

**ORMONDE MINING PUBLIC LIMITED COMPANY**  
**SHARE OPTION SCHEME**

**SCHEME RULES**

# ORMONDE MINING PUBLIC LIMITED COMPANY

## SHARE OPTION SCHEME

### SCHEME RULES

(Adopted by ordinary resolution at the Company's annual general meeting on [27 September 2018].)

#### DEFINITIONS:

1. (a) In these Rules the following words and expressions have the following meanings:

<b>“Board”</b>	The board of directors of the Company from time to time or a duly authorised committee thereof.
<b>“Company”</b>	Ormonde Mining Public Limited Company.
<b>“Exercise Period”</b>	Has the meaning given to it in Rule 5.
<b>“Group”</b>	The Company and its Subsidiaries from time to time and <b>“Group Company”</b> means any one of them,
<b>“Irish Takeover Rules”</b>	The Irish Takeover Panel Act 1997, Takeover Rules 2013 (as amended and in force from time to time).
<b>“Market Value”</b>	The closing price in Dublin on the Enterprise Securities Market of the Irish Stock Exchange (or on such other market or division or facility of any stock exchange on which the Ordinary Shares are dealt in from time to time or in respect of which permission to deal has been given) of a fully paid Ordinary Share on the day preceding the day on which the Option is <u>exercised</u> (or if no such price shall be available in respect of such date, the last such date in respect of which such price shall be available), provided that, if the Subscription Price shall be less than the nominal value of the Ordinary Shares, then the Subscription Price shall equal the nominal value of the Ordinary Shares.
<b>“Option Certificate”</b>	means a certificate given under hand evidencing the grant of an Option to a Participant in such form as the Board may approve from time to time.
<b>“Option”</b>	An option to subscribe for Ordinary Shares granted under the Scheme.
<b>“Option Holder”</b>	The holder of an Option granted under the Scheme.
<b>“Option Price”</b>	The amount of €1 payable on the grant of an Option under the Scheme.

<b>“Ordinary Shares”</b>	The ordinary shares of €0.01 each in the capital of the Company.
<b>“Participant”</b>	Has the meaning given to it in Rule 2(a).
<b>“Rules”</b>	These rules as amended from time to time.
<b>“Scheme”</b>	The Ormonde Mining Public Limited Company Share Option Scheme, as governed by these Rules, as amended from time to time.
<b>“Subscription Price”</b>	The closing price in Dublin on the Enterprise Securities Market of the Irish Stock Exchange (or on such other market or division or facility of any stock exchange on which the Ordinary Shares are dealt in from time to time or in respect of which permission to deal has been given) of a fully paid Ordinary Share on the day preceding the day on which the Option is <u>offered</u> (or if no such price shall be available in respect of such date, the last such date in respect of which such price shall be available), provided that, if the Subscription Price shall be less than the nominal value of the Ordinary Shares, then the Subscription Price shall equal the nominal value of the Ordinary Shares.
<b>“Subsidiary”</b>	A company which is for the time being a subsidiary of the Company (within the meaning of section 7 of the Companies Act 2014).
<b>“Takeover Offer”</b>	An offer to the holders of the entire issued share capital of the Company (or all such holders other than the offeror and/or any persons controlled by the offeror and/or any person acting in association or concert within the offeror) to acquire the shares in the Company held by them (including by means of a scheme of arrangement) which is made in accordance with the Irish Takeover Rules.

- (b) Any reference to a Rule or an Annex is a reference to a paragraph of these Rules or an Annex to these Rules (as the case may be).
- (c) The headings and captions in these Rules are for ease of reference only and shall not be considered a part and shall not affect the construction or interpretation of the Scheme or these Rules.
- (d) Unless the context otherwise requires, words denoting any gender shall include all other genders, words in the singular shall include the plural and words in the plural shall include the singular.
- (e) Reference to any Act shall include any statutory modification, amendment or re-enactment thereof from time to time.

## **ELIGIBILITY:**

2. (a) Subject to the provisions of these Rules, the Board may grant an Option to any employee, officer, consultant or director of the Company or any Subsidiary (each a **“Participant”**).
- (b) No person shall be entitled as of right to participate in the Scheme and the decision as to who shall have the opportunity of participating and the time and extent of participation shall, subject to these Rules, be made by the Board in its absolute discretion.

## **LIMITS:**

3. (a) The number of Ordinary Shares in respect of which Options may be granted pursuant to the Scheme shall not exceed in aggregate 10 (ten) per cent of the number of issued Ordinary Shares from time to time.
- (b) If the Board purports to grant Options in breach of Rule 3(a), those Options shall be modified and shall instead take effect only as a grant of Options over such number of Ordinary Shares as would not cause the limit specified in Rule 3(a) to be exceeded. If more than one Option is modified in this way, each such Option shall be reduced on a pro-rata basis.

## **GRANT OF OPTIONS:**

4. (a) The Board may in its absolute discretion at any time offer to a Participant an Option under the Scheme at the Option Price.
- (b) Any Option shall be offered on condition that the offer will lapse unless, within 30 (thirty) days of the date of the offer, the Participant’s acceptance thereof either in whole or in part (comprising 100 (one hundred) Ordinary Shares or a multiple thereof) in the form set out in Annex B of these Rules or in such other form as shall from time to time be required by the Board shall be received by the Company and the Participant shall have paid the Option Price therefor and shall have entered into such agreement(s) (if any) as the Board shall have required under Rule 4(d).
- (c) Subject to Rule 4(b), within 30 (thirty) days of receipt of the acceptance and the Option Price, the Board shall issue to the Participant an Option Certificate which shall state the date of grant (being the date on which the Option was offered in accordance with the provisions of Rule 4(b)) and the Subscription Price in respect of the Ordinary Shares comprised in the Option.
- (d) Any Option Holder may apply to the Board for a replacement Option Certificate at any time (including, but not limited to, where the original Option Certificate has been worn-out, defaced, lost or destroyed). The Option Holder shall either return the relevant Option Certificates to the Company for cancellation or deliver an indemnity in a form satisfactory to the Board and, in exchange, the Board shall as soon as reasonably practicable deliver new Option Certificates to the Participant.

- (d) The Board shall determine in the case of each Option granted hereunder whether such Option may be assigned or transferred by the Option Holder and the Board may also impose such conditions on the assignment and/or exercise of any such Option as the Board may from time to time decide. In addition, the Board may require any person to whom an Option has been offered to enter into an agreement with the Company in relation to such Option on such terms and conditions as the Board shall, subject to these Rules, require and if the person to whom an Option has been offered shall not enter into such an agreement within any time specified by the Board the offer of such Option shall be deemed to have lapsed.
- (e) In the case of any Options which the Board grants subject to conditions, the Board shall determine when and to what extent that condition has been satisfied, provided always that the Board may waive all or any part of a condition it has imposed.
- (f) No Option shall in any event be granted after 26 September 2028.

#### **EXERCISE OF OPTIONS:**

- 5. Subject to the other Rules of the Scheme, an Option may be exercised at any time in the 10 (ten) year period succeeding the date of its grant (the “**Exercise Period**”). Any Option not exercised within that period shall lapse, unless the Board at its discretion agrees to extend the Option prior to the lapse of the Option.
- 6.
  - (a) An Option shall be exercised in writing given by the Option Holder to the Company in the form substantially set out in Annex A of these Rules (or such other form as the Board may prescribe from time to time) and may be exercised in respect of all the Ordinary Shares for the time being comprised in the Option or in respect of 100 (one hundred) Ordinary Shares or a multiple thereof. The notice of exercise of an Option shall be accompanied by the relevant Option Certificate and by payment of the Subscription Price for the Ordinary Shares in respect of which the Option is exercised.
  - (b) As soon as practicable after receipt by the Company of such notice, Certificate and payment as is referred to in Rule 6(a), the Ordinary Shares in respect of which the Option has been exercised shall be issued by the Company to the Option Holder and such Ordinary Shares shall rank in all respects *pari passu* with the Ordinary Shares of the Company then in issue, except that if such issue shall be made between the date of declaration of a dividend or other distribution in respect of the issued Ordinary Shares of the Company and the date of payment of such dividend or other distribution the Ordinary Shares so issued shall not be entitled to participate therein. In the event of an Option being exercised in part only, the relevant Option Certificate shall be cancelled and a new Option Certificate setting forth the number of Ordinary Shares in respect of which the Option has not been exercised shall be delivered by the Company to the Option Holder.
  - (c) The Board shall cause the Company to apply for permission to deal in all Ordinary Shares issued pursuant to the exercise of an Option on such market of

any stock exchange in which permission to deal has been given in respect of the other issued Ordinary Shares.

**TERMINATION OF RIGHT TO EXERCISE OPTION:**

7. An Option shall lapse and be incapable of exercise forthwith upon the Option Holder ceasing to be an employee, officer, consultant or director of the Company or a Subsidiary (as the case may be), subject to the following exceptions:

(a) Where the Option Holder dies, the legal personal representative(s) of the Option Holder may exercise any unexercised Option within 12 (twelve) months of the date of the Option Holder's death, notwithstanding that such exercise may take place after the Exercise Period of such Option.

(b) Where the Option Holder ceases to be an employee, officer, consultant or director of the Company or a Subsidiary (as the case may be) by reason of:

- (1) retirement (or early retirement with the consent of the Board);
- (2) ill-health or accident; or
- (3) redundancy within the meaning of the Redundancy Payments Acts 1967 to 2014,

such Option Holder may exercise any unexercised Option at any time before the expiry of the earlier of: (i) 6 (six) months from the date of so ceasing to be an employee, officer, consultant or director; or (ii) the Exercise Period of such Option.

(c) Where the Option Holder ceases to be a director of the Company or a Subsidiary (as the case may be) by reason of

- (1) his resignation as a director; or
- (2) his removal as a director pursuant to a resolution duly passed by the members of the Company or a Subsidiary (as the case may be),

such Option Holder may exercise any unexercised Option at any time before the earlier of: (i) 60 (sixty) days after the date of so ceasing to be a Director; or (ii) the Exercise Period of such Option.

(c) Where an Option has been transferred or assigned (where permitted by Rule 4(d)) and the original Option Holder afterwards dies or ceases to be an employee, officer, consultant or director of the Company or a Subsidiary (as the case may be) for any of the reasons mentioned in paragraphs (a), (b) or (c) of this Rule 7, the person to whom the Option has been transferred to assigned shall only be entitled to exercise the Option within the time limits specified in paragraphs (a), (b) or (c) of this Rule 7 (as the case may be).

**Extensions of time** – The said period of 6 (six) months referred to in paragraph (b) above and the said period of 60 (sixty) days referred to in paragraph (c) above may, at the absolute discretion of the Board, be extended to a longer time period deemed

appropriate by the Board. Any such extensions, once granted, may not be cancelled or revoked by the Board without the consent of the Option Holder.

#### **TAKEOVER OFFER:**

8. If a Takeover Offer becomes or is declared unconditional the Board shall notify all Option Holders [of Options capable of being exercised] of the unconditional offer. Any Option which is not exercised within 60 (sixty) days of the date of issue of such a notification shall forthwith lapse.

#### **CASHLESS OPTION EXERCISE**

9. (a) The exercise of all or part of an Option may, at the Board's absolute discretion, be implemented by way of a mandatory cashless or a net issue process provided that such exercise arises pursuant to a Takeover Offer which has become unconditional in accordance with Rule 8. Under this process an Option Holder shall not be required to fund the payment of the Exercise Price for the Ordinary Shares directly but shall instead receive a lesser number of Ordinary Shares in lieu (a "**Cashless Option Exercise**").
- (b) The Board may specify any relevant mechanism to give effect to a Cashless Option Exercise, including but not limited to a mechanism in accordance with the following formula:

$$N = [ ( MV - EP ) \times C ] / MV$$

Where:

N = The number of Ordinary Shares to be allotted to the Option Holder (rounded down to the nearest whole number).

MV = The Market Value.

EP = The Exercise Price.

C = The number of Ordinary Shares in respect of which the Option is exercised.

- (c) If the Option Holder has paid an amount by way of the Exercise Price of an Option and the Board determines to implement a Cashless Option Exercise, the relevant portion of any such sum shall be reimbursed to the Option Holder.
- (d) The issue to the Option Holder of Shares on a Cashless Option Exercise shall be in full and final satisfaction of the Option Holder's right to acquire the relevant number of Ordinary Shares as would have been issued if the Cashless Option Exercise has not been used.

#### **CASH PAYMENT**

10. (a) Where an Option has been exercised but Ordinary Shares have not yet been allotted to the Option Holder, the Board may in its absolute discretion decide that instead of allotting all or some of the Shares to which the Option Holder is

then entitled, it shall, provided that such exercise arose pursuant to a Takeover Offer which had become unconditional in accordance with Rule 8:

- (i) make arrangements for Ordinary Shares relating to the exercise of an Option to be sold on behalf of the Option Holder and the proceeds of such sale to be remitted to the Option Holder less any amount due in respect of the Exercise Price payable in respect of such Option and less any applicable tax; or
- (ii) pay to the Participant an amount in cash equal to the aggregate Market Value of the relevant number of Ordinary Shares on the date of exercise less the aggregate Option Price payable in respect of those Shares and less any applicable tax,

(the “**Cash Payment**”).

- (b) If the Option Holder has paid an amount by way of the Exercise Price of an Option and the Board determines to make a Cash Payment, the relevant portion of any such sum shall be reimbursed to the Option Holder.
- (b) The Cash Payment shall be paid to the Option Holder as soon as reasonably practicable and shall be in full and final satisfaction of the Participant’s right to acquire the relevant number of Option Shares.

#### **CANCELLATION OF OPTIONS**

- 11. (a) Any Option which has not been exercised may be cancelled by the Board with the written agreement of the relevant Option Holder.
- (b) The Board may in its absolute discretion resolve to provide compensation to an Option Holder for any Options cancelled in this way (the form and the amount of such compensation to be determined by the Board in its absolute discretion) provided that where the Board resolves to provide such compensation the Board shall deduct any tax required by law.

#### **INTERACTION OF RULES 9 TO 11**

- 12. The provisions of any one or more of Rules 9 to 11 may either separately or in combination be used in connection with the exercise of any Option,

#### **WINDING-UP:**

- 13. (a) If any order is made or an effective resolution is passed for the winding-up of the Company on the basis of its insolvency, all Options shall forthwith lapse.
- (b) If the Company shall be wound up for the purpose only of amalgamation or reconstruction all Options shall enure for the benefit of Option Holders in the amalgamated or reconstructed company on the same terms and conditions, *mutatis mutandis*, as herein contained.

- (c) Any Option not exercised within 90 (ninety) days of the commencement of a members' voluntary winding-up of the Company (other than for the purpose of amalgamation or reconstruction) shall forthwith lapse.

**ADJUSTMENT OF OPTION:**

- 14. The numbers of Ordinary Shares which may be acquired on the exercise of an Option and/or the Subscription Price in respect of such Ordinary Shares may be adjusted in such manner as the Board determine to be appropriate following any issue of additional shares in the Company by way of rights or capitalisation of profits or reserves or any sub-division, reduction or consolidation of the share capital of the Company made while a subsisting Option remains unexercised, provided always that:
  - (a) No adjustment to the Subscription Price shall be made which would result in the Ordinary Shares issued on the exercise of the Option being issued at a discount; if such an adjustment would but for this proviso have so resulted, the Subscription Price payable shall be the nominal value of the Ordinary Shares.
  - (b) Upon any adjustment being made pursuant to this Rule 10, the Company shall notify each Option Holder (or his legal personal representative(s)) in writing of such adjustment and shall request each Option Holder to surrender his Option Certificate(s) whereupon the Company shall deliver to him new Option Certificate(s) setting forth the Subscription Price thereafter in effect and the number of Ordinary Shares thereafter to be issued on the exercise of the Option.

**PERSONAL DATA**

- 15. (a) As a condition of the grant of the Option and participation in the Scheme, each Option Holder consents to the collection, processing, keeping, use, disclosure and transfer of the Option Holder's personal data by or on behalf of the Company or any Subsidiary (as the case may be) to any person for all purposes connected with these Rules, the Scheme or any Options, including but not limited to:
  - (i) the transfer of the Option Holder's personal data to a country or territory outside the European Economic Area; and
  - (ii) the disclosure of the Option Holder's personal data to a prospective buyer of or investor in the Company or the business of a Company and to their respective professional advisers.
- (b) Each Participant acknowledges that the ability to collect, process, keep, use, disclose and transfer the Option Holder's personal data in the matter set out in Rule 15(a) is integral to the operation of the Scheme and an essential and ongoing condition to the Option Holder's continuing participation in the Scheme.

**GENERAL PROVISIONS:**

- 16. The Company will keep available sufficient authorised but unissued Ordinary Shares to permit the exercise of all Options which may be exercisable from time to time.

17. The Board may draw up such further rules and regulations not inconsistent herewith and establish such procedure for the administration of the Scheme as it deems appropriate. In the event of any dispute or disagreement as to the interpretation of the Scheme, these Rules or of any rule, regulation or procedure or as to any question or right arising from or related to the Scheme the decision of the Board (acting as experts and not as arbitrators) shall be final and binding upon all persons.
18. The rights and obligations of an Option Holder as an employee, officer, consultant, or director within the Group shall not be affected by his participation in the Scheme or any right he may have to participate therein, and the Scheme shall afford an Option Holder no additional right to compensation or damages in consequence of the termination of his office or employment for any reason whatsoever. Neither the Scheme itself nor participation in the Scheme shall give any person any right to continue his employment with the Company or any Subsidiary (as the case may be) or shall affect the right of the Company or any Subsidiary (as the case may be) to terminate the employment of any person at any time.
19.
  - (a) The Board may at any time amend the Scheme in respect of Rules 1 (except for the definitions of Subscription Price and Option Price), 2, 4(b), 6(a), 7(b), 7(c), 17, 18 and 19 (provided always that the interests of the shareholders of, the Company and the Option Holders are not thereby materially prejudiced).
  - (b) Save as mentioned in Rule 19(a), the Scheme and these Rules may otherwise be altered only by resolution of the Company in general meeting.
  - (c) The Board may in its absolute discretion at any time terminate the operation of the Scheme. In such event no further Options will be offered but in all other respects the provisions of the Scheme shall remain in force.
20. Every Option shall be subject to the condition that no Option shall be exercised and no Ordinary Share shall be issued to the Option Holder pursuant to the exercise of an Option if:
  - (a) the exercise of the Option is prohibited by or would be in breach of any applicable law or by any share dealing code, personal dealing policy or similar guidelines regarding dealings in shares in the Company; or
  - (b) the exercise of the Option would require any Group Company or any officer, employee or agent of any Group Company to act or in breach of any law, any provision of the relevant Group Company's constitution, any agreement to which it or the relevant Group Company is subject.
21. Any notice or other document required to be served under these Rules shall be deemed well served if when addressed:
  - (a) to the Company, it is delivered to or is sent by registered post addressed to the Company at its registered office from time to time; or
  - (b) to an Option Holder, it is served on him by hand or is sent by registered post to him at his usual or last known place of abode.

In case of service by post the date of service shall be the day following the date of posting and in order to prove such service it shall be sufficient to show that the envelope containing the same was properly addressed recorded and posted. In the case of service by hand, the date of service shall be the day of delivery or the day of service by hand.

## **TAX**

22. (a) Neither the Company nor any Subsidiary (as the case may be) shall be responsible for any tax to which any person may become subject in connection with the Scheme or any Option. Each Option Holder shall be liable for all tax arising under the Scheme and be responsible for filing the necessary tax returns in respect of any Option.
- (b) The Company or a Subsidiary (as the case may be) may withhold any amount payable to an Option Holder and/or make such arrangements as the Board in its absolute discretion considers necessary to meet any liability to tax in relation to the Scheme or any Option.
- (c) Where any withholding tax obligations arise or are believed by the Board to arise in relation to any Option Holder in connection with any transaction under the Scheme, that Option Holder shall not be permitted to exercise any Option until such obligations are satisfied.

## **LAW AND JURISDICTION**

23. (a) Subject to Rule 17, these Rules, the Scheme, any Options and any dispute arising from any of them shall be governed by and construed in accordance with the laws of Ireland.
- (b) Subject to Rule 17, the Company and each Subsidiary, Participant and Option Holder irrevocably and unconditionally submits to the exclusive jurisdiction of the courts of Ireland for any of the purposes of the Scheme or these Rules.

**ANNEX A**

**NOTICE OF EXERCISE**

TO: The Company Secretary  
Ormonde Mining PLC  
6 Northbrook Road  
Dublin 6  
D06 PH32

**Ormonde Mining Plc Share Option Scheme (the “Scheme”)**

1. Subject to the rules of the Scheme, I hereby exercise my Option in respect of [*insert the appropriate number*] Ordinary Shares.
2. I enclose bank draft drawn of the Company in the aggregate amount of [*insert the appropriate amount*] in settlement of the Option Price.
3. I attach my Option Certificate(s) relevant to my said Option.
4. I hereby agree to accept such Ordinary Shares on and subject to the terms and conditions of the rules of the Scheme and the constitution of the Company. I hereby authorise the Company to enter my name in the register of members of the Company as the holder of the said Ordinary Shares.
5. Words and expressions used by me in this notice shall, unless the context otherwise admits or requires, have the same meanings as are ascribed thereto in the rules of the Scheme as amended from time to time.

Full Name: .....

Address: .....

.....  
.....

Signature: .....

Date: .....

**ANNEX B**

**APPLICATION FORM**

TO: The Company Secretary  
Ormonde Mining PLC  
6 Northbrook Road  
Dublin 6  
D06 PH32

**Ormonde Mining Plc Share Option Scheme (the “Scheme”)**

1. I hereby apply for an Option to subscribe for [*insert the relevant number*] Ordinary Shares at a price per share of [*insert the relevant amount*], the Subscription Price, as set out in the letter of invitation dated [*insert the relevant date*] addressed to me by the Company and subject to and accordance with the rules of the Scheme for the time being and from time to time.
2. I enclose the sum of €1, the Option Price, in consideration of the grant to me of the Option. [I also enclose a copy of the following agreement duly executed by me: [*insert the relevant details*].]<sup>1</sup>
3. I have read and understood the terms and conditions of the Scheme set out in the Rules (a copy of the current edition of which has been furnished to me) and I agree to comply with and be bound by the Rules and any variations or amendments to them from time to time.
4. Words and expressions used by me in this application form shall, unless the context otherwise admits or requires, have the same meanings as are ascribed thereto in the rules of the Scheme as amended from time to time.

Full Name: .....

Address: .....

.....

.....

Signature: .....

Date: .....

Witness Name .....

Witness Signature.....

---

<sup>1</sup> Only where the Participant has been required to enter into a specified agreement by the Board in accordance with the Rules.