



Suite 606, 37 Bligh Street, Sydney NSW Australia 2000

**Friday, 5 March 2021**

## **ASX ANNOUNCEMENT**

### **2020 A1 Performance Rights Plan Up Date**

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At the Company's AGM on 26 November 2020 the Company's shareholders passed resolutions approving the 2020 A1 Performance Rights Plan ("2020 PRP") and Schedules of Performance Criteria in respect to the Executive Directors Messrs Nakamura and Ashcroft. The Schedule of Performance Criteria set out the possible issues of performance rights on a pre-consolidation basis. The Company also passed a resolution consolidating the Company's shares on a 1 for 1 ratio at such AGM.

The Company is publishing with this announcement the Rules of the 2020 PRP and the Schedule of the performance criteria up dated on a post consolidation basis.

#### **2020 A1 PERFORMANCE RIGHTS PLAN RULES**

##### **1. DEFINITIONS AND INTERPRETATION**

###### **1.1. Definitions**

*In this Agreement:*

**Application Form** means the application form approved by the Company from time to time by which an Eligible Participant or Nominee (as applicable) applies for Performance Rights.

**Applicant** means an Eligible Participant or Nominee who has lodged an Application Form for Performance Rights under this Plan following receipt by the Eligible Participant of an Invitation.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

**ASX Listing Rules** means the official Listing Rules of the ASX as they apply to the Company from time to time.

**Blackout Period** means a period when the Participant is prohibited from trading in the Company's securities by the Company's written policies.

**Board** means the board of Directors of the Company or committee appointed by the Board for the purposes of the Plan.

**Business Day** means a day on which banks are open for general banking business in Western Australia, excluding Saturdays, Sundays and public holidays in Western Australia.

**Change of Control** means:

- a. a bona fide Takeover Bid is declared unconditional and the bidder has acquired a Relevant Interest in at least 50.1% of the Company's issued Shares;
- b. a court approves, under Section 411(4)(b) of the Corporations Act, a proposed compromise or arrangement for the

purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or

- c. in any other case, a person obtains Voting Power in the Company which the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board **Class Order** means ASIC Class Order 03/184.

**Closing Date** means the date on which an Invitation is stated to close.

**Company** means A1 INVESTMENTS & RESOURCES LIMITED (ABN 44 109 330 949).

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

**Director** means a director of the Company.

**Eligible Participant** means:

- a. any full time or part time employee, or Executive Director, of a Group Company; and
- b. subject to any necessary ASIC relief being obtained, a casual employee or contractor of a Group Company, who is declared by the Board to be eligible to receive grants of Performance Rights under the Plan. For the avoidance of doubt, non-executive directors of the Company are not Eligible Participants.

**Employee Share Scheme** has the meaning given in section 9 of the Corporations Act.

**Executive Director** means a Director who holds salaried employment or office with a Group Company.

**Expiry Date** means the date on which a Performance Right lapses (if it has not already otherwise lapsed in accordance with the Plan).

**Grant Date** means, in relation to a Performance Right, the date on which the Performance Right is granted.

**Group Company** means the Company, its Subsidiaries and any other related body corporate of the Company.

**Holding Lock** has the meaning given to that term in the ASX Listing Rules.

**Invitation** means an invitation made by the Company to an Eligible Participant to participate in the Plan.

**Nominee** means a relative (as defined in the Corporations Act) of the Eligible Employee, a body corporate the Eligible Employee or a relative of the Eligible Employee controls, a trustee of a trust of which the Eligible Employee or relative of the Eligible Employee is a beneficiary, or a superannuation fund of which the Eligible Employee or a relative of the Eligible Employee is a beneficiary.

**Participant** means a person who holds Performance Rights from time to time.

**Performance Right** means a right to acquire a Share, subject to satisfaction of any Vesting Conditions, and the corresponding obligation of the Company to provide the Share, under a binding contract made by the Company and an Eligible Participant in the manner set out in this Plan.

**Plan** means the Performance Rights Plan as set out in this document, subject to any amendments or additions made under clause 12.

**Redundancy** means termination of the employment of an Eligible Participant due to economic, technological, structural or other organisational change where:

- a. no Group Company requires the duties and responsibilities carried out by the Eligible Participant to be carried out by anyone; or
- b. no Group Company requires the position held by the Eligible Participant to be held by anyone.

**Relevant Interest** has the meaning given in the Corporations Act.

**Retirement** means where an Eligible Participant reaches the age that the Board accepts as the retirement age for that individual.

**Severe Financial Hardship** means the Eligible Participant is unable to provide themselves, their family or other dependents with basic necessities such as food, accommodation and clothing, including as a result of family tragedy, financial misfortune, serious illness, impacts of natural disaster and other serious or difficult circumstances.

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

**Subsidiary** has the meaning given in section 9 of the Corporations Act.

**Takeover Bid** means a takeover bid (as defined in the Corporations Act) to acquire the Company's Shares.

**Total and Permanent Disability** means that the Eligible Participant has, in the Board's opinion, after considering such medical and other evidence as it sees fit, become incapacitated to such an extent as to render the Eligible Participant unlikely to engage in their usual occupation again.

**Vesting Conditions** means one or more conditions which must be satisfied, or circumstances which must exist, before the Performance Rights vest, as determined by the Board.

**Voting Power** has the meaning given to that term in Section 9 of the Corporations Act.

## 1.2

### Interpretations

In this Plan unless the context otherwise requires:

- a. headings are for convenience only and do not affect the interpretation of this Plan;
- b. any reference in the Plan to any enactment of the ASX Listing Rules includes a reference to that enactment or those ASX Listing Rules as from time to time amended, consolidated, re-enacted or replaced;
- c. the singular includes the plural and vice versa;
- d. any words denoting one gender include the other gender;
- e. where any word or phrase is given a definite meaning in this Plan, any part of speech or other grammatical form of that word or phrase has a corresponding meaning; (f) a reference to:
  - i. a person includes a natural person, partnership, joint venture, government agency, association, corporation or other body corporate;
  - ii. a document includes all amendments or supplements to that document;
  - iii. a clause is a reference to a clause of this Plan;
  - iv. a law includes a constitutional provision, treaty, decree, convention, statute, regulation, ordinance, by-law, judgment, rule of common law or equity and is a reference to that law as amended, consolidated or replaced;
  - v. an agreement other than this Plan includes an undertaking, or legally enforceable arrangement or understanding, whether or not in writing; and
  - vi. a monetary amount is in Australian dollars; and
  - vii. when the day on which something must be done is not a Business Day, that thing must be done on the following Business Day.

## 2. **PURPOSE**

The purpose of the Plan is to:

- a. assist in the reward, retention and motivation of Eligible Participants;
- b. link the reward of Eligible Participants to performance and the creation of Shareholder value;
- c. align the interests of Eligible Participants more closely with the interests of Shareholders by providing an opportunity for Eligible Participants to receive Shares;
- d. provide Eligible Participants with the opportunity to share in any future growth in value of the Company; and
- e. provide greater incentive for Eligible Participants to focus on the Company's longer term goals.

## 3. **COMMENCEMENT AND TERM**

- a. This Plan will commence on the date determined by resolution of the Board and will continue until terminated by the Board.
- b. The Board may terminate the Plan at any time by resolution. Termination shall not affect the rights or obligations of a Participant or the Company which have arisen under the Plan before the date of termination and the provisions of the Plan relating to a Participant's Performance Rights shall survive termination of the Plan until fully satisfied and discharged.

## 4. **INVITATION TO APPLY FOR PERFORMANCE RIGHTS**

### 4.1 **Invitation**

- a. The Board may, from time to time, in its absolute discretion, make a written invitation (in such form as the Board decides from time to time) to Eligible Participants to apply for up to a specified number of Performance Rights, upon the terms set out in the Plan and upon such additional terms and conditions as the Board determines (**Invitation**).
- b. An Eligible Participant will not be required to make any payment in return for the grant of Performance Rights

### 4.2 **Information to be provided to Eligible Participants**

An Invitation will advise the Eligible Participant of the following minimum information regarding the Performance Rights:

- a. the maximum number of Performance Rights that the Eligible Participant may apply for, or the formula for determining the number of Performance Rights that may be applied for;
- b. the maximum number of Shares that the Participant is entitled to be issued on the exercise of each Performance Right or the formula for determining the maximum number of Shares;
- c. any applicable Vesting Conditions;
- d. when unvested Performance Rights will expire (**Expiry Date**);
- e. the date by which an Invitation must be accepted (**Closing Date**); and
- f. any other relevant conditions to be attached to the Performance Rights or the Shares to be issued on the exercise of the Performance Rights.

### 4.3 **Limit on Invitations**

The Company must take reasonable steps to ensure that the number of Shares to be issued on exercise of Performance Rights offered under an Invitation, when aggregated with:

- (a) the number of Shares that would be issued if each outstanding Invitation or other offer with respect to Shares, units of Shares or options to acquire Shares under an Employee Share Scheme (including this Plan) were to be accepted or exercised; and
- (b) the number of Shares issued during the previous 5 years under the Plan or any other Employee Share Scheme extended only to Eligible Participants,  
does not exceed 5% of the total number of Shares on issue at the time of an Invitation (but disregarding any offer or issue with respect to Shares, units of Shares or options to acquire Shares that can be disregarded in accordance with the Class Order).

## 5. **APPLICATION**

### 5.1 **Application for Performance Rights**

On receipt of an Invitation, an Eligible Participant, or a Nominee of the Eligible Participant in whose favour the Eligible Participant renounces its Invitation, may apply for Performance Rights described in that Invitation, in whole or in part, by

signing and returning the Application Form to the Company no later than the Closing Date.

## 5.2 **Board's right to reject**

- (a) *The Board may accept or reject any Application Form, in its absolute discretion.*
- (b) *Before accepting or rejecting the Application Form, the Board may require the Applicant to provide any information that the Board requests concerning the person's entitlement to lodge an Application Form under this Plan.*
- (c) *The Board must promptly notify an Applicant if an Application Form has been rejected, in whole or in part.*

## 5.3 **Participant Agrees to be Bound**

*An Eligible Participant or Nominee, by submitting an Application Form, agrees to be bound by the terms and conditions of the Invitation and Application Form, the Plan and the Constitution of the Company, as amended from time to time.*

## 6. **GRANT OF PERFORMANCE RIGHTS**

### 6.1 **Grant of Performance Rights**

- (a) *Subject to clause 6.2, once the Board has received and accepted a duly signed and completed Application Form for Performance Rights, the Company must, provided the Eligible Participant to whom the Invitation was made remains an Eligible Participant, promptly grant Performance Rights to the Applicant, upon the terms set out in the Invitation, the Application Form and the Plan and upon such additional terms and conditions as the Board determines.*
- (b) *The Company will, within a reasonable period after the Grant Date of the Performance Rights, issue the Applicant with a certificate evidencing the grant of the Performance Rights.*

### 6.2 **Approvals**

*The Company's obligation to grant Performance Rights is conditional on:*

- (a) *the grant of the Performance Rights complying with all applicable legislation; and*
- (b) *all necessary approvals required under any applicable legislation being obtained prior to the grant of the Performance Rights.*

### 6.3 **Restrictions on dealings and hedging**

- (a) *A Performance Right granted under the Plan is only transferable, assignable or able to be otherwise disposed or encumbered:*
  - (i) *with the Board's consent (which may be withheld in its absolute discretion); or*
  - (ii) *by force of law upon death to the Participant's legal personal representative or upon bankruptcy to the Participant's trustee in bankruptcy.*
- (b) *A Participant must not enter into any arrangement for the purpose of hedging, or otherwise affecting their economic exposure, to their Performance Rights.*
- (c) *Where the Participant purports to transfer, assign, mortgage, charge or otherwise dispose or encumber a Performance Right, other than in accordance with clause 6.3(a), or hedge a Performance Right contrary to clause 6.3(b), the Performance Right immediately lapses.*

## 7. **VESTING AND EXERCISE OF PERFORMANCE RIGHTS**

### 7.1 **Vesting Conditions**

- (a) *Subject to clause 9.2 (Good Leaver Exceptions) and clause (Change in Control and Winding Up), a Performance Right granted under the Plan will not vest and be exercisable unless the Vesting Conditions (if any) attaching to that Performance Right have been satisfied and the Board has notified the Participant of that fact.*
- (b) *The Board must notify a Participant in writing within 10 Business Days of becoming aware that any Vesting Condition attaching to a Performance Right has been satisfied.*

#### **Exercise on Vesting**

*Subject to clause 9.3 (Bad Leaver), a Participant (or their personal legal representative where applicable) may exercise any vested Performance Right at any time within 90 days of the Board notifying that the Performance Right has vested, failing which the Performance Right will lapse, by a signed written notice to the Board specifying the Performance Rights being exercised and providing the certificate for those Performance Rights.*

## **8. ISSUE OF SHARES**

### **8.1 Issue of Shares**

*Subject to the Corporations Act, the ASX Listing Rules and this Plan, the Company must issue to the Participant or his or her personal representative (as the case may be) the number of Shares the Participant is entitled to be issued in respect of vested Performance Rights that are exercised, within 10 business days of the Performance Rights being exercised.*

### **8.2 Disclosure document for Shares**

*In the event that the issue of Shares on exercise of a Performance Right would require the Company to prepare a disclosure document (as that term is defined in the Corporations Act), in the absence of appropriate arrangements with the Participant, the Company may require the Participant (as a precondition to the issue of the underlying Shares on exercise of the Performance Rights) to enter into such arrangements with the Company as the Board considers appropriate to ensure that the issue of such Shares without disclosure does not contravene the fundraising provisions of the Corporations Act.*

### **8.3 Blackout Period, takeover restrictions and insider trading**

*If the issue of Shares on exercise of a Performance Right would otherwise fall within a Blackout Period, or breach the insider trading or takeover provisions of the Corporations Act, the Company may delay the issue of the Shares until 10 Business Days following the expiration, as applicable, of the Blackout Period or the day on which the insider trading or takeover provisions no longer prevent the issue of the Shares.*

### **8.4 Withholding**

*If a Participant is liable for tax, duties or other amounts on the vesting of their Performance Rights, and the Company is liable to make a payment to the appropriate authorities on account of that liability, unless the Participant and the Company agree otherwise, the Company must issue and sell such number of Shares which would otherwise be issued and allocated to the Participant so that the net proceeds of sale equal the payment the Company is required to pay to the appropriate authorities.*

### **8.5 Share ranking**

*All Shares allotted under the Plan will rank equally in all respects with the Shares of the same class for the time being on issue except as regards any rights attaching to such Shares by reference to a record date prior to the date of their allotment.*

### **8.6 Quotation on ASX**

- (a) *If Shares of the same class as those allotted under the Plan are quoted on the ASX, the Company will, subject to the ASX Listing Rules, apply to the ASX within 10 Business Days of Shares being allotted for those Shares to be quoted on ASX.*
- (b) *The Company will not apply for quotation of any Performance Rights on the ASX.*

### **8.7 Sale of Shares**

- (a) *There will be no transfer restrictions on Shares allotted under the Plan unless the sale, transfer or disposal by the Participant of the Shares issued to them on exercise of the Performance Rights (or any interest in them) would require the preparation of a disclosure document (as that term is defined in the Corporations Act).*
- (b) *If a disclosure document is required, the Participant agrees to enter into such arrangements with the Company as the Board considers appropriate to prevent the sale, transfer or disposal of the relevant Shares in a manner that would require a disclosure document to be prepared.*
- (c) *The Company will issue, where required to enable Shares issued on exercise of Performance Rights to be freely tradeable on the ASX from the date of issue, a cleansing statement under Section 708A(5) of the Corporations Act at the time Shares are issued. Where a cleansing statement is required, but cannot be issued, the Company will have a prospectus available in relation to the Shares which complies with the requirements of the Corporations Act.*

## **9. LAPSE OF PERFORMANCE RIGHTS**

### **9.1 Lapsing of Performance Right**

*A Performance Right will lapse upon the earlier to occur of:*

- (a) *an unauthorised dealing in, or hedging of, the Performance Right occurring, as governed by clause 6.3(c);*
- (b) *a Vesting Condition in relation to the Performance Right not being satisfied by the due date, or becoming incapable of satisfaction, as determined by the Board in its absolute discretion;*
- (c) *a vested Performance Right is not exercised within the time limit specified in clause 7.1;*
- (d) *a Participant (or, where the Participant is a Nominee of the Eligible Participant to whom the Invitation was made,*

- the Eligible Participant) ceasing to be an Eligible Participant, unless clause 9.2 (Good Leaver Exceptions) is applied;*
- (e) *a Performance Right lapses under clause 9.3 (Bad Leaver);*
  - (f) *the Performance Right lapses following a Change in Control, or winding up resolution or order, in accordance with clause 10; and (g) the Expiry Date.*

## 9.2

### **Good Leaver exceptions**

*Where a Participant (or, where the Participant is a Nominee of the Eligible Participant to whom the Invitation was made, the Eligible Participant) ceases to be an Eligible Participant as a result of:*

- (a) *death or Total or Permanent Disability;*
- (b) *Retirement or Redundancy;*
- (c) *Severe Financial Hardship;*
- (d) *death of an immediate family member of the Participant (or Eligible Participant, as applicable);*
- (e) *substantial change in circumstances, out of the control of the Participant (or Eligible Participant, as applicable) which affects the ability of the Participant (or Eligible Participant, as applicable) to perform his or her role with a Group Company; or*
- (f) *terminal illness of the Participant (or Eligible Participant, as applicable) or an immediate family member, the Board may determine, in its absolute discretion, within 10 Business Days of the Participant (or Eligible Participant, as applicable) ceasing to be an Eligible Participant, that all or a portion of the Participant's unvested Performance Rights vest rather than lapsing, in which case clause 7.1 applies.*
- (g) *a Vesting Condition in relation to the Performance Right not being satisfied by the due date, or becoming incapable of satisfaction, as determined by the Board in its absolute discretion;*
- (h) *a vested Performance Right is not exercised within the time limit specified in clause 7.1;*
- (i) *a Participant (or, where the Participant is a Nominee of the Eligible Participant to whom the Invitation was made, the Eligible Participant) ceasing to be an Eligible Participant, unless clause 9.2 (Good Leaver Exceptions) is applied;*
- (j) *a Performance Right lapses under clause 9.3 (Bad Leaver);*
- (k) *the Performance Right lapses following a Change in Control, or winding up resolution or order, in accordance with clause 10; and (g) the Expiry Date.*

## 9.3

### **Bad Leaver**

*Where a Participant (or, where the Participant is a Nominee of the Eligible Participant to whom the Invitation was made, the Eligible Participant):*

- (a) *in the opinion of the Board, acts fraudulently or dishonestly, is grossly negligent, demonstrates serious and wilful misconduct, or causes a material adverse effect on the reputation of the Company;*
- (b) *has his or her employment terminated due to serious or wilful misconduct or otherwise for cause without notice; or*
- (c) *becomes ineligible to hold his or her office due to Part 2D.6 of the Corporations Act,*  
*the Board may, by written notice to the Participant, deem any unvested, or vested but unexercised, Performance Rights of the Participant to have lapsed.*



## **10. CHANGE OF CONTROL AND WINDING-UP**

### **10.1 Vesting of Performance Rights**

(a) *Subject to the terms and conditions of a grant of a Performance Right, the Board may, in its absolute discretion, determine that any unvested Performance Rights vest, within 10 Business Days of:*

- (i) *a Change of Control occurring: or*
- (ii) *the Company passing a resolution for voluntary winding up or an order is made for the compulsory winding up of the Company,*

*in which case:*

- (iii) *the Board must promptly notify the holder of the vested Performance Rights in writing; and*
- (iv) *clause 7.1 applies to the exercise of the vested Performance Rights.*

(b) *Any unvested Performance Rights that do not vest under clause 10.1(a) automatically lapse.*

### **10.2 Acquisitions of shares in Acquiring Company**

*If a company (Acquiring Company) obtains control of the Company as a result of a Change of Control and both the Company and the Acquiring Company agree, a Participant may, in respect of any vested Performance Rights that are exercised, be provided with shares of the Acquiring Company or its parent in lieu of Shares, on substantially the same terms and subject to substantially the same conditions as the Shares, but with appropriate adjustments to the number and kind of shares subject to the Performance Rights.*

## **11. PARTICIPATION RIGHTS AND REORGANISATION**

### **11.1 Participation rights**

(a) *There are no participating rights or entitlements inherent in the Performance Rights and Participants will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights without exercising the Performance Right.*

(b) *A Performance Right does not confer the right to a change in the number of underlying Shares over which the Performance Right can be exercised.*

(c) *A Participant who is not a Shareholder is not entitled to:*

- (i) notice of, or to vote or attend at, a meeting of the Shareholders of the Company; or*
- (ii) receive any dividends declared by the Company,*

*unless and until any Performance Right is exercised and the Participant holds Shares that provide the right to notice and dividends.*

### **11.2 Adjustment for reorganisation**

*If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a Participant are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.*

## **12. AMENDMENTS**

### **12.1 Power to amend Plan**

*Subject to clause 12.2, the Corporations Act and the ASX Listing Rules:*

- (a) *the Board may, at any time, by resolution amend or add to all or any of the provisions of the Plan, or the terms or conditions of any Performance Right granted under the Plan; and*
- (b) *any amendment may be given such retrospective effect as is specified in the written instrument or resolution by which the amendment is made.*

### **12.2 Restrictions on amendments**

*Without the consent of the Participant, no amendment may be made to the terms of any granted Performance Right which materially reduces the rights of the Participant in respect of that Performance Right, other than an amendment introduced primarily:*



- (a) *for the purpose of complying with, or conforming to, present or future State or Commonwealth legislation governing or regulating the maintenance or operation of the Plan or like plans, the ASX Listing Rules or the Constitution;*
- (b) *to correct any manifest error or mistake; or*
- (c) *to take into consideration possible adverse tax implications in respect of the Plan arising from, amongst others, adverse rulings from the Commissioner of Taxation, changes to tax legislation (including an official announcement by the Commonwealth of Australia) and/or changes in the interpretation of tax legislation by a court of competent jurisdiction.*

### **12.3 Notice of amendment**

*As soon as reasonably practicable after making any amendment under clause 12.1, the Board will give notice in writing of that amendment to any Participant affected by the amendment.*

## **13. TRUST**

- (a) *The Board may, at any time, establish a trust for the sole purpose of acquiring and holding Shares in respect of which a Participant may exercise, or has exercised, vested Performance Rights, including for the purpose of enforcing the disposal restrictions and appoint a trustee to act as trustee of the trust.*
- (b) *The trustee will hold the Shares as trustee for and on behalf of a Participant as beneficial owner upon the terms of the trust.*
- (c) *The Board may at any time amend all or any of the provisions of this Plan to effect the establishment of a trust and the appointment of a trustee as detailed in this clause.*

## **14. MISCELLANEOUS**

### **14.1 Rights and obligations of Participant**

- (a) *The rights and obligations of Eligible Participant under the terms of their office, employment or contract with a Group Company are not affected by their participating in the Plan. This Plan will not form part of, and are not incorporated into, any contract of any Eligible Participant (whether or not they are an employee of a Group Company).*
- (b) *No Participant will have any rights to compensation or damages in consequence of:*
  - (i) *the termination, for any reason, of the office, employment or other contract with a Group Company of the Participant (or, where the Participant is a Nominee of the Eligible Participant to whom the Invitation was made, the Eligible Participant) where those rights arise, or may arise, as a result of the Participant ceasing to have rights under the Plan as a result of such termination; or*
  - (ii) *the lapsing of Performance Rights in accordance with this Plan.*
- (c) *Nothing in this Plan, participation in the Plan or the terms of any Performance Right:*
  - (i) *affects the rights of any Group Company to terminate the employment, engagement or office of an Eligible Participant or a Participant (as the case may be);*
  - (ii) *affects the rights and obligations of any Eligible Participant or Participant under the terms of their employment, engagement or office with any Group Company;*
  - (iii) *confers any legal or equitable right on an Eligible Participant or a Participant whatsoever to take action against any Group Company in respect of their employment, engagement or office;*
  - (iv) *confers on an Eligible Participant or a Participant any rights to compensation or damages in consequence of the termination of their employment, engagement or office by any Group Company for any reason whatsoever including ceasing to have rights under the Plan as a result of such termination; or*
  - (v) *confers any responsibility or liability on any Group Company or its directors, officers, employees, representatives or agents in respect of any taxation liabilities of the Eligible Participant or Participant.*
- (d) *If a Vesting Condition attached to a Performance Right requires a Participant to remain an employee of a Group Company, then the Participant will be treated as having ceased to be an employee of a Group Company at such time the Participant's employer ceases to be a Group Company.*
- (e) *A Participant who is granted an approved leave of absence and who exercises their right to return to work under any applicable award, enterprise agreement, other agreement, statute or regulation before the exercise of a*

*Performance Right under the Plan will be treated for those purposes as not having ceased to be such an employee.*

#### **14.2 Power of the Board**

- (a) *The Plan is administered by the Board which has power to:*
  - (i) *determine appropriate procedures for administration of the Plan consistent with this Plan; and*
  - (ii) *delegate to any one or more persons, for such period and on such conditions as it may determine, the exercise of any of its powers or discretions arising under the Plan.*
- (b) *Except as otherwise expressly provided in this Plan, the Board has absolute and unfettered discretion to act, or refrain from acting, under or in connection with the Plan or any Performance Rights under the Plan and in the exercise of any power or discretion under the Plan.*

#### **14.3 Dispute or disagreement**

*In the event of any dispute or disagreement as to the interpretation of the Plan, or as to any question or right arising from or related to the Plan or to any Performance Rights granted under it, the decision of the Board is final and binding.*

#### **14.4 ASIC relief**

- (a) *Notwithstanding any other provisions of the Plan, every covenant or other provisions set out in an exemption or modification granted from time to time by ASIC in respect of the Plan pursuant to its power to exempt and modify the Corporations Act and required to be included in the Plan in order for that exemption or modification to have full effect, is deemed to be contained in the Plan.*
- (b) *To the extent that any covenant or other provision deemed by this clause to be contained in the Plan is inconsistent with any other provision in the Plan, the deemed covenant or other provision shall prevail.*

#### **14.5 Non-residents of Australia**

- (a) *The Board may adopt additional rules of the Plan applicable in any jurisdiction outside Australia under which rights offered under the Plan may be subject to additional or modified terms, having regard to any securities, exchange control or taxation laws or regulations or similar factors which may apply to the Participant or to any Group Company in relation to the rights. Any additional rule must conform to the basic principles of the Plan.*
- (b) *When a Performance Right is granted under the Plan to a person who is not a resident of Australia the provisions of the Plan apply subject to such alterations or additions as the Board determines having regard to any securities, exchange control or taxation laws or regulation or similar factors which may apply to the Participant or to any Group Company in relation to the Performance Right.*

#### **14.6 Communication**

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

#### **14.7 Attorney**

*Each Participant:*

- (a) *irrevocably appoints the Company and any person nominated from time to time by the Company (each an attorney), severally, as the Participant's attorney to complete and execute any documents, including applications for Shares and Share transfers, and to do all acts or things on behalf of and in the name of the Participant which may be convenient or necessary for the purpose of giving effect to the provisions of these Rules;*
- (b) *covenants that the Participant will ratify and confirm any act or thing done pursuant to this power;*
- (c) *releases each Group Company and the attorney from any liability whatsoever arising from the exercise of the powers conferred by this clause; and*

(d) *indemnifies and holds harmless each Group Company and the attorney in respect thereof.*

**14.8 Costs and expenses**

*The Company will pay all expenses, costs and charges in relation to the establishment, implementation and administration of the Plan, including all costs incurred in or associated with the issue or purchase of Shares for the purposes of the Plan.*

**14.9 Data protection**

*By lodging an Application Form, each Participant consents to the holding and processing of personal data provided by the Participant to any Group Company for all purposes relating to the operation of the Plan. These include, but are not limited to:*

- (a) *administering and maintaining Participants' records;*
- (b) *providing information to trustees of any employee benefit trust, registrars, brokers or third party administrators of the Plan;*
- (c) *providing information to future purchasers of the Company or the business in which the Participant works; and*
- (d) *transferring information about the Participant to a country or territory outside Australia.*

**14.10 Error in Allocation**

*If any Performance Rights are provided under this Plan in error or by mistake to a person (**Mistaken Recipient**) who is not the intended recipient, the Mistaken Recipient shall have no right or interest, and shall be taken never to have had any right or interest, in those Performance Rights and those Performance Rights will immediately lapse.*

**14.11 Dispute**

*Any disputes or differences of any nature arising under the Plan will be referred to the Board for determination.*

**14.12 No fiduciary capacity**

*The Board may exercise any power or discretion conferred on it by this Plan in the interest or for the benefit of the Company, and in so doing the Board is not required to act in the interests of another person or as requested by another person and will not be under any fiduciary obligation to another person.*

**14.13 Listing Rules**

*While the Company remains admitted to the ASX, the provisions of the Listing Rules of the ASX will apply to the Plan, and to the extent that the Plan and the Listing Rules are inconsistent, the provisions of the Listing Rules will prevail.*

**14.14 Enforcement**

*This Plan, any determination of the Board made pursuant to this Plans, and the terms of any Performance Rights granted under the Plan, will be deemed to form a contract between the Company and the Participant.*

**14.15 Laws governing Plan**

- (a) *This Plan, and any Performance Rights issued under it are governed by the laws of New South Wales and the Commonwealth of Australia.*
- (b) *The Company and the Participants submit to the non-exclusive jurisdiction of the courts of New South Wales.*

**THIS IS THE 2020 A1 PERFORMANCE RIGHTS PLAN AND PERFORMANCE CRITERIA AS AT 1 MARCH 2021**

**2020 A1 PERFORMANCE RIGHTS PLAN RULES**

The Company has approval for the issue of 600,000,000 performance rights (on a pre-consolidation basis) and this has been reduced to 300,000,000 on a post consolidation basis to *Charlie Nakamura* in accordance with the terms and conditions of the A1 2020 Performance Rights Plan and in accordance with Performance Criteria set out in the schedule below. Mr Nakamura is an executive director of the Company.

The Company notes that the number of rights is in respect to the Company as at the date of this Notice. The Company further notes that if the shareholders approve the consolidation the number rights will be reduced in the same ratio as the number of shares are reduced.

The Board of the Company, excluding Mr Nakamura determined that the Performance Conditions and Expiry Dates in the Table were appropriate and fair and reasonable because the sea cucumber project is still a long way from being successful and having a positive cash flow, the operations in Western Australia are causing problems with delay and the coronavirus is causing significant logistical problems with managing the flow of raw materials and finished product to the Company's eventual customers. Mr Nakamura is responsible for the manufacturing in Japan and the sales and marketing program.

### MR NAKAMURA'S PERFORMANCE RIGHTS PLAN TABLE

SCHEDULE Performance Criteria and Expiry dates

Holder	Charlie Nakamura	
Total Number of Performance rights to be issued to the Holder. (on a Pre-consolidation basis)	600,000,000	
The Company's shareholders approved a consolidation at the 26 November 2020 AGM on a 2 for 1 ration.	300,000,000 (on a post consolidation basis)	
Rights to issue in three tranches	200,000,000 each (Tranche A, B and C) (pre-consolidation basis) 100,000,000 each (Tranche A, B and C) (post consolidation basis)	
Tranche	Performance Criteria	Expiry Date
A	Acquiring or producing 10 tonne of dried sea cucumber for the production of supplements	30 June 2022
B	A\$5 million Revenue from the sale of sea cucumber products	31 December 2022
C	A\$10 million in revenue from the sale of all products	31 December 2023

The Company has approval for the issue of 600,000,000 performance rights (on a pre-consolidation basis) and this has been reduced to 300,000,000 on a post consolidation basis to *Peter Ashcroft* in accordance with the terms and conditions of the 2020 A1 Performance Rights Plan in accordance with the terms and conditions of the A1 2020 Performance Rights Plan and in accordance with Performance Criteria set out in the schedule below . Mr Ashcroft is an executive director of the Company.

The Company notes that the number of rights is in respect to the Company as at the date of this Notice. The Company further notes that if the shareholders approve the consolidation the number rights will be reduced in the same ratio as the number of shares are reduced.

The Board of the Company, excluding Mr Ashcroft determined that the Performance Conditions and Expiry Dates in the table below and the Board determined they were appropriate and fair and reasonable because the sea cucumber project is still a long way from being successful and having a positive cash flow, the operations in Western Australia are causing problems with delay and the coronavirus is causing significant

logistical problems with managing the flow of raw materials and finished product to the Company's eventual customers.

### MR ASHCROFT'S PERFORMANCE RIGHTS PLAN TABLE

SCHEDULE Performance Criteria and Expiry dates

Holder	Peter Ashcroft	
Total Number of Performance rights to be issued to the Holder (on a Pre-consolidation basis)	600,000,000	
The Company's shareholders approved a consolidation at the 26 November 2020 AGM on a 2 for 1 ration.	300,000,000 (on a post consolidation basis)	
Rights to issue in three tranches	200,000,000 each (Tranche A, B and C) (pre-consolidation basis) 100,000,000 each (Tranche A, B and C) (post consolidation basis)	
Tranche	Performance Criteria	Expiry Date
A	Acquiring or producing 10 tonne of dried sea cucumber for the production of supplements	30 June 2022
B	A\$5 million Revenue from the sale of sea cucumber products	31 December 2022
C	A\$10 million in revenue from the sale of all products	31 December 2023

**A1 INVESTMENTS & RESOURCES LTD**



**Peter Ashcroft**  
**Director & Secretary**

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