



ASX Announcement

30 December 2014

OPTION ISSUE

As previously announced on 17 November 2014, **RNI NL (ASX: RNI)** wishes to advise that the Board has formalised an incentive scheme with Managing Director, Mr Royce McAuslane such that as part of his remuneration package he will receive 5 million unlisted \$0.14 RNI Options, exercisable within 5 years from the date of issue, subject to shareholder approval at a general meeting to be convened at a date to be advised.

It is the RNI Board's view that such options are an effective tool to attract and incentivise high quality personnel and help to align the long term interests of management and shareholders.

The terms and conditions of the \$0.14 RNI Options are attached.

For further information, contact:

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CHAIRMAN

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Terms and Conditions of \$0.14 RNI Options

1. Definitions:
 - (i) **ASX Listing Rules** means the official listing rules of ASX Limited;
 - (ii) **Company** means RNI NL (ACN 085 806 284).
 - (iii) **Corporations Act** means Corporations Act 2001 (Cth) of Australia.
 - (iv) **Exercise Price** means the exercise price of each RNI Option, being \$0.14.
 - (v) **Expiry Notice** means 5.00pm (Perth time) 5 years from the date of issue of the RNI Option.
 - (vi) **Exercise Notice** means the form prescribed by the Company from time to time for the purpose of exercising RNI Options.
 - (vii) **Share** means a fully paid ordinary voting share in the capital of the Company.
 - (viii) **RNI Option** means an option to subscribe for a Share at the Exercise Price prior to the Expiry Date in the manner set out in these Terms and Conditions.
 - (ix) **RNI Option Holder** means the person or persons registered as the holder of one or more RNI Options from time to time.
2. Each RNI Option carries the right to subscribe for one Share.
3. Each RNI Option is unlisted and is transferable subject to any restrictions on transfer imposed by ASX.
4. Subject to any restrictions imposed by ASX on the exercise of RNI Options, RNI Options may be exercised by the RNI Options Holder by delivering to the Company's registered office or the Company's share registry an Exercise Notice at any time prior to the Expiry Date.
5. Each Exercise Notice must state the number of RNI Options to be exercised and be accompanied by the relevant holding statement(s), if any, and payment (in Australian currency) to the Company of an amount (the **Application Monies**) being the result of the Exercise Price multiplied by the number of RNI Options being exercised.
6. Following receipt of a properly executed Exercise Notice and Application Monies in respect of the exercise of any RNI Options, the Company will issue the resultant Shares and deliver notification of shareholdings.
7. Subject to any restrictions imposed by ASX, the Company will make application to have the Shares (issued pursuant to an exercise of RNI Options) listed for quotation by ASX within 7 days of the date of issue.
8. Subject to any restrictions imposed by ASX, Shares issued pursuant to an exercise of RNI Options shall rank, from the date of issue, *pari passu* with existing Shares in all respects.

9. RNI Options carry no right to participate in pro rata issues of securities to shareholders unless the RNI Options are exercised before the record date for determining entitlements to the relevant pro rata issue.
10. Each RNI Option Holder will be notified by the Company of any proposed pro rata issue of securities to shareholders in accordance with ASX Listing Rules.
11. In the event of a reorganisation (including reconstruction, consolidation, subdivision, reduction, or return) of the capital of the Company, the terms of the RNI Options will be changed to the extent necessary to comply with the requirements of the Corporations Act and ASX Listing Rules (in force at the time of the reorganisation).
12. Except as noted in paragraph 11 above, a RNI Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the RNI Option can be exercised.