



Scheme Implementation Deed

Sirius Resources NL

ACN 009 150 038

Independence Group NL

ACN 092 786 304

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THIS DEED is made on

25 May 2015

BETWEEN:

- (1) **Sirius Resources NL** ACN 009 150 038 whose registered office is at 253 Balcatta Road, Balcatta, WA 6021 (**Sirius**); and
- (2) **Independence Group NL** ACN 092 786 304 whose registered office is at Suite 4, Level 5, South Shore Centre, 85 South Perth Esplanade, South Perth, WA 6151 (**IGO**).

RECITALS:

Sirius and IGO have agreed that a scheme of arrangement will be proposed under Part 5.1 of the Corporations Act between Sirius and the holders of Sirius Shares in accordance with this document, as part of the Transaction.

THE PARTIES AGREE AS FOLLOWS:

1. **INTERPRETATION**

1.1 **Definitions**

The following definitions apply in this document.

Agreed Budget means the Sirius corporate model, as set out in Schedule 6, which includes expenditure in relation to SpinCo and the proposed assets and subsidiaries of SpinCo.

Agreed Form means in relation to any document, such document in the form agreed between Sirius and IGO, such agreement not to be unreasonably withheld or delayed.

Announcement means a press release, announcement or other public statement (other than a draft explanatory statement, an explanatory statement or supplementary explanatory statement as required under Part 5.1 of the Corporations Act).

ASIC means the Australian Securities and Investments Commission.

ASIC Review Draft means the draft of the Scheme Booklet, which is provided to ASIC for approval under section 411(2) of the Corporations Act.

ASX means the Australian Securities Exchange or ASX Limited (ABN 98 008 624 691), as the context requires.

ASX Approvals means the waivers and confirmations required to be obtained from the ASX Listing Rules as set out in Schedule 10 of this document.

ASX Listing Rules means the listing rules of ASX.

ATO means the Australian Taxation Office.

Authorisation means:

- (a) an approval, authorisation, consent, declaration, exemption, licence, notarisation, permit or waiver, however it is described, including any renewal or amendment and any condition attaching to it from or by a Government Agency; and

- (b) in relation to anything that could be prohibited or restricted by law, if a Government Agency acts in any way within a specified period, the expiry of that period without that action being taken.

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth, Western Australia.

Capital Reduction Resolution means the resolution to approve the Demerger Capital Reduction, to be put to Sirius Shareholders at the General Meeting.

Claim, in relation to a person, means any claim, allegation, cause of action, proceeding, liability, suit or demand made against the person concerned however it arises and whether it is present or future, fixed or unascertained, actual or contingent.

Commissioner of Taxation means the Australian Commissioner of Taxation.

Competing Proposal means any proposal, agreement, arrangement or transaction which, if entered into or completed in accordance with its terms, would result in:

- (a) a third party (either alone or with any associate):
- (i) directly or indirectly acquiring a relevant interest in, or having a right to acquire, a legal, beneficial or economic interest in, or control of, 20% or more of the issued shares in Sirius or in any material subsidiary of Sirius, or otherwise acquiring control of Sirius or any material subsidiary of Sirius; or
 - (ii) directly or indirectly acquiring or becoming the holder of, or otherwise having a right to acquire, a legal, beneficial or economic interest in, or control of, all or a material part of Sirius' business or assets or the business or assets of the Sirius Group;

whether by way of takeover bid, members' or creditors' scheme of arrangement, shareholder approval acquisition, capital reduction, buy back, sale or purchase of shares, other securities or assets, assignment of assets and liabilities, incorporated or unincorporated joint venture, dual-listed company (or other synthetic merger), deed of company arrangement, any debt for equity arrangement or other transaction or arrangement, but excluding, for the avoidance of doubt:

- (iii) any relevant interest acquired as a result of any restructuring of the Creasy Group where, following the restructuring, the Sirius Shares and Sirius Performance Shares controlled by Mark Creasy as at the date of this document remain controlled by Mark Creasy; and
 - (iv) any internal reconstruction or restructuring undertaken in connection with preparing SpinCo for the Demerger;
- (b) a material part of the business or assets of the Sirius Group being disposed of, demerged or otherwise separated from the rest of the business or assets of the Sirius Group, other than a disposal, demerger or other separation of SpinCo or the assets of SpinCo from the Sirius Group contemplated by the Demerger Transaction Documents; or
- (c) Sirius being prevented from implementing the Transaction.

Condition means a condition precedent set out in clause 3.2.

Confidentiality Deed means the confidentiality deed between IGO and Sirius in respect of the Transaction.

Consultation and Planning Committee means the committee to be established under clause 7.8 to discuss and plan for the future integration of the Sirius businesses (other than SpinCo and the assets of SpinCo) into IGO's business.

Corporations Act means the Corporations Act 2001 (Cth).

Court means the Federal Court of Australia, Western Australian registry or such other court of competent jurisdiction under the Corporations Act agreed to in writing by IGO and Sirius.

Creasy Group means:

- (a) Mark Creasy;
- (b) FraserX Pty Ltd (ACN 099 488 114);
- (c) Ponton Minerals Pty Ltd (ACN 108 313 024);
- (d) Lake Rivers Gold Pty Ltd (ACN 122 986 681);
- (e) Free CI Pty Ltd (ACN 147 090 542);
- (f) Yandal Investments Pty Ltd (ACN 070 684 810);
- (g) Legend Mining Limited (ACN 060 966 145),

and all entities who are associates of those listed in (a) to (g) above.

Deed Poll means a document in the form or substantially in the form of Schedule 4, or in such other form as is agreed in writing between Sirius and IGO.

Deferred Settlement Trading Date means the day after the Effective Date, being the day when the New IGO Shares commence trading on ASX on a deferred settlement basis in accordance with the ASX Listing Rules.

Demerger means the demerger of SpinCo from Sirius to be implemented by the Demerger Scheme on the terms set out the Demerger Transaction Documents.

Demerger Capital Reduction means, subject to Sirius Shareholder approval, the capital reduction to be undertaken as part of the implementation of the Demerger Scheme pursuant to section 256C of the Corporations Act.

Demerger Transition Deed means the demerger transition deed between Sirius and SpinCo setting out the transitional and ongoing relationship between Sirius and SpinCo in the form set out in Schedule 7, subject to such amendments as agreed between Sirius and IGO (such agreement not to be unreasonably withheld or delayed).

Demerger Deed Poll means the deed poll for the Demerger Scheme as included in the Demerger Implementation Agreement.

Demerger Implementation Agreement means the agreement between Sirius and SpinCo which governs implementation of the Demerger Scheme in the form set out in Schedule 7, subject to such amendments as agreed between Sirius and IGO (such agreement not to be unreasonably withheld or delayed).

Demerger Scheme means, subject to Sirius Shareholder approval, the scheme of arrangement between Sirius and the Scheme Shareholders pursuant to which Sirius will demerge SpinCo by applying the Demerger Capital Reduction, on behalf of Scheme

Shareholders, as consideration for the transfer to those shareholders of the Demerger Scheme Consideration, as included in the Demerger Implementation Agreement.

Demerger Scheme Consideration means the number of SpinCo Shares that will be distributed to Scheme Shareholders, and which is currently intended to be 1 SpinCo Share for every 2.5 Sirius Shares held as at the Record Date, but which is subject to change at the sole discretion of Sirius, or as required by ASX in order to achieve Listing.

Demerger Scheme Meeting means the meeting of Sirius Shareholders to be convened as ordered by the Court under section 411(1) of the Corporations Act, to vote on the resolution in relation to the Demerger Scheme.

Demerger Transaction Documents means the Demerger Transition Deed, the Demerger Scheme, the Demerger Deed Poll and the Demerger Implementation Agreement as set out in Schedule 7.

Due Diligence Period means the period during which time Sirius and IGO conducted reciprocal due diligence investigations in relation to the IGO Disclosure Material and the Sirius Disclosure Material, respectively, pursuant to the Confidentiality Deed.

Effective means the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Share Scheme.

Effective Date means the date on which the Share Scheme becomes Effective.

End Date means 30 November 2015, subject to any extension to that date made under clause 3.6.

Exclusivity Period means the period commencing on the date of this document and ending on the earlier of:

- (a) termination of this document in accordance with its terms;
- (b) the Implementation Date; and
- (c) the End Date.

First Court Date means the first day of the hearing of the Court of an application for an order under section 411(1) of the Corporations Act convening of the Share Scheme Meeting.

General Meeting means the meeting of Sirius Shareholders to be convened to vote on the Capital Reduction Resolution and all other resolutions to carry into effect the matters to be set out in the Demerger Scheme Booklet, including any resolutions to constitute SpinCo in readiness for the Demerger Scheme and to prepare SpinCo for listing on ASX.

Government Agency means a government, government department or a governmental, semi-governmental, administrative, statutory or judicial entity, agency, authority, commission, department, tribunal, or person charged with the administration of a law or agency, whether in Australia or elsewhere, including the ASIC, ASX, the Takeovers Panel, and any self-regulatory organisation established under statute or by ASX.

GST Law means the same as "GST Law" in A New Tax System (Goods and Services Tax) Act 1999 (Cth).

Headcount Test means the requirement under section 411(4)(a)(ii)(A) of the Corporations Act that the resolution to approve the Share Scheme is passed by a majority in number of Sirius Shareholders present and voting, either in person or by proxy at the Share Scheme Meeting.

IGO Board means the board of directors of IGO.

IGO Break Fee means \$18.45 million.

IGO Committee Members means Peter Bradford, Matt Dusci and Sam Retallack.

IGO Disclosure Material means the IGO Due Diligence Information and information available on the Public Registers prior to the date of this document.

IGO Due Diligence Information means all written information relating to the business, assets, liabilities, operations, profits and losses, financial position and performance and prospects of IGO and its subsidiaries provided or made available by or on behalf of any member of the IGO Group to Sirius during the Due Diligence Period.

IGO Excluded Transaction means a transaction:

- (a) fairly disclosed in the IGO Disclosure Material;
- (b) consistent with a policy relating to employment which was fairly disclosed in the IGO Disclosure Material;
- (c) required or permitted to be done or procured by IGO under this document or the Share Scheme; or
- (d) in relation to which Sirius has expressly consented in writing (such consent not to be unreasonably withheld or delayed).

IGO FY2015 Final Dividend means IGO's final dividend for the financial year ending on 30 June 2015, in respect of which IGO undertakes to ensure that neither the record date for, or payment date for, is before the Longstop Date.

IGO Group means IGO and its subsidiaries.

IGO Material means the information provided by IGO to Sirius in accordance with clause 6.2(d) for inclusion in the Scheme Booklet (other than any information provided by Sirius to IGO or obtained from Sirius' public filings on ASX or with ASIC regarding the Sirius Group contained in, or used in the preparation of, the information regarding the merged entity following Implementation).

IGO Material Adverse Change, in relation to IGO, means an event, occurrence or matter that occurs, is announced or otherwise becomes known to Sirius after the date of this document which, whether individually or when aggregated with all such events, occurrences or matters of a like kind, has had or is reasonably likely to have, in the reasonable opinion of Sirius, acting in good faith:

- (a) the effect of reducing the value of the IGO Group's consolidated net assets by an amount that is greater than \$75 million against what it would reasonably have been expected to have been but for the event, occurrence or matter; or
- (b) a material adverse effect on the assets, liabilities, financial or trading position, performance, profitability or prospects of the IGO Group (in each case taken as a whole),

other than an event, occurrence or matter:

- (c) required or permitted to be done or procured by IGO pursuant to this document or the Share Scheme;
- (d) required or permitted to be done or procured by IGO pursuant to the Transaction Documents;
- (e) fairly disclosed in the IGO Disclosure Material, or which ought reasonably have been expected to arise from a matter, event or circumstance which was so disclosed;
- (f) resulting from changes in general economic or political conditions, the securities markets in general or law, provided that such changes could not reasonably be expected to have a materially disproportionate effect on the IGO Group relative to other ASX-listed diversified mining and exploration companies; and
- (g) resulting from any actions taken or not taken at the written request of Sirius or with Sirius' prior written consent.

IGO Performance Rights means a performance right granted by IGO listed in Schedule 2.

IGO Prescribed Event means the occurrence of any of the following:

- (a) **(share conversions)** IGO converting all or any IGO Shares into a larger or smaller number of shares;
- (b) **(capital reduction)** IGO resolving to reduce its share capital in any way or reclassifying, combining, splitting or redeeming or repurchasing directly or indirectly any IGO Shares;
- (c) **(buy back)** IGO:
 - (i) entering into a buy-back agreement; or
 - (ii) resolving to approve the terms of a buy-back agreement under the Corporations Act;
- (d) **(distribution)** IGO declaring, paying or distributing any dividend, bonus or other share of its profits or assets or returning or agreeing to return any capital to its members other than the IGO FY2015 Final Dividend (but which, for the avoidance of doubt, must not have a record date or payment date prior to the Longstop Date);
- (e) **(issue of securities)** a member of the IGO Group:
 - (i) issuing shares or securities convertible into shares, or granting an option over its shares, or agreeing to make such an issue or grant such an option, other than:
 - (A) to a wholly-owned subsidiary of IGO;
 - (B) pursuant to the exercise or vesting of any convertible securities (including performance rights) existing as at, and the issue of which has been notified to the ASX before, the date of this document in accordance with their terms; or

- (C) pursuant to the grant of performance rights to employees of the IGO Group under IGO's long term incentive plan in a manner consistent with past practice;
- (f) **(change to constitution)** a member of the IGO Group making any change to its constitution;
- (g) **(deregistration)** a member of the IGO Group being deregistered as a company or otherwise dissolved except in the case of an IGO Group member with less than \$10 million in net assets as at the date of this document;
- (h) **(Insolvency Event)** an Insolvency Event occurring in relation to a member of the IGO Group (except in the case of an IGO Group member with less than \$10 million in net assets as at the date of this document),

other than an occurrence:

- (i) consented in writing by Sirius (such consent not to be unreasonably withheld); or
- (j) which is an IGO Excluded Transaction.

IGO Share means a fully paid ordinary share in IGO.

IGO Shareholder means each person entered in the register of members of IGO as a holder of IGO Shares.

Implementation means the implementation of the Share Scheme in accordance with this document.

Implementation Date means the date that is seven Business Days after the Deferred Settlement Trading Date.

Impugned Amount means all or any part of the payment required to be made under clause 11.2 or 11.3 that is found by the Takeovers Panel or court to:

- (a) be unlawful;
- (b) involve a breach of directors' duties; or
- (c) constitute Unacceptable Circumstances.

Independent Expert means the independent expert in respect of the Share Scheme appointed by Sirius in consultation with IGO.

Independent Expert's Report means a report prepared by the Independent Expert in accordance with ASIC Regulatory Guide 111 in connection with the Share Scheme.

Independent Geological Report means a report prepared by the Independent Geologist to provide a VALMIN Code compliant valuation report for exploration assets.

Independent Geologist means the independent geologist in respect of the Share Scheme appointed by Sirius in consultation with IGO.

Ineligible Overseas Shareholder means a Scheme Shareholder whose address shown in the Register is a place outside Australia or New Zealand and their respective external territories.

Insolvency Event means, in respect of a person:

- (a) an administrator being appointed to the person;
- (b) an order being made, or the entity passing a resolution, for its winding up;
- (c) an application being made to a court for an order for its winding up where that application is not permanently stayed, discontinued or dismissed within 14 days;
- (d) a liquidator or provisional liquidator of the entity being appointed;
- (e) the entity being or becoming unable to pay its debts when they fall due;
- (f) the entity executing a deed of company arrangement;
- (g) a receiver, or a receiver and manager, being appointed in relation to the entity, or a substantial part of the property of the entity;
- (h) the entity being deregistered as a company or otherwise dissolved; or
- (i) any analogous event under the laws of any applicable jurisdiction,

in each case unless this takes place as part of a solvent reconstruction, amalgamation, merger or consolidation that has been approved by IGO or Sirius.

Integration Period has the meaning given to it in clause 8.2 of this document.

Listing means the initial inclusion of SpinCo in the official list of the ASX.

Longstop Date means 30 September 2015, being the date by which the Share Scheme must be implemented and the New IGO Shares issued in order for the Scheme Shareholders to be eligible to receive the IGO FY2015 Final Dividend.

Loss includes any loss, damage, liability, obligation, compensation, fine, penalty, charge, payment, cost or expense (including any legal cost and expense) however it arises and whether it is present or future, fixed or unascertained, actual or contingent but excluding any consequential or indirect loss, economic loss or loss of profits.

Material Agreement means the agreements set out in Schedule 8 of this document.

Mining Agreement means the mining agreement, dated 4 August 2014, between the Ngadju People, Sirius Gold and Sirius.

New IGO Share means IGO Shares to be issued under the Share Scheme as part of the Share Scheme Consideration.

Ngadju People means the people:

- (a) on whose behalf the Ngadju native title claim (WAD 6020/1998, as amended from time to time) (**Ngadju Claim**) is made, as described in Schedule A of the Ngadju Claim, and as replaced or varied from time to time;
- (b) the common law holders of native title in respect of the area the subject of the Ngadju determination (WCD2014/004) made on 21 November 2014; and
- (c) if a Determination (as defined in the Mining Agreement) is made in respect of the remaining portion of the Ngadju Claim, those people who are, from time to time, the common law holders of native title in respect of the Determination.

Ngadju Shares means the 400,000 Sirius Shares to be issued to the Trustee (as defined in the Mining Agreement) nominated by the Ngadju People pursuant to terms of the Mining Agreement, and which are to be held on trust for the benefit of the Ngadju People.

Norse Exploration means Norse Exploration Pty Ltd (ABN 37 603 486 899).

Nova-Bollinger Employees means all employees of Sirius who are involved in the development of the Nova-Bollinger project, as set out in Schedule 9 of this document.

Polar Metals means Polar Metals Pty Ltd (ABN 50 149 543 448).

PPS Security Interest means a security interest that is subject to the PPSA.

PPSA means the Personal Property Securities Act 2009 (Cth).

Priority Selection Employees means the employees selected by SpinCo under clause 8.3.

Professional Fees and Other Costs Cap means the cap on professional and other Transaction fees set out in Schedule 13.

Public Registers means:

- (a) in respect of a party, the party's public filings with ASX and ASIC; and
- (b) the records made available for public inspection on a register maintained by the Supreme Court of Western Australia, the Federal Court of Australia and the High Court of Australia, and on the Mining Titles Online register maintained by the Western Australian Department of Mines and Petroleum pursuant to the Mining Act 1978 (WA).

Record Date means 7:00pm (Sydney time) on the day which is three Business Days after the Effective Date, to be the record date to determine entitlements to receive:

- (a) the Share Scheme Consideration under the Share Scheme; and
- (b) the Demerger Scheme Consideration under the Demerger Scheme.

Redundancy Entitlements Schedule means the estimate of the redundancy entitlements owing to each individual employee of Sirius as at the Implementation Date, set out in Schedule 11.

Register means the register of Sirius Shareholders.

Regulatory Approvals means the consents, approvals, clearances, decisions and determinations referred to in Schedule 10.

Related Person means in respect of a party or its related bodies corporate, each director, officer, employee, adviser, agent or representative of that party or related body corporate and, in respect of such advisers, each director, officer or employee of the adviser.

Relevant Date means, in relation to a Condition, the date or time specified in this document for its fulfilment or, if no date or time is specified, 8.00 am on the Second Court Date, subject, in either case, to extension to that date made under clause 3.6.

Sakumpu means Sakumpu Exploration Oy, a company domiciled in Finland.

Salary Budget means the salary budget set out in Schedule 12.

Schemes means the Share Scheme and Demerger Scheme, and **Scheme** means either one of them, as the context requires.

Scheme Booklet means the information memorandum in respect of the Share Scheme to be prepared by Sirius (other than the IGO Material, which is to be prepared by IGO), approved by the Court and dispatched to Sirius Shareholders, and includes the Share Scheme, a copy of the Deed Poll executed by IGO, an explanatory statement as that term is defined in section 412 of the Corporations Act, the Independent Expert's Report, the Independent Geological Report and a notice of meeting and proxy form.

Scheme Order means the order of the Court made for the purposes of section 411(4)(b) of the Corporations Act in relation to the Share Scheme.

Scheme Ordinary Shareholders means each Sirius Ordinary Shareholder as at the Record Date (taking into account registration of all registrable transfers and transmission applications received at Sirius' share registry by the Record Date).

Scheme Partly Paid Shareholders means each Sirius Partly Paid Shareholder as at the Record Date (taking into account registration of all registrable transfers and transmission applications received at Sirius' share registry by the Record Date).

Scheme Shareholders means a Scheme Ordinary Shareholder and a Scheme Partly Paid Shareholder (as appropriate).

Second Court Date means the first day on which the Court hears the application for an order under section 411(4)(b) of the Corporations Act approving the Share Scheme or, if the application is adjourned or subject to appeal for any reason, the first day on which the adjourned or appealed application is heard.

Security Interest means any security interest, including:

- (a) a PPS Security Interest;
- (b) any other mortgage, charge, pledge or lien; or
- (c) any other interest or arrangement of any kind that in substance secures the payment of money or the performance of an obligation, or that gives a creditor priority over unsecured creditors in relation to any property.

Share Scheme means a scheme of arrangement under Part 5.1 of the Corporations Act between Sirius and the Scheme Shareholders in the form or substantially in the form of Schedule 3 or in such other form as is agreed in writing between Sirius and IGO, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and approved by each party.

Share Scheme Consideration means the Sirius Ordinary Share Scheme Consideration and the Sirius Partly Paid Share Scheme Consideration.

Share Scheme Meeting means the meeting of Sirius Shareholders to be convened as ordered by the Court under section 411(1) of the Corporations Act, to consider the Share Scheme.

Share Scheme Transaction Documents means this document, the Deed Poll and the Share Scheme.

Sirius Board means the board of directors of Sirius.

Sirius Break Fee means \$18.45 million.

Sirius Committee Members means Mark Bennett, Anna Neuling and Grant Dyker.

Sirius Consolidated Tax Group means the consolidated group of which Sirius is the head company. In this definition, "consolidated group" and "head company" have the respective meanings given by the Income Tax Assessment Act 1997 (Cth).

Sirius Disclosure Material means the Sirius Due Diligence Information and information available on the Public Registers prior to the date of this document.

Sirius Due Diligence Information means all written information relating to the business, assets, liabilities, operations, profits and losses, financial position and performance and prospects of Sirius and its subsidiaries provided or made available by or on behalf of any member of the Sirius Group to IGO during the Due Diligence Period.

Sirius Europa means Sirius Europa Pty Ltd (ABN 31 603 292 333).

Sirius Excluded Transaction means a transaction:

- (a) fairly disclosed in the Sirius Disclosure Material;
- (b) required or permitted to be done or procured by Sirius under this document or the Share Scheme;
- (c) contemplated by the Demerger Transaction Documents; or
- (d) in relation to which IGO has expressly consented in writing (such consent not to be unreasonably withheld or delayed).

Sirius Gold means Sirius Gold Pty Ltd (ABN 36 146 091 527).

Sirius Group means Sirius and its subsidiaries (each of Sirius and each such subsidiary being a member of the Sirius Group).

Sirius Material Adverse Change, in relation to a Sirius, means an event, occurrence or matter that occurs, is announced or otherwise becomes known to IGO after the date of this document which, whether individually or when aggregated with all such events, occurrences or matters of a like kind, has had or is reasonably likely to have, in the reasonable opinion of IGO, acting in good faith:

- (a) the effect of reducing the value of the Sirius Group's consolidated net assets by an amount that is greater than \$75 million against what it would reasonably have been expected to have been but for the event, occurrence or matter; or
- (b) a material adverse effect on the assets, liabilities, financial or trading position, performance, profitability or prospects of the Sirius Group (in each case taken as a whole),

other than an event, occurrence or matter:

- (c) required or permitted to be done or procured by Sirius pursuant to this document or the Share Scheme;
- (d) required or permitted to be done or procured by Sirius pursuant to the Transaction Documents;

- (e) fairly disclosed in the Sirius Disclosure Material or the Agreed Budget, or which ought reasonably have been expected to arise from a matter, event or circumstance which was so disclosed;
- (f) resulting from changes in general economic or political conditions, the securities markets in general or law, provided that such changes could not reasonably be expected to have a materially disproportionate effect on the Sirius Group relative to other ASX-listed nickel, gold and base metal exploration companies; and
- (g) resulting from any actions taken or not taken at the written request of IGO or with IGO's prior written consent.

Sirius Option means an option to subscribe for a Sirius Share, granted to various directors of Sirius, service providers and pursuant to Sirius' employee incentive option plan, listed in Schedule 2.

Sirius Ordinary Share means a fully paid ordinary share in Sirius.

Sirius Ordinary Shareholder means each person entered in the Register as a holder of Sirius Ordinary Shares.

Sirius Ordinary Share Scheme Consideration means 0.66 New IGO Shares and \$0.52 cash per Sirius Ordinary Share held by a Sirius Ordinary Shareholder on the Record Date, subject to the terms of the Share Scheme.

Sirius Partly Paid Share means a partly paid Sirius Share, listed in Schedule 2 of this document.

Sirius Partly Paid Shareholder means each person entered in the Register as a holder of Sirius Partly Paid Shares.

Sirius Partly Paid Share Scheme Consideration means 57/60ths of the Sirius Ordinary Share Scheme Consideration per Sirius Partly Paid Share held by a Sirius Partly Paid Shareholder on the Record Date, subject to the terms of the Share Scheme, or such other proportion of the Sirius Ordinary Share Scheme Consideration as agreed between the parties to reflect the value of the Sirius Partly Paid Shares.

Sirius Performance Share means a performance share granted under the Fraser Range Restructuring Agreement (being the agreement between the certain members of the Creasy Group, Sirius Gold and Sirius, dated 20 October 2010) which may be converted into a Sirius Share on the occurrence of certain events described in Sirius' notice of general meeting and explanatory statement dated 11 November 2010. The Sirius Performance Shares on issue are listed in Schedule 5 of this document.

Sirius Prescribed Event means the occurrence of any of the following:

- (a) **(share conversions)** Sirius converting all or any Sirius Shares into a larger or smaller number of shares;
- (b) **(capital reduction)** Sirius resolving to reduce its share capital in any way or reclassifying, combining, splitting or redeeming or repurchasing directly or indirectly any Sirius Shares, other than the Demerger Capital Reduction;
- (c) **(buy back)** Sirius entering into a buy-back agreement or resolving to approve the terms of a buy back agreement under the Corporations Act;

- (d) **(distribution)** Sirius declaring, paying or distributing any dividend, bonus or other share of its profits or assets or returning or agreeing to return any capital to its members;
- (e) **(issue of securities)** a member of the Sirius Group issuing shares or securities convertible into shares, or granting an option over its shares, or agreeing to make such an issue or grant such an option other than:
 - (i) an issue of securities on the exercise of Sirius Options, vesting of Sirius Share Appreciation Rights, or the conversion of Sirius Performance Shares, which have previously been notified to ASX, where such vesting or conversion occurs as a result of the satisfaction of the applicable conditions (including by any exercise of Sirius Board discretion, the exercise of which discretion is not affected by this document);
 - (ii) the issue of the Ngadju Shares; and
 - (iii) agreeing to issue equity securities or other rights which may convert into or result in the issue of Sirius Shares, provided that such securities and/or rights are only issued if the Share Scheme is terminated before the End Date or under clause 14.1(b).
- (f) **(change to constitution)** a member of the Sirius Group making any change to its constitution;
- (g) **(deregistration)** a member of the Sirius Group being deregistered as a company or otherwise dissolved except:
 - (i) in the case of a Sirius Group member with less than \$10 million in net assets as at the date of this document; and
 - (ii) in relation to any member of the Sirius Group that is or is intended to become a subsidiary of SpinCo;
- (h) **(acquisition)** a member of the Sirius Group acquiring, offering to acquire or agreeing to acquire any one or more assets (including any one or more shares in any company) having a market value that in aggregate is, or the consideration for which in aggregate is, \$10 million or more;
- (i) **(disposal)** a member of the Sirius Group disposing, offering to dispose or agreeing to dispose of any one or more assets (including any one or more shares in any company), or an interest in any one or more assets, having a market value that in aggregate is, or the consideration for which in aggregate is, \$10 million or more (and, for the avoidance of doubt, "dispose" includes sell, transfer, grant an option over, declare or create a trust over, surrender, allow to lapse or encumber), other than in relation to SpinCo or the assets of SpinCo;
- (j) **(Security Interest)** a member of the Sirius Group granting, or agreeing to grant, any Security Interest over the whole, or a substantial part, of its business or property other than in relation to SpinCo or the assets of SpinCo;
- (k) **(entry into agreement)** entering into, or offering to enter into, any joint venture, asset or profit sharing arrangement, partnership or merger of businesses or of corporate entities (including through a multiple listed companies structure) in respect of any one or more assets (including any one or more shares in any company) or undertakings having a market value that in aggregate is, or involving

a commitment or liability that in aggregate is, \$10 million or more, other than by or in relation to SpinCo or the assets of SpinCo;

- (l) (**expenditure**) other than in the ordinary course of business or as fairly disclosed in Sirius Disclosure Material or the Agreed Budget before the date of this document:
 - (i) incurring or committing to, or bringing forward the time for incurring or committing, or granting to another person a right the exercise of which would involve a member of the Sirius Group incurring or committing to, any capital expenditure or liability; or
 - (ii) foregoing any revenue,for individual items or amounts of \$10 million or more;
- (m) (**Material Agreements**) varying or terminating, or agreeing to vary or terminate, any Material Agreement;
- (n) (**related party transactions**) the Sirius Group entering into or resolving to enter into a transaction with any related party of Sirius (other than a related party which is a wholly owned member of the Sirius Group, including SpinCo) as defined in section 228 of the Corporations Act;
- (o) (**financial advisors**) a member of the Sirius Group amending in any material respect any arrangement with a financial advisor, or entering into arrangements with a new financial advisor, in respect of the Transaction or a Competing Proposal (except in the case of a Competing Proposal a member of the Sirius Group may enter arrangements in relation to a Competing Proposal provided the arrangements are on terms consistent with those in the market generally);
- (p) (**Sirius Consolidated Tax Group**) the Sirius Group doing anything that would result in a change in the membership of the Sirius Consolidated Tax Group other than anything in relation to entry into, and implementation of, the Demerger Scheme;
- (q) (**Insolvency Event**) an Insolvency Event occurring in relation to a member of the Sirius Group,

other than an occurrence:

- (r) consented to in writing by IGO (such consent not to be unreasonably withheld);
- (s) required to be done or procured by Sirius pursuant to this document or the Share Scheme;
- (t) fairly disclosed in the Sirius Disclosure Material or the Agreed Budget, or which ought reasonably to have been expected to arise from a matter, event or circumstance that was so disclosed; or
- (u) which is a Sirius Excluded Transaction.

Sirius Share means a Sirius Ordinary Share or a Sirius Partly Paid Share (as the context requires).

Sirius Share Appreciation Right means a share appreciation right in relation to Sirius Shares, granted under Sirius' long term incentive plan, listed in Schedule 5 of this document.

Sirius Shareholder means each person entered in the Register as a holder of Sirius Shares.

Sirius Shareholder Approval means a resolution in favour of the Share Scheme passed by the required majority of Sirius Shareholders under section 411(4)(a)(ii) of the Corporations Act.

Sirius Unlisted Securities means Sirius Options, Sirius Performance Shares and Sirius Share Appreciation Rights.

SpinCo means S2 Resources Ltd, a company specifically incorporated for the purposes of the Demerger Scheme, to hold Polar Metals and its assets (including the Polar Bear project, the Baloo prospect and the Norcott project, its 80% interest in the Eundynie joint venture and various tenements in the name of Polar Metals), and Sirius Europa and its assets (including the 67% ownership of Norse Exploration and its assets including 100% ownership of Sakumpu and its assets).

SpinCo Initial Working Capital has the meaning given to it in clause 6.3.

SpinCo Share means each fully paid ordinary share in SpinCo.

Superior Proposal means a bona fide Competing Proposal which the Sirius Board, acting in good faith and after taking advice from Sirius' financial and legal advisers, determines:

- (a) is capable of being implemented within a reasonable timeframe and in accordance with its terms; and
- (b) would, if so implemented, result in a more favourable outcome for Sirius Shareholders than would result from implementation of the Transaction.

Takeovers Panel means the Takeovers Panel constituted under the Australian Securities and Investments Commission Act 2001 (Cth).

Timetable means the timetable for the Implementation of the Share Scheme as set out in Schedule 1, subject to any modifications as the parties may agree in writing.

Transaction means the Share Scheme, the Demerger Scheme, the Demerger Capital Reduction and other associated transactions contemplated by this document and the Transaction Documents.

Transaction Documents means the Share Scheme Transaction Documents and the Demerger Transaction Documents.

Transaction Meetings means the Demerger Scheme Meeting, the Share Scheme Meeting and the General Meeting, together, and **Transaction Meeting** means any one of them, as the context requires.

Unacceptable Circumstances has the meaning given to that term in section 657A of the Corporations Act.

VALMIN Code means the VALMIN Code 2005, which sets out requirements for the technical assessment and valuation of mineral assets and securities for independent expert reports.

VWAP means volume weighted average price of shares traded on ASX.

1.2 Rules for interpreting this document

Headings and catchwords are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this document, except where the context makes it clear that a rule is not intended to apply.

- (a) A reference to:
 - (i) a legislative provision or legislation (including subordinate legislation) is to that provision or legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
 - (ii) a document (including this document) or agreement, or a provision of a document (including this document) or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;
 - (iii) a party to this document or to any other document or agreement includes a permitted substitute or a permitted assign of that party;
 - (iv) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
 - (v) anything (including a right, obligation or concept) includes each part of it.
- (b) A singular word includes the plural, and vice versa.
- (c) A word which suggests one gender includes the other genders.
- (d) If a word or phrase is defined, any other grammatical form of that word or phrase has a corresponding meaning.
- (e) If an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.
- (f) The words **associate, control, controller, entity, officer, related body corporate, relevant interest, security interest** and **subsidiary** have the same meanings as given by the Corporations Act.
- (g) A reference to **\$** or **dollar** is to Australian currency.
- (h) The expression **this document** includes the agreement, arrangement, understanding or transaction recorded in this document.
- (i) A reference to a matter being, at a relevant time, to the knowledge of a person means that the matter is, at that time, within the actual knowledge of the person.
- (j) Terms defined in the GST Law have the same meaning in this document unless the context otherwise requires.
- (k) A reference to time in this document is a reference to time in Perth, Western Australia.

1.3 **Non-Business Days**

If the day on or by which a person must do something under this document is not a Business Day the person must do it on or by the next Business Day.

2. **THE SCHEME**

2.1 **Agreement to propose and implement Share Scheme**

- (a) Sirius agrees to propose and implement the Share Scheme in accordance with Part 5.1 of the Corporations Act and subject to the terms of this document, and must use all reasonable endeavours to do so in accordance with the Timetable.
- (b) IGO agrees to assist Sirius to propose and implement the Share Scheme in accordance with Part 5.1 of the Corporations Act and subject to the terms of this document, and must use all reasonable endeavours to do so in accordance with the Timetable.

2.2 **Demerger Scheme**

Sirius will also propose and implement the Demerger Scheme on and subject to the terms and conditions of this document and the Demerger Transaction Documents set out in Schedule 7, on the basis that:

- (a) if approved, the Demerger Scheme will not be implemented unless:
 - (i) Sirius Shareholders approve the Share Scheme at the Scheme Meeting;
 - (ii) Sirius Shareholders approve the Capital Reduction Resolution at the General Meeting; and
 - (iii) the Share Scheme becomes Effective by the End Date; and
- (b) if the Demerger Scheme, the Share Scheme and the Capital Reduction Resolution are approved by Sirius Shareholders, the Demerger Scheme will be implemented on or before the day before the Implementation Date.

2.3 **Outline of Share Scheme**

Subject to the terms of this document, on the Implementation Date, all of the Sirius Shares held by Scheme Shareholders will be transferred to IGO and the Scheme Shareholders will be entitled to receive the Share Scheme Consideration.

2.4 **No amendments to Share Scheme without consent**

Sirius must not consent to any modification of, or amendment to, or the making or imposition by the Court of any condition in respect of, the Share Scheme without the prior written consent of IGO.

2.5 **Share Scheme Consideration**

- (a) IGO agrees with Sirius that in consideration of the transfer to IGO of each Sirius Share held by a Scheme Shareholder under the terms of the Share Scheme and subject to the terms of the Deed Poll and the Share Scheme, IGO will pay and issue the Share Scheme Consideration to each Scheme Shareholder for each Sirius Share held by that Scheme Shareholder at the Record Date.

- (b) Any fractional entitlement of a Scheme Shareholder to part of an IGO Share or a cent will be rounded up or down to the nearest whole number of IGO Shares or nearest whole cent (as applicable) in accordance with the Share Scheme (and if the fractional entitlement would include one half of an IGO Share, the entitlement will be rounded up to the nearest whole number of IGO Shares in accordance with the Share Scheme).
- (c) Unless IGO is satisfied that it may lawfully issue New IGO Shares to an Ineligible Overseas Shareholder either unconditionally or after compliance with terms which IGO reasonably regards as not unduly onerous or impractical, IGO has no obligation to issue New IGO Shares to the Ineligible Overseas Shareholder.
- (d) If IGO elects not to issue New IGO Shares to an Ineligible Overseas Shareholder under clause 2.5(c), it must issue the New IGO Shares to which the Ineligible Overseas Shareholder would otherwise become entitled to a nominee appointed by IGO. The terms of issue to the nominee must be that the nominee must sell those New IGO Shares at the time, in the manner and on the terms the nominee thinks fit (and at the risk of the Ineligible Overseas Shareholder) and the nominee must remit to Sirius the proceeds received after deducting any applicable fees, brokerage, taxes and charges, and Sirius must then pay or procure the payment to that Ineligible Overseas Shareholder of the proceeds received from the sale of those New IGO Shares.

3. CONDITIONS

3.1 Obligations not binding until Conditions satisfied

Subject to this clause 3, the Share Scheme will not become Effective unless and until each Condition is satisfied or waived under clause 3.3.

3.2 Conditions

Condition		Party entitled to benefit	Party responsible
(a)	<p>Regulatory approvals</p> <p>Before 5.00 pm on the day before the Second Court Date:</p> <p>(i) all consents, approvals, waivers and modifications (other than the class ruling referred to in clause 5.1(d) and any other rulings sought from the ATO) that are necessary to implement the Share Scheme (including the ASX Approvals) are obtained on terms acceptable to the parties (acting reasonably); and</p> <p>(ii) none of those approvals, waivers and modifications have been withdrawn, cancelled or revoked.</p>	Sirius and IGO	Sirius and IGO

Condition		Party entitled to benefit	Party responsible
(b)	<p>No regulatory actions</p> <p>Between the date of this document and 8.00 am on the Second Court Date (each inclusive):</p> <p>(i) there is not in effect any preliminary or final decision, order or decree issued by a Government Agency;</p> <p>(ii) no action or investigation is announced, commenced or threatened by any Government Agency; and</p> <p>(iii) no application is made to any Government Agency,</p> <p>in consequence of or in connection with the Transaction which restrains, prohibits or impedes or threatens to restrain, prohibit or impede, the implementation of the Transaction or any part of it.</p>	Sirius and IGO	Sirius and IGO
(c)	<p>Independent Expert's Report</p> <p>The Independent Expert issues the Independent Expert's Report before the date on which the Scheme Booklet is provided for registration with ASIC under section 412 of the Corporations Act and concludes that the Share Scheme is in the best interests of Sirius Shareholders, and, on consideration of all relevant information from time to time, the Independent Expert does not change that conclusion in any written update to its Independent Expert's Report or withdraw its Independent Expert's Report prior to 5.00 pm on the day before the Second Court Date.</p>	Sirius	Sirius
(d)	<p>Sirius Shareholder Approval of the Share Scheme</p> <p>Sirius Shareholder Approval is obtained at the Scheme Meeting convened in accordance with the orders made under section 411(1) of the Corporations Act.</p>	Sirius and IGO, but cannot be waived	Sirius
(e)	<p>Sirius Shareholder approval of the Demerger Scheme</p> <p>Sirius Shareholder approval is obtained at the Demerger Scheme Meeting convened in accordance with the orders made under section 411(1) of the Corporations Act.</p>	Sirius and IGO, but cannot be waived	Sirius
(f)	<p>Sirius Shareholder approval of the Capital Reduction Resolution</p> <p>Sirius Shareholder approval is obtained for the Capital Reduction Resolution.</p>	Sirius, but cannot be waived	Sirius

Condition		Party entitled to benefit	Party responsible
(g)	<p>Sirius Unlisted Securities</p> <p>Before 5.00 pm on the day before the Second Court Date, 75% of the total number of Sirius Options and Sirius Share Appreciation Rights on issue at the date of this document:</p> <p>(i) have vested and been exercised;</p> <p>(ii) are the subject of binding agreements pursuant to the terms contemplated in Schedule 5; or</p> <p>(iii) have otherwise been dealt with as is agreed between Sirius and IGO.</p>	IGO	Sirius and IGO
(h)	<p>Court approval of the Share Scheme</p> <p>The Court makes orders under section 411(4)(b) of the Corporations Act approving the Share Scheme and an office copy of the Court order approving the Share Scheme is lodged with ASIC under section 411(10) of the Corporations Act.</p>	Sirius and IGO, but cannot be waived	Sirius
(i)	<p>Court approval of the Demerger Scheme</p> <p>The Court makes orders under section 411(4)(b) of the Corporations Act approving the Demerger Scheme and an office copy of the Court order approving the Demerger Scheme is lodged with ASIC under section 411(10) of the Corporations Act.</p>	Sirius and IGO, but cannot be waived	Sirius
(j)	<p>No Sirius Prescribed Event</p> <p>No Sirius Prescribed Event occurs between the date of this document and 8.00 am on the Second Court Date.</p>	IGO	Sirius
(k)	<p>No Sirius Material Adverse Change</p> <p>No Sirius Material Adverse Change occurs between the date of this document and 8.00 am on the Second Court Date.</p>	IGO	Sirius
(l)	<p>No IGO Material Adverse Change</p> <p>No IGO Material Adverse Change occurs between the date of this document and 8.00 am on the Second Court Date.</p>	Sirius	IGO
(m)	<p>Sirius representations and warranties</p> <p>Each of the representations and warranties given or made by Sirius under clause 15 is true and correct in all material respects as at the time it is given or made.</p>	IGO	Sirius

Condition		Party entitled to benefit	Party responsible
(n)	<p>IGO representations and warranties</p> <p>Each of the representations and warranties given or made by IGO under clause 15 is true and correct in all material respects as at the time it is given or made.</p>	Sirius	IGO

3.3 Waiver of Conditions

- (a) If, according to the table in clause 3.2, a Condition has been included for the benefit of:
- (i) one party only, only that party may, in its sole and absolute discretion, waive the breach or non-fulfilment of the Condition;
 - (ii) more than one party, the breach or non-fulfilment of the Condition may be waived only by the consent of all those parties.

However, a party for whom a Condition has been included must not waive the Condition if, according to the table in clause 3.2, the Condition cannot be waived.

- (b) The breach or non-fulfilment of a Condition may only be waived in writing.
- (c) If a party waives the breach or non-fulfilment of a Condition, that waiver precludes the party from suing another party for any breach of this document that resulted in the breach or non-fulfilment of the Condition.

3.4 Fulfilment of Conditions

Each party must:

- (a) use its reasonable endeavours (other than waiver) to ensure and procure that each Condition for which that party is responsible (according to the table in clause 3.2) is satisfied as soon as practicable after the date of this document;
- (b) not take any action or refrain from taking any action (except as required by law) designed to prevent the Conditions being satisfied, without the prior consent of the other party;
- (c) keep the other party promptly and reasonably informed of the steps it has taken and of its progress towards satisfaction of the Conditions;
- (d) promptly inform the other party, orally and in writing, of any circumstances of which it becomes aware which may result in any of the Conditions not being satisfied in accordance with its terms; and
- (e) promptly advise, orally and in writing, the other party of the satisfaction of a Condition.

3.5 Parties to provide certificate to Court

Each of Sirius and IGO must provide to the other and to the Court before or at the Court hearing on the Second Court Date, a certificate or such other evidence as the Court requests, confirming whether or not the Conditions set out in clause 3.2 of this document

included for its benefit, other than the Conditions in clause 3.2(h) and 3.2(i), have been satisfied (or waived by it) in accordance with the terms of this document.

3.6 If a Condition is not fulfilled or waived

If:

- (a) a Condition set out in clause 3.2(a) to 3.2(g) inclusive and clause 3.2(j) to 3.2(n) inclusive has not been fulfilled by the Relevant Date and is not waived;
- (b) a Condition set out in clause 3.2(h) and 3.2(i) has not been fulfilled by the End Date;
- (c) it becomes more likely than not that the Share Scheme will not become Effective on or prior to the End Date; or
- (d) there is an act, failure to act, event or occurrence which prevents or will prevent a Condition being fulfilled by:
 - (i) in the case of a Condition in clause 3.2(a) to 3.2(g) inclusive and clause 3.2(j) to 3.2(n) inclusive, the Relevant Date; or
 - (ii) in the case of a Condition in clause 3.2(h) and 3.2 (i), the End Date,(and the breach or non-fulfilment of the Condition which would otherwise occur has not been waived),

Sirius and IGO must consult in good faith to determine whether:

- (e) the Share Scheme may proceed by way of alternative means or method so as to achieve a commercial outcome which reflects the Share Scheme; and
- (f) may agree to extend the Relevant Date or the End Date, or both.

3.7 Contemporaneous schemes

Without limiting clause 3.6, the parties agree that if the Condition in clause 3.2(g) is not satisfied by the date that Sirius submits the first ASIC Review Draft to ASIC, then the parties will consult in good faith to determine whether 100% of the Sirius Options and Sirius Share Appreciation Rights may be acquired by IGO by means of a scheme (or schemes) of arrangement under Part 5.1 of the Corporations Act contemporaneously with the Share Scheme, on the basis that the consideration offered under such a scheme (or schemes) must be no less than that offered in accordance with the terms set out in Schedule 5.

3.8 Share Scheme voted down

If the Share Scheme is not approved by Sirius Shareholders at the Share Scheme Meeting by reason only of the non-satisfaction of the Headcount Test, then Sirius must if requested by IGO, acting reasonably:

- (a) seek the Scheme Order within 3 Business Days of the Share Scheme Meeting, notwithstanding the Headcount Test has not been satisfied; and
- (b) make such submissions to the Court and file such evidence as counsel engaged by Sirius to represent it in Court proceedings related to the Share Scheme, in consultation with IGO, considers is reasonably required to persuade the Court to exercise its discretion under section 411(4)(a)(ii)(a) of the Corporations Act to disregard the Headcount Test.

4. OBLIGATIONS OF THE PARTIES

- (a) **(Effect the Share Scheme)** Sirius and IGO must use all reasonable endeavours to give effect to the Share Scheme, in accordance with their respective obligations, powers and duties under this document, their constituent documents and all applicable laws.
- (b) **(Transaction Documents)** Sirius and IGO agree that they will negotiate in good faith and use their respective best endeavours to agree the terms of all Transaction Documents which are not in Agreed Form at the date of this document as soon as reasonably practicable and in any event before the date of the Scheme Booklet.

5. SIRIUS OBLIGATIONS AND ACKNOWLEDGEMENTS

5.1 Sirius obligations in respect of the Transaction

Sirius must take all necessary steps to propose and implement the Transaction as expeditiously as practicable and use all reasonable endeavours to do so in accordance with the Timetable, including taking each of the following steps:

- (a) **(Sirius Board recommendation and director intentions)** on the date of this document, make an Announcement, in a form agreed between Sirius and IGO under clause 10.1, which includes a statement (on the basis of written statements made to it by each of its directors) that each director of Sirius:
 - (i) considers the Transaction (including the Share Scheme and the Demerger Scheme) to be in the best interest of Sirius Shareholders and recommends that Sirius Shareholders vote in favour of all resolutions put to Sirius Shareholders at the Transaction Meetings; and
 - (ii) who holds or controls Sirius Shares intends to vote or procure the voting of those Sirius Shares in favour of all resolutions put to Sirius Shareholders at the Transaction Meetings, including the resolution to approve the Share Scheme,

subject to no Superior Proposal emerging and the Independent Expert's Report concluding that the Share Scheme is in the best interest of Sirius Shareholders, and, on consideration of all relevant information from time to time, the Independent Expert does not change that conclusion in any written update to its Independent Expert's Report or withdraw its Independent Expert's Report prior to 5.00 pm on the day before the Second Court Date; and

- (b) **(directors' approval)** use all reasonable endeavours to procure that each director of Sirius maintains the recommendation referred to in clause 5.1(a) until the Implementation Date, subject to:
 - (i) the Sirius Board determining, after receiving written advice from its external legal advisors, that the Sirius Board, by virtue of the duties of the directors of Sirius, is required to change, withdraw or modify its recommendation;
 - (ii) Sirius receiving, other than as a result of a breach of clause 12, a Superior Proposal; or
 - (iii) the Independent Expert's Report concluding that the Share Scheme is in the best interest of Sirius Shareholders, and, on consideration of all relevant information from time to time, the Independent Expert not concluding that the Share Scheme is not in the best interest of Sirius Shareholders in any written update to its Independent Expert's Report or the Independent Expert

withdrawing its Independent Expert's Report prior to 5.00 pm on the day before the Second Court Date,

and provided that, in each case, Sirius has complied with its obligations under clause 12;

- (c) **(Regulatory Approvals)** consult with IGO on all aspects of communications with Government Agencies in relation to the Transaction and, as expeditiously as practicable:
 - (i) apply for the Regulatory Approvals referred to in Schedule 10 and provide IGO with a copy of all applications;
 - (ii) take all steps it is responsible for in the approval process;
 - (iii) respond to requests for information from the relevant Government Agencies in relation to the Regulatory Approvals at the earliest practicable time; and
 - (iv) provide IGO with all information reasonably requested in connection with the applications for Regulatory Approvals for which IGO must apply set out in Schedule 10; and
- (d) **(class ruling)** prepare and lodge an application for a class ruling with the ATO, seeking to confirm (among other things):
 - (i) the availability of capital gains tax scrip-for-scrip rollover relief to the Scheme Shareholders in connection with the Implementation of the Share Scheme;
 - (ii) that no part of the Demerger Scheme Consideration will constitute a dividend and that demerger rollover relief will be available,

together with any other matter that IGO and Sirius consider relevant. To avoid doubt, the non-receipt of the requested class ruling will have no effect on the parties' rights and obligations under this document.

5.2 Sirius obligations in respect of the Share Scheme

Sirius must take all necessary steps to propose and implement the Share Scheme as expeditiously as practicable and use all reasonable endeavours to do so in accordance with the Timetable, including taking each of the following steps:

- (a) **(Independent Expert's Report)** commission the preparation of the Independent Expert's Report and provide all assistance and information reasonably requested by the Independent Expert to enable it to prepare the Independent Expert's Report;
- (b) **(Independent Geological Report)** commission the preparation of the Independent Geological Report and provide all assistance and information reasonably requested by the Independent Geologist to enable it to prepare the Independent Geological Report;
- (c) **(prepare Scheme Booklet)** prepare the Scheme Booklet and ensure that the Scheme Booklet includes all information required by applicable laws, ASIC regulatory guides, Takeovers Panel policy and guidance notes and the ASX Listing Rules, subject to IGO complying with its obligations under clauses 6.2(d) and 6.2(e) in respect of the IGO Material;
- (d) **(continuing obligation of disclosure)** subject to any order of the Court and applicable law, ensure that the Scheme Booklet (but in respect of the IGO Material,

subject to IGO complying with its obligations under clauses 6.2(d) and 6.2(e)) is updated by all such further or new information which may arise after the Scheme Booklet has been dispatched until the Share Scheme Meeting which is necessary to ensure that the Scheme Booklet is not misleading or deceptive in any material respect (including because of any material omission) and otherwise complies with all applicable laws;

- (e) **(Court documents)** promptly prepare and lodge all documents necessary for the Court proceedings relating to the Share Scheme in accordance with all applicable laws and consult in good faith with IGO in relation to the content of such documents;
- (f) **(consult with IGO)** in a timely manner consult with IGO in good faith as to the form and content of all documents required for the purposes of the Share Scheme, including:
 - (i) the Scheme Booklet, including providing IGO drafts of the Scheme Booklet within a reasonable time before the ASIC Review Draft is finalised for the purpose of allowing IGO to review and comment on the drafts (in the case of the Independent Expert's Report and Independent Geological Report, IGO's review will be limited to a factual accuracy review) and taking into account IGO's reasonable comments and incorporating the IGO Material; and
 - (ii) the Court proceedings relating to the Share Scheme, including taking into account IGO's reasonable comments in relation to the documents required for the Court proceedings;
- (g) **(merged entity information)** prepare and promptly provide to IGO any information regarding the Sirius Group that IGO reasonably requires in order to prepare the information regarding the merged entity following Implementation for inclusion in the Scheme Booklet;
- (h) **(lodgement of ASIC Review Draft)** as soon as practicable, and no later than 14 days before the First Court Date, subject to IGO complying with its obligations under clause 6.2(d) and 6.2(e), provide a draft of the Scheme Booklet to ASIC as contemplated by section 411(2) of the Corporations Act;
- (i) **(approve the Scheme Booklet)** as soon as reasonably practicable after ASIC has confirmed that it has no objection to the Share Scheme, or if ASIC raises any objection to the Share Scheme, after that objection has been resolved, procure that a meeting of the Sirius Board is convened to approve the Scheme Booklet for despatch to Sirius Shareholders (and provide IGO with a copy of an extract of the applicable Sirius Board resolutions from the applicable minutes of the meeting as soon as practicable after those minutes have been prepared and signed);
- (j) **(apply to Court for order to convene Meeting)** apply to the Court under section 411(1) of the Corporations Act for an order directing Sirius to convene the Share Scheme Meeting;
- (k) **(register Scheme Booklet)** take all reasonable measures necessary to cause ASIC to register the Scheme Booklet under section 412(6) of the Corporations Act;
- (l) **(convene Meeting)** convene the Share Scheme Meeting in accordance with any order made by the Court under section 411(1) of the Corporations Act;
- (m) **(order of Transaction Meetings)** do everything reasonably within its power to ensure that the Transaction Meetings are held on the same date;

- (n) **(dispatch Scheme Booklet)** as expeditiously as practicable following an order made by the Court under section 411(1) of the Corporations Act, dispatch a copy of the Scheme Booklet to each Sirius Shareholder and to all other persons entitled to receive notice of the Share Scheme Meeting;
- (o) **(inform Sirius Shareholders)** if it becomes aware of information after the date of dispatch of the Scheme Booklet which is material for disclosure to Sirius Shareholders in deciding whether to approve the Share Scheme, subject to applicable laws and any order of the Court, inform shareholders of such information in an appropriate and timely manner;
- (p) **(section 411(17)(b) statement)** if Sirius Shareholder Approval is obtained, apply to ASIC for the production of a statement under section 411(17)(b) of the Corporations Act in relation to the Share Scheme;
- (q) **(Court approval)** subject to satisfaction or waiver of all Conditions other than the Conditions in clause 3.2(h) and 3.2(i), apply to the Court for orders approving the Share Scheme under section 411(4) of the Corporations Act;
- (r) **(no Sirius Prescribed Event)** ensure that no Sirius Prescribed Event occurs during the period commencing on the date of this document and ending at 8.00 am on the Second Court Date and, if a Sirius Prescribed Event occurs, immediately inform IGO;
- (s) **(provide certificate)** before commencement of the hearing by the Court of the application for the order under section 411(4)(b) of the Corporations Act, give:
 - (i) to IGO a certificate signed by Sirius stating whether or not each representation or warranty given by Sirius is true and correct as at the time it is given or made under clause 15; and
 - (ii) to IGO and the Court the certificate referred to in clause 3.5;
- (t) **(lodge copy of order)** if the Court approves the Share Scheme under section 411(4) of the Corporations Act, lodge an office copy of the Court order with ASIC in accordance with section 411(10) of the Corporations Act no later than the first Business Day after the day on which the Court approves the Share Scheme;
- (u) **(share register)** provide IGO a copy of the register of Sirius Shareholders and the holders of Sirius Unlisted Securities promptly after a request to do so (and after payment of any fee prescribed in the Corporations Act for the request, if required by Sirius) and comply with any reasonable request of IGO to give directions to Sirius Shareholders under Part 6C.2 of the Corporations and provide IGO with any information disclosed by any Shareholder (or any other person) in connection with such a direction (and, if required by Sirius, IGO must reimburse Sirius for its reasonable costs in complying with such a request);
- (v) **(Scheme Shareholders)** give to the share registry of IGO details of the names, registered addresses and holdings of Sirius Shares of every Sirius Shareholder as shown in the Register on the Record Date, in such form as IGO may reasonably require, and determine Sirius Shareholders' respective entitlements to the Share Scheme Consideration in accordance with the Share Scheme;
- (w) **(trading suspension)** use best endeavours to ensure ASX suspends trading in Sirius Shares with effect from the close of trading on the Effective Date;
- (x) **(Record Date)** close the Sirius register as at the Record Date to determine the identity of the Scheme Shareholders and to determine their entitlements to the Share Scheme Consideration in accordance with the Share Scheme;

- (y) **(register transfers)** register all transfers of Sirius Shares to IGO on the Implementation Date (subject to provision of the Share Scheme Consideration in accordance with the Share Scheme and Deed Poll);
- (z) **(ASX quotation)** use its best endeavours to ensure that the Sirius Shares continue to be quoted on ASX until the close of business on the Implementation Date;
- (aa) **(all other things)** do all other things contemplated by, or necessary or desirable to lawfully give effect to, the Share Scheme and the Scheme Order approving the Share Scheme.

5.3 Sirius obligations in respect of the Demerger Scheme

- (a) Sirius must:
 - (i) execute, and procure that the counterparties execute, the Demerger Transaction Documents as soon as practicable after the date of this document in the final form agreed between Sirius and IGO (such agreement not to be unreasonably withheld or delayed);
 - (ii) take all steps reasonably necessary to propose the Demerger Scheme and ensure the Demerger Scheme is implemented before the Implementation Date as currently contemplated by the Demerger Transaction Documents.
- (b) At least 5 Business Days before the date for payment of the tax-related exit payments contemplated by clause 8 of the Demerger Transition Deed, Sirius must calculate the required payments and provide IGO with the calculation of each payment for review.

6. IGO OBLIGATIONS

6.1 IGO's obligations in respect of the Transaction

IGO must take all necessary steps within its control to assist Sirius to propose and implement the Transaction as expeditiously as practicable and use all reasonable endeavours to do so in accordance with the Timetable.

6.2 IGO's obligations in respect of the Share Scheme

IGO must take all necessary steps to assist Sirius to propose and implement the Share Scheme as expeditiously as practicable and use all reasonable endeavours to do so in accordance with the Timetable, including taking each of the following steps:

- (a) **(Announcement)** on the date of this document make an Announcement, in a form agreed between Sirius and IGO under clause 10.1, which includes a statement (on the basis of written statements made to it by each of its directors) that each director of IGO considers the Share Scheme to be in the best interest of IGO Shareholders and will support the Share Scheme;
- (b) **(Regulatory Approvals)** consult with Sirius on all aspects of communications with Government Agencies in respect of the Share Scheme and as expeditiously as practicable:
 - (i) apply for the Regulatory Approvals referred to in Schedule 10 and provide Sirius with a copy of all applications;
 - (ii) take all steps it is responsible for in the approval process;

- (iii) respond to requests for information from the relevant Government Agencies at the earliest practicable time; and
 - (iv) provide Sirius with all information reasonably requested in connection with the applications for Regulatory Approvals for which Sirius must apply set out in Schedule 10;
- (c) **(Independent Expert's Report)** provide all assistance and information reasonably requested by the Independent Expert in connection with the preparation of the Independent Expert's Report;
- (d) **(Scheme Booklet):**
- (i) as expeditiously as practicable, give to Sirius for inclusion in the Scheme Booklet such information regarding IGO as is required under all applicable laws, relevant ASIC regulatory guides, Takeovers Panel policy and guidance notes and the ASX Listing Rules to be included in the Scheme Booklet, including information regarding the merged entity following Implementation (in reasonable time to allow Sirius to prepare the Scheme Booklet in accordance with this document); and
 - (ii) confirm in writing to Sirius before 8.00 am on the First Court Date that:
 - (A) the IGO Material is not misleading or deceptive in any material respect (including because of any material omission) and otherwise complies with all applicable laws, relevant ASIC regulatory guides, Takeovers Panel policy and guidance notes and the ASX Listing Rules; and
 - (B) the Scheme Booklet includes all information regarding IGO as is required under all applicable laws, relevant ASIC regulatory guides, Takeovers Panel policy and guidance notes and the ASX Listing Rules; and
 - (iii) as soon as reasonably practicable after ASIC has confirmed that it has no objection to the Share Scheme, or if ASIC raises any objection to the Share Scheme, after that objection has been resolved, procure that a meeting of the IGO Board is convened to approve the Scheme Booklet for despatch to Sirius Shareholders (and provide Sirius with a copy of an extract of the applicable IGO Board resolutions from the applicable minutes of the meeting as soon as practicable after those minutes have been prepared and signed;
- (e) **(further information):**
- (i) inform Sirius in writing if it becomes aware that the IGO Material (or any part of it) is or has become misleading or deceptive in any material respect (including because of any material omission) or otherwise does not comply with all applicable laws, relevant ASIC regulatory guides, Takeovers Panel policy and guidance notes and the ASX Listing Rules; and
 - (ii) as expeditiously as practicable, give to Sirius any further information reasonably required by Sirius before the date of the Share Scheme Meeting to ensure that the IGO Material is not, having regard to applicable disclosure requirements, false, misleading or deceptive in any material respect (including because of any material omission) and complies with all applicable laws, relevant ASIC regulatory guides, Takeovers Panel policy and guidance notes and the ASX Listing Rules;
- (f) **(Deed Poll)** before the First Court Date, duly execute and enter into the Deed Poll;

- (g) **(order of Transaction Meetings)** do everything reasonably within its power to ensure that the Transaction Meetings are held on the same date;
- (h) **(no IGO Prescribed Event)** ensure that no IGO Prescribed Event occurs during the period commencing on the date of this document and ending at 8.00 am on the Second Court Date and if an IGO Prescribed Event occurs, immediately inform Sirius;
- (i) **(certificates)** before commencement of the hearing by the Court of the application for the order under section 411(4)(b) of the Corporations Act, give:
 - (i) to Sirius a certificate signed by IGO stating whether or not each representation or warranty given by IGO is true and correct as at the time it is given or made under clause 15; and
 - (ii) to Sirius and the Court the certificate referred to in clause 3.5;
- (j) **(New IGO Shares)** apply for the New IGO Shares to be approved for official quotation on ASX subject to the Share Scheme becoming Effective and use reasonable endeavours to obtain ASX's approval for official quotation by 8.00 am on the day after the Second Court Date;
- (k) **(Sirius Unlisted Securities)** do all things within its power that are reasonably necessary to enter into agreements to acquire or cancel the Sirius Unlisted Securities with all holders of Sirius Unlisted Securities, and, if the Share Scheme becomes Effective, provide the consideration to the holders of Sirius Unlisted Securities, as contemplated by the terms of those agreements;
- (l) **(Share Scheme Consideration)** if Implementation occurs, provide the Share Scheme Consideration as contemplated by the Share Scheme and in accordance with the Deed Poll on the Implementation Date; and
- (m) **(Share Scheme)** do all things within its power that are reasonably necessary to lawfully give effect to the Share Scheme and the orders of the Court approving the Share Scheme.

6.3 IGO's acknowledgements in respect of the Demerger Scheme

- (a) IGO acknowledges and agrees that Sirius will pay to SpinCo \$20 million in cash for working capital purposes (**SpinCo Initial Working Capital**) in accordance with the Demerger Implementation Deed, after the Effective Date but prior to implementation of the Demerger Scheme (such amount to be retained by SpinCo for the sole and exclusive benefit of SpinCo, with no obligation to repay any part of that amount to IGO, Sirius or any other person other than any part paid other than in accordance with the Demerger Implementation Deed), subject only to the deductions in clause 3.9 of the Demerger Implementation Deed.
- (b) Prior to Sirius paying SpinCo the SpinCo Initial Working Capital, Sirius must provide IGO with a statement setting out the amount proposed to be paid to SpinCo together with details of any deductions under clause 3.9 of the Demerger Implementation Deed, together with such supporting evidence as reasonably required by IGO, and obtain IGO's confirmation that it agrees with the calculation (such confirmation not to be unreasonably withheld or delayed).

6.4 Responsibility statements

- (a) The Scheme Booklet will contain a responsibility statement to the effect that:

- (i) IGO is responsible for the IGO Material (other than any information provided by Sirius to IGO or obtained from Sirius' public filings on ASX or with ASIC regarding the Sirius Group contained in, or used in the preparation of, the information regarding the merged entity following Implementation) contained in the Scheme Booklet; and
 - (ii) Sirius is responsible for the rest of the Scheme Booklet and is also responsible for the information contained in the Scheme Booklet provided by Sirius to IGO or obtained from Sirius' public filings on ASX or with ASIC regarding the Sirius Group contained in, or used in the preparation of, the information regarding the merged entity following Implementation (including information in respect of SpinCo and its assets).
- (b) If after a reasonable period of consultation, IGO and Sirius are unable to agree on the form or content of the Scheme Booklet:
- (i) where the determination relates to IGO Material, IGO will make the final determination as to the form and content of the IGO Material; and
 - (ii) in any other case, Sirius will make the final determination as to the form and content of the Scheme Booklet.

7. PRE-IMPLEMENTATION OBLIGATIONS

7.1 Conduct of the business

- (a) Subject to clause 7.2, Sirius and IGO must, during the period commencing on the date of this document and ending on the Implementation Date, conduct (and must procure that each of its subsidiaries conducts) its business in the ordinary course, in substantially the same manner and at the same locations as conducted on the date of this document, and to the extent consistent, use reasonable efforts to:
- (i) preserve intact its business organisation;
 - (ii) keep available the services of its officers and employees;
 - (iii) preserve its relationship with financiers, customers, suppliers, licensors, licensees, Government Agencies and others having business dealings with it; and
 - (iv) maintain and preserve the value of its business and assets, including maintaining at least its current level of insurance,
- as in place on the date of this document.
- (b) For the avoidance of doubt, in the case of Sirius, "business in the ordinary course" includes:
- (i) the conduct of annual staff performance and remuneration reviews including paying or agreeing to pay bonus payments to employees, and the engagement of new employees, in accordance with the Agreed Budget and the Salary Budget, but, to avoid doubt, without IGO's prior written consent, Sirius must not otherwise enter into or materially amend any employment, consulting, severance or similar agreement with one or more of its directors, executives, officers or employees or accelerate or otherwise materially increase their compensation or benefits, including agreeing to pay a termination or retention payment that is not set out in the Salary Budget in Schedule 12;

- (ii) the ongoing development and construction of the Nova-Bollinger project, and exploration at the Nova-Bollinger project, in accordance with the Agreed Budget;
 - (iii) ongoing exploration within the Agreed Budget and subject to clause 3.9 of the Demerger Implementation Deed (and, to avoid doubt, Sirius must seek IGO's prior written consent for all other exploration activities, such consent not to be unreasonably withheld or delayed);
- all activities related to project financing, including drawdown and all activities required to ensure satisfaction of conditions precedent to drawdown of existing facilities, in accordance with the Agreed Budget; and
- (iv) new and existing negotiations of offtake agreements and construction-related contracts with respect to the Nova-Bollinger project on terms substantially the same as the existing offtake agreements and construction-related contracts with respect to the Nova-Bollinger project.
- (c) Without limiting clause 7.1(a), Sirius must keep IGO informed of the conduct of its business and operations, including:
- (i) providing regular reports on the financial affairs and operations of the Sirius Group; and
 - (ii) promptly providing copies of all material correspondence between Sirius or any of its subsidiaries and any Government Agency or counterparty to a Material Agreement which is given or received following execution of this document until the Effective Date.

7.2 Exception

For the avoidance of doubt, clause 7.1 does not apply to anything:

- (a) which the party is required to do, permitted to do or is permitted not to do, under or in accordance with this document, the Share Scheme or any other Transaction Document (including, without limitation, anything contemplated by the Demerger Transaction Documents to constitute SpinCo in readiness for the Demerger Scheme);
- (b) which has been fairly disclosed in the Sirius Disclosure Material or the IGO Disclosure Material (as the case may be); or
- (c) in respect of which the other party consents (such consent not to be unreasonably withheld or delayed).

7.3 Cooperation

Sirius and IGO agree to cooperate in relation to Implementation of the Share Scheme, and Sirius agrees to keep IGO informed via the Consultation and Planning Committee in relation to conduct of its business.

7.4 Access to information

From the date of this document and up to and including the Implementation Date, subject to applicable laws each party must give (and must procure each of its subsidiaries gives) the other party reasonable access to its records (subject to any existing confidentiality obligations owed to third parties) and such senior executives as reasonably requested by the other party at mutually convenient times for the purpose of:

- (a) understanding the financial position and operations of it and its subsidiaries including the cashflow and working capital position of each of them;
- (b) planning for integration of the business of Sirius with the business of IGO;
- (c) in the case of IGO, understanding the operations of the business of Sirius and its subsidiaries;
- (d) planning for Implementation; and
- (e) any other purpose which is agreed in writing between the parties,

provided that providing the information or access does not result in unreasonable disruptions to the party's business.

7.5 **Limits on obligations**

The obligations set out in this clause 7 do not require a party to:

- (a) provide information to the other party in relation to consideration of the Transaction by its directors and management;
- (b) provide any commercially sensitive or competitive information; or
- (c) breach an obligation of confidentiality to any person.

7.6 **Agreed Budget**

- (a) Sirius is permitted to make any payments or incur any expenditure in accordance with the Agreed Budget.
- (b) Any variation or series of variations to the Agreed Budget which in aggregate has an effect greater than 5% of the Agreed Budget will require the prior written consent of IGO.
- (c) In relation to professional fees and other costs incurred by Sirius in connection with Transaction on and from the date of signing of this document, the parties agree that:
 - (i) the Professional Fees and Other Costs Cap set out in Schedule 13 will be treated as a cap on expenditure in relation to professional fees and other costs, excluding professional fees and other costs incurred in respect of a Competing Proposal;
 - (ii) Sirius will provide IGO with reports on a monthly basis during the Transaction setting out expenditure levels under the Professional Fees and Other Costs Cap; and
 - (iii) Sirius must seek the prior written consent of IGO (not to be unreasonably withheld or delayed) to incur professional fees and other costs in excess of the Professional Fees and Other Costs Cap,

and Sirius must notify IGO as soon as practicable after becoming aware that it is reasonably likely that it will need to seek IGO's consent under clause 7.6(c)(iii).

7.7 Site optimisation study

From the date of this document, IGO will progress with the Nova-Bollinger site optimisation study under the direction of a joint Sirius-IGO steering committee. The study will be executed by both IGO employees and advisers along with Sirius employees and advisers (subject to appropriate confidentiality arrangements). All optimisation study costs will be borne by IGO. If Implementation does not proceed, the study will become the sole property of Sirius.

7.8 Consultation and Planning Committee

- (a) As soon as practicable after Sirius and IGO enter into this document, Sirius and IGO will establish the Consultation and Planning Committee comprising the Sirius Committee Members and IGO Committee Members, and such other persons as the parties may agree from time to time.
- (b) The Consultation and Planning Committee is to be a forum for consultation and planning by Sirius and IGO to implement the Share Scheme, and the Transaction more broadly.
- (c) The specified functions of the Consultation and Planning Committee are:
 - (i) to discuss such other matters as the Consultation and Planning Committee sees fit to carry out its role as a forum for consultation and planning between the parties in relation to the Implementation of the Share Scheme, and the Transaction more broadly; and
 - (ii) discuss matters related to the transition and integration planning post-Implementation.
- (d) The Consultation and Planning Committee will meet at least fortnightly (unless otherwise agreed by the parties), and meetings may be held via telephone conference.
- (e) For the avoidance of doubt, nothing in this clause requires either party to act at the direction of the other, and each party acknowledges that:
 - (i) the business of each party and its subsidiaries will continue to operate independently until the Implementation Date;
 - (ii) in the case of Sirius, the Sirius Board and management will have sole responsibility for all decision making in relation to the business of the Sirius Group until Implementation; and
 - (iii) nothing in this document is intended to create a partnership (or similar).

7.9 Information on representations and warranties

From the date of this document and up to and including the Implementation Date each party must promptly give, and must procure that each of its subsidiaries promptly gives, to the other party details of any matter or occurrence which might reasonably make any representation or warranty given under this document by the first-mentioned party inaccurate in a material respect.

7.10 Ngadju Shares

- (a) As soon as practicable after the date of this document, Sirius must use all reasonable endeavours to arrange for the issue of the Ngadju Shares prior to the Record Date.

- (b) IGO must co-operate with, and provide reasonable assistance to, Sirius to make the arrangements referred to in clause 7.10(a) as expeditiously as possible.

8. POST IMPLEMENTATION

8.1 Board matters

- (a) As soon as practicable after Implementation of the Share Scheme, Sirius will procure the resignation of its directors and the directors of its subsidiaries, with the positions of the executive directors of Sirius being made redundant (and customary releases of the relevant company by those directors from any claims they may have against the relevant company) and the appointment of the persons nominated by IGO to the Sirius Board or the board of the subsidiary (as applicable).
- (b) For the avoidance of doubt, the existing directors of Polar Metals, Sirius Europa, Norse Exploration and Sakumpu (being, the Sirius subsidiaries that will comprise SpinCo) will not be required to step down from their positions at any stage during the Transaction.
- (c) As soon as practicable after Implementation of the Share Scheme, IGO will procure that Mark Bennett and Neil Warburton are appointed to the IGO Board.
- (d) All directors of Sirius will be paid their full contractual and statutory entitlements on Implementation of the Share Scheme (and these entitlements are set out in the Redundancy Entitlements Schedule).

8.2 Integration Period

All employees of Sirius (other than the directors of Sirius) will continue to be employed by Sirius for a period of three months after Implementation (**Integration Period**) for the purposes of integrating the IGO and Sirius businesses, other than the Priority Selection Employees.

8.3 Employment with SpinCo after the Integration Period (priority selection)

The parties agree that SpinCo will be entitled to priority selection of the exploration and corporate employees of Sirius (other than any of the Nova-Bollinger Employees identified in Schedule 9) who will be made redundant by Sirius and then offered employment with SpinCo to take effect from the Implementation Date (**Priority Selection Employees**).

8.4 Employment with IGO after the Integration Period

During the Integration Period, IGO will:

- (a) undertake a review of the employees of Sirius (excluding, for the avoidance of doubt, the Priority Selection Employees) and the personnel requirements of the combined IGO Group; and
- (b) make offers of employment to, or retain as an employee of the relevant member of the Sirius Group, such number of employees of the Sirius Group as IGO considers is appropriate, in its sole discretion (excluding, for the avoidance of doubt, the Priority Selection Employees).

8.5 Redundancies

The following employees of Sirius must be made redundant at the following times:

- (a) for the Priority Selection Employees, on the Implementation Date; and

- (b) for those employees who are not offered employment with IGO before the end of the Integration Period, or who IGO does not decide to retain as an employee of the relevant member of the Sirius Group in accordance with clause 8.4 above, on the final day of the Integration Period, and

those employees will receive their full contractual and statutory entitlements in accordance with the Redundancy Entitlements Schedule set out in Schedule 11, including:

- (c) payments in lieu of notice (if notice is applicable) as per the required notice, having regard to each individual affected employee's terms of engagement, letters of offer, contracts or executive services agreements and any applicable modern award, enterprise agreement or other industrial instrument and statutory notice;
- (d) payments of unused annual leave and accrued other leave to which there is an entitlement to be paid out (eg long service leave, field leave) where applicable;
- (e) redundancy payments comprising statutory payments based on length of service, with employees employed by Sirius for less than 12 months receiving the greater of four weeks' redundancy pay and the statutory redundancy entitlement (in each case); and
- (f) any other entitlements or monies owing,

subject only to clause 8.6 below.

8.6 Agreement of Redundancy Entitlements Schedule

The parties acknowledge that the Redundancy Entitlements Schedule will be final and conclusive for the purposes of their rights and obligations under this document:

- (a) following the review and agreement of the respective human resources departments of both Sirius and IGO that the Redundancy Entitlements Schedule contains no manifest fraud or error; or
- (b) if agreement cannot be reached in accordance with clause 8.6(a) above, following a confirmatory audit of the Redundancy Entitlements Schedule by an independent third party agreed between IGO and Sirius (or, failing agreement, as decided by Sirius from a list of 3 suitably qualified persons nominated by IGO) to confirm that there is no manifest fraud or error. Each party must provide all reasonable assistance to the person conducting the audit, including all necessary information to complete the audit (subject to appropriate confidentiality arrangements), and the parties must bear the costs of the audit equally.

8.7 Redundancy Entitlements Schedule

- (a) The Redundancy Entitlements Schedule in Schedule 11 sets out the current estimate of the redundancy entitlement for each individual employee of Sirius, as at the Implementation Date.
- (b) IGO:
 - (i) acknowledges that the Redundancy Entitlements Schedule is merely an estimate based on the laws in force as at the date of this document, and based on all employees of Sirius being made redundant on the Implementation Date;

- (ii) acknowledges that the employees of Sirius (excluding, for the avoidance of doubt, the Priority Selection Employees) will be kept on for the Integration Period, and will continue to accrue statutory and contractual entitlements during that period; and
- (iii) agrees to pay each individual employee of Sirius who is made redundant in accordance with clause 8.5 the greater of:
 - (A) their entitlement as listed in the Redundancy Entitlements Schedule following adjustment for any entitlements taken by the relevant employee following the date of this document; and
 - (B) their entitlement listed in the Redundancy Entitlements Schedule as adjusted for statutory, contractual and any other entitlements that have accrued as at the time each individual employee of Sirius is made redundant,

including, for the avoidance of doubt, the Priority Selection Employees and any employee of Sirius who is made redundant on the final day of the Integration Period or within 3 months after the Integration Period.

9. TREATMENT OF SIRIUS UNLISTED SECURITIES

Sirius Unlisted Securities will be dealt with by private treaty in accordance with the process and terms set out in Schedule 5 of this document.

10. ANNOUNCEMENTS

10.1 Announcement of execution

Immediately following execution of this document (or as otherwise agreed by Sirius and IGO), each of Sirius and IGO must make a joint Announcement in respect of the execution of this document and any other documents relating to the Transaction in the form agreed by them before the date of this document, and the Announcement will attach a copy of this document.

10.2 No Announcement

Neither party may make an Announcement relating to the subject matter of this document or its termination or make public this document (or any of its terms) unless the Announcement or publication:

- (a) is required by this document;
- (b) has the prior approval of the other party; or
- (c) is required to be made by any applicable law or the ASX Listing Rules.

10.3 Notice of Announcement

If a party is required to make an Announcement under clause 10.2(c), it may do so only after:

- (a) giving the other party such written notice as is reasonably practicable in the circumstances of its intention to make the Announcement;
- (b) consulting with the other party as to the form and content of that Announcement (and after having taken all reasonable steps to restrict that disclosure to the greatest extent possible); and

- (c) providing the other party with a draft of the Announcement and an opportunity, to the extent practicable in the circumstances, to comment on the contents of the draft Announcement.

For the avoidance of doubt, nothing in this clause 10.3 requires the giving of prior notice or the taking of any action if doing so would lead to a party breaching an applicable law, the ASX Listing Rules or any other stock exchange regulation.

10.4 Excluded Announcements

The requirements in clauses 10.2 and 10.3 do not apply to any Announcement relating to:

- (a) a Competing Proposal which has been announced and publicly recommended, promoted or otherwise endorsed by any director of Sirius and has not been publicly withdrawn, provided that Sirius has complied with its obligations in clause 12 in respect of such Competing Proposal; or
- (b) the termination of this document in accordance with its terms.

11. STANDSTILL

- (a) For the avoidance of doubt, the parties acknowledge that the standstill clause in the Confidentiality Deed continues in full force and effect in accordance with the terms of the Confidentiality Deed.
- (b) Sirius waives the standstill clause in the Confidentiality Deed to the extent required for IGO to undertake the transactions contemplated by this document.

12. EXCLUSIVITY

12.1 No shop and no talk

During the Exclusivity Period, Sirius must not, and must ensure that each of its Related Persons does not, directly or indirectly:

- (a) **(no shop)** solicit, invite, encourage or initiate (including by the provision of non-public information to any third party) any inquiry, expression of interest, offer, proposal or discussion by any person in relation to, or which would reasonably be expected to encourage or lead to the making of, an actual, proposed or potential Competing Proposal or communicate to any person an intention to do anything referred to in this clause 12.1(a); or
- (b) **(no talk):**
 - (i) participate in or continue any negotiations or discussions with respect to, or which would reasonably be expected to encourage or lead to, an actual, proposed or potential Competing Proposal;
 - (ii) enter into any agreement, arrangement or understanding with respect to, or which would reasonably be expected to encourage or lead to, an actual, proposed or potential Competing Proposal;
 - (iii) disclose or otherwise provide any non-public information about the business or affairs of the Sirius Group to a third party (other than a Government Agency) with a view to obtaining, or which would reasonably be expected to encourage or lead to receipt of, an actual, proposed or potential Competing Proposal (including providing such information for the purposes of the conduct of due diligence investigations); or

- (iv) communicate to any person an intention to do anything referred to in the preceding paragraphs of this clause 12.1(b),

but nothing in this clause 12.1 prevents Sirius from making normal presentations to brokers, portfolio investors and analysts in the ordinary course of business.

12.2 Exceptions

Clause 12.1(b) does not apply in respect of a bona fide Competing Proposal where:

- (a) there has not been any breach of clause 12.1(a) in respect of that Competing Proposal; and
- (b) the Sirius Board, acting in good faith and after taking advice from financial and legal advisers, determines that such Competing Proposal is, or may reasonably be expected to lead to, a Superior Proposal.

12.3 No existing discussions – Sirius

Sirius warrants in favour of IGO that, as at the date of this document:

- (a) it has not entered into any agreement, arrangement or understanding; and
- (b) it is not participating in or continuing any negotiations or discussions,

with respect to, or which would reasonably be expected to encourage or lead to, an actual, proposed or potential Competing Proposal or any other actual, proposed or potential transaction or series of transactions which would or may exceed 5% of the value of Sirius' assets as at the date of this document.

12.4 No existing discussions – IGO

- (a) IGO warrants and covenants in favour of Sirius that, from the date of this document until the earlier of the Implementation Date and the End Date:

- (i) it has not entered into any agreement, arrangement or understanding; and
- (ii) it will not make any public announcement,

with respect to a transaction or series of transactions which would or may exceed 5% of the value of IGO's assets.

- (b) To avoid doubt, clause 12.4(a) above is not intended to prevent IGO from assessing and discussing medium to long-term acquisition opportunities in the ordinary course, being opportunities that would not reach agreement prior to implementation of the Transaction.

12.5 Notification of approaches

- (a) During the Exclusivity Period, Sirius must, as soon as possible (and, in any event, within 24 hours) after becoming aware of any of the matters set out below, notify IGO in writing if it becomes aware of any:

- (i) discussions or approach in relation to an actual, proposed or potential Competing Proposal; or
- (ii) proposal made to Sirius or any of its Related Persons in connection with, or in respect of any exploration or completion of, an actual, proposed or potential Competing Proposal; or

- (iii) provision by Sirius or any of its Related Persons of any non-public information concerning the business or operations of Sirius or the Sirius Group to any third party (other than a Government Agency) in connection with an actual, proposed or potential Competing Proposal,

whether direct or indirect, solicited or unsolicited, and in writing or otherwise. To avoid doubt, any of the acts described in paragraphs (i) to (iii) may only be taken by Sirius if not proscribed by clause 12.1.

- (b) A notification given under clause 12.5(a) must include all material terms and conditions of the actual, proposed or potential Competing Proposal and the identity of the relevant person making or proposing the relevant actual, proposed or potential Competing Proposal where that person has consented to the disclosure of their identity. If such consent has not been given, Sirius may withhold the identity of the person from the notification under clause 12.5(a) if the board of Sirius, acting in good faith, determines that the disclosure of the identity of the person would be likely to involve a breach of the directors' fiduciary or statutory duties.

13. BREAK FEE

13.1 Background

- (a) Sirius and IGO:
 - (i) believe that the Transaction will provide benefits to Sirius, IGO and their respective shareholders, and acknowledge that if they enter into this document and the Share Scheme is subsequently not implemented, each of Sirius and IGO will incur significant costs;
 - (ii) acknowledge that each of them has and will incur significant costs in connection with performing its obligations under this document, the Share Scheme and the Transaction more broadly (including internal and external advisory, legal, accounting, due diligence and management costs and expenses, and opportunity and other costs and expenses);
 - (iii) agree that this clause 13 does not limit its rights in respect of any other Claims that it may have against the other, whether under this document or otherwise, except that the amount of any such Claim must be reduced or extinguished (as the case may be) by the amount of the Sirius Break Fee or IGO Break Fee (as the case may be) that it receives or becomes entitled to receive under this clause 13; and
 - (iv) agrees that the costs referred to in clause 13.1(a)(ii) which have been or will be incurred by each of them are of such a nature that they cannot be accurately ascertained, but that:
 - (A) the Sirius Break Fee is a genuine and reasonable pre-estimate of the loss actually suffered by IGO; and
 - (B) the IGO Break Fee is a genuine and reasonable pre-estimate of the loss actually suffered by Sirius.
- (b) Each of Sirius and IGO acknowledges and agrees that:
 - (i) the Sirius Break Fee and the IGO Break Fee are each reasonable in the context of the Share Scheme; and
 - (ii) it has received legal advice on this document and the operation of this clause 13; and

- (iii) it is appropriate to agree to the payment of the Sirius Break Fee or the IGO Break Fee (as the case may be) in order to secure the other's participation in the Share Scheme.

13.2 Payment by Sirius to IGO

Sirius undertakes to pay IGO the Sirius Break Fee if:

- (a) prior to the End Date, any director of Sirius recommends that Sirius Shareholders accept or vote in favour of, or otherwise supports or endorses (including by way of accepting or voting, or by stating an intention to accept or vote, in respect of any Sirius Shares held or controlled by that director), a Competing Proposal that is announced (whether or not subject to any pre-conditions);
- (b) prior to the End Date, any director of Sirius does not recommend that Sirius Shareholders vote in favour of any of the resolutions to be put to the Transaction Meetings or, having given such recommendation, publicly adversely changes (including by attaching any qualifications to) or withdraws such recommendation or makes an Announcement that is inconsistent with such recommendation (whether via an Announcement by Sirius or otherwise) for any reason, other than:
 - (i) as a result of the Independent Expert concluding (either in its Independent Expert's Report or in any written update to that report) that the Share Scheme is not in the best interests of Sirius Shareholders, unless such conclusion is wholly or partly due to the existence of a Competing Proposal; or
 - (ii) in circumstances where Sirius entitled to give notice under clause 14.1 or clause 14.3 of this document and has done so;
- (c) a Competing Proposal is announced or made prior to the End Date (whether or not subject to any pre-conditions) and, within 12 months of that Competing Proposal being announced or made, the relevant third party or third parties directly or indirectly:
 - (i) acquire(s) a relevant interest in more than 50% of all the Sirius Shares and that Competing Proposal is (or becomes) unconditional;
 - (ii) acquire(s) or otherwise acquire(s) a legal, beneficial or economic interest in all or a substantial part of the assets of the Sirius Group;
 - (iii) acquire(s) control of Sirius, within the meaning of section 50AA of the Corporations Act;
 - (iv) otherwise acquires or merges with Sirius; or
 - (v) enters into an agreement, arrangement or understanding with Sirius or the Sirius Board of the kind referred to in paragraph (c) of the definition of Competing Proposal; or
- (d) IGO terminates this document in accordance with clause 14.2(a).

13.3 Payment by IGO to Sirius

IGO undertakes to pay Sirius the IGO Break Fee if Sirius terminates this document in accordance with clause 14.3(a).

13.4 Demand for payment

- (a) If an event referred to in clause 13.2 occurs, any demand by IGO for payment under clause 13.2 must be in writing and Sirius must pay, without set-off or withholding, the amount of the Sirius Break Fee to IGO within ten Business Days of receipt of the demand into the account nominated in the demand for payment.
- (b) If an event referred to in clause 13.3 occurs, any demand by Sirius for payment under clause 13.3 must be in writing and IGO must pay, without set-off or withholding, the amount of the IGO Break Fee to Sirius within ten Business Days of receipt of the demand into the account nominated in the demand for payment.
- (c) Without limiting clause 13.5, Sirius and IGO acknowledge and agree that if an amount is paid to it under clause 13.2 or 13.3 (as the case may be), that payment constitutes its sole and exclusive remedy in respect of the matter giving rise to the payment, and, without limiting clause 13, it may not make any Claim or take any other action with respect to that matter other than demanding the IGO Break Fee or the Sirius Break Fee (as the case may be) in accordance with (and subject to the terms of) this clause 13.

13.5 Other claims

- (a) The maximum aggregate amount which Sirius and IGO is required to pay in relation to this document (including any breach of this document) is the Sirius Break Fee or the IGO Break Fee (as the case may be) and in no event will the aggregate liability of Sirius or IGO in connection with this document exceed the Sirius Break Fee or the IGO Break Fee (as the case may be).
- (b) Notwithstanding any other clause in this document, if an amount is paid under clause 13.2 or clause 13.3 (as the case may be), that amount is received in complete settlement of any Claims that the party receiving the Sirius Break Fee or the IGO Break Fee (as the case may be) may have against the party paying the relevant fee in respect of the Share Scheme or in connection with this document.

13.6 No payment if Share Scheme becomes Effective

No amount is payable by Sirius or IGO under this clause 13 if the Share Scheme becomes Effective, notwithstanding the occurrence of an event in clause 13.2 or clause 13.3 (as the case may be), and any amount paid under this clause 13 in circumstances where the Share Scheme becomes Effective is immediately repayable by the payee.

13.7 Compliance with law

If the Takeovers Panel or a court of competent jurisdiction determines that an amount paid or payable under clause 13.2 or clause 13.3 (as the case may be) is an Impugned Amount and:

- (a) the period for lodging an application for review or a notice of appeal of that decision has expired without such application or notice having been lodged; or
- (b) an application for review or a notice of appeal has been lodged with the Takeovers Panel or a court within the prescribed period and the relevant review Panel or court also determines that the amount is an Impugned Amount,

then:

- (c) the undertaking under clause 13.2 or clause 13.3 (as the case may be) does not apply to the extent of the Impugned Amount; and

- (d) if a party has been paid an Impugned Amount under this document, it must refund that Impugned Amount to the other party.

The parties must not make or cause or permit to be made any application to the Takeovers Panel or a court for or in relation to a declaration or determination referred to in this clause 13.7.

14. TERMINATION

14.1 Termination for non-fulfilment of Condition

- (a) If IGO and Sirius are unable to reach agreement under clause 3.6 within five Business Days after both parties become aware of an act, failure to act, event or occurrence which prevents or will prevent a Condition being fulfilled by the date referred to in clause 3.6(d) (and that Condition is not waived in accordance with clause 3.3), any party for whose benefit the Condition is included (as set out in the table in clause 3.2) (whether solely or jointly with the other party) may terminate this document by notice in writing to the other party.
- (b) Without limiting clause 14.1(a), a party may terminate this document by giving notice in writing to the other party after the End Date, if the Effective Date does not occur on or before that date.
- (c) To avoid doubt, nothing in this clause 14.1 affects IGO's obligations to pay the IGO Break Fee or Sirius' obligations to pay the Sirius Break Fee if required under clause 13.

14.2 Termination by IGO

IGO may terminate this document by giving notice in writing to Sirius at any time before 8.00 am on the Second Court Date if:

- (a) Sirius is in breach of this document (including a breach of a representation or warranty under clause 15) and that breach is material and is not remedied by Sirius within ten Business Days (or such shorter period ending on the Second Court Date) of it receiving notice from IGO of the details of the breach and its intention to terminate;
- (b) any of Sirius' directors fails to recommend that Sirius Shareholders vote in favour of any of the resolutions to be put to the Transaction Meetings or, having made such recommendation, adversely changes (including by attaching any qualifications to) or withdraws his or her recommendation that Sirius Shareholders vote in favour of any of the resolutions to be put to the Transaction Meetings, or any of Sirius' directors makes a public statement indicating that they no longer recommend or support the Transaction or recommending, supporting or endorsing another transaction (including any Competing Proposal); or
- (c) Sirius or any of its directors acts in a manner which is inconsistent with obtaining approval for the Share Scheme and the Transaction more broadly (including by recommending a Competing Proposal).

14.3 Termination by Sirius

Sirius may terminate this document by giving notice in writing to IGO if, at any time before 8.00 am on the Second Court Date:

- (a) IGO is in breach of this document (including a breach of a representation or warranty under clause 15) and that breach is material and is not remedied by IGO within ten Business Days (or such shorter period ending on the Second Court Date) of it receiving notice from Sirius of the details of the breach and its intention to terminate;
- (b) any of IGO's directors publicly withdraws his or her support for the Share Scheme; or
- (c) the Sirius Board publicly recommends a Superior Proposal and Sirius has paid the Sirius Break Fee to IGO.

14.4 **Obligations on termination**

- (a) If a party terminates this document, all obligations of the parties under this document, other than this clause, clauses 10 (Announcements), 13 (Break fee), 15 (Representations and warranties), 16 (Indemnities), 17 (Release), 18 (GST), 19 (Notices), 20 (Amendment and Assignment) and 21 (General), immediately cease to be of further effect.
- (b) The termination of this document does not affect any Claim that a party may have against another party where that Claim arose before this document is terminated.
- (c) Neither party may terminate or rescind this document except as permitted by clause 14.1, 14.2 or 14.3.

15. **REPRESENTATIONS AND WARRANTIES**

15.1 **Preliminary**

- (a) Each of the representations and warranties by Sirius in clause 15.3 is to be read down and qualified by any matter:
 - (i) fairly disclosed in the Sirius Disclosure Material and the Agreed Budget;
 - (ii) actually known to IGO; or
 - (iii) contemplated by this document and any other Transaction Documents.
- (b) Each of the representations and warranties by IGO in clause 15.4 is to be read down and qualified by any matter:
 - (i) fairly disclosed in the IGO Disclosure Material;
 - (ii) actually known to Sirius; or
 - (iii) contemplated by this document and any other Transaction Documents.
- (c) Each party acknowledges that no other party (nor any person acting on that party's behalf) has made any warranty, representation or other inducement to it to enter into this document, except for the representations and warranties expressly set out in this document.
- (d) Without limiting clause 15.1(c) above, each party acknowledges that at no time has any other party made or given any representation or warranty in relation to the achievability or otherwise of:
 - (i) any economic, fiscal or other interpretations or evaluations by it; or

- (ii) future matters, including future or forecast costs, prices, revenues or profits.
- (e) Subject only to clause 13, each party's rights and remedies against each other party and that party's associates with respect to any breach of the representations and warranties given by any other party in this clause 15 are strictly limited to any rights of termination that a party may have in accordance with clause 14. Each party covenants not to sue any other party or that party's associates for any Losses that may arise from such a breach and this clause 15.1(e) may be pleaded as a bar to any suit to recover Losses within the scope of the covenant not to sue provided by this clause 15.1(e).

15.2 Mutual representations and warranties

Sirius and IGO represent and warrant to each other that (subject to fulfilment or waiver of any relevant Condition as applicable):

- (a) **(status)** it is a company limited by shares under the Corporations Act;
- (b) **(power)** it has full legal capacity and power to:
 - (i) own its property and to carry on its business; and
 - (ii) enter into this document and carry out the transactions that this document contemplates in accordance with its terms;
- (c) **(corporate authority)** it has taken all corporate action that is necessary or desirable to authorise it entering into this document and carrying out the transactions that this document contemplates in accordance with its terms;
- (d) **(Authorisations)** it holds each Authorisation that is necessary or desirable to:
 - (i) enable it to properly execute this document and to carry out the transactions that this document contemplates in accordance with its terms;
 - (ii) ensure that this document is legal, valid, binding and admissible in evidence; and
 - (iii) enable it to properly carry on its business,and it is complying with any conditions to which any such Authorisation is subject;
- (e) **(document effective)** this document constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms;
- (f) **(no contravention)** neither its execution of this document nor the carrying out by it of the transactions that it contemplates in accordance with its terms, does or will contravene:
 - (i) any law to which it or any of its property is subject or any order of any Government Agency that is binding on it or any of its property;
 - (ii) any Authorisation held by it;
 - (iii) any material undertaking or instrument binding on it or any of its property;
or
 - (iv) its constitution;

- (g) **(no Insolvency Event)** neither it nor any of its subsidiaries is affected by an Insolvency Event;
- (h) **(not representative capacity)** it is not entering into this document as trustee of any trust or settlement or otherwise in a representative capacity; and
- (i) **(information provided to the Independent Expert)** all information provided by it to the Independent Expert will be provided in good faith and on the understanding that the Independent Expert will rely on that information for the purpose of preparing the Independent Expert's Report for inclusion in the Scheme Booklet.

15.3 Sirius representations and warranties

Sirius represents and warrants to IGO that:

- (a) **(Sirius Due Diligence Information not false or misleading)** Sirius has not knowingly or recklessly:
 - (i) omitted to disclose information to IGO, the disclosure of which might reasonably be expected to have resulted in IGO not entering into this document, or entering into it on materially different terms;
 - (ii) omitted anything from the Sirius Due Diligence Information that would make any part of that information materially false or misleading;
 - (iii) included anything materially false or misleading in the Sirius Due Diligence Information; or
 - (iv) denied access to requested information with the intention of misleading IGO;
- (b) **(advisors)** Sirius has provided complete and accurate information regarding fee levels in all retainers and mandates with financial advisers and fee estimates for other advisors in relation to the Share Scheme and any Competing Proposal or any other transaction where such retainer or mandate is current, or under which the Sirius Group still has obligations;
- (c) **(Scheme Booklet not false or misleading)** as at the date of dispatch of the Scheme Booklet, the Scheme Booklet (other than the IGO Material) will not contain any material statement which is false or misleading (including because of any material omission);
- (d) **(continuous disclosure)** Sirius is not in breach of its continuous disclosure obligation under ASX Listing Rule 3.1 and, except for information contained in the Announcement to be made in accordance with clause 5.1(a), there is no information to which ASX Listing Rule 3.1 does not apply because of ASX Listing Rule 3.1A;
- (e) **(complied with applicable laws)** other than as fairly disclosed in the Sirius Disclosure Material, Sirius and its wholly owned subsidiaries have complied in all material respects with all applicable laws and the ASX Listing Rules;
- (f) **(no default)** other than as fairly disclosed in the Sirius Disclosure Material:
 - (i) neither Sirius nor any of its subsidiaries is in default under any document or agreement binding on it or its assets; and

- (ii) nothing has occurred which is or would, with the giving of notice or lapse of time or both, constitute an event of default, prepayment event or similar event under any such document or agreement;
- (g) **(no litigation)** other than as fairly disclosed in the Sirius Disclosure Material no litigation, arbitration, mediation, conciliation or administrative proceedings are taking place, pending or to its knowledge, threatened which, if adversely decided, could reasonably be expected to have a Sirius Material Adverse Change;
- (h) **(no other approvals necessary)** to Sirius' knowledge, no consents, approvals or other acts by a Government Agency are necessary to effect Implementation other than those identified in the definition of Regulatory Approvals and set out in Schedule 10;
- (i) **(Material Agreements)** as at the date of this document, to Sirius' knowledge, there are no existing or potential material disputes or issues in relation to any Material Agreement, including (but not limited to) issues relating to:
 - (i) the management of any joint ventures; and
 - (ii) Sirius' relationship with the counterparty to the Material Agreement; and
- (j) **(details of Sirius issued capital)** Part A of Schedule 2 accurately records the total number and details of Sirius Shares, securities convertible into Sirius Shares, Sirius Options, notes or other securities issued by Sirius at the date of this document and, other than as fairly disclosed in the Sirius Due Diligence Information, Sirius is not under any actual or contingent obligation to issue, convert or cancel any securities other than as listed in Schedule 2.

15.4 IGO representations and warranties

IGO represents and warrants to Sirius that:

- (a) **(IGO Due Diligence Information not false or misleading)** IGO has not knowingly or recklessly:
 - (i) omitted to disclose information to Sirius, the disclosure of which might reasonably be expected to have resulted in Sirius not entering into this document, or entering into it on materially different terms;
 - (ii) omitted anything from the IGO Due Diligence Information that would make any part of that information materially false or misleading;
 - (iii) included anything materially false or misleading in the IGO Due Diligence Information; or
 - (iv) denied access to requested information with the intention of misleading Sirius;
- (b) **(no false or misleading statement)** as at the date of dispatch of the Scheme Booklet, the IGO Material will not contain any material statement which is false or misleading (including because of any material omission);
- (c) **(complied with applicable laws)** other than as fairly disclosed in the IGO Disclosure Material, IGO and its wholly owned subsidiaries have complied with all applicable laws to the extent that any instance of non-compliance:
 - (i) individually and in aggregate, could not reasonably be expected to have a Material Adverse Change on IGO; or

- (ii) does not involve a breach of IGO's continuous disclosure obligations under the Listing Rules;
- (d) **(material correspondence to be promptly disclosed)** without limiting clause 15.4(a), all material correspondence between IGO or any of its wholly owned subsidiaries and any Government Agency which is received following execution of this document until the Effective Date will be promptly disclosed in writing to Sirius;
- (e) **(no default)** other than as fairly disclosed in the IGO Disclosure Material:
- (i) neither IGO nor any of its subsidiaries is in default under any document or agreement binding on it or its assets; and
 - (ii) nothing has occurred which is or would, with the giving of notice or lapse of time or both, constitute an event of default, prepayment event or similar event under any such document or agreement,
- which individually or in aggregate could reasonably be expected to have an IGO Material Adverse Change;
- (f) **(no litigation)** no litigation, arbitration, mediation, conciliation or administrative proceedings are taking place, pending or to its knowledge, threatened which, if adversely decided, could reasonably be expected to have an IGO Material Adverse Change;
- (g) **(details of IGO issued capital)** Part B of Schedule 2 accurately records the total number and details of IGO Shares, securities convertible into IGO Shares, notes or other securities issued by IGO at the date of this document and, other than as fairly disclosed in the IGO Due Diligence Information, IGO is not under any actual or contingent obligation to issue, convert or cancel any securities;
- (h) **(New IGO Shares)** the New IGO Shares will, on issue:
- (i) be duly issued and fully paid;
 - (ii) be free from any Security Interest or other encumbrance, other than as provided for in the constitution of IGO; and
 - (iii) rank equally in all respects, including for future dividends, with all existing IGO Shares;
- (i) **(no other approvals necessary)** to IGO's knowledge, no consents, approvals or other acts by a Government Agency are necessary to effect Implementation other than those identified in the definition of Regulatory Approvals and set out in Schedule 10; and
- (j) **(Material Agreements)** as at the date of this document, to IGO's knowledge, there are no existing or potential material disputes or issues in relation to any Material Agreements, including (but not limited to) issues relating to:
- (i) the management of the joint ventures; and
 - (ii) IGO's relationship with the counterparty to any Material Agreement.

15.5 **Reliance on representations and warranties**

Each party acknowledges that Sirius or IGO (as applicable) have executed this document and agreed to take part in the Share Scheme and the Transaction more broadly in reliance on the representations and warranties that are made in this clause 15 (among other things).

15.6 **When warranties are given**

Each representation and warranty given or made under this clause 15 is given:

- (a) as at the date of this document;
- (b) as at 8.00 am on the Second Court Date; and
- (c) at any other date at which the representation or warranty is expressed to be given under this document.

16. **INDEMNITIES**

16.1 **Indemnities by Sirius**

Sirius indemnifies IGO and members of the IGO Group and their respective directors, officers and employees against, and must pay on demand, any Loss, Claim or damages (including any right to common law damage) arising from or incurred in connection with a breach of the representation and warranty in clause 15.3(c) to the fullest extent permitted by law.

16.2 **Indemnities by IGO**

IGO indemnifies Sirius and members of the Sirius Group and their respective directors, officers and employees against, and must pay on demand, any Loss, Claim or damages (including any right to common law damage) arising from or incurred in connection with a breach of the representation and warranty in clause 15.4(b) to the fullest extent permitted by law.

17. **RELEASE**

Each party agrees with each other, and declares and covenants in favour of each party's officers and employees, as follows:

- (a) Subject to applicable law (including section 199A of the Corporations Act) and clause 17(b), no officer or employee of a party, is liable for any breach of any representations or warranties of that party under this document or any disclosures containing any statement which is false or misleading whether in content or by omission.
- (b) Paragraph (a) does not exclude an officer or employee from any liability which may arise from fraud, wilful misconduct or a grossly negligent act or omission on the part of the person.
- (c) This clause operates as a deed poll in favour of and for the benefit of each officer and each employee of each party and may be relied on and enforced by each such officer and employee in accordance with its terms even though the officer or employee is not named as a party to this document.

18. GST

18.1 GST pass on

If GST is or will be payable on a supply made under or in connection with this document, to the extent that the amount payable otherwise provided for that supply under this document is not stated to include an amount for GST on the supply:

- (a) the amount payable otherwise provided for that supply under this document is increased by the amount of that GST; and
- (b) the recipient must make payment of the increase as and when the amount payable otherwise provided for, or relevant part of it, must be paid or provided or, if the amount payable has already been paid or provided, within seven days of receiving a written demand from the supplier.

18.2 Tax Invoice

The right of the supplier to recover any amount in respect of GST under this document on a supply is subject to the issuing of the relevant tax invoice or adjustment note to the recipient except where the recipient is required to issue the tax invoice or adjustment note.

18.3 Amount payable exclusive of GST

Any amount payable otherwise provided for a supply or payment obligation in connection with this document is exclusive of GST unless stated otherwise.

18.4 Adjustments

If there is an adjustment event in relation to a supply which results in the amount of GST on a supply being different from the amount in respect of GST already recovered by the supplier, as appropriate, the supplier within 14 days of becoming aware of the adjustment event:

- (a) may recover from the recipient the amount by which the amount of GST on the supply exceeds the amount already recovered by giving seven days written notice; or
- (b) must refund to the recipient the amount by which the amount already recovered exceeds the amount of GST on the supply to the extent that the supplier is entitled to a refund or credit from the Commissioner of Taxation; and
- (c) must issue an adjustment note or tax invoice reflecting the adjustment event in relation to the supply to the recipient within 28 days of the adjustment event except where the recipient is required to issue an adjustment note or tax invoice in relation to the supply.

18.5 Reimbursements

Costs actually or estimated to be incurred or revenue actually or estimated to be earned or lost by a party that is required to be reimbursed or indemnified by another party, or used as the basis for calculation of the amount payable for a supply, under this document must exclude the amount of GST referable to the cost to the extent to which an entitlement arises or would arise to claim an input tax credit and in relation to revenue must exclude any amount in respect of GST referable to the revenue.

19. NOTICES

19.1 How to give a notice

A notice, consent or other communication under this document is only effective if it is:

- (a) in writing, signed by or on behalf of the person giving it;
- (b) addressed to the person to whom it is to be given; and
- (c) either:
 - (i) delivered or sent by pre-paid mail (by airmail, if the addressee is overseas) to that person's address;
 - (ii) sent by fax to that person's fax number and the machine from which it is sent produces a report that states that it was sent in full; or
 - (iii) sent in electronic form (such as email).

19.2 When a notice is given

A notice, consent or other communication that complies with this clause is regarded as given and received:

- (a) if it is delivered or sent by fax:
 - (i) by 5.00 pm (local time in the place of receipt) on a Business Day – on that day; or
 - (ii) after 5.00 pm (local time in the place of receipt) on a Business Day, or on a day that is not a Business Day – on the next Business Day; and
- (b) if it is sent by mail:
 - (i) if it is sent by mail:
 - (ii) within Australia – one Business Day after the date of posting;
 - (iii) to or from a place outside Australia – three Business Days after posting; and
- (c) if it is sent in electronic form:
 - (i) if it is transmitted by 5.00 pm (Perth, Western Australia time) on a Business Day – on that Business Day; or
 - (ii) if it is transmitted after 5.00pm (Perth, Western Australia time) on a Business Day or on a day that is not a Business Day – on the next Business Day.

19.3 Address for notices

A person's address and fax number are those set out below, or as the person notifies the sender:

Sirius

Address: 253 Balcatta Road, Balcatta, WA 6021
Fax number: +61 8 6241 4299
Attention: Mark Bennett / Anna Neuling
Email: Mark.Bennett@siriusresources.com.au /
Anna.Neuling@siriusresources.com.au

IGO

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20. AMENDMENT AND ASSIGNMENT

20.1 Amendment

This document can only be amended or replaced by another document executed by the parties.

20.2 Assignment

A party may only assign, encumber, declare a trust over or otherwise deal with its rights under this document with the prior written consent of the other party.

21. GENERAL

21.1 Governing law

- (a) This document and any dispute arising out of or in connection with the subject matter of this document is governed by the laws of the State of Western Australia.
- (b) Each party submits to the non-exclusive jurisdiction of the courts of that State, and courts of appeal from them, in respect of any proceedings arising out of or in connection with the subject matter of this document. Each party irrevocably waives any right it has to object to any legal process being brought in those courts including any claim that the process has been brought in an inconvenient forum or that those courts do not have jurisdiction.

21.2 Liability for expenses

- (a) IGO must pay for all stamp duty payable on this document or any instrument or transaction contemplated in or necessary to give effect to this document. To avoid doubt, this clause 21.2(a) does not apply to the Demerger Transaction Documents and any instruments or transactions contemplated in or necessary to give effect to those documents.
- (b) Subject to clause 21.2(a), each party must pay its own expenses incurred in negotiating, preparing, executing and registering this document.

21.3 Giving effect to this document

Each party must do anything within its power (including execute any document) that the other party may reasonably require to give full effect to this document.

21.4 No partnership or agency

Nothing in this document is to be treated as creating a partnership and, except as specifically provided in this document, no party may act as agent of or in any way bind another party to any obligation.

21.5 Operation of this document

- (a) This document and all associated Transaction Documents contain the entire agreement between the parties about its subject matter.
- (b) Any previous understanding, agreement, representation or warranty relating to that subject matter is replaced by this document and all associated Transaction Documents and has no further effect (other than the Confidentiality Deed).
- (c) Any right that a person may have under this document is in addition to, and does not replace or limit, any other right that the person may have.
- (d) Any provision of this document which is unenforceable or partly unenforceable is, where possible, to be severed to the extent necessary to make this document enforceable, unless this would materially change the intended effect of this document.

21.6 Operation of indemnities

- (a) Each indemnity in this document survives the expiry or termination of this document.
- (b) A party may recover a payment under an indemnity in this document before it makes the payment in respect of which the indemnity is given.

21.7 Third party benefit

If a provision of this document (including clauses 15.1(d)) is expressed to be for the benefit of (for example, by conferring an indemnity or an exclusion of liability upon) a person such as an officer, employee, agent or adviser of Sirius or IGO that is not a party to this document (**third party**), the third party:

- (a) (**benefit, enforcement**) is entitled to the benefit of the provision and may enforce it but only in accordance with this clause;

- (b) **(variation, cancellation)** accepts that IGO and Sirius may vary or cancel the provision as they see fit without the consent of and without having regard to the interests of or being responsible for any detriment to the third party;
- (c) **(indemnity acceptance)** may accept the benefit of an indemnity only when the third party has suffered a Loss or received a Claim to which the indemnity would apply;
- (d) **(time limit)** must accept the benefit of an indemnity and issue and serve any legal proceedings to enforce it within two years after suffering the Loss or receiving the Claim;
- (e) **(exclusion acceptance)** may accept the benefit of an exclusion from or limitation of liability only when the third party has received a Claim or a threat of a Claim to which the exclusion would apply; and
- (f) **(time limit)** must accept the benefit of an exclusion from or limitation of liability and issue and serve any legal proceedings to enforce it within two years after receiving the Claim or threat of a Claim.

21.8 **Consents**

Where this document contemplates that a party may agree or consent to something (however it is described), unless this document expressly contemplates otherwise, the party may:

- (a) agree or consent, or not agree or consent, in its sole and absolute discretion; and
- (b) agree or consent subject to conditions.

21.9 **No merger**

No provisions of this document merge on Implementation.

21.10 **Inconsistency with other documents**

If this document is inconsistent with any other document or agreement between the parties, this document prevails to the extent of the inconsistency.

21.11 **Counterparts**

This document may be executed in counterparts.

SCHEDULE 1

Timetable

This timetable is indicative only.

Step	Expected date	Action/event
1.	25 May 2015	Sign Scheme Implementation Deed and announce transaction
2.	Late June 2015	Provide ASIC and Court with draft Scheme Booklet
3.	Late June 2015	Provide ASX with draft Scheme Booklet
4.	Mid-July 2015	First Court Date
5.	Mid-July 2015	Scheme Booklet registered by ASIC and lodged with ASX
6.	Mid-July 2015	Dispatch Scheme Booklet
7.	Mid-August 2015	Hold Transaction Meetings and announce results to ASX
8.	Late August 2015	Second Court Date and announce to ASX
9.	Late August 2015	Effective Date File Court order with ASIC and announce to ASX Sirius securities cease trading at close of trading on ASX
10.	Late August 2015	Record Date for entitlements to Share Scheme Consideration
11.	Early September 2015	Demerger Scheme implementation date
12.	Early September 2015	Share Scheme Implementation Date IGO issues Share Scheme Consideration
13.	Early September 2015	Dispatch holding statements for new IGO Securities
14.	Early September 2015	Normal settlement trading of IGO Securities
15.	30 September 2015	Longstop Date
16.	30 November 2015	End Date

SCHEDULE 2

Issued capital

Part A - Sirius' Capital

This Schedule 2 sets out the issued capital of Sirius as at the date of signing of this document. For the avoidance of doubt, the treatment of each class of Sirius Unlisted Securities is set out in Schedule 5 of this document.

1. **SIRIUS SHARES**

Sirius has 341,638,269 fully paid ordinary shares on issue and a further 70,563,306 fully paid ordinary shares on issue that, as at the date of this document, are subject to escrow restrictions that will cease on 30 May 2015.

2. **SIRIUS PARTLY PAID SHARES**

Sirius has 44 partly paid shares on issue, each paid up to \$57 and capable of being subject to a further call of \$3.

3. **SIRIUS PERFORMANCE SHARES**

2,200,000 performance shares on issue on the terms set out in Annexure 2 to Sirius' notice of general meeting and explanatory statement dated 11 November 2010.

4. **SIRIUS OPTIONS**

Sirius has on issue the following options each conferring the right to subscribe for one fully paid ordinary share in Sirius on payment of the exercise price before the expiry date:

Expiry Date	Exercise Price	Number
1/11/2015	\$0.60	200,000
26/11/2015	\$0.60	1,650,000
21/2/2016	\$0.60	100,000
29/11/2016	\$0.20	1,850,000
14/5/2017	\$0.20	50,000
17/9/2017	\$2.80	300,000
19/11/2017	\$3.50	1,350,000
22/11/2016	\$3.17	8,750,000
21/02/2018	\$3.00	500,000
6/11/2017	\$3.34	1,000,000
21/11/2017	\$3.51	2,000,000
	Total	17,750,000

5. **SIRIUS SHARE APPRECIATION RIGHTS**

Sirius has on issue the following share appreciation rights, which under the terms of the applicable plan will each convert into a new fully paid ordinary share in Sirius, or will be cash settled in accordance with a prescribed formula, on satisfaction of certain vesting conditions, or can be vested into ordinary shares at the sole discretion of the Sirius Board:

Vesting Date	Number
30 June 2016	645,547
30 June 2017	509,001
Total	1,154,548

Part B - IGO's Capital

6. **IGO SHARES**

IGO has 234,256,573 fully paid ordinary shares on issue.

7. **IGO PERFORMANCE RIGHTS**

IGO has on issue the following performance rights issued under its Performance Rights Plan, which will each convert into a new fully paid ordinary share in IGO on satisfaction of certain vesting conditions:

Vesting Date	Number
1 July 2015	1,495,590
1 July 2016	368,059
1 July 2017	518,174
Total	2,381,823

SCHEDULE 3

Scheme of Arrangement (Share Scheme)



Scheme of Arrangement – Share Scheme

Sirius Resources NL

ACN 009 150 038

Scheme Shareholders

SCHEME OF ARRANGEMENT

Under section 411 of the Corporations Act

BETWEEN:

- (1) **Sirius Resources NL** ACN 009 150 038 whose registered office is at 253 Balcatta Road, Balcatta, WA (**Sirius**); and
- (2) Scheme Shareholders.

BACKGROUND

- (A) Sirius is a public company incorporated in Australia. It is registered in Western Australia and is a public company limited by shares. It has its registered office at 253 Balcatta Road, Balcatta, WA 6021. Sirius is admitted to the official list of ASX and Sirius Shares are quoted on the stock market conducted by ASX. As at the date of this document, 341,638,313 number of Sirius Shares were on issue.
- (B) IGO is a public company incorporated in Australia under the Corporations Act. It is registered in Western Australia and is a company limited by shares. It has its registered office at Suite 4, Level 5, South Shore Centre, 85 South Perth Esplanade, South Perth, WA 6151. IGO is admitted to the official list of ASX and its fully paid ordinary shares are quoted on the stock market conducted by ASX. As at the date of this document, 234,256,573 number of IGO shares were on issue.
- (C) Sirius and IGO entered into the Scheme Implementation Deed on 25 May 2015 to facilitate the implementation of the Share Scheme. The directors of Sirius have proposed the Share Scheme to Sirius Shareholders and consider that the Share Scheme is in the best interests of Sirius and its members as a whole.
- (D) Under the Scheme Implementation Deed, Sirius and IGO have agreed that each of them will perform their respective obligations under the Share Scheme and do everything within their power that is necessary to give full effect to the Share Scheme.
- (E) IGO has executed the Deed Poll under which it covenants in favour of Sirius Shareholders to carry out its obligations under the Share Scheme including to provide the Share Scheme Consideration in accordance with the terms of the Share Scheme
- (F) If the Share Scheme becomes Effective:
 - (1) IGO will issue and pay the Share Scheme Consideration in accordance with the terms of the Share Scheme in consideration for the transfer of the Scheme Shares to IGO;
 - (2) all the Scheme Shares will be transferred to IGO and Sirius will become a wholly owned subsidiary of IGO; and
 - (3) Sirius will enter IGO's name in the Register as the holder of all the Scheme Shares.

1. INTERPRETATION

1.1 Definitions

The following definitions apply in this document:

CHESS means the clearing house electronic subregister system for the electronic transfer of securities operated by ASX Settlement Pty Limited, which provides for the electronic transfer, settlement and registration of securities.

IGO Share Register means the register of IGO shareholders maintained by or on behalf of IGO.

Nominee means the nominee appointed by IGO to sell the New IGO Shares to which Ineligible Overseas Shareholders would otherwise become entitled to under the Share Scheme.

Registered Address means, in relation to a Sirius Shareholder, the address of the shareholder shown in the Register.

Scheme Implementation Deed means the Scheme Implementation Deed between Sirius and IGO dated 25 May 2015 relating to the implementation of the Share Scheme.

Scheme Ordinary Share means a Sirius Ordinary Share held by a Scheme Ordinary Shareholder as at the Record Date.

Scheme Partly Paid Share means a Sirius Partly Paid Share held by a Scheme Partly Paid Shareholder as at the Record Date.

Scheme Share means a Scheme Ordinary Share or a Scheme Partly Paid Share (as appropriate).

Scheme Transfer, in relation to Scheme Shares, means a proper instrument of transfer of the Scheme Shares.

Sirius Share Registry means Computershare Investor Services Pty Ltd (ABN 48 078 279 277).

A term that is not defined in this document and is defined in the Scheme Implementation Deed has the same meaning in this document as given to the term in the Scheme Implementation Deed, unless the context makes it clear that a definition is not intended to apply.

1.2 Rules for interpreting this document

Headings and catchwords are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this document, except where the context makes it clear that a rule is not intended to apply.

- (a) A reference to:
 - (i) a legislative provision or legislation (including subordinate legislation) is to that provision or legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
 - (ii) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
 - (iii) anything (including a right, obligation or concept) includes each part of it.
- (b) A singular word includes the plural, and vice versa.
- (c) A word which suggests one gender includes the other genders.
- (d) If a word or phrase is defined, any other grammatical form of that word or phrase has a corresponding meaning.

- (e) If an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.
- (f) The words **officer** and **security interest** have the same meaning as in section 9 of the Corporations Act.
- (g) The expression **related body corporate** has the same meaning given in section 50 of the Corporations Act.
- (h) All references to time in this document are references to Perth, Western Australia.
- (i) A reference to **\$** or **dollar** is to Australian currency.

1.3 **Non-Business Days**

If the day on or by which a person must do something under this document is not a Business Day:

- (a) if the act involves a payment that is due on demand, the person must do it on or by the next Business Day; and
- (b) in any other case, the person must do it on or by the previous Business Day.

2. **CONDITIONS PRECEDENT**

2.1 **Conditions precedent to the Share Scheme**

The Share Scheme is conditional on the following:

- (a) all the conditions set out in clause 3.2 of the Scheme Implementation Deed, other than the conditions in clauses 3.2(h) and 3.2(i), having been satisfied or waived in accordance with the terms of the Scheme Implementation Deed by 8:00 am on the Second Court Date;
- (b) the Court having made an order under section 411(4)(b) of the Corporations Act approving the Demerger Scheme, without modification or with modifications which are acceptable to both Sirius and IGO (each acting reasonably);
- (c) the Court having made an order under section 411(4)(b) of the Corporations Act approving the Share Scheme, without modification or with modifications which are acceptable to both Sirius and IGO (each acting reasonably);
- (d) the lodgement with ASIC of an office copy of the Court order approving the Demerger Scheme under section 411(4)(b) of the Corporations Act; and
- (e) the lodgement with ASIC of an office copy of the Court order approving the Share Scheme under section 411(4)(b) of the Corporations Act; and
- (f) the fulfilment of such other conditions made or required by the Court under section 411(6) of the Corporations Act in relation to the Share Scheme as are acceptable to Sirius and IGO (each acting reasonably).

2.2 **Effective Date**

The Share Scheme takes effect on the Effective Date. Sirius must lodge with ASIC an office copy of the order of the Court approving the Share Scheme under section 411(4)(b) of the Corporations Act and by no later than 10.00 am on the first Business Day after the date on which the Court makes that order.

2.3 End Date

The Share Scheme will lapse and be of no effect if:

- (a) the Effective Date has not occurred on or before the End Date; or
- (b) the Scheme Implementation Deed or the Deed Poll is terminated in accordance with its terms.

3. THE SCHEME

3.1 Sirius to lodge Court orders with ASIC

Following approval of the Share Scheme by the Court in accordance with section 411(4)(b) of the Corporations Act, Sirius will, as soon as reasonably practicable, lodge with ASIC an office copy of that order in accordance with section 411(11) of the Corporations Act.

3.2 Effective Date

The Share Scheme takes effect on the Effective Date.

3.3 Implementation steps

On the Implementation Date:

- (a) subject to the provision of the Share Scheme Consideration in accordance with the Share Scheme and IGO having provided Sirius with written confirmation of that having occurred, all the Scheme Shares, together with all rights and entitlements attaching to those Scheme Shares as at the Implementation Date, will be transferred to IGO without the need for any further act by any Scheme Shareholder (other than acts performed by Sirius or its directors and officers as attorney and agent for the Scheme Shareholders under the Share Scheme) by Sirius effecting a valid transfer or transfers of the Scheme Shares to IGO under section 1074B of the Corporations Act or, if that procedure is not available for any reason in respect of any Scheme Shares, by:
 - (i) Sirius delivering to IGO for execution duly completed Scheme Transfers to transfer the Scheme Shares to IGO, duly executed by Sirius or any of its directors and officers as the attorney and agent of each Scheme Shareholder as transferor under clauses 5.2 and 5.3;
 - (ii) IGO executing the Scheme Transfers as transferee and delivering the executed and, if necessary, stamped Scheme Transfers to Sirius; and
 - (iii) Sirius upon receipt of the Scheme Transfers under subparagraph (ii) entering or procuring entry of the name and address of IGO in the Sirius Register as the holders of all the Scheme Shares; and
- (b) IGO will issue and pay to each Scheme Shareholder the Share Scheme Consideration for each Scheme Share held by the Scheme Shareholder, in accordance with and subject to the terms of the Share Scheme.

3.4 Provision of Share Scheme Consideration

IGO's obligations under clause 3.3(b) will be satisfied as follows:

- (a) in respect of the cash component of the Share Scheme Consideration:

- (i) by no later than the Business Day before the Implementation Date, IGO will deposit in cleared funds an amount equal to the aggregate amount of the cash component of the Share Scheme Consideration payable to each Scheme Shareholder, in an Australian dollar denominated trust account operated by Sirius as trustee for the Scheme Shareholders, (provided that any interest on the amounts deposited (less bank fees and other charges) will be credited to IGO's account);
 - (ii) on the Implementation Date, Sirius must pay or procure the payment of the cash component of the Scheme Consideration to each Scheme Shareholder from the trust account referred to in clause 3.4(a)(i) by, in Sirius' absolute discretion:
 - (A) where a Scheme Shareholder has, before the Record Date, made a valid election in accordance with the requirements of Sirius' share registry to receive dividend payments from Sirius by electronic funds transfer to a bank account nominated by the Scheme Shareholder, paying, or procuring the payment of, the relevant amount in Australian currency by electronic means in accordance with that election; or
 - (B) otherwise, whether or not the Scheme Shareholder has made an election referred to in clause 3.4(a)(ii)(A), dispatching, or procuring the dispatch of, a cheque for the relevant amount in Australian currency to the Scheme Shareholder by prepaid post to their Registered Address, such cheque being drawn in the name of the Scheme Shareholder (or in the case of joint holders, in accordance with the procedures set out in clause 3.5); and
 - (iii) to the extent that there is a surplus in the amount held by Sirius as trustee for the Scheme Shareholders in the trust account referred to in clause 3.4(a)(i), that surplus may be paid by Sirius to IGO; and
- (b) in respect of the scrip component of the Share Scheme Consideration, on the Implementation Date, IGO must:
- (i) issue New IGO Shares for the scrip component of the Share Scheme Consideration to the Scheme Shareholders and procure that the name and address of each Scheme Shareholder is entered in the IGO Share Register in respect of those New IGO Shares; and
 - (ii) as soon as practicable after the Implementation Date:
 - (A) enter into the IGO Share Register each Scheme Shareholder in respect of the New IGO Shares to which they are entitled under the Share Scheme;
 - (B) send to each Scheme Shareholder holding statements for the New IGO Shares to which they are entitled under the Share Scheme by prepaid post to their Registered Address as at the Record Date, unless that Scheme Shareholder has directed otherwise; and
 - (C) use all reasonable endeavours to ensure that such New IGO Shares are, from the Business Day following the Effective Date (or such later date as ASX requires), quoted for trading on the ASX initially on a deferred settlement basis and thereafter on an ordinary settlement basis.

This clause 3.4 does not apply to a Scheme Shareholder who does not have a Registered Address or where Sirius and IGO believe that such Scheme Shareholder (other than Ineligible Overseas Shareholders) is not known at their Registered Address.

3.5 **Joint holders**

In the case of Scheme Shares held in joint names:

- (a) the New IGO Shares to be issued under the Share Scheme must be issued to and registered in the names of the joint holders;
- (b) the cash component of the Share Scheme Consideration is payable to the joint holders and any cheque required to be sent under the Share Scheme will be made payable to the joint holders and sent to either, at the sole discretion of Sirius, the holder whose name appears first in the Register as at the Record Date or to the joint holders; and
- (c) any other document required to be sent under the Share Scheme will be forwarded to either, at the sole discretion of Sirius, the holder whose name appears first in the Register as at the Record Date or to the joint holders.

3.6 **Unclaimed monies**

- (a) Sirius may cancel a cheque issued under the Share Scheme if the cheque:
 - (i) is returned to Sirius; or
 - (ii) has not been presented for payment within six months after the date on which the cheque was sent.
- (b) The applicable legislation relating to unclaimed monies will apply in relation to any Share Scheme Consideration which becomes unclaimed money within the meaning of such legislation.

3.7 **Sirius to remit proceeds of sale of New IGO Shares to Ineligible Overseas Shareholders**

- (a) If IGO is not satisfied that it may lawfully issue New IGO Shares to an Ineligible Overseas Shareholder either unconditionally or after compliance with terms which IGO reasonably regards as not unduly onerous or impractical, IGO has no obligation to issue New IGO Shares to the Ineligible Overseas Shareholder and, instead, IGO will issue those New IGO Shares to the Nominee to sell on behalf of the Ineligible Overseas Shareholder.
- (b) Where the Nominee is issued New IGO Shares under this clause, IGO will cause:
 - (i) the Nominee, as soon as reasonably practicable (but, in any case within one month after the Implementation Date), to offer all the New IGO Shares comprising such for sale on ASX in such manner, at such price or prices and on such other terms as the Nominee determines in good faith (and at the risk of the Ineligible Overseas Shareholders);
 - (ii) as soon as reasonably practicable but in any case within ten Business Days after settlement of all the sales of the New IGO Shares comprising part of the Share Scheme Consideration issued to the Nominee having occurred, the Nominee to remit to Sirius the proceeds of the sales, the same proportion of the net proceeds of sale of all such shares (after deduction of any applicable fees, brokerage, taxes, charges and costs of sale) as the Share Scheme Consideration issued to the Nominee in respect of that

Ineligible Overseas Shareholder bears to the total number of New IGO Shares issued to and sold by the Nominee under this clause 3.7; and

- (iii) Sirius to pay or procure the payment of the proceeds of sale in clause 3.7(b)(ii) to each Ineligible Overseas Shareholder (in addition to the cash component of the Share Scheme Consideration) in the same manner as provided in respect of the Share Scheme Consideration in clause 3.4(a).
- (c) If Sirius receives professional advice that any withholding or other tax is required by law to be withheld from a payment to an Ineligible Overseas Shareholder, Sirius is entitled to withhold the relevant amount before making the payment to the Ineligible Overseas Shareholder (and payment of the reduced amount shall be taken to be full payment of the relevant amount for the purposes of the Share Scheme. Sirius must pay any amount so withheld to the relevant taxation authorities within the time permitted by law, and, if requested in writing by the relevant Ineligible Overseas Shareholder, provide a receipt or other appropriate evidence of such payment (or procure the provision of such receipt or other evidence) to the relevant Ineligible Overseas Shareholder.
- (d) Each Ineligible Overseas Shareholder appoints IGO, and each director and officer of IGO, as its agent to receive on its behalf any financial services guide or other notice that may be given under the Corporations Act by the Nominee to each Ineligible Overseas Shareholder for or in connection with its appointment or the sales.
- (e) None of IGO, Sirius or the Nominee gives any assurance as to the price that will be achieved for the sale of New IGO Shares described in this clause 3.7.
- (f) Payment of the amount calculated in accordance with clause 3.7(b) to an Ineligible Overseas Shareholder in accordance with this clause 3.7 satisfies in full the Ineligible Overseas Shareholder's right to the scrip component of the Share Scheme Consideration.

3.8 Fractional entitlements

- (a) Any fractional entitlement of a Scheme Shareholder to part of an IGO Share or a cent will be rounded up or down to the nearest whole number of IGO Shares or nearest whole cent (as applicable) in accordance with the Share Scheme (and if the fractional entitlement would include one half of an IGO Share, the entitlement will be rounded up to the nearest whole number of IGO Shares in accordance with the Share Scheme).
- (b) If IGO is of the opinion, formed reasonably, that several Scheme Shareholders, each of which holds a holding of Sirius Shares which results in a fractional entitlement to New IGO Shares have, before the Record Date, been party to a shareholding splitting or division in an attempt to obtain an advantage by reference to the rounding provided for in the calculation of each Scheme Shareholder's entitlement to the Share Scheme Consideration, IGO may direct Sirius to give notice to those Scheme Shareholders:
 - (i) setting out the names and Registered Address for of all of them;
 - (ii) stating that opinion; and
 - (iii) attributing to one of them specifically identified in the notice the Sirius Shares held by all of them,

and, after the notice has been so given, the Scheme Shareholder specifically identified in the notice shall, for the purposes of the Share Scheme, be taken to hold all those Sirius Shares and each of the other Scheme Shareholders whose names are set out in the notice shall, for the purposes of the Share Scheme, be taken to hold no Sirius Shares.

3.9 Agreement to become member of IGO

Each Scheme Shareholder agrees for all purposes to become a member of IGO (without the need for any further act on its part) and to be bound by the constitution of IGO.

3.10 Sirius Shares transferred free from encumbrance

- (a) To the extent permitted by law, the Sirius Shares transferred to IGO under the Share Scheme will be transferred (subject to Sirius' constitution) free from all security interests (including mortgages, charges, liens, encumbrances and interests of third parties of any kind, whether legal or otherwise).
- (b) Each Scheme Shareholder is deemed to have warranted to IGO and, to the extent enforceable, appointed and authorised Sirius as its agent to warrant to IGO that all its Scheme Shares (including any rights and entitlements attaching to those Shares) will, as at the time of the transfer of them to IGO, be:
 - (i) in the case of Scheme Ordinary Shareholders, fully paid; and
 - (ii) in the case of Scheme Partly Paid Shareholders, partly paid to \$57 and capable of being subject to a further call of \$3,

and (subject to Sirius' constitution) free from all security interests (including mortgages, charges, liens, encumbrances, pledges, security interests (including any "security interests" within the meaning of section 12 of the Personal Property Securities Act 2009 (Cth)) and interests of third parties of any kind, whether legal or otherwise), and from any restrictions on transfer of any kind, and that it has full power and capacity to sell and to transfer its Scheme Shares (including any rights and entitlements attaching to those shares) to IGO under the Share Scheme. Sirius undertakes to have provide such warranty to IGO on behalf of the Scheme Shareholder as at the time of transfer of the Scheme Shares.

3.11 Title to and rights in Scheme Shares

- (a) To the extent permitted by law, the Scheme Shares (including all rights and entitlements attaching to the Scheme Shares) transferred under the Share Scheme to IGO will, at the time of transfer of them to IGO, vest in IGO free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any "security interests" within the meaning of section 12 of the Personal Property Securities Act 2009 (Cth)) and interests of third parties of any kind, whether legal or otherwise and free from any restrictions on transfer of any kind.
- (b) IGO will be beneficially entitled to the Scheme Shares transferred to it under the Share Scheme pending registration by Sirius of the name and address of IGO in the Register as the holder of the Scheme Shares.

4. DEALINGS IN SIRIUS SHARES

4.1 What Sirius Share dealings are recognised?

To establish the persons who are Scheme Shareholders, dealings in Sirius Shares will be recognised only if:

- (a) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Register as the holder of the Sirius Shares as at the Record Date; and
- (b) in all other cases, registrable transfers or transmission applications in respect of those dealings are received at the Sirius Share Registry at or before the Record Date,

and Sirius will not accept for registration, nor recognise for any purpose, any transfer or transmission application in respect of Scheme Shares received after the Record Date (except a transfer to IGO pursuant to the Share Scheme and any subsequent transfer by IGO or its successors in title), any transfer or transmission application or other request received after such times, or received prior to such times but not in registrable or actionable form, as appropriate.

4.2 Sirius to register transfer and transmission applications

Sirius will register registrable transfers and transmission applications of the kind referred to in clause 4.1(b) by, or as soon as practicable after, the Record Date, provided that, for the avoidance of doubt, nothing in this clause 4.2 requires Sirius to register a transfer that would result in a Sirius Shareholder holding a parcel of Sirius Shares that is less than a "marketable parcel" (and for these purposes "marketable parcel" has the meaning given in the ASX Operating Rules).

4.3 Transfers received after Record Date not recognised

If the Share Scheme becomes Effective, a holder of Scheme Shares (and any person claiming through that holder) must not dispose of, or purport or agree to dispose of, any Scheme Shares or any interest in them on or after the Record Date otherwise than pursuant to the Share Scheme, and any attempt to do so will have no effect and Sirius shall be entitled to disregard any such disposal.

4.4 Sirius to maintain Register to determine entitlements

In order to determine entitlements to the Share Scheme Consideration, Sirius will maintain, or procure the maintenance of, the Register in accordance with this clause 4 until the Share Scheme Consideration has been paid to Scheme Shareholders and the Register in this form will solely determine entitlements to the Share Scheme Consideration.

4.5 Holding statements no effect from Record Date

From the Record Date, all holding statements for Scheme Shares will cease to have effect as documents of title (or evidence thereof), and each entry on the Register at the Record Date will cease to have any effect other than as evidence of the entitlements of Scheme Shareholders to the Share Scheme Consideration.

4.6 Sirius to provide contact information for Scheme Shareholders

As soon as practicable after Record Date and in any event at least three Business Days before the Implementation Date, Sirius will give to IGO or procure that IGO be given details of the name, Registered Address and the number of Sirius Shares held by each Scheme Shareholder, as shown in the Register at the Record Date, in whatever form IGO reasonably requires.

4.7 Suspension of trading

Sirius will apply for a suspension of trading in Sirius Shares on the stock market conducted by ASX with effect from the close of trading on the Effective Date.

4.8 **Sirius to apply for termination of quotation of Sirius Shares**

On a date after the Implementation Date to be determined by IGO, Sirius will apply for termination of the official quotation on the stock market conducted by ASX of Sirius Shares and must apply to have itself removed from the official list of ASX.

5. **GENERAL PROVISIONS**

5.1 **Sirius giving effect to the Share Scheme**

Sirius must do anything (including execute any document), and must ensure that its employees and agents do anything (including execute any document), that is necessary, expedient or incidental to give full effect to the Share Scheme and the transactions contemplated by it. Without limiting Sirius' power under the Share Scheme, Sirius has power to do all things that it considers necessary or desirable to give effect to the Share Scheme and the Scheme Implementation Deed and each Scheme Shareholder consents to Sirius doing all such things, whether on behalf of the Scheme Shareholders, Sirius or otherwise.

5.2 **Scheme Shareholders' agreements and consents**

Each Scheme Shareholder:

- (a) agrees to the transfer of their Sirius Shares, together with all rights and entitlements attaching to those Shares, to IGO, in accordance with the Share Scheme;
- (c) agrees to the variation, cancellation or modification of the rights attached to their Sirius Shares constituted by or resulting from the Share Scheme;
- (d) agrees to, on the direction of IGO, destroy any share certificates relating to their Sirius Shares;
- (b) agrees to become a member of IGO and to have its name entered in the IGO Share Register and accepts the New IGO Shares issued to it under the Share Scheme on the terms and conditions of the constitution of IGO;
- (c) acknowledges that the Share Scheme binds Sirius and all Scheme Shareholders (including those who do not attend the Share Scheme Meeting and those who do not vote, or vote against the Share Scheme, at the Share Scheme Meeting); and
- (d) consents to Sirius doing all things and executing all deeds, instruments, transfers or other documents as may be necessary, expedient or incidental to Implementation and to give full effect to the Share Scheme and the transactions contemplated by it and Sirius, as agent of each Scheme Shareholder, may sub-delegate its functions under this document to any of its directors and officers, jointly and severally,

without the need for any further act by the Scheme Shareholder.

5.3 **Appointment of Sirius as attorney of Scheme Shareholders**

Each Scheme Shareholder without the need for any further act, irrevocably appoints Sirius and each of its directors and officers, jointly and severally, on and from the Effective Date, as the Scheme Shareholder's attorney and agent:

(a) to execute any document or do any other act necessary, expedient or incidental to give full effect to the Share Scheme and the transactions contemplated by it, including the effecting of a valid transfer or transfers (or execution and delivery of any Scheme Transfer) under clause 3; and

(b) to enforce the Deed Poll against IGO,

and Sirius accepts each such appointment. Sirius may as agent and attorney of each Scheme Shareholder sub-delegate any of its functions, authorities or powers under this clause to all or any of its directors and officers (jointly, severally, or jointly and severally).

5.4 **Appointment of IGO as attorney in respect of Scheme Shares**

(a) From the Implementation Date until IGO is registered as the holder of all Scheme Shares, each Scheme Shareholder:

(i) irrevocably appoints IGO as its attorney and agent (and irrevocably appoints IGO as its agent and attorney to appoint any of the directors and officers of IGO as its attorney and agent) to:

(A) appoint the chairman of the board of directors of IGO or failing him, any director or secretary of IGO as its sole proxy and, where applicable, corporate representative to attend shareholders' meetings of Sirius;

(B) exercise the votes attaching to the Sirius Shares registered in the name of the Scheme Shareholder; and

(C) sign any Sirius Shareholders' resolution;

(ii) must take all other action in the capacity of a registered holder of Scheme Shares as IGO reasonably directs; and

(iii) acknowledges and agrees that in exercising the powers referred to in clause 5.4(i), IGO and its chairman or any director or secretary nominated by IGO may act in the best interests of IGO as the intended registered holder of the Scheme Shares.

(b) From the Implementation Date no Scheme Shareholder may attend or vote at any shareholders' meetings of Sirius or sign any Sirius Shareholders resolution (whether in person, by proxy or by corporate representative) other than under this clause.

5.5 **Binding effect of Scheme**

The Share Scheme binds Sirius and all Sirius Shareholders from time to time, including those who do not attend the Share Scheme Meeting, do not vote at that meeting or vote against the Share Scheme and, to the extent of any inconsistency, overrides the constitution of Sirius.

5.6 **Alteration or condition to Share Scheme**

If the Court proposes to approve the Share Scheme subject to any alteration or condition Sirius may, by its counsel or solicitors, but subject to the prior approval of IGO (which may not be unreasonably withheld or delayed), consent on behalf of all persons concerned, including each Scheme Shareholder, to those alterations or conditions, and each Scheme Shareholder agrees to any such alterations or conditions which counsel for Sirius consents to.

5.7 Deed Poll

Sirius undertakes in favour of each Scheme Shareholder to enforce the Deed Poll against IGO for and on behalf of each Scheme Shareholder.

5.8 Notices

- (a) A notice, consent or other communication under this document is only effective if it is:
- (i) in writing, signed by or on behalf of the person giving it;
 - (ii) addressed to the person to whom it is to be given; and
 - (iii) either:
 - (A) delivered or sent by pre-paid mail (by airmail, if the addressee is overseas) to that person's address;
 - (B) sent by fax to that person's fax number and the machine from which it is sent produces a report that states that it was sent in full; or
 - (C) sent in electronic form (such as email).
- (b) A notice, consent or other communication that complies with this clause is regarded as given and received:
- (i) if it is delivered or sent by fax:
 - (A) by 5.00 pm (local time in the place of receipt) on a Business Day – on that day; or
 - (B) after 5.00 pm (local time in the place of receipt) on a Business Day, or on a day that is not a Business Day – on the next Business Day; and
 - (ii) if it is sent by mail:
 - (A) within Australia – one Business Day after the date of posting;
 - (B) to or from a place outside Australia – three Business Days after posting; and
 - (iii) if it is sent in electronic form:
 - (A) if it is transmitted by 5.00 pm (Perth, Western Australia time) on a Business Day – on that Business Day; or
 - (B) if it is transmitted after 5.00pm (Perth, Western Australia time) on a Business Day or on a day that is not a Business Day – on the next Business Day.
- (c) Sirius' address and fax number are those set out below, or as Sirius notifies the sender:

Sirius

Address: 253 Balcatta Road, Balcatta, WA 6021

Fax number: +61 8 6241 4299

Attention: Mark Bennett / Anna Neuling

Email: Mark.Bennett@siriusresources.com.au /
Anna.Neuling@siriusresources.com.au

5.9 Costs and stamp duty

- (a) Subject to paragraph (b), Sirius will pay all the costs of the Share Scheme.
- (b) IGO will pay all stamp duty and any related fines, penalties and other costs in respect of the Share Scheme (including in connection with the transfer of the Scheme Shares to IGO) in accordance with the terms of the Share Scheme.

5.10 Governing law

This document and any dispute arising out of or in connection with the subject matter of this document is governed by the laws of Western Australia.

5.11 No liability when acting in good faith

Each Scheme Shareholder agrees that neither Sirius nor IGO, nor any director, officer, secretary or employee of any of them, shall be liable for anything done or omitted to be done in the performance of the Share Scheme or the Deed Poll in good faith.

SCHEDULE 4

Deed Poll



Deed Poll – Share Scheme

Independence Group NL

ACN 092 786 304

Deed Poll relating to proposed Scheme of
Arrangement between Sirius and its members

[Date]

DEED POLL

THIS DEED POLL is made on

2015

DATE

BY

Independence Group NL ACN 092 786 304 whose registered office is at Suite 4, Level 5, South Shore Centre, 85 South Perth Esplanade, South Perth, WA 6151 (**IGO**).

FOR THE BENEFIT OF

Each holder of fully paid ordinary shares and each holder of partly paid shares in Sirius Resources NL (**Sirius**) ACN 009 150 038 as at the Record Date (**Scheme Shareholder**)

RECITALS

- (A) Sirius, whose registered office is at 253 Balcatta Road, Balcatta, WA 6021 and IGO have entered into a Scheme Implementation Deed dated 25 May 2015 (the **Scheme Implementation Deed**).
- (B) Under the Scheme Implementation Deed, Sirius has agreed to propose the Share Scheme, pursuant to which (among other things) the Scheme Shareholders will transfer to IGO, and IGO is to acquire, all the Sirius Shares, and IGO is to provide the Share Scheme Consideration to each Scheme Shareholder.
- (C) IGO is executing this document to covenant in favour of each Scheme Shareholder to perform the obligations contemplated of it under the Share Scheme.

IGO DECLARES AS FOLLOWS

1. **INTERPRETATION**

1.1 **Definitions**

defined in the Share Scheme has the same meaning in this document as given to the term in the Share Scheme, unless the context makes it clear that a definition is not intended to apply.

1.2 **Rules for interpreting this document**

The rules in clause 1.2 and 1.3 of the Share Scheme apply in interpreting this document, unless the context makes it clear that a rule is not intended to apply.

2. **NATURE OF THIS DOCUMENT**

IGO acknowledges that:

- (a) this document is a deed poll and may be relied on and enforced by any Scheme Shareholder in accordance with its terms even though the Scheme Shareholders are not parties to it; and
- (b) under the Share Scheme, each Scheme Shareholder irrevocably appoints Sirius and each of its directors and officers, jointly and severally, as its agent and attorney to enforce this document against IGO.

3. CONDITIONS PRECEDENT AND TERMINATION

3.1 Conditions precedent

IGO's obligations under this document are subject to the Share Scheme becoming Effective.

3.2 Termination

The obligations of IGO under this document will automatically terminate and the terms of this document will be of no further force or effect if:

- (a) the Scheme Implementation Deed is terminated in accordance with its terms; or
- (b) the Share Scheme does not become Effective on or before the End Date,

unless Sirius and IGO otherwise agree in writing (and, if required, as approved by the Court) in accordance with the Scheme Implementation Deed.

3.3 Consequences of termination

If this document is terminated pursuant to clause 3.2 then, in addition and without prejudice to any other rights, powers or remedies available to it:

- (a) IGO is released from its obligations under this document; and
- (b) each Scheme Shareholder retains any rights, powers or remedies it has against IGO in respect of any breach of this document which occurred before this document was terminated.

4. SCHEME CONSIDERATION

Subject to clause 3.1, in consideration of the transfer of each Scheme Share to IGO in accordance with the Share Scheme, IGO covenants in favour of each Scheme Shareholder that it will duly and punctually observe and perform all obligations contemplated of it under the Share Scheme, including all obligations contemplated of it relating to the provision of the Share Scheme Consideration in accordance with the Share Scheme.

5. REPRESENTATIONS AND WARRANTIES

IGO represents and warrants in favour of each Scheme Shareholder that:

- (a) **(status)** it is a validly existing corporation under the laws of its place of incorporation; and
- (b) **(power)** it has full legal capacity and power to execute this document and to carry out the transactions that this document contemplates; and
- (c) **(corporate authority)** it has taken all corporate action that is necessary or desirable to authorise its execution of this document and its carrying out of the transactions that this document contemplates; and
- (d) **(documents effective)** this document constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms; and
- (e) **(no contravention)** neither the execution of this document nor the carrying out by it of the transactions that it contemplates in accordance with its terms, does or will contravene:

- (i) any law to which it or any of its property is subject or any order of any government agency that is binding on it or any of its property;
 - (ii) any authorisation from a government agency held by it;
 - (iii) any material undertaking or instrument binding on it or any of its property;
or
 - (iv) its constitution;
- (f) **(solvent)** it is solvent and not affected by any Insolvency Event; and
- (g) **(New IGO Shares)** each New IGO Share will, upon issue:
- (i) be fully paid up; and
 - (ii) be free from any Security Interest (other than as provided for under the constitution of IGO); and
 - (iii) rank equally in all respects with all IGO Shares then on issue.

6. CONTINUING OBLIGATIONS

This document is irrevocable and, subject to clause 3, remains in full force and effect until the earlier of IGO having fully performed its obligations under this document or termination of this document pursuant to clause 3.

7. FURTHER ASSURANCES

IGO will, on its own behalf and to the extent authorised by the Share Scheme, on behalf of each Scheme Shareholder, do all things and execute all deeds, instruments, transfers or other documents as may be necessary or desirable to give full effect to the provisions of this document and the transactions contemplated by it.

8. NOTICES

8.1 How to give a notice

A notice, consent or other communication under this document is only effective if it is:

- (a) in writing, signed by or on behalf of the person giving it;
- (b) addressed to the person to whom it is to be given; and
- (c) either:
 - (i) delivered or sent by pre-paid mail (by airmail, if the addressee is overseas) to that person's address;
 - (ii) sent by fax to that person's fax number and the machine from which it is sent produces a report that states that it was sent in full; or
 - (iii) sent in electronic form (such as email).

8.2 When a notice is given

A notice, consent or other communication that complies with this clause is regarded as given and received:

- (a) if it is delivered or sent by fax:

- (i) by 5.00 pm (local time in the place of receipt) on a Business Day – on that day; or
 - (ii) after 5.00 pm (local time in the place of receipt) on a Business Day, or on a day that is not a Business Day – on the next Business Day; and
- (b) if it is sent by mail:
 - (i) within Australia – one Business Day after the date of posting;
 - (ii) to or from a place outside Australia – three Business Days after posting; and
- (c) if it is sent in electronic form:
 - (i) if it is transmitted by 5.00 pm (Perth, Western Australia time) on a Business Day – on that Business Day; or
 - (ii) if it is transmitted after 5.00pm (Perth, Western Australia time) on a Business Day or on a day that is not a Business Day – on the next Business Day.

8.3 Address for notices

IGO's mail address and fax number are those set out below, or as IGO otherwise notifies:

IGO

Address: Suite 4, Level 5, South Shore Centre, 85
South Perth Esplanade, South Perth, WA 6151

Fax number: +61 8 9238 8399

Attention: Peter Bradford / Anthony Walsh

Email: Peter.Bradford@igo.com.au /
Tony.Walsh@igo.com.au

9. GENERAL

9.1 Costs and stamp duty

IGO must bear and be responsible for:

- (a) its own costs arising out of the negotiation, preparation and execution of this document; and
- (b) any and all stamp duty (including any related fines or penalties) payable on or in respect of this document, or any transaction contemplated by it (including any transfer of Scheme Shares pursuant to the Share Scheme), and IGO indemnifies each Scheme Participant on demand against any liability for any and all such stamp duty.

9.2 Amendment

A provision of this document may not be amended or varied unless:

- (a) before the Second Court Date, the amendment or variation is agreed to in writing by Sirius (on behalf of each Scheme Shareholder but without the need for Sirius to refer the amendment or variation to any Scheme Shareholder) and, if required, is approved by the Court; or
- (b) on or after the Second Court Date, the amendment or variation is agreed to in writing by Sirius (on behalf of each Scheme Shareholder but without the need for Sirius to refer the amendment or variation to any Scheme Shareholder) and is approved by the Court,

and IGO executes a further deed poll in favour of each Scheme Shareholder giving effect to that amendment or variation.

9.3 **Waiver**

- (a) IGO may not rely on the words or conduct of any Scheme Shareholder as a waiver of any right unless the waiver is in writing and signed by the Scheme Shareholder granting the waiver.
- (b) No Scheme Shareholder may rely on words or conduct of IGO as a waiver of any right unless the waiver is in writing and signed by IGO.

9.4 **Assignment**

The rights and obligations of IGO and of each Scheme Shareholder under this document are personal and, except with the prior written consent of Sirius and IGO cannot be assigned, encumbered, charged or otherwise dealt with.

9.5 **Operation of this document**

- (a) Any right that a person may have under this document is in addition to, and does not replace or limit, any other right that the person may have.
- (b) Any provision of this document which is unenforceable or partly unenforceable is, where possible, to be severed to the extent necessary to make this document enforceable, unless this would materially change the intended effect of this document.

9.6 **Governing law**

- (a) This document and any dispute arising out of or in connection with the subject matter of this document is governed by the laws of the State of Western Australia.
- (b) IGO submits to the non-exclusive jurisdiction of the courts of Western Australia, and courts of appeal from them, in respect of any proceedings arising out of or in connection with the subject matter of this document. IGO irrevocably waives any right it has to object to any legal process being brought in those courts including any claim that the process has been brought in an inconvenient forum or that those courts do not have jurisdiction.

EXECUTED as a deed poll.

EXECUTED by INDEPENDENCE GROUP
NL:

Signature of director

Signature of director/secretary

Name

Name

SCHEDULE 5

Treatment of Sirius Unlisted Securities

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SCHEDULE 6
Agreed Budget

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SCHEDULE 7

Demerger Transaction Documents

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SCHEDULE 8
Material Agreements

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SCHEDULE 9

Nova-Bollinger Employees

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SCHEDULE 10

Regulatory Approvals

1. Such waivers of the ASX Listing Rules as required to facilitate the treatment of the Sirius Unlisted Securities provided for in this document.
2. Such confirmations from ASX that Sirius Shareholder approval is not required to be obtained under either Chapters 10 or 11 of the ASX Listing Rules in order to transfer assets to SpinCo for the purpose of effecting the Demerger or in connection with the Demerger Capital Reduction (which is typical of a transaction of this kind).

SCHEDULE 11

Redundancy Entitlements Schedule

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SCHEDULE 12

Salary Budget

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SCHEDULE 13

Professional Fees and Other Costs Cap

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EXECUTED as a deed.

EXECUTED by **SIRIUS RESOURCES NL**:

Signature of director

Signature of director/secretary

Name

Name

EXECUTED by **INDEPENDENCE GROUP
NL**:

Signature of director

Signature of director/secretary

Name

Name