



ALLIANCE MINERAL ASSETS LIMITED
(Company)
ACN 147 393 735

TERMS AND CONDITIONS OF THE COMPANY'S OPTIONS

- 1 Each Option entitles the holder (**Holder**) to subscribe for one ordinary share (**Share**) in the Company upon exercise.
- 2 The Expiry Date and Exercise Price of each Option is set out in the following table:

Class	Number	Exercise Price	Expiry Date
A	3,800,000	S\$0.24	24 May 2020
B	3,800,000	S\$0.30	24 May 2020
C	3,800,000	S\$0.36	24 May 2020
D	15,600,000	S\$0.4875	21 April 2021

- 3 The Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised. Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.
- 4 The exercise price of an Option may be paid by direct deposit into the bank account of the Company (specified by the Company from time to time) or by cheque in Australian currency made payable to the Company and crossed "Not Negotiable". The Notice of Exercise with the appropriate remittance/evidence of direct deposit should be lodged at or sent to (by courier, mail, email or facsimile) the Company's office marked for the attention to the Company Secretary.
- 5 Shares issued on exercise of the Options rank equally with the then Shares of the Company and be issued free of all encumbrances, liens and third party interests.
- 6 Within five business days after the later of the following:
 - 6.1 receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised; and
 - 6.2 when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information. If there is no such information the relevant date will be the date of receipt of a Notice of Exercise as set out in clause 6.1 above,

the Company will:

6.3 allot and issue the Shares pursuant to the exercise of the Options; and

6.4 as soon as reasonably practicable, give lodge a prospectus with ASIC that qualifies the Shares issued upon exercise of the Options for resale under section 708A(11) of the Corporations Act.

7 The Company shall, not later than one (1) month before the Expiry Date:

7.1 announce the Expiry Date of the Options on the SGX; and

7.2 take reasonable steps to notify all Holders in writing of the Expiry Date, with such notice to be delivered by post to the addressed of the relevant Holders.

8 There are no participation rights or entitlements inherent in the Options and Holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.

However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least ten business days after the issue is announced. This will give the Holders of Options the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

9 If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):

9.1 the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Holder would have received if the Holder had exercised the Option before the record date for the bonus issue; and

9.2 no change will be made to the Exercise Price.

10 If the Company makes an issue of Shares pro rata to existing Shareholders (other than an issue in lieu of in satisfaction of dividends or by way of dividend reinvestment) the Exercise Price of an Option will be reduced according to the following formula:

$$\text{New exercise price} = O - (E[P-(S+D)]) \text{ divided by } N+1$$

O = the old Exercise Price of the Option.

E = the number of underlying Shares into which one Option is exercisable.

P = average market price per Share weighted by reference to volume of the underlying Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price of a Share under the pro rata issue.

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D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).

N = the number of Shares with rights or entitlements that must be held to receive a right to one new share.

11 For so long as the Company is listed on the SGX, if there is any reorganisation of the issued share capital of the Company, the rights of the Holders of Options will be varied to comply the SGX Listing Rules which apply to the reorganisation at the time of the reorganisation.

12 Save as expressly provided for, and for so long as the Company is listed on the SGX, any material alteration to the terms of the Options after issue to the advantage of the Holders must be approved by the Shareholders.

The terms and conditions of the Options may only be amended subject to compliance with applicable law or securities exchange rules (including, for the avoidance of doubt, the Catalist Rules for so long as the Company is listed on the SGX).

13 The Options are freely transferable provided that the transfer of Options complies with section 707(3) of the Corporations Act (and for so long as the Company is listed on the SGX, the Options are not transferred to any of the prohibited persons falling within Rule 812 of the SGX Listing Rules).

14 Unless requested by a majority of Holders:

14.1 the Options shall not be traded on the SGX; and

14.2 no application for trading of the Options on the SGX will be made by the Company.

15 If the Company ceases to be listed on SGX, the restrictions under the SGX Listing Rules applicable to these terms will cease to apply.