



Atalaya Mining Plc
1 Lampousas Street
1095 Nicosia, Cyprus
Tel: +357 22442705
Fax: +357 22421956
www.atalayamining.com

Rules of the Atalaya Mining plc Long Term Incentive Plan 2020

Adopted by the directors on 29 January 2020

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1. Introduction

The Plan allows for the grant of awards in the form of:

- (a) **Conditional Awards** - Awards under which the Participant receives Shares for free automatically to the extent the Award Vests;
- (b) **Market Value Options** - Awards under which the Participant can buy Shares, to the extent their Award has Vested, at a price set when the Option is granted, which price is not less than the market value of an ordinary share in the capital of the Company on the Award Date;
- (c) **Nominal Cost Options** – Awards under which the Participant can buy Shares, to the extent their Award has Vested, at a price set when the Option is granted, which is equal to the nominal value of an ordinary share in the capital of the Company; or
- (d) **Forfeitable Shares** - Awards under which the Participant receives free Shares on grant which are subject to a requirement that the Participant gives back the Shares to the extent the Award lapses.

Awards will Vest over a period set by the Board for each Award and Vesting shall be subject to Performance Conditions or other conditions specified by the Board at the time of grant.

Before Vesting, Awards will normally lapse if the Participant leaves.

This introduction does not form part of the rules.

2. Definitions

In these rules:

"**Acquiring Company**" means a person who has or obtains Control of the Company;

"**AIM**" means the AIM Market of the London Stock Exchange;

"**Award**" means a Conditional Award, Forfeitable Shares or an Option;

"**Award Date**" means the date on which an Award is granted under rule 3.3;

"**Board**" means, subject to rule 10.5, the board of directors of the Company or any committee or other person to whom the board has delegated any of its functions under these rules;

"**Business Day**" means a day on which the London Stock Exchange, as applicable, (or, if relevant and if the Board determines, any stock exchange nominated by the Board on which the Shares are traded) is open for the transaction of business;

"**Companies Law**" means the Cyprus Companies Law, Cap. 113, as may be amended from time to time;

"**Company**" means Atalaya Mining plc (registered in Cyprus under number 152217) whose registered office is at 1 Lampousas Street, 1095 Nicosia, Cyprus;

"**Conditional Award**" means a conditional right to acquire Shares granted under the Plan;

"**Control**" has the meaning given to it in Section 995 of the Income Tax Act 2007;

"Dealing Day" means any day on which the London Stock Exchange or the TSX (as applicable) is open for the transaction of business;

"Dealing Restrictions" means any restriction on dealing in securities imposed by regulation, statute, order, directive, the rules of any stock exchange on which Shares are listed or any code adopted by the Company as varied from time to time;

"Detrimental Activity" means, as established to the satisfaction of the Board, and without the prior written consent of the Company, the Participant being in breach of any applicable restrictions on competition, solicitation or the use of confidential information (whether arising out of the Participant's employment contract, his termination arrangements or any internal policies);

"Final Lapse Date" means the latest date on which an Option will lapse which will be the date set by the Board under rule 3.3 or, if no date is set, the date 10 years after the Award Date;

"Forfeitable Share Agreement" means the agreement referred to in rule 4.2;

"Forfeitable Shares" means Shares held in the name of or for the benefit of a Participant subject to the Forfeitable Share Agreement;

"Grantor" means the Company or any other entity which grants or has agreed with the Company to satisfy an Award under the Plan;

"Group" means the Company and its Subsidiaries or associated companies and **"Member of the Group"** shall be construed accordingly;

"Insider" has the meaning given to it in the Securities Act (Ontario) and includes associates and affiliates of Insiders;

"London Stock Exchange" means London Stock Exchange plc;

"Market Value" means in relation to a Share, either (i) whilst the majority of Shares are traded on AIM, the average of the mid-market closing prices of a Share for the five Dealing Days immediately preceding the relevant date, as derived from the AIM Appendix to the Daily Official List, or (ii) whilst the majority of Shares are traded on the TSX, the volume weighted average trading price of a Share on the TSX for the five Dealing Days immediately preceding the relevant date;

"Market Value Option" means an Option to acquire Shares where the Option Price is not less than the Market Value of a Share on its Award Date;

"Nominal Cost Option" means an Option to acquire Shares for payment of an Option Price equal to their nominal value;

"Option" means a right to acquire Shares granted under the Plan, being either a Market Value Option or a Nominal Cost Option;

"Option Price" means the amount payable on the exercise of an Option set by the Board under rule 3.3.5;

"Participant" means a person who holds, or who has held, an Award;

"Performance Condition" means any condition linked to performance imposed under rule 3.4;

"**Plan**" means these rules known as "The Atalaya Mining plc Long Term Incentive Plan 2020", as changed from time to time;

"**Shares**" means fully paid ordinary shares in the Company and includes any shares representing Shares following a reconstruction;

"**Subsidiary**" means a body corporate which is a subsidiary of the Company within the meaning of section 148 of the Companies Law;

"**TSX**" means the Toronto Stock Exchange or any successor thereto;

"**Vesting**", subject to the rules:

- (a) in relation to Conditional Awards, means a Participant becoming entitled to have the Shares transferred to them;
- (b) in relation to an Option, means an Option becoming exercisable; and
- (c) in relation to Forfeitable Shares, means the restrictions set out in the Forfeitable Share Agreement ceasing to have effect as described in rule 6.2.3,

and Vesting shall include the term Vest and Vested; and

"**Vesting Date**" means the date set for Vesting of an Award under rule 3.3.

If there is any conflict between two provisions in these rules under which an Award will lapse, the one which gives rise to the earlier lapse will prevail.

3. Granting Awards

3.1 Eligibility

The Grantor may select any employee of a Member of the Group to be granted an Award. However, the Board may determine that an Award will not be made to an employee who has given or been given notice terminating their employment.

3.2 Timing of Awards

3.2.1 Awards may only be granted within 42 days starting on any of the following:

- (a) the end of any closed period under Market Abuse Regulation (EU) 596/2014;
- (b) the date of the Company's annual general meeting or any general meeting; and
- (c) any day on which the Board resolves that exceptional circumstances exist which justify the grant of Awards.

3.2.2 If the granting of Awards during any period specified above is prevented by any Dealing Restrictions, Awards may be granted within 42 days of the first date on which it is no longer prevented.

3.2.3 No Awards may be granted after the tenth anniversary of the date the Plan was adopted by the Board, or such earlier date as the Board may specify.

3.3 Terms set at grant

When granting an Award, the Board will set the following terms:

3.3.1 whether the Award will take the form of:

- (a) a Conditional Award;
- (b) a Market Value Option;
- (c) a Nominal Cost Option;
- (d) Forfeitable Shares; or
- (e) a combination of these;

3.3.2 the number of Shares subject to the Award or how that will be determined;

3.3.3 the terms of any Performance Condition or other condition set under rule 3.4;

3.3.4 one or more Vesting Dates (unless specified in a Performance Condition) and, if there is more than one, the proportion of the Award which can Vest on each one (or how that will be determined);

3.3.5 in the case of an Option:

- (a) the Option Price (which for a Market Value Option must be not less than the Market Value of a Share on the Award Date, and for a Nominal Cost Option must be equal to the nominal value of a Share on the Award Date); and;
- (b) the Final Lapse Date which will not be more than ten years after the Award Date; and

3.3.6 any other terms or conditions of the Award.

3.4 Performance Conditions

3.4.1 Subject to rule 3.4.3, the Board shall specify that Vesting of an Award will be conditional:

- (a) on the satisfaction of one or more conditions set by the Board on grant linked to the performance of the Company, the Participant and/or any business unit or Member of the Group; and/or
- (b) any other condition set by the Board,

which, in either case, may provide that the Award will lapse to the extent that it is not satisfied.

3.4.2 The Board may change a Performance Condition in accordance with its terms or if anything happens which causes the Board reasonably to consider it appropriate to do so. The Board may waive or change any other condition in such manner as it sees fit.

3.4.3 A Market Value Option can be granted without any Performance Condition(s), but must always be granted subject to time-based Vesting set by the Board at the Award Date.

3.5 No payment for grant of Awards

A Participant is not required to pay for the grant of an Award.

4. Documentation of Awards

4.1 Conditional Awards and Options

An Award (other than an Award of Forfeitable Shares) subject to English law must be granted by deed.

4.2 Forfeitable Shares

4.2.1 Where an Award takes the form of Forfeitable Shares, the Participant must:

- (a) enter into an agreement with the Grantor (and any other person (if any) specified by the Board) that, to the extent that the Award lapses under the Plan, the Shares are forfeited and they will immediately transfer their interest in them, for no consideration or nominal consideration, to any person (which may include the Company, where permitted) specified by the Grantor;
- (b) complete any tax or similar elections required by the Board, including any elections to transfer any liability, or agreements to pay employer social security contributions (to the extent lawful in any applicable jurisdiction); and
- (c) provide any other documentation which the Board considers necessary or desirable to give effect to the terms of the Award, including a power of attorney or blank stock transfer form.

If they do not do so within a period specified by the Board, the Award will lapse at the end of that period.

4.2.2 On or after the grant of Forfeitable Shares, the Grantor will procure that the relevant number of Shares are issued or transferred to the Participant or to another person to be held for the benefit of the Participant under the terms of the Plan. Where applicable, the share certificates or other documents of title relating to any Forfeitable Shares may be retained by the Grantor.

5. Before Vesting

5.1 Voting and dividends

A Participant is not entitled to vote, to receive dividends or to have any other rights of a shareholder in respect of Shares subject to an Award until the Shares are issued or transferred to the Participant (in respect of a Conditional Award or an Option) or become fully Vested (in respect of an Award of Forfeitable Shares).

5.2 Transfer

5.2.1 A Participant may not transfer, assign or otherwise dispose of an Award or any rights in respect of it. If they do, whether voluntarily or involuntarily, then the Award will immediately lapse.

5.2.2 Rule 5.2.1 does not apply:

- (a) to the transmission of an Award on the death of a Participant to the person entitled by law to deal with the estate;
- (b) to an assignment by way of court order;
- (c) to the assignment of an Award where the Board considers that the Participant is no longer in a position to manage their own affairs by reason of ill-health; or
- (d) in any other circumstances if the Board agrees.

5.3 Adjustment of Awards

5.3.1 If there is:

- (a) a variation in the equity share capital of the Company, including a capitalisation or rights issue, sub-division, consolidation or reduction of share capital;
- (b) a demerger (in whatever form) or exempt distribution;

the Board may (but is not obliged to do so) adjust the number or class of Shares subject to the Award and, in the case of an Option, the Option Price.

5.3.2 Subject to the Forfeitable Share Agreement, a Participant will have the same rights as any other shareholders in respect of Forfeitable Shares where rule 5.3.1 applies. Any Shares, securities or rights allotted to a Participant as a result of such an event will be:

- (a) treated as if they were awarded to the Participant under the Plan in the same way and at the same time as the Forfeitable Shares in respect of which the rights were conferred; and
- (b) subject to the rules of the Plan and the terms of the Forfeitable Share Agreement.

6. Vesting

6.1 Timing and extent of Vesting

6.1.1 Subject to the rest of these rules, an Award will Vest on the later of the following:

- (a) the Vesting Date; and
- (b) the date on which the Board determines the extent to which any Performance Condition or any other condition is satisfied (which it will do as soon as reasonably practicable after the end of the period over which it is tested).

6.1.2 The Award will only Vest to the extent that any Performance Condition or other condition is satisfied, unless the Award takes the form of a Market Value Option, where no Performance Condition is required to be set.

6.1.3 However, if Vesting or the issue or transfer of Shares in satisfaction of an Award is prevented by any Dealing Restriction, the period for Vesting, issue or transfer will be delayed for that Award until the Dealing Restriction no longer prevents it.

6.2 Consequences of Vesting

- 6.2.1 If an Award takes the form of a Conditional Award, within 30 days of Vesting (or as soon as reasonably practicable after that), the Grantor will arrange (subject to the rest of this rule 6 and rules 7, 8, 12 and 14.6) for the issue or transfer to, or to the order of, the Participant of the number of Shares in respect of which the Award has Vested.
- 6.2.2 A Participant can only exercise an Option to the extent it has Vested. To exercise an Option, the Participant must give notice in such form as the Grantor may prescribe and pay or make arrangements satisfactory to the Grantor for the payment of the Option Price. Subject to the rest of this rule 6 and rules 7, 8, 12 and 14.6, the Grantor will arrange for the number of Shares in respect of which an Option has been exercised to be issued or transferred to the Participant within 30 days of the date on which the Option is exercised or as soon as reasonably practicable after that. An Option will lapse at the end of business on the Final Lapse Date if it does not lapse earlier under these rules.
- 6.2.3 To the extent an Award of Forfeitable Shares Vests, the restrictions contained in the Forfeitable Share Agreement will cease to apply.

6.3 Automatic exercise of Options where Dealing Restrictions apply and Option would otherwise lapse

6.3.1 To the extent that:

- (a) an Option has not been exercised by the close of the Business Day before the date on which it lapses;
- (b) a Dealing Restriction prevents the Participant from exercising it on that day; and
- (c) it is in the money on that day,

the Company will, unless the Board decides otherwise, treat it as having been exercised on that day.

- 6.3.2 If it does treat the Option as having been exercised, the Company will arrange for sufficient Shares resulting from the exercise to be sold on behalf of the Participant to raise an amount (after costs of sale) equal to the Option Price and any tax or social security required to be withheld under rule 12. The remaining Shares subject to the Option will be issued or transferred as set out in rule 6.2.2.
- 6.3.3 An Option is "**in the money**" on any day if the Board estimates that, if all the Shares resulting from exercise were sold on that day, the sale proceeds (after making a reasonable allowance for any costs of sale and taxes) would be more than the Option Price.
- 6.3.4 The Participant may give notice, at any time before the day referred to in rule 6.3.1, requesting that this rule 6.3 should not apply to the Option.
- 6.3.5 No Member of the Group will be liable for any loss a Participant may suffer as a result of the application or failure to apply this rule 6.3.

7. Leaving employment and death

7.1 General rule on leaving employment before Vesting

Unless rule 7.2 applies, an Award will lapse on leaving employment if the Participant leaves before Vesting.

7.2 Exceptions to the general rule where certain leaver reasons apply

If a Participant leaves employment before Vesting for one of the following reasons, their Award will not lapse, but rule 7.3 will apply to their Award:

- (a) death;
- (b) ill health, injury or disability, as established to the satisfaction of the Board;
- (c) retirement with the agreement of the Participant's employer;
- (d) the Participant's employing company ceasing to be under the Control of the Company;
- (e) redundancy; or
- (f) any other reason at the discretion of the Board.

7.3 Extent of Vesting of Award

7.3.1 Where rule 7.2 applies:

- (a) the Award will Vest to the extent any Performance Condition is satisfied on the date of Vesting; and
- (b) unless the Board decides otherwise, the number of Shares in respect of which the Award would otherwise Vest will be reduced by the proportion which the number of complete days from the date the Participant left employment to the Vesting Date bears to the number of complete days in the period from the Award Date to the Vesting Date.

7.3.2 Rule 7.3.1 shall not apply if, in the circumstances, the Board exercises its discretion under rule 7.8.

7.4 Early Vesting

Alternatively, the Board may decide that the Award will Vest to the extent described in rule 7.3, on the date of leaving employment or a later date determined by the Board. The Board will determine the extent to which any Performance Condition is satisfied in accordance with its terms or, if they do not provide for it, in such manner as it considers reasonable.

7.5 Treatment of Options after leaving

7.5.1 If the holder of an Option dies or leaves employment:

- (a) before Vesting for one of the reasons in rule 7.2; or
- (b) after Vesting for any reason (except as described in rule 7.5.2)

their Option will be exercisable for six months from the later of:

- (i) the date on which the Option Vests; and
- (ii) the date on which the Participant left,

after which the Option will lapse, but the Board may extend that period (but not beyond the Final Lapse Date).

7.5.2 However, if the Participant leaves employment after Vesting because of misconduct or breach of the terms of their employment, their Award will lapse on the day they leave employment unless the Board determines otherwise.

7.5.3 Rule 7.5.1 shall not apply if, in the circumstances, the Board exercises its discretion under rule 7.8.

7.6 Detrimental activity

If a Participant leaves employment due to any reason set out in rule 7.2, unless the Board decides otherwise, the Participant's Award will lapse if he engages in Detrimental Activity.

7.7 General

7.7.1 Subject to rule 7.7.2, a Participant will only be treated as "leaving employment" when they are no longer an employee or director of any Member of the Group.

7.7.2 The Board may decide a Participant will be treated as "leaving employment" on the date they give or are given notice terminating their office or employment unless the reason for giving or receiving notice is listed in rules 7.2(b), 7.2(c) or 7.2(e) above.

7.8 Retirement

7.8.1 Where rule 7.2(c) applies, the Board may exercise its discretion (but is under no obligation to do so) to permit the Participant's Award to continue to Vest in accordance with the rules of the Plan.

8. Malus and clawback

8.1 Malus

8.1.1 If the Board considers that:

- (a) there has been a significant downward restatement of the financial results of the Company; and/or
- (b) there is reasonable evidence of gross misconduct or gross negligence by the Participant; and/or
- (c) there is reasonable evidence of material breach by the Participant of the Company's Code of Business Principles or the Company's Code Policies (or equivalent);
- (d) there is reasonable evidence of conduct by the Participant which results in significant losses or reputational damage to the Company or the Group, and/or

- (e) the Participant is in breach of any applicable restrictions on competition, solicitation or the use of confidential information (whether arising out of the Participant's employment contract, his termination arrangements or any internal policies),

it may, in its discretion, at any time prior to Vesting, or exercise of an Option, decide that:

- (i) an Award will lapse wholly or in part;
- (ii) the delivery of the Shares will be delayed until any action or investigation is completed; and/or
- (iii) Vesting of the Award or delivery of the Shares will be subject to additional conditions.

8.1.2 If there is a delay under rule 8.1.1(ii):

- (a) if a Participant leaves employment after the date on which the Award would have Vested, but for the delay then, unless the Board decides otherwise, rule 7 (*Leaving employment*) will not apply. The Award will continue and Vest to the relevant extent (subject to any further adjustment under this rule 8) when the action or investigation is completed;
- (b) Vesting of the Award or delivery of Shares will not be delayed beyond any date on which Vesting or delivery would otherwise occur under rule 10 (*Takeovers and other Corporate Events*); and
- (c) for the avoidance of doubt, there may (or may not) be an adjustment or further adjustment under this rule 8 following completion of any action or investigation.

8.2 Clawback

8.2.1 If the Board considers there has been a significant downward restatement of the financial results of the Company, it may, in its discretion, within two years of an Award Vesting:

- (a) require a Participant to transfer to the Company (or as the Company directs), for nominal or nil consideration, some or all of the after-tax number of Shares which have previously Vested, or pay to the Company (or as the Company directs) an amount equal to the value of those Shares (as determined by the Board); and/or
- (b) require the Company to withhold from, or offset against, the grant or Vesting of any other Award to which the Participant may be or become entitled in connection with his/her employment with the Group such an amount as the Board considers appropriate.

8.2.2 Where a Participant is notified they must transfer Shares or pay an amount in accordance with rule 8.2.1(a), any Shares or cash must be transferred or paid (in the manner directed by the Company) within 30 days of that Participant being so notified.

8.3 General

8.3.1 For the avoidance of doubt, this rule 8 can apply even if the Participant was not responsible for the event in question or if it happened before the Vesting or grant of the Award.

- 8.3.2 Those rules may be applied in different ways for different Participants in relation to the same or different events, or in different ways for the same Participant in relation to different Awards.
- 8.3.3 Except to the extent the Board so decides at the time of exchange, neither malus nor clawback will apply to an Award which has been exchanged in accordance with rule 10.4.
- 8.3.4 Clawback will not apply after a takeover (as defined in rule 10.1).
- 8.3.5 The Board will notify the Participant in writing of any application of malus or clawback under this rule 8.
- 8.3.6 Without limiting rule 14.1, the Participant will not be entitled to any compensation in respect of any adjustment under this rule 8, and the operation of malus will not limit any other remedy any Member of the Group may have in relation to breach of any restrictions referred to in rule 8.1.1(e).

9. Vesting in connection with relocation

If a Participant relocates to another jurisdiction at the request of the Company before an Award Vests and, as a result:

- (a) the Participant or any Member of the Group is or may be subject to less favourable tax or social security treatment; or
- (b) the Vesting, exercise or satisfaction of the Award is or may be subject to any regulatory restriction, approval or consent,

the Board may decide that the Award will Vest on such earlier date or dates and subject to such additional conditions as it may determine, including the retention of any Shares acquired on Vesting. In the case of an Option, the Board may change the period during which it can be exercised or impose additional conditions upon the exercise.

10. Takeovers and other corporate events

10.1 Takeover

- 10.1.1 If there is a takeover (as defined below), each Award will Vest, subject to rules 8.1 (Malus) and 8.3 and the rest of this rule 10, on the date of the takeover. The Board will determine the extent to which any Performance Condition has been satisfied to the date of the takeover (in accordance with its terms or, if they do not provide for it, in such manner as it considers reasonable) and the proportion of the Award which will Vest.
- 10.1.2 The Board may decide that an Award which has Vested under rule 10.1.1 will be reduced pro rata to reflect the acceleration of Vesting.
- 10.1.3 To the extent that an Award has not Vested, it shall lapse as to the balance, unless exchanged under rule 10.4 (*Exchange of Awards*).
- 10.1.4 An Option will be exercisable for a period of six months from the date of the takeover, after which it will lapse (whether or not it Vested under this rule).
- 10.1.5 An Award will not Vest under rule 10.1.1 but will be exchanged under rule 10.4 if:

- (a) an offer to exchange Awards is made and accepted by a Participant; or
- (b) the Board, with the consent of the Acquiring Company, decides before the person obtains Control that the Awards will be automatically exchanged.

There is a "**takeover**" when:

- (c) a person (or a group of persons acting in concert) obtains Control of the Company as a result of making an offer to acquire Shares; or
- (d) a court sanctions a compromise or arrangement under Section 198 of the Companies Law which will result in a person (or a group of persons acting in concert) obtaining Control of the Company,

but not where the Board determines rule 10.2 (*Reconstruction*) applies.

10.2 Reconstruction

If there is any internal reconstruction, reorganisation, merger or acquisition of the Company which is not intended to result in, or does not involve a significant change in the identity of the ultimate shareholders of the Company, the Board may determine this rule 10.2 applies to any Awards which have not Vested by the day the reconstruction takes effect. The Board will arrange for the Awards to be replaced by an equivalent award of shares in the new parent company or companies as determined by the Board. The Board may amend (or waive) any Performance Condition as it considers appropriate, subject to applicable laws.

10.3 Demerger or other corporate event

- 10.3.1 If the Board becomes aware that the Company is or is expected to be affected by any demerger, distribution (other than an ordinary dividend), reconstruction or other transaction not falling within rule 10.1 (*Takeover*) which, in the opinion of the Board, would affect the current or future value of any Award, the Board may allow an Award to Vest (subject to rule 8 (*Malus and clawback*)) and any such conditions as the Board may decide to impose.
- 10.3.2 Where an Award Vests under rule 10.3.1, the Board will determine the extent to which any Performance Condition has been satisfied and the proportion of the Award which will Vest.
- 10.3.3 The Board may decide that an Award which has Vested under rule 10.3.1 is reduced pro rata to reflect the acceleration of Vesting.
- 10.3.4 To the extent that an Award has not Vested, it shall lapse as to the balance.
- 10.3.5 The Board will determine the period during which an Option may be exercised following Vesting and whether or not it will lapse at the end of that period.
- 10.3.6 Participants will be notified if they are affected by the Board exercising its discretion under this rule.

10.4 Exchange of Awards

- 10.4.1 If an Award is to be exchanged under this rule 10, the exchange will take place as soon as practicable after the relevant event.

10.4.2 The new award:

- (a) must confer a right to acquire shares in the Acquiring Company or another body corporate determined by the Acquiring Company;
- (b) must be equivalent to the existing Award, subject to rules 8.3.3, 8.3.4 and 10.4.2(d);
- (c) will be treated as having been acquired at the same time as the existing Award and, subject to rule 10.4.2(d), will Vest in the same manner and at the same time;
- (d) must either:
 - (i) be subject to a Performance Condition which is, so far as practicable, equivalent to any Performance Condition applying to the existing Award; or
 - (ii) not be subject to any Performance Condition, but be in respect of the number of shares which is equivalent to the number of Shares comprised in the existing Award which would have Vested under rule 10.1 (*Takeover*); or
 - (iii) be subject to such other terms as the Board considers appropriate in all the circumstances; and
- (e) will be governed by the Plan as if references to Shares were references to the shares over which the new award is granted and references to the Company were references to the Acquiring Company or the body corporate determined under rule 10.4.2.

10.5 Board

In this rule 10, "Board" means those people who were members of the board of the Company immediately before the change of Control.

11. Changing the Plan

- 11.1.1 The Board may, without obtaining the approval of the Company in general meeting, at any time change the Plan (including the terms of any Award already granted) in any way.
- 11.1.2 The Board may, without obtaining the approval of the Company in general meeting, establish further plans (by way of schedules to the rules or otherwise) based on the rules, but modified to take account of local tax, exchange control or securities law. However, any Shares made available under such plans are treated as counting against any limits on individual or overall participation in the Plan under rule 13.

11.2 Notice

The Board is not required to give Participants notice of any changes.

12. Tax

- 12.1.1 The Participant will be responsible for and indemnify the relevant employing company or former employing company in respect of all taxes, social security contributions or other levies arising in connection with an Award and will, if required to do so by the Board, agree the transfer of liability for employer social security contributions to them.

12.1.2 The Company, any employing company, former employing company or trustee of any employee benefit trust, may withhold any amounts or make such arrangements as it considers necessary to meet any liability to pay or account for any such taxation or social security contributions or other levies. These arrangements may include the sale of or reduction in number of Shares to which a Participant would otherwise be entitled under the Plan or otherwise.

12.1.3 The Participant will promptly do all things necessary to facilitate such arrangements and, notwithstanding anything to the contrary in the Plan, Vesting or the issue or transfer of Shares may be delayed until he does so and until the Board is satisfied that the Company or relevant employing company or former employing company has complied fully with any withholding tax obligations in any relevant jurisdiction.

13. Limit on newly issued and treasury shares

13.1 Plan limit - 10 per cent

13.1.1 An Award must not be granted if the number of Shares committed to be issued under that Award exceeds 10 per cent of the ordinary share capital of the Company in issue immediately before that day, when added to the number of Shares which have been issued, or committed to be issued, to satisfy Awards under the Plan, or options or awards under any other employee share plan operated by the Company, granted in the previous ten years.

13.1.2 The aggregate number of Shares issuable to Insiders, at any time, pursuant to the Plan together with any other employee share plan and any other security based compensation scheme or arrangement approved by the Board, shall not exceed 10 per cent of the Company's issued and outstanding ordinary share capital.

13.1.3 The aggregate number of Shares that are issued to Insiders within any one year period, pursuant to the Plan together with any other employee share plan and any other security based compensation scheme or arrangement approved by the Board, shall not exceed 10 per cent of the Company's issued and outstanding ordinary share capital.

13.2 Scope of Plan limit

When calculating the limit in rule 13.1.1, Shares will be ignored where the right to acquire them has been released or has lapsed.

As long as so required by institutional shareholders, Shares transferred from treasury are counted as part of the ordinary share capital of the Company, and as Shares issued by the Company.

14. General

14.1 Terms of employment

14.1.1 This rule 14.1 applies during an employee's employment with a Member of the Group and after the termination of an employee's employment, whether or not the termination is lawful.

14.1.2 Nothing in the rules or the operation of the Plan forms part of the contract of employment of an employee. The rights and obligations arising from the employment relationship between the employee and their employer are separate from, and are not affected by, the Plan. Participation in the Plan does not create any right to, or expectation of, continued employment.

- 14.1.3 No employee has a right to participate in the Plan. Participation in the Plan or the grant of Awards on a particular basis in any year does not create any right to or expectation of participation in the Plan or the grant of Awards on the same basis, or at all, in any future year.
- 14.1.4 The terms of the Plan do not entitle the employee to the exercise of any discretion in their favour.
- 14.1.5 The employee will have no claim or right of action in respect of any decision, omission or discretion, which may operate to the disadvantage of the employee (including, without limitation, any adjustment under rule 9) even if it is unreasonable, irrational or might otherwise be regarded as being in breach of the duty of trust and confidence (and/or any other implied duty) between the employee and their employer.
- 14.1.6 No employee has any right to compensation for any loss in relation to the Plan, including any loss in relation to:
- (a) any loss or reduction of rights or expectations under the Plan in any circumstances (including lawful or unlawful termination of employment);
 - (b) any exercise of a discretion or a decision taken in relation to an Award or to the Plan, or any failure to exercise a discretion or take a decision; or
 - (c) the operation, suspension, termination or amendment of the Plan.

14.2 Board's decisions final and binding

The decision of the Board on the interpretation of the Plan or in any dispute relating to an Award or matter relating to the Plan will be final and conclusive.

14.3 Documents sent to shareholders

The Company is not required to send to Participants copies of any documents or notices normally sent to the holders of its Shares.

14.4 Costs

The Company will pay the costs of introducing and administering the Plan. The Company may ask a Participant's employer or any other Member of the Group to bear the costs in respect of an Award (including, for example, any trading or other working costs) to that Participant.

14.5 Data protection

For the purposes of operating the Plan, the Company will collect and process information relating to employees of the Group and Participants in accordance with the privacy notice which is made available to Group employees by the Company.

14.6 Consents

All allotments, issues and transfers of Shares will be subject to any necessary consents under any relevant enactments or regulations for the time being in force in any relevant country. The Participant is responsible for complying with any requirements they need to fulfil in order to obtain or avoid the necessity for any such consent.

14.7 Share rights

Shares issued to satisfy Awards under the Plan will rank equally in all respects with the Shares in issue on the date of allotment. They will not rank for any rights attaching to Shares by reference to a record date preceding the date of allotment. Where Shares are transferred to a Participant, including a transfer out of treasury, the Participant will be entitled to all rights attaching to the Shares by reference to a record date on or after the transfer date. The Participant will not be entitled to rights before that date.

14.8 Listing

If Shares are listed or traded on any stock exchange, the Company shall apply to the appropriate body for any newly issued Shares to be listed or admitted to trading on that exchange.

14.9 Notices

14.9.1 Any information or notice to a person who is or will be eligible to be a Participant under or in connection with the Plan may be posted, or sent by electronic means, in such manner to such address as the Company considers appropriate, including publication on any intranet.

14.9.2 Any information or notice to the Company or other duly appointed agent under or in connection with the Plan may be sent by post or transmitted to it at its registered office or such other place, and by such other means, as the Board or duly appointed agent may decide and notify Participants.

14.9.3 Notices sent by post will be deemed to have been given on the second day after the date of posting. However, notices sent by or to a Participant who is working overseas will be deemed to have been given on the seventh day after the date of posting. Notices sent by electronic means, in the absence of evidence to the contrary, will be deemed to have been received on the day after sending.

14.10 Governing law and jurisdiction

English law governs the Plan and Awards granted under the Plan, and the English Courts have non-exclusive jurisdiction in respect of any disputes arising.