



**AUSGOLD LIMITED**  
**ABN 67 140 164 496**

**NOTICE OF ANNUAL GENERAL MEETING**

**EXPLANATORY MEMORANDUM**

**PROXY FORM**

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**Date:** Thursday 29 November 2018

**Time:** 11.00am AWST

**Venue:** Level 1, AMP Building  
140 St Georges Terrace  
Perth, WA 6000

*These documents should be read in their entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting*

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**AUSGOLD LIMITED**  
(ABN 67 140 164 496)

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the annual general meeting of Ausgold Limited will be held at Level 1, AMP Building, 140 St Georges Terrace, Perth, Western Australia on Thursday 29 November 2018 at 11.00am (AWST).

**AGENDA**

**ORDINARY BUSINESS**

**FINANCIAL STATEMENTS**

To receive, consider and discuss the Company's financial statements for the year ended 30 June 2018 and the reports of the directors and auditors on those statements.

**RESOLUTION 1 – RE-ELECTION OF DIRECTOR – MR RICHARD LOCKWOOD**

To consider, and if thought fit to pass, the following resolution as an **ordinary resolution**:

***“That, for the purpose of ASX Listing Rule 14.4 and rule 58.1 of the Constitution, and for all other purposes, Mr Richard Lockwood, a Director who retires by rotation and, being eligible, offers himself for re-election, is re-elected as a Director.”***

**RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR GEOFFREY JONES**

To consider, and if thought fit to pass, the following resolution as an ordinary resolution:

***“That, for the purpose of ASX Listing Rule 14.4 and rule 58.1 of the Constitution, and for all other purposes, Mr Geoffrey Jones, a Director who retires by rotation and, being eligible, offers himself for re-election, is re-elected as a Director.”***

**RESOLUTION 3 – ADOPTION OF REMUNERATION REPORT**

To consider, and if thought fit to pass, the following resolution as an **ordinary resolution**:

***“That, for the purposes of section 250R(2) of the Corporations Act 2001 and for all other purposes, the Remuneration Report contained in the 2018 Annual Report be adopted by shareholders.”***

**Note:**

In accordance with section 250R(3) of the Corporations Act 2001, this Resolution is advisory only and does not bind the directors of the Company.

**Voting exclusion statement:**

The Company will disregard any votes cast on Resolution 3 by or on behalf of any member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or any Closely Related Party of such a member. However, the Company need not disregard a vote if it is cast by such a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

If you are a member of the Key Management Personnel of the Company or a Closely Related Party of such person (or are acting on behalf of any such person) and purport to cast a vote (other than as a proxy as permitted in the manner set out above), that vote will be disregarded by the Company (as indicated above) and you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

#### **RESOLUTION 4 – APPROVAL OF ADDITIONAL 10% PLACEMENT FACILITY**

To consider, and if thought fit to pass, the following resolution as a **special resolution**:

***“That for the purposes of ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue), calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 for the purpose and on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting.”***

**Voting exclusion statement:**

The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of any person who is expect to participate in, or who will obtain a material benefit, as a result of, the proposed issue except a benefit solely in the capacity of a holder of Shares, if the Resolution is passed, and any Associates of that person (or those persons). However, the Company need not disregard a vote cast on Resolution 4 by such person if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

#### **RESOLUTION 5 – ISSUE OF PERFORMANCE RIGHTS TO MATTHEW GREENTREE**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

***“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Company be authorised to issue 6,000,000 Performance Rights to Dr Matthew Greentree, a Director of the Company, or his nominee, on the terms and conditions set out in Schedule 2 to the Explanatory Memorandum.”***

**Voting exclusion statement:**

The Company will disregard any votes cast in favour on Resolution 5 by Dr Matthew Greentree and any of his associates. However, the Company will not disregard any votes cast on Resolution 5 by such person if:

- (a) the person is acting as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person is the Chairman of the Meeting acting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

The Company will also disregard any votes cast on Resolution 5 by a member of the Key Management Personnel of the Company or their Closely Related Parties, acting as proxy for another person, where the proxy form does not specify how the proxy is to vote, with the exception that votes cast by the Chairman as proxy appointed in writing where the appointment expressly authorises the Chairman to exercise the proxy even though the Resolution is connected with the remuneration of a member of the Key Management Personnel of the Company, will not be excluded.

## RESOLUTION 6 – ISSUE OF PERFORMANCE RIGHTS TO DENIS RAKICH

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

***“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Company be authorised to issue 5,000,000 Performance Rights to Mr Denis Rakich, a Director of the Company, or his nominee, on the terms and conditions set out in Schedule 2 to the Explanatory Memorandum.”***

### **Voting exclusion statement:**

The Company will disregard any votes cast in favour on Resolution 6 by Mr Denis Rakich and any of his associates. However, the Company will not disregard any votes cast on Resolution 6 by such person if:

- (a) the person is acting as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person is the Chairman of the Meeting acting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

The Company will also disregard any votes cast on Resolution 6 by a member of the Key Management Personnel of the Company or their Closely Related Parties, acting as proxy for another person, where the proxy form does not specify how the proxy is to vote, with the exception that votes cast by the Chairman as proxy appointed in writing where the appointment expressly authorises the Chairman to exercise the proxy even though the Resolution is connected with the remuneration of a member of the Key Management Personnel of the Company, will not be excluded.

## RESOLUTION 7 – ISSUE OF PERFORMANCE RIGHTS TO RICHARD LOCKWOOD

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

***“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Company be authorised to issue 4,000,000 Performance Rights to Mr Richard Lockwood, a Director of the Company, or his nominee, on the terms and conditions set out in Schedule 2 to the Explanatory Memorandum.”***

### **Voting exclusion statement:**

The Company will disregard any votes cast in favour on Resolution 7 by Mr Richard Lockwood and any of his associates. However, the Company will not disregard any votes cast on Resolution 7 by such person if:

- (a) the person is acting as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person is the Chairman of the Meeting acting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

The Company will also disregard any votes cast on Resolution 7 by a member of the Key Management Personnel of the Company or their Closely Related Parties, acting as proxy for another person, where the proxy form does not specify how the proxy is to vote, with the exception that votes cast by the Chairman as proxy appointed in writing where the appointment expressly authorises the Chairman to exercise the proxy even though the Resolution is connected with the remuneration of a member of the Key Management Personnel of the Company, will not be excluded.

## RESOLUTION 8 – ISSUE OF PERFORMANCE RIGHTS TO GEOFFREY JONES

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

***“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Company be authorised to issue 2,000,000 Performance Rights to Mr Geoffrey Jones, a Director of the Company, or his nominee, on the terms and conditions set out in Schedule 2 to the Explanatory Memorandum.”***

### **Voting exclusion statement:**

The Company will disregard any votes cast in favour on Resolution 8 by Mr Geoffrey Jones and any of his associates. However, the Company will not disregard any votes cast on Resolution 8 by such person if:

- (a) the person is acting as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person is the Chairman of the Meeting acting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

The Company will also disregard any votes cast on Resolution 8 by a member of the Key Management Personnel of the Company or their Closely Related Parties, acting as proxy for another person, where the proxy form does not specify how the proxy is to vote, with the exception that votes cast by the Chairman as proxy appointed in writing where the appointment expressly authorises the Chairman to exercise the proxy even though the Resolution is connected with the remuneration of a member of the Key Management Personnel of the Company, will not be excluded.

## RESOLUTION 9 – ISSUE OF PERFORMANCE RIGHTS TO NEIL FEARIS

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

***“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Company be authorised to issue 2,000,000 Performance Rights to Mr Neil Fearis, a Director of the Company, or his nominee, on the terms and conditions set out in Schedule 2 to the Explanatory Memorandum.”***

### **Voting exclusion statement:**

The Company will disregard any votes cast in favour on Resolution 9 by Mr Neil Fearis and any of his associates. However, the Company will not disregard any votes cast on Resolution 9 by such person if:

- (a) the person is acting as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person is the Chairman of the Meeting acting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

The Company will also disregard any votes cast on Resolution 9 by a member of the Key Management Personnel of the Company or their Closely Related Parties, acting as proxy for another person, where the proxy form does not specify how the proxy is to vote, with the exception that votes cast by the Chairman as proxy appointed in writing where the appointment expressly authorises the Chairman to exercise the proxy even though the Resolution is connected with the remuneration of a member of the Key Management Personnel of the Company, will not be excluded.

## PROXIES

In accordance with section 249L of the Corporations Act 2001, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company;
- a member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, then in accordance with section 249X(3) of the Corporations Act 2001, each proxy may exercise one-half of the votes.

In accordance with section 250BA of the Corporations Act 2001, the Company specifies the following information for the purposes of receipt of proxy appointments:

Registered Office: Ausgold Limited  
Level 16, AMP Building  
140 St George Terrace, Perth WA 6000

Facsimile Number: (08) 9220 9820

Postal Address: PO Box 7654, Cloisters Square, Perth WA 6850

Email: info@ausgoldlimited.com

Each member entitled to vote at the general meeting has the right to appoint a proxy to attend and vote at the meeting on his behalf. The member may specify the way in which the proxy is to vote on each resolution or may allow the proxy to vote at his discretion. The instrument appointing the proxy must be received by the Company at the address specified above at least 48 hours before the time notified for the meeting (proxy forms can be lodged by facsimile).

In accordance with regulation 7.11.38 of the Corporations Regulations 2001, the Company determines that shares held as at 11.00 am on Tuesday 27 November 2018 will be taken, for the purposes of the general meeting, to be held by the persons who held them at that time.

**By order of the Board**



**DENIS I RAKICH**  
**Director**  
**22 October 2018**

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**AUSGOLD LIMITED**  
(ABN 67 140 164 496)

**EXPLANATORY MEMORANDUM TO SHAREHOLDERS**

**1. INTRODUCTION**

This Explanatory Memorandum has been prepared for the information of shareholders of Ausgold in connection with the business to be transacted at the annual general meeting of the Company to be held on Thursday 29 November 2018 at 11.00am.

At that meeting, shareholders will be asked to consider resolutions:

- re-electing two directors who retire by rotation;
- adopting the remuneration report;
- approving an additional 10% placement facility; and
- approving the issue of performance rights to directors,

The purpose of this Explanatory Memorandum is to provide information that the Board believes to be material to shareholders in deciding whether or not to pass those resolutions. The Explanatory Memorandum explains the resolutions and identifies the Board's reasons for putting them to shareholders. It should be read in conjunction with the accompanying Notice of Meeting.

**2. RESOLUTION 1 – RE-ELECTION OF MR RICHARD LOCKWOOD AS A DIRECTOR**

**Background**

In accordance with ASX Listing Rule 14.4 and pursuant to Rule 58.1 of the Constitution, at each annual general meeting one-third of the Directors (excluding the Managing Director, if any) must retire from office. Each retiring Director is entitled to offer himself for re-election as a Director at the annual general meeting.

Mr Richard Lockwood will retire by rotation in accordance with the requirements of the Constitution at the AGM. Mr Lockwood is eligible for re-election and he seeks re-election as a director of the Company at the AGM.

Mr Lockwood has forged a successful career in funds management and mining investment and was the founder of New City Investment Management a UK based investment fund. Mr Lockwood was formerly a Director of AIM-listed Kalahari Minerals Limited which was acquired by CGNPC Uranium Resources Co. Ltd. Formerly a mining investment partner for Hoare Govett and McIntosh Securities, he was involved in the development and financing of numerous gold and base metals projects in Europe, Australia and Africa. Mr Lockwood's intimate knowledge and experience in the resource sector is an asset to the Company during its current growth phase.

Mr Lockwood was appointed as a director of the Company on 12 November 2010.

**Board recommendation**

The Board (other than Mr Lockwood) recommends that Shareholders vote in favour of Resolution 1.

### 3. RESOLUTION 2 – RE-ELECTION OF MR GEOFFREY JONES AS A DIRECTOR

#### **Background**

In accordance with ASX Listing Rule 14.4 and pursuant to Rule 58.1 of the Constitution, at each annual general meeting one-third of the Directors (excluding the Managing Director, if any) must retire from office. Each retiring Director is entitled to offer himself for re-election as a Director at the annual general meeting.

Mr Geoffrey Jones will retire by rotation in accordance with the requirements of the Constitution at the AGM. Mr Jones is eligible for re-election and he seeks re-election as a director of the Company at the AGM.

Mr Jones is a Civil Engineer with over 30 years' experience in construction, engineering, mineral processing and project development in Australia and overseas. Geoff previously worked for Boulderstone Hornibrook, John Holland, Minproc Engineers and Signet Engineering before serving over six years as Group Project Engineer for Resolute Mining Limited, where he was responsible for the development of its mining projects in Australia, Ghana and Tanzania. He also founded a project management and engineering consultancy concentrating on the management of projects for ASX listed companies in the resources sector. Mr Jones is currently the Managing Director for GR Engineering Services Limited.

Mr Jones was appointed as a director of the Company on 29 July 2016.

#### **Board recommendation**

The Board (other than Mr Jones) recommends that Shareholders vote in favour of Resolution 2.

### 4. RESOLUTION 3 – ADOPTION OF REMUNERATION REPORT

#### **Background**

The Corporations Act includes disclosure requirements for companies whose shares are quoted on the ASX by requiring that the directors of the company include a remuneration report in the Company's annual report and that a resolution be put to shareholders each year to adopt that report. Pursuant to section 250R(2) of the Corporations Act, the Company submits to Shareholders for consideration and adoption by way of a non-binding resolution, its remuneration report for the year ended 30 June 2018. The remuneration report is set out in the Company's Annual Report. The remuneration report:

- outlines the Board's policy for determining the nature and amount of remuneration for directors and executives of the Company;
- discusses the relationship between the Board's remuneration policy and the Company's performance;
- details and explains any performance condition applicable to the remuneration of a director or executive;
- details the remuneration (including options) of each director and executive of the Company for the year; and
- summarises the terms of any contract under which any director or executive is engaged, including the period of notice required to terminate the contract and any termination payments provided for under the contract.

The vote on the resolution is advisory only and does not bind the directors or the Company, nor does it affect the remuneration paid or payable to the Company's directors or the executives. However, the Board will take the outcome of the resolution into account when considering future remuneration policy.



If, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report, and at the first of those annual general meetings a spill resolution was not put to vote, then the Company will be required to put to Shareholders a resolution proposing the calling of a general meeting to consider the appointment of directors of the Company (**Spill Resolution**).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the general meeting (**Spill Meeting**) within 90 days of the second annual general meeting. All of the Directors who were in office when the Company's directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The remuneration report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2018. A reasonable opportunity will be provided for discussion of the remuneration report at the AGM.

#### **Previous voting results**

At the Company's 2017 Annual General Meeting less than 25% of the total votes cast on the resolution to approve the remuneration report considered at that meeting were cast against the resolution. Accordingly, a Spill Resolution is not relevant for this Annual General Meeting.

#### **Proxy voting restrictions**

A voting exclusion statement is included in the Notice of Meeting in respect of the advisory vote on Resolution 3.

#### **Board Recommendation**

The Board unanimously recommends that Shareholders vote in favour of Resolution 3.

## **5. RESOLUTION 4 – APPROVAL OF ADDITIONAL 10% PLACEMENT FACILITY**

### **General**

ASX Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the AGM (**Additional 10% Placement Facility**). The Additional 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

For the purposes of Listing Rule 7.1A an eligible entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX300 index; and
- (b) has a market capitalisation of less than \$300 million.

The Company is an eligible entity as at the time of this Explanatory Memorandum and is expected to be an eligible entity as at the time of the Annual General Meeting.

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the Additional Placement Facility. The exact number of Equity Securities to be issued under the Additional 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out below). The Company is putting Resolution 4 to Shareholders to seek approval to issue additional Equity Securities under the Additional 10% Placement Capacity throughout the 12 months after the Annual General Meeting.

It is anticipated that funds raised by the issue of Equity Securities under the Additional 10% Placement Capacity would be applied as set out in this Resolution below.

The effect of shareholders approving Resolution 4 will be to allow the Company to issue Equity Securities under Listing Rule 7.1A in addition to the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 4 is a special resolution, accordingly at least 75% of votes cast by Shareholders eligible to vote at the Annual General Meeting must be in favour of Resolution 4 for it to be passed.

### Regulatory Requirements

The effect of Resolution 4 will be to permit the Company to issue the Equity Securities under Listing Rule 7.1A during the Additional Placement Period (as defined below) without using the Company's 15% placement capacity under Listing Rule 7.1.

Equity Securities issued under the Additional 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities of the Company. As at the date of this Notice the Company has one class of quoted Equity Securities on issue, being the Shares (ASX Code: AUC).

Based on the number of Shares on issue at the date of this Notice, the Company will have 657,149,541 Shares on issue. Accordingly, if Shareholders approve Resolution 4, the Company will have the capacity to issue an additional approximately 65,714,954 Equity Securities in accordance with Listing Rule 7.1A. Shareholders should note that the calculation of the number of Equity Securities permitted to be issued under the Additional 10% Placement Capacity is a moving calculation and will be based on the formula set out in Listing Rule 7.1A at the time of issue of the Equity Securities. The table below demonstrates various examples as to the number of Equity Securities that may be issued under the Additional 10% Placement Capacity.

The exact number of Equity Securities that the Company may issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities according to the following formula:

$$(A \times D) - E$$

Where:

- A is the number of Shares on issue 12 months before the date of issue or agreement:
  - (i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
  - (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;
  - (iii) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval; and
  - (iv) less the number of Shares cancelled in the previous 12 months.
- D is 10%.
- E is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

Resolution 4 is a special resolution, requiring approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative) in order to be passed.

In compliance with the information requirements of Listing Rule 7.3A, Shareholders are advised of the following information:

(a) Minimum Issue Price

Equity securities issued under the Additional 10% Placement Facility must be in the same class as an existing class of quoted Equity Securities of the Company. As at the date of this Notice of Annual General Meeting, the Company has on issue one class of quoted Equity Securities, being Shares.

The issue price of Equity Securities issued under the Additional 10% Placement Facility must not be lower than 75% of the volume weighted average price for securities in the same class calculated over the 15 trading days on which trades in that class were conducted immediately before:

- (i) the date on which the Equity Securities are issued; or
- (ii) the date on which the price of Equity Securities is agreed, provided that the issue is thereafter completed within 5 business days.

(b) Dilution

As at the date of this Notice of Annual General Meeting, the Company has 657,149,541 Shares on issue. Accordingly, if Shareholders approve Resolution 4, the Company will have the capacity to issue approximately 65,714,954 Equity Securities under the Additional 10% Placement Facility in accordance with Listing Rule 7.1A.

If Resolution 4 is approved by Shareholders and the Company issues Equity Securities under the Additional 10% Placement Facility, existing Shareholders' voting power in the Company will be diluted as shown in the table below. There is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

The table shows:

- (i) examples of where variable "A" is at its current level and where variable "A" has increased by 50% and by 100%\*;
- (ii) examples of where the issue price of ordinary securities is the current market price as at the date of this Notice of Meeting, being \$0.028 (current market price), and where the current market price is halved, and where it is doubled; and
- (iii) the dilutionary effect will always be 10% if the maximum number of Equity Securities that may be issued under the Additional 10% Placement Capacity are issued.

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$0.014 50% decrease in Issue Price	\$0.028 Issue Price	\$0.056 100% increase in Issue Price
<b>Current Variable A</b> 657,149,541 Shares	Shares issued (10% Voting Dilution)	65,714,954 New Shares	65,714,954 New Shares	65,714,954 New Shares
	Funds raised	\$920,009	\$1,840,018	\$3,680,037
<b>50% increase in current Variable A</b> 985,724,311 Shares	Shares issued (10% Voting Dilution)	98,572,431 New Shares	98,572,431 New Shares	98,572,431 New Shares
	Funds raised	\$1,380,014	\$2,760,028	\$5,520,056
<b>100% increase in current Variable A</b> 1,314,299,082 Shares	Shares issued (10% Voting Dilution)	131,429,908 New Shares	131,429,908 New Shares	131,429,908 New Shares
	Funds raised	\$1,840,018	\$3,680,037	\$7,360,074

The table has been prepared on the following assumptions:

1. Variable A is 657,149,541 being the number of Shares on issue at the date of this Notice of Meeting.
2. The Company issues the maximum number of Equity Securities available under the Additional 10% Placement Facility.
3. No Options are converted into Shares before the date of issue of the Equity Securities.
4. The Company has not issued any other Equity Securities using its placement capacity under Listing Rule 7.1 or 7.1A in the 12 months preceding this Notice of Meeting.
5. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
6. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Additional 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
8. The issue of Equity Securities under the Additional 10% Placement Facility consists only of Shares.
9. The issue price is \$0.028, being the closing price of the Shares on ASX on 16 October 2018.

(c) Issue Period

If Shareholders approve Resolution 4, the Company will have a mandate to issue Equity Securities under the Additional 10% Placement Facility under Listing Rule 7.1A from the date of the Annual General Meeting until the earlier of the following to occur:

- (i) the date that is 12 months after the date of the Annual General Meeting; and
- (ii) the date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking), (the **Additional 10% Placement Period**).

The Company will only issue and allot Equity Securities during the Additional 10% Placement Period.

(d) Purpose of Issues

The Company may seek to issue the Equity Securities for the following purposes:

- (i) non-cash consideration for the acquisition of new assets or investments. Whilst at the date of this Explanatory Memorandum, the Board has no present intention to acquire new assets or investments, should the Company propose to do so in future, the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
- (ii) cash consideration. In such circumstances, the Company intends to use the funds raised for the Company's exploration and development programs at the Katanning Gold Project and to provide additional working capital.

The Company will provide further information at the time of issue of any Equity Securities under the Additional 10% Placement Facility in compliance with its disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A.

(e) Allocation Policy

The Company will determine the recipients at the time of the issue under the Additional 10% Placement Capacity, having regard to the following factors:

- (i) the prevailing market conditions at the time of the issue;
- (ii) the purpose of the issue;
- (iii) the ability of the Company to raise funds at the time of the proposed issue of Equity Securities and whether the raising of any funds under such placement could be carried out by alternative means such as an entitlements offer, a placement or another offer where existing Shareholders may participate;
- (iv) the dilutionary effect of the proposed issue of the Equity Securities on existing Shareholders at the time of the proposed issued of Equity Securities;
- (v) the effect of the issue of the Equity Securities on the control of the Company;
- (vi) the circumstances of the Company, including, but not limited to the financial situation and solvency of the Company; and
- (vii) advice from its professional advisers, including corporate, financial and broking advisers (if applicable).

The Company notes that:

- (i) the Board has formed no specific intentions to offer any placement to any existing Shareholders, class of Shareholders or any new investors;
- (ii) the Board will always consider, prior to making any placement whether the raising of funds could be achieved by means of an entitlements issue to existing Shareholders; and
- (iii) if any issue is announced, the Company would disclose its reasons for undertaking that particular issue rather than an entitlements issue to existing shareholders, should that occur.

The places under the Additional 10% Placement Capacity have not been determined as at the date of this Notice. They may, however, include current Shareholders and/or new investors, none of whom will be related parties (or their associates) of the Company.

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the places under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

(f) Previous issues of Equity Securities under Listing Rule 7.1A

The Company previously obtained Shareholder approval under Listing Rule 7.1A at its Annual General Meeting held on 11 November 2016 (**Previous Approval**).

The Company issued 32,750,000 Shares on 8 June 2017 pursuant to the Previous Approval. During the 12 month period preceding the date of the meeting, being from 29 November 2017, the Company issued 80,000,000 Shares and 3,700,000 Options.

The total number of Equity Securities issued in the 12 months prior to the date of the meeting represents approximately 12.99% of the total diluted number of Equity Securities on issue in the Company on 29 November 2017, which was 644,168,776

(g) Voting exclusion statement

A voting exclusion statement for Resolution 4 is included in the Notice of Annual General Meeting preceding this Explanatory Statement.

At the date of the Notice of Annual General Meeting, the Company has not approached any particular existing security holder or an identifiable class of existing security holders to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice of Annual General Meeting.

In these circumstances (and in accordance with the note set out in ASX Listing Rule 14.11.1 relating to ASX Listing Rules 7.1 and 7.1A), for a person's vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of any Equity Securities issued under the Additional 10% Placement Facility), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted, and there is no reason to exclude their votes.

No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice of Annual General Meeting.

**Board Recommendation**

The Board believes that the Additional 10% Placement Facility is beneficial for the Company as it will give the Company the flexibility to issue further Equity Securities representing up to 10% of the Company's share capital during the next 12 months. Accordingly, the Board unanimously recommend that Shareholders approve Resolution 4.

**6. RESOLUTIONS 5 TO 9 – ISSUE OF PERFORMANCE RIGHTS TO DIRECTORS**

**General**

The Company proposes, subject to obtaining Shareholder approval, to grant a total of 19,000,000 Performance Rights (**Related Party Performance Rights**) to Dr Matthew Greentree, Mr Denis Rakich, Mr Richard Lockwood, Mr Geoffrey Jones and Mr Neil Fearis (or their respective nominees) (**Related Parties**) on the terms and conditions detailed below:

<b>Name of Related Party</b>	<b>Performance Rights</b>
R Lockwood	4,000,000
M Greentree	6,000,000
D Rakich	5,000,000
G Jones	2,000,000
N Fearis	2,000,000

The Company considers that vesting hurdles tied to the Share price are the most appropriate indicator for Director performance at its current stage of growth.

Each of Dr Matthew Greentree, Mr Denis Rakich, Mr Richard Lockwood, Mr Geoffrey Jones and Mr Neil Fearis is a Related Party of the Company by virtue of being a Director of the Company.

“BDO Corporate Finance (WA) Pty Ltd has provided the Company with an independent valuation of the Performance Rights, a summary table of assumptions and performance right valuation is set out below:

Item	Performance rights
Underlying share price as at the valuation date	\$0.029
Exercise price	nil
Commencement of performance period	01-Oct-18
Valuation date	22-Oct-18
Measurement date	30-Sep-19
Remaining performance period (years)	0.94
20-day VWAP volatility	22%
Dividend yield	nil%
Risk free rate	2.02%
<b>Valuation per Right</b>	<b>\$0.0256</b>

### Regulatory Requirements

Listing Rule 10.11 provides that, unless a specified exception applies, a Company must not issue or agree to issue securities to a Related Party without the approval of Shareholders.

As such, Shareholder approval is sought under Listing Rule 10.11 as Resolutions 5 - 9 propose the issue of securities to Dr Matthew Greentree, Mr Denis Rakich, Mr Richard Lockwood, Mr Geoffrey Jones and Mr Neil Fearis, each being a Related Party of the Company as outlined above.

As Shareholder approval is being sought under ASX Listing Rule 10.11, approval is not also required under Listing Rule 7.1.

### Listing Rule 10.13

In accordance with Listing Rule 10.13, the following information is provided to Shareholders:

- (a) Name of person to receive securities  
The Related Party Performance Rights will be issued to Dr Greentree, Mr Rakich, Mr Lockwood, Mr Jones and Mr Fearis, each of whom is a Related Party of the Company by virtue of being a Director.
- (b) Maximum number of securities to be issued  
The total number of Related Party Performance Rights to be issued under Resolutions 5 - 9 is 19,000,000 as follows:

Resolution	Name of Related Party	Performance Rights
Resolution 5	R Lockwood	4,000,000
Resolution 6	M Greentree	6,000,000
Resolution 7	D Rakich	5,000,000
Resolution 8	G Jones	2,000,000
Resolution 9	N Fearis	2,000,000

- (c) **Date of issue and allotment**  
The Related Party Performance Rights to be issued pursuant to Resolutions 5 - 9 will be issued on a date no later than one month after the date of the Meeting. The Company expects to issue all of the Related Party Performance Rights on the same date, however the exact date of issue is unknown at this stage.
- (d) **Relationship with the Company**  
The Related Party Performance Rights are proposed to be issued to Dr Greentree, Mr Rakich, Mr Lockwood, Mr Jones and Mr Fearis. As outlined above, each of those gentlemen is a Related Party of the Company by virtue of being a Director of the Company.
- (e) **Issue price**  
The Related Party Performance Rights will be granted for nil consideration and no funds will be raised by their issue.
- (f) **Terms of issue**  
The Related Party Performance Rights will be issued on the terms set out in Schedule 2 to this Explanatory Memorandum.
- (g) **Intended use of the funds raised**  
No funds will be raised by the issue of the Related Party Performance Rights.
- (h) **Voting exclusion statement**  
Voting exclusion statements for Resolutions 5-9 are included in the Notice of Meeting preceding this Explanatory Memorandum.

### **Corporations Act**

Chapter 2E of the Corporations Act regulates the provision of “financial benefits” to “related parties” by a public company. Chapter 2E prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

A “related party” is widely defined under the Corporations Act, and includes the directors of the company under section 228 of the Corporations Act. As such, the Directors of the Company are related parties of the Company for the purposes of section 208 of the Corporations Act.

A “financial benefit” is construed widely and in determining whether a financial benefit is being given, section 229 of the Corporations Act requires that any consideration that is given is disregarded, even if the consideration is adequate. It is necessary to look at the economic and commercial substance and the effect of the transaction in determining the financial benefit. Section 229 of the Corporations Act includes as an example of a financial benefit, the issuing of securities or the granting of an option to a related party.

The issue of the Related Party Performance Rights under Resolutions 5 - 9 therefore constitute the provision of a financial benefit to a related party.

One of the exceptions to the prohibition is the provision by a company of a financial benefit that constitutes reasonable remuneration to a related party as an officer or employee of the company.



The Board considers that the proposed issues of the Related Party Performance Rights to Dr Greentree, Mr Rakich, Mr Lockwood, Mr Jones and Mr Fearis constitute “reasonable remuneration” within the meaning of section 211 of the Corporations Act and therefore Shareholder approval is not required under section 208 of the Corporations Act for the giving of the financial benefits constituted by the issue of those Related Party Performance Rights.

#### Board Recommendation

Each of Mr Lockwood, Dr Greentree, Mr Rakich, Mr Fearis and Mr Jones abstains from making a recommendation to Shareholders in relation to Resolutions 5, 6, 7, 8 and 9 respectively in view of their personal interest in the outcome of those Resolutions but recommends that Shareholders vote in favour of those Resolutions in the outcome of which they respectively do not have a personal interest.

## 7. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders should read this Explanatory Memorandum carefully before deciding how to vote on the resolutions set out in the Notice of Meeting.

Attached to the Notice of Meeting is a Proxy Form for use by shareholders. All shareholders are invited and encouraged to attend the AGM or, if they are unable to attend in person, to complete, sign and return the Proxy Form to the Company in accordance with the instructions contained in the Proxy Form and the Notice of Meeting. Lodgement of a Proxy Form will not preclude a shareholder from attending and voting at the AGM in person.

## 8. GLOSSARY

The following terms and abbreviations used in this Explanatory Memorandum have the following meanings:

<b>\$</b>	means Australian Dollars.
<b>Act or Corporations Act</b>	means the <i>Corporations Act 2001 (Cth)</i> .
<b>AGM or Meeting</b>	the annual general meeting of the Company to be held on 29 November 2018.
<b>ASIC</b>	Australian Securities and Investments Commission.
<b>Associate</b>	Has the meaning given to it by Division 2 of Part 1.2 of the Corporations Act.
<b>ASX</b>	ASX Limited (ACN 008 624 691).
<b>ASX Listing Rules or Listing Rules</b>	the Official Listing Rules of ASX, as amended from time to time.
<b>Board</b>	the board of directors of the Company.
<b>Business Day</b>	means Monday to Friday inclusive, except New Year’s Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.
<b>Chairman</b>	the person appointed to chair the Meeting convened by the Notice.
<b>Closely Related Party</b>	means: <ul style="list-style-type: none"> <li>(a) a spouse or child of the member;</li> <li>(b) a child of the member's spouse;</li> <li>(c) a dependent of the member or the member's spouse;</li> <li>(d) anyone else who is one of the member's family and may be expected to influence the member or</li> </ul>

	<p>be influenced by the member, in the member's dealing with the entity;</p> <p>(e) a company the member controls; or</p> <p>(f) a person prescribed by the <i>Corporations Regulations 2001</i> (Cth).</p>
<b>Company or Ausgold</b>	Ausgold Limited (ABN 67 140 164 496).
<b>Constitution</b>	means the Company's constitution.
<b>Corporations Regulations</b>	Corporations Regulations 2001 (Cth) as amended from time to time.
<b>Equity Securities</b>	includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.
<b>Explanatory Memorandum</b>	the explanatory memorandum which accompanies and forms part of the Notice of Meeting.
<b>Key Management Personnel</b>	has the same meaning as in the accounting standards and, broadly, includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.
<b>Notice of Meeting</b>	the notice convening the AGM which accompanies this Explanatory Memorandum.
<b>Proxy Form</b>	the proxy form which accompanies this Explanatory Memorandum.
<b>Shares or Ausgold Shares</b>	fully paid ordinary shares in the Company.
<b>Shareholder</b>	a registered holder of a Share.

## SCHEDULE 1 – ISSUE OF EQUITY SECURITIES SINCE 29 NOVEMBER 2017

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) <sup>1</sup>	Form of consideration
9 January 2018 Appendix 3B dated 9 January 2018	3,700,000	Unquoted Options	Employees of Ausgold Limited	No issue price	Non cash consideration Valuation on issue \$81,901.  Valuation using Black & Schole method at 22/10/18 is \$74,000.
14 June 2018 Appendix 3B dated 14 June 2018	80,000,000	Shares	Placement under Listing rules 7.1 and 7.1A to sophisticated investors	Issue price: \$0.03 per share  Closing market price on 14/06/18: \$0.03 per share	Funds raised: \$2,400,000 Funds remaining: \$1,263,000 as at 30 September 2018 Use of funds: Funds have been expended on the Katanning Gold Project and general working capital purposes.

## SCHEDULE 2 – TERMS AND CONDITIONS OF RELATED PARTY PERFORMANCE RIGHTS

The terms and conditions of the Performance Rights are set out below:

- (a) Each Performance Right entitles the holder to be issued one Share, subject to the satisfaction of vesting conditions during the relevant measurement period and on the terms and conditions below.
- (b) Subject to the satisfaction of the vesting conditions, the Performance Rights will vest on 1 October 2019.
- (c) The vesting conditions for the Performance Rights are as follows:
  - (i) Employment at the end of measurement period ( Employment Condition)
  - (ii) Performance of the Company relative to the performance of the S&P/ASX 300 Metals and Mining Index for the period based on Total Shareholder Return(TSR) (**Performance Condition**)
- (d) In order to meet the Employment Condition, the relevant Related Party must be employed by the Company at the end of the measurement period.
- (e) At the end of the measurement period, the Company's performance shall be determined by reference to the Company's TSR for the period, which will be compared against the S&P/ASX Metals and Mining Index.
- (f) The TSR calculation will be based on the percentage change in the share price of the Company over the measurement period. The percentage change will be calculated by comparing the 20 day volume weighted average price in the 20 business day period immediately before the start and end of the measurement period.
- (g) The Company's TSR compared against the S&P/ASX Metals and Mining Index will determine the proportion of Performance Rights that will vest, as set out below:

Relative TSR over the Measurement Period	Portion of Performance Rights Vested
Below the 50 <sup>th</sup> percentile	0%
At the 50 <sup>th</sup> percentile	50%
Between the 50 <sup>th</sup> and 75 <sup>th</sup> percentile	Pro-rata between 50% and 100%
Above the 75 <sup>th</sup> percentile	100%

- (h) After the end of the measurement period, the Board shall promptly determine whether (and in the case of the Performance Condition, the extent to which) the vesting conditions attaching to the Performance Rights have been met, and shall provide written notice to the holder as to that determination.
- (i) Where a holder (or his nominee) receives notice from the Board that a Performance Right has vested, the Performance Right may be exercised at any time up until 5.00 pm (WST) on the date determined by the Board when the Performance Rights vest and notified to the holder (**Last Exercise Date**), subject to any restriction in the Corporations Act from time to time and in any event, no longer than 6 months from the date of grant of the Performance Right, by delivery to the Company Secretary of:
  - (i) the certificate for the Performance Right or, if the certificate for the Performance Rights has been lost or destroyed, a declaration to that effect, accompanied by an indemnity in favour of the Company against any loss, costs or expenses which might be incurred by the Company as a consequence of its relying on the declaration that the certificate has been lost or destroyed; and
  - (ii) a duly completed and executed notice of exercise of a Performance Right in the form approved by the Board from time to time.
- (j) In the event that a takeover bid (as defined in the Corporations Act) to acquire ordinary shares in the Company becomes unconditional, or a merger by way of scheme of arrangement under the Corporations Act has been approved by the Court, any unvested Performance Rights will vest and become immediately exercisable, regardless of whether or not the employment, engagement or

- office of the person eligible to receive the Performance Rights is terminated or ceases in connection with such event.
- (k) Unless determined otherwise by the Board, a Performance Right lapses on the earlier of:
    - (i) The Board determining that any vesting condition applicable to the Performance Right has not been satisfied, reached or met in accordance with its terms or is not capable of being satisfied, reached or met;
    - (ii) An unauthorised dealing in, or hedging of, the Performance Right;
    - (iii) The Last Exercise Date;
    - (iv) The employee in respect of whom the Performance Rights were issued (**Relevant Employee**) resigns from the Company; or
    - (v) The date the Relevant Employee retires or is made redundant by , the Company
  - (l) Where a Performance Right has lapsed:
    - (i) All rights of a holder in respect of those Performance Rights is forfeited; and
    - (ii) The Company will:
      - (a) Notify the holder that the Performance Right has lapsed;
      - (b) Cancel the Performance Right;
      - (c) If only part of the Performance Rights covered by a certificate have lapsed, issue a certificate stating the remaining number of Performance Rights held by the holder that have not lapsed; and
      - (d) Not be liable for any damages or other amounts to the holder in respect of the Performance Right.
  - (m) All Shares allotted on the exercise of the Performance Rights will rank equally in all respects with the then existing Shares.
  - (n) The Performance Rights are not transferable
  - (o) The Company will not apply to ASX for quotation of the Performance Rights. The Company will apply for quotation of all Shares in the Company allotted pursuant to the exercise of Performance Rights no later than 10 business days after the date of allotment.
  - (p) The holder may only participate in new issues of securities as holders of Shares if the Performance Rights have been exercised and Shares allotted in respect of the Performance Rights before the record date for determining entitlements to the issue. The Company must give to holders at least 7 business days' notice of any new issue before the record date for determining entitlements to the issue in accordance with ASX Listing Rules.
  - (q) If there is a bonus issue (**Bonus Issue**) to the holders of Shares in the Company, the number of Shares over which the Performance Rights are exercisable will be increased by the number of Shares which the holder would have received if the Performance Rights had been exercised before the record date of the Bonus Issue( Bonus shares). The Bonus Shares must be paid up by the Company out of the profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue and upon issue rank equally in all respects with the other Shares on issue as at the date of issue of the Bonus Shares.
  - (r) If prior to the vesting date, there is a reorganisation of the issued capital of the Company, the Performance Rights are to be treated in the manner set out in ASX Listing Rules.

# PROXY FORM

The Company Secretary  
 Ausgold Limited  
 Level 16, AMP Building  
 140 St Georges Terrace  
 PERTH WA 6000

I/We .....  
 (Full Name – Block Letters)

of .....  
 being a member of Ausgold Limited hereby appoint

..... to exercise .....% of my/our voting rights  
 (Name of 1<sup>st</sup> Proxy)

..... to exercise .....% of my/our voting rights  
 (2<sup>nd</sup> Proxy – Optional)

or in his/her absence, or if no person is named, the Chairman of the meeting as my/our proxy/proxies to act generally and vote on my/our behalf at the AGM of the Company to be held at 11.00am on Thursday 29 November 2018 and at any adjournment thereof in accordance with this Proxy Form.

**The Chairman of the meeting will act as your proxy if you do not appoint someone. It is the Chairman's intention to exercise all undirected proxies in favour of all of the resolutions.**

If the Chairman is appointed as your proxy (either expressly or by default) and you do **not** wish to direct your proxy how to vote, please place a mark in this box

By marking the box above you acknowledge that if you have appointed the Chairman as your proxy (either expressly or by default):

- (1) he may exercise the undirected proxy even if he has an interest in the outcome of a resolution and votes cast by him other than as proxy would be disregarded because of that interest; and
- (2) he is expressly authorised to exercise the undirected proxy in respect of resolutions 3, 5, 6, 7, 8 and 9 in the manner described above even though resolutions 3, 5, 6, 7, 8 and 9 are connected with the remuneration of a member of the Key Management Personnel.

If you do not mark the box above, and you have not directed your proxy how to vote, then in respect of resolutions 3, 5, 6, 7, 8 and 9 the Chairman will not cast your votes and your votes will not be counted in calculating the required majority if a poll is called on that resolution.

RESOLUTIONS	FOR	AGAINST	ABSTAIN*
1. To re-elect Mr Richard Lockwood as a director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. To re-elect Mr Geoffrey Jones as a director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Adoption of remuneration report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Approval of additional 10% placement facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Issue of performance rights to Dr Matthew Greentree	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Issue of performance rights to Mr Denis Rakich	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Issue of performance rights to Mr Richard Lockwood	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Issue of performance rights to Mr Geoffrey Jones	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Issue of performance rights to Mr Neil Fearis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

\* If you mark the "Abstain" box with an "X" for a particular resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority.

Date:.....2018.

.....  
 Signature of Member

.....  
 Signature of Joint Member

Or if a company:

THE COMMON SEAL OF ..... )  
 was affixed in the presence of, and the sealing is attested by: )

.....  
 Director/Secretary

.....  
 Director

Or if a company with no common seal:  
 EXECUTED by authority of its directors

.....  
 Director

.....  
 Director / Company Secretary

## INSTRUCTIONS FOR APPOINTMENT OF PROXY

- (1) A member entitled to attend and vote at the meeting is entitled to appoint not more than two proxies.
- (2) Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights. If that proportion is not specified, each proxy may exercise one-half of the member's voting rights.
- (3) A proxy need not be a member of the Company.

Forms to appoint proxies and the Power of Attorney (if any) under which it is signed or an office copy or notarially certified copy thereof must be deposited with the Company at the registered office, Level 16, AMP Building, 140 St Georges Terrace, Perth WA 6000 or faxed to the Company (Fax No: (08) 9220 9820 and for overseas shareholders: (618) 9220 9820), not less than 48 hours before the time for holding the meeting. A proxy presented by a company should be under the common seal of that company.