

GRANGE RESOURCES LIMITED

ACN 009 132 405

NOTICE OF ANNUAL GENERAL MEETING EXPLANATORY STATEMENT and PROXY FORM

Date of Meeting: Wednesday, 11 May 2022

Time of Meeting: 10.00 am (AEST)

Place of Meeting: Braddon Hall, Burnie Arts & Function Centre
77-79 Wilmot Street
Burnie, Tasmania

This Notice of Annual General Meeting, accompanying Explanatory Memorandum and Proxy Form should be read in their entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting. Should you wish to discuss any matters referred to in this document, please contact the Company Secretary by telephone on +61 409 374 893.

GRANGE RESOURCES LIMITED

ACN 009 132 405

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Grange Resources Limited (**Grange** or **Company**) will be held at Braddon Hall, Burnie Arts & Function Centre, 77-79 Wilmot Street, Burnie, Tasmania at 10.00am (AEST) on Wednesday 11 May 2022 for the purposes of transacting the following business.

The Explanatory Memorandum that accompanies and forms part of this Notice of Annual General Meeting describes the various matters to be considered at the Meeting.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Monday 9 May 2022 at 10.00am (AEST).

Terms used in this Notice of Annual General Meeting will, unless the context otherwise requires, have the same meaning given to them in the glossary as contained in the Explanatory Memorandum.

AGENDA

Item 1 – Financial Statements and Reports

To receive and consider the financial report, the Directors' Report and the Auditor's Report of the Company and its controlled entities for the year ended 31 December 2021.

Item 2 – Resolution 1 – Adoption of Remuneration Report

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

"That the Remuneration Report of the Company for the year ended 31 December 2021 be adopted."

Note: If 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director and CEO) must go up for re-election.

Voting Exclusion: Except to the extent otherwise permitted by law, the Company will disregard any vote cast on Resolution 1 (in any capacity) by or on behalf of any member of Key Management Personnel (as identified in the Remuneration Report) (and Closely Related Parties of such members) (collectively referred to as "Prohibited Voter"). However, the Company will not disregard a vote if:

- the Prohibited Voter does so as proxy appointed in writing which specifies how the proxy is to vote on Resolution 1; and
- the vote is not cast on behalf of a Prohibited Voter.

The Company will also not disregard a vote if you do not direct the Chairperson how to vote and you are not a Prohibited Voter, but you mark the box on, and submit, the Proxy Form. In doing so, you authorise Chairperson to exercise the proxy even though this resolution is connected directly or indirectly with the remuneration of a Key Management Personnel, and you will be taken to have directed the Chairperson to vote in accordance with his stated intention to vote in favour of this resolution. If you do not want your vote exercised in favour of this resolution you should direct the Chairperson to vote 'against', or abstain from voting on, this resolution.

The Company encourages all Shareholders who submit proxies to direct their proxy how to vote on each resolution.

Item 3 – Resolution 2 – Re-election of Mr Mike Dontschuk as Director

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

"That Mr Mike Dontschuk, who retires in accordance with article 10.3 of the Constitution and, being eligible, offers himself for re-election, be re-elected as a Director."

Item 4 – Resolution 3 – Election of Mr Ajanth Saverimutto as Director

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

"That Mr Ajanth Saverimutto, having been appointed to fill a casual vacancy retires in accordance with article 10.10 of the Constitution and, being eligible, offers himself for re-election, be re-elected as a Director."

Item 5 – Resolution 4 – Approval of Executive Rights Plan

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

"That, for the purposes of ASX Listing Rule 7.2, exception 13 and sections 259B(2) and 260C(4) of the Corporations Act 2001 (Cth), and for all other purposes and on the terms described in the Explanatory Statement accompanying and forming part of this Notice, approval is hereby given for the Company to approve the Executive Rights Plan and for the issue of securities under the Executive Rights Plan."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- a person who is eligible to participate in the Executive Rights Plan; or
- an associate of a person who is eligible to participate in the Executive Rights Plan.

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

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

Item 6 – Resolution 5 – Approval of the issue of Performance Rights to Mr Honglin Zhao

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

"That, subject to the passing of resolution 4 above, pursuant to and in accordance with ASX Listing Rule 10.14 and Chapter 2E of the Corporations Act 2001 (Cth) and for all other purposes, Shareholders approve the grant of up to 140,343 Performance Rights to Mr Honglin Zhao on the terms and conditions set out in the Explanatory Memorandum, and any issue of Shares pursuant to those Performance Rights."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- any person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 (which includes a Director) who is eligible to participate in the Executive Rights Plan; and
- an associate of those persons.

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

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

Voting Prohibition Statement: A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- the proxy is either:
 - o a member of the Key Management Personnel; or
 - o a Closely Related Party of such a member; and
- the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chairperson; and
- (b) the appointment expressly authorises the Chairperson to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

DATED 11TH DAY OF APRIL 2022

BY ORDER OF THE BOARD

**PIERS LEWIS
COMPANY SECRETARY**

Proxy Instructions

Shareholders are entitled to appoint up to two individuals to act as proxies to attend and vote on their behalf. Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the Shareholder's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be completed and posted to Advanced Share Registry Limited, PO Box 1156 Nedlands WA 6909. Alternatively you can fax your form to +61 8 9262 3723 not less than 48 hours before the time for holding the Meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

The proxy form must be signed by the Shareholder or his/her attorney duly authorised in writing or, if the Shareholder is a corporation, in a manner permitted by the Corporations Act. The proxy may, but need not, be a Shareholder of the Company.

In the case of Shares jointly held by two or more persons, all joint holders must sign the proxy form.

A proxy form is attached to this Notice of Annual General Meeting.

Corporate Representative

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a certificate of appointment of the corporate representative executed in accordance with the Corporations Act.

The certificate of appointment must be lodged with the Company and / or the Company's share registry, Advanced Share Registry Limited, before the Meeting or at the registration desk on the day of the Meeting.

Online voting is available by accessing the Advanced Share Registry website and logging in using your HIN/SRN and your Postcode/Country at <https://www.advancedshare.com.au/investors/>. Then click on Online Proxy Voting, and follow the prompts.

Certificates of appointment of corporate representative are available at <https://www.advancedshare.com.au/investors/general-forms> or on request by contacting Advanced Share Registry on telephone number on +61 8 9389 8033.

GRANGE RESOURCES LIMITED

ACN 009 132 405

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of Shareholders of Grange Resources Limited (**Grange** or **Company**) in connection with the business to be conducted at the Meeting to be held at the Braddon Hall, Burnie Arts & Function Centre, 77-79 Wilmot Street, Burnie, Tasmania at 10.00am (AEST) on Wednesday, 11 May 2022.

The purpose of this Explanatory Memorandum is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the resolutions accompanying the Notice of Annual General Meeting.

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Annual General Meeting.

1. Financial Statements and Reports

The Corporations Act requires the financial report, directors' report and auditor's report to be laid before the Company's Annual General Meeting. There is no requirement in either the Corporations Act or the Constitution for Shareholders to vote on, approve or adopt these reports.

Shareholders will be offered the following opportunities:

- (a) to discuss these reports and ask questions or make comment on these reports and on the business, operations and management of the Company; and
- (b) to ask the auditor questions about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements, and the independence of the auditor in relation to the conduct of the audit.

In addition to taking questions at the Annual General Meeting, written questions to the Chairperson of the Annual General Meeting, or to the Company's auditor on the above matters may be submitted no later than five business days before the Annual General Meeting to the Company Secretary at the Company's registered office.

2. Resolution 1- Adoption of Remuneration Report

The Annual Report for the year ended 31 December 2021 contains the Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the key management personnel and each director. A copy of the report is set out on pages 27 to 33 of the Company's Annual Report, which is on the Company's website at www.grangeresources.com.au

Section 250R(2) of the Corporations Act requires that a resolution to adopt the Remuneration Report be put to shareholders at the Annual General Meeting. Whilst there is a requirement for a formal resolution, the resolution is advisory only and does not bind the Company or its directors. However, the Board will take the outcome of the vote into consideration when considering remuneration policy and practices.

Sections 250U to 250Y of the Corporations Act (among others) give shareholders the opportunity to spill a company's board of directors ("Board spill") if the resolution to approve a company's remuneration report receives "no" votes of 25% or more at two successive Annual General Meetings.

Specifically a 25% or higher "no" vote on the remuneration report resolution at an Annual General Meeting triggers a reporting obligation on a listed company to explain in its next Annual Report how shareholders' concerns are being addressed. If a 25% or higher "no" vote on the subsequent remuneration report occurs at the next Annual General Meeting, a resolution must be put to shareholders (a "spill resolution") that another general meeting be convened to consider the election of certain directors (the "spill meeting"). If the spill resolution is carried by an ordinary majority, the spill meeting must be held within 90 days and all directors that were directors when the 25% "no" vote was passed will cease to hold office immediately before the spill meeting (except for any managing director) and the general meeting will vote on whether those directors should be re-elected.

The Chairperson of the Annual General Meeting will allow a reasonable opportunity for Shareholders to ask questions or make comments on the Remuneration Report.

Directors' Recommendation

The Board recommends that Shareholders vote in favour of Resolution 1.

The Corporations Act prohibits certain persons from voting on this item of business. A voting exclusion statement is set out on page 2 of this Notice. The Company encourages all shareholders who submit proxies to direct their proxy how to vote on the resolution.

3. Resolution 2 – Re-election of Mr Mike Dontschuk as a Director

Mr Dontschuk is required to resign under the Director rotation provisions of article 10.3 of the Constitution. Under these provisions one third of the Directors retire from office at each Annual General Meeting. The retiring Director however, if eligible, may offer himself for re-election.

Therefore, in accordance with the Constitution, Mr Dontschuk retires and, being eligible, offers himself for re-election.

Mr Dontschuk is a finance professional with over 30 years' experience in investment, finance, treasury and financial risk management. He currently is a professional NED and sits on a number of company boards including Eticore, Public Trustee (Tasmania) and Australia Ratings.

Previously Mr Dontschuk has been Group Treasurer of Grange, Group Treasurer of ANZ Bank, Managing Director of Treasury Corporation Victoria, President and Director of the Finance and Treasury Association of Australia and has worked extensively in corporate financial advisory and investment banking including with Oakvale Capital and Bankers Trust.

Directors' Recommendation

The Board, other than Mr Dontschuk, recommends that Shareholders vote in favour of Resolution 2.

4. Resolution 3 – Election of Mr Ajanth Saverimutto as a Director

Mr Saverimutto was appointed to fill a casual vacancy on the Board on 1 June 2021. Mr Saverimutto is required to resign under the Director retirement provisions of article 10.10 of the Constitution.

Article 10.10 of the Constitution requires a Director appointed by the other Directors of the Company to retire at the conclusion of the next Annual General Meeting following their initial appointment as a Director. Therefore, in accordance with the Constitution, Mr Saverimutto retires, and being eligible, offers himself for re-election.

Mr Saverimutto is a Mining Engineer and Accountant with over 25 years' experience in the

resources industry. Mr Saverimutto has extensive Corporate and Senior Management experience in a number of ASX-listed and private companies. Currently Mr Saverimutto is President and Director of Black Mountain Metals, a private, natural resources company. Mr Saverimutto's previous positions include Managing Director of ASX listed Venturex Resources, Managing Director and Founder of privately held Australian company Salt Lake Mining.

Mr Saverimutto has held senior operational roles including Mining Manager for leading international copper producer Freeport McMoRan (NYSE: FCX), Chief Operating Officer of ASX listed gold miner Unity Mining and Mining Manager for BHP Billiton – Stainless Steel Materials.

Directors' Recommendation

The Board, other than Mr Saverimutto, recommends that Shareholders vote in favour of Resolution 3.

5. Resolution 4 – Approval of Executive Rights Plan

General

The Board and the Company's remuneration committee recognise that the Company's performance and ultimate success depends very much on its ability to attract and retain highly skilled, qualified and motivated people in a competitive global remuneration market. At the same time, remuneration practices must be transparent to Shareholders and be fair and competitive taking into account the nature and size of the organisation and its current stage of development.

The Board considers that a long term incentive should form a key component of total annual remuneration of executives and senior management which can be achieved by setting a significant portion of total annual remuneration "at risk" to better align interests with those of Shareholders to encourage the production of long term sustainable growth and to assist with retention.

The Board recognises that to preserve Shareholder value it must therefore have in place a long term remuneration structure which ensures executives and senior management are attracted, motivated and retained by the Company.

Currently the Company's Long Term Incentive plan is a 3 year deferred cash incentive scheme with immediate effect from 1 January every year. The deferred cash component is determined based on the Company's performance for the year ended 31 December, with 33.3% payable on 31 December the first following year, 33.3% payable on 31 December the second following year, and the balance payable on the following 31 December (i.e., 3 years after the relevant calculation date). However, this scheme is described as a "Cash deferred" scheme, which does not align with local market expectations that executive LTVR be delivered in the form of equity interests, in order to align executive and shareholder interests over the long-term performance aspect to executive remuneration. The Remuneration Committee has engaged Godfrey Remuneration Group conducted a review and a recommended LTVR scheme for executives of Grange.

The Company has determined that it is appropriate for the Company to have the flexibility in its remuneration process to make awards of different incentives. Accordingly, the Company has decided to put in place a new Executive Rights Plan (**ERP**) for senior executives such that, Eligible Participants may be granted performance rights, restricted rights and/or service rights (together, **Rights**).

In line with current market practice for long term incentive plans of this nature, the ERP will involve the Company inviting executives (**Eligible Participants**) to be granted Rights upon the satisfaction of pre-defined performance conditions set by the Board. Rights would be issued for no consideration.

Under the terms of the ERP Rules, when issuing Invitations to Eligible Participants, the Board reserves its discretion to make offers on such terms and conditions as it thinks fit, having regard to the circumstances of the Company and the proposed remuneration framework for its executives at the time.

The Board's discretion includes determining:

- (a) whether an executive will be invited to participate in the ERP;
- (b) the type and number of Rights to be granted to the executive; and
- (c) the applicable gates, restrictions, performance and/or service related conditions (if any) including the period of time over which the conditions are to be measured and satisfied.

At the discretion of the Board, any Shares to which Eligible Participants become entitled pursuant to the ERP Rules may be through acquisition of Shares on-market and subsequent transfer, or the issue of new Shares.

Further details of the ERP Rules and the offers made under them to Eligible Participants are set out in the copy of the ERP Rules in Annexure 1.

Listing Rule 7.2, Exception 13

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

One of the exceptions to Listing Rule 7.1 is Listing Rule 7.2, exception 13, which provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme if within three years before the issue date the holders of the entity's ordinary securities have approved the issue of equity securities under the scheme as an exception to this rule.

Listing Rule 7.2, 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 notice of meeting.

Accordingly, Resolution 4 seeks Shareholder approval under Listing Rule 7.2, exception 13 for the issuance of securities under the ERP from time to time as an exception to Listing Rule 7.1.

If Resolution 4 is passed, the issue of Rights (and the issue of any new Shares pursuant to those Rights) under the ERP will not be included in the 15% limit imposed by Listing Rule 7.1 for a period of three years from the date of this Annual General Meeting.

If Resolution 4 is not passed, the Company may still issue Rights (and the underlying Shares) under the ERP, but any such issue will be taken into account when calculating whether the 15% limit under Listing Rule 7.1 has been reached.

Information required by Listing Rule 7.2, Exception 13

The following information is provided for the purposes of Listing Rule 7.2, exception 13:

- (a) the terms of the ERP Rules are set out in Annexure 1;
- (b) given the Company is seeking approval for the issue of securities under a new ERP, no securities have been issued under the ERP;
- (c) the maximum number of Shares proposed to be issued under the ERP following Shareholder approval is 295,729; and
- (d) a voting exclusion statement is included under Resolution 4 in this Notice.

Corporations Act

Section 259B(1) of the Corporations Act prohibits a company from taking security in its own shares except as permitted by section 259B(2) or 259B(3). Section 259B(2) states that, relevantly, a company may take security over shares in itself under an employee share scheme that has been approved by a resolution passed at a general meeting of the company.

Section 260A(1)(c) of the Corporations Act prohibits a company from financially assisting a person to acquire shares in itself except as permitted by section 260C. Section 260C(4) provides for special exemption for approved employee share schemes and states the financial assistance is exempted from section 260A if a resolution is passed at a general meeting of the company.

Accordingly, the Company seeks Shareholder approval under this Resolution 4 to ensure compliance with these sections of the Corporations Act.

6. Resolution 5 – Approval of the issue of Performance Rights to Mr Honglin Zhao

Resolution 5 seeks Shareholder approval to the grant of up to 140,343 Performance Rights to Mr Honglin Zhao, on the terms and conditions set out in this Explanatory Memorandum.

Background to the grant of Performance Rights

The purpose of the proposed grant of the Performance Rights to Mr Zhao is to provide an appropriate remuneration strategy and incentive for Mr Zhao to assist the Company to achieve prescribed performance milestones and to assist the Company to retain the services of Mr Zhao.

Mr Zhao will only benefit from the grant of the Performance Rights if the relevant performance conditions attaching to the Performance Rights are fulfilled as described below and he is issued with Shares on vesting of the Performance Rights.

The Performance Rights proposed to be granted Mr Zhao reflect the level of commitment to be provided by Mr Zhao to the Company in assisting the Company to achieve certain specified performance objectives, taking into account the responsibilities of Mr Zhao and the time commitment required from him. The Performance Rights to be granted to Mr Zhao also reflect the value the Board believes Mr Zhao brings to the enhancement of the Company and the relative importance of the performance objectives set by the Company.

The Board considers it appropriate for part of Mr Zhao's remuneration package to comprise non-cash, incentive based remuneration. If Shareholders approve Resolution 5 the Performance Rights will be granted no later than 3 months after the date of the Meeting, however, as described below the Performance Rights will only vest if the performance conditions attaching to the Performance Rights are met.

Key details of the Performance Rights

It is proposed that Mr Zhao is to be granted 140,343 Performance Rights by the Company on the following key terms:

Number of Rights (Note: this is the maximum/Stretch number)	Tranche 1 iTSR Performance Rights (35% weighting) with a iTSR Performance Vesting Condition:	57,788
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Tranche 2 ROE Performance Rights (35% weighting) with a ROE Performance Vesting Condition:	57,788
Tranche 3 Strategic Performance Rights (30% weighting) with Strategic Milestone Performance Vesting Conditions:	24,766
TOTAL:	140,343

The precise vesting date for each tranche of Performance Rights will be determined once the Board has assessed Mr Zhao's performance against his personal performance goals and the Company's performance against its goals, following the end of each financial year.

The precise number of Performance Rights that will vest in each tranche will be dependent on the Board's assessment of Mr Zhao's performance against his personal performance goals and the performance of the Company. See below for further details:

Grant Calculation Price	The Share Price used to calculate the grant of Rights was based on the VWAP over the 10 trading days following the release of FY20 financial results, of \$1.0488.
Term	Each Right has a Term of 15 years from the Grant Date and if not exercised within that Term the Rights will lapse.
Measurement Period	The Performance Rights are subject to a Measurement Period from the start of FY22 (1 January 2022) to the end of FY24 (30 th December 2024).
Service Vesting Condition	Subject to the termination of employment and the prevention of inappropriate benefits provisions, continued service during the first year of the Measurement Period is a requirement for all Rights in the Tranche to become eligible to vest (see Cessation of Employment in the ERP Rules for further information).

Tranche 1 Performance Rights are subject to an iTSR Performance Rights Vesting Condition (**Tranche 1 iTSR Performance Rights**). This Vesting Condition compares the Company's TSR over the Measurement Period with the movement in the ASX 300 Metals and Mining TR Index. This Index is a TSR Index.

Total Shareholder Return (**TSR**) is calculated as a percentage growth in Shareholder value based on Share Price growth and dividends, assuming that they are reinvested into Shares. It is calculated over a specific period which is the Measurement Period.

The vesting scale for this Vesting Condition is as follows:

Performance Level	Annualised Grange TSR Compared to TSR of the ASX 300 Metals and Mining TR Index	% of Tranche Vesting
Stretch	$\geq \text{Index TSR} + 9\% \text{ TSR CAGR}$	100%
Between Target and Stretch	$> \text{Index TSR} + 2\% \text{ TSR CAGR} \ \& \ < \text{Index TSR} + 9\% \text{ TSR CAGR}$	Pro-rata
Target	$\text{Index TSR} + 2\% \text{ TSR CAGR}$	50%
Between Threshold and Target	$> \text{Index TSR} \ \& \ < \text{Index TSR} + 2\% \text{ TSR CAGR}$	Pro-rata
Threshold	$= \text{Index TSR}$	25%
Below Threshold	$< \text{Index TSR}$	0%

Note: a Gate of TSR being positive applies to this metric (will not pay out if TSR is not $> 0\%$).

Performance Vesting Conditions

A Gate of TSR being positive applies to Tranche 1 iTSR Performance Rights.

Tranche 2 Performance Rights are subject to a ROE Performance Rights Vesting Condition (**Tranche 2 ROE Performance Rights**). The vesting scale for this Vesting Condition is as follows:

Performance Level	Return on Equity	% of Tranche Vesting
Stretch	$\geq 15\% \text{ ROE}$	100%
Between Target and Stretch	$> 8\% \text{ ROE} \ \& \ < 15\% \text{ ROE}$	Pro-rata
Target	8% ROE (Cost of Equity)	50%
Between Threshold and Target	$> 6\% \text{ ROE} \ \& \ < 8\% \text{ ROE}$	Pro-rata
Threshold	$= 6\% \text{ ROE}$	25%
Below Threshold	$= < 6\% \text{ ROE}$	0%

ROE is calculated by dividing the sum of NPAT declared in respect of each year of the Measurement Period, by the sum of opening book equity from the Balance Sheet in respect of each year of the Measurement Period.

Tranche 3 Performance Rights are subject to a series of Strategic Milestone Performance Rights Vesting Conditions (**Tranche 3 Strategic Performance Rights**). In order for all Performance Rights in this Tranche to vest, all of the following conditions must be met before end the of the Measurement Period (partial vesting will occur as per the weighting indicated if only some metrics are achieved):

Strategic Area	Milestone	% of Tranche Vesting
Southdown Project	Complete DFS	16.67%
Southdown Project	Complete Executable Finance Plan	16.67%
Capital Management	Implement the plan to systematically identify the best use of capital with rigorous investment decision framework, including dividend policy	33.33%
Future Development	Provide 3 major projects for board review for potential purchase	33.33%

The Board retains discretion to modify the vesting outcomes, if it deems it is appropriate to do so.

The other terms and conditions of the Performance Rights are set out in the ERP Rules at Annexure 1 to this Explanatory Memorandum.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a Related Party of the Company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

For the purposes of Chapter 2E, Mr Zhao is a Related Party and the proposed grant of the Performance Rights and subsequent issue of Shares to Mr Zhao on vesting of those Performance Rights, constitutes the giving of a financial benefit. Accordingly, Shareholder approval is required.

An exception to the prohibition in Chapter 2E of the Corporations Act permits the Company to give a financial benefit to a Related Party without the need for Shareholder approval if the benefit is remuneration to an officer of the Company that would be reasonable given the circumstances of the Company and the Related Party's circumstances (including the responsibilities involved in the Related Party's office).

The Board considers that the proposed grant of Performance Rights to Mr Zhao is reasonable remuneration. However, the Board considers that it is prudent, from a corporate governance perspective, to seek Shareholder approval for the purposes of Chapter 2E of the Corporations Act in any event.

In accordance with the requirements of Chapter 2E, and in particular section 219, of the Corporations Act, the following information is provided to Shareholders to allow them to assess the proposed grant of Performance Rights and issue of Shares to Mr Zhao on vesting of the Performance Rights:

- (a) Mr Zhao is a Related Party of the Company to whom Resolution 5 would permit the financial benefit to be given.

- (b) The nature of the financial benefit to be given to Mr Zhao is the grant of up to 140,343 Performance Rights as set out in section 6 of this Explanatory Memorandum and the issue of up to 140,343 Shares upon the vesting of those Performance Rights for no cash consideration.
- (c) The Performance Rights proposed to be granted will be issued in accordance with the terms and conditions set out in section 6 of this Explanatory Memorandum and with the ERP Rules.
- (d) No funds will be raised by the grant of Performance Rights to Mr Zhao. Any Shares issued upon exercise of the Performance Rights will be issued for no cash consideration.
- (e) As at the date of this Notice, the capital structure of the Company is as follows:

Capital	Number
Ordinary Shares	1,157,338,698
Options	Nil
Performance Rights	Nil

If Shareholders approve all Resolutions contained in this Notice and all Shares are issued as contemplated by this Notice (including the [140,343] Performance Rights under Resolution 5), the issued capital of the Company will be as follows:

Capital	Number
Ordinary Shares	1,157,338,698
Options	Nil
Performance Rights	140,343

If Shareholders approve the grant of 140,343 Performance Rights to Mr Zhao, under Resolution 5 and all 140,343] Performance Rights subsequently vest such that 140,343 Shares are issued to Mr Zhao, the Performance Rights issued to Mr Zhao may result in dilution of the shareholdings of all other existing Shareholders of approximately 0.01% (based on the existing number of Shares as at the date of this Notice and assuming that no other existing options or Performance Rights are exercised and no other securities are issued by the Company in the meantime).

- (f) As at the date of this Notice, Mr Zhao holds the following securities in the Company representing 0.15% of the issued capital of the Company on a fully diluted basis:

Director	Number of Shares held Directly or Indirectly ⁽¹⁾	Number of Options held Directly or Indirectly
Mr Zhao	1,727,702	Nil

- (g) Details of Mr Zhao's remuneration for the last financial year (refer to 2021 Annual Report for full details) are as follows:

	Salary	Superannuation Contributions	Other	Total
Mr Zhao	541,934	52,839	340,084 ⁽¹⁾	934,857

- (1) Other remuneration includes short term and long term incentives, non-monetary benefits, and annual leave and long service leave accrued.

- (h) Details of the estimated remuneration payable to Mr Zhao for the current financial year are as follows:

	Salary	Superannuation Contributions	Other	Total
Mr Zhao	557,649	55,765	393,767 ⁽²⁾	1,007,180

- (2) Other remuneration includes short term incentives, non-monetary benefits, annual leave and long service leave accruals and an amount of \$147,192 being the value of the Shares proposed to be issued to Mr Zhao in accordance with Resolution 5.

- (i) During the last 12 months before the date of lodgement of this Notice with ASIC, the highest trading price of the Shares was \$1.155 on 7 March 2022 and the lowest price was \$0.40 on 20 September 2021. The market price of the Company's Shares over the 5 days] of trading on ASX up to and including 1 April 2022 has been between a minimum of \$1.07 per Share to a maximum of \$1.14 per Share. On 1 April 2022, the last trading day before this Notice was lodged with ASIC, Shares closed at a price of \$1.14 per Share.
- (j) The primary purpose of the grant of the Performance Rights to Mr Zhao is to provide an incentive to Mr Zhao to strive to meet the Company's performance objectives. Given this purpose, the Directors do not consider that there is any opportunity cost or benefit foregone by the Company in granting the Performance Rights or issuing the Shares on the vesting of those Performance Rights, as proposed by Resolution 5.
- (k) The issue of securities to Mr Zhao is a more cost effective and appropriate incentive for the Company as opposed to the payment of additional cash compensation.
- (l) Mr Zhao has a material personal interest in the outcome of Resolution 5 as he is a recipient of the Performance Rights proposed to be issued under that resolution. The Company's remaining Directors do not have an interest in the outcome of Resolution 5, except where they are Shareholders. As set out in the proxy form, the Chairperson of the Meeting intends to vote all undirected proxies in favour of Resolution 5.
- (m) The Directors, other than Mr Zhao, recommend that Shareholders vote in favour of Resolution 5 for the reasons given in section 6 of this Explanatory Memorandum.
- (n) The Company will incur no liabilities or costs in respect of the proposed grant of the Performance Rights to Mr Zhao other than:
- (i) The fees payable to ASX for quotation of the Shares if and when the performance conditions applicable to the Performance Rights are satisfied and the Performance Rights are vested. At the rates applying at the date of this Notice, these fees would be approximately \$2,181;
 - (ii) The cost of the Shares issued on vesting of the Performance Rights, which will be expensed through the Company's income statement in accordance with AASB2 Share-based payments;
 - (iii) Tasmanian Payroll tax liability; and
 - (iv) Plan administration fees.
- (o) The Company conducted a valuation of the Performance Rights proposed to be offered to Mr Zhao applying the Black-Scholes pricing model ("**Black-Scholes Model**").

The Black-Scholes Model is based on a number of assumptions and variables, including the following:

- For personal use only
- (i) the assumed price for Performance Rights is \$1.0488, being the VWAP of Shares traded on ASX over the 10 business days after release of the annual results;
 - (ii) it is assumed that each Performance Right will be exercised prior to the expiry date on the 1st of March 2025;
 - (iii) a risk-free rate of 2.83% has been adopted;
 - (iv) it has been assumed that there will be a dividend paid of 4 cents per share; and
 - (v) a volatility factor of 55.94% has been adopted.

For the purposes of the valuation, it is assumed that 100% of the Performance Rights will vest so as to disclose the maximum possible value of the Performance Rights.

The valuation based on the aforementioned detail is \$147,192. Applying the above, the estimated valuation of the value of the estimated financial benefit to be received by Mr Zhao is \$147,192.

- (p) Neither the Board nor the Company is aware of any other information that would reasonably be required by Shareholders in order to decide whether it is in the best interests of the Company to pass Resolution 5, other than as stated in this Explanatory Memorandum.

Listing Rule 10.14

Listing Rule 10.14 provides, in essence, that the approval of shareholders by ordinary resolution is required before any of the following persons can acquire securities under an employee incentive scheme:

- (a) a director;
- (b) an associate of a director; or
- (c) a person whose relationship with the Company or a person referred to in paragraph (a) or (b) above is, in ASX's opinion, such that approval should be obtained.

Mr Zhao is a Director of the Company for the purpose of Listing Rule 10.14. Accordingly, in order for Mr Zhao to acquire the Performance Rights and Shares on the vesting of the Performance Rights under the ERP, the Company must obtain Shareholder approval pursuant to Listing Rule 10.14.

Disclosure Requirements

Listing Rule 10.15 set out a number of matters which must be included in a notice of meeting seeking shareholder approval under Listing Rule 10.14.

In accordance with Listing Rule 10.15, the following information is disclosed to Shareholders in relation to Resolution 5:

- (a) Mr Zhao is a director of the Company;
- (b) the maximum number of Performance Rights that may be granted to Mr Zhao for whom approval is required is 140,343 Performance Rights. If all 140,343 Performance Rights vest, Mr Zhao will be entitled to 140,343 Shares. The valuation based on the Black-Scholes Model is \$147,192;
- (c) details of Mr Zhao's current total remuneration package are set out above at Item (h) of this section 6 of the Explanatory Memorandum;

- (d) the Performance Rights will be granted to Mr Zhao as an incentive, for no cash consideration. Any Shares issued on exercise of the Performance Rights will be issued for no cash consideration. Accordingly, there are no loans to be made and no funds will be raised by the grant of the Performance Rights or any subsequent issue of Shares to Mr Zhao on exercise of those Performance Rights;
- (e) no Director or Associate of a Director of the Company has previously received securities under the ERP;
- (f) as at the date of lodgement of this Notice with ASIC, Mr Zhao is the only Director who is entitled to participate in the ERP;
- (g) the Performance Rights will be granted as soon as possible after the Meeting but no later than 3 months after the date of the Meeting and it is anticipated that the allotment will be on one date;
- (h) the Performance Rights to be granted to Mr Zhao will not be quoted on ASX. Any Shares issued to Mr Zhao on exercise of those Performance Rights will rank equally in all respects with all other Shares in the Company and the Company will apply for the Shares to be quoted on ASX;
- (i) the proposed grant of Performance Rights to Mr Zhao will be made pursuant to the terms and conditions set out in section 6 of this Explanatory Memorandum and the terms and conditions of the ERP Rules at Annexure 1; and
- (j) a voting exclusion statement is included under Resolution 5 in this Notice.

Statement

As required by Listing Rule 10.15.11, the Company confirms that:

- (a) details of any securities issued under the ERP will be published in each annual report of the Company relating to the period in which the securities were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14;
- (b) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the ERP; and
- (c) after the resolution is approved and who were not named in the notice of meeting will not participate until approval is obtained under that rule.

Directors' recommendation

Mr Zhao declines to make a recommendation to Shareholders in relation to Resolution 5 due to his material personal interest in the outcome of the resolution. The other Directors, who do not have a material interest in the outcome of Resolution 5, recommend that Shareholders vote in favour of Resolution 5 for the reasons set out in section 6 of this Explanatory Memorandum.

Glossary

The following terms and abbreviations used in the Notice of Annual General Meeting and this Explanatory Memorandum have the following meanings:

AEST	means Australian Eastern Standard time.
ASX	means ASX Limited (ABN 98 008 624 691) or the Australian Securities Exchange, as the context requires.
ASIC	means the Australian Securities and Investments Commission.
Balance Sheet	means the Company's statement of financial position.
Board	means the Board of Directors from time to time.
Black-Scholes Model	has the meaning given to it in section 6 of the explanatory memorandum.
Cessation of Employment	has the meaning given to it in section 6 of the explanatory memorandum.
Chairperson	means the chair of the Meeting from time to time.
Closely Related Party	has the meaning given to it in section 9 of the Corporations Act.
Constitution	means the constitution of the Company as amended from time to time.
Company or Grange	means Grange Resources Limited ACN 009 132 405.
Corporations Act	means the Corporations Act 2001 (Cth).
Director	means a Director of the Company from time to time.
Eligible Participants	has the meaning given to it in section 5 of the explanatory memorandum.
ERP	has the meaning given to it in section 5 of the explanatory memorandum.
ERP Rules	has the meaning given to it in section 5 of the explanatory memorandum.
Explanatory Memorandum	means this explanatory memorandum.
Gate	means a condition that must be met or exceeded before the Vesting Conditions attached to a Tranche can be assessed for vesting purposes.
Grant Date	means the date shown on a Grant Notice, which means the document issued to a Participant to notify them that a grant of Rights has been made to them, which must include the Grant Date.
Invitation	means a communication to an Eligible Participant that contains the terms and conditions of the specific invitation to apply for Rights.
iTSR	means Indexed Total Shareholder Return which has the meaning given to it in section 6 of the explanatory memorandum.

Key Management Personnel	means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director of the Company.
Listing Rules	means the Listing Rules of ASX.
Measurement Period	has the meaning given to it in section 6 of the explanatory memorandum.
Meeting and Annual General Meeting	means the annual general meeting of Shareholders convened by this Notice of Annual General Meeting.
Mining TR Index	has the meaning given to it in section 6 of the explanatory memorandum.
Notice and Notice of Annual General Meeting	means the notice of annual general meeting which accompanies this Explanatory Memorandum.
Proxy Form	means the proxy form attached to this Notice.
Performance Right	means a Right (including a Share Appreciation Right) which is subject to performance related Vesting Conditions. For the avoidance of doubt, a service related Vesting Condition may form part of the terms of a Performance Right.
Resolution	means a resolution contained in the Notice.
Rights	has the meaning given to it in section 6 of the explanatory memorandum.
ROE	means Return on Equity.
Service Right	means a Right (including a Share Appreciation Right as defined in the Rules) that is subject to service related Vesting Conditions but no performance related Vesting Conditions.
Share	means a fully paid ordinary share in the capital of the Company.
Schedule	means a schedule contained in this Explanatory Statement.
Shareholder	means a registered holder of a Share.
Share Price	means the volume weighted average share price at which the Company's shares were traded on the ASX over the ten (10) trading days prior to the date for which the calculation is made.
Term	means the period between the date of grant of a Right and the date on which it will lapse if not earlier exercised, which will be the 15th anniversary of the date of grant unless otherwise determined by the Board and specified in an Invitation.
TSR	has the meaning given to it in section 6 of the explanatory memorandum.
Tranche	means a group of Rights defined by the fact that each Right in the group has identical terms and features.
Tranche 1 iTSR Performance Rights	has the meaning given to it in section 6 of the explanatory memorandum.

Tranche 2 ROE Performance Rights	has the meaning given to it in section 6 of the explanatory memorandum.
Tranche 3 Strategic Performance Rights	has the meaning given to it in section 6 of the explanatory memorandum.
Vesting Condition	means a condition that must be satisfied in order for vesting of a Right to occur, as contemplated in Rule 11 of the Rules.
VWAP	means volume weighted average price.

Annexure 1 - Executive Rights Plan Rules



Grange Resources Limited

Rights Plan Rules

Cover notes regarding this Plan (not to be taken as part of the Rules):

- The **Rights are NOT exercised automatically by default** to increase the likelihood that desirable taxing points can be achieved regardless of whether or not the Company is paying dividends or offering Participation to internationally located employees (this aspect may be changed in the Invitation, if needed). A Participant must submit an Exercise Notice in order to exercise vested Rights. However, this may be overridden in an Invitation, specifying an automatic exercise date, in respect of Participants outside of Australia where a fixed taxing point is required,
- **Unless a Settlement Restriction is specified in an Invitation that requires settlement in Shares only, Rights will be considered “indeterminate” because they may be settled in cash (a kind of derivative). Indeterminate Rights are not considered “securities” by ASIC and Corporations Act s708 relief is not available: in this case ASIC Class Order 14/1000 may be relied upon for Australian Participants, and the Company must notify ASIC when it first relies upon it in relation to this plan. Note: the Corporations Act is expected to be amended to incorporate the Class Order in the near future.**
- An Exercise Price can be specified for a Right to create an option type instrument, however it will be a cashless exercise option or share appreciation right, which is less dilutive and simpler to exercise. These are also derivatives and must rely on ASIC Class Order 14/1000,
- Non-executive Directors are excluded from Participation,
- In response to the receipt of an Invitation, a potential Participant will make an Application for Rights, which is subject to Board consideration and approval, such that all grants may be made on the same date after Applications are received,
- Both on-market purchases, and new issues of Shares, may be used to settle Rights,
- **Continued service for the whole of the Measurement Period is a default requirement** for Performance Rights,
- Malus/clawback/Good Behaviour Bond features apply at all times, including following cessation of employment (addresses joining a competitor),
- Major transactions are addressed including change in control, major return of capital, demerger and delisting,
- Exercise Restrictions which are flexible, can be attached to Rights to defer the earliest exercise point following vesting (a form of deferral) and to ensure that equity is available for clawback, if needed,
- Specified Disposal Restrictions which are inflexible, can be attached to Shares that result from exercise (another form of deferral),
- The plan is designed not to give rise to a termination benefit, by default, by avoiding vesting triggered by cessation of employment, though this may be overridden by the Board’s general discretion to vest at any time,
- International participation and local tax and legal compliance can be achieved via custom Invitation documents (i.e. there is a Rule in the Plan covering this approach),
- The Rights Plan can be used for a range of purposes, including but not limited to:
 - Long Term Variable Remuneration using Performance Rights,
 - Retention grants to employees below the senior executive level using Service Rights, or
 - Deferring Short Term Variable Remuneration using Service Rights or Restricted Rights.

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Grange Resources Limited Rights Plan

1 Purpose

- 1.1 This Grange Resources Limited Rights Plan (the Plan) is governed by these Rules.
- 1.2 The purposes of the Plan are to:
 - (a) enable the Company to provide a component of variable remuneration that is performance focussed and linked to long-term value creation for Shareholders,
 - (b) create alignment between the interests of Participants and Shareholders,
 - (c) enable the Company to compete effectively for the calibre of talent required for it to be successful,
 - (d) ensure that Participants have commonly shared goals, and
 - (e) assist Participants to become Shareholders, and aligning them with the interests of Shareholders.

2 Interpretation

- 2.1 Unless the context otherwise requires:
 - (a) headings and subheadings are for convenience only and shall not affect interpretation except for specific cross-references,
 - (b) words denoting the singular shall include the plural, and the converse also applies,
 - (c) words denoting any gender include all genders,
 - (d) any reference to a party to any agreement or document includes its successors and permitted assigns and substitutes by way of assignment or novation, and
 - (e) any reference to any agreement or document includes that agreement or document as amended at any time.
- 2.2 The capitalised words used in these Rules have the meaning ascribed to them in Rule 42 Dictionary.

3 Administration

This Plan will be administered by the Board, but it may delegate responsibility to a committee of the Board in relation to all Participants or to the Managing Director in relation to other Participants. The Board is authorised, subject to the provisions of these Rules, to establish such guidelines for the administration of the Plan as are deemed appropriate, and to make determinations under the Plan as may be deemed necessary or advisable from time to time. Such determinations shall be conclusive and binding on all Participants.

4 Eligibility

All Eligible Persons are eligible to receive Invitations.

5 Invitations

- 5.1 The Plan will operate through a series of Invitations. The Board will in its absolute discretion determine those Eligible Persons who will receive Invitations, and the procedure for making invitations (including the terms and content of any offer or invitation or acceptance procedure) in accordance with the Rules.

- 5.2 Subject to compliance with the Listing Rules, the Corporations Act and the Company's Constitution, the Board may make Invitations at such times and to such Eligible Persons as it determines in its discretion.
- 5.3 Each Invitation may contain terms and conditions that vary between Invitations. The variable terms and conditions that apply to an Invitation and any consequent issue of Rights under the Plan are to be determined by the Board and included in the Invitation.
- 5.4 Details to be contained in an Invitation will include each of the following to the extent applicable to the intended features of a particular Invitation and the type of Rights that are the subject of the invitation (Performance Rights, Service Rights, and/or Restricted Rights):
- (a) the name of the Eligible Person,
 - (b) the date of the Invitation,
 - (c) the number of each type of Right in each Tranche, that may be applied for,
 - (d) the price of the Rights which will be nil, unless otherwise determined by the Board,
 - (e) the Settlement Restriction including the specific form of settlement applicable to Rights, if any,
 - (f) the Exercise Price, which will be nil unless otherwise determined by the Board, in which case the Right may be referred to as a Share Appreciation Right or SAR that may be classed as a Performance Right, Service Right or Restricted Right,
 - (g) the Term of Rights in each Tranche if other than 15 years,
 - (h) the Vesting Conditions which are to apply to Service and/or Performance Rights, as may be applicable to each Tranche,
 - (i) the Measurement Period applicable to each Tranche, in the case of Performance and Service Rights,
 - (j) the Vesting Date or how the Vesting Date will be determined,
 - (k) in respect of unvested Service Rights held at the date of cessation of employment whether they will lapse or vest or may be retained for possible vesting at a later date,
 - (l) any Specified Disposal Restrictions period for Shares that may be acquired on exercise of vested Rights,
 - (m) Exercise Restrictions, if any, that may apply,
 - (n) whether any Shares to be provided to a Participant on exercise of Rights that are the subject of an Invitation must be acquired on-market or may be acquired otherwise,
 - (o) other terms and conditions that the Board determines to include, and
 - (p) how to apply for Rights that are the subject of the Invitation, including the name of the person to whom the Application should be sent and the Application Period.
- 5.5 The receipt of an Invitation or Invitations under the Plan does not guarantee nor confer any entitlement to receive any other Invitation under the Plan.

6 Application for Rights

The form of Application and the Application Period shall be determined by the Board in its discretion from time to time. In submitting an Application, the Eligible Person will be agreeing to be bound by these Rules and the terms of the Invitation.

7 Granting of Rights

- 7.1 The Board will consider valid Applications that are made in response to Invitations and determine whether or not to accept them.
- 7.2 In respect of accepted Applications, the Board will use reasonable endeavours to grant the Rights within 30 days of the end of the Application Period, unless otherwise determined by the Board.
- 7.3 Participants will be advised in writing when Rights have been granted and the date of the grant, via a Grant Notice.
- 7.4 No Rights may be issued to, or exercised by a participant if to do so would contravene the Corporations Act, the ASX Listing Rules or any relief or waiver granted by ASIC or the ASX that binds the Company in making any offer or invitation under these Rules or otherwise in connection with the operation of this plan. Shareholder approval must be obtained prior to a grant being made to a Director when required under the ASX Listing Rules.

8 Participants

- 8.1 Eligible Persons whose Applications have been accepted and have been granted Rights will be referred to as Participants in the Plan.
- 8.2 They will remain Participants until all Rights they have been granted have either lapsed or been exercised and both any risk of forfeiture and disposal restrictions applicable to the Shares acquired by exercising the Rights have ceased to apply.

9 Rights May Not Be Disposed of or Transferred or Encumbered

Rights may not be disposed of or transferred or otherwise dealt with (including for purposes of this Rule, encumbered or made subject to any interest in favour of any other person) and will lapse immediately on purported disposal, transfer or dealing unless the transfer is effected by operation of law on death or legal incapacity to the Participant's legal personal representative.

10 Measurement Periods

- 10.1 The Measurement Period applicable to each Tranche of Performance Rights will be three years unless otherwise specified in the Invitation. The Measurement Periods for Performance Rights will relate to periods when performance conditions must be satisfied for them to vest.
- 10.2 The Measurement Period applicable to each Tranche of Service Rights will be specified in the Invitation. The Measurement Periods for Service Rights will relate to periods when service conditions must be satisfied for them to vest.
- 10.3 Measurement Periods for grants of Performance and Service Rights will commence on the first day of the financial year in which the grant is made unless otherwise determined by the Board and specified in the Invitation.

11 Vesting Conditions

- 11.1 Vesting Conditions may relate to:
 - a) performance of the Company or an aspect of the Company's operations or the performance of the Participant, or
 - b) continued service of the Participant with the Group, or
 - c) any combination of the foregoing determined by the Board for each Tranche.

- 11.2 Vesting Conditions, if applicable, must be specified in the Invitation, along with the relationship between various potential levels of performance and levels of vesting that may occur.
- 11.3 Performance conditions may vary between different Invitations and between different Tranches of Rights specified in an Invitation.

12 Gate

- 12.1 The Board may in its absolute discretion apply one or more Gates to Tranches of Performance Rights as a condition for vesting. If a Gate is to apply to a Tranche, it must be specified in the Invitation.
- 12.2 If a Gate is not satisfied then the Performance Rights in the Tranche to which the Gate applies will not vest irrespective of outcomes in relation to any Vesting Condition, unless otherwise determined by the Board.

13 Vesting of Performance Rights

- 13.1 Following the end of the Measurement Period, the Board will determine for each Tranche of Performance Rights to which the Measurement Period applies, and which have not previously lapsed or vested, the extent to which it has vested, if at all, and notify Participants in a Vesting Notice of both the extent of vesting and the Vesting Date.
- 13.2 Prior to the end of a Measurement Period the Board may determine that some or all of the Performance Rights held by a Participant will vest in which case the Board will notify Participants in a Vesting Notice of both the extent of vesting and the Vesting Date. In such circumstances the Board also has absolute discretion to determine that Exercise Restrictions (if any) are lifted, and that some or all of any remaining unvested Performance Rights will be forfeited in which case the Board shall notify Participants in writing, in a form determined by the Board in its absolute discretion.

14 Board Discretion Regarding Vesting of Performance Rights

- 14.1 The Board retains discretion to increase or decrease, including to nil, the extent of vesting in relation to each Tranche of Performance Rights if it forms the view that it is appropriate to do so given the circumstances that prevailed during the Measurement Period. In exercising this discretion, the Board shall take into account, amongst other factors it considers relevant, Company performance from the perspective of Shareholders over the relevant Measurement Period.
- 14.2 Before exercising its discretion under this Rule, the Board may seek advice from an independent advisor as to whether the discretion should be exercised and if so then the alternative extent of vesting that should be considered by the Board.

15 Vesting of Service Rights

- 15.1 Following the end of the Measurement Period, the Board will determine for each Tranche of Service Rights to which the Measurement Period applies and which have not previously lapsed, the extent to which it has vested, if at all, and notify Participants in writing of the vesting and the Vesting Date.
- 15.2 Prior to the end of a Measurement Period the Board may determine that some or all of the Service Rights held by a Participant will vest in which case the Board will notify Participants in a Vesting Notice of both the extent of vesting and the Vesting Date. In such circumstances the Board also has absolute discretion to determine that Exercise Restrictions (if any) are lifted, and that some or all of any remaining unvested Service

Rights will be forfeited in which case the Board shall notify Participants in writing, in a form determined by the Board in its absolute discretion.

16 Vesting of Restricted Rights

Restricted Rights are fully vested at the Grant Date, therefore the Grant Notice and the Vesting Notice may be combined i.e. the Grant Date is also the Vesting Date for Restricted Rights.

17 Lapsing of Rights

Rights will lapse automatically on the earlier of:

- a) For unvested Rights, when there is no opportunity for them to vest at a later date, or
- b) The end of the Term of the Right.

18 Exercise of Rights and Exercise Restrictions

- 18.1 An Invitation may specify an Exercise Restriction which is a period during which Rights may not be exercised, and any attempt to do so will be considered void, subject to the early release of Exercise Restrictions as provided for in these Rules.
- 18.2 Restricted Rights are subject to an Exercise Restriction for 90 days following the Grant Date, unless a longer period is determined by the Board and specified in the Invitation.
- 18.3 Rights may be exercised at any time between the latter to occur of the Vesting Date or the elapsing of the Exercise Restriction (if applicable) and the end of their Term, by the Participant submitting an Exercise Notice. If an Invitation so specifies, the exercising of vested and unexercised Rights may be completed automatically on a specific date following the end of the Measurement Period in which case the submission of an Exercise Notice is not required.
- 18.4 An Exercise Notice will be in the form determined by the Board from time to time, and provided to the Participant with a Vesting Notice.
- 18.5 Unless an Invitation contains a Settlement Restriction, on exercise of Rights the Board will determine in its absolute discretion whether to settle the Exercised Rights Value in whole Shares (including Restricted Shares) with any residual being forfeited, a cash payment to the Participant or a combination of whole Shares and a cash payment to the Participant. The Board will advise the Participant in writing of the result of its determination, in the Settlement Notice.
- 18.6 To the extent that the Exercised Rights Value is to be provided in Shares, the Board will in its discretion, either:
 - (a) issue Shares to the Participant, or
 - (b) arrange for Shares to be acquired for the benefit of Participants by the trustee of the EST. The Company or another Group Company will contribute such funds as are needed from time to time to the EST trustee to enable the EST trustee to acquire Shares and the trustee shall apply those funds to acquire Shares by:
 - i. market purchase, or
 - ii. subscription to a new issueas directed by the Board.
- 18.7 To the extent that the Exercised Rights Value is to be paid in cash it will be paid via payroll less any legally required withholdings such as PAYG tax.

- 18.8 The Board may in its absolute discretion waive the remaining portion of the Exercise Restriction period.
- 18.9 If the Exercised Rights value is settled in whole or in part by a new issue of Shares, the Company will arrange such Shares to be quoted on the ASX.

19 Disposal Restriction Attached to Shares

- 19.1 Shares acquired by Participants or held by the trustee of the EST for the benefit of Participants as a consequence of the exercise of Rights are initially Restricted Shares, and shall be subject to a disposal restriction being that such Shares may not be sold or disposed of in any way, if at the time of exercise:
- (a) a sale of Shares would breach the Company's share trading policy, and/or
 - (b) a sale of Shares would breach Division 3 of Part 7.10 of the Corporations Act, and/or
 - (c) a Specified Disposal Restriction in the relevant Invitation has not elapsed.
- 19.2 Any attempt by a Participant to deal in or dispose of Restricted Shares will result in forfeiture of the Restricted Shares by the Participant, and the Board may require the Participant to facilitate a transfer of forfeited Restricted Shares to another party nominated by the Board, for nil consideration.
- 19.3 In special circumstances such as financial hardship the Board may in its absolute discretion waive the remaining portion of the Specified Disposal Restriction period.
- 19.4 If Shares subject to Specified Disposal Restrictions are held in the name of the Participant then the Company shall impose a CHESS holding lock to ensure that the disposal restrictions are complied with.
- 19.5 Any CHESS holding lock applied by the Company to Restricted Shares will be removed when the Participant ceases to be an employee of the Group, unless otherwise determined by the Board and specified in the Invitation.
- 19.6 On the first occasion following the cessation of Specified Disposal Restrictions, if any, when Shares may be sold without breaching the Company's share trading policy, the Board will advise the Participant in writing of the date of that occasion. A Cessation of Disposal Restrictions Notice will be used for this purpose. However, if sale of the Shares may not be undertaken due to Division 3 of Part 7.10 of the Corporations Act (insider trading restriction provisions) then the effective date of the Cessation of Disposal Restrictions Notice will be taken to be delayed until the next point in time when sales of Shares may occur without breaching either the Company's share trading policy or Division 3 of Part 7.10 of the Corporations Act (insider trading restriction provisions).

20 Disposal Restrictions and Exercise Restrictions Release at Taxing Point

- 20.1 In the event that a taxing point arises for a Participant in relation to vested but unexercised Rights that are subject to Exercise Restrictions held by a Participant the Exercise Restrictions will cease to apply to 50% of such Rights that are the subject of the tax liability, unless otherwise determined by the Board.
- 20.2 In the event that a taxing point arises for a Participant in relation to Restricted Shares subject to Specified Disposal Restrictions then Specified Disposal Restrictions (and associated CHESS holding locks if applicable) will cease to apply to 50% of such Shares that are the subject of the tax liability unless otherwise determined by the Board.

21 Fraud and Defalcation

In the event that the Board forms the opinion that a Participant has committed an act of fraud or defalcation, the Participant will forfeit all unvested Rights and vested Rights subject to Exercise Restrictions.

22 Board Discretion to Prevent Inappropriate Benefits, Malus and Clawback

22.1 The Board has sole discretion to determine that some or all Rights held by a Participant that are unvested or vested but subject to Exercise Restrictions, will lapse on a specified date if allowing the Rights to be retained or exercised by the Participant would, in the opinion of the Board, result in an inappropriate benefit to the Participant. Such circumstances include but are not limited to:

- (a) if a Participant engages in any activities or communications that, in the opinion of the Board, may cause harm to the operations or reputation of the Company or the Board,
- (b) if the Board determines that a Participant or Participants took actions that caused harm or are expected to cause harm to the Company's stakeholders,
- (c) if the Board forms the view that a Participant or Participants have taken excessive risks or have contributed to or may benefit from unacceptable cultures within the Company,
- (d) if the Board forms the view that Participants have exposed employees, the broader community or environment to excessive risks, including risks to health and safety,
- (e) if a Participant becomes an employee of a competitor or provides services to a competitor, either directly or indirectly (as determined by the Board and unless otherwise determined by the Board),
- (f) if there has been a material misstatement in the Company's financial reports, which once resolved, indicates that a larger number of Rights previously vested than should have, in light of the corrected information,
- (g) if there has been a breach of the Code of Conduct or other company policies, and
- (h) if the Board's standards or expectations regarding environmental, social and governance ("ESG") conduct have been breached, as determined by the Board from time to time.

22.2 While the Company has a separate malus and/or clawback policy that applies to variable remuneration, and that policy addresses unvested and/or vested Rights and/or Restricted Shares, then in the event of any inconsistency between the Plan Rules and the policy, the policy shall apply.

22.3 At the time of assessing performance and/or service conditions to determine the level of vesting the Board shall also consider the Company's actual risk exposure during the Measurement Period relative to its risk governance policies and, in appropriate circumstances, reduce the level of vesting that would otherwise have applied. The risk factors to be considered are those that are most relevant to the Company but may include: financial, regulatory, environmental, social, health & safety, governance, customer satisfaction, competition, technology and supply of materials/products.

23 No Hedging

Participants must not enter into an arrangement with anyone if it would have the effect of limiting their exposure to risk in relation to Rights (vested or unvested) or Restricted Shares.

24 Bonus Issues, Rights Issues and Capital Reorganisation

- 24.1 In cases of bonus share issues by the Company the number of Rights held by a Participant shall be increased by the same number as the number of bonus shares that would have been received by the Participants had the Rights been fully paid ordinary shares in the Company, except in the case that the bonus share issue is in lieu of a dividend payment, in which case no adjustment will apply.
- 24.2 In the case of general rights issues to Shareholders there will be no adjustment to the Rights.
- 24.3 In the case of an issue of rights other than to Shareholders there will be no adjustment to the Rights.
- 24.4 In the case of other capital reconstructions the Board may make such adjustments to the Rights as it considers appropriate with a view to ensuring that holders of Rights are neither advantaged nor disadvantaged.
- 24.5 This rule is subject to the application of the Listing Rules.

25 Cessation of Employment

- 25.1 Unless an Invitation otherwise specifies;
 - (a) if a Participant ceases to be an employee of the Group due to termination for cause, or other termination circumstances specified in an Invitation, then Performance Rights which are not vested will be forfeited, unless and to the extent otherwise determined by the Board in its discretion,
 - (b) if a Participant ceases to be an employee of the Group in any other circumstance, Performance Rights which are not vested will be forfeited in the same proportion as the remainder of the first year of the Measurement Period bears to the full year in respect of each Tranche, unless and to the extent otherwise determined by the Board in its discretion.
- 25.2 Performance Rights that do not lapse at the termination of employment will continue to be held by Participants with a view to testing for vesting at the end of the Measurement Period. The Board has discretion to determine that any service conditions have been fulfilled at the end of the Measurement Period, regardless of whether or not a Participant remains employed by the Group.
- 25.3 If a Participant ceases to be an employee of the Group then Service Rights will be dealt with as specified in the relevant Invitation. In respect of Service Rights that are not forfeited at termination, the Board has discretion to determine that any service conditions have been fulfilled at the end of the Measurement Period, regardless of whether or not a Participant remains employed by the Group.
- 25.4 If a Participant has previously ceased to be an employee of the Group then Performance and Service Rights that are exercised after the date of termination will be dealt with pursuant to Rule 18 except that if the market value of a Share at the time of exercise is less than the market value of a Share at the date of the termination then the Exercised Rights Value will be paid in cash, unless otherwise determined by the Board or settlement of the Exercised Rights Value is limited to Shares only, due to a Settlement Restriction being specified in the relevant Invitation.
- 25.5 Unless otherwise specified in an Invitation, 90 days after the first date that all Rights that the Participant holds are fully vested and not subject to Exercise Restrictions, all Rights they hold will be automatically exercised on a date determined by the Board, unless the Board determines that they may be held for any remainder of the Term specified in the Invitation.

- 25.6 In respect of a Participant that is not an Australian resident, the Invitation may specify alternative treatment of Performance Rights, Service Rights and Restricted Rights in the case the Participant ceases to be an employee of the Group, including with regards to the treatment of Exercise Restrictions and Disposal Restrictions, and the automatic exercising of vested Rights.

26 Retirement Benefit Limit

Notwithstanding any other provision in these Rules, the Company is not required to provide or procure the provision of any benefit which would result in a breach by the Company of Division 2 of Part 2D.2 of the Corporations Act relating to termination benefits to any Participants who are the holder of a managerial or executive office unless any prior approval required from the Shareholders for the provision of such a benefit has been sought and obtained by the Company.

27 Change in Control and Delisting

- 27.1 Unless otherwise determined by the Board, in the event the Board determines that the Company will be imminently de-listed, whether in the case of a Change in Control or otherwise, the Vesting Conditions attached to the Tranche at the time of the Application will cease to apply and:

- (a) Performance Rights constructed as Share Appreciation Rights will vest 100% unless otherwise determined by the Board,
- (b) unvested Performance Rights subject to a nil Exercise Price will vest in accordance with the application of the following formula to each unvested Tranche as at a date determined by the Board (Effective Date), noting that negative results will be taken to be nil and vesting cannot exceed 100%:

$$\begin{array}{ccccccc} \text{Number of} & & & & & & \\ \text{Performance} & & & & & & \\ \text{Rights in} & & & & & & \\ \text{Tranche to} & & & & & & \\ \text{Vest} & = & \text{Unvested} & & \text{\% of First} & & \text{(Share Price at the Effective Date – Share price} \\ & & \text{Performance} & & \text{Year of} & & \text{at Measurement Period Commencement)} \\ & & \text{Rights in} & \times & \text{Measurement} & \times & \\ & & \text{Tranche} & & \text{Period} & & \\ & & & & \text{Elapsed} & & \\ & & & & & & \text{Share price at Measurement Period} \\ & & & & & & \text{Commencement} \end{array}$$

- (c) any remaining unvested Performance Rights will vest to the extent, if any, determined by the Board having regard to performance over the Measurement Period prior to the Effective Date,
 - (d) any unvested Performance Rights that remain following (b) and (c) will lapse, unless the Board determines that Participants may continue to hold unvested Rights following the Effective Date,
 - (e) some or all unvested Service Rights may vest to the extent determined by the Board in its discretion, having regard to the circumstances that gave rise to the grant of Service Rights and any remainder will lapse immediately,
 - (f) any unexercised Rights held by a Participant that are subject to an Exercise Restriction will cease to be so restricted on the date that the Board determines in its sole discretion, and
 - (g) any Specified Disposal Restrictions will be lifted, including the removal of any Company initiated CHES holding lock.
- 27.2 In the event the Board determines that the Company will be imminently become the subject of a Change in Control without delisting, the Board may make adjustments to:
- (a) Vesting Conditions,

- (b) Measurement Periods,
- (c) Exercise Restrictions,
- (d) Specified Disposal Restrictions,
- (e) Exercise Price, and
- (f) Automatic exercise of Rights,

in respect of any Rights previously issued under these Rules and in accordance with the Listing Rules, as necessary to ensure that the plan will operate as intended following the Change in Control.

28 Major Return of Capital to Shareholders or Demerger

In the event that the Board forms the view that a major part of the Company's assets or operations will imminently cease to be owned by the Group due to an intention to sell or separately list those assets or operations, or in the event of a major return of capital to Shareholders, the Board will determine the treatment of all vested and unvested Rights and Restricted Shares held by Participants including but not limited to vesting, lapsing and removal of Exercise Restrictions and Specified Disposal Restrictions, and the automatic exercise of vested Rights on a specific date.

29 ASIC Class Order Compliance

Invitations to Australian Participants that include a tranche of SARs, allow for cash settlement of the Exercised Rights Value, or are made to Eligible Persons who do not hold roles classified as a senior manager under the Corporations Act will be made in reliance on ASIC Class Order 14/1000 (or any successor class order, law or regulation) and the Board will take such action or refrain from taking actions so as to remain able to rely on the relief provisions of the Class Order, including notifying ASIC when it first relies on such relief, and not making grants that may exceed the limit contained in the Class Order.

30 Employee Share Scheme Taxing Provisions to Apply

Subdivision 83A-C of the Income Tax Assessment Act 1997 applies to this Plan including to all Rights granted under the Plan and all Shares that arise from the exercising of Rights.

31 Overseas Transfers

31.1 If a Participant is transferred to work in another country and, as a result of that transfer, the Participant would:

- (a) suffer a tax disadvantage in relation to their Rights (this being demonstrated to the satisfaction of the Board); or
- (b) become subject to restrictions on their ability to deal with the Rights, or to hold or deal in the Shares or the proceeds of the Shares acquired on exercise, because of the security laws or exchange control laws of the country to which he or she is transferred,

then, if the Participant continues to hold an office or employment with the Group, the Board may decide that the Performance or Service Rights will vest on a date it chooses before or after the transfer takes effect, and that Exercise Restrictions and Disposal Restrictions cease to apply. The Rights will vest to the extent determined by the Board and may lapse or not lapse as to the balance as determined at the discretion of the Board.

32 Non-Australian Residents

When a 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 applicable or relevant laws, matters of convenience and desirability and similar factors which may have application to the Participant or to the Company in relation to Rights. Such alterations or additions shall be specified in the Invitation.

33 Board Determinations and Amendment of the Plan

- 33.1 A determination by the Board or a Board committee or a delegate of the Board may be evidenced by minutes of a meeting of the Board or Board committee or a record of a determination by the delegate (as applicable). Any such minute or determination shall be prima facie evidence of the determination in the absence of manifest error.
- 33.2 The Board may at any time by written instrument, or by resolution of the Board, amend or repeal all or any of the provisions of the Rules, including this Rule.
- 33.3 No amendment to or repeal of the Rules is to reduce the existing rights of any Participant in respect of any accepted Application that had commenced prior to the date of the amendment or repeal, other than with the consent of the Participant or where the amendment is introduced primarily:
- (a) for the purpose of complying with or conforming to a present or future State, Territory or Commonwealth legal requirement governing, regulating or effecting the maintenance or operation of the Plan or like plans;
 - (b) to correct any manifest error or mistake;
 - (c) to address possible adverse tax implications for Participants generally or the Company arising from:
 - i. a ruling of any relevant taxation authority;
 - ii. a change to tax legislation or the application or termination of the legislation or any other statute or law (including an official announcement by any relevant taxation or government authority);
 - iii. a change in interpretation of tax legislation by a court of competent jurisdiction or by any relevant taxation authority; or
 - iv. to enable the Company to comply with the Corporations Act or the Listing Rules.

34 Not Exclusive Method of Providing Variable Remuneration

This Plan shall not be an exclusive method of providing variable remuneration for employees of the Company, nor shall it preclude the Company from authorising or approving other forms of variable remuneration.

35 No Right to Continued Employment

Neither the establishment of the Plan nor receipt of an Invitation, nor the approval of an Application, nor the payment of an award nor the vesting of Performance Rights or any other action under the Plan shall be held to confer upon any Participant the right to continue in the employment of the Company or affect any rights the Company may have to terminate the employment of the Participant.

36 Relationship to Other Plans

Participation in the Plan shall not affect or be affected by participation in or payment under any other plan of the Company, except as otherwise determined by the Board.

37 Notices

- 37.1 A notice (meaning for the purposes of this Rule 37, notice, application, permission or other communication) under the Rules or in connection with the Plan may be given in writing, addressed to the person to whom it is given, and is taken to be given and received if sent in accordance with Rules 37.2, 37.3 or 37.4.
- 37.2 For the purposes of Rule 37.1 a notice is duly given and received by the Company or another Company if sent to the Company by pre-paid mail or by facsimile or other electronic communication, to an address at which it is actually received by:
- (a) the person who is, from time to time, designated by the Board as the person to whom the notice should be sent or by whom it should be received, and whose name or title and address are notified to the sender; or
 - (b) if no other person is designated by the Board for this purpose, the secretary of the company.
- 37.3 For the purposes of Rule 37 notice is duly given and received by a company other than a Company if sent to the company:
- (a) by pre-paid mail to its registered office; or
 - (b) by facsimile or other electronic communication to the last known facsimile or other electronic communication address of its registered office.
- 37.4 For the purposes of Rule 37.1 a notice is duly given and received by a natural person (other than a person referred to in Rule 37.1) if sent to:
- (a) the person's last known mailing address or the person's last known facsimile or other electronic communication address; or
 - (b) in the case of a Participant who has not ceased to be an employee of the Company, to the last known mailing, facsimile or other electronic communication address of the place of business at which the person performs the whole or substantially the whole of his or her employment.
- 37.5 A notice given under Rule 37.1 to a person being a natural person (referred to in Rule 37.4), is duly given even if the person is then deceased (and whether or not any Company has notice of his or her death), unless the legal personal representative of the person has established title to this position to the satisfaction of the Company and supplied to the Company an address to which documents should be sent.
- 37.6 A notice sent in accordance with Rule 37.1 is treated as given and received:
- (a) in the case of a notice sent to the Company or another Company, at the time it is actually received by the appropriate person referred to in Rule 37.1;
 - (b) in the case of any other notice sent by prepaid mail, 48 hours after it was put into the post properly stamped; and
 - (c) in the case of any other notice sent by facsimile or other electronic communication, at the time of transmission.

38 Constitution and Listing Rules

The Rules are subject to the Company's constitution and applicable Listing Rules in force from time to time.

39 Attorney

Each Participant, in consideration of a grant of Rights:

- (a) irrevocably appoints the Company and any person nominated from time to time by the Board (each an "attorney"), severally, as the Participant's attorney to complete and execute any document or other agreement to give effect to these Rules and to do all acts or things on behalf of and in the name of the Participant which may be convenient or necessary for the purpose of giving effect to the provisions of these Rules,
- (b) covenants that the Participant shall ratify and confirm any act or thing done pursuant to this power,
- (c) releases the Company, the Board, each Group Member and each attorney from any liability whatsoever arising from the exercise of the powers conferred by this clause, and
- (d) indemnifies and holds harmless the Company, the Board, each Group Member and the attorney in respect of such liability.

40 Effective Date of these Rules

These rules will be effective from 4 April 2022 and will continue until the Plan is amended or terminated.

41 Governing Law

These Rules are governed by the laws of Tasmania, Australia.

42 Dictionary

Unless the context otherwise requires, the following terms and abbreviations have the following meanings.

Application	means the document that must be submitted to apply for Rights under the Plan, as specified in Rule 6, which is annexed to the Invitation.
Application Period	means the period between the date of the Invitation and the last date on which an Application may be submitted.
ASIC	Australian Securities and Investments Commission
ASX	means ASX Limited ACN 008 624 691 (aka Australian Securities Exchange) or the securities market which it operates, as the context requires.
Board	means the Board of Directors of the Company.

Cessation of Disposal Restrictions Notice	means the notice to a Participant that Specified Disposal Restrictions and disposal restrictions related to the Company's share trading policy have ceased.
Company	means Grange Resources Limited ABN 80 009 132 405.
Change in Control	means when the Board advises Participants that one or more persons acting in concert have acquired or are likely to imminently acquire "control" of the Company as defined in section 50AA of the Corporations Act.
CHESS	means Clearing House Electronic Sub-register System
Corporations Act	means the Corporations Act 2001 (Cth).
Class Order	means Class Order 14/1000 as defined by the Australian Securities and Investments Commission, or any successor Class Order.
Director	means a member of the Board whether in an executive or non-executive capacity.
Effective Date	means a date determined by the Board upon which a decision or determination by the Board takes effect, which may be a past, present or future date, and may be different from the date upon which the event occurs or is recorded.
Eligible Person	means a full time or part-time employee (excluding non-executive directors), a casual employee of the Group or a contractor to the Group or a person who will prospectively fill one of the foregoing roles. For the avoidance of doubt, associates of Eligible Persons are not eligible to be granted Rights unless otherwise determined by the Board.
EST	means the Grange Resources Limited Employee Share Trust or any other employee share trust established to facilitate the operation of this Plan.
Exercise Notice	means the written advice from the Participant to the Company that they are exercising vested Rights under Rule 18.
Exercise Price	means the amount, if any, payable or notionally payable as the context requires, to exercise a Right or option.
Exercised Rights Value	means the value determined by applying the following formula as at the date of exercise: (Share Price – Exercise Price) x Number of Rights Exercised
Exercise Restriction	means a period during which a Participant may not exercise vested Rights; and for Restricted Rights, the Exercise Restriction is as defined in Rule 18.2, and for other Rights is a period specified in an Invitation, if applicable.

Gate	means a condition that must be met or exceeded before the Vesting Conditions attached to a Tranche can be assessed for vesting purposes.
Grant Date	means the date shown on a Grant Notice.
Grant Notice	means the document issued to a Participant to notify them that a grant of Rights has been made to them, which must include the Grant Date.
Group	means the Company and its Related Bodies Corporate.
Group Company	means any body corporate within the Group.
Invitation	means a communication to an Eligible Person that contains the terms and conditions of the specific invitation to apply for Rights.
Listing Rules	means the Listing Rules of the ASX.
Managing Director	means a Director who simultaneously holds the most senior executive role within the Company.
Measurement Period	means in relation Performance and Service Rights the period or periods specified in the Invitation in relation to conditions applying to the vesting of the Rights.
Participant	See Rule 8.
PAYG	means Pay As You Go tax instalment system.
Performance Right	means a Right (including a Share Appreciation Right) which is subject to performance related Vesting Conditions. For the avoidance of doubt, a service related Vesting Condition may form part of the terms of a Performance Right.
Plan	means Grange Resources Limited Rights Plan.
Related Bodies Corporate	has the meaning in section 50 of the Corporations Act.
Restricted Right	means a Right (including a Share Appreciation Right) which is fully vested at grant but is subject to Exercise Restrictions and/or disposal restrictions.
Restricted Shares	means Shares acquired by exercise of vested Rights and which are subject to disposal restrictions.

Right	means an entitlement to the value of a Share less any Exercise Price specified in an Invitation, which may be settled in the form of cash or a Share (including a Restricted Share), as determined by the Board in its discretion, unless a Settlement Restriction is specified in an Invitation. For the avoidance of doubt, a Right is not subject to dividend, voting or return of capital entitlements, nor entitlement to any surplus profit or assets of the entity upon a winding up, except as required by law. A Right issued under these Rules will not be quoted on any exchange.
Rules or Plan Rules	means these Rules that govern the Plan.
Service Right	means a Right (including a Share Appreciation Right) that is subject to service related Vesting Conditions but no performance related Vesting Conditions.
Settlement Restriction	means a term of the Invitation that specifies or limits how the Exercised Rights Value may be settled, which may be either in cash or Shares (including Restricted Shares).
Shareholders	means those persons who hold Shares.
Share	means fully paid ordinary share in the Company.
Share Appreciation Right or SAR	means a Right with an Exercise Price greater than nil. For the avoidance of doubt a SAR may be a Performance Right, Service Right or Restricted Right.
Settlement Notice	means the written advice from the Board to a Participant indicating how the Exercised Rights Value will be settled.
Share Price	means the volume weighted average share price at which the Company's shares were traded on the ASX over the ten (10) trading days prior to the date for which the calculation is made.
Specified Disposal Restrictions	means the period specified in an Invitation, if any, commencing when a Restricted Share is acquired by exercise of a Right and ending on the first to occur of; the date specified in the Invitation and the 15 th anniversary of the Grant Date.
Tranche	means a group of Rights defined by the fact that each Right in the group has identical terms and features.
Term	means the period between the date of grant of a Right and the date on which it will lapse if not earlier exercised, which will be the 15 th anniversary of the date of grant unless otherwise determined by the Board and specified in an Invitation.
Vesting Notice	means the document issued to a Participant to notify them that Rights have vested, including the date of vesting.
Vested Right	means a Rights in respect of which a Vesting Notice has been issued to a Participant.

Vesting Conditions means conditions that must be satisfied in order for vesting of a Right to occur, as contemplated in Rule 11.

Vesting Date means the date on which unvested Rights become vested, as specified in a Vesting Notice.

\$ means Australian dollars.

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ONLINE PROXY APPOINTMENT
www.advancedshare.com.au/investor-login

MOBILE DEVICE PROXY APPOINTMENT

Lodge your proxy by scanning the QR code below, and enter your registered postcode.

It is a fast, convenient and a secure way to lodge your vote.

2022 ANNUAL GENERAL MEETING PROXY FORM

I/We being shareholder(s) of Grange Resources Limited and entitled to attend and vote hereby:

APPOINT A PROXY

The Chairperson
of the Meeting

OR

PLEASE NOTE: If you leave the section blank, the Chairperson of the Meeting will be your proxy.

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) named, the Chairperson of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the Annual General Meeting of the Company to be held at **Braddon Hall, Burnie Arts & Function Centre, 77-79 Wilmot Street, Burnie, Tasmania on 11 May 2022 at 10.00 am (AEST)** and at any adjournment or postponement of that Meeting.

Chairperson's voting intentions in relation to undirected proxies: The Chairperson intends to vote all undirected proxies in favour of all Resolutions. In exceptional circumstances, the Chairperson may change his/her voting intentions on any Resolution. In the event this occurs, an ASX announcement will be made immediately disclosing the reasons for the change.

Chairperson authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairperson of the Meeting as my/our proxy (or the Chairperson becomes my/our proxy by default), I/we expressly authorise the Chairperson to exercise my/our proxy on Resolution 1 & 6 (except where I/we have indicated a different voting intention below) even though these resolutions are connected directly or indirectly with the remuneration of a member(s) of key management personnel, which includes the Chairperson.

VOTING DIRECTIONS
Resolutions

	For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Mr Mike Dontschuk as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Election of Mr Ajanth Saverimutto as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of Executive Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval of the issue of Performance Rights to Mr Honglin Zhao	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, all the shareholders should sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

Email Address

☐

Please tick here to agree to receive communications sent by the Company via email. This may include meeting notifications, dividend remittance, and selected announcements.

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

CHANGE OF ADDRESS

This form shows your address as it appears on Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes.

APPOINTMENT OF A PROXY

If you wish to appoint the Chairperson as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairperson, please write that person's name in the box in Step 1. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate.

DEFAULT TO THE CHAIRPERSON OF THE MEETING

If you leave Step 1 blank, or if your appointed proxy does not attend the Meeting, then the proxy appointment will automatically default to the Chairperson of the Meeting.

VOTING DIRECTIONS – PROXY APPOINTMENT

You may direct your proxy on how to vote by placing a mark in one of the boxes opposite each resolution of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any resolution by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given resolution, your proxy may vote as they choose to the extent they are permitted by law. If you mark more than one box on a resolution, your vote on that resolution will be invalid.

PROXY VOTING BY KEY MANAGEMENT PERSONNEL

If you wish to appoint a Director (other than the Chairperson) or other member of the Company's key management personnel, or their closely related parties, as your proxy, you must specify how they should vote on Resolutions 1 & 6, by marking the appropriate box. If you do not, your proxy will not be able to exercise your vote for Resolutions 1 & 6.

PLEASE NOTE: If you appoint the Chairperson as your proxy (or if they are appointed by default) but do not direct them how to vote on a resolution (that is, you do not complete any of the boxes "For", "Against" or "Abstain" opposite that resolution), the Chairperson may vote as they see fit on that resolution.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning Advanced Share Registry Limited or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

COMPLIANCE WITH LISTING RULE 14.11

In accordance with Listing Rule 14.11, if you hold shares on behalf of another person(s) or entity/entities or you are a trustee, nominee, custodian or other fiduciary holder of the shares, you are required to ensure that the person(s) or entity/entities for which you hold the shares are not excluded from voting on resolutions where there is a voting exclusion. Listing Rule 14.11 requires you to receive written confirmation from the person or entity providing the voting instruction to you and you must vote in accordance with the instruction provided.

By lodging your proxy votes, you confirm to the company that you are in compliance with Listing Rule 14.11.

CORPORATE REPRESENTATIVES

If a representative of a nominated corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A Corporate Representative Form may be obtained from Advanced Share Registry.

SIGNING INSTRUCTIONS ON THE PROXY FORM

Individual:

Where the holding is in one name, the security holder must sign.

Joint Holding:

Where the holding is in more than one name, all of the security holders should sign.

Power of Attorney:

If you have not already lodged the Power of Attorney with Advanced Share Registry, please attach the original or a certified photocopy of the Power of Attorney to this form when you return it.

Companies:

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

LODGE YOUR PROXY FORM

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 10.00 am (AEST) on 9 May 2022, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled Meeting.



ONLINE PROXY APPOINTMENT

www.advancedshare.com.au/investor-login



BY MAIL

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009; or
PO Box 1156, Nedlands WA 6909



BY FAX

+61 8 6370 4203



BY EMAIL

admin@advancedshare.com.au



IN PERSON

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009



ALL ENQUIRIES TO

Telephone: +61 8 9389 8033