

Appendix 3G

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

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

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

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

Part 1 – Entity and announcement details

Question no	Question	Answer
1.1	*Name of entity <i>We (the entity here named) give notice of the issue, conversion or payment up of the following unquoted +securities.</i>	Macarthur Minerals Limited
1.2	*Registration type and number <i>Please supply your ABN, ARSN, ARBN, ACN or another registration type and number (if you supply another registration type, please specify both the type of registration and the registration number).</i>	ABN: 93 103 011 436
1.3	*ASX issuer code	MIO
1.4	*This announcement is <i>Tick whichever is applicable.</i>	☒ A new announcement ☐ An update/amendment to a previous announcement ☐ A cancellation of a previous announcement
1.4a	*Reason for update <i>Mandatory only if "Update" ticked in Q1.4 above. A reason must be provided for an update.</i>	N/A
1.4b	*Date of previous announcement to this update <i>Mandatory only if "Update" ticked in Q1.4 above.</i>	N/A
1.4c	*Reason for cancellation <i>Mandatory only if "Cancellation" ticked in Q1.4 above.</i>	N/A
1.4d	*Date of previous announcement to this cancellation <i>Mandatory only if "Cancellation" ticked in Q1.4 above.</i>	N/A
1.5	*Date of this announcement	27 January 2021

Part 2 – Type of issue

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

2.2c.1	Please state the number and type of +securities (including their ASX security code) issued under an +employee incentive scheme that are not being immediately quoted on ASX <i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i>	2,282,500 Restricted Share Units expiry 19 January 2024 vesting subject to closing share price of the Company's shares on the TSX-V being greater than C\$0.70 for 20 consecutive trading days																		
2.2c.2	*Please attach a document or provide details of a URL link for a document lodged with ASX detailing the terms of the +employee incentive scheme or a summary of the terms. <i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i>	Macarthur Consultant Share Compensation Plan terms and conditions are attached																		
2.2c.3	*Are any of these +securities being issued to +key management personnel (KMP) or an +associate <i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i>	Yes																		
2.2c.3.a	*Provide details of the recipients and the number of +securities issued to each of them. <i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX" and your response to Q2.2c.3 is "Yes". Repeat the detail in the table below for each KMP involved in the issue. If the securities are being issued to the KMP, repeat the name of the KMP or insert "Same" in "Name of registered holder". If the securities are being issued to an associate of a KMP, insert the name of the associate in "Name of registered holder".</i> <table border="1" data-bbox="339 1173 1364 1554"> <thead> <tr> <th>Name of KMP</th><th>Name of registered holder</th><th>Number of +securities</th></tr> </thead> <tbody> <tr> <td>Cameron Hugh McCall</td><td>Cameron Hugh McCall</td><td>200,000</td></tr> <tr> <td>Alan Joseph Phillips</td><td>First Apollo Capital Pty Ltd</td><td>350,000</td></tr> <tr> <td>Alan Spence Phillips</td><td>Phillips Exploration Pty Ltd <Phillips Family A/C></td><td>200,000</td></tr> <tr> <td>Andrew Paul Suckling</td><td>Andrew Paul Suckling</td><td>200,000</td></tr> <tr> <td>Daniel Joseph Lanskey</td><td>Mr Daniel Joseph Lanskey + Mrs Jannette Joan Lanskey <The Lanskey Family A/C></td><td>200,000</td></tr> </tbody> </table>		Name of KMP	Name of registered holder	Number of +securities	Cameron Hugh McCall	Cameron Hugh McCall	200,000	Alan Joseph Phillips	First Apollo Capital Pty Ltd	350,000	Alan Spence Phillips	Phillips Exploration Pty Ltd <Phillips Family A/C>	200,000	Andrew Paul Suckling	Andrew Paul Suckling	200,000	Daniel Joseph Lanskey	Mr Daniel Joseph Lanskey + Mrs Jannette Joan Lanskey <The Lanskey Family A/C>	200,000
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2.2d.1	*The purpose(s) for which the entity is issuing the +securities is: <i>Answer this question if your response to Q2.1 is "Other".</i> <i>You may select one or more of the items in the list.</i>	☐ To raise additional working capital ☐ To fund the retirement of debt ☐ To pay for the acquisition of an asset [provide details below] ☐ To pay for services rendered [provide details below] ☒ Other [provide details below] <i>Additional details:</i> Issue of Restricted Share Units in accordance with Employee and Consultant Compensation Plans (as approved by shareholders at the annual general meeting held 30 October 2020).																		

2.2d.2	Please provide any further information needed to understand the circumstances in which you are notifying the issue of these +securities to ASX, including (if applicable) why the issue of the +securities has not been previously announced to the market in an Appendix 3B <i>You must answer this question if your response to Q2.1 is "Other". If there is no other information to provide, please answer "Not applicable" or "N/A".</i>	N/A
2.3	*The +securities being issued are: <i>Tick whichever is applicable</i>	☐ Additional +securities in an existing unquoted class that is already recorded by ASX ("existing class") ☒ New +securities in an unquoted class that is not yet recorded by ASX ("new class")

Part 3A – number and type of +securities being issued (existing class)

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

Question No.	Question	Answer
3A.1	*ASX security code & description	N/A
3A.2	*Number of +securities being issued	N/A
3A.3a	*Will the +securities being issued rank equally in all respects from their issue date with the existing issued +securities in that class?	N/A
3A.3b	*Is the actual date from which the +securities will rank equally (non-ranking end date) known? <i>Answer this question if your response to Q3A.3a is "No".</i>	N/A
3A.3c	*Provide the actual non-ranking end date <i>Answer this question if your response to Q3A.3a is "No" and your response to Q3A.3b is "Yes".</i>	N/A
3A.3d	*Provide the estimated non-ranking end period <i>Answer this question if your response to Q3A.3a is "No" and your response to Q3A.3b is "No".</i>	N/A
3A.3e	*Please state the extent to which the +securities do not rank equally: • in relation to the next dividend, distribution or interest payment; or • for any other reason <i>Answer this question if your response to Q3A.3a is "No".</i> <i>For example, the securities may not rank at all, or may rank proportionately based on the percentage of the period in question they have been on issue, for the next dividend, distribution or interest payment; or they may not be entitled to participate in some other event, such as an entitlement issue.</i>	N/A

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

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

Question No.	Question	Answer
3B.1	*Security description	Restricted Share Units expiry 19 January 2024 vesting subject to closing share price of the Company's shares on the TSX-V being greater than C\$0.70 for 20 consecutive trading days.
3B.2	*Security type Select one item from the list that best describes the securities the subject of this form. This will determine more detailed questions to be asked about the security later in this section. Select “ordinary fully or partly paid shares/units” for stapled securities or CDIs. For interest rate securities, please select the appropriate choice from either “Convertible debt securities” or “Non-convertible debt securities”. Select “Other” for performance shares/units and performance options/rights or if the selections available in the list do not appropriately describe the security being issued.	☐ Ordinary fully or partly paid shares/units ☐ Options ☐ +Convertible debt securities ☐ Non-convertible +debt securities ☐ Redeemable preference shares/units ☒ Other Restricted Share Units
3B.3	ISIN code Answer this question if you are an entity incorporated outside Australia and you are issuing a new class of securities other than CDIs. See also the note at the top of this form.	N/A
3B.4	*Number of +securities being issued	2,282,500
3B.5a	*Will all the +securities issued in this class rank equally in all respects from the issue date?	Yes
3B.5b	*Is the actual date from which the +securities will rank equally (non-ranking end date) known? Answer this question if your response to Q3B.5a is “No”.	N/A
3B.5c	*Provide the actual non-ranking end date Answer this question if your response to Q3B.5a is “No” and your response to Q3B.5b is “Yes”.	N/A
3B.5d	*Provide the estimated non-ranking end period Answer this question if your response to Q3B.5a is “No” and your response to Q3B.5b is “No”.	N/A
3B.5e	*Please state the extent to which the +securities do not rank equally: • in relation to the next dividend, distribution or interest payment; or • for any other reason Answer this question if your response to Q3B.5a is “No”. For example, the securities may not rank at all, or may rank proportionately based on the percentage of the period in question they have been on issue, for the next dividend, distribution or interest payment; or they may not be entitled to participate in some other event, such as an entitlement issue.	N/A

3B.6	Please attach a document or provide a URL link for a document lodged with ASX setting out the material terms of the +securities being issued <i>You may cross reference a disclosure document, PDS, information memorandum, investor presentation or other announcement with this information provided it has been released to the ASX Market Announcements Platform.</i>	See response to question 2.2c.2
3B.7	*Have you received confirmation from ASX that the terms of the +securities are appropriate and equitable under listing rule 6.1? <i>Answer this question only if you are an ASX Listing. (ASX Foreign Exempt Listings and ASX Debt Listings do not have to answer this question).</i> <i>If your response is "No" and the securities have any unusual terms, you should approach ASX as soon as possible for confirmation under listing rule 6.1 that the terms are appropriate and equitable.</i>	No
3B.8a	Ordinary fully or partly paid shares/units details <i>Answer the questions in this section if you selected this security type in your response to Question 3B.2.</i>	
	*+Security currency <i>This is the currency in which the face amount of an issue is denominated. It will also typically be the currency in which distributions are declared.</i>	N/A
	*Will there be CDIs issued over the +securities?	N/A
	*CDI ratio <i>Answer this question if you answered "Yes" to the previous question. This is the ratio at which CDIs can be transmuted into the underlying security (e.g. 4:1 means 4 CDIs represent 1 underlying security whereas 1:4 means 1 CDI represents 4 underlying securities).</i>	N/A
	*Is it a partly paid class of +security?	N/A
	*Paid up amount: unpaid amount <i>Answer this question if answered "Yes" to the previous question.</i> <i>The paid up amount represents the amount of application money and/or calls which have been paid on any security considered 'partly paid'</i> <i>The unpaid amount represents the unpaid or yet to be called amount on any security considered 'partly paid'.</i> <i>The amounts should be provided per the security currency (e.g. if the security currency is AUD, then the paid up and unpaid amount per security in AUD).</i>	N/A
	*Is it a stapled +security? <i>This is a security class that comprises a number of ordinary shares and/or ordinary units issued by separate entities that are stapled together for the purposes of trading.</i>	N/A
3B.8b	Option details <i>Answer the questions in this section if you selected this security type in your response to Question 3B.2.</i>	
	*+Security currency <i>This is the currency in which the exercise price is payable.</i>	N/A

	*Exercise price <i>The price at which each option can be exercised and convert into the underlying security. If there is no exercise price please answer as \$0.00.</i> <i>The exercise price should be provided per the security currency (i.e. if the security currency is AUD, the exercise price should be expressed in AUD).</i>	N/A
	*Expiry date <i>The date on which the options expire or terminate.</i>	N/A
	*Details of the number and type of +security (including its ASX security code if the +security is quoted on or recorded by ASX) that will be issued if an option is exercised <i>For example, if the option can be exercised to receive one fully paid ordinary share with ASX security code ABC, please insert "One fully paid ordinary share (ASX:ABC)".</i>	N/A
3B.8c	Details of non-convertible +debt securities, +convertible debt securities, or redeemable preference shares/units <i>Answer the questions in this section if you selected one of these security types in your response to Question 3B.2.</i> <i>Refer to Guidance Note 34 and the "Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities" for further information on certain terms used in this section</i>	
	*Type of +security <i>Select one item from the list</i>	☐ Simple corporate bond ☐ Non-convertible note or bond ☐ Convertible note or bond ☐ Preference share/unit ☐ Capital note ☐ Hybrid security ☐ Other
	*+Security currency <i>This is the currency in which the face value of the security is denominated. It will also typically be the currency in which interest or distributions are paid.</i>	N/A
	Face value <i>This is the principal amount of each security.</i> <i>The face value should be provided per the security currency (i.e. if security currency is AUD, then the face value per security in AUD).</i>	N/A
	*Interest rate type <i>Select one item from the list</i> <i>Select the appropriate interest rate type per the terms of the security. Definitions for each type are provided in the Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities</i>	☐ Fixed rate ☐ Floating rate ☐ Indexed rate ☐ Variable rate ☐ Zero coupon/no interest ☐ Other
	Frequency of coupon/interest payments per year <i>Select one item from the list.</i>	☐ Monthly ☐ Quarterly ☐ Semi-annual ☐ Annual ☐ No coupon/interest payments ☐ Other

	First interest payment date <i>A response is not required if you have selected "No coupon/interest payments" in response to the question above on the frequency of coupon/interest payments</i>	N/A
	Interest rate per annum <i>Answer this question if the interest rate type is fixed.</i>	N/A
	*Is the interest rate per annum estimated at this time? <i>Answer this question if the interest rate type is fixed.</i>	N/A
	If the interest rate per annum is estimated, then what is the date for this information to be announced to the market (if known) <i>Answer this question if the interest rate type is fixed and your response to the previous question is "Yes". Answer "Unknown" if the date is not known at this time.</i>	N/A
	*Does the interest rate include a reference rate, base rate or market rate (e.g. BBSW or CPI)? <i>Answer this question if the interest rate type is floating or indexed</i>	N/A
	*What is the reference rate, base rate or market rate? <i>Answer this question if the interest rate type is floating or indexed and your response to the previous question is "Yes".</i>	N/A
	*Does the interest rate include a margin above the reference rate, base rate or market rate? <i>Answer this question if the interest rate type is floating or indexed.</i>	N/A
	*What is the margin above the reference rate, base rate or market rate (expressed as a percent per annum) <i>Answer this question if the interest rate type is floating or indexed and your response to the previous question is "Yes".</i>	N/A
	*S128F of the Income Tax Assessment Act status applicable to the +security <i>Select one item from the list</i> <i>For financial products which are likely to give rise to a payment to which s128F of the Income Tax Assessment Act applies, ASX requests issuers to confirm the s128F status of the security:</i> • "s128F exempt" means interest payments are not taxable to non-residents; • "Not s128F exempt" means interest payments are taxable to non-residents; • "s128F exemption status unknown" means the issuer is unable to advise the status; • "Not applicable" means s128F is not applicable to this security	☐ s128F exempt ☐ Not s128F exempt ☐ s128F exemption status unknown ☐ Not applicable
	*Is the +security perpetual (i.e. no maturity date)?	N/A
	*Maturity date <i>Answer this question if the security is not perpetual</i>	N/A

	*Select other features applicable to the +security <i>Up to 4 features can be selected. Further information is available in the Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities.</i>	☐ Simple ☐ Subordinated ☐ Secured ☐ Converting ☐ Convertible ☐ Transformable ☐ Exchangeable ☐ Cumulative ☐ Non-Cumulative ☐ Redeemable ☐ Extendable ☐ Reset ☐ Step-Down ☐ Step-Up ☐ Stapled ☐ None of the above
	*Is there a first trigger date on which a right of conversion, redemption, call or put can be exercised (whichever is first)?	N/A
	*If yes, what is the first trigger date <i>Answer this question if your response to the previous question is "Yes".</i>	N/A
	Details of the number and type of +security (including its ASX security code if the +security is quoted on ASX) that will be issued if the securities to be quoted are converted, transformed or exchanged <i>Answer this question if the security features include "converting", "convertible", "transformable" or "exchangeable".</i> <i>For example, if the security can be converted into 1,000 fully paid ordinary shares with ASX security code ABC, please insert "1,000 fully paid ordinary shares (ASX:ABC)".</i>	N/A

Part 4 – Issue details

Question No.	Question	Answer
4.1	*Have the +securities been issued yet?	Yes
4.1a	*What was their date of issue? <i>Answer this question if your response to Q4.1 is "Yes".</i>	19 January 2021
4.1b	*What is their proposed date of issue? <i>Answer this question if your response to Q4.1 is "No".</i>	N/A
4.2	*Are the +securities being issued for a cash consideration? <i>If the securities are being issued for nil cash consideration, answer this question "No".</i>	No

4.2a	*In what currency is the cash consideration being paid <i>For example, if the consideration is being paid in Australian Dollars, state AUD.</i> <i>Answer this question if your response to Q4.2 is "Yes".</i>	N/A
4.2b	*What is the issue price per +security <i>Answer this question if your response to Q4.2 is "Yes" and by reference to the issue currency provided in your response to Q4.2a.</i> <i>Note: you cannot enter a nil amount here. If the securities are being issued for nil cash consideration, answer Q4.2 as "No" and complete Q4.2c.</i>	N/A
4.2c	Please describe the consideration being provided for the +securities <i>Answer this question if your response to Q4.2 is "No".</i>	Issue of Restricted Share Units in accordance with Employee and Consultant Compensation Plans (as approved by shareholders at the annual general meeting held 30 October 2020).
4.3	Any other information the entity wishes to provide about the issue	Restricted Share Units expiry 19 January 2024 vesting subject to closing share price of the Company's shares on the TSX-V being greater than C\$0.70 for 20 consecutive trading days.

Part 5 – Unquoted +securities on issue

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

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

Restricted securities should be included in table 5.1.

5.1	*ASX security code and description	*Total number of +securities on issue
	C\$0.80 RSUs expiring on 19 February 2021	50,000
	C\$0.20 Employee and consultant share options expiring on 24 February 2022	1,480,000
	C\$0.20 Employee and consultant share options expiring on 3 December 2021	555,000
	C\$0.22 Employee and consultant share options expiring on 19 February 2021	1,000,000
	C\$0.80 Rights Offering Warrants expiring on 15 December 2021	7,928,183
	C\$0.40 Warrants expiring on 5 August 2022	3,029,375
	C\$0.40 Warrants expiring on 1 October 2022	867,291
	C\$0.40 Warrants expiring on 3 November 2022	204,609
	C\$0.40 Warrants expiring on 24 September 2021	3,563,100
	C\$0.40 Warrants expiring on 15 December 2021	10,184,630
	A\$0.34 Employee and consultant share options exercise price expiring 31 December 2022	500,000
	A\$0.36 Employee and consultant share options exercise price expiring 31 December 2022	500,000
	A\$0.38 Employee and consultant share options exercise price expiring 31 December 2022	500,000
	C\$0.16 Employee and consultant share options exercise price expiring 31 December 2022	500,000
	C\$0.24 Employee and consultant share options exercise price expiring 31 December 2022	500,000
	C\$0.32 Employee and consultant share options exercise price expiring 31 December 2022	500,000

*ASX security code and description	*Total number of +securities on issue
+Class	
Ordinary Shares subject to 6 months voluntary escrow from the date of issue of 7 August 2020	3,000,000
Ordinary Shares subject to 4 months voluntary escrow from the date of issue of 12 November 2020	233,076
A\$0.90 Options exercise price expiring 26 October 2022	5,137,382
A\$0.90 Options exercise price expiring 2 November 2022	6,225,236
A\$0.75 Options exercise price expiring 12 November 2022	1,500,000
C\$0.65 RSUs expiring on 8 December 2023	1,000,000
Ordinary Shares subject to 4 months voluntary escrow from the date of issue of 9 December 2020	281,370
C\$0.70 RSUs expiring on 19 January 2024	2,282,500

Part 6 – Other Listing Rule requirements

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

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

Question No.	Question	Answer
6.1	*Are the securities being issued under Listing Rule 7.2 exception 13¹ and therefore the issue does not need any security holder approval under Listing Rule 7.1? <i>Answer this question if your response to Q2.1 is “securities issued under an employee incentive scheme that are not being immediately quoted on ASX”.</i>	Yes

¹ Exception 13

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

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

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

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

- the maximum number of +equity securities proposed to be issued under the scheme following the approval; and
- a voting exclusion statement.

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

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



MACARTHUR MINERALS LIMITED

CONSULTANT SHARE COMPENSATION PLAN

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions: For purposes of the Plan, unless the context requires otherwise, the following words and terms shall have the following meanings:

- (a) “**Account**” has the meaning attributed to that term in section 4.9;
- (b) “**Administrators**” means the Board or such other persons as may be designated by the Board from time to time;
- (c) “**Affiliate**” has the meaning attributed to that term in the TSX-V Corporate Finance Manual;
- (d) “**Aggregate Contribution**” means the aggregate of a Participant’s Contribution and the related Corporation’s Contribution for the purposes of the Share Purchase Scheme;
- (e) “**ASIC**” means Australian Securities & Investments Commission;
- (f) “**associate**” has the meaning attributed to that term in the *Securities Act* (British Columbia) or Corporations Act;
- (g) “**Australian ADI**” has the meaning set forth in section 9 of the Corporations Act;
- (h) “**Award Date**” means the date or dates on which an award of Restricted Share Units is made to a Participant in accordance with section 4.1;
- (i) “**Basic Annual Salary**” means the basic annual remuneration of a Participant from the Employer exclusive of any overtime pay, bonuses or allowances of any kind whatsoever or such other amount as may be determined by the Administrators from time to time as the Basic Annual Salary of the Participant;
- (j) “**Blackout Period**” means the period during which designated directors, officers, Consultants and employees of the Corporation cannot trade the Common Shares pursuant to the Corporation’s policy respecting restrictions on directors’, officers’, Consultants’ and employee trading which is in effect at that time (which, for greater certainty, does not include the period during which a cease trade order is in effect to which the Corporation or in respect of an insider, that insider is subject);
- (k) “**Board**” means the board of directors of the Corporation from time to time;
- (l) “**Bonus Shares**” has the meaning attributed to that term in section 6.1;
- (m) “**Bonus Share Limit**” means an aggregate limit of 20,000,000 Common Shares which can be awarded as Bonus Shares under this Plan and other Share Compensation Arrangements at any point in time, including to insiders, provided that such award does not exceed the limits set out in sections 2.2 and 2.3;
- (n) “**Business Day**” means each day other than a Saturday, Sunday or statutory holiday in Brisbane, Australia;

- (o) **“Change of Control”** means:
- (i) the acceptance of an Offer by a sufficient number of holders of voting shares in the capital of the Corporation to constitute the offeror, together with persons acting jointly or in concert with the offeror, a shareholder of the Corporation being entitled to exercise more than 50% of the voting rights attaching to the outstanding voting shares in the capital of the Corporation (provided that prior to the Offer, the offeror was not entitled to exercise more than 50% of the voting rights attaching to the outstanding voting shares in the capital of the Corporation),
 - (ii) the completion of a consolidation, merger or amalgamation of the Corporation with or into any other corporation whereby the voting shareholders of the Corporation immediately prior to the consolidation, merger or amalgamation receive less than 50% of the voting rights attaching to the outstanding voting shares of the consolidated, merged or amalgamated corporation,
 - (iii) the completion of a sale whereby all or substantially all of the Corporation’s undertakings and assets become the property of any other entity and the voting shareholders of the Corporation immediately prior to that sale hold less than 50% of the voting rights attaching to the outstanding voting securities of that other entity immediately following that sale,
 - (iv) a change in the composition of a majority of the board within a 60 day period as a result of a shareholder (alone or collectively with other shareholders) being able to exert control or influence over the composition of the Board, and so exercise such control or influence; or
 - (v) any similar event or transaction not specifically contemplated by this section 1.1(o) as determined by the Corporation in its sole discretion, acting reasonably, including but not limited to a change in control of the Board;
- (p) **“Common Shares”** means the common shares of the Corporation;
- (q) **“Consultant”** means in relation to the Corporation, an individual (other than an Employee or a Director) or a company that:
- (a) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Corporation or to an Affiliate of the Corporation, other than services provided in relation to a Distribution;
 - (b) provides the services under a written contract between the Corporation or the Affiliate and the individual or the company, as the case may be;
 - (c) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or an Affiliate of the Corporation; and
 - (d) has a relationship with the Corporation or an Affiliate of the Corporation that enables the individual to be knowledgeable about the business and affairs of the Corporation;
- (r) **“Consultant Company”** means a Consultant that is a company;
- (s) **“Corporation”** means Macarthur Minerals Limited ACN 103 011 436, a corporation existing under the Corporations Act and the successors thereof;

- (t) **“Corporations Act”** means the Australian *Corporations Act 2001*(Cth);
- (u) **“Corporation’s Contribution”** means the amount the Corporation contributes to the Share Purchase Scheme in respect of a Participant under section 7.4;
- (v) **“Current Market Price”** means the price published by TSX-V as the final price for trading of a Common Share on the previous trading day on the TSX-V on which the Common Share was traded;
- (w) **“Director”** means a director, senior officer, company secretary, or Management Company Employee of the Corporation, or the Corporation’s subsidiaries;
- (x) **“Disability”** means any disability with respect to a Participant, or in the case of a Participant that is a company, the disability of the primary person who provides management or consulting services to the Corporation or to any entity controlled by the Corporation, which the Administrators, in their sole and unfettered discretion, consider likely to prevent permanently the Participant from:
 - (i) being employed or engaged by the Corporation, its Subsidiaries or another employer, in a position the same as or similar to that in which they were last employed or engaged by the Corporation or its Subsidiaries; or
 - (ii) acting as a director or officer of the Corporation or its Subsidiaries;
- (y) **“Distribution”** has the meaning attributed to that term in the *Securities Act* (British Columbia);
- (z) **“Effective Date”** means September 30, 2020;
- (aa) **“Eligible Person”** means, a Consultant, Consultant Company, a full or part-time Employee or a Director of the Corporation or an associated body corporate of the Corporation;
- (bb) **“Employee”** means:
 - (a) an individual who is considered an employee of the Corporation or its subsidiary under the Income Tax Act (Canada) (1985) (and for whom income tax, employment insurance and CPP deductions must be made at source) or Australian Income Tax Assessment Act (Cth) (1997);
 - (b) an individual who works full-time for an Corporation or its subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Issuer, but for whom income tax deductions are not made at source; or
 - (c) an individual who works for an Corporation or its subsidiary on a continuing and regular basis for a minimum amount of time per week (the number of hours should be disclosed in the submission) providing services normally provided by an employee and who is subject to the same control and direction by the Issuer over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source;
- (cc) **“Employer”** means the corporation that is the employer of a Participant, being the Corporation or a Designated Affiliate as defined in section;

- (dd) “**Event of Termination**” means an event whereby a Participant ceases to be an Eligible Person and shall be deemed to have occurred:
- (i) where a Consultant terminates for convenience (insofar as it is possible pursuant to the terms of the Consultant’s contract) on the termination date included in any notice of termination of contract or service; or
 - (ii) in all other circumstances by the giving of notice by the Corporation of termination of contract,
- excluding notice of termination of contract due to Disability or death of the primary person who provides management or consulting services;
- (ee) “**Discounted Market Price**” of a Common Share means, if the Common Shares are listed only on the TSX-V, the Market Price less the maximum discount permitted under the TSX-V Policy applicable to Options;
- (ff) “**Grant Date**” means the date or dates on which a grant of Options is made to a Participant in accordance with section 5.1;
- (gg) “**Hold Period**” means a period of four months and one day or such longer period as may be required by applicable law or any regulatory authority having jurisdiction over the securities of the Corporation, during which beneficial ownership of the Common Shares purchased for or subscribed for hereunder may not be transferred by the Trustee or a Participant other than in such manner as may be prescribed under such applicable law or by such regulatory authority;
- (hh) “**insider**” has the meaning attributed to that term in the TSX-V Corporate Finance Manual;
- (ii) “**Insider Participant**” means a Participant who is (i) an insider of the Corporation or any of its Subsidiaries, and (ii) an associate of any person who is an insider by virtue of (i);
- (jj) “**Investor Relations Activities**” has the meaning attributed to that term in the TSX-V Corporate Finance Manual;
- (kk) “**Just Cause**” means the termination or any variation thereof, whether in writing, implied or otherwise of the Participant due to serious misconduct, gross negligence, or a repeated failure to perform work required by any contract, consulting agreement, or any variation thereof;
- (ll) “**Listing Rules**” means the rules of the TSX-V and any other applicable stock exchange that the Corporation may be listed on from time to time;
- (mm) “**Management Company Employee**” means an individual employed by a person providing management services to the Corporation, which are required for the ongoing successful operation of the business enterprise of the Issuer, but excluding a person engaged in Investor Relations Activities;
- (nn) “**Market Price**” means the last closing price of the Corporation’s Common Share listed on the TSX-V:
- (i) on the trading day immediately preceding the day on which the Company announces the grant of the Option; or

- (ii) if the grant is not announced, on the Grant Date;
- (oo) “**Offer**” means a bona fide arm’s length offer made to all holders of voting shares in the capital of the Corporation to purchase, directly or indirectly, voting shares in the capital of the Corporation;
- (pp) “**Offer Document**” means the document under which a Purchase Scheme Offer is made under the Share Purchase Scheme pursuant to section 7.3(a);
- (qq) “**Option**” means an option granted to an Eligible Person under the Plan to purchase Common Shares;
- (rr) “**Option Agreement**” has the meaning attributed to that term in section 2.4 hereto;
- (ss) “**Option Confirmation**” has the meaning attributed to that term in section 2.4 hereto;
- (tt) “**Participant**” means an Eligible Person selected by the Board to participate in the Plan in accordance with section 3.1 hereof and a person, who both the Corporation and the Eligible Person, have represented they are as a *bona fide* Eligible Person;
- (uu) “**Participant Quarter**” means each three month period ending on March 31, June 30, September 30 and December 31 in each calendar year;
- (vv) “**Participant’s Contribution**” means the amount a Participant elects to contribute to the Share Purchase Scheme pursuant to section 7.3 hereof;
- (ww) “**Plan**” means this share compensation plan, as amended, replaced or restated from time to time;
- (xx) “**Purchase Scheme Market Option**” means the Purchase Scheme Market Option described in section 7.6 hereof;
- (yy) “**Purchase Scheme Offer**” means an offer to a Participant made under the Share Purchase Scheme;
- (zz) “**Purchase Scheme Treasury Option**” means the Purchase Scheme Treasury Option described in section 7.6;
- (aaa) “**Purchase Scheme Trust**” means the trust agreement entered into between the Corporation and the Trustee, as amended, replaced or restated from time to time, including the trust constituted thereby;
- (bbb) “**reserved for issuance**” refers to Common Shares that may be issued in the future: (i) upon the vesting of Restricted Share Units which have been awarded, (ii) upon the exercise of Options which have been granted, (iii) as Bonus Shares or (iv) pursuant to the Share Purchase Scheme to the extent that such Common Shares are issued from treasury;
- (ccc) “**Restricted Share Unit**” means a right granted in accordance with section 4.1 hereof to receive a Common Share as determined by the Administrators upon award that becomes vested in accordance with section 4.3;
- (ddd) “**Restricted Share Unit Agreement**” has the meaning attributed to that term in section 2.4;

- (eee) “**Restricted Share Unit Confirmation**” has the meaning attributed to that term in section 2.4;
 - (fff) “**Share Compensation Arrangement**” means a stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares to directors, officers and employees of the Corporation and any of its Subsidiaries or to Consultants, including a share purchase from treasury which is financially assisted by the Corporation by way of a loan, guarantee or otherwise; provided, however, that “**Share Compensation Arrangement**” does not include Common Shares owned by an Eligible Person or in respect of which an Eligible Person has subscribed prior to the completion of the initial public offering of the Corporation;
 - (ggg) “**Share Purchase Scheme**” means the share purchase scheme described in section 7;
 - (hhh) “**Share Purchase Scheme Limit**” means an aggregate limit of 20,000,000 Common Shares which can be issued under the Share Purchase Scheme in this Plan and other Share Compensation Arrangements at any point in time, including to insiders, provided that such issuance does not exceed the limits set out in sections 2.2 and 2.3;
 - (iii) “**Subsidiary**” has the meaning ascribed thereto in the *Securities Act* (British Columbia) and “**Subsidiaries**” shall have a corresponding meaning;
 - (jjj) “**Trustee**” means an Australian ADI or equivalent Canadian entity appointed by the Administrators, in its capacity as trustee of the Purchase Scheme Trust or any substitute trustee or trustees of the Purchase Scheme Trust as may be appointed in accordance with the Purchase Scheme Trust.
 - (kkk) “**TSX-V**” means the TSX Venture Exchange; and
 - (lll) “**Vesting Date**” shall mean, the day on which the Restricted Share Unit or Option (as applicable) vests, or may vest, in the Participant.
- 1.2 Headings:** The headings of all articles, sections, and paragraphs in the Plan are inserted for convenience of reference only and shall not affect the construction or interpretation of the Plan.
- 1.3 Context, Construction:** Whenever the singular or masculine are used in the Plan, the same shall be construed as being the plural or feminine or neuter or vice versa where the context so requires.
- 1.4 References to this Plan:** The words “hereto”, “herein”, “hereby”, “hereunder”, “hereof” and similar expressions mean or refer to the Plan as a whole and not to any particular article, section, paragraph or other part hereof.
- 2. PURPOSE AND ADMINISTRATION OF THE PLAN**
- 2.1 Purpose:** The purpose of the Plan is to advance the interests of the Corporation and its Subsidiaries, if any, and its shareholders by: (i) ensuring that the interests of key Eligible Persons are aligned with the success of the Corporation and its Subsidiaries, if any; (ii) encouraging stock ownership by key Eligible Persons; and (iii) providing compensation opportunities to attract, retain and motivate key Eligible Persons.
- 2.2 Shares Subject to the Plan:** The Administrators have unfettered discretion to: (a) award Restricted Share Units; (b) grant Options; (c) award Bonus Shares; and (d) issue Common Shares from treasury pursuant to the Share Purchase Scheme, all in accordance with the terms of the Plan, and

the shares issued on settlement of the Restricted Share Units, upon exercise of the Options, awarded as Bonus Shares or issued from treasury under the Share Purchase Scheme shall be Common Shares. The Common Shares for which Restricted Share Units are awarded in accordance with section 4, for which Options are granted in accordance with section 5, which are awarded as Bonus Shares in accordance with section 6 and which are issued from treasury under the Share Purchase Scheme in section 7 shall be authorized but unissued Common Shares. The aggregate number of Common Shares that may be issued under the Plan (other than Common Shares purchased and delivered pursuant to the Purchase Scheme Market Option) and any other Share Compensation Arrangements shall not at any time exceed 20% of the Common Shares issued and outstanding as at Effective Date, being 125,599,345 Common Shares, provided that:

- (a) if any Option subject to the Plan is forfeited, expires, is terminated or is cancelled for any reason whatsoever, then the maximum number of Common Shares for which Options may be granted hereunder shall be increased by the number of Common Shares which were the subject of such exercised, forfeited, expired, terminated or cancelled Option, as applicable;
- (b) if any Common Shares reserved under section 2.3(e) for Restricted Share Units, Bonus Shares or Share Purchase Scheme have been forfeited, expired, terminated or cancelled for any reason whatsoever (“**Forfeited Units**”) since the Effective Date, then the maximum number of Common Shares for Restricted Share Units, Bonus Shares or Share Purchase Scheme may be granted hereunder shall not be increased by the number of Common Shares which were the subject of such Forfeited Units until the Plan is next approved by Shareholders, in accordance to section 8.10, as applicable.

2.3 Limit on Issuance of Common Shares: No Restricted Share Units shall be awarded, no Options shall be granted, no Bonus Shares shall be awarded and no Common Shares shall be issued from treasury under the Share Purchase Scheme to any Participant if such award or grant, as applicable, could result, at any time, in:

- (a) the number of Common Shares issuable to Insider Participants (under this Plan and any other Share Compensation Arrangements), at any point in time exceeding 20% of Common Shares issued and outstanding at Effective Date;
- (b) the aggregate number of Common Shares issued to any one Participant, at any point in time, exceeding 10% of Common Shares issued and outstanding at Effective Date,;
- (c) the aggregate number of Common Shares issued to any one Consultant, at any point in time, exceeding 2% of Common Shares then issued and outstanding at Effective Date;
- (d) the aggregate number of Common Shares issued to all Participants that provide Investor Relations Activities at any point in time, exceeding 2% of Common Shares then issued and outstanding at Effective Date;
- (e) the aggregate number of Common Shares issued for Restricted Share Units, Bonus Shares and the Share Purchase Scheme exceeding in the issuance of 20,000,000 at any point in time, including to insiders (under this Plan and any other Share Compensation Arrangements); or
- (f) non-compliance with applicable legislation or regulation (such as Canadian securities laws and the Corporations Act or any applicable Listing Rules or class order).
- (g) In the event that the Corporation purchases Common Shares for cancellation or any conversion, exchange or purchase rights for Common Shares attached to any securities of the Corporation expire or otherwise are extinguished, the Corporation shall be deemed to

be in compliance with the foregoing maximum limits, if immediately prior to such purchase, expiration or other extinguishment, the Corporation was in compliance with such limits.

2.4 Administration of the Plan: The Plan shall be administered by the Administrators, which may be through the recommendation of the Remuneration and Nomination Committee of the Board, if such committee has been appointed. Subject to section 2.3 hereof and other limitations of the Plan, the Administrators shall have the power and authority to:

- (a) adopt rules and regulations for implementing the Plan;
- (b) undertake the activities set out in sections 4.1, 5.1, 6.1 and 7 including without limitation, determine the eligibility of persons to participate in the Plan, when Restricted Share Units, Options and Bonus Shares shall be awarded or granted to Eligible Persons, the number of Restricted Share Units and Options and Bonus Shares to be awarded or granted, the exercise price of Options (in accordance with applicable laws and Listing Rules), the vesting criteria for each award of Restricted Share Units, the vesting period for each grant of Options, the eligibility of persons to participate in the Share Purchase Scheme and whether participation in the Share Purchase Scheme will be pursuant to the Purchase Scheme Treasury Option or the Purchase Scheme Market Option;
- (c) determine the forms of restricted share unit confirmation (“**Restricted Share Unit Confirmation**”) and restricted share unit agreement (“**Restricted Share Unit Agreement**”) for each Restricted Share Unit, and the forms of option confirmation (“**Option Confirmation**”) and option agreement (“**Option Agreement**”) for each Option;
- (d) interpret and construe the provisions of the Plan;
- (e) subject to regulatory requirements, make exceptions to the Plan in circumstances which they determine to be exceptional;
- (f) delegate authority to the Company Secretary or other officer, to issue Common Shares under this Plan, and take all action necessary to fulfill obligations of the Plan; and
- (g) make all other determinations and take all other actions as they determine to be necessary or desirable to implement, administer and give effect to the Plan.

3. ELIGIBILITY AND PARTICIPATION IN PLAN

3.1 The Plan and Participation: The Plan is hereby established for Eligible Persons who may receive Restricted Share Units, Options, Bonus Shares and Common Shares pursuant to the Share Purchase Scheme as determined by the Administrators in accordance with the provisions hereof provided.

3.2 Agreements: All Restricted Share Units awarded hereunder shall be evidenced by a Restricted Share Unit Agreement between the Corporation and the Participant. All Options granted hereunder shall be evidenced by an Option Agreement between the Corporation and the Participant. Participation in the Share Purchase Scheme shall be evidenced by the Offer Document between the Corporation and the Participant.

3.3 Investor Relations: Participants retained to provide Investor Relations Activities can only participate in Options. They are not allowed to receive Restricted Share Units, Bonus Shares and Common Shares pursuant to the Share Purchase Scheme.

- 3.4 Insiders:** The grant of any Restricted Share Units, Bonus Shares and Common Shares pursuant to the Share Purchase Scheme to Insider Participants must receive disinterested shareholder approval.

4. AWARD OF RESTRICTED SHARE UNITS

- 4.1 Award of Restricted Share Units:** Subject to the terms and conditions of this Plan, the Administrators shall determine to whom Restricted Share Units pursuant to the Plan will be awarded, the number of Restricted Share Units to be awarded and credited to each Participant's Account, the Award Date and, subject to section 4.3 hereof, the applicable vesting criteria. Upon the award of Restricted Share Units, the number of Restricted Share Units awarded to a Participant shall be credited to the Participant's Account effective as of the Award Date.

- 4.2 Restricted Share Unit Confirmation:** Upon the award of each Restricted Share Unit, a Restricted Share Unit Confirmation specifying the vesting criteria, shall be delivered by the Administrators to the Participant. The Participant shall confirm its acceptance of the terms set out in the Restricted Share Unit Confirmation by entering into the Restricted Share Unit Agreement.

4.3 Vesting:

- (a) Subject to subsections (c) and (d) below, at the time of the award of Restricted Share Units, the Administrators shall determine in their sole discretion the vesting criteria applicable to the awarded Restricted Share Units and such criteria shall be included in the Restricted Share Unit Confirmation.
- (b) For greater certainty, the vesting of Restricted Share Units may be determined by the Administrators to include criteria such as performance vesting, in which the number of Common Shares to be delivered to a Participant for each Restricted Share Unit that vests may fluctuate based upon the Corporation's performance and/or the market price of the Common Shares, in such manner as determined by the Administrators in their sole discretion.
- (c) At a minimum, Restricted Share Units:
 - (i) with time vesting criteria shall vest in respect of 33 1/3% of the Common Shares subject to the Restricted Share Units on the first day after each of the first three anniversaries of the Award Date of such Restricted Share Units; and
 - (ii) with performance vesting criteria shall vest on the first day after the first achievement of vesting criteria as determined by the Administrators.
- (d) Notwithstanding the foregoing in this section 4.3,
 - (i) all time vesting and issuances shall be completed no later than the third anniversary of Award Date; and
 - (ii) subject to the terms of the Restricted Share Unit Agreement, if performance criteria are not met by the third anniversary of the Award Date the Restricted Share Units shall be cancelled.

- 4.4 Common Shares Issued by the Corporation on Vesting:** Pursuant to section 4.1, at the time of award of Restricted Share Units the Administrators shall determine the number of Restricted Share Units a Participant shall receive and:

- (a) as soon as practicable after the relevant Vesting Date of any Restricted Share Units and in no event later than fourteen (14) days after the Vesting Date (to the extent that there may be impediments under applicable laws or the Listing Rules), each such vested Restricted Share Unit shall be settled for one Common Share at no cost to the Participant;
- (b) the Company Secretary shall prepare a treasury order and have it signed by no less than two of the people currently listed on the Corporation's "certificate of incumbency" and send the treasury order to the Corporation's transfer agent; and
- (c) the number of Common Shares required to be issued to a Participant upon the vesting of such Participant's Restricted Share Units in the Participant's Account will be duly issued as fully paid and non-assessable and such Participant shall be registered on the books of the Corporation as the holder of the appropriate number of Common Shares. No person or entity shall enjoy any part of the rights or privileges of a holder of Common Shares issuable pursuant to Restricted Share Units until that person or entity becomes the holder of record of those Common Shares.

4.5 Blackout Periods: Should the Vesting Date of a Restricted Share Unit fall within a Blackout Period, such Vesting Date shall be automatically extended without any further act or formality to that date which is the Business Day after the end of the Blackout Period, such Business Day to be considered the Vesting Date for such Restricted Share Unit for all purposes under the Plan.

4.6 Adjustments regarding Restricted Share Units: Subject to TSX-V acceptance, appropriate adjustments with respect to Restricted Share Units awarded or to be awarded and in the number of Common Shares that are available for Restricted Share Units under the Plan may be made by the Administrators to give effect to any change in the number of Common Shares of the Corporation resulting from a Change of Control or from rights offerings or subdivisions, consolidations or reclassifications of the Common Shares, the payment of stock dividends by the Corporation (other than dividends in the ordinary course) or other relevant changes in the capital stock of the Corporation (a "Change in Capital").

4.7 Rights Upon an Event of Termination regarding Restricted Share Units:

- (a) If an Event of Termination occurs after the Vesting Date, but prior to settlement of the award of Common Shares, to the extent permitted under applicable laws and the Listing Rules, the settlement shall occur as soon as practicable after the Event of Termination.
- (b) If an Event of Termination has occurred prior to the Vesting Date:
 - (i) by the Corporation, for Just Cause, or
 - (ii) by the Participant terminating for convenience,

all rights of the Participant in Restricted Share Units granted to the Participant shall be immediately null and void as of the date the notice of termination is given or the effective date of the termination, as applicable.
- (c) If a Participant ceases to be an Eligible Person, due to his or her death or Disability or, in the case of a Participant that is a company, the death or Disability of the primary person who provides management or consulting services to the Corporation or to any entity controlled by the Corporation, the Restricted Share Units then held by the Participant shall vest, depending on applicable time vesting criteria or achievement of performance criteria, at any time up to but not after the earlier of:

- (i) 365 days after the date of death or Disability; and
- (ii) the expiration date of the Restricted Share Units.
- (d) If an Event of Termination has occurred prior to the Vesting Date by the Corporation, without cause and other than an Event of Termination contemplated by section 4.7(b), all unvested Restricted Share Units then held by the Participant shall immediately vest and the Common Shares in respect of such Participant's Restricted Share Units shall be calculated and issued to the Participant no later than ten (10) days after the Event of Termination.
- (e) For the purposes of this Plan and all matters relating to the Restricted Share Units, the date of the Event of Termination in respect of such Participant shall be determined, by the Administrators, in their sole discretion, without regard to any applicable notice of termination, severance or termination pay, damages, or any claim thereto (whether express, implied, contractual, statutory, or at common law).

4.8 Rights Upon Contract Completion/Expiry of Contract Term:

- (a) If a Participant's contract term ends after the Vesting Date, but prior to settlement of the award of Common Shares, to the extent permitted under applicable laws and the Listing Rules, the settlement shall occur as soon as practicable after the expiry of the contract term.
- (b) Subject to section 4.8(c), if a Participant's contract term ends prior to the Vesting Date all rights of the Participant in unvested Restricted Share Units granted to the Participant shall be immediately null and void as of the date the expiry of the contract.
- (c) If the Vesting of a Participant's Restricted Share Units is delayed due to a Blackout Period as set out in section 4.5, but the Participant's contract ends on, or after, what would have been the Vesting Date but for the Blackout Period, the Restricted Share Units shall still Vest in accordance with the terms of the Restricted Share Unit Agreement despite expiry of the contract term.

4.9 Restricted Share Unit Accounts: A separate notional account for Restricted Share Units shall be maintained for each Participant (an "**Account**"). Each Account will be credited with Restricted Share Units awarded to the Participant from time to time pursuant to section 4.1 hereof by way of a bookkeeping entry in the books of the Corporation. On the vesting of the Restricted Share Units pursuant to section 4.3 hereof and the corresponding issuance of Common Shares to the Participant, or on the forfeiture and cancellation of the Restricted Share Units pursuant to section 4.6 hereof the Restricted Share Units credited to the Participant's Account will be cancelled.

4.10 Record Keeping: The Corporation shall maintain records in which shall be recorded:

- (a) the name and address of each Participant;
- (b) the number of Restricted Share Units credited to each Participant's Account;
- (c) any and all adjustments made to Restricted Share Units recorded in each Participant's Account;
- (d) signed copies of the Restricted Share Unit Confirmation and Restricted Share Unit Agreement; and
- (e) any other information which the Corporation considers appropriate to record in such register.

- 4.11 Change of Control:** Notwithstanding any other provision of this Plan, all unvested Restricted Share Units shall vest on occurrence of a Change of Control.

5. GRANT OF OPTIONS

- 5.1 Grant of Options:** Subject to the terms and conditions of this Plan, the Administrators shall determine:

- (a) to whom Options pursuant to the Plan will be granted;
- (b) the number of Options to be granted,
- (c) the Grant Date;
- (d) the exercise price of each Option which shall not be less than the Discounted Market Price on the Grant Date;
- (e) the expiration date of each Option;
- (f) subject to section 5.3 hereof, the applicable vesting criteria; provided, however that the exercise price in respect of an Option, shall not be less than the Discounted Market Price on the Grant Date; and
- (g) if the exercise price is a discount to the Market Price the Hold Period applies and will be legended in accordance with the TSX-V Corporate Finance Manual.

- 5.2 Option Confirmation:** Upon the grant of each Option, an Option Confirmation shall be delivered by the Administrators to the Participant. The Participant shall confirm its acceptance of the terms set out in the Option Confirmation by signing the Option Agreement.

5.3 Vesting:

- (a) At the time of the grant of Options, the Administrators shall determine in their sole discretion the vesting criteria applicable to the granted Options and such criteria shall be included in the Option Confirmation.
- (b) Options issued to Participants retained to provide Investor Relations Activities must vest in stages over a period of not less than 12 months with more than one quarter (1/4) of the Options vesting in any three month period.

- 5.4 Term of Option/Blackout Periods:** The term of each Option shall be determined by the Administrators; provided that no Option shall be exercisable after five years from the date on which it is granted. Should the term of an Option expire on a date that falls within a Blackout Period or within nine Business Days following the expiration of a Blackout Period, such expiration date shall be automatically extended without any further act or formality to that date which is the tenth Business Day after the end of the Blackout Period, such tenth Business Day to be considered the expiration date for such Option for all purposes under the Plan. Notwithstanding section 8.2 hereof, the ten Business Day period referred to in this section 5.4 may not be extended by the Board.

5.5 Exercise of Option:

- (a) An Option that has vested in accordance with the provisions of this Plan and the Options under the applicable Option Agreement may be exercised at any time, or from time to time, during its term as to any number of whole Common Shares that are then available for

purchase; provided that no partial exercise may be for less than 100 whole Common Shares. An Option may be exercised by delivery of a written notice of the election to the Administrators in the form set forth in the Option Agreement with respect to the Option, or in any other form acceptable to the Administrators. The aggregate amount to be paid for the Common Shares to be acquired pursuant to the exercise of an Option shall be paid by certified cheque, cash or bank draft and shall accompany the written notice.

- (b) Upon actual receipt by the Corporation of written notice and cleared funds from a cheque for the aggregate exercise price, the Company Secretary shall prepare a treasury order and have it signed by no less than two of the people currently listed on the Corporation's "certificate of incumbency" and send the order to the Corporation's transfer agent.
- (c) Following receipt and process of the treasury order by the Corporation's transfer agent, the number of Common Shares in respect of which the Option is exercised will be duly issued as fully paid and non-assessable and the Participant exercising the Option shall be registered on the books of the Corporation as the holder of the appropriate number of Common Shares. No person or entity shall enjoy any part of the rights or privileges of a holder of Common Shares subject to Options until that person or entity becomes the holder of record of those Common Shares.

5.6 Adjustments regarding Options: Subject to TSX-V acceptance, appropriate adjustments with respect to Options granted or to be granted, in the number of Common Shares that are available for Options and in the exercise price for such Common Shares under the Plan may be made by the Administrators to give effect to any change in the number of Common Shares of the Corporation resulting from a Change of Control or a Change in Capital provided always that such adjustment will not result in any benefits being conferred upon Participants which are not conferred on all holders of Shares and, subject to the provisions with respect to rounding of entitlements as sanctioned by the meeting of the holders of Shares approving the Change in Capital, in all other respects, the terms of the Options shall remain unchanged.

5.7 Additional Issues of Securities and Dividends:

- (a) Option holders do not have any right to participate in new issues of securities in the Corporation made to shareholders generally. The Corporation will, where required pursuant to the Listing Rules, provide Option holders with notice prior to the books record date (to determine entitlements to any new issue of securities made to shareholders generally) to exercise the Options, in accordance with the requirements of the Listing Rules.
- (b) The Option holder will not be entitled to participate in any dividends unless the Options are exercised and the resultant Common Shares of the Corporation are issued prior to the record date for the determination of entitlements to the dividend.

5.8 Bonus Issue: If there is a bonus issue to the holders of Common Shares pursuant to section 254A of the Corporations Act, the number of Common Shares over which the Option is exercisable may be increased by the number of Common Shares which the Option holder would have received if the Option had been exercised before the record date for the bonus issue.

5.9 Rights Upon an Event of Termination regarding Options:

- (a) If a Participant ceases to be an Eligible Person, due to his or her death or Disability or, in the case of a Participant that is a company, the death or Disability of the person who provides management or consulting services to the Corporation or to any entity controlled

by the Corporation, the Option then held by the Participant shall vest and be exercisable to acquire Common Shares at any time up to but not after the earlier of:

- (i) 365 days after the date of death or Disability; and
 - (ii) the expiration date of the Options.
- (b) Event of Termination for Just Cause:

If an Event of Termination occurs and the Participant ceases to be an Eligible Person as a result of termination for Just Cause, any unvested Options held by such Participant on the date of such termination, shall be cancelled as of that date.

- (c) Event of Termination for convenience by the Participant or termination other than for Just Cause:

Except as otherwise stated herein or otherwise determined by the Administrators in their discretion, upon the occurrence of an Event of Termination that includes termination for convenience by the Participant or termination other than for Just Cause, any unvested Options granted to the affected Participant shall vest immediately and may be exercised only before the earlier of:

- (i) the expiry of the Option; and
 - (ii)
 - (1) 90 days after the date of the Event of Termination for Participants other than Directors; or
 - (2) 365 days after the date of the Event of Termination for Participants who are Directors.
- (d) For the purposes of this Plan and all matters relating to the Options, the date of the Event of Termination shall be determined, by the Administrators, in their sole discretion, without regard to any applicable notice of termination, severance or termination pay, damages, or any claim thereto (whether express, implied, contractual, statutory, or at common law).

5.10 Record Keeping: The Corporation shall keep signed copies of the Option Agreement and Option Confirmation in its records and shall maintain an Option register in which shall be recorded:

- (a) the name and address of each holder of Options;
- (b) the number of Common Shares subject to Options granted to each holder of Options;
- (c) the term of the Option and exercise price, including adjustments for each Option granted; and
- (d) any other information which the Corporation considers appropriate to record in such register.

5.11 Effect of a Take-Over Bid: If a *bona fide* Offer for Common Shares is made to a Participant who holds Options or to shareholders of the Corporation generally or to a class of shareholders which includes the Options held by a Participant, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of the Corporation, within the meaning of subsection 1(1)

of the *Securities Act* (British Columbia), the Corporation may, upon receipt of notice of the Offer, determine in its discretion whether to amend the vesting provisions of the Options and notify each affected Participant of full particulars of the Offer, whereupon (subject to the approval of the TSX-V) the vesting provisions of the Options may be accelerated and the Options may be exercised in whole or in part by the Participant so as to permit the Participant to tender the Common Shares received upon such exercise, pursuant to the Offer. Subject to approval of the TSX-V, the Administrators may declare that the expiry date for the exercise of all unexercised Options granted under the Plan is accelerated so that all Options will either be exercised or will expire prior to the date upon which Common Shares must be tendered pursuant to the Offer. The Directors shall give each Participant as much notice as possible of any acceleration of the Options under this section, except that not less than five (5) business days' notice is required and more than 30 days' notice is not required. However, if:

- (a) the Offer is not completed within the time specified therein; or
- (b) all of the Common Shares tendered by the Participant pursuant to the Offer are not taken up or paid for by the offeror in respect thereof,

then the Common Shares received upon such exercise, or in the case of clause (b) above, the Common Shares that are not taken up and paid for, may be returned by the Participant to the Corporation and reinstated as authorized but unissued Common Shares and with respect to such returned Common Shares, the Participant's Options shall be reinstated as if it had not been exercised and the terms upon which such Options were to become vested pursuant to section 5.3 shall be reinstated. If any Common Shares are returned to the Corporation under this section 5.11, the Corporation shall immediately refund the exercise price received by the Corporation to the Participant for such Options.

5.12 Effect of a Change of Control: If a Change of Control occurs, all Options will become vested, whereupon such Option may be exercised in whole or in part by the Optionee, subject to the approval of the TSX-V, if necessary.

5.13 Investor Relations: The Administrators must, through the establishment of appropriate procedures, monitor the trading in the securities of the Issuer by all Participants performing Investor Relations Activities. These procedures may include, for example, the establishment of a designated brokerage account through which the Participant conducts all trades in the securities of the Corporation or a requirement for such Participants to file insider trade report to the Administrators.

6. AWARD OF BONUS SHARES

6.1 Bonus Shares: Subject to acceptance of this Plan for filing by the TSX-V and subject to the approval of this Plan by the shareholders of the Corporation, the Administrators shall have the authority and power in their sole and absolute discretion, to allot, issue and distribute in such amounts as the Administrators in their sole and absolute discretion deem fit, as fully paid and non-assessable Common Shares (the "**Bonus Shares**") up to the Bonus Share Limit to any such Participants whom the Administrators, in their sole and absolute discretion deem to have provided extraordinary contributions to the advancement of the Corporation, as a discretionary bonus.

6.2 Price Per Bonus Share: The Bonus Shares will be issued in consideration of the fair value of the extraordinary contribution to the Corporation by the recipient as determined by the Administrators, in their discretion, and shall be issued at a deemed price determined by the Administrators at the time of issuance of such Bonus Shares, but such price shall not be less than the daily closing price per Common Share on the TSX-V on the trading day immediately preceding the day on which the Bonus Shares are issued, provided that if there was no sale on the TSX-V on such date, then the

last sale prior thereto. No Bonus Shares shall be issued at a time when it is unlawful to fix the price for such Bonus Shares.

- 6.3 No Additional Rights:** Nothing in this Plan shall require the issue or distribution of any Bonus Shares in any given year or the distribution to any particular person of Bonus Shares at any time. The receipt by a recipient in any year of Bonus Shares shall not create any entitlement to a receipt of Bonus Shares by such recipient in any other year. No person shall have any right to receive a distribution of Bonus Shares in a year, whether or not other persons receive Bonus Shares in such other year. The pool of Bonus Shares available for any given year, if not distributed, shall cease to be available at the end of such year and shall not accumulate or be available for any succeeding year.
- 6.4 Necessary Approvals:** The obligation of the Corporation to issue and deliver any Bonus Shares in accordance with the Share Bonus Plan shall be subject to any necessary approvals of any stock exchange or regulatory authority having jurisdiction over the securities of the Corporation and compliance with all applicable laws and Listing Rules. If any Bonus Shares cannot be issued to any Participant for any reason, the obligation of the Corporation to issue such Bonus Shares shall terminate without any obligation or liability to the Participant.

7. SHARE PURCHASE SCHEME

- 7.1 Participants:** The Administrators shall designate the Participants which may be entitled to participate in the share purchase scheme (the “**Share Purchase Scheme**”) described in this section 7 and receive a Purchase Scheme Offer, provided however that Canadian residents shall not be entitled to participate in the Share Purchase Scheme. Participants entitled to participate in the Share Purchase Scheme shall have provided services to the Corporation or an associated body corporate of the Corporation (a “**Designated Affiliate**”) for at least six consecutive months. The Administrators shall have the right, in their sole and absolute discretion, to waive such six month period or to determine that a Participant may not participate or is no longer eligible to participate in the Share Purchase Scheme.
- 7.2 Maximum Number of Common Shares:** The maximum number of Common Shares that may be issued under the Share Purchase Scheme from and after the Effective Date shall equal the Share Purchase Scheme Limit. For greater certainty, the provisions of this section 7.1 shall not limit nor restrict in any manner whatsoever the number of Common Shares that the Administrators may purchase under the Share Purchase Scheme through the facilities of a stock exchange.
- 7.3 Election to Participate in Share Purchase Scheme and Participant’s Contribution:**
- (a) Any Participant which has been designated by the Administrators pursuant to section 7.1 hereof as being entitled to participate in the Share Purchase Scheme and has received and accepted the terms of a Purchase Scheme Offer to participate under an Offer Document may elect to contribute money to the Share Purchase Scheme in any calendar year if such Participant, prior to or at the end of the immediately preceding calendar year, delivers to the Employer and the Corporation a written direction, in form and substance satisfactory to the Corporation, authorizing the Employer to deduct the Participant’s Contribution from the remuneration of the Participant in equal instalments over the calendar year.
 - (b) If, on December 31 of any year, a Participant has not been continuously providing services to the Corporation or any Designated Affiliate for at least six consecutive months (unless such six-month requirement is waived by the Administrators), then, in the calendar quarter during which such Participant reaches six consecutive months of such service, such Participant may elect to contribute money to the Share Purchase Scheme and make a

Participant's Contribution with respect to the balance of that calendar year, commencing at the beginning of the next calendar quarter, by delivering to the Employer and the Corporation the written direction referred to in section 7.3(a) hereof.

- (c) The maximum amount or percentage amount of a Participant's Contribution which may be made by a Purchase Scheme Participant to the Share Purchase Scheme in any calendar year shall be designated by the Administrators from time to time and shall not exceed 20% (unless otherwise specified by the Administrators), before deductions, of the Basic Annual Salary of such Participant; provided that, for any Participant making a Participant's Contribution for less than a full year in accordance with section 7.3(b) hereof, his or her Basic Annual Salary shall be pro-rated for that calendar year.
- (d) Notwithstanding section 7.12 hereof, no adjustment shall be made to the Participant's Contribution until the next succeeding calendar year, and then only if a new written direction shall have been delivered by the Participant to the Employer and the Corporation for such calendar year in accordance with section 7.3(a) hereof.

7.4 Corporation's Contribution:

- (a) Following the receipt by the Corporation of the written direction of a Participant in accordance with section 7.3(a) hereof by the date set by the Administrators and no later than the commencement of each calendar year, the Administrators shall determine the amount of the Corporation's Contribution which shall be made on behalf of each Participant during such calendar year; provided that, if the Administrators do not make such a determination, the amount of such Corporation's Contribution shall be equal to the Corporation's Contribution made on behalf of such Participant during the preceding calendar year. The maximum amount of the Corporation's Contribution which shall be made in respect of each Participant during a calendar year shall not exceed 25% of the Participant's Contribution.
- (b) Before transferring any Corporation Contributions to acquire Common Shares, the Corporation must ensure that any Participant Contributions are held by the Corporation in trust for the Purchase Scheme Participant in an account of an Australian ADI or Canadian equivalent which has been established only for the purpose of depositing contribution moneys and other moneys received from a Participant for the purpose of participating under the Purchase Scheme Trust.

On or about the same time that the Employer deducts the Participant's Contribution from the remuneration of a Participant, the Corporation shall pay or cause to be paid, to the Purchase Scheme Trust, the Corporation's Contribution in respect of such Participant which Corporation's Contribution which shall be in the amount determined by the Administrators in accordance with this section 7.4.

- 7.5 Purchase of Common Shares:** The Trustee shall use all funds received by it from Participant Contributions and Corporation Contributions to subscribe for or purchase Common Shares. Such purchases or subscriptions shall be made by the Trustee upon receipt of such funds, for the maximum number of Common Shares which may be purchased or subscribed for, at such time or times as the Trustee determines, either through subscription from the Corporation (the "**Purchase Scheme Treasury Option**") or by purchase through the facilities of the TSX-V (or such other stock exchanges as the Corporation may designate from time to time) (the "**Purchase Scheme Market Option**"), as may be directed by the Administrators in accordance with their determination pursuant to section 7.6. Common Shares purchased by the Trustee from the Corporation shall be issued by the Corporation as fully paid and non-assessable common shares, at a price equal to the

Market Price on the day on which such Common Shares are issued by the Corporation or at such other price or prices as may be approved by the board and all applicable regulatory authorities and subject to any necessary regulatory approvals and the availability of exemptions from the registration and prospectus requirements under applicable securities laws.

7.6 Determination of Purchase Scheme Treasury Option or Purchase Scheme Market Option:

At the commencement of every calendar quarter, the Administrators shall determine whether Aggregate Contributions in respect of a Participant shall be used to: (a) purchase shares to be issued from treasury under the Purchase Scheme Treasury Option; or (b) purchase shares through the facilities of the TSX-V (or such other stock exchanges as the Corporation may designate from time to time) under the Purchase Scheme Market Option, for the next following calendar quarter; provided that, if the Administrators do not make such a determination in respect of any calendar quarter, Participants shall continue to participate in the Share Purchase Scheme in the next following calendar quarter on the same terms and in the same manner as in the preceding calendar quarter. Participants shall initially participate in the Purchase Scheme Treasury Option until such determination is changed by the Administrators. Each Participant shall be advised in writing of his or her participation in the Purchase Scheme Treasury Option or the Purchase Scheme Market Option and shall be advised of any changes in such Participant's participation under the Share Purchase Scheme.

7.7 Common Shares Held in Trust:

- (a) All Common Shares issued to or purchased by the Trustee pursuant to section 7.6 on behalf of a Participant shall be held by the Trustee in trust for the benefit of such Participant and the Trustee shall record the number of Common Shares so held by the Trustee for the benefit of the Participant. The share certificates representing such Common Shares shall, so long as they are held by the Trustee for the benefit of a Participant, be registered in the name of the Trustee or its nominee. The Administrator shall allocate the Common Shares issued to or purchased by the Trustee in respect of any pay period pursuant to section 7.5 on behalf of the Participants, to the account of each Participant in proportion to the Participant Contributions and Corporation Contributions made on behalf of that Participant in such pay period. Each Participant shall thereupon have an interest in the Common Shares issued to or purchased by the Administrator in proportion to his or her Participant Contributions and Corporation Contributions made on his or her behalf during the pay period.
- (b) The Common Shares held by the Trustee on behalf of a Participant pursuant to the Share Purchase Scheme shall be voted by the Trustee at each meeting of the shareholders of the Corporation in accordance with the timely instructions of such Participant and, for the purposes thereof, the Trustee shall, at the expense of the Corporation cause each Participant to be provided with a copy of the notice of meeting, information circular and proxy for each meeting of the shareholders of the Corporation together with an appropriate form on which the Participant may indicate voting instructions to the Trustee, or alternatively, the Trustee may deliver to the Participant a proxy for use at such meeting, duly endorsed by the Trustee, indicating the number of Common Shares held by the Trustee for such Participant, entitling the Participant to deposit such proxy directly with the Corporation in connection with such meeting.
- (c) If the Trustee receives, on behalf of a Participant in respect of any Common Shares so held:
 - (i) cash dividends or other income derived from the Common Shares;

- (ii) options or rights to purchase additional securities of the Corporation or any other corporation;
- (iii) other or additional Common Shares or other securities (by way of dividend or otherwise),

then the Trustee shall forward to such Participant any of the items referred to above in sections 7.7(c)(i) and 7.7(c)(ii), and shall hold in safekeeping any additional securities referred to in section 7.7(c)(iii) hereof and shall deliver such securities to the Participant with the delivery of the Common Shares in respect of which such additional securities were issued.

- (d) The Trustee shall promptly advise all Participants of take-over bids, issuer bids, rights offerings and other events notice of which is given to the Trustee or its nominee as the registered holder of Common Shares and cause all Participants to be provided with copies of all materials delivered by the Corporation to the Trustee or its nominee in connection therewith and exercise the rights with respect thereto at the timely direction of the Participant upon the Participant providing such instructions, information or funds to the Trustee as may be specified by the Trustee.

7.8 Delivery of Common Shares: Unless otherwise provided herein, Common Shares held for the benefit of a Participant in trust with the Trustee shall be delivered to such Participant at such times as determined by the Administrators in consultation with the Trustee. With respect to any Common Shares held by the Trustee for the benefit of any Participant on which the Hold Period, if any, has not expired at such delivery time, the Trustee shall transfer the Common Shares then held in trust for such Participant in his or her name and deliver such Common Shares to the Participant within five Business Days after the expiry of the Hold Period. No fractional shares shall be delivered to any Participant and the Trustee shall hold any unused balance of the Aggregate Contribution in respect of a Participant in trust on behalf of such Participant until used in accordance with the Share Purchase Scheme or otherwise returned to the Participant or Corporation, as applicable, in accordance with the terms herein.

7.9 Participant May Direct Sale: Unless otherwise provided under the terms of the Purchase Scheme Trust a Participant shall be entitled to authorise and direct the Trustee to sell at or above the Current Market Price the Common Shares to which a Participant is entitled to under the Purchase Scheme Trust, subject to applicable laws and Listing Rules, including compliance with the Hold Period.

7.10 Termination due to Disability or Death: If a Participant shall cease to be an Eligible Person due to his or her death or Disability, or, in the case of a Participant that is a company, the death or Disability of the primary person who provides management or consulting services to the Corporation or to any entity controlled by the Corporation:

- (a) such Participant shall automatically cease to be entitled to participate in the Share Purchase Scheme; and
- (b) any issuance from treasury, purchase from the market and delivery of Common Shares by the Trustee in respect of such Participant, shall not be accelerated by the Disability or death of such Participant and shall occur on the date on which such Common Shares would otherwise have been issued, purchased and delivered to such Participant in accordance with section 7.5 and 7.8 hereof had the Disability or death of the Participant not occurred and the Corporation shall pay any unused portion of the Aggregate Contribution then held by the Trustee on behalf of such Participant to the Participant or the estate of the Participant, as the case may be.

7.11 Termination other than due to Disability or Death: If a Participant shall cease to be an Eligible Person for any reason other than a reason described in section 7.10 hereof including, without limitation, any Event of Termination:

- (a) such Participant shall automatically cease to be entitled to participate in the Share Purchase Scheme;
- (b) any cash portion of the Participant's Contribution then held on behalf of such Participant shall be paid to the Participant:
 - (i) under the Purchase Scheme Treasury Option,
 - (1) any cash portion of the Corporation's Contribution made on behalf of such Participant to the Purchase Scheme Trust then held by the Purchase Scheme Trust shall be forfeited,
 - (2) subject to the discretion of the Administrators to release such Common Shares to such Participant, any Common Shares issued on behalf of such Participant from time to time for the Aggregate Contribution then held in safekeeping for a Participant pursuant to section 7.6 hereof shall be delivered to such Participant subject to compliance with applicable law and Listing Rules, including expiry of the Hold Period,
 - (ii) under the Purchase Scheme Market Option:
 - (1) any cash portion of the Corporation's Contribution made on behalf of such Participant to the Purchase Scheme Trust then held by the Purchase Scheme Trust shall be forfeited,
 - (2) subject to the discretion of the Administrators to make any other determination with respect to the release of Common Shares, such Participant shall be entitled to receive the Common Shares purchased by the Purchase Scheme Trust with the Corporation's Contribution made in respect of such Participant up to the end of the Participant Quarter immediately prior to the date of the Event of Termination and shall forfeit the amount of the Corporation's Contribution and any Common Shares purchased with such Corporation's Contribution made in respect of such Participant after the end of such Participant Quarter, and
- (c) the delivery of Common Shares purchased by the Purchase Scheme Trust in respect of such Participant shall not be accelerated by an Event of Termination but shall occur on the date on which such Common Shares would otherwise have been delivered to such Participant in accordance with section 7.8 hereof had the Event of Termination not occurred.

7.12 Election to Withdraw from Share Purchase Scheme: Any Participant may at any time during a calendar year, other than during the month of December, elect to withdraw from the Share Purchase Scheme. In order to withdraw, a Participant must give at least two weeks' written notice to the Employer and the Corporation, in form and substance satisfactory to the Employer and the Corporation, directing the Employer to cease deducting from the Participant's remuneration the Participant's Contribution. Deductions will cease to be made commencing with the first pay date following the expiry of the two week notice. The Participant's Contribution contributed to the date of withdrawal will continue to be held by the Trustee on behalf of the Participant. On the next following date for making the Corporation's Contribution, the Employer will credit the Participant with the amount of the Corporation's Contribution, calculated in accordance with section 7.4

hereof. The issue and delivery of Common Shares issued from treasury or purchased on the market by the Trustee for the Aggregate Contribution in respect of such Participant, up to the date of withdrawal will not be accelerated by such withdrawal but will occur on the date on which such Common Shares would otherwise have been issued and delivered to the Participant in accordance with section 7.8 hereof had the Participant not elected to withdraw from the Share Purchase Scheme.

7.13 Necessary Approvals: The obligation of the Corporation to issue or deliver any Common Shares in accordance with the Share Purchase Scheme and the obligation of the Purchase Scheme Trust to purchase or deliver any Common Shares in accordance with the Share Purchase Scheme and the Purchase Scheme Trust shall be subject to any necessary approval of any stock exchange or regulatory authority having jurisdiction over the securities of the Corporation and compliance with all applicable regulatory requirements and laws. If any Common Shares cannot be issued or purchased or delivered by the Corporation or the Purchase Scheme Trust to a Participant for whatever reason, the obligation of the Corporation to issue such Common Shares and the obligation of the Purchase Scheme Trust to purchase or deliver such Common Shares, respectively, shall terminate and the Corporation shall have no obligation or liability to the Participant other than (a) any Participant's Contribution held by the Trustee on behalf of the Participant shall be returned to the Participant without interest, (b) any Corporation's Contribution in respect of the Participant held by the Purchase Scheme Trust in cash shall be returned to the Corporation without interest, and (iii) to the extent permitted by applicable law, any Common Shares purchased by the Purchase Scheme Trust with the Aggregate Contribution in respect of the Participant shall be liquidated by the Trustee in compliance with all applicable regulatory requirements and laws and the net proceeds from such sale shall be paid to the Corporation and the Participant in proportion to their respective contributions without interest.

7.14 Trustees Obligation: The Trustee must:

- (a) cause proper written financial records to be maintained in respect of the activities of the Purchase Scheme Trust;
- (b) cause those records to be audited annually and made available for inspection by the Participants at an office of the Trustee or a place of business of the Corporation during normal business hours or such other time as is agreed with the Participants;
- (c) ensure that each Common Share to which a Participant has an interest under the Purchase Scheme Trust is identified in the written financial records as being held on account of that Participant;
- (d) not levy any fees or charges for operating and administering the trust, either payable directly by the Participants or out of the assets of the Purchase Scheme Trust; and
- (e) in the case of participation in Australia in the Purchase Scheme Trust, provide a copy of the trust deed to ASIC at the same time as a copy of the Offer Document is provided to ASIC in accordance with this instrument.

8. GENERAL

8.1 Effective Date of Plan: The Plan shall be effective as of the Effective Date.

8.2 Taxes and Source Deductions: The Corporation, its Subsidiaries, an affiliate or the Administrators may take such steps for the deduction and withholding of any taxes and other required source deductions which the Corporation its Subsidiaries, or the affiliate, as the case may be, is required by any law or regulation of any governmental authority in any jurisdiction whatsoever to deduct,

withhold or remit in connection with this Plan, any Restricted Share Units, Options, Bonus Shares, or any issuance of Common Shares. Without limiting the generality of the foregoing, the Corporation may, at its discretion:

- (a) deduct and withhold those amounts or property it is required to remit from any cash remuneration or other amount payable or property deliverable to the Participant, whether or not related to the Plan, the vesting of any Restricted Share Units, the Options, Bonus Shares or the issue of any Common Shares;
- (b) allow the Participant to make a cash payment to the Corporation equal to the amount required to be deducted, withheld or remitted, which amount shall be remitted by the Corporation to the appropriate governmental authority for the account of the Participant;
- (c) settle a portion of vested Restricted Share Units of a Participant in cash equal to the amount the Corporation is required to deduct, withhold or to remit, which amount shall be remitted by the Corporation to the appropriate governmental authority for the account of the Participant; or
- (d) sell, on behalf of the Participant, that number of Common Shares to be issued upon the vesting of any Restricted Share Units, upon the exercise of Options, as Bonus Shares or pursuant to the Share Purchase Scheme such that the net amount received by the Corporation from the proceeds of such sale will be sufficient to satisfy any taxes or other amounts required to be deducted, withheld or remitted by the Corporation for the account of the Participant.

Where the Corporation considers that the steps undertaken in connection with the foregoing result in inadequate deduction, withholding or a late remittance of taxes, the delivery of any Common Shares to be issued to a Participant on vesting of any Restricted Share Units, on the exercise of Options, as Bonus Shares or pursuant to the Share Purchase Scheme may be made conditional upon the Participant (or other person) reimbursing or compensating the Corporation or making arrangements satisfactory to the Corporation for the payment to it in a timely manner of all taxes or other amounts required to be deducted, withheld or remitted for the account of the Participant.

Notwithstanding the above, the withholding or deduction of moneys for taxation purposes shall not result in the alteration of the exercise price of an Option, or result in the cashless exercise of Options, unless it is done in accordance with section 8.3.

8.3 Amendment or Termination of Plan: The Board may amend this Plan or any Restricted Share Unit or any Option at any time without the consent of Participants provided that such amendment shall:

- (a) not adversely alter or impair any Restricted Share Unit previously awarded or any Option previously granted except as permitted by the provisions of sections 4.7 and 5.8 hereof;
- (b) be in accordance with TSX-V Corporate Finance Manual and be subject to any regulatory approvals including, where required, the approval of the TSX-V; and
- (c) be subject to shareholder approval, where required, by law or the requirements of the TSX-V, provided that shareholder approval shall not be required for the following amendments:
 - (i) amendments of a “housekeeping nature”, including any amendment to the Plan or a Restricted Share Unit or Option that is necessary to comply with applicable laws, tax or accounting provisions or the requirements of any regulatory authority or stock exchange and any amendment to the Plan or a Restricted Share Unit or

- Option to correct or rectify any ambiguity, defective provision, error or omission therein, including any amendment to any definitions therein;
- (ii) amendments that are necessary for Restricted Share Units or Options to qualify for favourable treatment under applicable tax laws;
 - (iii) a change to the vesting provisions of any Restricted Share Unit, any Option (including any alteration, extension or acceleration thereof) or the Plan;
 - (iv) a change to the termination provisions of any Option (for example, relating to termination of contract) that does not entail an extension beyond the original expiration date (as such date may be extended by virtue of section 5.4);
 - (v) the introduction of features to the Plan that would permit the Corporation to, instead of issuing Common Shares from treasury upon the vesting of the Restricted Share Units, retain a broker and make payments for the benefit of Participants to such broker who would purchase Common Shares through the facilities of the TSX-V for such Participants;
 - (vi) where amendments are required to comply with listing on a foreign exchange;
 - (vii) subject to compliance with TSX-V requirements, reduce the exercise price of any Option (including any cancellation of an Option for the purpose of reissuance of a new Option at a lower exercise price to the same person); and
 - (viii) change the application of sections 4.6 and 5.6 hereof (Adjustments) and sections 4.11 and 5.12 (Change of Control).
- (d) For greater certainty;
- (i) shareholder approval shall be required in circumstances where an amendment to the Plan would:
 - (1) increase the maximum number of Common Shares issuable under the Plan, other than by virtue of sections 4.6 and 5.6 hereof, or change from a fixed maximum percentage of issued and outstanding Common Shares to a fixed maximum;
 - (2) amend the Corporation Contribution amount under the Share Purchase Scheme;
 - (3) permit Restricted Share Units or Options to be transferable or assignable other than for normal estate settlement purposes;
 - (4) extend the term of any Option beyond the original term (except if such period is being extended by virtue of section 5.4 hereof);
 - (5) amend the method for determining the Exercise Price of Options;
 - (6) increase the limits in section 2.3 (d) (e) (f) (g);
 - (7) amend the expiry and termination provisions applicable to RSUs, Options, a SPS or SBS;

- (8) amend the limits set out in Bonus Share Limit;
- (9) amend the number of shares reserved for issuance pursuant to the Share Purchase Scheme;
- (10) amend this section 8.2; or
- (ii) disinterested shareholder approval shall be required in circumstances where an amendment to the Plan would:
 - (1) reduce the exercise price of any Option granted under this Plan if the Participant is an Insider of the Corporation at the time of the proposed amendment; or
 - (2) increase the limits in section 2.3 (a) (b) (c).
- (e) The Administrators may terminate this Plan at any time in their absolute discretion. If the Plan is so terminated, no further Restricted Share Units shall be awarded and no further Options shall be granted, but the Restricted Shares Units then outstanding and credited to Participants' Accounts and the Options then outstanding shall continue in full force and effect in accordance with the provisions of this Plan.

8.4 Transferability: Restricted Share Units or Options or any rights the Participant has under the Plan may not be transferred, assigned, charged, pledged or hypothecated, or otherwise alienated, whether by operation of law or otherwise, other than for normal estate settlement purposes. Options granted to Participants are exercisable only by the Participant to whom the Options have been granted, provided that subject to the prior approval of the Board and the TSX-V, an Option may be assigned to a corporation controlled by the Participant and 100% beneficially owned by the Participant, which control and ownership shall contain for so long as any part of the Option remains unexercised.

8.5 Rights as a Shareholder: Under no circumstances shall the Restricted Share Units or Options be considered Common Shares nor shall they entitle any Participant to exercise voting rights or any other rights attaching to the ownership of Common Shares (including, but not limited to, the right to dividend equivalent payments other than the adjustments provided under sections 4.6 and 5.6).

8.6 No Effect on Employment, Rights or Benefits:

- (a) The terms of employment shall not be affected by participation in the Plan.
- (b) Nothing contained in the Plan shall confer or be deemed to confer upon any Participant the right to continue as a director, officer, employee or Consultant nor interfere or be deemed to interfere in any way with any right of the Corporation, the Board or the shareholders of the Corporation to remove any Participant from the Board or of the Corporation or any Subsidiary to terminate any Participant's employment or agreement with a Consultant at any time for any reason whatsoever.
- (c) Under no circumstances shall any person who is or has at any time been a Participant be able to claim from the Corporation or any Subsidiary any sum or other benefit to compensate for the loss of any rights or benefits under or in connection with this Plan (including taxation charges or consequences) or by reason of participation in this Plan.

8.7 Market Value of Common Shares: The Corporation makes no representation or warranty as to the future market value of any Common Shares. No Participant shall be entitled, either immediately

or in the future, either absolutely or contingently, to receive or obtain any amount or benefit granted to or to be granted for the purpose of reducing the impact, in whole or in part, of any reduction in the market value of the shares of the Corporation or a corporation related thereto.

8.8 Compliance with Applicable Law:

- (a) If any provision of the Plan contravenes any law or any order, policy, by-law or regulation of any regulatory body having jurisdiction, then such provision shall be deemed to be amended to the extent necessary to bring such provision into compliance therewith. In particular, this Plan may rely upon ASIC class order relief from disclosure requirements under the Corporations Act or other exceptions contained therein and in order to benefit from such relief or exemptions, is subject to the requirements thereof.
- (b) The award of Restricted Share Units, the grant of Options, the award of Bonus Shares, the issuance of Common Shares including pursuant to the Purchase Scheme Treasury Option and the payment of any amount under this Plan shall be carried out in compliance with applicable statutes and with the regulations of governmental authorities and the TSX-V and subject to the availability of exemptions from the prospectus, registration and qualification requirements of all applicable securities laws. If the Administrators determine in their discretion that, in order to comply with any such statutes or regulations, or to be exempt from the prospectus, registration and qualification requirements of all applicable securities laws, certain action is necessary or desirable as a condition of or in connection with the award of a Restricted Share Unit, the grant of an Option, the award of Bonus Shares or the issue of a Common Share upon the vesting of a Restricted Share Unit or the issuance of a Common Share upon exercise of an Option, as applicable, that Restricted Share Unit may not vest in whole or in part and that Option may not be exercised whole or in part, as applicable, unless that action shall have been completed in a manner satisfactory to the Administrators.
- (c) All Common Shares issued from treasury under this Plan, other than Common Shares issued upon the exercise of Options, shall be subject to the Hold Period which shall begin to run on the date of issuance from treasury of such Common Shares. For greater certainty, Common Shares purchased on the market pursuant to the Purchase Scheme Market Option shall not be subject to the Hold Period.

8.9 Governing Law: This Plan shall be governed by and construed in accordance with the laws of the State of Queensland and the laws of Australia applicable therein.

8.10 Subject to Approval: The Plan is adopted subject to the approval of shareholders of the Corporation, the TSX-V and any other required regulatory approval. To the extent a provision of the Plan requires regulatory approval which is not received, such provision shall be severed from the remainder of the Plan until the approval is received and the remainder of the Plan shall remain in effect.

8.11 Special Terms and Conditions Applicable to U.S. Participants: Notwithstanding anything in the Plan to the contrary, the following provision will apply to Options and Restricted Share Units, as applicable, that have been awarded to U.S. Participants. For purposes of this section 8.11, “**U.S. Participant**” means a Participant who is a citizen of the United States or a resident of the United States, as defined in section 7701(a)(30)(A) and section 7701(b)(1) of the U.S. Internal Revenue Code of 1986, as amended.

- (a) **Restricted Share Units.** Common Shares required to be issued to a U.S. Participant with respect to such Participant’s Restricted Share Units will be duly issued as soon as

practicable following the Vesting Date, but in all events, no later than March 15 of the calendar year following the calendar year in which the Vesting Date (determined without extension under section 4.5) occurs. The Vesting Date of any Restricted Share Unit or the settlement date for such Restricted Share Unit will not be extended or delayed in such a manner that would result in a deferral of compensation that violates section 409A of the U.S. Internal Revenue Code of 1986, as amended. In the event of Change of Control, and acceleration of vesting of Restricted Share Units pursuant to section 4.11 of the Plan, the Restricted Share Units of U.S. Participants will be paid out as soon as practicable, but in all cases by March 15 of the year following the year in which the Change of Control occurs. Notwithstanding section 4.8(c) or any other provision of the Plan, in the event that a U.S. Participant dies or experiences a Disability, prior to the Vesting Date of Restricted Share Units, all rights of the U.S. Participant in such Restricted Share Units shall be forfeited and shall be immediately null and void as of the date of death or Disability.

- (b) **Options.** The exercise price of Options granted to U.S. Participants shall not be less than the greater of the Discounted Market Price on the Grant Date and the closing price of the Common Shares on the TSX-V (or, if the Common Shares are not traded on the TSX-V, such other exchange on which Common Shares are traded) on the last trading day prior to the Grant Date, except in the case of the assumption or substitution of Options in connection with a corporate transaction as defined in Treasury Regulation 1.424-1(a)(3) where such assumption or substitution complies with all applicable requirements of Treasury Regulation 1.424-1. For greater clarity, this rule will apply to Options granted to U.S. Participants pursuant to Section 8.3(c)(vii) of the Plan (replacement options); thus, any such Options granted to U.S. Participants shall have an exercise price that is not less than the greater of the Discounted Market Price on the Grant Date of the new (replacement) Options and the closing price of the Common Shares on the TSX-V (or, if the Common Shares are not traded on the TSX-V, such other exchange on which Common Shares are traded) on the last trading day prior to the Grant Date of such new (replacement) Options.

ADOPTED the 30th day of October 2020.

MACARTHUR MINERALS LIMITED

Per: 