



## **SHARE OPTION SCHEME** **(part of the Company's Staff Handbook)**

The board of directors (the "Board") of Cora Gold Limited (the "Company") has by resolution of the Board dated 18 December 2017 adopted and established this share option scheme (the "Scheme") governing the issuance of share options (the "Share Options") to directors, officers and employees of the Company or subsidiaries of the Company (together the "Group") and persons or companies who provide services to the Group on an on-going basis, or have provided or are expected to provide a service or services of considerable value to the Group.

The terms and conditions of the Scheme for issuance of Share Options are as follows:

### **1. Purposes**

The principal purposes of the Scheme are:

- (a) to retain and attract qualified directors, officers, employees and service providers which the Group require;
- (b) to promote a proprietary interest in the Group;
- (c) to provide an incentive element in compensation; and
- (d) to promote the profitability of the Group.

### **2. Reservation of Shares**

Subject to Clause 10 of the Scheme, the number of Ordinary Shares in the capital of the Company (the "Shares") reserved from time to time for issuance to Eligible Optionees (as hereinafter defined) pursuant to Share Options under the Scheme shall not exceed ten percent (10%) of the total number of Shares outstanding from time to time.

### **3. Eligibility**

Share Options shall be granted only to persons, firms or companies ("Eligible Optionees") who are Directors or Employees of any member of the Group or persons or companies who provide services to the Group on an on-going basis, or have provided or are expected to provide a service or services of considerable value to the Group ("Consultant"). Where the Eligible Optionee is an Employee or Consultant the Board shall confirm that the Eligible Optionee is a bona fide Employee or Consultant, as the case may be, of a member of the Group prior to any grant of Share Options.

Share Options may also be granted to a company which is (and remains through the Share Option period) wholly-owned by an Eligible Optionee if that company agrees not to effect or permit any transfer of ownership, option of shares of that company or grant any security interest by such company, nor to issue further shares of any class in that company to any other individual or entity as long as any Share Options

granted to that company remain outstanding, without the prior written consent of the Board. Unless the context otherwise requires, the term Eligible Optionee as used herein, shall include any such company.

Furthermore, the Scheme shall be administered in accordance with Clause 3.3.3 of a Relationship Agreement dated 3rd October 2017 between the Company, Allenby Capital Limited, Beaufort Securities Limited, Mirabaud Securities Limited, Hummingbird Resources plc ("Hummingbird") and Trochilidae Resources Limited (the "Relationship Agreement") wherein it is stated that:

*With respect to each Connected Director<sup>1</sup> the Company undertakes that if the Company determines to offer any options or warrants over Shares to any or all Directors, such options or warrants with respect to any Connected Directors shall be granted instead direct to Hummingbird (unless the Shareholder [Hummingbird] agrees otherwise in writing).*

<sup>1</sup> *Connected Director being defined in the Relationship Agreement as "in relationship to Hummingbird, any Director who was nominated for appointment as a Director by Hummingbird or any of its Connected Persons or Affiliates in accordance with this [Relationship] Agreement; provided that it shall not apply to any Connected Director where Hummingbird has issued to the Company written notification of removal of such Connected Director, notwithstanding that the Company may elect to retain such Director, who shall from the date of the written notification of removal be deemed to be an Independent Director [and therefore no longer a Connected Director]."*

#### 4. **Granting of Share Options**

The Board may from time to time grant Share Options to Eligible Optionees. At the time a Share Option is granted, the Board shall determine the number of Shares available for purchase under the Share Option, the date when the Share Option is to become effective, including any exercise conditions, and, subject to the other provisions of this Scheme, all other terms and conditions of the Share Option. However, in no case may the issuance of Shares upon the due exercise of Share Options result in:

- (a) the aggregate number of Shares reserved for issuance pursuant to Share Options granted to any one Eligible Optionee at any time exceeding five percent (5%) of the issued and outstanding Shares, unless the Company has obtained requisite disinterested shareholder approval. Furthermore, the number of Shares issued to any one Eligible Optionee in any twelve (12) month period cannot exceed two percent (2%) of the issued and outstanding Shares; or
- (b) the aggregate number of Shares reserved for issuance pursuant to Share Options granted to any one Consultant in any twelve (12) month period exceeding two percent (2%) of the issued and outstanding Shares.

Any Share Options granted to a company referred to in Clause 3 of the Scheme shall be included in the calculation of the Share Options held by an Eligible Optionee.

An Eligible Optionee must also execute an option deed letter with the Company on grant of Share Options ("Option Deed").

#### 5. **Exercise Price**

The exercise price ("Exercise Price") of each Share Option shall be determined in the discretion of the Board at the time of the granting of the Share Option, provided that:

- (a) up to 31 December 2017, the Exercise Price shall be equal to sixteen point

five (16.5) pence (pounds sterling and pence, the lawful currency from time to time of the United Kingdom of Great Britain and Northern Ireland), being the price of the Company's Shares in a Placing which was closed during October 2017; and

- (b) with effect from 1 January 2018, the Exercise Price shall not be lower than the "Market Price". "Market Price" shall be the market price of the Shares of the Company based on the closing mid-market price on the 10 trading days prior to the date of the granting of the relevant Share Option.

#### 6. Term and Exercise Periods

- (a) All Share Options shall be for a term determined in the discretion of the Board at the time of the granting of the Share Options, provided that no Share Option shall have a term exceeding five (5) years.
- (b) Unless otherwise determined by the Board at the time of the granting of the Share Options and execution of the Option Deed (the "Grant Date"), and subject to the shareholders of the Company having resolved to approve the issue of Shares on any exercise of Share Options (the "Approval Date"), the Share Options shall vest as follows:
  - (i) one quarter ( $\frac{1}{4}$ ) of any Share Options granted pursuant hereto will vest on the later to occur of the Grant Date and the Approval Date;
  - (ii) and another one quarter ( $\frac{1}{4}$ ) of the Share Options will vest on the later to occur of each of the six (6) month, twelve (12) month and eighteen (18) month anniversaries of the Grant Date and the Approval Date.

For greater clarity, unless otherwise determined pursuant to the terms hereof, all Share Options granted to an Eligible Optionee will be available to exercise and purchase Shares on the later to occur of the eighteen (18) month anniversaries of the Grant Date and the Approval Date. The Company will notify the Optionees of the occurrence of the Approval Date.

- (c) Share Options shall be exercisable only while the Eligible Optionee remains at least one of a Director, Employee or Consultant and for a limited period of time as may be prescribed by the Board ("Additional Period") after the Eligible Optionee ceases to be at least one of a Director, Employee or Consultant, which Additional Period may not exceed six (6) months. During any Additional Period Share Options granted prior to the Eligible Optionee ceasing to be at least one of a Director, Employee or Consultant shall continue to vest according to Clause 6(b) of the Scheme.
- (d) In the event that the Eligible Optionee should die, that Eligible Optionee's heirs or administrators may exercise any portion of the outstanding Share Option within an Additional Period prescribed by the Board not exceeding twelve (12) months from the Eligible Optionee's death.
- (e) The Company shall have the right to amend Share Options to provide for early exercise and / or termination or other adjustment of the Share Option in the event that the Company shall resolve to sell all or substantially all of its assets, to liquidate or dissolve, or to merge, amalgamate, consolidate or be absorbed with or into any other company, if a take-over bid is made for Shares, or if any change of control of the Company occurs.

7. **Non-Assignability**

Other than as contemplated in Clause 6(d) of the Scheme, Share Options shall not be assignable or transferable by the Eligible Optionees.

8. **Payment of Exercise Price**

All Shares issued pursuant to the exercise of a Share Option shall be paid for in full in the currency of the Exercise Price at the time of exercise of the Share Option and prior to the issue of the Shares. All Shares issued in accordance with the foregoing shall be issued as fully paid Shares.

9. **Non-Exercise**

If any Share Option granted pursuant to the Scheme is not exercised for any reason whatsoever, upon the expiry of the Share Option pursuant to the terms of its grant or the terms hereof, the Shares reserved and authorised for issuance pursuant to such Share Option shall revert to the Scheme and shall be available for other Share Options. Notwithstanding the foregoing, at no time shall there be outstanding Share Options exceeding, in the aggregate, the number of Shares reserved for issuance pursuant to Share Options under this Scheme.

10. **Adjustment in Certain Circumstances**

In the event:

- (a) of any change in the Shares through subdivision, consolidation, reclassification, amalgamation, merger or otherwise; or
- (b) of any share dividend to holders of Shares (other than such share dividends issued at the option of shareholders of the Company in lieu of substantially equivalent cash dividends); or
- (c) that any rights are granted to holders of Shares to purchase Shares at prices substantially below fair market value; or
- (d) that as a result of any recapitalisation, merger, consolidation or otherwise the Shares are converted into or exchangeable for any other shares;

then in any such case the Board may make such adjustment in the Scheme and in the Share Options granted under the Scheme as the Board may in its sole discretion deem appropriate to prevent substantial dilution or enlargement of the rights granted to, or available for, holders of Share Options, and such adjustments may be included in the Share Options.

11. **Expenses**

All expenses in connection with the Scheme shall be borne by the Company.

12. **Taxation**

The holder of any Share Option (an "Optionee") remains accountable for and agrees to indemnify the Company or any other relevant member of the Group from and against any and all income tax, payroll tax and national insurance contributions (including Employers National Insurance) in respect of the grant or exercise of any Share Option, the issue, allotment or disposal of the Shares or otherwise in connection with the Share Option.

The Optionee agrees to sign or procure the signature of such documents and do or procure the doing of such acts and things as the Company may reasonably require for the purpose of transferring to the Optionee any liability of the Company or any other member of the Group.

Furthermore, if the Optionee has been subject to tax in more than one jurisdiction between the date of grant of Share Options and the date of any relevant taxable event, as applicable, then by virtue of being granted such Share Options the Optionee acknowledges that the Company may be required to account to withhold for tax in more than one jurisdiction. Any relief which may be available under any double tax relief arrangements remains the responsibility of the Optionee.

**13. Compliance with Laws**

The Company shall not be obliged to issue any Shares upon exercise of Share Options if the issue would violate any applicable law or regulation or any applicable rule of any governmental authority or stock exchange. The Company shall not be required to issue, register or qualify for resale any Shares issuable upon exercise of Share Options pursuant to the provisions of a prospectus or similar document, provided that the Company shall notify any stock exchange on which the Shares are listed and any other appropriate regulatory bodies of the existence of the Scheme and the issuance and exercise of Share Options.

In addition to any resale restrictions that may be applicable under applicable securities laws, all Share Options and any Shares issued on the exercise of Share Options shall be legended with a hold period from the date the Share Options are granted, as may be required by the rules of any stock exchange on which the Shares are listed.

**14. Disinterested Shareholder Approval**

Disinterested shareholder approval shall be obtained by the Company prior to any reduction in the Exercise Price.

**15. Form of Share Option Agreement**

All Share Options shall be issued by the Company in a form which meets the general requirements and conditions set forth in this Scheme and the requirements of any stock exchange on which the Shares are listed from time to time.

**16. Amendments and Termination of Scheme**

The Company shall retain the right to amend from time to time or to terminate the terms and conditions of the Scheme by resolution of the Board, to reduce the number of Shares under Share Option, increase the Exercise Price or cancel a Share Option, provided that an appropriate news release disclosing such action is disseminated. Any other amendments shall be subject to the prior consent of any applicable regulatory bodies, including any stock exchange on which the Shares are listed. Amendments and termination shall take effect only with respect to Share Options issued thereafter, provided that they may apply to any Share Options previously issued with the mutual consent of the Company and the Eligible Optionees holding such Share Options.

**17. Delegation of Administration of the Scheme**

Subject to any legislation governing the Company, the Board may delegate to one or

more directors of the Company, on such terms as it considers appropriate, all or any part of the powers, duties and functions relating to the granting of Share Options and the administration of the Scheme.

18. **Applicable Law**

This Scheme shall be governed by and construed in accordance with the laws in force in the British Virgin Islands.

19. **Stock Exchange**

To the extent applicable, the issuance of any Shares of the Company pursuant to Share Options granted pursuant to this Scheme is subject to approval of the Scheme by any stock exchange on which the Shares are listed, and the Scheme shall be subject to the ongoing requirements of such stock exchange.

It is noted that on 9 October 2017 the Company's Shares were admitted to trading on AIM, being a market operated by the London Stock Exchange plc.