

**ASX Announcement**

**21 October 2008**

**Employee Option Incentive Plan**

Please find attached a copy of the Employee Option Incentive Plan for Platina Resources Limited, as referred to in the Notice of Annual General Meeting lodged today.

For and on behalf of the Board  
Duncan Cornish  
Company Secretary

**PLATINA RESOURCES LIMITED ACN 119 007 939**

**EMPLOYEE OPTION INCENTIVE PLAN**

**1. DEFINITIONS AND INTERPRETATION**

1.1 In this Plan, unless the context otherwise requires, the following terms and expressions have the following meanings:

**Acceptance Date** has the meaning ascribed to that term in clause 3.2(h);

**Acceptance Form** means a form for the acceptance of offers made to Eligible Employees in such form as the Board may approve for the purpose from time to time;

**Acknowledgement** means the form of acknowledgement from time to time approved by the Board for the purposes of clause 11;

**Associated Body Corporate** shall have the meaning ascribed to it in ASIC Class Order 03/184 as amended from time to time;

**ASX** means the ASX Limited;

**Board** means the board of directors of the Company;

**Business Day** means a day on which ASX is open for business;

**Class Order** means an instrument issued by ASIC providing for relief from any provision of the *Corporations Act* as amended from time to time;

**Company** means Platina Resources Limited ACN 119 007 939;

**Corporations Act** means the *Corporations Act 2001 (Cwlth)*;

**Current Market Price** means the price published by the operator of the principal market on which the shares are quoted, namely the ASX, as the final price for the previous day on which the shares were traded on that financial market;

**Eligible Employee** means any full-time or part-time continuing employee of the Company or an associated body corporate of the Company who is employed at the time of the offer of the Options or is a director of the Company or of an associated body corporate of the Company and is determined by the Board from time to time in their absolute discretion to be eligible for participation under the Plan;

**Employee Option** means an Option that is allotted to a Participant under this Plan;

**Exercise Price** means the price to be determined by the Board at its sole discretion, but not less than a premium of ten percent (10%) to the Market Price of the shares of the Company on the ASX at the time of issue;

**Financial Year** means the financial year adopted by the Company for the purpose of making up the profit and loss account and balance sheet of the Company pursuant to the *Corporations Act*;

**Issue Date** means the date on which the Options are issued to Participants;

**Issue Price** means the price payable by a Participant for an Option which shall be nil;

**Listing Rules** means the Listing Rules of the ASX as they apply to the Company;

**Market Price** means on any particular day or any particular time the average closing price of shares on ASX on the five (5) Business Days immediately proceeding that date or time;

**Offer** means an offer to take up Options pursuant to clauses 2 and 3;

**Option** means an option to subscribe for a Share;

**Option Commencement Date** means the later of:

- (a) the Issue Date; and
- (b) the Vesting Date;

**Option Exercise Period** means in respect of an Option the period commencing on the Option Commencement Date and ending on the last Business Day of the Option Period;

**Option Period** means in respect of an Option, the period commencing on the Issue Date and (unless the Board determines a shorter period) expiring on the earlier of:

- (a) the expiry date determined by the Board; or
- (b) the Business Day after the expiration of three (3) months, or any longer period which the Board may determine, after the Eligible Employee ceases to be employed or ceases to be a director (if the Eligible Employee is not also employed) by the Company or an associated body corporate of the Company; or
- (c) the Eligible Employee ceasing to be employed by the Company or an associated body corporate of the Company due to fraud or dishonesty;

**Participant** means an Eligible Employee who accepts an offer from the Board to participate in the Plan;

**Plan** means the Platina Resources Limited Employee Option Incentive Plan;

**Prospectus** has the meaning described to that term in the *Corporations Act*;

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

**Terms of Allotment** means, in relation to an Option:

- (a) the terms and conditions of the Plan; and
- (b) the Acknowledgement required under clause 11;

**Vesting Date** means any such date or dates (if any) with respect to the Options or tranches of Options (as the case may be) as may be determined by the Board from time to time.

1.2 In the Plan, unless the context otherwise requires:

- (a) A reference to any legislation includes an amendment, consolidation, re-enactment or replacement of it, and any subordinate legislation;
- (b) A reference to rules or to an agreement or document is to the rules, agreement or document as amended or replaced;
- (c) The singular includes the plural and vice versa;
- (d) A reference to any gender includes all genders;

- (e) If an expression is defined, another part of speech and grammatical form of the expression have a corresponding meaning; and
- (f) Headings and references to headings are for ease of reference only and do not affect interpretation.

## 2. OPERATION OF PLAN

- 2.1 Subject to clauses 2.2 and 2.3, the Board may at any time decide that the Plan should be operated in respect of any Financial Year and the Board may determine at its discretion the total number of Options to be offered to each Eligible Employee and the Issue Price at which the Options are offered.
- 2.2 The total number of Shares that have been or that may be issued by the Company to Participants on exercise of Options that have been issued under the Plan shall not at any time exceed five percent (5%) of the Company's total issued ordinary share capital in that class at that time when aggregated with:
- (a) the number of Shares in the same class which would be issued were each outstanding offer with respect to Options under any share option plan of the Company accepted and exercised; and
  - (b) the number of Shares in the same class issued during the previous five (5) years pursuant to:
    - (i) the Plan to an Eligible Employee; or
    - (ii) any employee share option plan of the Company,but excluding for the purposes of the calculation, any offer made or Option acquired by way of or as a result of:
    - (i) any offer to a person situated at the time of receipt of the offer referred to in clauses 2.2(a) and 2.2(b) outside of this jurisdiction; or
    - (ii) an offer that did not require disclosure to investors because of Section 708 of the *Corporations Act*; or
    - (iii) an offer that did not require the giving of a product disclosure statement because of Section 1012D of the *Corporations Act*; or
    - (iv) an offer made under a disclosure document or product disclosure statement within the meaning of those terms in the *Corporations Act*.
- 2.3 The Board may only offer to issue Options pursuant to this Plan:
- (a) if the Company has issued a Prospectus pursuant to which the Company offers to issue Options pursuant to this Plan; or
  - (b) where the Options may not be exercised until the Shares have been quoted on ASX throughout the twelve month period immediately before the Offer without suspension for more than a total of two (2) trading days during that period; or
  - (c) if the Company is otherwise authorised or permitted to do so pursuant to Section 708 of the *Corporations Act* or a Class Order and the offer and issue of those Options is in accordance with the *Corporations Act* or the relevant Class Order as the case may be.

## 3. OFFER OF OPTIONS

- 3.1 The Board shall offer such number of Options to such Eligible Employees as determined in accordance with clause 2 subject to the terms and conditions of the Plan for the time being.

3.2 Such Offer shall be in writing and specify:

- (a) the name and address of the Eligible Employee to whom the Offer is made;
- (b) the number of Options being offered;
- (c) the Option Period;
- (d) the Option Exercise Period;
- (e) the Exercise Price;
- (f) any other terms and conditions attaching to the Offer including without limitation the requirement that the Shares being traded on ASX must trade at a price equal to or in excess of a price set by the Board;
- (g) the date of the Offer;
- (h) the date, being not more than forty-five (45) days after the date of the Offer by which the Offer must be accepted (**Acceptance Date**); and
- (i) any other terms and conditions attaching to the Offer, including without limitation, whether any Shares issued on exercise of Options issued under the Plan will be subject to restrictions on their transfer, transmission or assignment and if so, on what terms.

3.3 The Offer shall be accompanied by an Acceptance Form, the terms and conditions of the Plan and the Summary of the Plan.

3.4 An Offer to an Eligible Employee is personal to that employee and is not assignable.

3.5 At any time from the date of an Offer until the Acceptance Date of that Offer, the Board undertakes that it shall provide information as to:

- (a) the Current Market Price of the Shares; and
- (b) the Exercise Price of the Shares were this calculated as at the date of the Offer,

to any Participant by mail (or such other form of notification as agreed by the Company and the Participant) within five (5) Business Days of a written request to the Company from that Participant to do so.

#### **4. ACCEPTANCE OF OFFER**

4.1 An Eligible Employee may accept the Offer by delivering to the Company the completed Acceptance Form by the Acceptance Date.

4.2 An Offer which is not accepted by the Eligible Employee by the Acceptance Date shall lapse.

## 5. LAPSE OF OPTIONS

- 5.1 Any Option which has not been exercised on the expiry of the Option Period shall lapse.
- 5.2 Any Option which is exercised as to the whole of the Shares comprised in the Option shall lapse when it is last exercised.

## 6. EXERCISE OF OPTIONS

- 6.1 A Participant may at any time during the Option Exercise Period (but not after an Option has lapsed and subject to clause 6.2) exercise all or any of the Options held by him or her by lodging with the Company:
- (a) a written notice of exercise of option specifying the number of Shares in respect of which Options are being exercised (**Option Exercise Notice**); and
  - (b) payment to the Company by way of a cheque, electronic transfer or such other method of payment approved by the Board for the Exercise Price multiplied by the number of Shares in respect of which Options are being exercised on a Business Day within thirty (30) days of delivery of the Option Exercise Notice.
- 6.2 Options must be exercised so as to result in the allotment of a marketable parcel within the meaning of the Listing Rules PROVIDED THAT where the number of Options held by a Participant has been adjusted from time to time in accordance with the terms and conditions of the Plan, the Options shall be exercised by the Participant so as to result in as near as possible a marketable parcel of Shares being created.
- 6.3 Upon receipt of the Option Exercise Notice and receipt of payment referred to in clause 6.1, the Board shall allot to the Participant the Shares to which the Participant is entitled subject to the provisions of the Constitution of the Company.
- 6.4 Upon allotment of Shares pursuant to the exercise of Options, the Company shall use its best endeavours to have such Shares quoted and listed on the Official List of the ASX.
- 6.5 Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with the Shares of the same class for the time being on issue.

## 7. BONUS ISSUE

- 7.1 A Participant does not have any participating rights or entitlements in respect of a pro rata issue of securities to the Company's shareholders generally (otherwise than pursuant to any Plan) by way of bonus issue which may include but is not limited to capitalisation of reserves or distributable profits (**Bonus Issue**), except as allowed pursuant to this clause and clause 8.
- 7.2 If, during the Option Exercise Period of any Option, the Company intends to undertake a Bonus Issue, the Company shall provide each Participant with at least ten (10) Business Days notice of the Bonus Issue before the record date nominated by the Company to determine entitlements to the issue (**Record Date**).
- 7.3 A Participant will only have participating rights or entitlements in respect of a Bonus Issue in respect of the Options which the Participant has exercised prior to the Record Date and only to the extent that the Participant holds Shares in the Company prior to the Record Date.

## 8. ADJUSTMENT FOR RIGHTS ISSUE

If, during the life of any Option, shares are offered pro rata for subscription by the Company to its shareholders generally (otherwise than pursuant to any of the Plans) by way of a rights issue then the subscription price applicable to each share then comprised in the Option shall be reduced by the value of the theoretical rights entitlement per cum rights share and that theoretical rights entitlement per cum rights share shall be taken to have a value calculated by applying the formula:

$$O^1 = O - \frac{E [P - (S + D)]}{N + 1}$$

where

$O^1$  = the new exercise price of the option

$O$  = the old exercise price of the option

$E$  = the number of underlying securities into which one option is exercisable

$P$  = the average Market Price per security (weighted by reference to volume) of the underlying securities during the five (5) trading days ending on the day before the ex right date or the ex entitlements date

$S$  = the subscription price for a security under the pro-rata issue

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

$N$  = the number of securities which rights of entitlements that must be held to receive a right to one new security

## 9. RIGHTS OF PARTICIPANTS

9.1 In addition to the rights set forth in clauses 7 and 8, the Board may, subject to and in accordance with any relevant Listing Rule, vary:

- (a) the number of Options to which a Participant is entitled under the Plan;
- (b) the Exercise Price; or
- (c) both the number of Options and the Exercise Price,

to make such adjustments to the entitlements of Participants as the Board may regard as appropriate following any reduction or restructuring of the capital of the Company PROVIDED ALWAYS that:

- (a) in the event of the reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, the number of Options or the Exercise Price of the Options or both shall be reconstructed (as appropriate) in a manner which will not result in any benefits being conferred on Participants which are not conferred on holders of Shares; and
- (b) (subject to the provisions with respect to rounding of entitlements as sanctioned by the meeting of the holders of Shares approving the reconstruction of capital) in all other respects the terms for the exercise of Options shall remain unchanged.

- 9.2 A Participant is not entitled to receive a dividend or participate in a rights issue in respect of any Share for which an Option remains unexercised.

## **10. NON-ASSIGNABILITY OF OPTION**

- 10.1 Each Option shall be personal to the Participant and shall not be transferable, transmissible or assignable except as provided in clause 10.2.
- 10.2 A legal personal representative of a Participant who has died or whose estate is liable to be dealt with under laws relating to mental health shall be entitled to be registered as the holder of Options previously registered in the name of the Participant after production to the Board of such documents or other evidence as the Board may reasonably require to establish that entitlement.
- 10.3 All Options shall lapse on the liquidation of the Company.

## **11. ELIGIBILITY AND ACKNOWLEDGEMENT FOR SECURITIES**

- 11.1 The Board may in its absolute discretion determine that an employee who otherwise would be eligible to acquire Options under the Plan is nonetheless not eligible.
- 11.2 An employee shall not be eligible to acquire Options under the Plan at any time if he or she has been given notice of dismissal for misconduct from the employment by virtue of which he or she would, but for this clause 11.2, be eligible to acquire Options (or has given notice of resignation from employment in order to avoid such dismissal).
- 11.3 The Board may, at such time as it determines, issue Options under the Plan to each Eligible Employee, subject to the Eligible Employee providing, or having provided to the Company, a valid Acknowledgement that the Eligible Employee agrees to be bound by the Terms of Allotment and by the Constitution of the Company.
- 11.4 An Acknowledgment required under this clause 11 must be in the form from time to time approved by the Board.
- 11.5 The Board may at any time in its absolute discretion determine that an existing Acknowledgment provided by an Eligible Employee under this clause 11 ceases to be of effect and that a new Acknowledgment must be provided by the Eligible Employee if that Eligible Employee wishes to participate in any future issue under the Plan.

## **12. ADMINISTRATION OF THE PLAN**

- 12.1 The Board administers the Plan and may:
- (a) determine appropriate procedures for the administration of the Plan consistent with the Terms of Allotment; and
  - (b) 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.
- 12.2 Except as otherwise expressly provided in this Plan, the Board has absolute and unfettered discretion in the exercise of any of its powers or discretions pursuant to the Plan and to act or refrain from acting under or in connection with the Plan.
- 12.3 The Board may, in relation to any Employee Option, waive in whole or in part, on terms it considers appropriate, any of the Terms of Allotment.
- 12.4 If there is any dispute or disagreement as to the interpretation of the Plan or the Terms of Allotment of any Option, the decision of the Board is final and binding upon all persons.

### 13. AMENDMENTS TO THE PLAN

- 13.1 Subject to clause 13.2 and the Listing Rules, the Board may by resolution amend (meaning, for the purposes of this clause 13, amend, add to, revoke or replace) the Plan (including this clause 13) or any of the Terms of Allotment of the Employee Options.
- 13.2 The Board may not amend the Plan if the amendment would materially reduce the rights of a Participant in respect of an Employee Option issued before the date of the amendment, unless the amendment is introduced primarily:
- (a) for the purpose of complying with any State or Commonwealth legislation that affects the Plan;
  - (b) to correct a manifest error; or
  - (c) to address possible adverse tax implications in respect of the Plan arising from, amongst others:
    - (i) a ruling of any relevant taxation authority;
    - (ii) a change to tax legislation (including an official announcement by any relevant taxation authority); or
    - (iii) changes in the interpretation of tax legislation by a court or tribunal of competent jurisdiction; or
  - (d) to enable the Company to comply with its Constitution, the *Corporations Act*, other legislation or the Listing Rules.
- 13.3 As soon as reasonably practicable after making any amendment under clause 13 the Board, by written notice, will inform each Participant affected.

### 14. TERMS OF EMPLOYMENT NOT AFFECTED

- 14.1 The Terms of Allotment of this Plan do not:
- (a) form part of any contract of employment or any arrangement in respect of any such employment, between a Participant and the Company; or
  - (b) constitute a related condition or collateral arrangement to any such contract of employment or arrangement,
- and participation in the Plan does not in any way affect the rights and obligations of a Participant under the terms of his or her employment or arrangement.
- 14.2 The terms of a Participant's employment or arrangement with the Company do not in any way affect the rights and obligations of a Participant under the Plan.
- 14.3 A Participant has no right to compensation or damages from the Company in respect of any loss of future rights under the Plan, as a consequence of termination of the Participant's employment or arrangement.

### 15. NOTICES

- 15.1 A notice (meaning for the purposes of this clause 15, notice, application, permission or other communication) under the Plan may be given in writing, addressed to the person to whom it is given, and is taken to be given and received if sent in accordance with 15.2, 15.3 and 15.4.

- 15.2 For the purposes of clause 15.1 a notice is duly given and received by the Company if sent to the Company by pre-paid mail or by facsimile or other electronic communication, to an address at which it is actually received by:
- (a) the person who is, from time to time, designated by the Board as the person to whom the notice should be sent or by whom it should be received, and whose name or title and address are notified to the sender; or
  - (b) if no other person is designated by the Board for this purpose, the secretary of the Company.
- 15.3 For the purposes of clause 15.1, a notice is duly given and received by a natural person (other than a person designated as the person to whom the notice should be sent in order to be received by the Company) if sent to:
- (a) the person's last known mailing address or the person's last known facsimile or other electronic communication address; or
  - (b) in the case of an Eligible Employee or a Participant, to the last known mailing, facsimile or other electronic communication address of the place of business at which the person performs the whole or substantially the whole of his or her office or employment.
- 15.4 A notice given under clause 15.1 to a person being a natural person, is duly given even if the person is then deceased (and whether or not the Company has notice of his or her death), unless the legal personal representative of the person has established title to the satisfaction of the Company and supplied to the Company an address to which documents should be sent.
- 15.5 A notice sent in accordance with clause 15.1 is treated as given and received:
- (a) in the case of a notice sent to the Company, at the time it is actually received by the secretary or other person designated by the Board as the person to whom it should be sent or by whom it should be received;
  - (b) in the case of any other notice sent by prepaid mail, forty-eight (48) hours after it was put into the post properly stamped; and
  - (c) in the case of any other notice sent by facsimile or other electronic communication, at the time of transmission.

## **16. CONSTITUTION, LISTING RULES AND GOVERNING LAW**

- 16.1 The Plan and its Terms of Allotment are subject to the Company's Constitution and the Listing Rules.
- 16.2 The Plan is governed by the laws in force in Queensland and the Commonwealth of Australia.
- 16.3 No Participant has or is to be regarded for any purpose as having any interest in any Shares the subject of an Option unless and until that Option is exercised and Shares are allotted as a result.