

Appendix 3G

Notification of issue, conversion or payment up of equity +securities

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

If you are an entity incorporated outside Australia and you are issuing a new class of +securities other than CDIs, you will need to obtain and provide an International Securities Identification Number (ISIN) for that class. Further information on the requirement for the notification of an ISIN is available from the Create Online Forms page. ASX is unable to create the new ISIN for non-Australian issuers.

*Denotes minimum information required for first lodgement of this form, with exceptions provided in specific notes for certain questions. The balance of the information, where applicable, must be provided as soon as reasonably practicable by the entity.

Part 1 – Entity and announcement details

Question no	Question	Answer
1.1	*Name of entity <i>We (the entity here named) give notice of the issue, conversion or payment up of the following unquoted +securities.</i>	Stanmore Coal Limited
1.2	*Registration type and number <i>Please supply your ABN, ARSN, ARBN, ACN or another registration type and number (if you supply another registration type, please specify both the type of registration and the registration number).</i>	ABN 131 920 968
1.3	*ASX issuer code	SMR
1.4	*This announcement is <i>Tick whichever is applicable.</i>	<input checked="" type="checkbox"/> A new announcement <input type="checkbox"/> An update/amendment to a previous announcement <input type="checkbox"/> A cancellation of a previous announcement
1.4a	*Reason for update <i>Mandatory only if "Update" ticked in Q1.4 above. A reason must be provided for an update.</i>	
1.4b	*Date of previous announcement to this update <i>Mandatory only if "Update" ticked in Q1.4 above.</i>	
1.4c	*Reason for cancellation <i>Mandatory only if "Cancellation" ticked in Q1.4 above.</i>	
1.4d	*Date of previous announcement to this cancellation <i>Mandatory only if "Cancellation" ticked in Q1.4 above.</i>	
1.5	*Date of this announcement	14 February 2020

Part 2 – Type of issue

Question No.	Question	Answer
2.1	<p>*The +securities the subject of this notification are:</p> <p><i>Select whichever item is applicable.</i></p> <p><i>If you wish to notify ASX of different types of issues of securities, please complete a separate Appendix 3G for each type of issue.</i></p>	<p><input type="checkbox"/> +Securities issued as a result of options being exercised or other +convertible +securities being converted and that are not to be quoted on ASX</p> <p><input type="checkbox"/> Partly paid +securities that have been fully paid up and that are not to be quoted on ASX</p> <p><input checked="" type="checkbox"/> +Securities issued under an +employee incentive scheme that are not being immediately quoted on ASX</p> <p><input type="checkbox"/> Other [please specify]</p> <p><i>If you have selected 'other' please provide the circumstances of the issue here:</i></p>
2.2a.1	<p>Please state the number and type of options that were exercised or other +convertible securities that were converted (including their ASX security code if available)?</p> <p><i>Answer this question if your response to Q2.1 is "securities issued as a result of options being exercised or other convertible securities being converted and that are not to be quoted on ASX".</i></p>	
2.2a.2	<p>And the date the options were exercised or other +convertible securities were converted:</p> <p><i>Answer this question if your response to Q2.1 is "securities issued as a result of options being exercised or other convertible securities being converted and that are not to be quoted on ASX".</i></p> <p><i>Note: If this occurred over a range of dates, enter the date the last of the options was exercised or convertible securities was converted.</i></p>	
2.2b.1	<p>Please state the number and type of partly paid +securities that were fully paid up (including their ASX security code if available)?</p> <p><i>Answer this question if your response to Q2.1 is "partly paid securities that have been paid up and that are not to be quoted on ASX".</i></p>	
2.2b.2	<p>And the date the +securities were fully paid up:</p> <p><i>Answer this question if your response to Q2.1 is "partly paid securities that have been paid up and that are not to be quoted on ASX".</i></p> <p><i>Note: If this occurred over a range of dates, enter the date the last of the securities was fully paid up.</i></p>	

2.2c.1	<p>Please state the number and type of +securities (including their ASX security code) issued under an +employee incentive scheme that are not being immediately quoted on ASX</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>	14,994 Deferred shares												
2.2c.2	<p>*Please attach a document or provide details of a URL link for a document lodged with ASX detailing the terms of the +employee incentive scheme or a summary of the terms.</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>													
2.2c.3	<p>*Are any of these +securities being issued to +key management personnel (KMP) or an +associate</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>	Yes												
2.2c.3.a	<p>*Provide details of the recipients and the number of +securities issued to each of them.</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX" and your response to Q2.2c.3 is "Yes". Repeat the detail in the table below for each KMP involved in the issue. If the securities are being issued to the KMP, repeat the name of the KMP or insert "Same" in "Name of registered holder". If the securities are being issued to an associate of a KMP, insert the name of the associate in "Name of registered holder".</i></p> <table border="1"> <thead> <tr> <th>Name of KMP</th><th>Name of registered holder</th><th>Number of +securities</th></tr> </thead> <tbody> <tr> <td>Jon Romcke</td><td>Jon Romcke</td><td>1,071</td></tr> <tr> <td>Ian Poole</td><td>Ian Poole</td><td>1,071</td></tr> <tr> <td>Bernie O'Neill</td><td>Bernie O'Neill</td><td>1,071</td></tr> </tbody> </table>		Name of KMP	Name of registered holder	Number of +securities	Jon Romcke	Jon Romcke	1,071	Ian Poole	Ian Poole	1,071	Bernie O'Neill	Bernie O'Neill	1,071
Name of KMP	Name of registered holder	Number of +securities												
Jon Romcke	Jon Romcke	1,071												
Ian Poole	Ian Poole	1,071												
Bernie O'Neill	Bernie O'Neill	1,071												
2.2d.1	<p>*The purpose(s) for which the entity is issuing the +securities is:</p> <p><i>Answer this question if your response to Q2.1 is "Other".</i></p> <p><i>You may select one or more of the items in the list.</i></p>	<p><input type="checkbox"/> To raise additional working capital</p> <p><input type="checkbox"/> To fund the retirement of debt</p> <p><input type="checkbox"/> To pay for the acquisition of an asset [provide details below]</p> <p><input type="checkbox"/> To pay for services rendered [provide details below]</p> <p><input type="checkbox"/> Other [provide details below]</p> <p><i>Additional details:</i></p>												

2.2d.2	<p>Please provide any further information needed to understand the circumstances in which you are notifying the issue of these +securities to ASX, including (if applicable) why the issue of the +securities has not been previously announced to the market in an Appendix 3B</p> <p><i>You must answer this question if your response to Q2.1 is "Other". If there is no other information to provide, please answer "Not applicable" or "N/A".</i></p>	
2.3	<p>*The +securities being issued are:</p> <p><i>Tick whichever is applicable</i></p>	<p><input type="checkbox"/> Additional +securities in an existing unquoted class that is already recorded by ASX ("existing class")</p> <p><input checked="" type="checkbox"/> New +securities in an unquoted class that is not yet recorded by ASX ("new class")</p>

Part 3A – number and type of +securities being issued (existing class)

Answer the questions in this part if your response to Q2.3 is "existing class".

Question No.	Question	Answer
3A.1	*ASX security code & description	
3A.2	*Number of +securities being issued	
3A.3a	*Will the +securities being issued rank equally in all respects from their issue date with the existing issued +securities in that class?	Yes or No
3A.3b	<p>*Is the actual date from which the +securities will rank equally (non-ranking end date) known?</p> <p><i>Answer this question if your response to Q3A.3a is "No".</i></p>	Yes or No
3A.3c	<p>*Provide the actual non-ranking end date</p> <p><i>Answer this question if your response to Q3A.3a is "No" and your response to Q3A.3b is "Yes".</i></p>	
3A.3d	<p>*Provide the estimated non-ranking end period</p> <p><i>Answer this question if your response to Q3A.3a is "No" and your response to Q3A.3b is "No".</i></p>	
3A.3e	<p>*Please state the extent to which the +securities do not rank equally:</p> <ul style="list-style-type: none"> • in relation to the next dividend, distribution or interest payment; or • for any other reason <p><i>Answer this question if your response to Q3A.3a is "No".</i></p> <p><i>For example, the securities may not rank at all, or may rank proportionately based on the percentage of the period in question they have been on issue, for the next dividend, distribution or interest payment; or they may not be entitled to participate in some other event, such as an entitlement issue.</i></p>	

Part 3B – number and type of +securities being issued (new class)

Answer the questions in this part if your response to Q2.3 is “new class”.

Question No.	Question	Answer
3B.1	*Security description	SMR Deferred
3B.2	<p>*Security type</p> <p>Select one item from the list that best describes the securities the subject of this form. This will determine more detailed questions to be asked about the security later in this section. Select “ordinary fully or partly paid shares/units” for stapled securities or CDIs. For interest rate securities, please select the appropriate choice from either “Convertible debt securities” or “Non-convertible debt securities”. Select “Other” for performance shares/units and performance options/rights or if the selections available in the list do not appropriately describe the security being issued.</p>	<input checked="" type="checkbox"/> Ordinary fully or partly paid shares/units <input type="checkbox"/> Options <input type="checkbox"/> +Convertible debt securities <input type="checkbox"/> Non-convertible +debt securities <input type="checkbox"/> Redeemable preference shares/units <input type="checkbox"/> Other
3B.3	<p>ISIN code</p> <p>Answer this question if you are an entity incorporated outside Australia and you are issuing a new class of securities other than CDIs. See also the note at the top of this form.</p>	
3B.4	*Number of +securities being issued	14,994
3B.5a	*Will all the +securities issued in this class rank equally in all respects from the issue date?	Yes
3B.5b	<p>*Is the actual date from which the +securities will rank equally (non-ranking end date) known?</p> <p>Answer this question if your response to Q3B.5a is “No”.</p>	Yes
3B.5c	<p>*Provide the actual non-ranking end date</p> <p>Answer this question if your response to Q3B.5a is “No” and your response to Q3B.5b is “Yes”.</p>	
3B.5d	<p>*Provide the estimated non-ranking end period</p> <p>Answer this question if your response to Q3B.5a is “No” and your response to Q3B.5b is “No”.</p>	
3B.5e	<p>*Please state the extent to which the +securities do not rank equally:</p> <ul style="list-style-type: none"> in relation to the next dividend, distribution or interest payment; or for any other reason <p>Answer this question if your response to Q3B.5a is “No”.</p> <p>For example, the securities may not rank at all, or may rank proportionately based on the percentage of the period in question they have been on issue, for the next dividend, distribution or interest payment; or they may not be entitled to participate in some other event, such as an entitlement issue.</p>	

3B.6	<p>Please attach a document or provide a URL link for a document lodged with ASX setting out the material terms of the +securities being issued</p> <p><i>You may cross reference a disclosure document, PDS, information memorandum, investor presentation or other announcement with this information provided it has been released to the ASX Market Announcements Platform.</i></p>	
3B.7	<p>*Have you received confirmation from ASX that the terms of the +securities are appropriate and equitable under listing rule 6.1?</p> <p><i>Answer this question only if you are an ASX Listing. (ASX Foreign Exempt Listings and ASX Debt Listings do not have to answer this question).</i></p> <p><i>If your response is "No" and the securities have any unusual terms, you should approach ASX as soon as possible for confirmation under listing rule 6.1 that the terms are appropriate and equitable.</i></p>	No – No unusual terms of securities
3B.8a	<p>Ordinary fully or partly paid shares/units details</p> <p><i>Answer the questions in this section if you selected this security type in your response to Question 3B.2.</i></p>	
	<p>*+Security currency</p> <p><i>This is the currency in which the face amount of an issue is denominated. It will also typically be the currency in which distributions are declared.</i></p>	
	<p>*Will there be CDIs issued over the +securities?</p>	Yes or No
	<p>*CDI ratio</p> <p><i>Answer this question if you answered "Yes" to the previous question. This is the ratio at which CDIs can be transmuted into the underlying security (e.g. 4:1 means 4 CDIs represent 1 underlying security whereas 1:4 means 1 CDI represents 4 underlying securities).</i></p>	X:Y
	<p>*Is it a partly paid class of +security?</p>	Yes or No
	<p>*Paid up amount: unpaid amount</p> <p><i>Answer this question if answered "Yes" to the previous question.</i></p> <p><i>The paid up amount represents the amount of application money and/or calls which have been paid on any security considered 'partly paid'</i></p> <p><i>The unpaid amount represents the unpaid or yet to be called amount on any security considered 'partly paid'.</i></p> <p><i>The amounts should be provided per the security currency (e.g. if the security currency is AUD, then the paid up and unpaid amount per security in AUD).</i></p>	X:Y
	<p>*Is it a stapled +security?</p> <p><i>This is a security class that comprises a number of ordinary shares and/or ordinary units issued by separate entities that are stapled together for the purposes of trading.</i></p>	Yes or No
3B.8b	<p>Option details</p> <p><i>Answer the questions in this section if you selected this security type in your response to Question 3B.2.</i></p>	
	<p>*+Security currency</p> <p><i>This is the currency in which the exercise price is payable.</i></p>	

	<p>*Exercise price</p> <p><i>The price at which each option can be exercised and convert into the underlying security. If there is no exercise price please answer as \$0.00.</i></p> <p><i>The exercise price should be provided per the security currency (i.e. if the security currency is AUD, the exercise price should be expressed in AUD).</i></p>	
	<p>*Expiry date</p> <p><i>The date on which the options expire or terminate.</i></p>	
	<p>*Details of the number and type of +security (including its ASX security code if the +security is quoted on or recorded by ASX) that will be issued if an option is exercised</p> <p><i>For example, if the option can be exercised to receive one fully paid ordinary share with ASX security code ABC, please insert "One fully paid ordinary share (ASX:ABC)".</i></p>	
3B.8c	<p>Details of non-convertible +debt securities, +convertible debt securities, or redeemable preference shares/units</p> <p><i>Answer the questions in this section if you selected one of these security types in your response to Question 3B.2.</i></p> <p><i>Refer to Guidance Note 34 and the "Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities" for further information on certain terms used in this section</i></p>	
	<p>*Type of +security</p> <p><i>Select one item from the list</i></p>	<p><input type="checkbox"/> Simple corporate bond</p> <p><input type="checkbox"/> Non-convertible note or bond</p> <p><input type="checkbox"/> Convertible note or bond</p> <p><input type="checkbox"/> Preference share/unit</p> <p><input type="checkbox"/> Capital note</p> <p><input type="checkbox"/> Hybrid security</p> <p><input type="checkbox"/> Other</p>
	<p>*+Security currency</p> <p><i>This is the currency in which the face value of the security is denominated. It will also typically be the currency in which interest or distributions are paid.</i></p>	
	<p>Face value</p> <p><i>This is the principal amount of each security.</i></p> <p><i>The face value should be provided per the security currency (i.e. if security currency is AUD, then the face value per security in AUD).</i></p>	
	<p>*Interest rate type</p> <p><i>Select one item from the list</i></p> <p><i>Select the appropriate interest rate type per the terms of the security. Definitions for each type are provided in the Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities</i></p>	<p><input type="checkbox"/> Fixed rate</p> <p><input type="checkbox"/> Floating rate</p> <p><input type="checkbox"/> Indexed rate</p> <p><input type="checkbox"/> Variable rate</p> <p><input type="checkbox"/> Zero coupon/no interest</p> <p><input type="checkbox"/> Other</p>
	<p>Frequency of coupon/interest payments per year</p> <p><i>Select one item from the list.</i></p>	<p><input type="checkbox"/> Monthly</p> <p><input type="checkbox"/> Quarterly</p> <p><input type="checkbox"/> Semi-annual</p> <p><input type="checkbox"/> Annual</p> <p><input type="checkbox"/> No coupon/interest payments</p> <p><input type="checkbox"/> Other</p>

	<p>First interest payment date</p> <p><i>A response is not required if you have selected "No coupon/interest payments" in response to the question above on the frequency of coupon/interest payments</i></p>	
	<p>Interest rate per annum</p> <p><i>Answer this question if the interest rate type is fixed.</i></p>	% p.a.
	<p>*Is the interest rate per annum estimated at this time?</p> <p><i>Answer this question if the interest rate type is fixed.</i></p>	Yes or No
	<p>If the interest rate per annum is estimated, then what is the date for this information to be announced to the market (if known)</p> <p><i>Answer this question if the interest rate type is fixed and your response to the previous question is "Yes".</i> <i>Answer "Unknown" if the date is not known at this time.</i></p>	
	<p>*Does the interest rate include a reference rate, base rate or market rate (e.g. BBSW or CPI)?</p> <p><i>Answer this question if the interest rate type is floating or indexed</i></p>	Yes or No
	<p>*What is the reference rate, base rate or market rate?</p> <p><i>Answer this question if the interest rate type is floating or indexed and your response to the previous question is "Yes".</i></p>	
	<p>*Does the interest rate include a margin above the reference rate, base rate or market rate?</p> <p><i>Answer this question if the interest rate type is floating or indexed.</i></p>	Yes or No
	<p>*What is the margin above the reference rate, base rate or market rate (expressed as a percent per annum)</p> <p><i>Answer this question if the interest rate type is floating or indexed and your response to the previous question is "Yes".</i></p>	% p.a.
	<p>*S128F of the Income Tax Assessment Act status applicable to the +security</p> <p><i>Select one item from the list</i></p> <p><i>For financial products which are likely to give rise to a payment to which s128F of the Income Tax Assessment Act applies, ASX requests issuers to confirm the s128F status of the security:</i></p> <ul style="list-style-type: none"> • "s128F exempt" means interest payments are not taxable to non-residents; • "Not s128F exempt" means interest payments are taxable to non-residents; • "s128F exemption status unknown" means the issuer is unable to advise the status; • "Not applicable" means s128F is not applicable to this security 	<input type="checkbox"/> s128F exempt <input type="checkbox"/> Not s128F exempt <input type="checkbox"/> s128F exemption status unknown <input type="checkbox"/> Not applicable
	<p>*Is the +security perpetual (i.e. no maturity date)?</p>	Yes or No
	<p>*Maturity date</p> <p><i>Answer this question if the security is not perpetual</i></p>	

	<p>*Select other features applicable to the +security</p> <p><i>Up to 4 features can be selected. Further information is available in the Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities.</i></p>	<input type="checkbox"/> Simple <input type="checkbox"/> Subordinated <input type="checkbox"/> Secured <input type="checkbox"/> Converting <input type="checkbox"/> Convertible <input type="checkbox"/> Transformable <input type="checkbox"/> Exchangeable <input type="checkbox"/> Cumulative <input type="checkbox"/> Non-Cumulative <input type="checkbox"/> Redeemable <input type="checkbox"/> Extendable <input type="checkbox"/> Reset <input type="checkbox"/> Step-Down <input type="checkbox"/> Step-Up <input type="checkbox"/> Stapled <input type="checkbox"/> None of the above
	<p>*Is there a first trigger date on which a right of conversion, redemption, call or put can be exercised (whichever is first)?</p>	Yes or No
	<p>*If yes, what is the first trigger date</p> <p><i>Answer this question if your response to the previous question is "Yes".</i></p>	
	<p>Details of the number and type of +security (including its ASX security code if the +security is quoted on ASX) that will be issued if the securities to be quoted are converted, transformed or exchanged</p> <p><i>Answer this question if the security features include "converting", "convertible", "transformable" or "exchangeable".</i></p> <p><i>For example, if the security can be converted into 1,000 fully paid ordinary shares with ASX security code ABC, please insert "1,000 fully paid ordinary shares (ASX:ABC)".</i></p>	

Part 4 – Issue details

Question No.	Question	Answer
4.1	*Have the +securities been issued yet?	Yes
4.1a	*What was their date of issue? <i>Answer this question if your response to Q4.1 is "Yes".</i>	14 Feb 2020
4.1b	*What is their proposed date of issue? <i>Answer this question if your response to Q4.1 is "No".</i>	
4.2	*Are the +securities being issued for a cash consideration? <i>If the securities are being issued for nil cash consideration, answer this question "No".</i>	No

4.2a	<p>*In what currency is the cash consideration being paid</p> <p><i>For example, if the consideration is being paid in Australian Dollars, state AUD.</i></p> <p><i>Answer this question if your response to Q4.2 is "Yes".</i></p>	
4.2b	<p>*What is the issue price per +security</p> <p><i>Answer this question if your response to Q4.2 is "Yes" and by reference to the issue currency provided in your response to Q4.2a.</i></p> <p><i>Note: you cannot enter a nil amount here. If the securities are being issued for nil cash consideration, answer Q4.2 as "No" and complete Q4.2c.</i></p>	
4.2c	<p>Please describe the consideration being provided for the +securities</p> <p><i>Answer this question if your response to Q4.2 is "No".</i></p>	None
4.3	Any other information the entity wishes to provide about the issue	No

Part 5 – Unquoted +securities on issue

<p>Following the issue of the +securities the subject of this application, the unquoted issued +securities of the entity will comprise:</p> <p><i>Note: the figures provided in the table in section 5.1 below are used to calculate part of the total market capitalisation of the entity published by ASX from time to time. Please make sure you include in the table each class of unquoted securities issued by the entity.</i></p> <p><i>Restricted securities should be included in table 5.1.</i></p>		
5.1		
	*ASX security code and description	*Total number of +securities on issue
	SMR Deferred	14.994

Part 6 – Other Listing Rule requirements

The questions in this Part should only be answered if you are an ASX Listing (ASX Foreign Exempt Listings and ASX Debt Listings do not need to complete this Part) and:

- your response to Q2.1 is "+securities issued under an +employee incentive scheme that are not being immediately quoted on ASX"; or
- your response to Q2.1 is "Other"

Question No.	Question	Answer
6.1	<p>*Are the securities being issued under Listing Rule 7.2 exception 13¹ and therefore the issue does not need any security holder approval under Listing Rule 7.1?</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>	No
6.2	<p>*Has the entity obtained, or is it obtaining, +security holder approval for the issue under listing rule 7.1?</p> <p><i>Answer this question if the response to Q6.1 is "No".</i></p>	No
6.2a	<p>*Date of meeting or proposed meeting to approve the issue under listing rule 7.1</p> <p><i>Answer this question if the response to Q6.1 is "No" and the response to Q6.2 is "Yes".</i></p>	
6.2b	<p>*Are any of the +securities being issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?</p> <p><i>Answer this question if the response to Q6.1 is "No" and the response to Q6.2 is "No".</i></p>	Yes

¹ Exception 13

An issue of securities under an employee incentive scheme if within 3 years before the issue date:

- (a) in the case of a scheme established before the entity was listed – a summary of the terms of the scheme and the maximum number of equity securities proposed to be issued under the scheme were set out in the prospectus, PDS or information memorandum lodged with ASX under rule 1.1 condition 3; or
- (b) the holders of the entity's ordinary securities have approved the issue of equity securities under the scheme as an exception to this rule. The notice of meeting must have included:
 - a summary of the terms of the scheme.
 - the number of securities issued under the scheme since the entity was listed or the date of the last approval under this rule;
 - the maximum number of +equity securities proposed to be issued under the scheme following the approval; and
 - a voting exclusion statement.

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 entity's prospectus, PDS or information memorandum (in the case of (a) above) or in the notice of meeting (in the case of (b) above).

Exception 13 ceases to be available if there is a material change to the terms of the scheme from those set out in the entity's prospectus, PDS or information memorandum (in the case of (a) above) or in the notice of meeting (in the case of (b) above).

6.2b.1	<p>*How many +securities are being issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?</p> <p><i>Answer this question if the response to Q6.1 is "No", the response to Q6.2 is "No" and the response to Q6.2b is "Yes".</i></p> <p><i>Please complete and separately send by email to your ASX listings adviser a work sheet in the form of Annexure B to Guidance Note 21 confirming the entity has the available capacity under listing rule 7.1 to issue that number of securities.</i></p>	14,994
6.2c	<p>*Are any of the +securities being issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?</p> <p><i>Answer this question if the response to Q6.1 is "No" and the response to Q6.2 is "No".</i></p>	No
6.2c.1	<p>*How many +securities are being issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?</p> <p><i>Answer this question if the response to Q6.1 is "No", the response to Q6.2 is "No" and the response to Q6.2c is "Yes".</i></p> <p><i>Please complete and separately send by email to your ASX listings adviser a work sheet in the form of Annexure C to Guidance Note 21 confirming the entity has the available capacity under listing rule 7.1A to issue that number of securities.</i></p>	

Introduced 01/12/19; amended 31/01/20

Ian Poole
Company Secretary
14 February 2020

Annexure A – Stanmore Coal General Employee Share Plan Rules



Stanmore Coal Limited

(ACN 131 920 968)

Stanmore Coal
General Employee Share Plan Rules

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PART A – GENERAL RULES FOR DEFERRED PLAN AND EXEMPT PLAN

1 Purpose

The purpose of the General Employee Share Plan is to increase employee incentive and motivation by providing Eligible Employees with the opportunity to participate in a tax effective way in the growth of the Company.

Parts A and B of this document (comprising Rules 1 to 15 and Rules 16 to 20 respectively) set out rules under which shares in the Company can be acquired by Eligible Employees in a manner that qualifies for income tax deferral under Australian income tax laws. Parts A and C of this document (comprising Rules 1 to 15 and 21 to 24 respectively) set out rules under which shares in the Company can be acquired by Eligible Employees in a manner that may qualify for income tax exemption under Australian income tax laws.

2 Definitions and Interpretation

2.1 Definitions

In these Rules, unless the context otherwise requires.

ASX means ASX Limited (ABN 98 008 624 691) or, as the case requires, the financial market known as 'ASX' operated by it.

Board means the board of directors of the Company or a committee appointed by the board of directors of the Company for the purposes of the Plan.

Business Day means a day which is not a Saturday, Sunday or a public holiday in Queensland.

Casual Employee means, at any particular time, an individual who is, or might reasonably be expected to be, employed by a Group Company to work the number of hours that are the pro-rata equivalent of 40% or more of a comparable full-time position with the Group Company.

Change of Control Event means the occurrence of any of the following:

- (a) any person, either alone or together with any associate (as defined in the Corporations Act), acquires a relevant interest (as defined in the Corporations Act) in more than fifty percent (50%) of all Shares as a result of a takeover bid;
- (b) any person, either alone or together with any associate (as defined in the Corporations Act), acquires a relevant interest (as defined in the Corporations Act) in more than fifty percent (50%) of all Shares through a scheme of arrangement; or
- (c) any other similar event (including a merger of the Company with another company) that the Board determines, in its absolute discretion, to be a Change of Control Event.

Company means Stanmore Coal Limited (ACN 131 920 968).

Constitution means the constitution of the Company as defined under the Corporations Act.

Contractor means, at any particular time, an individual with whom a Group Company has entered into a contract for the provision of services under which the individual performs work for the Group Company, where the individual is, or might reasonably be expected to be, engaged by a Group Company to work the number of hours that are the pro-rata equivalent of 40% or more of a comparable full-time position with the Group Company (but, for the avoidance of doubt, does not include a company with which a Group Company has entered into a contract for the provision of services under which an individual, who is a director or employee of the company, or their spouse, performs work for the Group Company).

Corporations Act means the *Corporations Act 2001* (Cth).

Dealing Restrictions means:

- (a) in relation to the Stanmore Deferred Plan, the restrictions on dealing in Deferred Shares set out in Rule 19.1;
- (b) in relation to the Stanmore Exempt Plan, the restrictions on dealing in Exempt Shares set out in Rule 24.1.

Deferred Share means a Share acquired under the Stanmore Deferred Plan that is subject to Dealing Restrictions.

Eligible Employee means a person:

- (a) whom the Board determines is to receive a Plan Offer; and
- (b) who is, at the time that they receive the Plan Offer:
 - (i) in full-time or permanent part-time employment of a Group Company;
 - (ii) a Casual Employee; or
 - (iii) a Contractor.

Exempt Share means a Share acquired under the Stanmore Exempt Plan that is subject to Dealing Restrictions.

Group means the Company and its Related Bodies Corporate.

Group Company means a member of the Group.

Listing Rules means the official listing rules of ASX (as their application is affected by any waiver granted by ASX to the Company).

Participant means:

- (a) in relation to the Stanmore Deferred Plan, an Eligible Employee who becomes a Participant in the Stanmore Deferred Plan under Rule 17.2(d);
- (b) in relation to the Stanmore Exempt Plan, an Eligible Employee who becomes a Participant in the Stanmore Exempt Plan under Rule 22.2(d),

or the legal personal representative of any person referred to in paragraph (a) or (b) duly appointed on the death or legal incapacity of that person.

Plan means the Stanmore Deferred Plan or the Stanmore Exempt Plan (as applicable).

Plan Acceptance Date:

- (a) in relation to the Stanmore Deferred Plan, has the meaning given in Rule 16.2(a)(ii);
- (b) in relation to the Stanmore Exempt Plan, has the meaning given in Rule 21.2(a)(ii).

Plan Acceptance Form means the form (if any) that the Board determines from time to time is to be submitted by an Eligible Employee to accept an offer to participate in the Plan in response to a Plan Offer.

Plan Offer means:

- (a) in relation to the Stanmore Deferred Plan, an offer to participate in the Stanmore Deferred Plan made in accordance with Rule 16.1;
- (b) in relation to the Stanmore Exempt Plan, an offer to participate in the Stanmore Exempt Plan made in accordance with Rule 21.1.

Related Body Corporate has the meaning given in section 9 of the Corporations Act.

Rules means the rules governing the operation of the Plan set out in this document, as amended from time to time.

Security Interest means a mortgage, charge, pledge, lien, encumbrance or other third party interest of any nature.

Share means a fully paid ordinary share in the capital of the Company.

Stanmore Deferred Plan means the plan established under and operated in accordance with this Part A (comprising Rules 1 to 15) and Part B (comprising Rules 16 to 20) of this document.

Stanmore Exempt Plan means the plan established under and operated in accordance with this Part A (comprising Rules 1 to 15) and Part C (comprising Rules 21 to 24) of this document.

Unrestricted Share means a Share acquired under the Plan that is no longer subject to Dealing Restrictions.

2.2 Interpretation

- (a) Headings are for convenience only and do not affect interpretation.
- (b) Mentioning anything after includes, including, for example, or similar expressions, does not limit what else might be included.
- (c) The following rules apply unless the context requires otherwise.
 - (i) The singular includes the plural and the converse also applies.
 - (ii) A gender includes all genders.
 - (iii) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.
 - (iv) A reference to a person includes a corporation, trust, partnership, unincorporated body or other entity, whether or not it comprises a separate legal entity.
 - (v) A reference to a Rule is a reference to a Rule in this document.
 - (vi) A reference to an agreement or document (including a reference to these Rules) is to the agreement or document as amended, supplemented, novated or replaced, except to the extent prohibited by these Rules or that other agreement or document.
 - (vii) A reference to writing includes any method of representing or reproducing words, figures, drawings or symbols in a visible and tangible form.
 - (viii) A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.
 - (ix) A reference to conduct includes an omission, statement or undertaking, whether or not in writing.
 - (x) Where the time for doing any act, matter or thing under these Rules falls on a day which is not a Business Day, it shall be done on the next succeeding Business Day.

3 Securities Dealing Restrictions

For the avoidance of doubt, notwithstanding any other provision of these Rules, a Share acquired by a Participant under the Plan may not be disposed of by that Participant at any time when the Participant would be precluded from dealing in Shares pursuant to the Company's internal regulations for dealings in its securities (including pursuant to the Company's Securities Trading Policy), or otherwise as determined by the Board.

4 Contracts of Employment and Other Employment and Engagement Rights

4.1 Rules not part of employment contract, etc

- (a) The Plan does not form part of any contract of employment or services between any Eligible Employee and any Group Company.
- (b) The Plan may be terminated at any time at the discretion of the Board and no compensation under any employment or services contract will arise as a result.
- (c) In the event of any inconsistency between these Rules or the terms of a Plan Offer on the one hand, and any contract of employment or services between an Eligible Employee and any Group Company on the other, the terms of the contract of employment or service will prevail.

4.2 Rights of relevant persons

Nothing in these Rules:

- (a) confers on any Eligible Employee or Participant the right to continue as an employee of, or a Contractor to, (as applicable) a Group Company;
- (b) confers on any employee, contractor or director of a Group Company the right to become or remain an Eligible Employee or to participate in the Plan;
- (c) affects any rights which a Group Company may have to terminate the employment or services of an Eligible Employee or Participant;
- (d) may be used to increase damages in any action brought against any Group Company in respect of any such termination; or
- (e) confers any responsibility or liability on any Group Company or its directors, officers, employees, representatives or agents in respect of any tax liabilities of any Eligible Employee or Participant.

5 Appointment of Attorney

Each Participant will be deemed to irrevocably appoint 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 documents relating to their participation in the Plan (including Share transfers and any other document or agreement to give effect to the terms and conditions of the Plan), and to do all acts or things on behalf of and in the name of the Participant that may be convenient or necessary for the purpose of giving effect to the Plan and any Plan Offer. The Participant will also be deemed to covenant that the Participant will:

- (a) ratify and confirm any act or thing done pursuant to the powers conferred by this Rule;
- (b) release the Company, the Board, each Group Company and each Attorney from any liability whatsoever arising from the exercise of the powers conferred by this Rule; and
- (c) indemnify and hold harmless the Company, the Board, each Group Company and the Attorney in respect of any liability whatsoever arising from the exercise of the powers conferred by this Rule.

6 Commencement, Suspension and Termination of the Plan

6.1 Plan commencement

The Plan commences with effect from the date of adoption by the Board.

6.2 Suspension or termination of the Plan

- (a) Subject to the Corporations Act, the Listing Rules and any other applicable law, the Plan may be suspended or terminated at any time by resolution of the Board.
- (b) In the event of a suspension or termination, these Rules will continue to operate with respect to any Shares issued or transferred under the Plan prior to that suspension or termination, and any Shares to be acquired under the Plan as a result of any duly completed Plan Acceptance Form that has been received by the Company, or any other acceptance made (or deemed to be made) in accordance with the terms of a Plan Offer, prior to that suspension or termination.

6.3 Timing of acquisition

- (a) The Board may determine from time to time that acquisitions of Shares for any or selected Participants will not occur under the Plan at stipulated times having regard to the policies referred to in Rule 3 or on such basis as the Board may from time to time determine (**Non-Trading Period**).
- (b) In the event of any determination by the Board not to allow acquisitions of Shares as provided in Rule 6.3(a), then:
 - (i) where a relevant Plan Offer provides for a post-tax salary sacrifice arrangement, any salary sacrificed amounts pursuant to that salary sacrifice arrangement which have not been applied to acquire Shares will be retained in the bank account established in connection with that salary sacrifice arrangement until otherwise dealt with in accordance with the Plan; and
 - (ii) no Shares will be acquired on behalf of a relevant Participant during the Non-Trading Period.
- (c) The Company will bear no loss or liability by reason of any inability to acquire Shares during a Non-Trading Period.

7 Powers of the Board

- (a) The Plan will be managed by the Board, which will have power to:
 - (i) determine appropriate procedures and make regulations for the administration of the Plan consistent with these Rules;
 - (ii) resolve and bind the Company, the Participants and Eligible Employees absolutely regarding any question of fact, interpretation, effect or application arising in connection with the Plan;
 - (iii) determine matters falling for determination under these Rules or any Plan Offer in its absolute discretion having regard to the interests of, and for the benefit of, the Company;
 - (iv) exercise the discretions conferred on it by these Rules or any Plan Offer or which may otherwise be required in relation to the Plan;
 - (v) delegate to any one or more persons (for such period and on such conditions as it may determine) the exercise of any of its powers or discretions arising under the Plan; and
 - (vi) appoint or engage specialist service providers for the operation and administration of the Plan.

Every exercise of a power or discretion by the Board (or any of its delegates) and every decision of the Board (or any of its delegates) as to the interpretation, effect or application of these Rules or any Plan Offer is final, conclusive and binding.

- (b) Without limiting Rule 7(a), where a Plan Offer provides that, if accepted (or deemed to be accepted), the relevant Participant's participation in the Plan is to operate on an ongoing basis, the Board may at any time determine that such participation (other than with respect to any Shares acquired by the relevant Participant under the Plan) will instead cease at a specified time or at the end of a specified period.
- (c) The Plan may be administered in conjunction with an employee incentive plan trust, the trustee of which may acquire Shares for the purposes of delivery to Participants. The transfer of a Share by the trustee of such a trust to a Participant will satisfy the obligation of the Company to procure the transfer of a Share to a Participant under the Plan.

8 Amendment of Rules or Terms of Grant

8.1 General

Subject to Rule 8.2 and the Listing Rules, the Corporations Act and any other applicable law, these Rules and the terms of any Plan Offer or grant of Shares under the Plan may be amended at the direction of the Board so as to amend, add to, delete or otherwise vary these Rules or the terms of the relevant Plan Offer or grant (as applicable) at any time in any manner the Board thinks fit in its absolute discretion, including with retrospective effect (**amendment**).

8.2 Limitation on amendments

No amendment to the provisions of these Rules may be made that reduces the rights of Participants, other than an amendment introduced primarily:

- (a) for the purpose of complying with or conforming to present or future State, Territory or Commonwealth legislation or the Listing Rules;
- (b) to correct any manifest error or mistake; or
- (c) for the purpose of enabling Participants to receive a more favourable taxation treatment in respect of their participation in the Plan.

8.3 Error correction

- (a) In the event that any error or mistake has been made in relation to the number of Shares the subject of a Plan Offer, that Plan Offer will be null and void and of no effect to the extent of any such error or mistake and the Board may, in its absolute discretion, correct such error or mistake, without the need to obtain consent from the relevant Eligible Employee or relevant Participant, by notice to the Eligible Employee or the Participant and, where appropriate, may issue an amended Plan Offer (with any Plan Acceptance Form previously submitted by, or other acceptance made (or deemed to be made) by, the Eligible Employee or Participant in connection with the initial Plan Offer deemed to be amended accordingly).
- (b) The Board will notify the relevant Eligible Employee or Participant within a reasonable period after discovering and correcting the error or mistake.

9 Overriding Restriction

Notwithstanding any other Rule, Shares may not be issued, transferred or dealt with under the Plan if to do so would contravene the Corporations Act, the Listing Rules, the Company's internal regulations for dealings in its securities (including the Company's Securities Trading Policy) or

any other applicable laws or where the compliance with any applicable law would in the opinion of the Board be unduly onerous or impractical.

10 Plan Costs

10.1 Acquisition and administration costs

Any brokerage, commission, stamp duty or other transaction costs in connection with any issue or transfer of Shares under the Plan will be paid by the Company but may be taken into account for the purposes of determining the number of Shares to be issued or transferred under the Plan to the extent provided for in the relevant Plan Offer.

10.2 Employment taxes

- (a) If any Group Company or other person is obliged, or reasonably believes they have an obligation, as a result of or in connection with the acquisition of any Shares by a Participant under the Plan, to account for income tax, fringe benefit tax, or employment taxes under any wage, withholding or other arrangements or for any other tax, social security contributions or levy or charge of a similar nature, then that Group Company or person is entitled to be reimbursed by the Participant for the amounts so paid or payable.
- (b) Where Rule 10.2(a) applies, the Company may:
 - (i) sell on behalf of the Participant such number of Shares issued or transferred to the Participant under the Plan that generates proceeds that are at least equal to the relevant amounts paid or payable, and the proceeds of such sale will be reimbursed to the Group Company for relevant amounts paid or payable. Where this happens, the number of Shares sold will include such number required to cover the costs of any such sale (including stamp duty and brokerage); or
 - (ii) implement such other arrangements determined by the Board to ensure the reimbursement of the relevant amounts paid or payable.

11 No Waiver

A failure to exercise or a delay in exercising any right, power or remedy under these Rules does not operate as a waiver. A single or partial exercise or waiver of the exercise of any right, power or remedy does not preclude any other or further exercise of that or any other right, power or remedy. A waiver is not valid or binding on the entity granting that waiver unless made in writing.

12 Severability of Provisions

Any provision of these Rules that is prohibited or unenforceable in any jurisdiction is ineffective as to that jurisdiction to the extent of the prohibition or unenforceability. That does not invalidate the remaining provisions of these Rules nor affect the validity or enforceability of that provision in any other jurisdiction.

13 Notices

Any notice, instruction, consent or other communication (a **Notice**) given or made under these Rules:

- (a) except in the case referred to in paragraph (b)(i)(B), must be in writing and signed by the sender or a person duly authorised by the sender (or in the case of email, set out the full name and position or title of the sender or person duly authorised by the sender);

- (b) must be delivered:
 - (i) if by the Company to an Eligible Employee or Participant:
 - (A) personally to the addressee, by prepaid post to their last known residential address or by email to any of their email addresses known to the Company; or
 - (B) posted on any intranet or website maintained, or to which access is given by, the Company and accessible by the Eligible Employee or Participant; and
 - (ii) if by an Eligible Employee or Participant to the Company, by prepaid post addressed to the company secretary of the Company at the Company's registered office (or any other address the Board specifies), or in any other manner that the Board specifies;
- (c) will be conclusively taken to be duly given or made:
 - (i) in the case of delivery in person, when delivered;
 - (ii) in the case of delivery by express post to an address in the same country, two Business Days after the date of posting;
 - (iii) in the case of delivery by any other method of post, six Business Days after the date of posting (if posted to an address in the same country) or 10 Business Days after the date of posting (if posted to an address in another country);
 - (iv) in the case of email, the earlier of:
 - (A) the time that the sender receives an automated message from the intended recipient's information system confirming delivery of the email;
 - (B) the time that the email is first opened or read by the intended recipient, or an employee or officer of the intended recipient;
 - (C) two hours after the time the email is sent (as recorded on the device from which the sender sent the email) unless the sender receives, within that two hour period, an automated message that the email has not been delivered; and
 - (v) in the case of posting on an intranet or website, upon posting,
but if the result is that a Notice would be taken to be given or made on a day that is not a business day in the place to which the Notice is sent or at a time that is later than 5pm in the place to which the Notice is sent, it will be conclusively taken to have been duly given or made at the start of business on the next business day in that place; and
- (d) in the case of any Plan Acceptance Form or Notice declining a Plan Offer, will not be taken to have been given to the Company until it is actually received by the Company (or on its behalf) in the manner nominated from time to time by the Board.

14 Data Protection

By participating in the Plan, a Participant consents to the holding, processing, use and disclosure of personal information relating to them by any Group Company, a trustee of any employee incentive plan trust operated in connection with the Plan or any third party service provider, for all purposes relating to the operation of the Plan. These purposes include, but are not limited to:

- (a) administering and maintaining records;

- (b) providing information to any Group Company, a relevant trustee, registrars, brokers, banks, professional advisors or mail houses; and
- (c) providing information to future purchasers and prospective purchasers of any Group Company or any business or assets of any Group Company,

in each case whether or not the personal information is transferred from one country to another country, including if the information about the Participant is transferred to a country or territory that may not provide the same statutory protection for the information as the Participant's home country.

15 Governing Law and Jurisdiction

These Rules are governed by the laws of Queensland. The Company and each Participant submit to the non-exclusive jurisdiction of the courts exercising jurisdiction there in connection with matters concerning these Rules.

PART B – SPECIFIC RULES FOR DEFERRED PLAN

16 Offer to Participate in the Stanmore Deferred Plan

16.1 Plan Offer

- (a) In its absolute discretion and subject to these Rules, the Board may from time to time issue, or cause to be issued, Plan Offers on behalf of the Company to Eligible Employees.
- (b) A Plan Offer issued to an Eligible Employee under Rule 16.1(a) may be subject to such restrictions and conditions as the Board determines, but such restrictions and conditions must be in accordance with any applicable requirements of the Listing Rules and the Corporations Act.
- (c) The Board may amend or withdraw a Plan Offer at any time prior to the Plan Acceptance Date referable to that Plan Offer. A Plan Offer that is withdrawn will become null and void and of no effect.

16.2 Provision of information with Plan Offer

- (a) A Plan Offer must include or be accompanied by the following information unless determined otherwise by the Board from time to time:
 - (i) the number of Deferred Shares to which the Plan Offer relates or the formula by which the number is to be calculated;
 - (ii) the latest date by which a duly completed Plan Acceptance Form must be received by the Company in respect of the Plan Offer (**Plan Acceptance Date**);
 - (iii) the date or dates by which it is expected that the Deferred Shares will be acquired by the Participant;
 - (iv) the method of determining the price at which the Deferred Shares will be acquired by the Participant;
 - (v) the manner in which the price for the Deferred Shares must be paid by the Participant, including the terms of the salary sacrifice arrangement that applies;
 - (vi) if applicable, that the Plan Offer is intended to be made in respect of a salary sacrifice arrangement for the purposes of section 83A-105(4)(b)(iii) of the *Income Tax Assessment Act 1997* (Cth) and that Subdivision 83A-C applies to the Plan Offer under the Stanmore Deferred Plan;
 - (vii) the date or dates on which, subject to these Rules, Dealing Restrictions will cease to apply to some or all of the Deferred Shares; and
 - (viii) any other information or documents that the Corporations Act, Listing Rules or other applicable laws require the Company to give to the Eligible Employee.
- (b) A Plan Offer must be issued with a Plan Acceptance Form and such explanatory or other material in respect of the Plan as the Board considers appropriate, or as required by law.
- (c) For the avoidance of doubt, if Rule 16.2(a)(vi) applies, a Plan Offer will be taken to be part of the governing rules of the Stanmore Deferred Plan for the purposes stated in that rule.

17 Acceptance of Offer to Participate in the Stanmore Deferred Plan

17.1 Plan Acceptance Form

- (a) An Eligible Employee may only accept a Plan Offer by returning a duly completed and signed Plan Acceptance Form on or before the relevant Plan Acceptance Date.
- (b) In relation to the salary sacrifice arrangement that operates with respect to a Participant's participation in the Plan:
 - (i) the Board may, at any time, determine to reduce the amount that the Participant has nominated to salary sacrifice, whether on a permanent or temporary basis; and
 - (ii) except to the extent otherwise provided in the relevant Plan Offer, or unless the Board determines otherwise, the Participant will not be entitled to suspend or vary the relevant salary sacrifice arrangement.

17.2 Implications of acceptance

If, at the time of returning a duly completed Plan Acceptance Form in accordance with Rule 17.1 and (if different) at the Plan Acceptance Date, the Eligible Employee continues to be a person of the kind referred to in any of subparagraphs (b)(i) to (iv) of the definition of 'Eligible Employee', the Eligible Employee (subject to Rule 16.1(c)):

- (a) accepts the Plan Offer and agrees to be bound by the terms of the Plan Offer, the Plan Acceptance Form and these Rules;
- (b) agrees to become a member of the Company and to be bound by the Constitution in the event that Deferred Shares are issued or transferred to the Eligible Employee in accordance with the Plan Offer and these Rules;
- (c) consents to the collection, holding, processing and exchange of their personal data by the Group for any purpose related to the proper administration of the Plan; and
- (d) becomes a Participant.

18 Issue or Transfer of Deferred Shares

18.1 Issue or transfer of Deferred Shares

Subject to Rules 6.3 and 18.2, on or as soon as practicable after the date, or each of the dates, referred to in Rule 16.2(a)(iii), the Company will, provided the Participant continues to be a person of the kind referred to in any of subparagraphs (b)(i) to (iv) of the definition of 'Eligible Employee' at such date, allocate to the Participant the number (or relevant proportion of that number, as applicable) of Deferred Shares applied for by the Participant in the Plan Acceptance Form (where relevant, calculated in accordance with the formula contained in the Plan Offer), by one or a combination of the following:

- (a) issuing Shares to the Participant; or
- (b) procuring the transfer of Shares acquired on-market to the Participant.

18.2 Allocation of Shares to directors or other specified persons

Unless the acquisition of Shares by the relevant Participant under the Plan has been approved by the holders of ordinary securities of the Company in accordance with Listing Rule 10.14 (or where the acquisition is otherwise permitted under the Listing Rules), only Shares that have been acquired on-market will be allocated to the following Participants:

- (a) a Director;

- (b) an associate of a Director; or
- (c) any person whose relationship with the Company, a Director or an associate of a Director is, in the opinion of the ASX, such that Listing Rule 10.14 applies in relation to that person.

18.3 Registration of Deferred Shares

Deferred Shares to be acquired by a Participant in accordance with Rule 18.1 are to be registered in the name of the Participant and are to be held subject to these Rules.

18.4 Ranking of Deferred Shares

Deferred Shares issued under the Plan will rank equally with all other existing Shares as at the time of issue in all respects, including with respect to voting rights and rights to receive dividends and bonus shares and to participate in rights issues.

18.5 Rights in respect of Deferred Shares

Subject to these Rules (in particular Rule 19), all rights in respect of Deferred Shares acquired by a Participant (including voting rights and rights to receive dividends and bonus shares and to participate in rights issues) vest in the Participant from the date the Deferred Shares are registered in the Participant's name.

18.6 Quotation on ASX

The Company must apply for quotation on ASX of Deferred Shares issued in accordance with the Plan as soon as practicable after the issue of those Deferred Shares, so long as Shares are quoted on ASX at that time.

19 Dealing Restrictions on Deferred Shares

19.1 No dealing

Subject to Rules 19.3 and 20, except in respect of the transmission of a Deferred Share to a Participant's legal representative upon death or legal incapacity, and unless the Board determines otherwise, a Participant must not dispose of or otherwise deal with (including by granting any Security Interest over) a Deferred Share until the date specified in the relevant Plan Offer in accordance with Rule 16.2(a)(vii) as being the date on which disposal restrictions cease to apply to that Deferred Share.

19.2 Holding lock, etc

The Company may administer its register of members and make such arrangements and do all things necessary or desirable for the purpose of preventing a contravention of Rule 19.1. In particular, but without limitation, the Company may instruct the share registry to apply a holding lock to a Participant's Deferred Shares until they become Unrestricted Shares. The Participant irrevocably consents to any such holding lock being applied.

19.3 Board discretion

The Board may, in any circumstances where it considers it to be in the best interests of the Company, declare that some or all Deferred Shares will become Unrestricted Shares on a date prior to the date on which the Dealing Restrictions applying to those Deferred Shares would otherwise cease to apply.

20 Change of Control

If a Change of Control Event occurs, or the Board determines that a Change of Control Event may occur, the Board may determine the extent to which, and the time at which, any Deferred Shares will become Unrestricted Shares.

PART C – SPECIFIC RULES FOR EXEMPT PLAN

21 Offer to Participate in the Stanmore Exempt Plan

21.1 Plan Offer

- (a) In its absolute discretion and subject to these Rules, the Board may from time to time issue, or cause to be issued, Plan Offers on behalf of the Company to Eligible Employees.
- (b) A Plan Offer issued to an Eligible Employee under Rule 21.1(a) may be subject to such restrictions and conditions as the Board determines, but:
 - (i) such restrictions and conditions must be in accordance with any applicable requirements of the Listing Rules and the Corporations Act; and
 - (ii) Exempt Shares must not have any conditions that could result in a Participant losing or forfeiting ownership of those Shares.
- (c) The Board may amend or withdraw a Plan Offer at any time prior to the Plan Acceptance Date referable to that Plan Offer. A Plan Offer that is withdrawn will become null and void and of no effect.

21.2 Provision of information with Plan Offer

- (a) A Plan Offer must include or be accompanied by the following information unless determined otherwise by the Board from time to time:
 - (i) the number of Exempt Shares to which the Plan Offer relates or the formula by which the number is to be calculated;
 - (ii) the latest date by which a duly completed Plan Acceptance Form must be received by the Company in respect of the Plan Offer or the latest date by which an Eligible Employee must lodge with the Company a notice that they do not wish to participate in the Plan in respect of the Plan Offer, as applicable in accordance with the terms of the Plan Offer (***Plan Acceptance Date***);
 - (iii) the date or dates by which it is expected that the Exempt Shares will be acquired by the Participant;
 - (iv) the method of determining the price (if any) at which the Exempt Shares will be acquired by the Participant;
 - (v) the manner in which the price (if any) for the Exempt Shares must be paid by the Participant, including the terms of any salary sacrifice arrangement that applies;
 - (vi) the date or dates on which, subject to these Rules, Dealing Restrictions will cease to apply to some or all of the Exempt Shares; and
 - (vii) any other information or documents that the Corporations Act, Listing Rules or other applicable laws require the Company to give to the Eligible Employee.
- (b) A Plan Offer may be issued with a Plan Acceptance Form and must be issued with such explanatory or other material in respect of the Plan as the Board considers appropriate, or as required by law.

22 Acceptance of Offer to Participate in the Stanmore Exempt Plan

22.1 Plan Acceptance Form or other acceptance

- (a) An Eligible Employee may only accept a Plan Offer by returning a duly completed and signed Plan Acceptance Form on or before the relevant Plan Acceptance Date or by otherwise accepting (or being deemed to accept) the Plan Offer in accordance with the instructions that accompany, or the terms set out in, the Plan Offer.
- (b) Where a salary sacrifice arrangement operates with respect to a Participant's participation in the Plan:
 - (i) the Board may, at any time, determine to reduce the amount that the Participant has nominated to salary sacrifice, whether on a permanent or temporary basis; and
 - (ii) except to the extent otherwise provided in the relevant Plan Offer, or unless the Board determines otherwise, the Participant will not be entitled to suspend or vary the relevant salary sacrifice arrangement.

22.2 Implications of acceptance

If, at the time of returning a duly completed Plan Acceptance Form in accordance with Rule 22.1 and (if different) at the Plan Acceptance Date, or at the time of otherwise accepting (or being deemed to accept) a Plan Offer in accordance with the instructions that accompany, or the terms set out in, the Plan Offer and (if different) at the Plan Acceptance Date, the Eligible Employee continues to be a person of the kind referred to in any of subparagraphs (b)(i) to (iv) of the definition of 'Eligible Employee', the Eligible Employee (subject to Rule 21.1(c)):

- (a) accepts the Plan Offer and agrees to be bound by the terms of the Plan Offer, any Plan Acceptance Form and these Rules;
- (b) agrees to become a member of the Company and to be bound by the Constitution in the event that Exempt Shares are issued or transferred to the Eligible Employee in accordance with the Plan Offer and these Rules;
- (c) consents to the collection, holding, processing and exchange of their personal data by the Group for any purpose related to the proper administration of the Plan; and
- (d) becomes a Participant.

23 Issue or Transfer of Exempt Shares

23.1 Issue or transfer of Exempt Shares

Subject to Rules 6.3 and 23.2, on or as soon as practicable after the date, or each of the dates, referred to in Rule 21.2(a)(iii), the Company will, provided the Participant continues to be a person of the kind referred to in any of subparagraphs (b)(i) to (iv) of the definition of 'Eligible Employee' at such date, allocate to the Participant the number (or relevant proportion of that number, as applicable) of Exempt Shares applied for by the Participant in the Plan Acceptance Form or otherwise in accordance with the terms of the Plan Offer (where relevant, calculated in accordance with the formula contained in the Plan Offer), by one or a combination of the following:

- (a) issuing Shares to the Participant; or
- (b) procuring the transfer of Shares acquired on-market to the Participant.

23.2 Allocation of Shares to directors or other specified persons

Unless the acquisition of Shares by the relevant Participant under the Plan has been approved by the holders of ordinary securities of the Company in accordance with Listing Rule 10.14 (or where the acquisition is otherwise permitted under the Listing Rules), only Shares that have been acquired on-market will be allocated to the following Participants:

- (a) a Director;
- (b) an associate of a Director; or
- (c) any person whose relationship with the Company, a Director or an associate of a Director is, in the opinion of the ASX, such that Listing Rule 10.14 applies in relation to that person.

23.3 Registration of Exempt Shares

Exempt Shares to be acquired by a Participant in accordance with Rule 23.1 are to be registered in the name of the Participant and are to be held subject to these Rules.

23.4 Ranking of Exempt Shares

Exempt Shares issued under the Plan will rank equally with all other existing Shares as at the time of issue in all respects, including with respect to voting rights and rights to receive dividends and bonus shares and to participate in rights issues.

23.5 Rights in respect of Exempt Shares

Subject to these Rules (in particular Rule 24), all rights in respect of Exempt Shares acquired by a Participant (including voting rights and rights to receive dividends and bonus shares and to participate in rights issues) vest in the Participant from the date the Exempt Shares are registered in the Participant's name.

23.6 Quotation on ASX

The Company must apply for quotation on ASX of Exempt Shares issued in accordance with the Plan as soon as practicable after the issue of those Exempt Shares, so long as Shares are quoted on ASX at that time.

24 Dealing Restrictions on Exempt Shares

24.1 No dealing

Subject to Rules 24.3, except in respect of the transmission of an Exempt Share to a Participant's legal representative upon death or legal incapacity, a Participant must not dispose of or otherwise deal with (including by granting any Security Interest over) an Exempt Share until the earlier of:

- (a) the end of the three year period commencing on the date the Exempt Share is acquired by the Participant; and
- (b) the date on which the Participant ceases to be employed by any Group Company.

24.2 Holding lock, etc

The Company may administer its register of members and make such arrangements and do all things necessary or desirable for the purpose of preventing a contravention of Rule 24.1. In particular, but without limitation, the Company may instruct the share registry to apply a holding lock to a Participant's Exempt Shares until they become Unrestricted Shares. The Participant irrevocably consents to any such holding lock being applied.

24.3 Board discretion

The Board may declare that some or all Exempt Shares will become Unrestricted Shares on a date prior to the date on which the Dealing Restrictions applying to those Exempt Shares would otherwise cease to apply, where the Commissioner of Taxation has provided confirmation to the satisfaction of the Board that this would not result in Participants losing the benefit of any income tax exemption under Australian income tax laws with respect to their Exempt Shares.

Annexure B – Plan Acceptance Form

Stanmore Coal Limited Employee Share Plan – Plan Acceptance Form

Employee Name: _____

Stanmore Coal Limited (**Stanmore Coal** or the **Company**) has adopted an employee share plan, namely the Stanmore Coal Exempt Share Plan (the **Plan**), providing Eligible Employees with an opportunity to acquire ordinary shares in the Company (**Shares**).

Eligible Employees have received an email offering them the opportunity to participate in the Plan. If you elect to participate in the Plan, you will be issued with an amount of Shares equal in value to A\$1,000. To accept your offer to participate in the Plan, please:

- 1 read the Terms and Conditions; and
- 2 return a signed copy of this Plan Acceptance Form by return email to the Company.

The Shares issued to you under the Plan will be issued for no cost or consideration. The total amount of the value of Shares that you may be issued with under the Plan is A\$1,000 per financial year. This is the maximum amount of the value of Shares that you may be issued under the Plan per financial year.

Terms and Conditions

*Capitalised terms used in this Plan Acceptance Form have the same meaning as in the offer to participate in the Stanmore Coal Limited Employee Share Plan dated 4 February 2020 (**Plan Offer**) unless otherwise stated.*

To: Stanmore Coal Limited and my employer

- I hereby accept the offer to participate in the Plan made pursuant to the Plan Offer and to acquire the number of Shares determined in accordance with the terms of the Plan Offer.
- I accept the terms and conditions that will apply to any Shares that I acquire, as set out in the Rules (a copy of which was made available to me with the Plan Offer) and the Plan Offer, and agree to be bound by the terms of the Rules, the Plan Offer and this Plan Acceptance Form.
- I agree to become a member of Stanmore Coal Limited and to be bound by the Constitution in the event that I acquire Shares in accordance with the Plan Offer and the Rules.
- I understand the risks in holding shares in Stanmore Coal Limited and accept that I am personally responsible for obtaining advice concerning any legal, taxation or financial matters relating to my participation in the Plan and that Stanmore Coal Limited has no responsibility to me in this regard. I accept that I will be responsible for all my personal tax reporting and tax payment obligations in respect of any Shares that are acquired by me as a result of my participation in the Plan.
- I understand that I will not be eligible to accept the offer to participate in the Plan made pursuant to the Plan Offer, and the offer will lapse, if I do not properly submit this Plan Acceptance Form by the date specified in the Plan Offer (or such later date determined by the Board).

- I acknowledge that, in accordance with the Rules, I irrevocably appoint Stanmore Coal Limited and any person nominated from time to time by the Board as my attorney to give effect to the terms and conditions of the Plan.
- I consent to the collection, holding, processing and exchange of my personal data by the Group for any purpose related to the proper administration of the Plan.
- I agree and consent to my employer providing my tax file number to the share plan administrator in connection with my participation in the Plan.

I accept the Terms and Conditions

Signed by

Date

Signature

Print Name

Annexure C – Stanmore Employee Share Trust Deed

Stanmore Coal Limited
Stanmore Coal Custodian Pty Ltd

Stanmore Coal Employee Share Trust

Trust Deed

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Brisbane QLD 4000 Australia
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This Deed is made on

Parties

- 1 **Stanmore Coal Limited** (ACN 131 920 668) of Level 8, 100 Edward Street, Brisbane QLD 4000 (the **Company**).
- 2 **Stanmore Coal Custodian Pty Ltd** (ACN 142 180 747) of Level 8, 100 Edward Street, Brisbane QLD 4000 (the **Trustee Company**).

Recitals

- A The Company has established various Employee Share Plans and may establish other Employee Share Plans in the future.
- B The Company wishes to establish the Stanmore Coal Employee Share Trust for the purpose of operating in connection with Employee Share Plans, including acquiring, holding and transferring Shares or rights to acquire Shares for the benefit of Employees in connection with Employee Share Plans.
- C The Trustee has agreed to act as trustee of the Trust and to receive funds from the Company and apply the funds as set out in this Deed.
- D The Trustee is to deal with any Shares or rights to acquire Shares, and any Trust Assets, held in the Trust as set out in this Deed.

It is agreed as follows.

1 Definitions and interpretation

1.1 Definitions

The following definitions apply unless the context requires otherwise.

Accretion means any accretion, entitlement, benefit or right of whatever kind whether cash or otherwise which is issued, declared, paid, made, arises or accrues directly or indirectly to, or in respect of, a Share, including any such entitlement relating to a subdivision, consolidation or other reconstruction, any distribution from any reserve of the Company and any reduction of capital.

Applicable Law means any one or more or all, as the context requires, of:

- (a) the Corporations Act;
- (b) the Listing Rules;
- (c) the constitution of the Company;
- (d) the ITAA 1936;
- (e) the ITAA 1997;
- (f) any practice note, policy statement, class order, declaration, guideline, policy, procedure, ruling, judicial interpretation or other guidance note made to clarify, expand or amend paragraphs (a), (b), (c), (d) or (e) above; and
- (g) any other legal requirement that applies to the Employee Share Plans.

ASTC means ASX Settlement and Transfer Corporation Pty Limited (ABN 49 008 504 532).

ASTC Settlement Rules means the operating rules of ASTC.

ASX means ASX Limited (ABN 98 008 624 691).

Board means the board of directors of the Company or a committee appointed by the board of directors of the Company (or such other person or persons as the board of directors of the Company may have delegated powers to in relation to the administration of Employee Share Plans).

Bonus Issue means a bonus issue of shares or other securities convertible into shares pro rata to the holders of Shares (other than an issue in lieu of dividends or by way of dividend reinvestment pursuant to any election by a holder of Shares).

Corporations Act means the *Corporations Act 2001* (Cth).

Discretionary Beneficiary means:

- (a) Employees; and
- (b) an employee share or option trust established and maintained by a Group Company for the benefit of all or any Employees in which none of the Company, any body corporate which is a member of the Group or any other entity which the Company controls (within the meaning of section 50AA of the Corporations Act) has a beneficial interest and the trusts of which trust shall vest absolutely prior to the date specified in clause 14.1(b).

Employee means:

- (a) an officer or employee or former employee of a Group Company; or
- (b) the legal personal representative of a person referred to in paragraph (a) duly appointed on the death or legal incapacity of that person.

Employee Share Plan means an employee or director share, option or right plan as may be established by Group Companies from time to time (whether before or after the date of this Deed) in relation to Employees, which the Board has determined in its discretion and has notified the Trustee in writing, is an employee share plan for the purpose of the Trust, including but not limited to:

- (a) the Stanmore Coal Limited Rights Plan introduced by the Company in 2016; and
- (b) the Stanmore Coal Employee Share Plan introduced by the Company in 2019.

Financial Year means a period of twelve months ending on 30 June or such other date determined by the Trustee from time to time.

Forfeited Share means any Trust Share forfeited under the relevant Plan Rules or the relevant Terms of Participation.

Group means the Company and its Subsidiaries from time to time.

Group Company means a company which is a member of the Group.

Holding Lock has the meaning given to 'holding lock' in Section 2 of the ASTC Settlement Rules, and includes 'trading locks' under any of the Employee Share Plans.

ITAA 1936 means the *Income Tax Assessment Act 1936* (Cth).

ITAA 1997 means the *Income Tax Assessment Act 1997* (Cth).

Listing Rules means the official listing rules of the ASX.

Net Income means in respect of a Year of Income of the Trust, an amount which the Trustee determines to be the 'net income' (as defined in section 95 of the ITAA 1936) of the Trust for the Year of Income.

Participant means an Employee or director of a Group Company who participates under the terms of one or more of the Employee Share Plans and who receives Shares to be held by the Trustee under the terms of this Deed.

Plan Rules means the rules of the relevant Employee Share Plan as amended from time to time.

Restrictive Period means any period under the terms of the relevant Employee Share Plan or relevant Terms of Participation during which there are restrictions on dealing with or transferring the relevant Trust Shares.

Rights Issue means an issue by the Company to its shareholders of rights (not being by way of a Bonus Issue) to acquire Shares or other securities.

Share means a fully paid ordinary share in the capital of the Company.

Subsidiary means a body corporate which is a subsidiary of the Company within the meaning of section 9 of the Corporations Act.

Terms of Participation means, in respect of any Participant, the specific terms upon which Trust Shares are held by the Trustee on behalf of the Participant under the terms of issue of those Shares in accordance with the relevant Plan Rules.

Trust means the trust to be known as the Stanmore Coal Employee Share Trust established under this Deed.

Trust Assets means the property, rights and income of the Trust.

Trust Share means a Share which is held by the Trustee in accordance with the terms of this Deed and includes any bonus shares in respect of the Trust Share under any Bonus Issue and any shares or securities subscribed for as part of a Rights Issue.

Trust Share Account means, in respect of a Participant, the separate account or record of that Participant referred to in clause 10.

Trustee means Trustee Company or such other trustee from time to time of the Trust.

Unallocated Trust Shares means Trust Shares held by the Trustee pursuant to this Deed which are not allocated to a Participant.

Year of Income means a period of 12 months ending on the last day of a Financial Year and includes the period commencing on the establishment of the Trust under clause 2.2 and ending on the last day of the Financial Year in which the establishment occurs and the period commencing on the first day of the Financial Year in which the Trust terminates and ending on the date of termination of the Trust.

1.2 Interpretation

Headings are for convenience only and do not affect interpretation. The following rules apply unless the context requires otherwise.

- (a) The singular includes the plural and conversely.
- (b) A gender includes all genders.
- (c) A reference to a person, corporation, trust, partnership, unincorporated body or other entity includes any of them.
- (d) A reference to the Constitution of the Company, the Trust, an Employee Share Plan or an agreement or document (including, without limitation, a reference to this Deed) is to the Constitution, Trust, Employee Share Plan, agreement or document as amended, varied, supplemented, novated or replaced, except to the extent prohibited by this Deed or that other agreement or document.

- (e) A reference to a party to this Deed or another agreement or document includes the party's successors, permitted substitutes and permitted assigns (and, where applicable, the party's legal personal representatives).
- (f) A reference to legislation or to the Listing Rules includes a modification or re-enactment of them and, in the case of legislation, a regulation or statutory instrument issued under it.
- (g) Mentioning anything after *includes, including, for example*, or similar expressions, does not limit what else might be included.

2 Appointment and commencement

2.1 Appointment of Trustee

The Company appoints the Trustee as the trustee of the Trust and the Trustee agrees to be the trustee of the Trust with effect from the establishment of the Trust.

2.2 Commencement

The Trust is established upon the transfer by the Company to the Trustee of \$100 which is to be held by the Trustee and form part of the Trust Assets.

2.3 Trust Name

The Trust created by this Deed will be known by the name of 'Stanmore Coal Employee Share Trust'.

2.4 Object of the Trust

The purpose of the Trust is to operate in conjunction with Employee Share Plans with the object of acquiring Shares or rights to Shares for the benefit of Participants or otherwise facilitating the operation and implementation of Employee Share Plans.

3 Declaration of Trust

3.1 Declaration of Trust

- (a) The Trustee declares and agrees that in respect of each Participant the following will at all times be held by the Trustee on trust for and on behalf of that Participant on the terms of this Deed and subject to the relevant Plan Rules and relevant Terms of Participation:
 - (i) the Trust Shares held by the Trustee on behalf of that Participant;
 - (ii) prior to their distribution in accordance with clause 9.3, the proceeds of sales arising from the sale by the Trustee of rights under a Rights Issue on behalf of that Participant; and
 - (iii) Trust Assets related to or arising from Trust Shares held by the Trustee on behalf of that Participant.
- (b) The Trustee declares and agrees that it will deal with Trust Shares held by the Trustee on behalf of a Participant and any Trust Assets in respect of those Trust Shares in accordance with the directions of the relevant Participant, in accordance with the terms of the relevant Employee Share Plans and relevant Terms of Participation, except where it would be required to incur a cost, expense or liability in so doing for which it is not fully indemnified.
- (c) Each party acknowledges that, in respect of the Trust Shares held by the Trustee on behalf of a Participant, it is the intention of this Deed to give that Participant substantially

the same rights in respect of those Trust Shares (other than bare legal title) as if the Trust Shares were registered directly in the name of the relevant Participant.

3.2 Trust Assets

The Trust Assets, other than those referred to in clause 3.1(a), are to be held by the Trustee on trust for the benefit of any one or more Discretionary Beneficiaries from time to time in accordance with the terms of this Deed until termination of the Trust under this Deed or by operation of law.

3.3 Trustee to acquire, deliver and allocate Shares

The Trustee will, in accordance with instructions received pursuant to the Plan Rules, acquire, deliver and allocate Shares for the benefit of a Participant provided that either the Trustee:

- (a) receives sufficient payment to subscribe for or purchase Shares; or
- (b) has sufficient Unallocated Trust Shares available,
- (c) or the Trustee has a combination of (a) and (b).

3.4 Rights of the Company

Nothing in this Deed confers or is intended to confer on the Company any charge, lien or any other proprietary right or proprietary interest in the Shares acquired by the Trustee in accordance with this Deed.

3.5 No beneficial interest

At no time will any member of the Group or the Trustee have or be entitled to obtain any beneficial interest in the Trust Assets, other than in respect of the Trustee's right of indemnity set out in clause 17(a).

3.6 Trustee to comply with Board Directions

Subject to this Deed, the Plan Rules and the Applicable Law, the Trustee must comply with any direction given to it by the Board as to the operation of the Trust and the application of the Trust to the Employee Share Plans.

3.7 Participants

The Board may determine from time to time, and will instruct the Trustee accordingly, as to whether particular Employees or classes of Employees will be or will continue to be Participants in relation to an Employee Share Plan for the purposes of this Deed.

4 The Trustee

4.1 Powers of Trustee

Subject to this Deed, the Trustee in its reasonable discretion has the full power to do all things a trustee is permitted to do by law in respect of the Trust, the Trust Shares and the Trust Assets including, without limitation, the following (at all times confined to the purpose and object of the Trust):

- (a) to enter into and execute all contracts or other documents and do all things it in its discretion considers necessary to give effect to and carry out the rights, powers and discretions conferred on the Trustee under this Deed;
- (b) to subscribe for, purchase or otherwise acquire Trust Assets, Shares, rights or privileges which the Trustee is authorised by this Deed to acquire on such terms and conditions as it thinks fit, and do all things incidental to this activity;

- (c) to sell or otherwise dispose of Trust Assets, Shares, rights or privileges which the Trustee is authorised by this Deed to dispose of on such terms and conditions as directed by the relevant Participant, and do all things incidental to this activity;
- (d) to receive dividends or distributions on the Trust Shares and to apply those amounts in accordance with this Deed;
- (e) to sell or transfer the Trust Shares to the Participants or their nominees and apply the proceeds of sale in accordance with this Deed and the relevant Plan Rules and relevant Terms of Participation;
- (f) to sell any rights relating to the Shares and apply the proceeds of sale in accordance with this Deed;
- (g) to delegate to any person or company the exercise of all or any of the rights, powers or discretions conferred on the Trustee under this Deed and to execute any power of attorney or other instrument necessary to effect the delegation;
- (h) to employ or engage, and at its discretion, remove or suspend custodians, trustees, managers, employees or other agents, determine the powers and duties to be delegated to them and pay the remuneration to them it thinks fit;
- (i) to rely on any document provided by a Participant, the form of which has been approved by the Company, whether signed by the Participant or otherwise;
- (j) to take advice from any adviser (in relation to this Deed or on the operation of the Trust or otherwise) and act on that advice in any manner it thinks fit;
- (k) to open and operate any bank and other accounts for the Trust as the Trustee thinks fit;
- (l) to commence, defend, settle or otherwise compromise any legal proceedings relating to the Trust or any Trust Assets;
- (m) to refer any claim or demand by or against the Trustee in respect of the Trust to arbitration and to observe and perform an award made under arbitration;
- (n) to receive and apply funds from persons (whether a Group Company, Participant, Employee or otherwise) in connection with the operation of Employee Share Plans;
- (o) to transfer Shares to, or otherwise acquire Shares for, any Participant or Employee either for no consideration or for any other amount (which need not be market value), in each case in connection with the operation of Employee Share Plans;
- (p) to raise and borrow money in any manner either without security or secured by a mortgage or charge over all or any part of the Trust Assets other than Trust Shares which are held by the Trustee on behalf of a particular Participant;
- (q) to agree or adopt rules setting out the way in which it will exercise its powers;
- (r) to co-operate with others in providing benefits for Participants;
- (s) to elect to participate in any dividend or bonus plan or dividend re-investment plan in relation to Shares and to subscribe for Shares in lieu of receiving dividends on Shares pursuant to such plans; and
- (t) to do all things which the Trustee in its discretion considers necessary to administer and maintain the Trust and the Trust Assets or for the purpose of giving effect to, and carrying out, the trusts, powers and discretions conferred on the Trustee by this Deed or the law in accordance with this Deed or the Plan Rules.

4.2 Sole activities test

Without limiting the generality of clause 4.1, the Company and the Trustee agree that the Trust will be managed and administered so that it will be an 'employee share trust' as defined in sub-section 130-85(4) of the ITAA 1997.

4.3 Limitation on Trustee

Despite any other provision of this Deed:

- (a) the Trustee is not permitted to offer, transfer or acquire any Share or any right to any Share if to do so would contravene then Applicable Law and the Trustee is not obliged to offer, transfer or acquire any Share or any right to any Share where compliance with any Applicable Law would in the opinion of the Trustee or the Board be unduly onerous or impractical;
- (b) the Trustee is not permitted to carry out activities that are not matters or things which are necessary or expedient to administer and maintain the Trust and the Trust Assets or for the purpose of giving effect to, and carrying out, the trusts, powers and discretions conferred on the Trustee by this Deed or the law;
- (c) the Trustee is not permitted to carry out activities which result in the Participants being provided with additional benefits other than the benefits that arise from the relevant Plan Rules or relevant Terms of Participation; and
- (d) no trust power or provision hereby or by law conferred upon the Trustee will be exercised in such a way as to infringe any rule against perpetuities which may become applicable hereto.

4.4 Remuneration of Trustee

- (a) The Trustee is not entitled to receive from the Trust or levy on the beneficiaries of the Trust any fees, commission or remuneration in respect of its performance of the Trustee's obligations (including for operating and administering the Trust) as trustee of the Trust.
- (b) The Company will pay to the Trustee from the Company's own resources or will procure the payment of any reasonable fees, commission or remuneration, and reimburse any reasonable expenses incurred by the Trustee, as the Company and the Trustee may agree from time to time. The Trustee is entitled to retain for its own benefit any such remuneration or reimbursement.

4.5 Removal of Trustee

The Trustee ceases to be the trustee of the Trust:

- (a) three months after the Trustee gives a notice of resignation as Trustee to the Company (or, if later, on the effective date of that notice);
- (b) upon the Company serving the Trustee with a notice of removal as Trustee (or on the effective date of that notice); or
- (c) immediately when a receiver or manager or receiver and manager or administrator is appointed to the Trustee or the Trustee goes into liquidation or an order or resolution is made for its winding up.

4.6 New Trustee

When a party ceases to be the trustee of the Trust:

- (a) the Company will appoint a new trustee which will become the trustee of the Trust upon the execution by it of a deed by which it agrees to be bound by this Deed as trustee; and
- (b) the trustee which is ceasing to be Trustee must execute all share transfers and sign all other documents necessary to transfer the Trust Assets into the name of the new trustee.

4.7 Trustee Discretion

- (a) The Trustee may determine matters falling for determination under this Deed in its absolute discretion having regard to the interests of the beneficiaries of the Trust.
- (b) A person who is a director of the Trustee may, except where prohibited by the Corporations Act, act in that capacity notwithstanding a conflict of interest or duty.
- (c) The Trustee may exercise the discretions conferred on it by this Deed or which may otherwise be required in relation to the Trust.

5 Acquisition and Allocation of Shares

5.1 Acquisition of Shares by Trustee

- (a) The Board may request the Trustee by notice in writing to acquire Shares for the purpose of satisfying, or being able to satisfy, an award, entitlement or right under an Employee Share Plan.
- (b) Without limiting the generality of clause 5.1(a), where the terms of the relevant Plan Rules and relevant Terms of Participation for a Participant include that Shares may be held by a trustee for a Participant, the Board may by notice in writing instruct the Trustee to subscribe for, purchase or allocate a number of Shares specified in the notice, to be held by the Trustee as Trust Shares in respect of that Participant.
- (c) The Board may in a notice referred to in clause 5.1(a) or clause 5.1(b):
 - (i) offer to the Trustee to have the Company or its related body corporate or the relevant Participant provide funds for the purpose of acquiring Trust Shares;
 - (ii) request the Trustee to apply some of the capital of the Trust in accordance with clause 5.2 for the purposes of acquiring Trust Shares; or
 - (iii) effect a combination of the acts in sub-paragraphs (i) and (ii) above.

5.2 Source of Trust Shares

Without limiting the general powers of the Trustee under clause 4.1, and subject to the Trustee receiving sufficient payment or having sufficient capital in respect of which the Trustee has received a notice under clause 5.1, by no later than seven days (or such other period as the Board determines) after the receipt of that notice, the Trustee agrees at the election of the Board, to:

- (a) purchase the requisite number (or a proportion of that number determined by the Board) of Shares on market or off market on behalf of the relevant Participant;
- (b) subscribe for, and the Company must issue to the Trustee, the requisite number (or a proportion of that number determined by the Board) of Shares on behalf of the relevant Participant;
- (c) allocate Shares that are Trust Assets (not being Trust Shares held on behalf of any other particular Participant) to be held on behalf of the relevant Participant; or
- (d) effect a combination of the acts in sub-paragraphs (a), (b), and (c).

5.3 Subscriptions

The subscription price for each of the Shares referred to in clause 5.2(b) must be the market value of the Shares as determined by the Board on the date on which the Shares are issued to the Trustee.

5.4 Funding

- (a) The Company must provide the Trustee, or cause the provision to the Trustee of, any funds required by the Trustee in order to comply with its obligations under clause 5.2 (after application by the Trustee of any capital as provided by clause 5.1(c)(ii)).
- (b) All funds received by the Trustee from the Company will constitute Accretions to the corpus of the Trust and, subject to paragraph (c), will not be repaid to the Company and no Participant will be entitled to receive such funds.
- (c) Funds received by the Trustee from the Company may be paid to the Company where the Trustee subscribes for Shares in accordance with this Deed, the relevant Plan Rules or relevant Terms of Participation.
- (d) Where an amount paid by the Company to the Trustee in respect of the acquisition of Shares for the benefit of a Participant is in excess of the amount required by the Trustee to acquire, deliver or allocate those Shares, the Board may require the Trustee to:
 - (i) apply such amount to acquire, deliver or allocate Shares in accordance with this Deed, the relevant Plan Rules or the relevant Terms of Participation; or
 - (ii) deposit the funds into any account opened and operated by the Trustee in accordance with clause 4.1(k).

5.5 Dealings with Shares by Trustee

Any Shares acquired by the Trustee or otherwise the subject of an arrangement contemplated by this clause 5 to satisfy, or enable the satisfaction of, an award, entitlement or right of a particular Participant under an Employee Share Plan will, in accordance with and subject to the rules of the relevant Employee Share Plan, be transferred, allocated or otherwise delivered to the relevant Participant (unless the relevant award, entitlement or right has not vested such that the Participant would not be entitled to receive the Shares), and/or if directed by the Company on the instruction of the relevant Participant, the Trustee will be authorised to sell or effect the sale of some or all of those Shares at the current market price at the time of sale and remit the net proceeds of sale to the Participant, in accordance with clause 7.1, to be dealt with in accordance with arrangements established between the Company and the relevant Participant (whether under the terms of an Employee Share Plan or otherwise).

5.6 Allocation of Shares by Trustee

Any Shares acquired by the Trustee will, upon allocation to a Participant in accordance with the terms of an Employee Share Plan, be held in trust by the Trustee and stand to the account of the Participant, who will be the beneficial owner of the Shares, on the terms of this Deed and subject to the terms of the relevant Employee Share Plan and Terms of Participation.

5.7 Sale of Trust Assets

If, at any time, the Trustee holds Unallocated Trust Shares or rights issued under any Rights Issue then the Trustee, on instruction from the Board, may:

- (a) sell the Unallocated Trust Shares or rights by private sale to any third party; or

- (b) if the Company offers to buy back the Unallocated Trust Shares in accordance with the Corporations Act, accept the offer,
at the price and on the terms that the Trustee in its discretion determines.

6 Restrictions on dealing with Trust Shares

6.1 Restrictive Period

Subject to clause 6.2, during any Restrictive Period in respect of a Trust Share, the Trustee and the Participant must not assign, transfer, sell, grant an encumbrance over or otherwise deal with the Trust Share. The Company and the Trustee may enter into such arrangements as they consider necessary to enforce the restrictions in this clause 6.1 including applying or having applied a Holding Lock on the Trust Shares, and the Trustee and the Participants are deemed to agree to abide by such arrangements.

6.2 Transfer of Title during Restrictive Period

Without limiting clause 7.2, at any time during an applicable Restrictive Period in respect of a Trust Share, and subject to any administrative guidelines established by the Board, the Company may direct the Trustee to transfer the legal title in the Trust Share to the Participant on whose behalf the Trustee holds the Trust Share. All Trust Shares transferred to a Participant pursuant to this clause 6.2 will be held subject to any applicable Holding Lock or other relevant restriction until the applicable Restrictive Period expires.

6.3 Transfer of Title after the Restrictive Period

Subject to clause 6.1, as soon as reasonably practicable after a Restrictive Period in respect of a Trust Share and subject to any administrative guidelines established by the Board, the Trustee must transfer the legal title in those Trust Shares or sell those Trust Shares in accordance with the terms of clause 7.

7 Transfer of Trust Shares

7.1 Sale of Trust Shares by Trustee

Subject to clause 6, if the relevant Plan Rules and relevant Terms of Participation permit, the Trustee may at the direction of the Participant sell any of the Trust Shares to which the Participant is entitled. On sale of any such Trust Shares, subject to any Plan Rules and relevant Terms of Participation, the Trustee will apply the proceeds of sale:

- (a) first, in payment of any brokerage and other costs and expenses of the sale incurred by the Trustee (including an amount sufficient to meet the tax liability (if any) resulting from that sale); and
- (b) second, the balance (if any) in payment to the relevant Participant.

7.2 Trustee to transfer

Subject to clause 6, the Trustee must do all things required of it to transfer legal title in Trust Shares to a Participant on whose behalf Trust Shares are held or any third party:

- (a) where required to do so, or permitted, by the relevant Plan Rules and relevant Terms of Participation as soon as reasonably practicable;
- (b) if the Trust is terminated under clause 14; or
- (c) otherwise, where the Board in its discretion determines.

7.3 Transfer of Unallocated Trust Shares

- (a) The Board may request the Trustee by notice in writing to transfer any number of Unallocated Trust Shares held by the Trustee from time to time to an Employee for the purposes of satisfying an award, entitlement or right under an Employee Share Plan, and the Trustee shall satisfy that request.
- (b) If the Trustee is required under the terms of an Employee Share Plan to transfer legal title in Shares to an Employee or the Trustee determines to satisfy a request under clause 7.3(a), the relevant Employee will, subject to the terms of the Employee Share Plan, have capacity (until the Shares are transferred) to instead authorise the Trustee to sell some or all of those Shares at the current market price at the time of sale.

8 Taxation Liability

The Trustee may pay any fees, costs and expenses incurred in the establishment, maintenance or administration of the trusts declared in this Deed. If the Trustee incurs any liability for taxation in relation to any Trust Shares held by the Trustee, the Company must provide to the Trustee, or cause the provision to the Trustee of, all necessary funds required by the Trustee for the Trustee to be able to pay such liability.

9 Rights Attached to Shares

9.1 Voting rights

- (a) The Trustee will not vote any Shares held as part of the Trust Assets unless those Shares have been allocated by the Trustee to a particular Participant in accordance with this Deed.
- (b) If Shares have been allocated by the Trustee to a Participant in accordance with this Deed, that Participant may direct the Trustee by notice in writing as to how to exercise the voting rights attaching to the Shares held in trust by the Trustee and allocated to that Participant either generally or in respect of a particular resolution. In the absence of such a direction those voting rights must not be exercised by the Trustee.
- (c) The Trustee will not be liable to a Participant if the Trustee has not received voting instructions from the Participant in time to exercise the voting rights, nor as a result of following such voting instructions.

9.2 Dividends

- (a) Subject to the relevant Plan Rules and relevant Terms of Participation, a Participant will have an absolutely vested and indefeasible entitlement to receive from the Trustee all dividends actually paid by the Company on all Trust Shares held by the Trustee in respect of the Participant and the Trustee agrees to pay any such dividends to the Participant.
- (b) In its discretion, the Trustee may make any arrangements it considers appropriate to enable participation of any Trust Shares in any dividend reinvestment plan of the Company.

9.3 Rights Issues

Subject to the relevant Plan Rules and relevant Terms of Participation:

- (a) the Trustee will send a notice to a Participant of any Rights Issue in respect of Trust Shares held by the Trustee in respect of that Participant;

- (b) that Participant may, with the approval of the Board, provide the Trustee with a notice in the form (if any) prescribed by the Company requesting the Trustee to do either or both of the following:
 - (i) where the rights under the Rights Issue are renounceable, to sell that number of rights which generates sufficient proceeds to subscribe for the balance of the rights to which that Participant is entitled to; and
 - (ii) to participate in the Rights Issue by subscribing for some or all of the Shares to which that Participant is entitled, provided only that the Participant provides the Trustee with the amount necessary to be paid to participate in the Rights Issue;
- (c) if the Trustee does not receive a notice under clause 9.3(b) in respect of Trust Shares together with appropriate payment within 14 days of despatch of the notice under clause 9.3(a) whether because that Participant did not provide the notice or for any other reason, the Trustee may, with the approval of the Board, sell the rights under the Rights Issue (if the rights are renounceable);
- (d) if the Trustee sells the rights under the Rights Issue in accordance with clause 9.3(c), the Trustee must promptly distribute the proceeds of sale (after deduction of the costs of sale incurred by the Trustee) to that Participant; and
- (e) if the Trustee subscribes, on behalf of that Participant, for a specified number of Shares under clause 9.3(b), the Trustee must hold those Shares as Trust Shares for that Participant.

9.4 Bonus Issue

Subject to the relevant Plan Rules and relevant Terms of Participation, if the Company makes a Bonus Issue in respect of Shares held by the Trustee on behalf of a Participant, the Trustee must hold the bonus shares issued as Trust Shares for that Participant and are deemed for the purposes of this Deed to have been credited to the Participant at the same time as the Trust Shares. The Trustee will not sell the bonus shares or transfer them to the Participant unless the Trustee sells or transfers the Trust Shares which gave rise to the bonus shares in accordance with this Deed.

9.5 Other Accretions

If an Accretion arises in respect of a Share other than by way of dividends, bonus shares or Rights Issue, the Trustee may decide to transfer, or provide the benefit of, all or part of the Accretion to the Participant as the Trustee determines.

10 Records and accounts

10.1 Separate accounts

The Trustee must establish and maintain a separate Trust Share Account or record in respect of each Participant containing details of:

- (a) Shares issued, acquired or allocated under the relevant Plan Rules and relevant Terms of Participation for the benefit of the Participant;
- (b) Shares transferred from the account to the Participant pursuant to this Deed;
- (c) any advances made from, or any other credit or debit made to, the account of the Participant for the purposes of, or in accordance with, the relevant Plan Rules and relevant Terms of Participation;

- (d) any dividends, bonus shares, interest or other earnings or other amounts credited to the account of the Participant;
- (e) any proceeds from the sale or disposal of Shares or entitlements, or reduction of its share capital, in accordance with the relevant Plan Rules and relevant Terms of Participation or this Deed; and
- (f) any other credit or debit made to the account for the purposes of this Deed.

10.2 Notification to Participants

The Trustee will notify each Participant when Trust Shares are acquired, delivered, allocated or held on his or her behalf and any other information which the Board considers appropriate and is notified to the Trustee.

10.3 Records of Trust

The Trustee must establish and maintain proper books and records of the Trust which must record:

- (a) all moneys received and expended by or on behalf of the Trustee;
- (b) the matters in respect of which such receipts and expenditures take place;
- (c) all sales and purchases of Trust Shares; and
- (d) the assets and liabilities of the Trust.

10.4 Auditor

The Trustee will appoint an auditor of the Trust and will cause the accounts referred to in clauses 10.1 and 10.3 to be audited annually by the auditor for the Financial Year.

10.5 Inspection

- (a) A Participant may inspect his or her relevant Trust Share Account and all accounts and records relating to that Trust Share Account during normal business hours on giving reasonable notice in writing to the Trustee.
- (b) The Trustee must cause the accounts referred to in clause 10.1 to be made available for inspection by Participants and any member of the Group during normal business hours free of charge on giving reasonable notice to the Trustee.

11 Forfeited Shares

11.1 Notice

In its discretion, the Board may from time to time by notice in writing direct the Trustee to hold or reallocate any Forfeited Shares (or the proceeds of sale of such Forfeited Shares):

- (a) for the benefit of one or more Participants; or
- (b) for the benefit of any other Employee Share Plan.

11.2 Cancellation of Forfeited Shares

The Company may cancel Forfeited Shares in accordance with the Corporations Act.

11.3 Rights to Forfeited Shares

The Trustee may, in consultation with the Company, apply any dividends, bonus shares or other benefits received by the Trustee in respect of any Forfeited Shares or any proceeds of sale of any Forfeited Shares:

- (a) in meeting any expenses incurred in administration of the Trust; or
- (b) for any other purpose relevant to the Trust.

12 Trustee's obligations and powers in relation to Unallocated Trust Shares

12.1 Obligations and powers in relation to Unallocated Trust Shares

Before the allocation to a Participant or the transfer to an Employee of a Trust Share held by the Trustee (not being a Trust Share held on behalf of any other particular Participant) in accordance with this Deed, the Trustee, in respect of such an Unallocated Trust Share:

- (a) must not exercise any voting rights in relation to any Unallocated Trust Shares;
- (b) may apply any capital receipts, dividends or other distributions received in respect of any Unallocated Trust Shares to purchase further Shares to be held on trust for the purposes of this Trust or to meet the costs of operating and administering the Trust;
- (c) must not participate in any Rights Issues in respect of any Unallocated Trust Shares;
- (d) must hold any bonus shares issued in respect of the Unallocated Trust Shares on trust for the purposes of this Deed; and
- (e) must keep an account of all Unallocated Trust Shares acquired by the Trustee that are held as Trust Assets.

12.2 Unallocated Trust Shares held on trust

The Trustee further declares and agrees that:

- (a) any Unallocated Trust Share will be held on trust for the benefit of any one or more of the Discretionary Beneficiaries from time to time until such time as that Unallocated Trust Share ceases to be an Unallocated Trust Share by being held on trust exclusively for a Participant in accordance with this Deed or otherwise being dealt with in accordance with this Deed; and
- (b) it will deal with Unallocated Trust Shares in accordance with directions from the Board.

12.3 The Company may direct Trustee

Without limiting clauses 5.7 and 7.3, the Company may direct the Trustee to allocate Unallocated Trust Shares to a Participant from time to time. Following the allocation to a Participant of Shares held by the Trustee in accordance with this Deed, the Company may direct the Trustee to continue to hold those Trust Shares on behalf of the Participant and on the terms of this Deed.

13 Income and capital distributions

13.1 Distribution of income

Subject to the relevant Plan Rules and relevant Terms of Participation, a Participant is presently entitled to so much of the Net Income of the Trust for a Year of Income which is attributable to:

- (a) the Trust Shares held by the Trustee on behalf of the Participant;
- (b) the proceeds of sales arising from the sale by the Trustee of rights under a Rights Issue on behalf of a Participant; and
- (c) transactions or events related to Trust Shares or property related to or arising from Trust Shares held by the Trustee on behalf of the Participant.

13.2 Other income

The balance of the Net Income of the Trust for a Year of Income to which no Participant is entitled in accordance with clause 13.1 may be applied, in whole or in part, for the benefit of any one or more of the Discretionary Beneficiaries as the Trustee in its absolute discretion shall think fit.

13.3 Accumulation of income

The balance of the Net Income of the Trust for a Year of Income to which no Participant is entitled in accordance with clause 13.1 and which is not applied in accordance with clause 13.2 shall be accumulated by the Trustee as an addition to the Trust Assets.

13.4 Application of capital

- (a) If it thinks fit, prior to the termination of the Trust as set out in clause 14.1, the Trustee may apply that part of the capital of the Trust to which no Participant or Discretionary Beneficiary would be entitled if the Trust was terminated at that time:
- (b) in payment of any costs and expenses incurred by the Trustee in the execution or purported execution of the Trust or any of the powers, authorities or discretions vested in the Trustee;
- (c) to acquire further Shares for the purpose of satisfying, or being able to satisfy, an award or entitlement under an Employee Share Plan; or
- (d) for the benefit of any one or more of the Participants or Discretionary Beneficiaries generally.

14 Termination of Trust

14.1 Termination

The Trust will terminate and be wound up as provided by law or upon the first to occur of the following events:

- (a) the Board determining that the Trust is to be wound up; and
- (b) the day before the 80th anniversary of the date on which the Trust is established under clause 2.2.

14.2 Distribution of Assets

If the Trust is terminated in accordance with clause 14.1, and there are any Trust Assets remaining in the Trust following the distribution to Participants of any Trust Shares under clause 7.2 and any Net Income attributable to those Participants under clause 13.1, those Trust Assets remaining must be transferred or gifted by the Trustee at the direction of the Board to one or more of the following beneficiaries as the Board thinks fit:

- (a) any Discretionary Beneficiary within the meaning of paragraph (b) of the definition of Discretionary Beneficiary; or
- (b) any charity nominated by the Trustee.

14.3 Trustee not to pay balance to the Group

The Trustee must not pay any balance under clause 14.2 to any member of the Group.

15 Termination or suspension of a Plan or Plans

15.1 Trustee to comply with directions

The Trustee will comply with any directions given by the Board:

- (a) under the relevant Plan Rules, in relation to suspension or termination of an Employee Share Plan; and
- (b) in relation to an employee or director share or option plan ceasing to be an Employee Share Plan;
- (c) and in either case, in relation to how Trust Shares then held for Participants under that Employee Share Plan are to be dealt with.

15.2 Sale of Trust Shares

If an Employee Share Plan is terminated, the Trustee will, after the implementation of any directions referred to in clause 15.1, sell any Trust Shares delivered under that Plan which are held under this Trust Deed and will apply or hold any proceeds of sale pursuant to clause 7.1 in accordance with a direction of the Board.

16 Applicable Law

- (a) This Deed and the entitlements of Participants under this Deed are subject to the Applicable Law.
- (b) Notwithstanding any other provision of this Deed, every provision set out in an exemption from, or modification to, the provisions of the Corporations Act granted from time to time by the Australian Securities and Investments Commission in respect of an Employee Share Plan that is required to be included in this Deed in order for the exemption or modification to have effect, is deemed to be contained in this Deed.
- (c) To the extent that any provision deemed by this clause 16 to be contained in this Deed is inconsistent with any other provision in this Deed, the deemed provision will prevail.

17 Trustee indemnity

- (a) To the extent permitted by law, the Company indemnifies the Trustee in respect of all reasonable liabilities, costs and expenses incurred by the Trustee in performing its obligations as trustee of the Trust but not in respect of any liability attributable to the negligence, dishonesty, fraud or wilful breach of trust by the Trustee or its officers, employees or agents or which is insured at the expense of the Trust.
- (b) Subject to relevant Plan Rules and relevant Terms of Participation, the Trustee cannot recover any liabilities, costs or expenses from any Participant.

18 Securities dealing policy

Any purchases or subscriptions by the Trustee for Shares in accordance with this Deed must be made in accordance with any securities dealing code or policy which may be issued by the Company and provided to the Trustee, as amended or replaced from time to time.

19 Variation of Deed

The Trustee and the Company may by deed amend, vary or add to this Deed provided that no such amendment, variation or addition would be likely to prejudicially affect the rights of Participants that are already vested under this Deed and provided that the amendment, variation or addition is permitted by the Listing Rules, the Corporations Act and any other applicable law and provided that the period in clause 14.1(b) may not be changed or removed if this would make the Trust void under the rule against perpetuities.

20 Waiver

No failure, delay, or indulgence by a party in exercising any power or right under this Deed will operate as a waiver of such power or right. No single exercise of any power or right under this Deed will preclude any other or future exercise of that (or any other) power or right.

21 No agency

- (a) Nothing in this Deed, in the relevant Plan Rules or in the relevant Terms of Participation is intended to create an agency relationship between the Trustee and the Company.
- (b) The Trustee is not a trustee for any member of the Group.
- (c) No member of the Group is a beneficiary of the Trust.

22 Stamp duties

The Company:

- (a) must pay all stamp duties and any related fines and penalties in respect of this Deed; and
- (b) indemnifies the Trustee against any liability arising from failure to comply with clause 22(a).

23 Severance

If any provision of this Deed is rendered void, unenforceable or otherwise ineffective, such avoidance, unenforceability or ineffectiveness will not affect the enforceability of the remaining provisions.

24 Notices

Any notice, demand, consent or other communication (**Notice**) given or made under this Deed:

- (a) must be in writing signed by a person duly authorised by the sender;
- (b) must be delivered to the intended recipient by prepaid post or by hand or fax to the address or fax number below or the address or fax number last notified by the intended recipient to the sender:
 - (i) to the Company: Level 8,100 Edward Street, Brisbane QLD 4000
Attention: Ian Poole, Company Secretary
 - (ii) to the Trustee: Level 8,100 Edward Street, Brisbane QLD 4000
Attention: Rochelle Carey, Legal Counsel
- (c) will be taken to be duly given or made:
 - (i) in the case of delivery in person, when delivered;
 - (ii) in the case of delivery by post, two business days after the date of posting or five days if posted to an address overseas; and
 - (iii) in the case of fax, on receipt by the sender of a transmission control report from the despatching machine showing the relevant number of pages and the correct destination fax machine number or name of recipient and indicating that the transmission has been made without error,

but if the result is that a Notice would be taken to be given or made on a day that is not a business day in the place to which the Notice is sent or is later than 5.00pm (local time) it will be taken to have been duly given or made at the commencement of business on the next business day in that place.

25 Governing Law

This Deed is governed by the laws of Queensland. The parties submit to the non-exclusive jurisdiction of the courts exercising jurisdiction there.

26 Counterparts

This Deed may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument.

Executed and delivered as a Deed.

Executed as a deed in accordance with
section 127 of the *Corporations Act 2001* by
Stanmore Coal Limited:



Director Signature

NEAL MACROSSAN O'CONNOR

Print Name



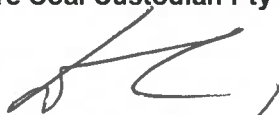
Director/Secretary Signature

Ian Poole

Print Name

Company Secretary

Executed as a deed in accordance with
section 127 of the *Corporations Act 2001* by
Stanmore Coal Custodian Pty Ltd:



Director Signature

NEAL MACROSSAN O'CONNOR

Print Name



Director/Secretary Signature

Ian Poole

Print Name

Company Secretary