

## **Alloy Resources Limited**

### **Option Terms and Conditions**

The terms and conditions of the Offer Options are as follows:

- i) each Option entitles the holder to subscribe for one Share upon payment of \$0.20 cents per Option;
- ii) the Options shall lapse at 5.00pm Western Standard Time on the date which is 3 years after the date the Company Shares are listed on the ASX;
- iii) the Options shall be exercisable wholly or in part by notice in writing to the Company any time until the expiry date on payment of \$0.20 cents per Option;
- iv) there are no participating rights or entitlements inherent in these Options and holders of the Options will not be entitled to participate in new issues of capital which may be offered to Shareholders during the currency of the Option. However, Option holders have the right to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing Shareholders of the Company made during the currency of the Options, and will be granted a period of at least 7 business days before books closing date to exercise the Options;
- v) the Company shall, in accordance with Listing Rule 2.8, make application to have the Options listed for Official Quotation;
- vi) Shares issues on the exercise of the Options will rank pari-passu with the then existing issued ordinary Shares;
- vii) the Company shall in accordance with Listing Rule 2.8, make application to have Shares allotted pursuant to an exercise of Options listed for Official Quotation;
- viii) in the event of any re-organisation (including reconstructions, consolidations, subdivision, reduction of capital) of the issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged; and
- ix) the Options will not give any right to participate in dividends until Shares are allotted pursuant to the exercise of the relevant Options.