is exercisable will be increased by the number of ordinary shares which the holder of the ZEPO would have received if the ZEPO had been exercised before the record date for the bonus issue.
12. If, during the currency of the ZEPOs the issued capital of the Company is reorganised, those ZEPOs will be reorganised to the extent necessary to comply with ASX Listing Rules.

For personal use only

ANNEXURE E - PETRATHERM LIMITED EMPLOYEE OPTION PLAN

Petratherm Limited Employee Option Plan

1. Definitions and interpretation

1.1 Definitions

In these Terms, unless the contrary intention appears:

Applicable Law means any one or more or all, as the context requires of:

- (a) Corporations Act and the Corporations Regulations 2001 (Cth);
- (b) Listing Rules;
- (c) any other applicable securities laws;
- (d) the Constitution of the Company;
- (e) any practice note, policy statement, class order, declaration, guideline, policy or procedure pursuant to the provisions of which ASIC, ASX or other equivalent authority is authorised or entitled to regulate, implement or enforce, either directly or indirectly, the provisions of any of the foregoing statutes, regulations or rules or any conduct of any duly authorised person, pursuant to any of the abovementioned statutes, regulations or rules.

Approved Foreign Market means a financial market recognised under Division 1A of Part 7.12 of the Corporations Act.

ASIC means the Australian Securities and Investments Commission.

Associate has the same meaning as is ascribed to that term in sections 12 to 16 (inclusive) of the Corporations Act.

Associated Body Corporate has the meaning ascribed to the term 'associated entity' in section 50AAA of the Corporations Act.

ASX means the ASX Limited ACN 008 624 691.

Auditor means the registered auditor of the Company as appointed from time to time.

Australian CDI means a CHESS Depository Interest traded on ASX, with a Share or stock as the underlying security.

Bid Period, in relation to an off-market bid or a market bid in respect of Eligible Products, means the period referred to in the definition of that expression in section 9 of the Corporations Act (or equivalent legislation), provided that where a bid is publicly announced prior to the service of a bidder's statement on the Company, the bid period shall be deemed to have commenced at the time of that announcement.

Business Day means a day on which the stock market of ASX is open for trading in securities.

Petratherm Limited Employee Option Plan

Certificate means the certificate for the Options issued by the Company to a Participant.

Change of Control Event means, if an entity does not have Control of the Company, the event pursuant to which that entity acquires Control of the Company.

Company means Petratherm Limited ACN 106 806 884.

Company Secretary means the secretary of the Company (or his delegate) as appointed from time to time.

Control has the meaning ascribed to that term in section 50AA of the Corporations Act.

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

Depository Interest means:

- (a) Australian CDIs, able to be traded on ASX, where the underlying security is a share or stock; or
- (b) depository interests that are able to be traded on an Approved Foreign Market where the underlying security is a share or stock,

where 'able to be traded' has the meaning given in section 761A of the Corporations Act.

Directors means the directors for the time being of the Company.

Eligible Employee, Eligible Associate, Eligible Service Provider and Eligible Person have the meanings ascribed to those terms in clause 12.

Eligible Financial Market means ASX or an Approved Foreign Market (and, unless otherwise stated, is limited to the main board of that market).

Eligible Related Person means:

- (a) a spouse, parent, child or sibling of the Eligible Person;
- (b) a body corporate Controlled by the Eligible Person or a person mentioned in subparagraph (a);
- (c) a body corporate that is the trustee of a self-managed superannuation fund (within the meaning of the *Superannuation Industry (Supervision) Act 1993* (Cth)), where the Eligible Person is a director of the body corporate; or
- (d) a person otherwise prescribed in relation to the Eligible Person for the purposes of section 1100L(1)(b) of the Corporations Act.

Eligible Products means, subject to and without limiting the operation of section 1100M(1) of the Corporations Act:

- (a) Shares in a class able to be traded on ASX;

Petratherm Limited Employee Option Plan

- (b) Shares or fully paid stocks in a class able to be traded on an Approved Foreign Market;
- (c) Depository (beneficial) Interests in a class able to be traded on an Eligible Financial Market; and
- (d) fully paid Stapled Securities in a class able to be traded on ASX; or
- (e) other similar interest prescribed for the purposes of section 1100M(1) of the Corporations Act,

where, 'able to be traded' has the meaning given in section 761A of the Corporations Act, and subject to such other criteria as may be imposed by Division 1A of Part 7.12 of the Corporations Act or otherwise from time to time.

Eligible Products Registry means the applicable Eligible Products registry of the Company from time to time.

Eligible Prospective Person means a person to whom an offer of an Option is made, but who can only accept the offer if an arrangement is entered into that will result in the person becoming an Eligible Person of a kind other than an Eligible Prospective Person.

Exercise means an exercise effected under clause 6.

Exercise Date means the date upon which an Option is Exercised in accordance with clause 6.1.

Exercise Notice means a notice given under clause 6.1.

Exercise Period means in relation to a particular grant of Options, the period beginning on the date determined in accordance with the provisions of clause 5.3 and ending on the date of the third anniversary of the Issue Date of those Options or as otherwise determined by the Directors at the Relevant Date.

Exercise Price means the price at which an Option may be Exercised in accordance with clause 3.2(b), as varied in accordance with these Terms.

Issue Date means the date upon which Options are issued to an Eligible Person pursuant to this Plan.

Listing Rules means the official listing rules of ASX, as varied from time to time and, for so long as the Eligible Products are listed or quoted on any other stock exchange (if ever) where such stock exchange requires compliance with its listing rules, the listing rules applicable to that stock exchange.

Loan Period means in respect of each loan the period determined under clause 13.

Loan Product means a Plan Product acquired with a Loan which has not been repaid in full in respect of that Plan Product.

Loans means loans made pursuant to clause 13.

Petratherm Limited Employee Option Plan

Offer means an Offer of Options by the Directors to an Eligible Person pursuant to this Plan.

Option means an option over Plan Products granted pursuant to the Plan.

Option Price means the amount payable for an Option as referred to in clause 3.2(a).

Participant means an Eligible Person to whom Options have been issued pursuant to the Plan.

Performance Conditions means one or more conditions (if any), as determined by the Directors under clause 5.2 and notified to a Participant in the Offer, which must be satisfied or waived by the Directors before an Option may be Exercised.

Permitted Related Person has the meaning given to it by clause 4.3.

Plan means the Employee Option Plan for the Company established in accordance with these Terms.

Plan Product means an Eligible Product in the capital of the Company issued upon Exercise of an Option or in respect of which an Option has been granted.

Related Body Corporate has the same meaning as is ascribed to that term in section 50 of the Corporations Act.

Relevant Date means the date on which the Directors resolve to offer an Option or such other date as the Directors determine.

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

Stapled Security means two or more Eligible Products which, under the terms on which each is traded, must be transferred together.

Terms means these general terms and conditions, as varied from time to time.

1.2 Interpretation

In these Terms, unless the context requires otherwise:

- (a) a reference to a word includes the singular and the plural of the word and vice versa;
- (b) a reference to a gender includes any gender;
- (c) if a word or phrase is defined, then other parts of speech and grammatical forms of that word or phrase have a corresponding meaning;
- (d) a term which refers to a natural person includes a company, a partnership, an association, a corporation, a body corporate, a joint venture or a governmental agency;
- (e) headings are included for convenience only and do not affect interpretation;

Petratherm Limited Employee Option Plan

- (f) a reference to a document includes a reference to that document as amended, novated, supplemented, varied or replaced;
- (g) a reference to a thing includes a part of that thing and includes but is not limited to a right;
- (h) the terms 'included', 'including' and similar expressions when introducing a list of items do not exclude a reference to other items of the same class or genus;
- (i) a reference to a part, clause, party, annexure, exhibit or schedule is a reference to an item of that type in these Terms and includes a reference to the provisions or terms of that part, clause, annexure, exhibit or schedule;
- (j) a reference to these Terms includes each annexure, exhibit and a schedule to these Terms;
- (k) a reference to a party to this document includes the party's successors and permitted assigns and includes any person to whom these Terms are novated;
- (l) a reference to a statute or statutory provision includes but is not limited to:
 - (1) a statute or statutory provision which amends, extends, consolidates or replaces the statute or statutory provision;
 - (2) a statute or statutory provision which has been amended, extended, consolidated or replaced by the statute or statutory provision; and
 - (3) subordinate legislation made under the statute or statutory provision including but not limited to an order, regulation, or instrument;
- (m) a reference to a document is a reference to a document of any kind including but not limited to an agreement in writing, a certificate, a notice, or an instrument;
- (n) reference to '\$', 'A\$', 'Australian Dollars' or 'dollars' is a reference to the lawful tender for the time being and from time to time of the Commonwealth of Australia;
- (o) a provision of these Terms is not to be construed against the Company solely on the ground that the Company is responsible for the preparation of these Terms or a particular provision;
- (p) a reference to an asset includes all property or title of any nature including but not limited to a business, a right, a revenue and a benefit, whether beneficial, legal or otherwise;
- (q) a reference to liquidation includes appointment of an administrator, compromise, arrangement, merger, amalgamation, reconstruction, winding up, dissolution, assignment for the benefit of creditors, scheme composition or arrangement of creditors, insolvency, bankruptcy or any similar procedure or if applicable changes in the Constitution of a partnership or the death of a person; and

Petratherm Limited Employee Option Plan

- (r) a reference to a body which is not a party to these Terms which ceases to exist or whose power or function is transferred to another body, is a reference to the body which replaces or substantially succeeds to the power or function of the first body.

1.3 Business Day and Day

- (a) If these Terms require that the day on which a thing must be done is a day which is not a Business Day, then that thing must be done on or by the next Business Day.
- (b) If an event occurs on a day which is not a Business Day, or occurs later than 5.00 pm local time at the place that the event occurs, then the event is deemed to have occurred on the next Business Day in the place that the event occurs.
- (c) A reference to a day is a reference to a time period which begins at midnight and ends 24 hours later.
- (d) A reference to a period of time unless specifically written otherwise, includes the first day of that period.

2. Directors' authority

2.1 The Directors will establish and administer the Plan in accordance with the Corporations Act and regulations made under the Corporations Act, the Listing Rules and these Terms and, subject to any Applicable Law, will have the absolute discretion and power to:

- (a) determine appropriate procedures for administration of the Plan;
- (b) resolve conclusively all questions of fact or interpretation arising in connection with the Plan or these Terms;
- (c) delegate to any one or more persons for such period and subject to such conditions as they may determine, the exercise of their powers or discretions, or of any of them, under these Terms; and
- (d) alter, modify, add to or repeal any of these Terms, even where such alteration, modification, addition or repeal:
 - (1) will or may adversely affect, whether materially or otherwise, any existing right or entitlement of a Participant or otherwise disadvantage an existing Participant; and
 - (2) occurs either during or after the expiry of the Exercise Period and irrespective of whether or not the Options, or the Plan Product or Plan Products that have been issued to a Participant pursuant to the Exercise of an Option, have or would have otherwise fully vested in that Participant.

2.2 The Company undertakes to each Participant that the powers and rights available to the Directors under clause 2.1(d) will not be exercised in a capricious, malicious or unreasonable manner.

Petratherm Limited Employee Option Plan

2.3 Subject to these Terms, the Directors may from time to time in their absolute discretion determine those Eligible Persons to whom an offer to participate in the Plan will be made and the terms of such an offer.

3. Options, option price and exercise price

3.1 Subject to these Terms, the Directors may determine from time to time to grant Options upon such terms and to such Eligible Persons as they see fit.

3.2 Unless otherwise determined by the Directors:

- (a) the Option Price will be nil;
- (b) the Exercise Price will be the amount determined by the Directors on the Relevant Date and specified in an Offer; and
- (c) the Directors will notify the Participants in writing of the Exercise Price of an Option at the time of making an Offer.

4. Offer of options

4.1 Subject to these Terms, the Company (acting through the Directors) may make an Offer at such times and on such terms as the Directors consider appropriate. Each Offer must be expressed to be made under Division 1A of Part 7.12 of the Corporations Act and must state:

- (a) that the Eligible Person to whom it is addressed may accept the whole or any lesser number of Options offered. The Offer may stipulate a minimum number of Options and any multiple of such minimum or any other number which may be accepted;
- (b) the period within which the Offer may be accepted and the Exercise Period;
- (c) the method of calculation of the Exercise Price; and
- (d) any other matters which the Directors may determine or is required under Division 1A of Part 7.12 of the Corporations Act or any other Applicable Law.

4.2 Upon receipt of an Offer of Options, an Eligible Person may, within the period specified in the Offer:

- (a) accept the whole or any lesser number of Options offered by notice in writing to the Directors; or
- (b) nominate an Eligible Related Person in whose favour the Eligible Person wishes to renounce the Offer by notice in writing to the Directors. The Directors may, in their absolute discretion, resolve not to allow such renunciation of an Offer in favour of an Eligible Related Person without giving any reason for such decision.

4.3 Upon:

- (a) receipt of the acceptance referred to in paragraph 4.2(a); or

Petratherm Limited Employee Option Plan

- (b) the Directors resolving to allow a renunciation of an Offer in favour of an Eligible Related Person (**Permitted Related Person**) and the Permitted Related Person accepting the whole or any lesser number of Options offered by notice in writing to the Directors,

the Eligible Person or the Permitted Related Person, as the case may be, will be taken to have agreed to be bound by these Terms and will be issued Options subject to these Terms.

- 4.4 Certificates for Options will be dispatched within 10 Business Days after their Issue Date.
- 4.5 If Options are issued to a Permitted Related Person of an Eligible Person, the Eligible Person must, without limiting any provision in these Terms, ensure that the Permitted Related Person complies with these Terms.

5. Vesting and entitlement

- 5.1 At the time of making an Offer of Options, the Directors may impose such vesting conditions (if any) as they consider appropriate.
- 5.2 At the time of making an Offer of Options, the Directors may impose such Performance Conditions (if any) as they consider appropriate.
- 5.3 No Option can be Exercised until:
 - (a) it has vested under the vesting conditions (if any) applicable to the Option in accordance with clause 5.1 or the vesting conditions have been waived by the Directors; and
 - (b) the Performance Conditions (if any) applicable to the Option in accordance with clause 5.2 have been satisfied or waived by the Directors.
- 5.4 Once an Option is able to be exercised in accordance with clause 5.3, it:
 - (a) may be Exercised during the Exercise Period; and
 - (b) entitles the Participant to subscribe for and be allotted one Plan Product at the Exercise Price.
- 5.5 Notwithstanding these Terms, while the Eligible Products are listed on the ASX or other Eligible Financial Market, the Company must allot and issue Plan Products upon Exercise of an Option in accordance with the Applicable Laws.
- 5.6 Plan Products issued upon the Exercise of Options will rank equally with all existing Eligible Products (of that class) in the capital of the Company from their respective issue date.

6. Exercise of options

- 6.1 An Option is Exercised by:
 - (a) the Participant lodging with the Company an Exercise Notice;

Petratherm Limited Employee Option Plan

- (b) the receipt by the Company of a payment by or on behalf of a Participant and in immediately available funds, of the Exercise Price for each of the Options the subject of such Exercise Notice; and
 - (c) the Participant lodging with the Company the Certificate for those Options, for cancellation by the Company.
- 6.2 Subject to clause 6.1, within 15 Business Days after the later of the following:
- (a) receipt by the Company of an Exercise Notice given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised if the Company is not in possession of excluded information (as defined in section 708A(7) of the Corporations Act); and
 - (b) the date the Company ceases to be in possession of excluded information in respect to the Company (if any) following the receipt of the Exercise Notice and payment of the Exercise Price for each Option being exercised by the Company,
- the Company will:
- (c) allot and issue the Plan Products pursuant to the exercise of the Options;
 - (d) comply with all Applicable Laws, including, in respect of Eligible Products being Shares (**Plan Shares**) to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act or lodge a prospectus with ASIC that qualifies the Plan Shares for resale under section 708A(11) of the Corporations Act; and
 - (e) apply for official quotation on ASX or other Eligible Financial Market (as the case may require) of the Plan Products issued pursuant to the exercise of the Options.
- 6.3 Subject to the provisions of clause 6.4, Exercise of some only of the Options held by a Participant does not prevent Exercise of any remaining vested unexercised Options.
- 6.4 Options may not be Exercised in parcels of less than 1,000. Holders of less than 1,000 Options may Exercise those Options in full but not in part.
- 6.5 Notwithstanding any other provision of this clause 6 or clause 5 but subject to the written consent of the Directors, all Options may be Exercised:
- (a) during a Bid Period;
 - (b) at any time after a Change of Control Event has occurred; or
 - (c) if, on an application under section 411 of the Corporations Act, a Court orders a meeting to be held concerning 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.

Petratherm Limited Employee Option Plan

7. Lapse of options

7.1 Subject to clause 5.3, if the Participant is a Director or the Permitted Related Person of a Director, an Option may be Exercised by that Participant at any time prior to the first to occur of:

- (a) the expiry of the Exercise Period;
- (b) the expiry of 30 days after the person ceases to be a Director; and
- (c) a determination by the other Directors that that Director has acted fraudulently, dishonestly or in breach of that Director's obligations to the Company and that the Option is to be forfeited.

If such a Participant fails, for any reason, to Exercise all the Options registered in his or her name prior to such occurrence, those Options that the Participant would have been entitled to Exercise and that have not been Exercised, and any right or entitlement of a Participant to have those Options vested in that Participant, will lapse and be of no further force or effect.

7.2 If a resolution of a general meeting of the Company to remove a person as a Director is passed, that person or the Permitted Related Person of that person who is a Participant may only Exercise a proportion of the Options that are registered in that Participant's name as is equal to the proportion that the period from the Issue Date of those Options to the date of passage of the resolution bears to the Exercise Period and the balance of those Options will be wholly and unconditionally forfeited, lapse and be of no further force or effect upon and from the date of passage of the resolution.

7.3 Unless otherwise determined by the Directors and subject to clause 5.3, if a Participant is an Eligible Employee or the Permitted Related Person of an Eligible Employee, an Option may be Exercised by that Participant at any time prior to the first to occur of:

- (a) the expiry of the Exercise Period;
- (b) the expiry of 30 days after termination of the Eligible Employee's employment where such termination has either been voluntary on the Eligible Employee's part or otherwise has occurred without cause; and
- (c) termination of the Eligible Employee's employment with cause.

If such a Participant fails, for any reason, to Exercise all the Options registered in his or her name prior to such occurrence, those Options that the Participant would have been entitled to Exercise and that have not been Exercised, and any right or entitlement of a Participant to have those Options vested in that Participant, will lapse and be of no further force or effect.

7.4 Unless otherwise determined by the Directors and subject to clause 5.3, if a Participant is an Eligible Service Provider or the Permitted Related Person of an Eligible Service Provider, an Option may be Exercised by that Participant at any time prior to the first to occur of:

- (a) the expiry of the Exercise Period;

Petratherm Limited Employee Option Plan

- (b) the expiry of 30 days after termination of the Eligible Service Provider's engagement where such termination has either been voluntary on the Eligible Service Provider's part or otherwise has occurred without cause; and
- (c) termination of the Eligible Service Provider's engagement with cause.

If such a Participant fails, for any reason, to Exercise all the Options registered in his or her name prior to such occurrence, those Options that the Participant would have been entitled to Exercise and that have not been Exercised, and any right or entitlement of a Participant to have those Options vested in that Participant, will lapse and be of no further force or effect.

8. Transfer

Except with the consent of Directors, Options may not be transferred and will not be quoted on or by the ASX or other Eligible Financial Market. The Directors may in their discretion, and subject to the requirements of Division 1A of Part 7.12 of the Corporations Act or other applicable requirements from time to time, allow the transfer of Options to an Associate or Related Body Corporate of a Participant.

9. Quotation of plan products

The Company will apply to the ASX or other applicable Eligible Financial Market for official quotation of Plan Products issued on the Exercise of Options, if the Company is, at the time of issue of those Plan Products, admitted to the official list of the ASX or other Eligible Financial Market, as the case may be.

10. Participation in future issues

10.1 New Issues

Participants may only participate in new issues of securities to holders of Eligible Products if an Option has been exercised and Plan Products allotted in respect of the Option before the record date for determining entitlements to the issue. The Company must give at least nine Business Days' notice (or such greater period of notice (if any) as may be required by the Listing Rules) to Participants of any new issue before the record date for determining entitlements to the issue in accordance with the Listing Rules.

10.2 Bonus Issues

If there is a bonus issue of Eligible Products of the relevant class (**Bonus Issue**) to the holder of Eligible Products, the number of Plan Products over which an Option is exercisable will be increased by the number of Eligible Products which the Participant would have received if the Option had been exercised before the record date for the Bonus Issue (**Bonus Eligible Products**). Upon issue the bonus Eligible Products will rank *pari passu* in all respects with the other Eligible Products of the Company in that class on issue at the date of issue of the Bonus Eligible Products.

10.3 Pro Rata Issue

If there is a pro rata issue (other than a Bonus Issue) to the holders of Eligible Products, the Exercise Price of an Option will be reduced according to the following formula:

$$A = \frac{O - E [P - (S+D)]}{N + 1}$$

A = the new exercise price of the Option.

O = the old exercise price of the Option.

E = the number of Plan Eligible Products into which one Option is exercisable.

P = the value of an Eligible Product at the time the pro rata rights issue is made as determined by an accountant independent of the Company, but if the Eligible Products are quoted on the ASX or other Eligible Financial Market, the average closing sale price per Eligible Product (weighted by reference to volume) recorded on the stock market of ASX or other applicable Eligible Financial Market during the five trading days ending on the day immediately before the ex rights date or ex entitlements date (excluding special crossings, overnight sales and exchange traded option exercises).

S = the subscription price for an Eligible Product under the pro rata issue.

D = any dividend due but not yet paid on existing Eligible Products which will not be payable in respect of new Eligible Products issued under the pro rata issue.

N = the number of Eligible Products with rights or entitlements that must be held to receive a right to one new Eligible Product.

10.4 Reorganisation of Capital

If, prior to the expiry or lapse of any Options, there is a reorganisation of the issued capital of the Company, those Options will be reorganised to the extent necessary to comply with the Listing Rules.

10.5 Aggregation

If Options are Exercised simultaneously then the Participant may aggregate the number of Plan Products or fractions of Plan Products to which the Participant is entitled to subscribe for under those Options. Fractions in the aggregate number only will be disregarded in determining the total entitlement to subscribe.

10.6 Advice

In accordance with the Listing Rules, the Company must give notice to each Participant of any adjustment to the number of Eligible Products for which the Participant is entitled to subscribe or to the Exercise Price pursuant to the provisions of clauses 10.2, 10.3 or 10.4.

Petratherm Limited Employee Option Plan

11. Maximum number

11.1 Subject to any variation to the requirements under Division 1A of Part 7.12 of the Corporations Act or otherwise from time to time and to the requirements of section 1100V of the Corporations Act (including, in respect of Eligible Products comprising stapled securities, section 1100V(3)), the Company shall not offer or issue Options to any Eligible Person in accordance with this Plan if the total number of Shares that are, or are covered by, the Eligible Products of the Company that may be issued under the offer, when aggregated with the total number of Shares that are, or are covered by, the Eligible Products that have been issued, or could have been issued, under offers made in connection with this Plan at any time during the three year period ending on the day the offer is made, (disregarding any offer or invitation made, or option acquired or share or other Eligible Product issued following the making of an offer or invitation, to a person situated at the time of receipt of the offer or invitation outside Australia or any offer or invitation which, pursuant to Chapter 6D of the Corporations Act (or other Applicable Law), does not need disclosure to investors), would exceed:

- (a) such issue cap percentage as may be specified in the Company's Constitution; or
- (b) if paragraph 11.1(a) does not apply, then the greater of:
 - (1) 5%; and
 - (2) such other percentage prescribed for the purposes of section 1100V of the Corporations Act,

of the total number of Shares on issue as at the start of the day the offer is made. For the avoidance of doubt, where an Option lapses without being exercised, the Eligible Products concerned shall be excluded from any calculation under this clause.

12. Eligible Persons

12.1 **Eligible Employee** means:

- (a) a person who is engaged in the full time, part time or casual employment of the Company or an Associated Body Corporate of the Company and includes any Director holding a salaried employment or office in the Company or an Associated Body Corporate of the Company; and
- (b) subject to the requirements of Division 1A of Part 7.12 of the Corporations Act as varied or replaced from time to time, any person acquiring and holding any Plan Product or Options for the benefit of any such employee (other than any employee who is a Director), provided that the Plan Product and Options are acquired and held on such terms and conditions as have been previously approved by the Directors including, without limitation, and subject to the requirements of Division 1A of Part 7.12 of the Corporations Act any trustee of a trust established by the Company to hold Plan Products or Options for the benefit of such employees.

Petratherm Limited Employee Option Plan

12.2 Eligible Associate means:

- (a) any Director, including non-executive Director or officer, of the Company or an Associated Body Corporate of the Company; and
- (b) subject to the requirements of Division 1A of Part 7.12 of the Corporations Act as varied or replaced from time to time, any person or entity acquiring and holding any Plan Product for the benefit of any Eligible Employee who is a Director or officer of the Company or an Associated Body Corporate of the Company at the time of such acquisition or any person referred to in clause 12.2(a), and provided that the Plan Product is acquired and held on such terms and conditions as have been previously approved by the Directors.

12.3 Eligible Service Provider means:

- (a) an individual who provides services to the Company or an Associated Body Corporate of the Company; and
- (b) subject to the requirements of Division 1A of Part 7.12 of the Corporations Act as varied or replaced from time to time, any person acquiring and holding any Plan Product or Options for the benefit of any such Eligible Service Provider (other than any Eligible Service Provider who is a Director), provided that the Plan Product and Options are acquired and held on such terms and conditions as have been previously approved by the Directors including, without limitation, and subject to the requirements of Division 1A of Part 7.12 of the Corporations Act any trustee of a trust established by the Company to hold Plan Products or Options for the benefit of such Eligible Service Providers.

12.4 An Eligible Employee or Eligible Service Provider may also be an Eligible Associate.

12.5 **Eligible Persons** means Eligible Employees, Eligible Associates and Eligible Service Providers and includes an Eligible Prospective Person and a person otherwise prescribed for the purposes of section 1100L(1)(a) of the Corporations Act.

13. Loans

13.1 Subject to the terms of the Plan, and subject in all things to the requirements of section 1100U of the Corporations Act, the Directors may from time to time determine that the Company makes loans to Eligible Persons in connection with Plan Products to be issued pursuant to the Exercise of Options under the Plan.

13.2 No Loans shall be made to persons other than an Eligible Person being the Participant in respect of the Plan Products referred to in clause 13.1.

13.3 Subject to this clause 13, Loans may be made for the Exercise Price payable upon Exercise of Options issued under the Plan and on such terms and conditions as the Directors see fit.

13.4 A Participant who accepts a Loan in respect of some or all of the Plan Products pursuant to clause 13.1, will upon and by such acceptance, irrevocably authorise the Company to apply the Loan on behalf of the Participant by way of payment of

Petratherm Limited Employee Option Plan

the Exercise Price of the Plan Products in respect of which the Loan was accepted and the payment of any duties payable by the Participant in respect of the Loan.

- 13.5 The Loan Period is the period commencing when the Loan is made and ending on the first to occur of the following dates:
 - (a) the Participant ceasing to be employed by the Company or an Associated Body Corporate of the Company;
 - (b) the Company agreeing to sell the Loan Products as requested by an Eligible Person in accordance with clause 15.2; or
 - (c) the Loan being repaid in full.

- 13.6 A Participant may repay all or part of a Loan at any time before the expiration of the Loan Period.

- 13.7 Unless otherwise determined by the Directors and subject to clause 13.8, the Company will apply and each Participant will, by virtue of their acceptance of the Loan, be deemed to have irrevocably directed the Company to so apply all dividends paid in cash on the Plan Products towards repayment of the Loan.

- 13.8 The amount of the dividend applied pursuant to clause 13.7 shall not exceed the after tax value of the dividends computed on the assumption that the Participant is assessable to tax at the highest personal marginal rate of income tax in Australia applicable to Australian residents (including for this purpose the Medicare Levy but not the Medicare Surcharge) on the whole of the dividend and after allowing for any franking rebate to which the Participant is entitled in relation to the dividend.

- 13.9 Without restricting the discretion of the Directors, but subject to the requirements of Division 1A of Part 7.12 of the Corporations Act or other applicable requirements from time to time including any requirements prescribed in the *Corporations Regulations 2001* (Cth), Loans may be made on terms and conditions which provide that:
 - (a) no interest or fees be payable in respect of the Loan;
 - (b) where the Exercise Price paid pursuant to the Exercise of Options has been financed in whole or in part by the provision of a Loan by the Company to a Participant, that Participant will encumber in favour of, and lodge with, the Company or its nominee as security for repayment of the Loans all its right title and interest in the Plan Products that have been issued to the Participant as a result of such Exercise; or
 - (c) the total amount of principal repayable under the Loan be limited to the proceeds of the sale of Plan Products acquired with the Loan less any costs of sales.

14. Rights attaching to loan products

- 14.1 Subject to clauses 13.7 and 13.8, a Participant is entitled to all dividends declared or paid on the Loan Products held by the Participant.

Petratherm Limited Employee Option Plan

- 14.2 A Participant is entitled to any bonus Eligible Products which accrue to Loan Products held by the Participant in accordance with clause 10.2.
- 14.3 Upon allotment of the bonus Eligible Products to the Participant, any bonus Eligible Products which accrue to Loan Products are deemed, for the purposes of the Plan, to be Loan Products until such time as the Loans in respect of the Loan Products to which the bonus Eligible Products accrued had been repaid in full.

15. Restriction on transfer of loan products

- 15.1 Other than as provided by these Terms:
 - (a) a Participant must not sell, encumber or otherwise deal with a Loan Product prior to the repayment of the Loan used to acquire that Loan Product; and
 - (b) the Company must not register or permit the Eligible Product Registry to register a transfer of a Loan Product until the Loan used to acquire that Loan Product has been repaid and for that purpose the Company may do such things and enter into such arrangements with the Eligible Product Registry or otherwise as it considers necessary to enforce such restrictions on the transfer of a Loan Product and Participants will be bound by such arrangements.
- 15.2 A Participant who holds a Loan Product may request the Company in writing to sell that Loan Product on behalf of the Participant and apply the proceeds in accordance with clause 15.5.
- 15.3 For the purpose of the sale of the Loan Products pursuant to clause 15.2, the Participant will be deemed to have irrevocably appointed, as a result of that Participant's request pursuant to clause 15.2, the Company Secretary as that Participant's agent and attorney to sign all documents and do all acts necessary to sell the Loan Products and account for the proceeds in accordance with clause 15.5 and shall indemnify the Company Secretary and the Company in respect of all costs, damages or losses arising from the sale of the Loan Products.
- 15.4 The Company and the Company Secretary will have complete discretion in respect of the sale of the Loan Products under this clause 15 and will not be liable to the Participant in respect of the timing of or price obtained on or any other circumstances relating to such sale.
- 15.5 Upon the Company selling the Loan Products in accordance with a request made by a Participant in accordance with clause 15.2:
 - (a) the proceeds of the sale will be applied in the following order:
 - (1) in payment of any costs and expenses of the sale incurred by the Company;
 - (2) in reduction of the outstanding amount of the Loan; and
 - (3) the balance (if any) in payment to the Participant; and
 - (b) subject to the terms of a Loan as determined in accordance with the provisions of clause 13.9(c) if applicable, the Participant shall be liable to

For personal use only

Petratherm Limited Employee Option Plan

the Company for any shortfall between the proceeds of such sale and the outstanding amount of the Loan.

16. Loan not repaid

- 16.1 If the Participant has not repaid the outstanding amount of a Loan at the end of the Loan Period, the Company may, at its discretion, on behalf of the Participant, sell the Loan Products and apply the proceeds in accordance with clause 16.4.
- 16.2 For the purpose of the sale of the Loan Products pursuant to clause 16.1, the Participant will be deemed to have irrevocably appointed, as a result of that Participant's acceptance of the issue of the Loan Products, the Company Secretary as that Participant's agent and attorney to sign all documents and do all acts necessary to sell the Loan Products and account for the proceeds in accordance with clause 16.4 and shall indemnify the Company Secretary and the Company in respect of all costs, damages or losses arising from the sale of the Loan Products.
- 16.3 The Company and the Company Secretary will have complete discretion in respect of the sale of the Loan Products under clause 16.1 and will not be liable to the Participant in respect of the timing of or price obtained on or any other circumstances relating to such sale.
- 16.4 If the Company sells the Loan Products in accordance with clause 16.1:
- (a) the proceeds of the sale will be applied in the following order:
 - (1) in payment of any costs and expenses of the sale incurred by the Company; and
 - (2) in reduction of the outstanding amount of the Loan; and
 - (3) the balance (if any) in payment to the Participant; and
 - (b) in accordance with the terms of the Loan as determined in accordance with the provisions of clause 13.9(c) if applicable but not otherwise, the Participant shall not be liable to the Company for any shortfall between the proceeds of such sale and the outstanding amount of the Loan.

17. Attorney

For the avoidance of doubt the Participant, in consideration of the grant of the Loan and by virtue of that Participant's acceptance of any or all Loan Products, will be deemed to have irrevocably appointed the person who from time to time occupies the position of Company Secretary, that Participant's attorney to complete and execute any documents including share transfers and to do all acts or things in his or her name on his or her behalf which may be convenient or necessary for the purpose of giving effect to the provisions of clauses 15 and 16 of this Plan and the Participant covenants that the Participant shall ratify and confirm any act or thing done pursuant to this power and shall indemnify the attorney (or their delegate) and the Company in respect thereof.

18. Notices

Notices must be given by the Company to the Participant in the manner prescribed by the Constitution of the Company for the giving of notices to members of the Company and the

Petratherm Limited Employee Option Plan

relevant provisions of the Constitution of the Company apply with all necessary modifications to notices to any Participant.

19. Right to accounts

Participants will be sent all reports and accounts required to be laid before members of the Company in general meeting and all notices of general meetings of members but, unless otherwise entitled, will not have any right to attend or vote at those meetings.

20. Overriding restrictions on grant and exercise

20.1 Notwithstanding any other provision of these Terms, all rights and entitlements attaching to an Option or of a Participant under this Plan will be changed or amended to the extent necessary to comply with the Listing Rules that apply to a reorganisation of the capital of the Company, at the time that that re-organisation becomes effective.

20.2 No Option may be Exercised if to do so would contravene the Applicable Law.

20.3 Without limitation to the provisions of this clause 20:

- (a) the Option terms and conditions must allow the rights of a Participant to comply with the Listing Rules applying to a reorganisation of capital of the Company at the time of the reorganisation; and
- (b) subject to the provisions of clause 20.3(a), any reorganisation of capital of the Company must not be done in a manner or with the effect that will prejudice the rights or interests, or the value of the rights or interests, of Participants in the Options they hold, immediately prior to the time of any such reorganisation.

21. Right of participants

21.1 Nothing in these Terms:

- (a) confers on a Participant the right to receive any Eligible Products;
- (b) confers on a Participant who is a Director the right to continue as a Director;
- (c) confers on a Participant the right to continue as an employee, service provider or contractor of the Company or an Associated Body Corporate of the Company;
- (d) affects any rights which the Company, or an Associated Body Corporate of the Company, may have to terminate the appointment of a Participant who is a Director or terminate the employment of an employee or the engagement of a contractor; or
- (e) may be used to increase damages in any action brought against the Company or an Associated Body Corporate in respect of any such termination.

Petratherm Limited Employee Option Plan

22. Termination and suspension of the plan

The Directors may resolve at any time to terminate or suspend the operation of the Plan.

23. Governing law

The Plan is governed by and shall be construed and take effect in accordance with the laws of South Australia.

24. Shareholder approval

Clauses 13 to 17 only come into effect on the passing of an appropriate shareholders' resolution to authorise the granting of financial assistance to a Participant.

For personal use only



Petratherm Ltd
ACN 106 806 884

PTR

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Need assistance?



Phone:

1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:

www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:00am (ACDT) on Tuesday 18 March 2025.**

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999

SRN/HIN: I999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Petratherm Ltd hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Extraordinary General Meeting of Petratherm Ltd to be held at HLB Mann Judd, Level 1, 169 Fullarton Road, Dulwich SA 5065 on Thursday 20 March 2025 at 11:00am (ACDT) and at any adjournment or postponement of that meeting. **Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 3, 4, 5, and 6 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 3, 4, 5, and 6 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman. **Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 3, 4, 5, and 6 by marking the appropriate box in step 2.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Approval of Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approval of Previous Issue of Performance Rights	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval for Issue of Zero Exercise Price Options to Non-Executive Director, Mr Derek Carter	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval for Issue of Zero Exercise Price Options to Non-Executive Director, Mr Donald Stephens	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval for Issue of Zero Exercise Price Options to Non-Executive Director, Mr Simon O'Loughlin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval for Issue of Zero Exercise Price Options to Non-Executive Director, Mr Simon Taylor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1 Securityholder 2 Securityholder 3 / /
Sole Director & Sole Company Secretary Director Director/Company Secretary Date

Update your communication details (Optional)

Mobile Number Email Address By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically



For personal use only