



MARKET RELEASE

9 November 2012

DACIAN GOLD LIMITED

PRE-QUOTATION DISCLOSURE

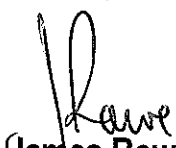
Dacian Gold Limited ("Company") was admitted to the Official List of ASX Limited on Friday, 9 November 2012.

Official Quotation of the Company's securities will commence at 1.30 pm E.D.S.T. (10.30 am W.S.T) on Wednesday, 14 November 2012.

The following information is released as pre-quotation disclosure.

1. A distribution schedule of the numbers of holders in each class of security to be quoted in the form contained in appendix 1A, paragraph 48.
2. A statement setting out the names of the 20 largest holders of each class of securities to be quoted, including the number and percentage of each class of securities held by those holders.
3. A statement setting out the number of securities subject to escrow and the escrow period applied to those securities.
4. A securities trading policy that complies with the requirements of listing rule 12.12.
5. The full terms and conditions of all options currently on issue.
6. The full terms and conditions of the Employee Option Plan.

Security Code: DCN


James Rowe
Manager, Listings (Perth)

CLASS GROUP: *G1/ORDINARY SHARES (GROUPED)	HOLDER NO	NAME AND ADDRESS	UNITS	% I/C	RANK
MCA NOMINEES PTY LTD			9,100,000	9.47	1
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED			5,932,459	6.17	2
VITESE PTY LTD <THE VITESE INVESTMENT A/C>			5,100,000	5.31	3
CAUTIOUS PTY LTD <THE RESERVE A/C>			4,100,000	4.27	4
DALRAN PTY LTD <THE SMITH FAMILY A/C>			4,100,000	4.27	5
KINGARTH PTY LTD			4,100,000	4.27	6
POLLY PTY LTD <BS PATERSON FAMILY A/C>			4,100,000	4.27	7
SANPOINT PTY LTD <THE FIORE FAMILY A/C>			4,100,000	4.27	8
S G J INVESTMENTS PTY LTD <THE SIKIRICH FAMILY A/C>			4,100,000	4.27	9
TODTONA PTY LTD			4,100,000	4.27	10
LYREBIRD PTY LTD <LYREBIRD SUPERANNUATION FUND A/C>			4,000,000	4.16	11
BAINPRO NOMINEES PTY LIMITED			3,400,000	3.54	12
J P MORGAN NOMINEES AUSTRALIA LIMITED			2,716,355	2.83	13
CITICORP NOMINEES PTY LIMITED			2,500,000	2.60	14
REDLAND PLAINS PTY LTD <BRIAN BERNARD RODAN S/F A/C>			2,500,000	2.60	15
REDLAND PLAINS PTY LTD <MAJESTIC INVESTMENT A/C>			2,500,000	2.60	16
REDASO PTY LTD <REDASO FAMILY A/C>			2,100,000	2.19	17
ROGO INVESTMENTS PTY LTD			2,100,000	2.19	18
NATIONAL NOMINEES LIMITED			2,068,314	2.15	19

CLASS GROUP: *G1/ORDINARY SHARES (GROUPED)
HOLDER NO NAME AND ADDRESS

MR KENNETH JOSEPH HALL
<HALL PARK A/C>

UNITS % I/C RANK
1,000,000 1.04 20

*** REPORT TOTAL *** 73,717,128 76.71
*** REMAINDER *** 22,382,872 23.29
*** GRAND TOTAL *** 96,100,000 100.00

*G1 1 1001 5001 10001 100001
 to to to to to
 1000 5000 10000 100000 (MAX)
 /ORDINARY SHARES (GROUPED)

* TOTAL *

Issuers		6	6	36	19	67
Chess	1	44	92	294	34	465
Total	1	50	98	330	53	532
Units						
Issuer	828	24000	60000	1458000	57750000	59292000
Chess	828	176000	825828	10813283	24992061	36808000
Total	828	200000	885828	12271283	82742061	96100000

TOTAL HOLDERS FOR CLASSES SELECTED

532

TOTAL UNITS

96100000

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CLS	REG	CATEGORY (GROUPED)	--H O L D E R S--		-----C E R T S-----		UNITS	MONEY
			CURRENT	NIL BAL	CURRENT	NIL BAL		
*G1	ORDINARY SHARES	WA	67	0	81	0	59,292,000	
		Issuer	465	0	465	0	36,808,000	
		Chess	532*	0*	546*	0*	96,100,000 *	
		WA Totals	532	0	546	0	96,100,000	
*G1	***	*****						

GRAND TOTALS 532 0 546 0 96,100,000

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Statement of Restricted Securities

Dacian Gold Limited ABN 61 154 262 978

Fully paid ordinary shares escrowed for 12 months to 8 March 2013	11,000,000
Fully paid ordinary shares escrowed for 24 months from the date of quotation	24,000,000
Unlisted options to acquire fully paid ordinary shares at \$0.84 expiring 9 October 2017 escrowed for 12 months to 8 October 2013	1,650,000
Unlisted options to acquire fully paid ordinary shares at \$0.84 expiring 9 October 2017 escrowed for 24 months from the date of quotation	9,500,000



Statement of Option Terms for Options issued to Directors

Dacian Gold Limited ABN 61 154 262 978

- (a) The Options expire on 9 October 2017.
- (b) The exercise price for each Option is \$0.84.
- (c) The Options will be granted for nil consideration.
- (d) The vesting periods of the Options are set out in the Prospectus of Dacian Gold Limited dated 12 October 2012.
- (e) The Options issued to a non-executive Director are personal to that Director or his nominee and are not transferable. The Options issued to the Managing Director are personal and not transferable except to an entity controlled by the Managing Director that is approved by the Board.
- (f) The Options issued to a non-executive Director will be forfeited if the Director resigns or is removed from the Board before the Options vest. The Options issued to the Managing Director will be forfeited in accordance with the terms and conditions of his Executive Services Agreement, as disclosed in the Prospectus of Dacian Gold Limited dated 12 October 2012.
- (g) The Options will be cancelled if Dacian Gold Limited does not list on the official list of ASX Limited on or before 31 December 2012.
- (h) Each Option will entitle the Option holder to subscribe for one fully paid ordinary share in the Company.
- (i) The Company will give the Option holder a certificate or holding statement stating the number of Options issued to the Option holder, the exercise price of the Options and the date of issue of the Options.
- (j) The Options will not be listed for quotation on ASX Limited.
- (k) The Company will apply to ASX Limited for official quotation of the shares issued on the exercise of the Option.
- (l) The Option holder is not entitled to participate in any new issue of securities in the Company to existing shareholders by virtue of holding Options alone, unless he has exercised some or all of the Options before the record date for determining entitlements to the new issue of securities and participate as a result of holding shares.
- (m) If the Company makes a bonus issue of shares or other securities to shareholders (except issue in lieu of dividends or by way of dividend reinvestment) and no share has been issued in respect of the Option before the record date for determining entitlements to the bonus issue, then the number of underlying shares over which the Option is exercisable is increased by the number of shares which the Option holder would have received if the Option holder had exercised the Option before the record date for determining entitlements to the bonus issue.
- (n) If the Company makes a pro-rata issue of shares (except a bonus issue) to existing shareholders (except an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and no share has been issued in respect of the Option before the record date for determining entitlements to the pro-rata issue, the exercise price of each Option is reduced in accordance with Listing Rule 6.22.2.
- (o) If there is a reorganisation of the share capital of the Company, then the rights of the Option holder will be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

- (p) Any calculations of adjustments which are required to be made will be made by the Company's Board and will, in the absence of manifest error, be final and conclusive, and binding on the Company and the Option holder.
- (q) The Option holder may only exercise Options in multiples of 5,000 Options, unless the Option holder exercises all of the Options held by him.
- (r) The Option holder can only exercise the Options in accordance with the Company's Share Trading Policy, as amended from time to time.
- (s) To exercise the Options, the Option holder must give the Company or its share registry, at the same time:
 - (i) a written exercise notice in a form approved by the Board which specifies the number of Options being exercised and fully paid ordinary shares to be issued;
 - (ii) payment of the exercise price for the Shares the subject of the exercise notice in a manner approved by the Company; and
 - (iii) any certificate for the Options.
- (t) Options will be deemed to have been exercised on the date the exercise notice is lodged with the Directors of the Company.
- (u) If the Option holder exercises less than the total number of Options registered in the Option holder's name:
 - (i) The Option holder must surrender the Option certificate (if any); and
 - (ii) the Company must cancel the Option certificate (if any) and issue the Option holder a new Option certificate or holding statement stating the number of Options held by the Option holder.
- (v) Within 10 days after receiving an application for exercise of the Options and payment by the Option holder of the exercise price, the Company must issue the Option holder the number of Shares specified in the application.
- (w) Subject to the Company's constitution, ordinary shares issued on the exercise of Options will rank equally with the Company's current issued ordinary shares.
- (x) The terms of the Options are governed by the laws of Western Australia. The Option holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia.

SHARE TRADING POLICY

This share trading policy sets out the Company's policy regarding trading in the Company's securities. This policy is separate from and additional to the legal constraints imposed by the common law, the *Corporations Act* and the *ASX Listing Rules*.

This policy applies to Relevant Persons, which include all Directors and other Company officers, Executives and Employees of the Company and their related parties, and may include consultants and advisers from time to time.

It is illegal to trade in the Company's securities while in possession of unpublished price sensitive or "inside" information concerning the Company. Under the *Corporations Act* a person with inside information:

- must not;
- must not procure another person to; and
- must not directly or indirectly communicate inside information (or cause such information to be communicated) to another person if the insider knows, or reasonably to know) that the other person would be likely to,

deal in the securities of a body corporate or enter into an agreement to deal in the securities of a body corporate.

"Inside information" is defined in the *Corporations Act* as information that:

- is not generally available; and
- if it were generally available, a reasonable person would expect it to have a "material effect" on the price or value of the securities of the body corporate.

Practically, Relevant Persons should assume that information is "generally available" only if it has been disclosed to ASX.

A reasonable person is taken to expect information to have a "material effect" on the price or value of the securities if the information would, or would be likely to, influence persons who commonly acquire securities in deciding whether or not to deal in the securities in question. As such, the materiality threshold is low.

General Prohibition on Insider Trading

All Relevant Persons are prohibited from trading in the Company's securities while in possession of inside information concerning the Company. In addition, while in possession of inside information, Relevant Persons must not procure or advise others to trade in the Company's securities or communicate the information to another person knowing that the person may use the information to trade in, or procure someone else to trade in, the Company's securities. For the purposes of this policy, these prohibitions are known as the **General Prohibitions**.

Inside information includes (without limitation):

- a proposed major acquisition or disposition;
- a significant business development or a proposed change in the nature of the Company's business;
- reserve and resource compilation;
- exploration drilling results;
- details of material contracts that are being negotiated by the Company;

- potential litigation that would have a substantial effect on the Company;
- a proposed change to the share capital structure of the Company; and
- a major change to the Board or senior management.

Restrictions on Short-Term Trading

The Company encourages each Relevant Person to adopt a long-term attitude to their investment in the Company's securities. Consequently, Relevant Persons should not engage in short-term or speculative trading of the Company's securities.

Trading in the Company's Securities, Derivative Products and Margin Lending Arrangements

Relevant Persons are prohibited from trading outside Trading Windows, as defined by this policy, or otherwise in accordance with this policy, in the Company's securities or in financial products issued or created over or in respect of the Company's securities.

Relevant Persons are prohibited, without prior written Board approval which shall not be unreasonably withheld, from entering into Margin Lending arrangements whereby lenders are provided with rights over their interests in the Company's securities.

Guidelines for Dealing in Securities

Clearance Procedures Prior to Trading

All Relevant Persons must receive clearance for the proposed trading of the Company's securities or in financial products issued or created over or in respect of the Company's securities by informing and receiving written approval from the Managing Director (or if unavailable, the Chairman) prior to undertaking a transaction.

Unless specified otherwise, clearance to trade will apply for a period of ten (10) business days from the communication to the Relevant Person of the clearance to trade, and management will endeavour to provide written decision within two (2) business days of the request being submitted by the Relevant Person.

Directors

At all times prior to trading in the Company's securities or in financial products issued or created over or in respect of the Company's securities (whether or not a Trading Window applies), Directors must notify the whole Board of Directors of their intention to trade and confirm that they are not in possession of any inside information.

Trading Windows

Applicable to all Relevant Persons (including Directors)

Unless the Chairman directs otherwise, and except as set out below, Relevant Persons (including Directors for which additional notification requirements are applicable – see above) may trade in the Company's securities on the ASX or financial products issued or created over or in respect of the Company's securities in the period of ten (10) business days commencing twenty four (24) hours following:

- the holding of the Annual General Meeting or any other General Meeting;
- the announcement of Annual or Half-Year results;
- the announcement of Quarterly Reports; and
- any other public announcement on the ASX.

However, a Relevant Person may not deal in the Company's securities or financial products issued or created over or in respect of the Company's securities during a Trading Window if the Relevant Person is in possession of inside information or the Company is in possession of inside information and notifies the Relevant Person they may not trade during all or part of the Trading Window.

Outside Trading Window

Clearance to trade in the Company's securities outside of the defined Trading Windows may be granted in exceptional circumstances at the discretion of the Chairman (or if unavailable, the Chief Executive Officer). Exceptional circumstances would include, but not be limited to cases of severe financial hardship, where court orders exist or other overriding legal or statutory circumstance requiring the sale or transfer of the securities.

Unless specified otherwise, clearance to trade outside a trading window will apply for a period of ten (10) business days from the communication to the Relevant Person of the clearance to trade.

Trades excluded from the Share Trading Policy

The requirement to provide notice of an intention to trade in the Company's securities does not apply to the acquisition of securities through the Company's option plan, share purchase plans or entitlement offers. However the requirement does apply to the trading of those securities once they have been acquired.

The Share Trading policy does not apply where there is no change in beneficial interest in the securities. The Share Trading Policy does not apply to the disposal of securities by acceptance of takeover offers.

Breach of Policy

Breaches of this policy will be subject to disciplinary action, which may include termination of employment or dismissal from the Board. If relevant persons are unsure of whether they are able to trade in the Company's securities at a particular time, they are advised to consult with the Chief Executive Officer or Company Secretary.

Notification of trade in Company Securities

Directors must also notify the Company Secretary of any trade in the Company's securities within three (3) business days of such trade occurring so that the Company Secretary can comply with the ASX Listing Rule 3.19A requirement to notify the ASX of any change in a notifiable interest held by a Director.

The Appendix 3Y – Change of Directors Interest Notice lodged with the ASX must provide the following information:

- whether the trading occurred outside a Trading Window, when prior written clearance was required;
- whether clearance was provided to allow the Trade to proceed; and
- on what date clearance was provided if granted.



Statement of Option Terms for Options issued to certain Shareholders

Dacian Gold Limited ABN 61 154 262 978

- (a) The Options expire on 9 October 2017.
- (b) The exercise price for each Option is \$0.84.
- (c) The Options have been granted for nil consideration.
- (d) The Options vest on 9 October 2014.
- (e) The Options are personal and not transferrable.
- (f) The Options will be cancelled if Dacian Gold Limited does not list on the official list of ASX Limited on or before 31 December 2012.
- (g) Each Option will entitle the Option holder to subscribe for one fully paid ordinary share in the Company.
- (h) The Company will give the Option holder a certificate or holding statement stating the number of Options issued to the Option holder, the exercise price of the Options and the date of issue of the Options.
- (i) The Options will not be listed for quotation on ASX Limited.
- (j) The Company will apply to ASX Limited for official quotation of the shares issued on the exercise of the Option.
- (k) The Option holder is not entitled to participate in any new issue of securities in the Company to existing shareholders by virtue of holding Options alone, unless he has exercised some or all of the Options before the record date for determining entitlements to the new issue of securities and participate as a result of holding shares.
- (l) If the Company makes a bonus issue of shares or other securities to shareholders (except issue in lieu of dividends or by way of dividend reinvestment) and no share has been issued in respect of the Option before the record date for determining entitlements to the bonus issue, then the number of underlying shares over which the Option is exercisable is increased by the number of shares which the Option holder would have received if the Option holder had exercised the Option before the record date for determining entitlements to the bonus issue.
- (m) If the Company makes a pro-rata issue of shares (except a bonus issue) to existing shareholders (except an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and no share has been issued in respect of the Option before the record date for determining entitlements to the pro-rata issue, the exercise price of each Option is reduced in accordance with Listing Rule 6.22.2.
- (n) If there is a reorganisation of the share capital of the Company, then the rights of the Option holder will be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- (o) Any calculations of adjustments which are required to be made will be made by the Company's Board and will, in the absence of manifest error, be final and conclusive, and binding on the Company and the Option holder.
- (p) The Option holder may only exercise Options in multiples of 5,000 Options, unless the Option holder exercises all of the Options held by him.
- (q) The Option holder can only exercise the Options in accordance with the Company's Share Trading Policy, as amended from time to time.
- (r) To exercise the Options, the Option holder must give the Company or its share registry, at the same time:

- (i) a written exercise notice in a form approved by the Board which specifies the number of Options being exercised and fully paid ordinary shares to be issued;
 - (ii) payment of the exercise price for the Shares the subject of the exercise notice in a manner approved by the Company; and
 - (iii) any certificate for the Options.
- (s) Options will be deemed to have been exercised on the date the exercise notice is lodged with the Directors of the Company.
- (t) If the Option holder exercises less than the total number of Options registered in the Option holder's name:
 - (i) The Option holder must surrender the Option certificate (if any); and
 - (ii) the Company must cancel the Option certificate (if any) and issue the Option holder a new Option certificate or holding statement stating the number of Options held by the Option holder.
- (u) Within 10 days after receiving an application for exercise of the Options and payment by the Option holder of the exercise price, the Company must issue the Option holder the number of Shares specified in the application.
- (v) Subject to the Company's constitution, ordinary shares issued on the exercise of Options will rank equally with the Company's current issued ordinary shares.
- (w) The terms of the Options are governed by the laws of Western Australia. The Option holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia.

Employee Option Plan Rules

Dacian Gold Limited

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1 Definitions and Interpretation

1.1 Dictionary

In these Rules, unless the context otherwise requires:

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

- (a) the Corporations Act and any regulations to it;
- (b) the Listing Rules;
- (c) the constitution of the Company;
- (d) Taxation Laws; and
- (e) any practice note, policy statement, class order, declaration, guideline, policy or procedure pursuant to the provisions of which either ASIC or ASX 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 Nominee means a nominee of an Eligible Participant that has been approved by the Board in accordance with these Rules.

ASIC means the Australian Securities and Investments Commission.

Associated Body Corporate means:

- (a) a related body corporate of the Company, within the meaning of section 50 of the Corporations Act;
- (b) a body corporate that has voting power in the Company of not less than 20%; or
- (c) a body corporate in which the Company has voting power of not less than 20% where 'voting power' has the meaning in section 610 of the Corporations Act.

ASX means, as the context requires:

- (a) ASX Limited (ACN 008 624 691) and any successor body corporate; or
- (b) the financial market operated by the body corporate referred to in paragraph (a).

Board means all or some of the directors of the Company acting as a board or a committee appointed by such Board.

Bonus Shares mean Shares which are issued by the Company to its shareholders on a pro rata basis upon a capitalisation of reserves or distributable profits, but excluding an issue instead of dividends or by dividend reinvestment.

Business Day means any day, other than a Saturday, Sunday or public holiday, on which trading banks are open for business in Perth, Western Australia.

Change of Control Event means:

- (a) a takeover bid is made to the holders of Shares (other than as a result of an allotment or transfer approved by the Board) which becomes unconditional;
- (b) a court orders a meeting to be convened in relation to a proposed compromise or arrangement for the purposes of, or in connection with:

- (i) a scheme which would, if it becomes effective, result in any person (either alone or together with its related bodies corporate) owning all of the Shares in the Company; or
- (ii) a scheme for the reconstruction of the Company or its amalgamation with any other company or companies;
- (c) a resolution is proposed to be put to shareholders proposing a voluntary winding up of the Company;
- (d) an order is sought for the compulsory winding up of the Company; or
- (e) the Board in its absolute discretion determines that any other transaction, event or state of affairs should be treated as a Change of Control Event.

Company means Dacian Gold Limited (ACN 154 262 978), after conversion to a public company.

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

Disability means the inability, by reason of physical condition, mental illness or accident, of the person to perform substantially all of the duties of the position in which the person has been employed or appointed (as determined by the Board).

Eligible Participant means an Employee who the Board in its absolute discretion determines to be eligible to participate in the Plan.

Employee means any full-time or part-time employee, officer or director of any Group Company and includes any such employee, officer or director on maternity leave, long service leave or other special leave as approved by the Board from time to time, but does not include:

- (a) a director who has been given notice of dismissal as a director of that Group Company (or has given notice of resignation as a director of that Group Company); or
- (b) an employee (whether full-time or part-time) who has been given notice of dismissal for misconduct from employment with a Group Company (or has given notice of resignation from such employment in order to avoid such dismissal).

Exercise Period means, in respect of an Option which has not lapsed, the period commencing on the day after the day on which the Board gives notice to the Participant who holds the Option under Rule 8.1(b), and ending on the Final Exercise Date.

Exercise Price means, in respect of an Option, the price (if any) which the holder of that Option must pay to the Company upon its exercise.

Final Exercise Date means for an Option that has not lapsed:

- (a) where the Participant continues to be employed by any Group Company, the date determined by the Board at the time of invitation to the Participant to apply for the Option or such other date as is determined under Rule 8.2, provided that it is no later than seven years after the grant date of that Option;
- (b) subject to any other date determined by the Board under Rule 11.2, where the Participant ceases to be employed by any Group Company and a notice under Rule 8.1(b) has been given to the Participant, the date being six months from and including the day on which the Participant ceased to be employed by any Group Company or the date set out in paragraph (a), whichever is earlier; or

- (c) subject to any other date determined by the Board under Rule 11.2, where the Participant ceases to be employed by any Group Company and a notice under Rule 8.2 has not been given to the Participant, the date being the day on which the Participant ceased to be employed by any Group Company;

Group means the Company and each Subsidiary of the Company and Group Company means any of them.

Invitation has the meaning given in Rule 3.1(a).

Listed means the Company is and remains admitted to the official list of ASX.

Listing Rules means the official listing rules of the ASX (as waived or amended from time to time) and any other rules of the ASX that are applicable while the Company is admitted to the official list of the ASX.

Nominal Consideration means consideration of not more than \$0.01 per Option.

Option means an option to acquire Shares (whether by way of issue or transfer, at the Company's election) issued subject to these Rules.

Participant means an Eligible Participant or Approved Nominee to whom Options have been granted under the Plan.

Performance Conditions means, in relation to an Option, the conditions (if any), as determined by the Board, that must be satisfied during the Performance Period before an Option may vest (as adjusted in accordance with the terms and conditions set out in these Rules).

Performance Period means, in respect of an Option, the period specified as the Performance Period in the invitation made in relation to that Option, being the period during which the Company will assess whether the Performance Conditions for the Option have been met, subject to these Rules.

Plan means the Dacian Gold Option Plan established and operated in accordance with these Rules.

Related Body Corporate has the meaning given to that term in section 50 of the Corporations Act.

Restricted Share means a Share held under the Plan that is subject to the restrictions under Rule 10.

Retirement means a termination of employment by a Group Company at the instigation of the Employee by reason of the attainment of such age as the Company may from time to time accept as the retirement age for the Employee.

Retrenchment means a termination of an Employee's employment where the employer company has made a definite decision expressly for the purpose of this provision that the employer no longer wishes the job the Employee has been doing to be done by anyone and this is not due to ordinary or customary turnover of labour and includes a situation where:

- (a) the Employee ceases to be employed by a Group Company because the employer company ceases to be a subsidiary of the Company; or
- (b) the business in which the Employee is engaged is transferred outside the Group.

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

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

Share Trading Policy means the Company's securities trading policy dated in or about September 2012, as replaced or amended from time to time.

Subsidiary means an entity which is a subsidiary of the Company within the meaning of Division 6 of Part 1.2 of the Corporations Act or is a subsidiary or otherwise controlled by the Company within the meaning of any approved accounting standard.

Tax includes any tax, levy, charge, impost, GST, deduction, compulsory loan, duty or withholding which is assessed, levied or imposed by any government or any governmental, semi-governmental or judicial entity or authority and includes any interest, penalty, fine, charge, fee or other amount imposed on or in respect of the above.

Taxation Laws means the *Income Tax Assessment Act 1936* (Cth) and the *Income Tax Assessment Act 1997* (Cth), each as amended from time to time.

Trade means any dealing with an Option including a sale, transfer, assignment, trust, encumbrance, option, swap, any alienation of all or any part of the rights attaching to the Option and includes any attempt to so deal.

1.2 Interpretation

- (a) In these Rules, unless the contrary intention appears:
 - (i) references to any legislation or any provision of any legislation includes any modification, re-enactment or replacement of the legislation or any legislative provision substituted for, and all legislation and statutory instruments and regulations issued under, the legislation;
 - (ii) words importing the singular include the plural and vice versa;
 - (iii) references to any document (including these Rules) include references to that document as amended, consolidated, novated, supplemented or replaced from time to time;
 - (iv) a reference to 'amendment' includes addition, alteration, deletion, extension, modification and variation; and
 - (v) references to the exercise of a power or discretion include a decision not to exercise the power or discretion.
- (b) Headings are used for convenience only and do not affect the interpretation of these Rules.
- (c) A Participant does not cease to be employed by or a director of any Group Company where the Participant ceases to be employed by or an executive director of one Group Company but contemporaneously commences employment with or contemporaneously is appointed as a director of another Group Company.

2 The Plan

- (a) The Plan is called the 'Dacian Gold Option Plan'.
- (b) The purpose of the Plan is to provide Eligible Participants with an opportunity to share in the growth of the Company and to assist the Group in retaining and attracting highly skilled and experienced employees.
- (c) The Plan will operate in accordance with the terms and conditions set out in these Rules, which bind each Group Company and each Participant.

3 Invitation to apply for Options

3.1 The Board may issue Invitations to Eligible Participants

- (a) The Board may from time to time issue invitations in writing (in such form as the Board decides) to Eligible Participants inviting an Eligible Participant to apply for Options on the terms set out in the Plan and on such additional terms and Performance Conditions as the Board determines (**Invitation**).
- (b) Unless the Board otherwise determines, no amount is payable by an Eligible Participant in relation to the grant of an Option or the vesting of an Option.

3.2 Content of Invitation

The Invitation must:

- (a) specify the name of the Eligible Participant;
- (b) specify that the Eligible Participant will pay not more than Nominal Consideration for each Option to which the Invitation relates;
- (c) specify the number of Options for which the Eligible Participant is invited to apply (each Option entitling its holder to one Share on that Option vesting);
- (d) specify the Exercise Price (if any) of each Option or, where the Exercise Price for each Option is to be worked out in the future under a formula, the Australian dollar equivalent of that price were the formula applied at the date of the Invitation;
- (e) include an undertaking, and an explanation of the way in which, the Company will during the offer period, within a reasonable period of the Eligible Participant requesting, make available to the Eligible Participant either the current market value of Shares to which the Options relate and, where the Exercise Price for each Option is to be worked out in the future under a formula, the Australian dollar equivalent of that price were the formula applied at the date of the request;
- (f) include:
 - (i) an undertaking that unless, at the time of the exercise of the Options, the Shares the subject of the Options have been quoted on ASX throughout the 12 month period immediately preceding the exercise date of the Options without suspension for more than a total of two trading days during that period, the Company will have a prospectus available in relation to the Shares the subject of the Options which complies with the requirements of the Corporations Act; and
 - (ii) a warning to the effect that Eligible Participants cannot exercise the Options unless either a current prospectus is available to them or the Shares the subject of the Options have been quoted on ASX throughout the 12 month period immediately preceding the exercise date of the Options without suspension for more than a total of two trading days during that period;
- (g) specify the Performance Conditions (if any) applicable to each Option;
- (h) specify the Performance Period for each Option;
- (i) specify the Exercise Period for each Option;
- (j) specify the closing date for applying for each Option;

- (k) specify how the Eligible Participant is to apply for the Options; and
- (l) specify any specific terms and conditions that apply to the Invitation or to which the Options are subject,

and must include or be accompanied by a copy or a summary of the rules of this Plan.

4 Applications for Options

4.1 Eligible Participant may apply for Options

Following receipt of an Invitation, an Eligible Participant may:

- (a) apply for the Options specified in the Invitation; and
- (b) apply to renounce the offer contained in the Invitation in favour of a nominee.

4.2 How to apply

- (a) An application for Options under the Plan must be made in accordance with the instructions which accompany the Invitation and in accordance with these Rules or as otherwise determined by the Board.
- (b) Without limiting the possible methods of applying for Options, the Board may determine that an Eligible Participant will be deemed to have applied for the relevant Options set out in the invitation made under Rule 4.2(a) unless the Eligible Participant provides written notice to the Board that they reject the invitation to apply for Options within a specified period of receiving the invitation made under Rule 4.2(a).

4.3 Board's discretion

The Board may accept or reject any application in its absolute discretion. If the Eligible Participant applies to renounce the offer contained in an Invitation in favour of a nominee, the nominee must be satisfactory to the Board in its absolute discretion. If the Company rejects an application for Options to be granted to a nominee of an Eligible Participant, it will give written notice of the rejection to the Eligible Participant.

5 Grant of Options

5.1 Company to grant or procure grant of Options

- (a) On acceptance by the Board of an application for Options which is duly signed and completed in accordance with Rule 4.2, the Options applied for will be granted to that Eligible Participant or its Approved Nominee and the Company will issue to that Eligible Participant or its Approved Nominee an Option Certificate in respect of those Options.
- (b) The Options will be granted on the terms of this Plan and may be subject to additional terms and conditions imposed by the Board.
- (c) The Company may grant Options to Eligible Participants or their Approved Nominees on any such date and with such Performance Conditions (if any) as the Board determines.
- (d) The number of Options which an Eligible Participant or its Approved Nominee is granted will be determined by the Board.

5.2 Nature of Options

- (a) Neither an Eligible Participant nor its Approved Nominee has a legal or beneficial interest in any Shares by virtue of acquiring or holding an Option.
- (b) An Option does not confer:
 - (i) any entitlement to attend or vote at meetings of the Company;
 - (ii) any entitlement to share in dividends declared or paid by the Company, until the Options have been exercised and Shares have been allotted to the Participant as a result of the exercise of those Options.

6 Limitation on grants

6.1 Overriding limitation

No grant of Options may be made under the Plan to an Eligible Participant or an Approved Nominee and no Shares may be transferred or issued under the Plan if such grant or issue would contravene any Applicable Law or these Rules.

6.2 5% limitation

No grant of an Option may be made under the Plan if the number of unissued Shares the subject of the Option grant when aggregated with:

- (a) the number of Shares which would be issued were each outstanding offer with respect to Shares, and any other offer for units of Shares, Options and options to acquire unissued Shares, being an offer made or option or right acquired pursuant to the Plan or any other employee share or option or rights scheme extended only to employees or directors of the Company or an Associated Body Corporate, to be accepted or exercised; and
- (b) the number of Shares issued during the previous five years pursuant to the Plan or any other employee share or option scheme extended only to employees or directors of the Company or an Associated Body Corporate;

but disregarding any offer made, or option or right acquired or Share issued by way of or as a result of:

- (c) an offer to a person situated at the time of receipt of the offer outside Australia;
- (d) an offer that did not need disclosure to investors because of section 708 of the Corporations Act;
- (e) an offer that did not require the giving of a Product Disclosure Statement because of section 1012D of the Corporations Act; or
- (f) an offer made under a disclosure document or Product Disclosure Statement, would exceed 5% of the total number of issued Shares as at the time of the grant of the Option.

6.3 Overseas Eligible Participants

The Board may elect not to grant Options to Eligible Participants or their nominees who are resident outside of Australia if it determines that the grants may be illegal or it would be impracticable to do so and the Board may formulate special terms and conditions, in addition to those set out in these Rules, to apply to Eligible Participants and their nominees who are resident outside Australia.

7 Transfer of Options

7.1 Trading of Options

An Option granted under the Plan must not be Traded except to the extent permitted by Rule 7.2(a) and Rule 9.3.

7.2 Circumstances in which Options can be Traded

- (a) An Option may only be Traded:
 - (i) with the prior written consent of the Board;
 - (ii) by force of law upon death to the Participant's legal personal representative or upon bankruptcy to the Participant's trustee in bankruptcy; or
 - (iii) as provided by Rule 9.3.
- (b) Where a Participant purports to Trade an Option other than in accordance with Rule 7.2(a) or Rule 9.3 the Option will immediately lapse.

8 Vesting of Options

8.1 Vesting

- (a) An Option granted under the Plan (which has not otherwise lapsed under Rule 11) will vest if:
 - (i) all Performance Conditions (if any) applicable to that Option have been satisfied and any other relevant terms and conditions contained in the Initiation or in these Rules have been satisfied; or
 - (ii) the Option has otherwise vested under the Plan.
- (b) Vesting requires a declaration by the Company that an Option has vested, but does not require any action or election by the Participant. The Board will determine whether Performance Conditions have been satisfied within four weeks of the scheduled vesting date or within four weeks of the relevant audited financial statements being available (whichever is later) and will advise the Participant in writing when an Option has vested.

8.2 Board's discretion

- (a) Notwithstanding Rule 8.1, the Board may, in its absolute discretion and subject to any further conditions decided by the Board (including the relevant Exercise Period), permit the vesting of any or all of the Options that were granted to a Participant in accordance with this Plan where a Performance Condition is not satisfied, if the Board believes that it is in the Company's best interests to do so. Without limiting this Rule, the Board may, in its absolute discretion, determine that all or a specified number of Options granted to a Participant in accordance with this Plan will immediately vest upon:
 - (i) the death of a Participant;
 - (ii) the Participant ceasing to be employed by a Group Company by reason of serious illness, disability or retrenchment of the Participant; or
 - (iii) the occurrence of a Change of Control Event.

- (b) In making a decision under Rule 8.2(a) to permit the vesting of any or all of the Options granted to a Participant in accordance with this Plan (where a Performance Condition has not been satisfied), the Board will have regard to the Performance Period and the progress the Participant has made against the relevant Performance Conditions in that period.

9 Exercise of Options

9.1 Exercise

Upon receiving notice from the Board under Rule 8.1(b) that an Option held by the Participant has vested:

- (a) the Participant will be deemed to have immediately validly exercised all vested Options to the extent that such Options do not require payment of an Exercise Price; and
- (b) where an Exercise Price is payable, the Participant will be entitled to exercise the Option so vested provided that the following conditions are satisfied:
 - (i) the Option has not lapsed under Rule 11;
 - (ii) the Option is exercised during the Exercise Period for that Option and the requirements of Rule 9.1(c) have been complied with during that Exercise Period;
 - (iii) the relevant Performance Conditions (if any) for the Option have been satisfied; and
 - (iv) the Participant exercises either:
 - (A) the Options in multiples of 100 or such other multiple that the Board determines and notifies to the Participant; or
 - (B) all of the Options granted to the Participant that the Participant is then entitled to exercise.
- (c) Subject to Rule 9.2, to exercise Options pursuant to Rule 9.1(b), the Participant must lodge a signed exercise notice (in the form approved by the Board) together with the Exercise Price specified in the Invitation in respect of those Options with the secretary of the Company or such other person as the Board determines.

9.2 Cashless exercise of Options

- (a) If Rule 9.1(b) applies, and the then current value of the Shares is greater than the Exercise Price, a Participant may, rather than pay the Exercise Price for each Option, elect to terminate a number of those Options in which case the Participant will be deemed to have offset the value of the terminated Options against the Exercise Price payable in respect of the remaining Options that the Participant is entitled to exercise (**Remaining Options**). The value of each terminated Option is the difference between Exercise Price and the then current value of the Shares to which such Option relates, less any applicable Tax (as further described below). If a Participant makes an election under this Rule 9.2(a), the Participant will be deemed to have exercised the Remaining Options, in which case the Participant will be entitled to the number of Shares calculated by applying the following formula:

$$S = [(EO \times (SP - \text{Exercise Price})) / SP]$$

where:

S means the number of Shares that will be issued to the Participant on the exercise of options under this clause 9.2, rounded down to the nearest whole Share.

EO means the number of Options which the Participant is entitled to exercise.

SP means the fair market value of a Share, which:

- (i) if the Company is Listed will be the weighted average closing price of Shares on ASX over the five trading days prior to the date of exercise; and
- (ii) if the Company is not Listed will be the fair value of Shares as determined by the Board, acting reasonably),

less any amount withheld by the Company to account for applicable Tax per Share.

- (b) The Participant will have no entitlement to Shares in respect of any Options that are terminated under this Rule 9.2.
- (c) To exercise Options under this Rule 9.2, the Participant must lodge a signed exercise notice (in the form approved by the Board) in respect of those Options with the secretary of the Company or such other person as the Board determines.

9.3 Allotment and issue of Shares

As soon as practicable, but in no event later than four weeks after an Option has been validly exercised, the Company must allot and issue to, or cause to be transferred to, the Participant the Shares the subject of the Option.

9.4 Death of a Participant during the Exercise Period

If a Participant dies during the Exercise Period for an Option held by that Participant the Option may, with the written approval of the Board in its absolute discretion, be exercised by the legal personal representative of the Participant in accordance with this Rule 9 and, to the extent necessary for this to occur, the Option may be transferred to the legal personal representative and in such circumstances will not lapse and the exercise rights will continue to apply as if the Participant had not died.

10 Restriction on disposal of Shares

10.1 Restriction period

- (a) All Shares acquired pursuant to an exercise of Options are subject to the restrictions set out in this Rule 10, unless the holder of the Shares has at the time of exercise of the Option ceased employment with the Group for at least 6 months.
- (b) Unless the Board determines otherwise, Restricted Shares must not be disposed of or dealt with in any way by that Participant until the earlier of:
 - (i) the date six months after the date on which a Participant ceases to be employed by a Group Company;
 - (ii) the date on which a Change of Control Event occurs;

- (iii) the day immediately following the date on which this Plan is suspended or terminated in accordance with these Rules;
- (iv) a date otherwise determined by the Board, in its sole discretion, in respect of that Participant;
- (v) the date on which any withdrawal request made under Rule 10.2(d) is approved by the Board; and
- (vi) the seventh anniversary of the date of grant of the Option pursuant to which the Participant acquired the relevant Restricted Share.

10.2 Enforcing the disposal restriction

- (a) The Company may make such arrangements as it considers necessary to enforce the restriction on disposal of Restricted Shares and Participants must agree to such arrangements.
- (b) Without limiting Rule 10.2(a), and subject to the Listing Rules, the Company may procure that an ASX holding lock be placed on Restricted Shares while they are subject to the restriction on disposal under Rule 10.1(b).
- (c) Subject to the Listing Rules, the Company must not register any paper transfer that it receives in respect of any Restricted Shares.
- (d) A holder of Restricted Shares may apply in writing to the Board at any time to withdraw all or a portion of those Shares from the Plan and, subject to Rules 10.2(e) and 10.2(g), the Board must not unreasonably refuse to accept such an application.
- (e) The Board may, in its absolute discretion, refuse to accept an application to withdraw any Restricted Shares from the Plan:
 - (i) if any debts owed by the holder to any Group Company have not been repaid or arrangements have not been made for repayment; or
 - (ii) where any of the circumstances set out in Rule 11.1(d) have occurred, unless the Group has been recompensed for any loss or damage suffered in those circumstances or arrangements satisfactory to the Board have been made.
- (f) Without limiting its powers, the Board may determine that the holder of Restricted Shares is to sell all or any of those Restricted Shares and apply the proceeds to repay any debt referred to in Rule 10.2(e)(i) and/or to recompense the Group for any loss suffered as a result of any of the circumstances referred to in Rule 10.2(e)(ii) and pay any balance to the holder.
- (g) A holder of Restricted Shares must not lodge a withdrawal application in respect of any Restricted Shares if it would breach or may result in a breach of the insider trading provisions of the Corporations Act or any other provisions of the Corporations Act or the Listing Rules or the Company's Share Trading Policy and any approval of the withdrawal application may be withheld or delayed by the Board where, in its reasonable opinion, it forms the view that such approval is not appropriate at that time.
- (h) The Company is not liable and will not be held responsible to the holder of Restricted Shares for or in relation to any action taken or any inaction by the Company or the Board under Rules 10.2(d), 10.2(e) and 10.2(g).

- (i) An application for withdrawal served under Rule 10.2(d) is deemed to have been accepted by the Company by the lifting of any holding lock on the relevant Restricted Shares.
- (j) As soon as reasonably practicable after the restriction on disposal of a Share under Rule 10.1(b) no longer applies, the Company must procure that any restriction on dealing with that Share pursuant to these Rules no longer applies.
- (k) When a Share is no longer subject to the restriction on disposal in Rule 10.1(b), the Company must, as soon as reasonably practicable, procure that any holding lock on that Share is removed.

11 Lapse of Options

11.1 Automatic Lapse

An Option automatically lapses on the earliest to occur of the following times:

- (a) on exercise of the Option under Rule 9;
- (b) subject to Rule 8.2(a), if the Performance Conditions for the Option have not been met before the end of the Performance Period, at the end of the Performance Period;
- (c) if the Performance Conditions for the Option have been met during the Performance Period, the Board has given a notice to the Participant under Rule 8.1(b) and the Option is not exercised under Rule 9 during the Exercise Period, at the end of the Exercise Period;
- (d) if the Board becomes aware of circumstances which, in the reasonable opinion of the Board, indicate that the Participant who holds the Option has acted fraudulently, dishonestly or in a manner which is in breach of his or her obligations to the Company or any Group Company and the Board, in its absolute discretion, determines that the Option lapses (regardless of whether the Option may be exercised under Rule 9), on the day the Board makes its determination that the Option lapses;
- (e) if the Participant who holds the Option:
 - (i) subject to Rule 9.3, dies, when the Participant dies; or
 - (ii) subject to Rule 11.2, ceases to be employed by any Group Company (other than due to death), at the end of the Exercise Period; and
- (f) when there is a breach of Rule 7 by the Participant, the date of that breach.

11.2 Ceasing to be employed by a Group Company

- (a) If a Participant ceases to be employed by any Group Company, the Board may in its absolute discretion (on any conditions which it thinks fit) decide that the Option does not lapse under Rule 11.1 but lapses on the date (being no later than the date specified in paragraph (a) of the definition of Final Exercise Date in these Rules as it applies to the relevant Option), and subject to the conditions, it may specify by notice to the Participant. In making a decision under this Rule, the Board may consider any relevant matter (including, without limitation, whether the Participant ceased to be employed by any Group Company by reason of retirement, disability or retrenchment).

- (b) If the Board makes a determination under Rule 11.2 that the Option does not lapse, the Board may determine that the Performance Period of the Option is reduced to a period shorter than that specified in the invitation made in relation to that Option under Rule 3.

12 Shares of Participants

- (a) Shares that are issued on the exercise of any Options will rank equally with all Shares from the date of issue in all respects including in respect of voting rights, entitlements to participate in distributions and dividends and future rights issues and Bonus Share issues where the record date for determining entitlements falls on or after the date of issue.
- (b) If the Company is Listed, the Company must make application to the ASX for official quotation of any of the Shares that are delivered under the Plan that are not already quoted on the official list of the ASX as soon as practicable after delivery of those Shares, so long as Shares are quoted on the official list of the ASX at that time.

13 Rights prior to vesting

13.1 Bonus Shares

- (a) If the Company has allotted Bonus Shares, and Shares in respect of Options held by a Participant have not been issued or transferred (as applicable) to, and registered in the name of, the Participant prior to the record date for determining entitlements to the Bonus Share issue, then the number of Shares the subject of the Options held by the Participant will, in addition to those Shares to which the Participant is entitled under the Options held by the Participant, be increased by the number of Shares that the Participant would have received if the Participant had exercised the Options and been allocated Shares in respect of that Option prior to the record date for the Bonus Share issue.
- (b) Subject to Rules 13.1(a), 13.3 and 13.4, unless Shares in respect of Options held by a Participant have been issued or transferred, as applicable, to and registered in the name of the Participant before the record date for determining entitlements to a new issue the Participant is not entitled to participate in any new issue of securities of the Company as a result of holding an Option.

13.2 Pro rata issue of securities

If the Company makes a pro rata issue of securities (except an issue of Bonus Shares) to the holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) then:

- (a) if no amount is payable on the exercise of Options, the number of Options (or other terms and conditions, if any, applicable to the Options) held by a Participant may be adjusted in such manner as the Board in its discretion determines. Such adjustment, if any, will be subject to the Listing Rules, the Corporations Act and any other applicable law; and
- (b) if an amount is payable on the exercise of Options, the exercise price will be changed as permitted by the Listing Rules.

13.3 Reorganisation

If there is a reorganisation (including consolidation, sub-division, reduction or return) of the issued capital of the Company then the rights of a Participant (including the number of Shares to which each Participant is entitled on exercise of their Options and the Exercise Price of their Options) will be changed to the extent necessary to comply with the Listing Rules (as applicable to options) applying to a reorganisation of capital at the time of the reorganisation.

13.4 Calculations

- (a) For the purpose of this Rule 13, a fraction of a Share to which a Participant is entitled in respect of any other Option will be aggregated with all other fractions to which a Participant may become entitled in respect of any other Option, but a fraction of a Share remaining after such aggregation will be disregarded.
- (b) In applying any provisions of this Rule 13 to adjust the number of Shares the subject of an Option or the Exercise Price of an Option, account will be taken of each prior event requiring adjustment under this Rule 13 so that the effect of successive applications of the provisions of this Rule 13 is cumulative.
- (c) Any calculations or adjustments which are required to be made under this Rule 13 will be made by the Board and, in the absence of manifest error, are final and conclusive and binding on the Company and the Participant.

13.5 Notice

The Company must within a reasonable period give to each Participant notice of any change under Rule 13 to the Exercise Price of any Option held by the Participant or to the number of Shares that the Participant is entitled to be issued on exercise of the Option.

14 Administration of the Plan

14.1 Administration by Board

The Plan will be administered by the Board or a committee of the Board. The Board will have the power to:

- (a) make regulations and determine appropriate procedures for the administration and implementation of the Plan provided they are consistent with these Rules;
- (b) determine finally and conclusively all questions of fact or interpretation arising in connection with the Plan;
- (c) subject to the Listing Rules, waive or modify the application of these Rules in relation to any Participant or any proposed grant of Options;
- (d) delegate such functions and powers, as it considers necessary for the efficient administration of the Plan, to any person capable of performing those functions and exercising those powers; and
- (e) take and rely upon independent professional or expert advice in or in relation to the exercise of any of their powers or discretions under this Plan.

14.2 Discretion of Board

- (a) Any power or discretion that is conferred on the Board by these Rules may be exercised by the Board in the interests or for the benefit of the Company. In exercising that power or discretion, the Board is not under any fiduciary or other obligation to any person.

- (b) Whenever the Board exercises a discretion pursuant to these Rules, the exercise of that discretion will be in the sole and absolute discretion of the Board and each decision will, in the absence of manifest error, be final and conclusive and binding upon Participants.
- (c) The Company must indemnify, and keep indemnified, to the full extent permitted by law, each person who is or has been a director or alternate director of the Company against all proceedings, actions, claims, demands, losses, liabilities, damages, costs and expenses which may be made, brought against, suffered or incurred by the person arising directly or indirectly out of or in connection with the administration of the Plan.

15 Amendment of these Rules

- (a) Subject to the Listing Rules and Rule 15(b), the Company may at any time by written instrument or by resolution of the Board, amend all or any of the provisions of these Rules (including this Rule 15).
- (b) No amendment of the provisions of these Rules is to reduce the rights of any Participant in respect of Options acquired under the Plan by a Participant prior to the date of the amendment, other than:
 - (i) an amendment introduced primarily:
 - (A) for the purpose of complying with or conforming to present or future State, Territory or Commonwealth legislation governing or regulating the maintenance or operation of the Plan or like plans;
 - (B) to correct any manifest error or mistake; or
 - (C) to enable the Company or any other Group Company to comply with any Applicable Law, any other Australian laws, applicable foreign laws, or a requirement, policy or practice of ASIC or any other Australian or foreign regulatory body; or
 - (ii) an amendment agreed to in writing by a Participant.
- (c) Subject to Rules 15(a) and 15(b), any amendment made pursuant to Rule 15(a) may be given such retrospective effect as is specified in the written instrument or resolution by which the amendment is made.

16 Attorney

Each Participant, in consideration of a grant made to them under these Rules, will be deemed to irrevocably appoint each director of the Company, the Company and any person nominated from time to time by the Board or the Company (each an Attorney), severally, as the Participant's attorney to complete and execute any documents including, without limiting the generality thereof, applications for Shares, transfers of Restricted Shares or any document or other agreement to give effect to these Rules and to do all acts or things on behalf of and in the name of the Participant which may be convenient or necessary for the purpose of giving effect to the provisions of these Rules and the Participant will be deemed to covenant that the Participant will ratify and confirm any act or thing done pursuant to this power and will release the Company, each director of the Company, each Group Company and the Attorney from any liability whatsoever arising from the exercise of the powers conferred by this Rule and will indemnify and hold

harmless the Company, each director of the Company, each Group Company and the Attorney in respect thereof.

17 Rights of Participants

- (a) These Rules:
 - (i) do not confer on any Participant the right to continue as an Employee;
 - (ii) do not affect any rights which any Group Company may have to terminate the employment of that Employee;
 - (iii) may not be used to increase damages in any action brought against any Group Company in respect of that termination; and
 - (iv) do not, of themselves, confer on a Participant the right to acquire any interest in any Share.
- (b) It is acknowledged and accepted by each Participant that the terms of the Plan do not form a part of the terms and conditions of the Participant's employment contract, nor do the terms of the Plan constitute a contract or arrangement (including any related condition or collateral arrangement) in relation to the Participant's employment contract or engagement.

18 Termination, suspension or reinstatement of the Plan

- (a) The Board may by ordinary resolution, suspend, terminate or reinstate the operation of the Plan at any time. In the event of a suspension or termination, these Rules will continue to operate with respect to any Option granted under the Plan prior to that suspension or termination.
- (b) In passing a resolution to terminate or suspend the operation of the Plan, the Board must consider and endeavour to ensure that there is fair and equitable treatment of all Participants.
- (c) It is a condition of these Rules that if the Plan is terminated or suspended at any time no compensation under any employment contract will arise as a result.

19 Participation in other plans

- (a) The Company is not restricted to using the Plan as the only method of providing incentive rewards to Employees. The Company may continue to operate current incentive schemes or approve other incentive schemes.
- (b) Participation in the Plan does not affect, and is not affected by, participation in any other incentive or other scheme of the Company unless the terms of that scheme provide otherwise.

20 No agency or trust arrangement

The Board acts as a principal in the operation of the Plan and neither it, nor any of its members, acts as a trustee or agent of any Participant.

21 Advice

- (a) Participants should obtain their own independent advice at their own cost in relation to the financial, taxation and other implications arising for them as a result of their participation in the Plan.
- (b) Each Participant acknowledges that any advice given by the Company in connection with any offer of Options under this Plan is general advice only.

22 Governing law

- (a) These Rules and the rights and obligations of the Group Companies and the Participants under these Rules are governed by the laws of the State of Western Australia, Australia.
- (b) Each Participant and each Group Company irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of the State of Western Australia and courts entitled to hear appeals from those courts.

23 Expenses

- (a) All costs, expenses and charges incurred in the administration of the Plan must be paid by the Company.
- (b) No Group Company will be liable for any Tax payable by a Participant in respect of the acquisition or dealing with any Options or any Shares issued pursuant to this Plan or otherwise.

24 Notices

Any notice or direction given under this Plan is validly given if it is handed to the Participant or posted by ordinary post to the Participant's last known address or, in the case of the Company, if it is delivered or posted by ordinary post to the Company's registered office. Where a notice or other communication is given by post, it will be deemed to have been received 48 hours after it was put into the post correctly addressed and stamped.

25 Data protection

By participating in the Plan, each Participant consents to the collection, use and dealing by, and disclosure to, the Company of personal data provided by the Participant pursuant to their participation in the Plan. This data will be treated in accordance with the Company's privacy policy, a copy of which may be obtained from the secretary of the Company.

26 Severability

If (but for this Rule) a provision of the Rules would be illegal, void, unenforceable or contravene the law, the Rules are to be interpreted as if the provision was omitted.

27 ASIC Relief

- (a) Notwithstanding any other provision of the Plan, every covenant or other provisions set out in an exemption or modification granted from time to time by ASIC in respect of the Plan pursuant to its power to exempt and modify the

Corporations Act and required to be included in the Plan in order for that exemption or modification to have full effect, is deemed to be contained in the Plan.

- (b) To the extent that any covenant or other provision deemed by this Rule to be contained in the Plan is inconsistent with any other provision in the Plan, the deemed covenant or other provision shall prevail.