

9 December 2022

Clarification of Unlisted Options Terms

On 15 November 2022, shareholders of Godolphin Resources Limited (ASX: GRL) ("**Godolphin**" or the "**Company**") resolved the following at its annual general meeting:

"That, for the purposes of Listing Rule 10.11, sections 200B, 200C and 200E of the Corporations Act, and for all other purposes, Shareholders approve the issue of a total of 2,000,000 unquoted Options for no consideration to Ms Jeneta Owens (a Director), or her nominated Associate, as follows:

(a) 1,000,000 unquoted Options as follows:

- (i) *Each Option vests upon the date the Company achieves a volume weighted average price (VWAP) for 30 consecutive trading days exceeding \$0.30 per Share; and*
- (ii) *An exercise period of two (2) years commencing on the vesting date; and*
- (iii) *\$0.25 per Share exercise price; and*

(b) 1,000,000 unquoted Options as follows:

- (i) *Each Option vests upon the date the Company achieves a volume weighted average share price (VWAP) for 30 consecutive trading days exceeding \$0.30 per Share; and*
- (ii) *An exercise period of three (3) years commencing the vesting date; and*
- (iii) *\$0.35 per Share exercise price; and*

otherwise on the terms and conditions set out in the Explanatory Notes." (Resolution 7)

On 6 December 2022, these 2,000,000 options were issued to Ms Jeneta Owens. The Company has become aware of a drafting error to Resolution 7 in respect of the commencement of the exercise periods. Resolution 7 should have stated that the exercise periods commence on the issue date, not the vesting date:

"...Shareholders approve...1,000,000 unquoted Options as follows...An exercise period of two (2) years commencing on the issue date... 1,000,000 unquoted Options as follows...An exercise period of three (3) years commencing the issue date..."

These are the correct material terms of the options reported in Annexure C contained in the notice of annual general meeting held 15 November 2022 and dated 11 October 2022¹ (**Notice**):

- (a) Subject to the ASX Listing Rules including members' approval, and any determination of the Board, the Managing Director (or her nominee), will be entitled to receive 2,000,000 options (Options), each providing the holder with the right to be issued one ordinary fully paid share by the Company (Share) upon payment of the Option's cash exercise price.

¹ Refer ASX: GRL announcement dated 11 October 2022 "Notice of Annual General Meeting/Proxy Form".



- (b) 1,000,000 Tranche 1 Options exercisable at \$0.25 per Option for a maximum period of 24 months from the date of issue. Each Tranche 1 Option vests upon the Company's volume weighted average share price (VWAP) for 30 days prior to the vesting date exceeding \$0.30 per Share.
- (c) 1,000,000 Tranche 2 Options exercisable at \$0.35 per Option for a maximum period of 36 months from the date of issue. Each Tranche 2 Option vests upon the Company's volume weighted average share price (VWAP) for 30 days prior to the vesting date exceeding \$0.30 per Share.

The Company considers that this discrepancy has not affected the validity of the Company shareholders' approval for the following reasons:

- (a) Annexure C of the Notice correctly describes the material terms of the options that are the subject of Resolution 7, that the exercise periods commence on the issue date not the vesting date.
- (b) Resolution 7 wording meant that the expiry date is conditional on an unknown date, when the Company achieves a volume weighted average price (VWAP) for 30 consecutive trading days exceeding \$0.30 per Share.
- (c) The correct expiry dates are now, with the options issued on 6 December 2022:
 - (i) 6 December 2024 (two years after the issue date) for 1,000,000 options with an exercise price of \$0.25 each; and
 - (ii) 6 December 2025 (three years after the issue date) for 1,000,000 options with an exercise price of \$0.35 each
- (d) The exercise periods commencing on the issue date, not the vesting date, results in no change to the values of the options issued and reported in the Notice.²
- (e) Details of Jeneta Owen's options, including that the exercise periods are to commence on the issue date not the vesting date, were first reported as a market announcement on 3 June 2021 when Jeneta Owen was appointed as the Company's Managing Director³.

<<ENDS>>

This market announcement has been authorised for release to the market by the Company Secretary of Godolphin Resources Limited.

For further information regarding Godolphin, please visit <https://godolphinresources.com.au/> or contact:

Jeneta Owens
Managing Director
+61 417 344 658
jowens@godolphinresources.com.au

² Refer paragraph 8.8.4 of the Notice.

³ Refer ASX: GRL announcement dated 3 June 2021 "Godolphin Bolsters Team with New Managing Director".