

# MINIMUM HOLDING CONDITION POLICY

## 1. PURPOSE

The People and Culture Committee (**Committee**) have adopted this Policy in order to further align the interests of Non-Executive Directors and Key Management Personnel of the Company with the interests of the Company's shareholders.

This Policy details the minimum holding amount of Securities to be held by them in the Company, and the procedures relating to the minimum holding condition.

## 2. DEFINITIONS

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

**Committee** means the People and Culture Committee of the Company from time to time.

**Company** means Pilbara Minerals Limited ABN 95 112 425 788.

**Key Management Personnel or KMP** has the meaning given in section 9 of the Corporations Act and includes an employee of the Company who holds one of the following positions: Managing Director & Chief Executive Officer, Chief Operating Officer, Chief Financial Officer or Company Secretary & General Counsel.

**Fixed Remuneration** means base salary plus superannuation (capped at \$25,000 per annum).

**Minimum Holding** means the number of Securities which is:

- a) equal to the value of the KMP's Fixed Remuneration in a given financial year, where in relation to a KMP who is the Managing Director & Chief Executive Officer;
- b) equal to half of the value of the KMP's Fixed Remuneration in a given financial year, where in relation to a KMP who is not the Managing Director & Chief Executive Officer, including the COO, the CFO, or the Company Secretary & General Counsel; or
- c) equal to the value of the Non-Executive Director's base fee in a given financial year, where in relation to a Non- Executive Director.

**Non-Executive Director** or **NED** means a non-executive director of the Company.

**Notice** means a notice given by the Company Secretary to all NEDs and KMP under clause 3(a) of this Policy, communicating the number of Securities required to comply with this Policy at the commencement of each Financial Year.

**Financial Year** means a twelve month period commencing on 1 July in any given year.

**Securities** means Shares or Vested Incentives.

**Securities Trading Policy** means the securities trading policy of the Company from time to time.

**Shares** means fully paid ordinary shares in the Company.

**Vested Incentives** means incentives (including options or performance rights or share rights) which have been granted to the NED or KMP under an incentive plan of the Company from time to time, and which have vested as evidenced by a vesting notice or similar issued to the NED or KMP in accordance with the terms of the incentive plan. This includes vested incentives which are subject to escrow under the terms of any incentive plan.

### 3. MINIMUM HOLDING CONDITION

- a) Each NED and KMP must establish and maintain a level of Securities ownership equal to the Minimum Holding.
- b) NEDs are encouraged to commence acquiring Shares or holding Securities as soon as practicable and reach the Minimum Holding within a reasonable timeframe generally not more than 3 years from time of appointment or the effective date of this policy, (whichever is later).
- c) KMP are expected to meet their Minimum Holding over a 3 year period from the date of their appointment or the effective date of this policy, (whichever is later), by holding Securities that vest under the Company's incentive plans. However, Shares acquired by the KMP on or off market are also capable of counting towards their Minimum Holding requirement.
- d) The Company recognises that the value of Company Shares will vary from time to time and the Minimum Holding values are general in nature. For the purpose of calculating whether the Minimum Holding has been met, the calculation is based on the price of Shares at the time of purchase and/or vesting.
- e) Once the NED or KMP has met the Minimum Holding requirement, they must endeavour to maintain the Minimum Holding for as long as they remain a NED or KMP of the Company.

- f) Where increases to a NEDs or KMPs base salary or fixed remuneration occur during a financial year, the three year requirement for the increased Minimum Holding begins from the effective date of the base salary or fixed remuneration increase.
- g) The Committee will review the Minimum Holdings of NEDs and KMP annually.

#### **4. SECURITIES COUNTED IN MINIMUM HOLDING**

The Securities or interests in Securities that count towards a NED or KMP meeting the Minimum Holding are Securities which are:

- a) owned by the NED or KMP or their associated entities or close associates as those terms are defined in the Corporations Act 2001, or
- b) owned through a trust or a superannuation fund or are otherwise held for the benefit of the NED or KMP, or their associated entities or close associates as those terms are defined in the Corporations Act 2001.

#### **5. ANNUAL REPORTING**

The annual report of the Company will include the details of the Minimum Holding, this Policy and the NEDs and KMPs compliance with this Policy.

#### **6. SECURITIES TRADING POLICY AND THIS POLICY - DISPOSAL OF SHARES**

- a) If a NED or KMP proposes to dispose of Shares, they must not do so until they obtain clearance under this Policy at the same time that clearance is obtained by the NED or KMP under the Securities Trading Policy, using the Securities Trading Request Form and the same clearance approval levels of authority.
- b) Compliance with this Policy is subject at all times to compliance with the Securities Trading Policy and the insider trading provisions of the Corporations Act 2001. Nothing in this Policy is intended to impact on the requirement for the NED or KMP to comply with the Securities Trading Policy or the Corporations Act 2001.
- c) In accordance with ASX Listing Rules, all changes to NEDs' interests in the Company's securities must be notified to the ASX within 5 business days after the change occurs. Accordingly, NEDs will promptly notify the Company Secretary of any changes.

## 7. EXEMPTION FROM COMPLIANCE

It is not the intention of this policy to financially disadvantage KMP or NEDs and Shares may be traded to meet income tax and other financial obligations.

There may be circumstances in which compliance with this Policy would cause or contribute to hardship for a NED or KMP, such as preventing them from complying with an order of a court of law or such other circumstances. The Chairman of the Committee has discretion to consider and agree to written requests for temporary exemption from compliance with the Policy, in consultation with the Company Chairman and CEO.

## 8. EXTENSION OF THIS POLICY

The Board may resolve, in its absolute discretion, that this policy be extended to other employees of the Company, from time to time.

### POLICY HISTORY

This Policy will be reviewed by Management on an annual basis and amended as required.

Established	24 August 2020
Last Reviewed	
Frequency	As required

### Ken Brinsden

Managing Director and CEO

Month Year