



Greatland Gold plc (AIM: GGP)

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Surrender of Director and employee share options

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Greatland Gold plc (AIM:GGP) (**Greatland** or the **Company**) announces that 327,700,000 share options have been agreed to be surrendered by certain Directors and persons discharging managerial responsibility (**PDMR**) and a further 170,000,000 share options have been agreed to be surrendered by a number of other senior employees, on the terms described in this announcement.

Background

On 12 September 2022, the Company made a one-off grant of 235,000,000 premium priced share options to certain Directors of the Company (**Director Options**). The Director Options were granted to attract and incentivise retention of highly credentialled Directors with significant Australian resources experience, to enable and enhance the Company's aspiration to evolve from a junior explorer to a leading mid-tier developer and producer. The Director Options were granted to Mark Barnaba (100,000,000), Elizabeth Gaines (55,000,000), Paul Hallam (40,000,000) and James Wilson (40,000,000). The Director Options have an exercise price of 11.9 pence and an expiry date of 31 August 2026.

On 19 September 2023, the Company made a one-off grant of premium priced share options to certain senior employees of the Company, 262,700,000 of which remain on issue (**Employee Options**), including 72,700,000 held by Shaun Day (Managing Director and PDMR) and 20,000,000 held by Monique Connolly (Chief Financial Officer and a PDMR). The Employee Options were a one-off grant to certain senior employees considered pivotal to the Company's objectives, to incentivise the recruitment and/or retention of those employees. The Employee Options have an exercise price of 11.9 pence and an expiry date of 31 August 2026, in line with the Director Options. The Employee Options are vested but subject to an exercise restriction which means that they are only exercisable by relevant holders on or after 28 February 2026 conditional on the holders still being employed by the Company on 28 February 2026 for them to be exercised.

Since the Director Options and Employee Options were granted, the Company's business has transformed, in particular as a result of the transformational acquisition of 100% ownership of the Telfer gold-copper and Haverton gold-copper project (**Acquisition**), which was announced in September 2024 and completed in December 2024. The holders of the Director Options and Employee Options were instrumental in the Company's successful execution of the Acquisition.

As a result of the Acquisition and the Company's performance subsequently, Greatland is now a significant Australian gold and copper producer, with a market capitalisation of approximately £1.9 billion (A 3.9 billion) (at the close of trading on 17 April 2025), with a platform for long term growth.

As previously announced, Greatland is progressing a proposed cross-listing of the Greatland group on the Australian Securities Exchange (**ASX**), (**ASX Listing**). In conjunction with the ASX Listing, a corporate reorganisation is proposed which would result in the Greatland group sitting under a new Australian-incorporated parent company, Greatland Resources Limited (**Greatland Resources**). This reorganisation will be effected through a UK scheme of

arrangement (**UK Scheme**) and is subject to approval by the Company's shareholders at a shareholder meeting (**UK Scheme Meeting**) and the UK Courts.

Agreement to surrender options

If the UK Scheme is approved, Greatland Resources will formally adopt the ASX Corporate Governance Principles and Recommendations (4th Edition) (**ASX Recommendations**) as its corporate governance code. In preparation for the proposed ASX Listing, the Company has followed the ASX Recommendations since September 2024.

The ASX Recommendations recommend that non-executive directors should not receive performance-based options as part of their remuneration, and that options granted to executives should ensure that short-termism is not incentivised.

Greatland Resources aims to achieve inclusion in the S&P ASX200 Index in Australia following its proposed ASX Listing. Accordingly, in order to:

- Better align the holders' interests with shareholders;
- Significantly reduce the extent of potential dilution to shareholders of the Director Options and Employee Options if they were exercised, particularly in the context where the Company does not have a present or expected need for the approximately £60 million in additional shareholder equity that would result from the Director Options and Employee Options being exercised before 31 August 2026, given its net cash balance at 31 March 2025 of A 398 million (approximately £191 million). Accordingly, surrender and cancellation of the Director Options and Employee Options is expected to be value accretive to Greatland shareholders, relative to if the options remained on issue and were exercised prior to their expiry;
- Comply with best practice corporate governance expected of an ASX200 company by institutional shareholders, proxy advisors and other stakeholders; and
- Avoid any concern or perception on the part of relevant stakeholders that the Director Options or Employee Options could incentivise short-termism or bias in their holders' decision making,

the Company has entered into deeds of surrender and reinvestment (**Surrender Agreements**) with all holders of the Director Options and Employee Options.

In the absence of surrender, the Director Options and Employee Options would otherwise have been exchanged for equivalent options issued by Greatland Resources over its shares, subject to implementation of the UK Scheme.

The Surrender Agreements provide that:

- in consideration for the surrender of their Director Options or Employee Options (as applicable), the holders will be entitled to a cash payment of 6.64 pence per Director Option or Employee Option (as applicable), determined by an independent financial advisor whose valuation methodology is described below;
- each holder will reinvest a sum equal to 50% of the cash payment due to them, by subscribing for new fully paid ordinary shares in the Company (**Greatland Shares**) on the fifth business day after approval of the UK Scheme by the Company's shareholders, at a market price based on volume weighted average price (**VWAP**) of Greatland Shares on the trading day immediately prior to the date of the share issue. The remaining 50% of the cash payment will be retained by the holder, including for payment of estimated tax liabilities in respect of the surrender (noting that the tax payable by each holder will depend on their personal circumstances);
- the Greatland Shares issued to the holder (and the Greatland Resources shares issued in exchange for those Greatland Shares under the UK Scheme) will be subject to a lock-in for a period of 12 months following the date of issue of the Greatland Shares, subject to limited market standard exceptions for lock-ins; and
- the surrender of the Director Options or Employee Options (as applicable) is subject to and will only occur after approval of the UK Scheme by the Company's shareholders at the UK Scheme Meeting (but will occur prior to the Scheme becoming effective).

Importantly, the surrender arrangements:

- will result in alignment of the holders' interests with shareholders, by virtue of the consideration for surrender (less estimated tax) being reinvested in Greatland Shares which are subject to a lock-in of 12 months;
- will create a continued retention incentive for holders, by virtue of the 12-month lock-in; and
- will only occur if the UK Scheme is approved at the UK Scheme Meeting.

Prior to entry into the Surrender Agreements, the Company consulted with a number of its largest shareholders, who together hold approximately 45% of the Company's shares and are supportive of the rationale for the arrangements.

By way of summary, the Director Options and Employee Options subject to the Surrender Agreements for Directors and PDMRs (being all the relevant related parties), the aggregate amounts of consideration to be paid to their holders to be retained by them including for payment of estimated tax, and the aggregate amounts to be re-invested by the holders in Greatland Shares, are as follows in Table 1.

Table 1: Details of Director Options and Employee Options held by Directors and PDMRs subject to Surrender Agreements

	Director Options				Employee Options		Total
	Mark Barnaba	Elizabeth Gaines	Paul Hallam	James Wilson	Shaun Day	Monique Connolly	
Number of options to be surrendered	100,000,000	55,000,000	40,000,000	40,000,000	72,700,000	20,000,000	327,700,000
Sum to be retained by the holder inc. for payment of estimated tax (A)	£3,320,000	£1,826,000	£1,328,000	£1,328,000	£2,413,640	£664,000	£10,879,640
Sum to be reinvested in shares (B)	£3,320,000	£1,826,000	£1,328,000	£1,328,000	£2,413,640	£664,000	£10,879,640
Total consideration for surrender (A+B)	£6,640,000	£3,652,000	£2,656,000	£2,656,000	£4,827,280	£1,328,000	£21,759,280

Other senior employees holding the remaining 170,000,000 Employee Options in aggregate have also entered into Surrender Agreements on the same terms described above in respect of all of their respective Employee Share Options, with the result that in aggregate a further £5,644,000 will be paid to the holders to be retained by them including for payment of estimated tax liabilities, and a further £5,644,000 will be reinvested by the holders in Greatland Shares.

The number of Greatland Shares to be subscribed for by the holders of surrendered Director Options and Employee Options will depend upon the VWAP of Greatland Shares on the trading day immediately prior to date of the share issue. For illustration only, if all Director Options and Employee Options are surrendered and the subscription price were 14.48 pence (i.e. the same as the last closing price of Greatland Shares on 17 April 2025), then an aggregate of approximately 114,114,000 Greatland Shares would be subscribed for by the holders, representing approximately 0.9% of Greatland Shares currently on issue. This would be significantly less than the dilution that would occur if all Director Options and Employee Options on issue, which in aggregate represent 3.8% of Greatland Shares on issue, were exercised.

The payments to holders will be made from the Company's cash reserves.

Calculation of consideration for surrender of options

The value of the Director Options and the value of the Employee Options were calculated by an independent financial advisor based on the Black-Scholes-Merton option valuation methodology.

Black-Scholes-Merton is recognised and widely used across financial markets to provide a method for estimating the fair market price of options based on several factors, including the current market price of the underlying asset, the option's strike price, the time to expiration, the risk-free interest rate, and the asset's price volatility.

Related Party Transaction

The entry into Surrender Agreements detailed in Table 1 are considered related party transactions for the purposes of the AIM Rules. Accordingly, the independent directors of Greatland (for these purposes being Alex Borrelli, Clive Latcham and Yasmin Broughton), having consulted with the Company's Nominated Adviser, SPARK Advisory Partners Limited, consider the terms of the Surrender Agreements to be fair and reasonable insofar as the Company's shareholders are concerned.

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About Greatland

Greatland is a gold and copper mining company listed on the London Stock Exchange's AIM Market (LSE:GGP) and operates its business from Western Australia.

The Greatland portfolio includes the 100% owned Telfer gold-copper mine, the adjacent 100% owned world class Haverton gold-copper project (under development), and a significant exploration portfolio within the surrounding region. The combination of Telfer and Haverton provides for a substantial and long life gold-copper operation in the Paterson Province in the East Pilbara region of Western Australia.

Greatland is targeting a cross listing on the ASX in June 2025.

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