

DGO Gold Limited

ABN 96 124 562 849

For personal use only

Notice of General Meeting

DGO Gold Limited

ABN 96 124 562 849

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2 August 2018

Dear Shareholder,

I invite you to the General Meeting of DGO Gold Limited (**DGO Gold**) which will be held at the offices of BDO, Collins Square, Tower Four, Level 18, 727 Collins Street, Melbourne, Victoria 3008 at 11.00am (Melbourne time) on Thursday, 27 September 2018.

The purpose of the General Meeting is to seek shareholder approval for:

- 1 the ratification of the prior issue of Shares to Andama Holdings Pty Ltd through a private placement announced by the Company to the ASX on 4 April 2018;
- 2 the proposed issuance of Performance Rights to the Company's directors;
- 3 the proposed issue of Shares and Options to Lion Nominees Pty Ltd;
- 4 the proposed issuance of Performance Rights to consultants and an employee of the Company; and
- 5 the proposed issuance of Shares and Options to sophisticated investors.

As announced on 6 July 2018, the Company has recently completed a 1 for 2 non-renounceable pro rata issue of new DGO Gold shares (**New Shares**), and one option for every New Share issued, at a price of \$0.75 per New Share (**Entitlement Offer**). There are no resolutions proposed at the meeting specifically in relation to the Entitlement Offer, however, details of the Entitlement Offer are referred to in the notice of general meeting. Resolution 6 proposed at the meeting is to allow Lion Nominees Pty Ltd, an entity associated with Non-Executive Director, Mr Bruce Parncutt AO, to fulfil his commitment to subscribe for \$1 million under the Entitlement Offer.

If you have questions, please contact Michael Ilett on +61 3 9133 6251.

On behalf of the Board, I thank you for your ongoing support.

Yours faithfully

DGO GOLD LIMITED



EDUARD ESHUYS
EXECUTIVE CHAIRMAN

Notice of General Meeting

DGO Gold Limited ACN 124 562 849

Notice is given that the general meeting of DGO Gold Limited ACN 124 562 849 (**Company**) will be held at:

Location	BDO, Collins Square, Tower Four, Level 18, 727 Collins Street, Melbourne, Victoria 3008
Date	Thursday, 27 September 2018
Time	11.00am (Melbourne time)

Special Business

Approval of previous Share issue on 4 April 2018

1 To consider, and if in favour, pass the following resolution as an ordinary resolution:

'That for the purpose of Listing Rule 7.4, and for all other purposes, Shareholders ratify and approve the previous issue of 1,250,000 Shares on 4 April 2018 at an issue price of \$0.80 per Share to Andama Holdings Pty Ltd on the terms set out in the Explanatory Memorandum.'

Approval to issue Performance Rights to the Executive Chairman, Mr Eduard Eshuys

2 To consider, and if in favour, pass the following resolution as an ordinary resolution:

'That for the purposes of Listing Rule 10.11, Chapter 2E of the Corporations Act, and for all other purposes Shareholders approve the issue of 1,000,000 Performance Rights to the Executive Chairman, Mr Eduard Eshuys, who is a Related Party of the Company, on the terms set out in the Explanatory Memorandum.'

Approval to issue Performance Rights to the Executive Director and Company Secretary, Mr Michael Ilett

3 To consider, and if in favour, pass the following resolution as an ordinary resolution:

'That for the purposes of Listing Rule 10.11, Chapter 2E of the Corporations Act, and for all other purposes Shareholders approve the issue of 250,000 Performance Rights to the Executive Director and Company Secretary, Mr Michael Ilett, who is a Related Party of the Company, on the terms set out in the Explanatory Memorandum.'

Approval to issue Performance Rights to the Non-Executive Director, Mr Bruce Parncutt AO

4 To consider, and if in favour, pass the following resolution as an ordinary resolution:

'That for the purposes of Listing Rule 10.11, Chapter 2E of the Corporations Act, and for all other purposes Shareholders approve the issue of 1,000,000 Performance Rights to the Non-Executive Director, Mr Bruce Parncutt AO, who is a Related Party of the Company, on the terms set out in the Explanatory Memorandum.'

Approval to issue Performance Rights to the Non-Executive Director, Mr Ross Hutton

5 To consider, and if in favour, pass the following resolution as an ordinary resolution:

'That for the purposes of Listing Rule 10.11, Chapter 2E of the Corporations Act, and for all other purposes Shareholders approve the issue 250,000 Performance Rights to the Non-Executive Director, Mr Ross Hutton, who is a Related Party of the Company, on the terms set out in the Explanatory Memorandum.'

Approval for Share and Option issue to Lion Nominees Pty Ltd

6 To consider, and if in favour, pass the following resolution as an ordinary resolution:

'That for the purposes of Listing Rule 10.11, Chapter 2E of the Corporations Act, and for all other purposes, shareholders approve the issue of 163,208 Shares at an issue price of \$0.75 per Share and 163,208 attaching Options to Lion Nominees Pty Ltd on the terms set out in the Explanatory Memorandum.'

Approval to issue Performance Rights to Professor Ross Large

7 To consider, and if in favour, pass the following resolution as an ordinary resolution:

'That for the purpose of Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of 50,000 Performance Rights to Professor Ross Large on the terms set out in the Explanatory Memorandum.'

Approval to issue Performance Rights to Dr Stuart Bull

8 To consider, and if in favour, pass the following resolution as an ordinary resolution:

'That for the purpose of Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of 50,000 Performance Rights to Dr Stuart Bull on the terms set out in the Explanatory Memorandum.'

Approval to issue Performance Rights to Mr Barry Bourne

9 To consider, and if in favour, pass the following resolution as an ordinary resolution:

'That for the purpose of Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of 50,000 Performance Rights to Mr Barry Bourne on the terms set out in the Explanatory Memorandum.'

Approval to issue Performance Rights to Dr Neil Phillips

10 To consider, and if in favour, pass the following resolution as an ordinary resolution:

'That for the purpose of Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of 50,000 Performance Rights to Dr Neil Phillips on the terms set out in the Explanatory Memorandum.'

Approval to issue Performance Rights to Ms Cindie Jupp

11 To consider, and if in favour, pass the following resolution as an ordinary resolution:

'That for the purpose of Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of 50,000 Performance Rights to Ms Cindie Jupp on the terms set out in the Explanatory Memorandum.'

Approval to issue Performance Rights to Mr Gregory Marks

12 To consider, and if in favour, pass the following resolution as an ordinary resolution:

'That for the purpose of Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of 50,000 Performance Rights to Mr Gregory Marks on the terms set out in the Explanatory Memorandum.'

Approval to issue Performance Rights to Mr David Hamlyn

13 To consider, and if in favour, pass the following resolution as an ordinary resolution:

'That for the purpose of Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of 50,000 Performance Rights to Mr David Hamlyn on the terms set out in the Explanatory Memorandum.'

Approval to issue Shares and Options to Costa Asset Management Pty Ltd as trustee for The Costa Asset Management Unit Trust (or its nominee)

14 To consider, and if in favour, pass the following resolution as an ordinary resolution:

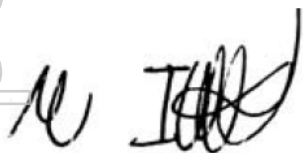
'That for the purpose of Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of 2,666,667 Shares at \$0.75 per Shares and 2,666,667 attaching Options under a placement to Costa Asset Management Pty Ltd as trustee for the Costa Asset Management Unit Trust (or its nominee) on the terms set out in the Explanatory Memorandum.'

Approval to issue Shares and Options to Caroline House Superannuation Fund Pty Ltd as trustee for The Caroline House Superannuation Fund

15 To consider, and if in favour, pass the following resolution as an ordinary resolution:

'That for the purpose of Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of 666,667 Shares at \$0.75 per Shares and 666,667 attaching Options under a placement to Caroline House Superannuation Fund Pty Ltd as trustee for The Caroline House Superannuation Fund on the terms set out in the Explanatory Memorandum.'

BY ORDER OF THE BOARD



**MICHAEL ILETT
COMPANY SECRETARY
2 August 2018**

Notes

- (a) Terms used in this Notice of General Meeting which are defined in the Explanatory Memorandum have the meaning given to them in the Explanatory Memorandum.
- (b) Subject to the Corporations Act, including sections 250R and 250BD, a Shareholder who is entitled to attend and cast a vote at the meeting is entitled to appoint a proxy.
- (c) The proxy need not be a Shareholder of the Company. A Shareholder 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.
- (d) If you wish to appoint a proxy and are entitled to do so, then complete and return the attached proxy form by 11.00 am (Melbourne time) on 25 September 2018.
- (e) A corporation may elect to appoint a representative in accordance with the Corporations Act in which case the Company will require written proof of the representative's appointment which must be lodged with or presented to the Company before the meeting.
- (f) The Company has determined under regulation 7.11.37 Corporations Regulations that for the purpose of voting at the meeting or an adjourned meeting, securities are taken to be held by those persons recorded in the Company's register of Shareholders as at 7.00pm (Melbourne time) on 25 September 2018.
- (g) If you have any questions on how to cast your votes call the Company on +61 3 9133 6251 during business hours.

Voting exclusion statement

<p>Resolution 1 – Approval of previous share issue on 4 April 2018</p>	<p>Listing Rules</p> <p>In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 1 by Andama Holdings Pty Ltd (being the person who participated in the issue) or an associate of Andama Holdings Pty Ltd. However, the Company need not disregard a vote if:</p> <ul style="list-style-type: none"> (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or (b) 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.
<p>Resolution 2 – Approval to issue Performance Rights to the Executive Chairman, Mr Eduard Eshuys</p>	<p>Listing Rules</p> <p>In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 2 by Mr Eduard Eshuys (being the person who is to receive securities) or an associate of Mr Eduard Eshuys. However, the Company need not disregard a vote if:</p> <ul style="list-style-type: none"> (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or (b) 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. <p>Corporations Act</p> <p>The Company will disregard votes cast by Key Management Personnel or their Closely Related Parties in contravention of section 250BD Corporations Act. Restrictions also apply to votes cast as proxy unless exceptions apply.</p> <p>The Company will disregard votes cast (in any capacity) by or on behalf of a Related Party of the Company to whom the resolution would permit a financial benefit to be given or an associate of such a Related Party.</p> <p>However, the Company need not disregard a vote if:</p> <ul style="list-style-type: none"> (a) it is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and (b) it is not cast on behalf of a Related Party or an Associate of a kind mentioned above.

<p>Resolution 3 – Approval to issue Performance Rights to the Executive Director and Company Secretary, Mr Michael Ilett</p>	<p>Listing Rules</p> <p>In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 3 by Mr Michael Ilett (being the person who is to receive securities) or an associate of Mr Michael Ilett. However, the Company need not disregard a vote if:</p> <ul style="list-style-type: none"> (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or (b) 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. <p>Corporations Act</p> <p>The Company will disregard votes cast by Key Management Personnel or their Closely Related Parties in contravention of section 250BD Corporations Act. Restrictions also apply to votes cast as proxy unless exceptions apply.</p> <p>The Company will disregard votes cast (in any capacity) by or on behalf of a Related Party of the Company to whom the resolution would permit a financial benefit to be given or an associate of such a Related Party.</p> <p>However, the Company need not disregard a vote if:</p> <ul style="list-style-type: none"> (a) it is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and (b) it is not cast on behalf of a Related Party or an Associate of a kind mentioned above.
<p>Resolution 4 – Approval to issue Performance Rights to the Non-Executive Director, Mr Bruce Parncutt AO</p>	<p>Listing Rules</p> <p>In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 4 by Mr Bruce Parncutt AO (being the person who is to receive securities) or an associate of Mr Bruce Parncutt AO. However, the Company need not disregard a vote if:</p> <ul style="list-style-type: none"> (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or (b) 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. <p>Corporations Act</p> <p>The Company will disregard votes cast by Key Management Personnel or their Closely Related Parties in contravention of section 250BD Corporations Act. Restrictions also apply to votes cast as proxy unless exceptions apply.</p> <p>The Company will disregard votes cast (in any capacity) by or on behalf of a Related Party of the Company to whom the resolution would permit a financial benefit to be given or an associate of such a Related Party.</p> <p>However, the Company need not disregard a vote if:</p> <ul style="list-style-type: none"> (a) it is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and (b) it is not cast on behalf of a Related Party or an Associate of a kind mentioned above.

**Resolution 5 –
Approval to issue
Performance
Rights to the
Non-Executive
Director, Mr Ross
Hutton**

Listing Rules

In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 5 by Mr Ross Hutton (being the person who is to receive securities) or an associate of Mr Ross Hutton. However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) 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.

Corporations Act

The Company will disregard votes cast by Key Management Personnel or their Closely Related Parties in contravention of section 250BD Corporations Act. Restrictions also apply to votes cast as proxy unless exceptions apply.

The Company will disregard votes cast (in any capacity) by or on behalf of a Related Party of the Company to whom the resolution would permit a financial benefit to be given or an associate of such a Related Party.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- (b) it is not cast on behalf of a Related Party or an Associate of a kind mentioned above.

<p>Resolution 6 – Approval to issue Shares and Options to Lion Nominees Pty Ltd</p>	<p>Listing Rules</p> <p>In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 6 by Lion Nominees Pty Ltd (being the person who is to receive securities) or an associate of Lion Nominees Pty Ltd. However, the Company need not disregard a vote if:</p> <ul style="list-style-type: none"> (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or (b) 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. <p>Corporations Act</p> <p>The Company will disregard votes cast by Key Management Personnel or their Closely Related Parties in contravention of section 250BD Corporations Act. Restrictions also apply to votes cast as proxy unless exceptions apply.</p> <p>The Company will disregard votes cast (in any capacity) by or on behalf of a Related Party of the Company to whom the resolution would permit a financial benefit to be given or an associate of such a Related Party.</p> <p>However, the Company need not disregard a vote if:</p> <ul style="list-style-type: none"> (a) it is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and (b) it is not cast on behalf of a Related Party or an Associate of a kind mentioned above.
<p>Resolution 7 – Approval to issue Performance Rights to Professor Ross Large</p>	<p>In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 7 by a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person. However, the Company need not disregard a vote if:</p> <ul style="list-style-type: none"> (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or (b) 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.
<p>Resolution 8 – Approval to issue Performance Rights to Dr Stuart Bull</p>	<p>In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 8 by a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person. However, the Company need not disregard a vote if:</p> <ul style="list-style-type: none"> (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or (b) 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.
<p>Resolution 9 – Approval to issue Performance Rights to Mr Barry Bourne</p>	<p>In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 9 by a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person. However, the Company need not disregard a vote if:</p> <ul style="list-style-type: none"> (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or (b) 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 10 – Approval to issue Performance Rights to Dr Neil Phillips	<p>In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 10 by a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person. However, the Company need not disregard a vote if:</p> <ul style="list-style-type: none"> (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or (b) 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 11 – Approval to issue Performance Rights to Ms Cindie Jupp	<p>In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 11 by a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person. However, the Company need not disregard a vote if:</p> <ul style="list-style-type: none"> (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or (b) 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 12 – Approval to issue Performance Rights to Mr Gregory Marks	<p>In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 12 by a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person. However, the Company need not disregard a vote if:</p> <ul style="list-style-type: none"> (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or (b) 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 13 – Approval to issue Performance Rights to Mr David Hamlyn	<p>In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 13 by a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person. However, the Company need not disregard a vote if:</p> <ul style="list-style-type: none"> (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or (b) 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 14 – Approval to issue Shares and Options to Costa Asset Management Pty Ltd as trustee for the Costa Asset Management Unit Trust (or its nominee)	<p>In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 14 by a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person. However, the Company need not disregard a vote if:</p> <ul style="list-style-type: none"> (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or (b) 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 15 –
Approval to issue
Shares and
Options to
Caroline House
Superannuation
Fund Pty Ltd as
trustee for The
Caroline House
Superannuation
Fund**

In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 15 by a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person. However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) 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.

Explanatory memorandum

DGO Gold Limited ACN 124 562 849

Introduction

This Explanatory Memorandum is provided to the Shareholders of DGO Gold Limited ACN 124 562 849 (**Company**) to explain the resolutions to be put to the Shareholders at the General Meeting of the Company to be held at of BDO, Collins Square, Tower Four, Level 18, 727 Collins Street, Melbourne, Victoria 3008 on Thursday, 27 September 2018 at 11.00 am (Melbourne time).

The Directors recommend shareholders read the accompanying notice and this Explanatory Memorandum in full before making any decision in relation to the resolutions.

Special Business

Resolution 1: Approval of previous share issue

1 Listing Rule 7.1 provides that (subject to certain exceptions, none of which are relevant for the purposes of this Resolution 1) prior approval of shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by the Company during the previous 12 months, exceed 15% of the number of the securities at the commencement of that 12 month period. Listing Rule 7.1A provides that (subject to certain exceptions, again none of which are relevant for the purposes of this Resolution 1) prior approval of shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by the Company during the previous 12 months, exceed 10% of the number of the securities at the commencement of that 12 month period.

2 The allotment and issue of securities detailed in Resolution 1 did not, in aggregate, exceed the 15% threshold for the purpose of Listing Rule 7.1 or the 10% threshold for the purpose of Listing Rule 7.1A.

3 However, Listing Rule 7.4 provides that where a Company subsequently approves an issue of securities, the issue will be treated as having been made with approval for the purpose of Listing Rule 7.1 and Listing Rule 7.1A, thereby replenishing the Company's 15% placement capacity and the Company's 10% placement capacity enabling the Company to issue further securities up to those limits.

4 The purpose of Resolution 1 is for shareholders to ratify and approve, pursuant to Listing Rule 7.4, the issue 1,250,000 Shares to Andama Holdings Pty Ltd on 4 April 2018. These Shares were issued as a private placement to a sophisticated investor and announced on the ASX on 4 April 2018.

5 The Company seeks to ratify and approve the previous issue of securities the subject to this Resolution 1 to refresh its ability to issue shares under the 15% capacity under Listing Rule 7.1 and under its 10% capacity under Listing Rule 7.1A.

6 In accordance with Listing Rule 7.5, Shareholders are advised of the following particulars in relation to the allotment and issue under Resolution 1:

Persons to whom securities were issued	Andama Holdings Pty Ltd
Number of securities issued	1,250,000 fully paid ordinary shares
Date the Company issued the securities	4 April 2018
Issue price of the securities	\$0.80 per Share
Terms of issue	Shares which rank equally with all existing Shares on issue and quoted on ASX.
Use of funds	The funds received from the placement will be used for investment in ASX listed gold exploration companies, for evaluation of its existing land holdings and for working capital.

If Resolution 1 is not approved, the Company's ability to raise additional equity funds over the next 12 months without reference to shareholders will be restricted.

Directors' Recommendation

The Directors unanimously recommend that you vote in favour of this resolution.

Resolutions 2, 3, 4 and 5: Issue of Performance Rights to the Executive Chairman, Executive Director and Non-Executive Directors

The Company is seeking approval for the issue of Performance Rights to the Directors in accordance with Listing Rule 10.11 and Chapter 2E of the Corporations Act. As approval is being sought under Listing Rule 10.11, approval will not be required under Listing Rule 7.1.

Shareholder approval is sought for the issue the following Performance Rights to the Directors:

- (a) 1,000,000 Performance Rights to the Executive Chairman Mr Eduard Eshuys (Resolution 2);
- (b) 250,000 Performance Rights to the Executive Director and Company Secretary Mr Michael Ilett (Resolution 3);
- (c) 1,000,000 Performance Rights to the Non-Executive Director Mr Bruce Parncutt AO (Resolution 4); and
- (d) 250,000 Performance Rights to the Non-Executive Director Mr Ross Hutton (Resolution 5).

Subject to the satisfaction of certain conditions, described below, Eduard Eshuys, Michael Ilett, Bruce Parncutt AO and Ross Hutton (or their nominees) will have an ability to exercise their Performance Rights and receive one fully paid ordinary share in the Company for each Performance Right granted to them. The full terms and conditions of the Performance Rights are contained in Appendix A to this Explanatory Memorandum.

Each Performance Right granted to the Director will be capable of being exercised into one fully paid ordinary share only if:

- (a) one of the following events occurs:

- 13
- (i) on or before 31 July 2021 the 90 day volume weighted average price of Shares on the ASX exceeds \$2.00 (subject to certain adjustments) per Share (**Market Condition**);
 - (ii) on or before 31 July 2021 a takeover bid is made for the Shares at a price or value which exceeds \$2.00 (subject to certain adjustments) and the bidder confirms that the takeover bid is unconditional (**Takeover Condition**); or
 - (iii) on or before 31 July 2021 a court orders a meeting to be held in relation to a proposed scheme of arrangement in relation to the Company at a price or value which exceeds \$2.00 (subject to certain conditions) per Share and Shareholders approve the scheme resolution by the requisite majority; and

(b) the Director remains as a Director of the Company at the time the relevant condition is satisfied.

The Performance Rights lapse on:

- (a) 1 August 2021 if a relevant condition is not satisfied on or before 31 July 2021; or
- (b) the date the Director ceases to be a Director if a relevant condition is not satisfied before that date; or
- (c) 10 August 2022 if a relevant condition is satisfied on or before 31 July 2021 and the Director did not cease to be a Director before satisfaction of the Market Condition; or
- (d) an earlier date in the event a takeover bid or scheme of arrangement for the Company is successful at a price or value less than or equal to \$2.00 (subject to certain adjustments).

Why is approval sought under Chapter 2E Corporations Act?

14 Chapter 2E of the Corporations Act prohibits a public company from giving a Financial Benefit to a Related Party of the public company unless providing the benefit falls within a prescribed exception to the general prohibition. Relevantly, there is an exception if the company first obtains the approval of its shareholders in a general meeting in circumstances where certain requirements specified in Chapter 2E in relation to the convening of that meeting have been met.

15 A "Related Party" is defined widely in section 228 of the Corporations Act and includes, relevantly, a director (or proposed director) of a public company and any entity that is controlled by a director of the public company.

16 A "Financial Benefit" for the purposes of the Corporations Act has a very wide meaning. It includes the public company paying money or issuing securities to the Related Party.

17 Each of the Directors (and, in the case of exercise of a Performance Right, their nominees) is a Related Party and the proposed issue of Performance Rights to those Directors is a Financial Benefit.

18 Accordingly, the Company seeks Shareholder approval for the issue of the Performance Rights to the Directors under section 208 Corporations Act.

Why is approval sought under Listing Rule 10.11?

19 Listing Rule 10.11 requires that an entity must obtain the approval of Shareholders to issue securities to a Related Party and in doing so must provide the information specified in Listing Rule 10.13, unless an exception applies.

20 Listing Rule 7.1 prohibits a listed company, except in certain cases, from issuing in any 12-month period new Equity Securities equivalent in number to more than 15% of the total number of ordinary securities on issue at the beginning of the twelve month period (15% Capacity) without the prior approval of a majority of disinterested shareholders, or the issue otherwise comes within one of the exceptions to Listing Rule 7.1 (15% Rule).

21 However, under Listing Rule 7.2 (Exception 14), if approval is being sought under Listing Rule 10.11, approval will not be required under Listing Rule 7.1. Therefore, the issue of the Performance Rights to the Directors under Resolutions 2 to 5 (inclusive), if passed, will not count towards the Company's 15% Capacity under Listing Rule 7.1.

22 Resolutions 2, 3, 4 and 5 if passed, will involve the issue of Performance Rights to the Executive Chairman, Mr Eduard Eshuys, Executive Director Mr Michael Ilett, Non-Executive Director Mr Bruce Parncutt AO, and Non-Executive Director, Mr Ross Hutton all being Related Parties of the Company.

Specific information – Sections 219(1)(a) and 219(1)(b) Corporations Act

23 For the purposes of Chapter 2E of the Corporations Act the following Related Party and benefit information is provided to shareholders:

- (a) **(Resolution 2)** The Related Party to whom Resolution 2 would permit the financial benefit to be give pursuant to section 219(1)(a) Corporations Act is Mr Eduard Eshuys (or, on exercise of the Performance Rights, his nominee) who is the Executive Chairman of the Company and therefore, a related party. The nature of the financial benefit pursuant to section 219(1)(b) Corporations Act for Mr Eduard Eshuys (or, on exercise of the Performance Rights, his nominee) are 1,000,000 Performance Rights on the terms set out in Appendix A.
- (b) **(Resolution 3)** The Related Party to whom Resolution 3 would permit the financial benefit to be give pursuant to section 219(1)(a) Corporations Act is Mr Michael Ilett (or, on exercise of the Performance Rights, his nominee) who is an Executive Director of the Company and therefore, a related party. The nature of the financial benefit pursuant to section 219(1)(b) Corporations Act for Mr Michael Ilett (or, on exercise of the Performance Rights, his nominee) are 250,000 Performance Rights on the terms set out in Appendix A.
- (c) **(Resolution 4)** The Related Party to whom Resolution 4 would permit the financial benefit to be give pursuant to section 219(1)(a) Corporations Act is Mr Bruce Parncutt AO (or, on exercise of the Performance Rights, his nominee) who is an Non-Executive Director of the Company and therefore, a related party. The nature of the financial benefit pursuant to section 219(1)(b) Corporations Act for Mr Bruce Parncutt AO (or, on exercise of the Performance Rights, his nominee) are 1,000,000 Performance Rights on the terms set out in Appendix A.
- (d) **(Resolution 5)** The Related Party to whom Resolution 5 would permit the financial benefit to be give pursuant to section 219(1)(a) Corporations Act is Mr Ross Hutton (or, on exercise of the Performance Rights, his nominee) who is an Non-Executive Director of the Company and therefore, a related party. The nature of the financial benefit pursuant to section 219(1)(b) Corporations Act for Mr Ross Hutton (or, on exercise of the Performance Rights, his nominee) are 250,000

Performance Rights on the terms set out in Appendix A.

Directors' Recommendations (section 219(1)(c))

24 **(Resolution 2)** With respect to Resolution 2, Messrs Michael Ilett, Bruce Parncutt AO, and Ross Hutton recommend that Shareholders vote in favour of Resolution 2. The Directors (with the exception of Mr Eduard Eshuys) have formed the view that Resolution 2 be put to Shareholders for the following reasons:

- (a) the grant of the Performance Rights as proposed to Mr Eduard Eshuys will provide him with reward and incentive for future services he will provide to the Company to further the progress of the Company;
- (b) the Performance Rights are not intended as a substitute for salary or wages or as a means for compensation for past services rendered; and
- (c) in the Company's circumstances as they existed as at the date of this Explanatory Memorandum, the Directors (with the exception of Mr Eduard Eshuys) considered that the incentive provided a cost effective and efficient incentive as opposed to alternative forms of incentives (e.g. cash bonuses, increased remuneration).

However, it must be recognised that there will be an opportunity cost to the Company, being the potentially dilutionary impact of the issue of Shares on the exercise of the Performance Rights.

As Mr Eduard Eshuys is interested in the outcome of Resolution 2, he accordingly makes no recommendation to Shareholders in respect of this resolution.

25 **(Resolution 3)** With respect to Resolution 3, Messrs Eduard Eshuys, Bruce Parnutt AO and Ross Hutton recommend that Shareholders vote in favour of Resolution 3. The Directors (with the exception of Mr Michael Ilett) have formed the view that Resolution 3 be put to Shareholders for the following reasons:

- (a) the grant of the Performance Rights as proposed to Mr Michael Ilett will provide him with reward and incentive for future services he will provide to the Company to further the progress of the Company;
- (b) the Performance Rights are not intended as a substitute for salary or wages or as a means for compensation for past services rendered; and
- (c) in the Company's circumstances as they existed as at the date of this Explanatory Memorandum, the Directors (with the exception of Mr Michael Ilett) considered that the incentive provided a cost effective and efficient incentive as opposed to alternative forms of incentives (e.g. cash bonuses, increased remuneration).

However, it must be recognised that there will be an opportunity cost to the Company, being the potentially dilutionary impact of the issue of Shares on the exercise of the Performance Rights.

As Mr Michael Ilett is interested in the outcome of Resolution 3, he accordingly makes no recommendation to Shareholders in respect of this resolution.

26 **(Resolution 4)** With respect to Resolution 4, Messrs Eduard Eshuys, Michael Ilett, and Ross Hutton recommend that Shareholders vote in favour of Resolution 4. The Directors (with the exception of Mr Bruce Parncutt AO) have formed the view that Resolution 4 be put to Shareholders for the following reasons:

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- (a) the grant of the Performance Rights as proposed to Mr Bruce Parncutt AO will provide him with reward and incentive for future services he will provide to the Company to further the progress of the Company;
 - (b) the Performance Rights are not intended as a substitute for salary or wages or as a means for compensation for past services rendered;
 - (c) in the Company's circumstances as they existed as at the date of this Explanatory Memorandum, the Directors (with the exception of Mr Bruce Parncutt AO) considered that the incentive provided a cost effective and efficient incentive as opposed to alternative forms of incentives (e.g. cash bonuses, increased remuneration).

However, it must be recognised that there will be an opportunity cost to the Company, being the potentially dilutionary impact of the issue of Shares on the exercise of the Performance Rights, issue of the placement Shares and exercise of the Options.

As Mr Bruce Parncutt AO is interested in the outcome of Resolution 4, he accordingly makes no recommendation to Shareholders in respect of this resolution.

27 **(Resolution 5)** With respect to Resolution 5, Messrs Eduard Eshuys, Michael Ilett, and Bruce Parncutt AO recommend that Shareholders vote in favour of Resolution 5. The Directors (with the exception of Mr Ross Hutton) have formed the view that Resolution 5 be put to Shareholders for the following reasons:

- (a) the grant of the Performance Rights as proposed to Mr Ross Hutton will provide him with reward and incentive for future services he will provide to the Company to further the progress of the Company;
- (b) the Performance Rights are not intended as a substitute for salary or wages or as a means for compensation for past services rendered; and
- (c) in the Company's circumstances as they existed as at the date of this Explanatory Memorandum, the Directors (with the exception of Mr Ross Hutton) considered that the incentive provided a cost effective and efficient incentive as opposed to alternative forms of incentives (e.g. cash bonuses, increased remuneration).

However, it must be recognised that there will be an opportunity cost to the Company, being the potentially dilutionary impact of the issue of Shares on the exercise of the Performance Rights.

As Mr Ross Hutton is interested in the outcome of Resolution 5, he accordingly makes no recommendation to Shareholders in respect of this resolution.

Directors' Interest and other remuneration (section 219(1)(d))

28 Mr Eduard Eshuys, Mr Michael Ilett, Mr Bruce Parncutt AO and Mr Ross Hutton have a material personal interest in the outcome of Resolution 2, Resolution 3, Resolution 4 and Resolution 5 respectively as it is proposed that Performance Rights will be issued to them.

29 At the date of this Notice of General Meeting excluding the Performance Rights to be issued to Mr Eduard Eshuys pursuant to Resolution 2, Mr Eduard Eshuys (and entities associated with him) holds 2,308,259 Shares and 680,268 Options.

30 Other than Performance Rights proposed to be issued to Mr Eduard Eshuys pursuant to Resolution 2, Mr Eduard Eshuys shall receive remuneration of \$100,000 per annum (excluding superannuation) from the Company for his services as the Executive Chairman.

31 At the date of this Notice of General Meeting excluding the Performance Rights to be issued to Mr Michael Ilett pursuant to Resolution 3, Mr Michael Ilett (and entities associated with him) holds 86,303 Shares and 20,608 Options.

32 Other than Performance Rights proposed to be issued to Mr Michael Ilett pursuant to Resolution 3, Mr Michael Ilett shall receive remuneration of \$105,000 per annum (excluding superannuation) from the Company for his services as a Director and Company Secretary.

33 At the date of this Notice of General Meeting excluding the Performance Rights to be issued to Mr Bruce Parncutt AO pursuant to Resolution 4, and the issue of Shares and Options to Lion Nominees (Resolution 6) Mr Bruce Parncutt AO (and entities associated with him) holds 3,510,375 Shares and 1,170,125 Options.

34 Other than Performance Rights proposed to be issued to Mr Bruce Parncutt AO pursuant to Resolution 4 and any other cash incentives approved by the Remuneration Committee, Mr Bruce Parncutt AO does not receive any other remuneration from the Company for his services as a Non-Executive Director.

35 At the date of this Notice of General Meeting excluding the Performance Rights to be issued to Mr Ross Hutton pursuant to Resolution 5, Mr Ross Hutton (and entities associated with him) holds 559,426 Shares and 40,000 40¢ Options.

36 Other than Performance Rights proposed to be issued to Mr Ross Hutton pursuant to Resolution 5, Mr Ross Hutton shall receive remuneration of \$45,000 per annum (excluding superannuation) per annum from the Company for his services as a Non-Executive Director.

Valuation of Performance Rights

37 The Performance Rights are not currently quoted on the ASX and as such have no readily ascertainable market value. The Performance Rights each grant the holder on exercise of each Performance Right a right to one Share in the Company. Accordingly, Performance Rights may have a present value at the date of their grant.

38 As the Performance Rights will not be listed on the ASX and will not be tradeable, the market value of the Performance Rights cannot be readily determined from any sales data. An option pricing model is best suited and necessary to provide a value for the Performance Rights to be issued.

39 Various factors impact upon the value of Options and Performance Rights including:

- (a) the period outstanding before the expiry date of the Performance Rights;
- (b) the underlying price or value of the securities into which they may be converted;
- (c) the relevant conditions that are required to be met before the Performance Rights can be exercised;
- (d) the proportion of the issued capital as expanded consequent upon the exercise of the Performance Rights and the issue of the resultant Shares (i.e. whether or not the Shares that might be acquired upon exercise of the Performance Rights represent a controlling or other significant interest);
- (e) vesting period and relevant conditions affecting the certainty of vesting; and

(f) the value of the resultant Shares on the exercise of the Performance Rights.

40 There are various formulae which can be applied to determining the theoretical value of the Performance Rights (including the formula known as the Black-Scholes Model valuation formula and the Monte Carlo simulation). The Monte Carlo simulation valuation methodology will be used to value the Performance Rights.

41 The Company has prepared a valuation of the Performance Rights, for the purposes of disclosing to Shareholders such information required to decide whether or not it is in the Company's interest to pass Resolution 2, 3, 4 and 5 in accordance with AASB 2 Share Based Payments, using the Monte Carlo simulation. The value of a Performance Right calculated by the Monte Carlo simulation is a function of the relationship between a number of variables, being the price of the underlying Share at the time of issue, the exercise price, the time to expiry, the risk-free interest rate, the volatility of the Company's underlying Share price and expected dividends.

42 Inherent in the application of the Monte Carlo simulation are a number of inputs, some of which must be assumed. The data relied upon in applying the Monte Carlo simulation in respect of the Performance Rights includes:

- (a) the exercise price of each Performance Right being nil;
- (b) a grant date market price of Shares of \$0.745;
- (c) a volatility measure of 90%;
- (d) on or before 31 July 2021 the 90 day volume weighted average price of Shares on the ASX exceeds \$2.00 (subject to certain adjustments) per Share;
- (e) a risk-free interest rate of 2.4%; and
- (f) a dividend yield of 0%.

43 Based on this valuation of the Performance Rights, the value of the Performance Rights proposed to be issued to each Director is as follows:

- (a) Performance Rights for Mr Eduard Eshuys - \$503,900.00
- (b) Performance Rights for Mr Michael Ilett - \$125,975.00
- (c) Performance Rights for Mr Bruce Parncutt AO - \$503,900.00
- (d) Performance Rights for Mr Ross Hutton - \$125,975.00

44 The above valuation assumes a grant date market price of \$0.745. However, on 4 July 2018, the directors agreed, subject to obtaining shareholder approval, to grant the Performance Rights. The market price at the close of trading on that day was \$0.685 and the terms of the Performance Rights were set based on the market price on that day. Assuming a grant date market price of \$0.685, as well as the other inputs set out above, the value of the Performance Rights proposed to be issued to each Director is as follows:

- (a) Performance Rights for Mr Eduard Eshuys - \$446,500.00
- (b) Performance Rights for Mr Michael Ilett - \$111,625.00

(c) Performance Rights for Mr Bruce Parncutt AO - \$446,500.00

(d) Performance Rights for Mr Ross Hutton - \$111,625.00

Other information that is reasonably required by Shareholders to make a decision and that is known to the Company or any of its Directors (section 219(1)(e) and 219(2))

45 There is no other information known to the Company or any of its Directors save and except as follows:

(a) Market price movements

The Performance Rights valuation noted above is based on a market price per Share of \$0.745 which is the closing trading price on 26 July 2018 which is the trading date immediately before the valuation was carried out. There is a possibility that the market price of the Company's shares will change up to the date of the General Meeting.

(b) Trading history

In the 12 months prior to 26 July 2018, the Company's trading history is as follows:

(i) the lowest trading price was \$0.225 on 3 August 2017;

(ii) the highest trading price was \$2.45 on 9 November 2017; and

(iii) the volume weighted average price per Share over the 12-month period prior to 26 July 2018 was \$1.122.

The trading price of the Shares on the close of trading on 26 July 2018 (being the last trading day before this Notice of General Meeting was approved by the Board) was \$0.745.

(c) Opportunity Costs

The opportunity costs and benefits foregone by the Company issuing the Performance Rights is the potentially dilutionary impact on the issued share capital of the Company. To the extent that the dilutionary impact caused by the issue of the Performance Rights will be detrimental to the Company, this is considered to be more than offset by the advantages accruing from the Company securing the services of experienced and skilled Directors on appropriate incentive terms.

(d) Taxation Consequences

No stamp duty will be payable in respect of the grant of the Performance Rights. No GST will be payable by the Company in respect of the grant of the Performance Rights (or if it is then it will be recoverable as an input credit).

AASB 2 – Share Based Payment, requires that reporting entities must recognize services acquired in a share-based payment transaction as the services are received. The issue of Performance Rights is in return for services provided to the Company therefore these services are to be recognised.

The value of the services acquired by the Company is to be measured at the fair value of the equity instrument granted, where fair value of the services provided cannot be estimated reliably. As the Issue of Performance Rights is in consideration of future services, the fair value of the

services cannot be reliably measured. As such, the value of the Performance Rights to be issued needs to be used as the reliable measurement of the services provided.

(e) Dilutionary Effect and Directors' holdings

The effect that the vesting of the Performance Rights will have on the interests of the Directors, relative to other members' interests, is set out in the following table. The table assumes no further issues of shares in, or reconstruction of the capital of, the Company during the time between issue and exercise of the Options.

	Eduard Eshuys	Michael Ilett	Bruce Parncutt¹	Ross Hutton
The total number of shares on issue in the capital of the Company	21,645,002	21,645,002	21,645,002	21,645,002
Shares currently held by Directors	2,308,259	86,303	3,510,375	559,426
% of Shares currently held by Director	10.66%	0.40%	16.22%	2.58%
Performance Rights to be issued under this Notice of General Meeting	1,000,000	250,000	1,000,000	250,000
Existing Performance Rights held by Director	Nil	Nil	Nil	Nil
Existing Options or 40c Options held by Director	680,268	20,608	1,170,125	40,000
Shares that will be held following the vesting of all	3,988,527	356,911	5,680,500	849,426

" "" _____

¹ It is also proposed that Mr Bruce Parncutt AO (through an entity controlled by him, Lion Nominees Pty Ltd) will be issued Shares and Options the subject of Resolution 6 of the Notice of General Meeting. The dilutionary effect of those Shares and Options are described in paragraph 72.

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Performance Rights and exercise of all Options held by Director				
% of Shares that would be held assuming no other Performance Rights Vested or Options were exercised	15.31%	1.37%	21.80%	3.26%

46 Save as set out in this Explanatory Memorandum, the Directors are not aware of any other information that will be reasonably required by Shareholders to make a decision in relation to the benefits contemplated by Resolutions 2, 3, 4 and 5.

Specific information - Listing Rule 10.13

47 For the purposes of Listing Rule 10.13, the following information is provided:-

- (a) The related parties are as follows:
 - (i) Mr Eduard Eshuys who is the Executive Chairman of the Company;
 - (ii) Mr Michael Ilett who is an Executive Director of the Company;
 - (iii) Mr Bruce Parncutt AO who is an Non-Executive Director of the Company; and
 - (iv) Mr Ross Hutton who is a Non-Executive Director of the Company.
- (b) The maximum number of securities to be issued is as follows:
 - (i) Mr Eduard Eshuys 1,000,000 Performance Rights;
 - (ii) Mr Michael Ilett 250,000 Performance Rights;
 - (iii) Mr Bruce Parncutt AO 1,000,000 Performance Rights; and
 - (iv) Mr Ross Hutton 250,000 Performance Rights.
- (c) The Performance Right will, subject to Shareholder approval, be issued as soon as possible after the general meeting but in any event within one month following the Meeting.
- (d) The Performance rights will be issued for nil consideration and expire on:
 - (i) 1 August 2021 if a relevant condition is not satisfied by 31 July 2021;
 - (ii) the date the Director ceases to be a Director if the Market Condition is satisfied before that date;
 - (iii) 10 August 2022 if a relevant condition is satisfied on or before 31 July 2021 and the Director did not cease to be a Director before satisfaction of the relevant condition; or

- (iv) an earlier date in the event of a takeover bid or scheme of arrangement for the Company is successful at a price equal to or less than \$2.00 (subject to certain adjustments).

48 There are no funds being raised by the issue of the Performance Rights to the Directors.

Resolution 6: Issue of Shares and Options to Lion Nominees Pty Ltd.

49 The Company is seeking approval for the issue of Shares and free attaching Options to Lion Nominees Pty Ltd being a related party by virtue of it being a company associated with Mr Bruce Parncutt AO. As approval is being sought under Listing Rule 10.11, approval will not be required under Listing Rule 7.1.

50 Shareholder approval is sought for the issue of 163,208 new Shares at the issue price of 75 cents per new Share (being the same price as the recent Entitlements offer) and 163,208 free attaching Options with an exercise price of \$1.00 and an expiry date of 31 December 2021 to Lion Nominees Pty Ltd. The terms of the Options proposed to be issued are the same as the Options offered to Shareholders under the Entitlement Offer and are set out in Appendix C.

51 The issue of the Shares and Options to Lion Nominees under resolution 6 forms part of the commitment by Lion Nominees Pty Ltd to the Company for the subscription of \$1 million worth of new shares in the Company as announced in the Entitlement Offer lodged with the ASX on 22 May 2018. As Lion Nominees Pty Ltd is a related party of the Company by virtue of it being a company associated with Director, Mr Bruce Parncutt AO, was not able to subscribe for the new Shares in excess of its entitlement by way of participation in the top up facility pursuant to the Entitlement Offer. Its participation in the Entitlement Offer was therefore, limited to its entitlement to take up its full Entitlement (in an amount of \$877,593.75).

52 As announced in the Entitlement Offer, the Company also committed to seek shareholder approval to allow Lion Nominees Pty Ltd to take up a placement for new Shares and options on the same terms and conditions as the Entitlement Offer to the extent that its \$1 million commitment was not satisfied through the Entitlement Offer. The purpose of Resolution 6 is to seek shareholder approval for the placement for 163,208 new Shares for consideration of \$0.75 per Share and free attaching Options to satisfy the \$1 million commitment by Lion Nominees Pty Ltd.

Why is approval sought under Chapter 2E Corporations Act?

53 Chapter 2E of the Corporations Act prohibits a public company from giving a Financial Benefit to a Related Party of the public company unless providing the benefit falls within a prescribed exception to the general prohibition. Relevantly, there is an exception if the company first obtains the approval of its shareholders in a general meeting in circumstances where certain requirements specified in Chapter 2E in relation to the convening of that meeting have been met.

54 A "Related Party" is defined widely in section 228 of the Corporations Act and includes, relevantly, a director (or proposed director) of a public company and any entity that is controlled by a director of the public company.

55 A "Financial Benefit" for the purposes of the Corporations Act has a very wide meaning. It includes the public company paying money or issuing securities to the Related Party.

56 Lion Nominees Pty Ltd is a Related Party because it is an entity associated with director Mr Bruce Parncutt AO, and the proposed issue of Shares and Options to Lion Nominees Pty Ltd is a Financial Benefit.

57 Accordingly, the Company seeks Shareholder approval for the issue of the new Shares and Options to Lion Nominees Pty Ltd under section 208 Corporations Act.

Why is approval sought under Listing Rule 10.11?

58 Listing Rule 10.11 requires that an entity must obtain the approval of Shareholders to issue securities to a Related Party and in doing so must provide the information specified in Listing Rule 10.13, unless an exception applies.

59 Listing Rule 7.1 prohibits a listed company, except in certain cases, from issuing in any 12-month period new Equity Securities equivalent in number to more than 15% of the total number of ordinary securities on issue at the beginning of the twelve month period (15% Capacity) without the prior approval of a majority of disinterested shareholders, or the issue otherwise comes within one of the exceptions to Listing Rule 7.1 (15% Rule).

60 However, under Listing Rule 7.2 (Exception 14), if approval is being sought under Listing Rule 10.11, approval will not be required under Listing Rule 7.1. Therefore, the issue of the new Shares and Options to Lion Nominees Pty Ltd under Resolution 6, if passed, will not count towards the Company's 15% Capacity under Listing Rule 7.1.

61 Resolution 6 if passed, will involve the issue of Shares and Options to Lion Nominees Pty Ltd, a Related Party, by virtue of it being a company associated with Non-Executive Director, Mr Bruce Parncutt AO.

Specific information – Sections 219(1)(a) and 219(1)(b) Corporations Act

62 For the purposes of Chapter 2E of the Corporations Act, the Related Party to whom Resolution 6 would permit the financial benefit to be give pursuant to section 219(1)(a) Corporations Act is Lion Nominees Pty Ltd a related party of the Company by virtue of it being a company associated with recently appointed a Non-Executive Director, Mr Bruce Parncutt AO. The nature of the financial benefit pursuant to section 219(1)(b) Corporations Act for Mr Bruce Parncutt AO is the placement of 163,208 new Shares at an issue price of 75 cents per share and 163,208 free attaching Options to Lion Nominees Pty Ltd.

Directors' Recommendations (section 219(1)(c))

63 With respect to Resolution 6, Messrs Eduard Eshuys, Michael Ilett, and Ross Hutton recommend that Shareholders vote in favour of Resolution 6. The Directors (with the exception of Mr Bruce Parncutt AO) have formed the view that Resolution 6 be put to Shareholders for the following reasons:

- (a) Lion Nominees Pty Ltd a company associated with Director, Mr Bruce Parncutt AO, as set out in the Company's announcement to ASX on 22 May 2018, had committed to subscribe for \$1 million worth of Shares in connection with the Entitlement Offer.
- (b) As Lion Nominees Pty Ltd is a related party of the Company and it was not able to subscribe for Shares in excess of its entitlement by way of any participation in the top up facility under the Entitlements Offer.
- (c) The placement of shares to Lion Nominees Pty Ltd (Resolution 6) allow Lion Nominees Pty Ltd to fulfil its commitment and take up a placement for new Shares and options on the same terms and conditions as the Entitlement Offer.

64 However, it must be recognised that there will be an opportunity cost to the Company, being the potentially dilutionary impact of the issue of the placement Shares and exercise of the Options.

65 As Mr Bruce Parncutt AO is interested in the outcome of Resolution 6, he accordingly makes no recommendation to Shareholders in respect of this resolution.

Directors' Interest and other remuneration (section 219(1)(d))

66 Mr Bruce Parncutt AO has a material personal interest in the outcome of Resolution 6 as it is proposed that Shares and Options be placed to Lion Nominees Pty Ltd. Details of Mr Bruce Parncutt AO's interests and remuneration are set out in paragraphs 33 and 34.

Valuation of Shares and Options

67 The value of the Shares on the close of trading on 26 July 2018 (being the last trading day before this Notice of General Meeting was approved by the Board) was \$121,589.96.

68 There are various formulae which can be applied to determining the theoretical value of the Options (including the formula known as the Black-Scholes Model and the Monte Carlo simulation. The Black-Scholes Model was used to value the Options.

69 The Company has undertaken a valuation of the Options, for the purposes of disclosing to Shareholders such information required to decide whether or not it is in the Company's interest to pass Resolution 6. The value of an option calculated by the Black-Scholes Model is a function of the relationship between a number of variables, being the price of the underlying Share at the time of issue, the exercise price, the time to expiry, the risk-free interest rate, the volatility of the Company's underlying Share price and expected dividends.

70 Inherent in the application of the Black-Scholes Model are a number of inputs, some of which must be assumed. The data relied upon in applying the Black-Scholes Model in respect of the Options includes:-

- (a) the exercise price of each Option being \$1.00;
- (b) a market price of Shares of \$0.745;
- (c) vesting date and expiry date of 31 December 2021;
- (d) a volatility measure of 90%;
- (e) a risk-free interest rate of 2.40%; and
- (f) a dividend yield of 0%.

71 Based on the valuation of the Options, the value of 163,208 Options provided to Lion Nominees Pty Ltd is \$65,293.47

Other information that is reasonably required by Shareholders to make a decision and that is known to the Company or any of its Directors (section 219(1)(e) and 219(2))

72 There is no other information known to the Company or any of its Directors save and except as follows:

- (a) Market price movements and trading history – details regarding the market price of Shares and trading history of Shares is set out in paragraph 45 above

(b) Opportunity Costs

The opportunity costs and benefits foregone by the Company issuing the Shares and Options is the potentially dilutionary impact on the issued share capital of the Company. To the extent that the dilutionary impact caused by the issue of the Shares and Options will be detrimental to the Company, this is considered to be more than offset by the funds that will be raised and the fact that the Company can meet its commitment to Lion Nominees Pty Ltd.

(c) Dilutionary Effect and Mr Bruce Parcutt AO's holdings

The effect that the issue of the Shares and the exercise of the Options will have on the interests of Lion Nominees, relative to other members' interests, is set out in the following table. The table assumes no further issues of shares in, or reconstruction of the capital of, the Company during the time between issue and exercise of the Options.

The total number of shares on issue in the capital of the Company	21,645,002
Shares currently held by Lion Nominees	3,510,375
% of Shares currently held by Lion Nominees	16.22%
Shares to be issued under Resolution 6	163,208
Options to be issued under Resolution 6	163,208
Existing Options held by Lion Nominees	1,170,125
Shares that will be held following the exercise of all Options held by Lion Nominees²	6,006,916
% of Shares that would be held assuming no other Options were exercised³	24.88%

73 Save as set out in this Explanatory Memorandum, the Directors are not aware of any other information that will be reasonably required by Shareholders to make a decision in relation to the benefits contemplated by Resolution 6.

² This number also assumes that the 1,000,000 Performance Rights contemplated by Resolution 4 have vested, and the Shares issued upon vesting are issued to Lion Nominees (as an entity controlled by Mr Bruce Parcutt AO).

³ This also assumes that the 1,000,000 Performance Rights contemplated by Resolution 4 have vested, and the Shares issued upon vesting are issued to Lion Nominees (as an entity controlled by Mr Bruce Parcutt AO).

Specific information - Listing Rule 10.13

74 For the purposes of Listing Rule 10.13, the following information is provided:-

- (a) The related party is Lion Nominees Pty Ltd, an entity associated with Mr Bruce Parncutt AO who is a Non-Executive Director of the Company.
- (b) The maximum number of securities to be issued is 163,208 Shares and 163,208 Options.
- (c) The Shares and Options will, subject to Shareholder approval, be issued as soon as possible after the general meeting but in any event within one month following the Meeting.
- (d) The Shares will be issued for 75 cents per Share and the Options will be issued for nil consideration.
- (e) The Company will raise \$122,406.25 through the placement of 163,208 Shares to Lion Nominees Pty Ltd. If the Options are exercised the Company will raise an additional \$163,208.
- (f) The funds raised from the issue of Shares will be used for workings capital, costs of the issue and for completing further exploration activities that focus on the discovery of sediment hosted gold and copper-cobalt deposits in Australia.

Resolutions 7, 8, 9, 10, 11, 12, 13: Issue of Performance Rights to consultants and employees pursuant to Listing Rule 7.1 and for all other purposes.

75 The purpose of Resolutions 7, 8, 9, 10, 11, 12 and 13 is for Shareholders to approve, pursuant to Listing Rule 7.1 and for all other purposes, the issue 50,000 Performance Rights each for nil consideration to:

- (a) Professor Ross Large, Dr Stuart Bull, Dr Neil Phillips, Mr Barry Bourne who are the exploration research consultants retained by the Company;
- (b) Ms Cindie Jupp who is a consultant of the Company contracted through Lion Capital Management Pty Ltd to provide chief financial officer services to the Company. While Lion Capital Management Pty Ltd is an entity controlled by Director, Bruce Parncutt, the Company does not consider that Ms Cindie Jupp is a related party of the Company;
- (c) Mr Gregory Marks who is a consultant of the Company contracted through Lion Capital Management Pty Ltd to provide investment analyst services to the Company. Again, while Lion Capital Management Pty Ltd is an entity controlled by Director, Bruce Parncutt, the Company does not consider that Mr Gregory Marks is a related party of the Company; and
- (d) Mr David Hamlyn, the General Manager and a current employee of the Company.

76 The Board's objective for the issue of Performance Rights to the consultants and employees is to ensure that the Company retains the continued services of well-regarded and qualified research geologists and other professional advisers on the Company's projects as well as rewarding those persons for their continued efforts.

77 Subject to the satisfaction of the certain conditions detailed below, Professor Ross Large, Mr Stuart Bull, Dr Neil Phillips, Mr Barry Bourne, Ms Cindie Jupp, Mr Gregory Marks and Mr David Hamlyn or their nominees will receive one Share for each Performance Right granted to them. The full terms and conditions of the Performance Rights are outlined in Appendix B to this Explanatory Memorandum.

78 Each Performance Right granted to the persons specified above will be capable of being exercised into one fully paid ordinary share only if:

- (a) one of the following events occurs:
 - (i) the 90 day volume weighted average price of Shares on the ASX exceeds \$2.00 (subject to certain adjustments) per Share within the period from issue until 31 July 2021 (**Market Condition**);
 - (ii) on or before 31 July 2021 a takeover bid is made for the Shares at a price or value which exceeds \$2.00 (subject to certain adjustments) and the bidder confirms that the takeover bid is unconditional (**Takeover Condition**);
 - (iii) on or before 31 July 2021 a court orders a meeting to be held in relation to a proposed scheme of arrangement in relation to the Company at a price or value which exceeds \$2.00 (subject to certain conditions) per Share and Shareholders approve the scheme resolution by the requisite majority; and
- (b) for each of Professor Ross Large, Dr Stuart Ball, Mr Barry Bourne and Dr Neil Phillips, the consultant has been available for consulting work for at least nine days in each three month period from 1 April 2018 until the Market Condition is satisfied; and
- (c) for each of Ms Cindie Jupp, Mr Gregory Marks and Mr David Hamlin, the consultant or employee (as applicable) continues to be employed or engaged by the Company.

79 The Performance Rights lapse on:

- (a) 1 August 2021 if the average volume weighted average price fails to exceed \$2.00 for 90 days within the period from issue until 31 July 2021;
- (b) for each of Professor Ross Large, Dr Stuart Ball, Mr Barry Bourne and Dr Neil Phillips the first day of the following three month period if the consultant has not been available for at least nine days consulting in the previous three month period; or
- (c) for each of Ms Cindie Jupp, Mr Gregory Marks and Mr David Hamlin, the date on which the consultant or employee (as applicable) ceases to be employed or engaged by the Company; or
- (d) 10 August 2022 if the Market Condition is satisfied on or before 31 July 2021 and the Performance Right has not otherwise lapsed because the consultant has not been available for consulting work to the Company for at least nine days consulting during each three month period before the relevant condition has been satisfied; or
- (e) an earlier date in the event a takeover bid or scheme of arrangement for the Company is successful at a price or value less than or equal to \$2.00 (subject to certain adjustments).

80 The number of Shares that may be issued on exercise and the price for Shares required to meet the Market Condition may be adjusted if there is a reorganisation of the Company's Share capital.

Resolution 7

81 The purpose of Resolution 7 is for shareholders to approve, pursuant to Listing Rule 7.1 and for all other purposes, the issue of 50,000 Performance Rights for nil consideration to Professor Ross Large as part of his consideration for providing exploration consulting services to the Company.

82 In accordance with Listing Rule 7.3, shareholders are advised of the following particulars in relation to the allotment and issue:

Persons to whom securities are proposed to be issued	Professor Ross Large
Maximum number of securities to be issued	50,000 Performance Rights.
Date by which the Company will issue the securities	The Performance Rights are expected to be issued on or before 28 September 2018 however, in any event will not be issued later than 3 months from the date of the Meeting.
Minimum issue price of the securities	\$ Nil
Terms of issue	The terms of issue are set out in Appendix B.
Use of funds	No funds are raised from the issue of the Performance Rights.

Directors' Recommendation

83 The Directors unanimously recommend that you vote in favour of this resolution.

Resolution 8

84 The purpose of Resolution 8 is for shareholders to approve, pursuant to Listing Rule 7.1 and for all other purposes, the issue of 50,000 Performance Rights for nil consideration to Dr Stuart Bull as part of his consideration for providing exploration consulting services to the Company.

85 In accordance with Listing Rule 7.3, shareholders are advised of the following particulars in relation to the allotment and issue:

Persons to whom securities are proposed to be issued	Dr Stuart Bull
Maximum number of securities to be issued	50,000 Performance Rights.
Date by which the Company will issue the securities	The Performance Rights are expected to be issued on or before 28 September 2018 however, in any event will not be issued later than 3 months from the date of the Meeting.
Minimum issue price of the securities	\$ Nil

Terms of issue	The terms of issue are set out in Appendix B.
Use of funds	No funds are raised from the issue of the Performance Rights.

Directors' Recommendation

86 The Directors unanimously recommend that you vote in favour of this resolution.

Resolution 9

87 The purpose of Resolution 9 is for shareholders to approve, pursuant to Listing Rule 7.1 and for all other purposes, the issue of 50,000 Performance Rights for nil consideration to Mr Barry Bourne as part of his consideration for providing exploration consulting services to the Company.

88 In accordance with Listing Rule 7.3, shareholders are advised of the following particulars in relation to the allotment and issue:

Persons to whom securities are proposed to be issued	Mr Barry Bourne
Maximum number of securities to be issued	50,000 Performance Rights.
Date by which the Company will issue the securities	The Performance Rights are expected to be issued on or before 28 September 2018 however, in any event will not be issued later than 3 months from the date of the Meeting.
Minimum issue price of the securities	\$ Nil
Terms of issue	The terms of issue are set out in Appendix B.
Use of funds	No funds are raised from the issue of the Performance Rights.

Directors' Recommendation

89 The Directors unanimously recommend that you vote in favour of this resolution.

Resolution 10

90 The purpose of Resolution 10 is for shareholders to approve, pursuant to Listing Rule 7.1 and for all other purposes, the issue of 50,000 Performance Rights for nil consideration to Dr Neil Phillips as part of his consideration for providing exploration consulting services to the Company.

91 In accordance with Listing Rule 7.3, shareholders are advised of the following particulars in relation to the allotment and issue:

Persons to whom securities are proposed to be issued	Dr Neil Phillips
Maximum number of securities to be issued	50,000 Performance Rights.
Date by which the Company will issue the securities	The Performance Rights are expected to be issued on or before 28 September 2018 however, in any event will not be issued later than 3 months from the date of the Meeting.
Minimum issue price of the securities	\$ Nil
Terms of issue	The terms of issue are set out in Appendix B.
Use of funds	No funds are raised from the issue of the Performance Rights.

Directors' Recommendation

92 The Directors unanimously recommend that you vote in favour of this resolution.

Resolution 11

93 The purpose of Resolution 11 is for shareholders to approve, pursuant to Listing Rule 7.1 and for all other purposes, the issue of 50,000 Performance Rights for nil consideration to Ms Cindie Jupp as part of her consideration for providing chief financial officer services to the Company.

94 In accordance with Listing Rule 7.3, shareholders are advised of the following particulars in relation to the allotment and issue:

Persons to whom securities are proposed to be issued	Ms Cindie Jupp
Maximum number of securities to be issued	50,000 Performance Rights.
Date by which the Company will issue the securities	The Performance Rights are expected to be issued on or before 28 September 2018 however, in any event will not be issued later than 3 months from the date of the Meeting.
Minimum issue price of the securities	\$ Nil
Terms of issue	The terms of issue are set out in Appendix B.
Use of funds	No funds are raised from the issue of the Performance Rights.

Directors' Recommendation

95 The Directors unanimously recommend that you vote in favour of this resolution.

Resolution 12

96 The purpose of Resolution 12 is for shareholders to approve, pursuant to Listing Rule 7.1 and for all other purposes, the issue of 50,000 Performance Rights for nil consideration to Mr Gregory Marks as part of his consideration for providing investment analyst services to the Company.

97 In accordance with Listing Rule 7.3, shareholders are advised of the following particulars in relation to the allotment and issue:

Persons to whom securities are proposed to be issued	Mr Gregory Marks
Maximum number of securities to be issued	50,000 Performance Rights.
Date by which the Company will issue the securities	The Performance Rights are expected to be issued on or before 28 September 2018 however, in any event will not be issued later than 3 months from the date of the Meeting.
Minimum issue price of the securities	\$ Nil
Terms of issue	The terms of issue are set out in Appendix B.
Use of funds	No funds are raised from the issue of the Performance Rights.

Directors' Recommendation

98 The Directors unanimously recommend that you vote in favour of this resolution.

Resolution 13

99 The purpose of Resolution 13 is for shareholders to approve, pursuant to Listing Rule 7.1 and for all other purposes, the issue of 50,000 Performance Rights for nil consideration to Mr David Hamlyn to reward him for his continued efforts as General Manager of the Company.

100 In accordance with Listing Rule 7.3, shareholders are advised of the following particulars in relation to the allotment and issue:

Persons to whom securities are proposed to be issued	Mr David Hamlyn
Maximum number of securities to be issued	50,000 Performance Rights.

Date by which the Company will issue the securities	The Performance Rights are expected to be issued on or before 28 September 2018 however, in any event will not be issued later than 3 months from the date of the Meeting.
Minimum issue price of the securities	\$ Nil
Terms of issue	The terms of issue are set out in Appendix B.
Use of funds	No funds are raised from the issue of the Performance Rights.

Directors' Recommendation

101 The Directors unanimously recommend that you vote in favour of this resolution.

Resolution 14: Issue of Shares and Options to Costa Asset Management Pty Ltd as trustee for the Costa Asset Management Unit Trust (or its nominee) pursuant to Listing Rule 7.1 and for all other purposes.

102 The purpose of Resolution 11 is for shareholders to approve, pursuant to Listing Rule 7.1 and for all other purposes, the issue of 2,666,667 Shares at \$0.75 per Share and 2,666,667 attaching Options exercisable at \$1 per share on or before 31 December 2021 under a placement to Costa Asset Management Pty Ltd as trustee for the Costa Asset Management Unit Trust (or its nominee).

103 The Shares and Options proposed to be issued will be issued on the same terms as the Shares and Options offered to Shareholders under the Entitlement Offer.

104 In accordance with Listing Rule 7.3, shareholders are advised of the following particulars in relation to the allotment and issue:

Persons to whom securities are proposed to be issued	Costa Asset Management Pty Ltd as trustee for the Costa Asset Management Unit Trust (or its nominee)
Maximum number of securities to be issued	2,666,667 Shares 2,666,667 Options
Date by which the Company will issue the securities	The securities are expected to be issued on or before 28 September 2018 however, in any event will not be issued later than 3 months from the date of the Meeting.
Minimum issue price of the securities	\$0.75 per Share Nil per Option

Terms of issue	The Shares will rank equally with existing quoted fully paid ordinary Shares on issue. The terms of the Options proposed to be issued are the same as the Options offered to Shareholders under the Entitlement Offer and are set out in Appendix C.
Use of funds	The funds received from the placement will be used for investment in ASX listed gold exploration companies, for evaluation of its existing land holdings and for working capital. No funds will be raised from the issue of Options as the Options were issued on the basis of 1 attaching Option for every Share issued.

Directors' Recommendation

105 The Directors unanimously recommend that you vote in favour of this resolution.

Resolution 15: Issue of Shares and Options to Caroline House Superannuation Fund Pty Ltd as trustee for The Caroline House Superannuation Fund pursuant to Listing Rule 7.1 and for all other purposes.

106 The purpose of Resolution 15 is for shareholders to approve, pursuant to Listing Rule 7.1 and for all other purposes, the issue of 666,667 Shares at \$0.75 per Share and 666,667 attaching Options exercisable at \$1 per share on or before 31 December 2021 under a placement to Caroline House Superannuation Fund Pty Ltd as trustee for The Caroline House Superannuation Fund.

107 The Shares and Options proposed to be issued will be issued on the same terms as the Shares and Options offered to Shareholders under the Entitlement Offer.

108 In accordance with Listing Rule 7.3, shareholders are advised of the following particulars in relation to the allotment and issue:

Persons to whom securities are proposed to be issued	Caroline House Superannuation Fund Pty Ltd as trustee for The Caroline House Superannuation Fund
Maximum number of securities to be issued	666,667 Shares 666,667 Options
Date by which the Company will issue the securities	The securities are expected to be issued on or before 28 September 2018 however, in any event will not be issued later than 3 months from the date of the Meeting.
Minimum issue price of the securities	\$0.75 per Share Nil per Option

Terms of issue	<p>The Shares will rank equally with existing quoted fully paid ordinary Shares on issue.</p> <p>The terms of the Options proposed to be issued are the same as the Options offered to Shareholders under the Entitlement Offer and are set out in Appendix C.</p>
Use of funds	<p>The funds received from the placement will be used for investment in ASX listed gold exploration companies, for evaluation of its existing land holdings and for working capital.</p> <p>No funds will be raised from the issue of Options as the Options were issued on the basis of 1 attaching Option for every Share issued.</p>

Directors' Recommendation

109

The Directors unanimously recommend that you vote in favour of this resolution.

Enquiries

110 Please direct any enquiries in relation to the Meeting, the resolutions or this Explanatory Memorandum to Mr Michael Ilett (Company Secretary) at:

Postal Address:

The Company Secretary
DGO Gold Limited
Level 17, 41 Exhibition Street
Melbourne, VIC, 3000

Telephone: + 61 3 9133 6251
Facsimile: + 61 3 9691 6899

Email: ilett@dgogold.com.au

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Definitions

A number of capitalised terms are used throughout this Notice of General Meeting and Explanatory Memorandum. Capitalised terms in this Notice of General Meeting have the same meaning given to them in the Corporations Act (unless otherwise defined below). Except to the extent the context otherwise requires:

Term	Definition
40¢ Options	means options to acquire Shares exercisable at \$0.40 and expiring on 30 June 2020.
General Meeting or Meeting	means the General meeting of the Company contemplated by this Notice.
Andama Holdings Pty Ltd	means Andama Holdings Pty Ltd as trustee for the J and M Barlow Pension Fund.
ASIC	means the Australian Securities & Investments Commission.
ASX	means ASX Limited ACN 008 624 691.
Board	means the board of Directors of the Company.
Company	means DGO Gold Limited ACN 124 459 396.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Directors	means the directors of the Company.
Entitlement Offer	Means the Entitlement Offer announced to the ASX on 24 May 2018 and which completed on 6 July 2018.
Explanatory Memorandum	means the explanatory memorandum accompanying the Notice of General Meeting.
Listing Rules	means the official listing rules of ASX.
Options	means options exercisable at \$1.00 and expiring on 31 December 2021.
Performance Rights	means rights which, subject to exercise and the satisfaction of certain conditions, over those shares as described in the Explanatory Memorandum.
Shares	means fully paid ordinary Shares in the capital of the Company.
Shareholders	means the holders of shares in the Company from time to time.

Appendix A

Terms of Performance Rights proposed to be issued to Directors

The following are the terms of issue of the Performance Rights.

1 Definitions

ASX means ASX Limited or, as the context requires, the financial market known as the Australian Securities Exchange operated by it.

Business Day means a day on which Banks are open for business in Melbourne other than a Saturday, a Sunday or a public holiday.

Company means DGO Gold Limited (ACN 124 562 849).

Group means the Company and its subsidiaries.

Change in Control Expiry Event means:

- (a) a takeover bid is made for the Shares at a price or value which is equal to or less than the Target Price per Share and the bidder becomes entitled to compulsorily acquire the Shares; or
- (b) a court orders a meeting to be held in relation to a proposed scheme of arrangement in relation to the Company at a price or value which is equal to or less than the Target Price per Share and Shareholders approve the scheme resolutions by the requisite majority.

Conversion Date means ten Business Days after the Company receives the Conversion Election Notice.

Conversion Rate means the rate of conversion of each Performance Right into Shares, being 1 Share for 1 Performance Right held, as adjusted under Condition 3.5.

Conversion Trigger means the earliest to occur of:

- (a) the 90 day volume weighted average price exceeds the Target Price per Share within the period from issue until 31 July 2021;
- (b) a takeover bid is made for the Shares at a price or value which exceeds the Target Price per Share and the bidder confirms that the takeover bid is unconditional; and
- (c) if a court orders a meeting to be held in relation to a proposed scheme of arrangement in relation to the Company at a price or value which exceeds the Target Price per Share and shareholders approve the scheme resolution by the requisite majorities.

Corporations Act means the *Corporations Act 2001* (Cth).

Expiry Date means, the earlier of:

- (a) 1 August 2021, if a Conversion Trigger has not occurred before that date; or;

- (b) the date on which the Holder ceases to be a director of the Company if a Conversion Trigger has not occurred before that date;
- (c) the date on which a Change of Control Expiry Event occurs;
- (d) if a Conversion Trigger set out in paragraph (b) or (c) of the definition of 'Conversion Trigger' has occurred, the date determined by the Company's board and notified to the Holder in a Conversion Election Notice which must be no less than 10 Business Days after the date of the Conversion Election Notice; and
- (e) 10 August 2022.

Holder means a registered holder of a Performance Right.

Listing Rules means the ASX Listing Rules.

Performance Right means, at any time, so many of these Performance Rights created and issued by the Company under these Conditions of Issue as are outstanding.

Shares means fully paid ordinary Shares in the capital of the Company.

Target Price per Share means, \$2.00 per Share as adjusted under Condition 3.5.

2 General Terms of Issue

Terms of Issue

2.1 Each Performance Right shall:

- (a) potentially convert in the manner and at the times provided by Condition 3 into Shares; and
- (b) lapse on the Expiry Date if it has not been subject to Conversion by then.

Status

2.2 The Performance Rights:

- (a) do not (unless and until a Conversion Trigger has occurred, the Holder has exercised the Performance Right and Shares are issued) confer on Performance Right Holders any right as a member or shareholder of the Company, including voting rights; and
- (b) confer on Performance Right Holders a right to be given copies of documents sent by the Company to shareholders (whether in connection with a general meeting of Shareholders or otherwise).

2.3 Each Holder by accepting an issue of Performance Rights:

- (a) agrees to be bound by these Conditions;
- (b) acknowledges that it has contractual rights as set out in these conditions but that the Performance Rights do not (unless and until a Conversion Trigger has occurred, the Holder has exercised the Performance Right and Shares are issued) confer any right as a member or shareholder of the Company; and
- (c) acknowledges the possibility that the Performance Rights may expire and will not be capable of exercise.

3 Conversion to shares

- 3.1 The Company must, if a Conversion Trigger occurs give notice in writing to each Holder (other than where the Holder's Performance Rights have expired) (**Conversion Election Notice**).
- 3.2 Upon receipt of a Conversion Election Notice each Holder shall have a right to elect to convert each Performance Right to Shares at the Conversion Rate provided that the Expiry Date has not occurred by giving notice in writing to the Company at any time prior to the Expiry Date. (**Election Notice**). The Holder may, in its Election Notice, provide details of its nominee that is to be issued Shares on conversion of the Performance Rights, provided that, the nominee covenants with the Company on the same terms as the Holder provides any such covenant under these Conditions or otherwise reasonably required by the Company's board of directors.
- 3.3 Upon receipt of an Election Notice the Company shall issue the Shares arising from Conversion as soon as reasonably practicable and in any event no later than ten Business Days after receipt of the Election Notice.
- 3.4 If a Holder has not given a valid Election Notice prior to the Expiry Date each Performance Right will automatically expire and any entitlement to exercise the Performance Right and convert to Shares shall cease on the Expiry Date.

Adjustment of Conversion Rate and/or Target Price per Share

- 3.5 If the Company reorganises its capital, the Conversion Rate and Target Price per Share will be adjusted in accordance with the Listing Rules applicable at the time of the reorganisation, and so that Holders will not receive a benefit that holders of Shares do not receive. Unless the Listing Rules require otherwise, the Conversion Rate and Target Price per Share must be adjusted as follows:

Reduction in capital:

- (a) If the issued capital of the Company is reduced, the Target Price per Share will be reduced by the same amount as the amount of issued capital reduced on each Share (subject to any provisions with respect to the rounding of entitlements as may be sanctioned by the meeting of the members of the Company approving the reduction of capital) but in all other respects the terms of the Performance Rights will remain unchanged, including the Conversion Rate;

Consolidation of capital:

- (b) If the issued capital of the Company is consolidated, the Conversion Rate will be reduced in the same proportion and manner as the issued capital is so consolidated (subject to any provisions with respect to the rounding of entitlements as may be sanctioned by the meeting of the members of the Company approving the consolidation of capital) and the Target Price per Share will be increased in inverse proportion to the consolidation of issued capital, but in all other respects the terms of the Performance Rights will remain unchanged; and

Subdivision of Capital:

- (c) If the issued capital of the Company is subdivided, the Conversion Rate will be

increased in the same proportion and manner as the issued capital is so subdivided (subject to any provisions with respect to the rounding of entitlements as may be sanctioned by the meeting of the members of the Company approving the subdivision of capital) and the Target Price per Share will be decreased in inverse proportion to the subdivision of issued capital but in all other respects the terms of the Performance Rights will remain unchanged.

Conversion to Shares

- 3.6 Subject to these conditions of issue, the Company covenants with each Performance Right Holder that, subject to the issue of Shares being consistent with any applicable law or the Listing Rules, it will issue Shares for the Performance Rights at the Conversion Rate on the Conversion Date.
- 3.7 Any Shares issued upon conversion of Performance Rights will rank in all respects equally with the then existing Shares of the Company and will rank for dividends declared by the Company on its Shares after the Conversion Date of the Performance Rights. Prior to conversion, the Performance Rights do not confer any entitlement to a dividend.
- 3.8 After the issue of such Shares, if the Company is listed on the ASX, the Company will apply for quotation of such Shares on the ASX to allow them to be traded.

Costs of Conversion and listing

- 3.9 Except as otherwise stated in these Conditions, the Company will pay the expenses (but excluding any taxes or stamp duties for which the holders of Shares would ordinarily be liable) of the issue of, and all expenses of obtaining a listing for, Shares issued on Conversion.

Conversion Right warranties

- 3.10 The Company must, whilst the Performance Rights have neither expired nor converted into Shares:
- (a) **Listing:** subject to Condition 3.3, use its best endeavours to promptly give to the Holders notice of any delisting of the Shares (as a class) by the ASX, or any other stock exchange on which they are listed from time to time;
 - (b) **Conversion to ordinary Shares:** ensure that all Shares issued upon conversion of a Performance Right will be duly and validly issued, fully paid and registered in the name of the Holder or its nominee set out in the Holder's Election Notice; and
 - (c) **Consents:** use reasonable endeavours to obtain, as and when required, and having once obtained, maintain, all necessary governmental and regulatory consents to enable the Company to allot and issue the Shares to be issued upon conversion of the Performance Rights, other than any approval or consent required in respect of section 606 Corporations Act or the *Foreign Acquisitions and Takeovers Act 1975* (Cth) which shall be the sole responsibility of the Holder.

Bound by Constitution

- 3.11 Each Holder acknowledges that on the issue of Shares on the Conversion Date, the Holder or its nominee will be bound by the Constitution of the Company in so far as it relates to Shares.

External Administration

- 3.12 If the Company becomes an externally-administered body corporate (within the meaning of the

Corporations Act) and notwithstanding any other provision of these Conditions, the Performance Rights will expire (and any entitlement to Conversion shall thereupon cease without conferring any right to participate in the surplus profit or assets of the Company).

4 Title to Performance Rights

- (a) Except as ordered by a court of competent jurisdiction or as required by law, the Company:
- (a) may treat the registered holder of any Performance Right as the absolute owner (notwithstanding any notice of ownership or writing on the Performance Right or any notice of previous loss or theft or of any trust or any other interest);
 - (b) is not required to obtain any proof of ownership and is not required to verify the identity of the registered holder; and
 - (c) is not required to recognise or give effect to any legal or equitable interest in any Performance Right not entered on the Register notwithstanding that the Issuer may have actual or constructive notice thereof.

5 Non transferability

- 5.1 The Performance Rights will not be listed and are not transferable.
- 5.2 Any person becoming entitled to Performance Rights in consequence of the death or bankruptcy of any holder of such Performance Rights, may, upon producing evidence of the Holder's title as the Directors shall think sufficient, be registered as the holder of such Performance Rights.

6 Non-Redeemable

- 6.1 The Performance Rights are not redeemable in any circumstance by the Company.

7 Notices

- 7.1 A notice given to a Holder pursuant to a provision of these Conditions shall be in writing or electronic form and may be given to a Holder by being delivered to him by e-mail, facsimile, or posted in a pre-paid envelope and addressed to the address appearing in the register or to such other address as he has notified the Company in writing.
- 7.2 A notice given to any one of joint Performance Right Holders is sufficient notice to all of those joint Performance Right Holders.

8 Conditions Binding on Parties and Successors

- 8.1 These Conditions shall be binding on the Company and the Holders and all persons claiming through or under them respectively. These Conditions shall be governed by and construed in accordance with the laws of Queensland.

9 Amendment

- 9.1 These Conditions may only be amended if the board of the Company determines that such amendment is necessary to:
- (a) enable the Company to comply with the Listing Rules, Corporations Act or other Australian law; or

(b) to correct any manifest error or mistake,

and the board of the Company provides notice to each Holder accordingly.

Attorney

10.1 Each Holder in consideration of the grant of the Performance Right shall be deemed to have irrevocably appointed the Company and each of its directors severally as its attorney to complete and executed any documents which give effect to these conditions and to do all acts or things on behalf of or in the name of the Holder which may be convenient or necessary for the purposes of giving effect to the provisions of these conditions, and each Holder shall be deemed to covenant to ratify and confirm any act or thing done pursuant to this power and shall release the Company and each of its directors from any liability whatsoever arising from the exercise of the power conferred by this condition and shall indemnify and hold harmless the Company and each of its directors in respect thereof.

Appendix B

Terms of Performance Rights proposed to be issued to Consultants and Employees

The following are the terms of issue of the Performance Rights.

1 Definitions

ASX means ASX Limited or, as the context requires, the financial market known as the Australian Securities Exchange operated by it.

Business Day means a day on which Banks are open for business in Melbourne other than a Saturday, a Sunday or a public holiday.

Company means DGO Gold Limited (ACN 124 562 849).

Group means the Company and its subsidiaries.

Change in Control Expiry Event means:

- (a) a takeover bid is made for the Shares at a price or value which is equal to or less than the Target Price per Share and the bidder becomes entitled to compulsorily acquire the Shares; or
- (b) a court orders a meeting to be held in relation to a proposed scheme of arrangement in relation to the Company at a price or value which is equal to or less than the Target Price per Share and Shareholders approve the scheme resolutions by the requisite majority.

Conversion Date means ten Business Days after the Company receives the Conversion Election Notice.

Conversion Rate means the rate of conversion of each Performance Right into Shares, being 1 Share for 1 Performance Right held, as adjusted under Condition 3.5.

Conversion Trigger means the earliest to occur of:

- (a) the 90 day volume weighted average price exceeds the Target Price per Share within the period from issue until 31 July 2021;
- (b) a takeover bid is made for the Shares at a price or value which exceeds the Target Price per Share and the bidder confirms that the takeover bid is unconditional; and
- (c) if a court orders a meeting to be held in relation to a proposed scheme of arrangement in relation to the Company at a price or value which exceeds the Target Price per Share and shareholders approve the scheme resolution by the requisite majorities.

Corporations Act means the Corporations Act 2001 (Cth).

Expiry Date means, the earlier of:

- (a) 1 August 2021, if a Conversion Trigger has not occurred before that date; or;
- (b) for each of Professor Ross Large, Dr Stuart Ball, Mr Barry Bourne and Dr Neil Philips, the first day of the following three month period if the Holder has not been available, during any three month period from 31 July 2018 to 31 July 2021, for at least nine days of consulting to the Company, if a Conversion Trigger has not occurred before that date;

- (c) for each of Ms Cindie Jupp, Mr Gregory Marks and Mr David Hamlyn, the date on which the Holder ceases to be engaged or employed by the Company;
- (d) the date on which a Change of Control Expiry Event occurs;
- (e) if a Conversion Trigger set out in paragraph (b) or (c) of the definition of 'Conversion Trigger' has occurred, the date determined by the Company's board and notified to the Holder in a Conversion Election Notice which must be no less than 10 Business Days after the date of the Conversion Election Notice; and
- (f) 10 August 2022.

Holder means a registered holder of a Performance Right.

Listing Rules means the ASX Listing Rules.

Performance Right means, at any time, so many of these Performance Rights created and issued by the Company under these Conditions of Issue as are outstanding.

Shares means fully paid ordinary Shares in the capital of the Company.

Target Price per Share means, \$2.00 per Share as adjusted under Condition 3.5.

3 General Terms of Issue

Terms of Issue

2.4 Each Performance Right shall:

- (a) potentially convert in the manner and at the times provided by Condition 3 into Shares; and
- (b) lapse on the Expiry Date if it has not been subject to Conversion by then.

Status

2.5 The Performance Rights:

- (a) do not (unless and until a Conversion Trigger has occurred, the Holder has exercised the Performance Right and Shares are issued) confer on Performance Right Holders any right as a member or shareholder of the Company, including voting rights; and
- (b) confer on Performance Right Holders a right to be given copies of documents sent by the Company to shareholders (whether in connection with a general meeting of Shareholders or otherwise).

2.6 Each Holder by accepting an issue of Performance Rights:

- (a) agrees to be bound by these Conditions;
- (b) acknowledges that it has contractual rights as set out in these conditions but that the Performance Rights do not (unless and until a Conversion Trigger has occurred, the Holder has exercised the Performance Right and Shares are issued) confer any right as a member or shareholder of the Company; and
- (c) acknowledges the possibility that the Performance Rights may expire and will not be capable of exercise.

11 Conversion to shares

- 11.1 The Company must, if a Conversion Trigger occurs give notice in writing to each Holder (other than where the Holder's Performance Rights have expired) (**Conversion Election Notice**).
- 11.2 Upon receipt of a Conversion Election Notice each Holder shall have a right to elect to convert each Performance Right to Shares at the Conversion Rate provided that the Expiry Date has not occurred by giving notice in writing to the Company at any time prior to the Expiry Date. (**Election Notice**). The Holder may, in its Election Notice, provide details of its nominee that is to be issued Shares on conversion of the Performance Rights, provided that, the nominee covenants with the Company on the same terms as the Holder provides any such covenant under these Conditions or otherwise reasonably required by the Company's board of directors.
- 11.3 Upon receipt of an Election Notice the Company shall issue the Shares arising from Conversion as soon as reasonably practicable and in any event no later than ten Business Days after receipt of the Election Notice.
- 11.4 If a Holder has not given a valid Election Notice prior to the Expiry Date each Performance Right will automatically expire and any entitlement to exercise the Performance Right and convert to Shares shall cease on the Expiry Date.

Adjustment of Conversion Rate and/or Target Price per Share

- 11.5 If the Company reorganises its capital, the Conversion Rate and Target Price per Share will be adjusted in accordance with the Listing Rules applicable at the time of the reorganisation, and so that Holders will not receive a benefit that holders of Shares do not receive. Unless the Listing Rules require otherwise, the Conversion Rate and Target Price per Share must be adjusted as follows:

Reduction in capital:

- (a) If the issued capital of the Company is reduced, the Target Price per Share will be reduced by the same amount as the amount of issued capital reduced on each Share (subject to any provisions with respect to the rounding of entitlements as may be sanctioned by the meeting of the members of the Company approving the reduction of capital) but in all other respects the terms of the Performance Rights will remain unchanged, including the Conversion Rate;

Consolidation of capital:

- (b) If the issued capital of the Company is consolidated, the Conversion Rate will be reduced in the same proportion and manner as the issued capital is so consolidated (subject to any provisions with respect to the rounding of entitlements as may be sanctioned by the meeting of the members of the Company approving the consolidation of capital) and the Target Price per Share will be increased in inverse proportion to the consolidation of issued capital, but in all other respects the terms of the Performance Rights will remain unchanged; and

Subdivision of Capital:

- (c) If the issued capital of the Company is subdivided, the Conversion Rate will be

increased in the same proportion and manner as the issued capital is so subdivided (subject to any provisions with respect to the rounding of entitlements as may be sanctioned by the meeting of the members of the Company approving the subdivision of capital) and the Target Price per Share will be decreased in inverse proportion to the subdivision of issued capital but in all other respects the terms of the Performance Rights will remain unchanged.

Conversion to Shares

- 11.6 Subject to these conditions of issue, the Company covenants with each Performance Right Holder that, subject to the issue of Shares being consistent with any applicable law or the Listing Rules, it will issue Shares for the Performance Rights at the Conversion Rate on the Conversion Date.
- 11.7 Any Shares issued upon conversion of Performance Rights will rank in all respects equally with the then existing Shares of the Company and will rank for dividends declared by the Company on its Shares after the Conversion Date of the Performance Rights. Prior to conversion, the Performance Rights do not confer any entitlement to a dividend.
- 11.8 After the issue of such Shares, if the Company is listed on the ASX, the Company will apply for quotation of such Shares on the ASX to allow them to be traded.

Costs of Conversion and listing

- 11.9 Except as otherwise stated in these Conditions, the Company will pay the expenses (but excluding any taxes or stamp duties for which the holders of Shares would ordinarily be liable) of the issue of, and all expenses of obtaining a listing for, Shares issued on Conversion.

Conversion Right warranties

- 11.10 The Company must, whilst the Performance Rights have neither expired nor converted into Shares:
- (a) **Listing:** subject to Condition 3.3, use its best endeavours to promptly give to the Holders notice of any delisting of the Shares (as a class) by the ASX, or any other stock exchange on which they are listed from time to time;
 - (b) **Conversion to ordinary Shares:** ensure that all Shares issued upon conversion of a Performance Right will be duly and validly issued, fully paid and registered in the name of the Holder or its nominee set out in the Holder's Election Notice; and
 - (c) **Consents:** use reasonable endeavours to obtain, as and when required, and having once obtained, maintain, all necessary governmental and regulatory consents to enable the Company to allot and issue the Shares to be issued upon conversion of the Performance Rights, other than any approval or consent required in respect of section 606 Corporations Act or the *Foreign Acquisitions and Takeovers Act 1975* (Cth) which shall be the sole responsibility of the Holder.

Bound by Constitution

- 11.11 Each Holder acknowledges that on the issue of Shares on the Conversion Date, the Holder or its nominee will be bound by the Constitution of the Company in so far as it relates to Shares.

External Administration

- 11.12 If the Company becomes an externally-administered body corporate (within the meaning of the

Corporations Act) and notwithstanding any other provision of these Conditions, the Performance Rights will expire (and any entitlement to Conversion shall thereupon cease without conferring any right to participate in the surplus profit or assets of the Company).

12 **Title to Performance Rights**

- (b) Except as ordered by a court of competent jurisdiction or as required by law, the Company:
- (a) may treat the registered holder of any Performance Right as the absolute owner (notwithstanding any notice of ownership or writing on the Performance Right or any notice of previous loss or theft or of any trust or any other interest);
 - (b) is not required to obtain any proof of ownership and is not required to verify the identity of the registered holder; and
 - (c) is not required to recognise or give effect to any legal or equitable interest in any Performance Right not entered on the Register notwithstanding that the Issuer may have actual or constructive notice thereof.

13 **Non transferability**

- 13.1 The Performance Rights will not be listed and are not transferable.
- 13.2 Any person becoming entitled to Performance Rights in consequence of the death or bankruptcy of any holder of such Performance Rights, may, upon producing evidence or of the Holder's title as the Directors shall think sufficient, be registered as the holder of such Performance Rights.

14 **Non-Redeemable**

- 14.1 The Performance Rights are not redeemable in any circumstance by the Company.

15 **Notices**

- 15.1 A notice given to a Holder pursuant to a provision of these Conditions shall be in writing or electronic form and may be given to a Holder by being delivered to him by e-mail, facsimile, or posted in a pre-paid envelope and addressed to the address appearing in the register or to such other address as he has notified the Company in writing.
- 15.2 A notice given to any one of joint Performance Right Holders is sufficient notice to all of those joint Performance Right Holders.

16 **Conditions Binding on Parties and Successors**

- 16.1 These Conditions shall be binding on the Company and the Holders and all persons claiming through or under them respectively. These Conditions shall be governed by and construed in accordance with the laws of Queensland.

17 **Amendment**

- 17.1 These Conditions may only be amended if the board of the Company determines that such amendment is necessary to:
- (a) enable the Company to comply with the Listing Rules, Corporations Act or other

Australian law; or

- (b) to correct any manifest error or mistake,

and the board of the Company provides notice to each Holder accordingly.

Attorney

- 18.1 Each Holder in consideration of the grant of the Performance Right shall be deemed to have irrevocably appointed the Company and each of its directors severally as its attorney to complete and executed any documents which give effect to these conditions and to do all acts or things on behalf of or in the name of the Holder which may be convenient or necessary for the purposes of giving effect to the provisions of these conditions, and each Holder shall be deemed to covenant to ratify and confirm any act or thing done pursuant to this power and shall release the Company and each of its directors from any liability whatsoever arising from the exercise of the power conferred by this condition and shall indemnify and hold harmless the Company and each of its directors in respect thereof.

Appendix C

Option Terms

Exercise of Options	<p>Each Option is exercisable immediately on issue. The Options may be exercised at any time before their expiry date, by delivering a duly completed form of notice of exercise together with a cheque for the exercise price. DGO Gold will issue one Share for each Option exercised.</p> <p>The holder may only exercise a minimum of 10,000 Options on any particular occasion, unless the holder has, in total, less than 10,000 Options, in which case they must exercise all their Options at the same time.</p> <p>The exercise of each Option is subject to compliance with the Corporations Act (in particular, the requirements of Chapter 6 of the Corporations Act).</p>
Transfer and security interests	<p>The holder may only:</p> <ul style="list-style-type: none">(a) create a security interest in; or(b) transfer, assign, dispose or otherwise deal with, <p>Options, or any interest in the Options, with the prior written consent of the Board.</p>
Terms of Shares issued	<p>Any Shares issued as a result of exercising a Option will be issued on the same terms and rank in all respects on equal terms, with existing Shares.</p>
Quotation of Shares issued	<p>Application for official quotation of Shares allotted and issued as a result of the exercise of the Options will be made within three Business Days from the date of issue of the Shares.</p>
Expiration of Options	<p>Each Option will expire on 31 December 2021.</p>
Issue price of Options	<p>No issue price is payable for the Options.</p>
Exercise price of Options	<p>\$1.00 upon exercise to acquire each Share.</p>
Option register	<p>Options will be registered in the name of the holder in an option register maintained by the share registry. The share registry will issue holding statements that evidence the number of Options held. No option certificates will be issued.</p>
Reconstruction of capital	<p>If there is a reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of DGO Gold:</p> <ul style="list-style-type: none">(a) the number of Options or the exercise price of the Options or both will be adjusted as specified in Listing Rule 7.22 as it applies at the time of the reorganisation; and(b) in all other respects the terms for the exercise of the Options will remain unchanged.
No adjustment for pro rata issue of Shares	<p>There will be no adjustment to the terms of the Options if there is a pro rata issue of Shares.</p>


Adjustment for issue of bonus shares	If there is a bonus issue of Shares, the number of Shares issued upon exercise of the Options will be adjusted as specified in Listing Rule 6.22.3.
New issues of Shares	The Options do not confer a right to participate in new issues of Shares unless the Options have been exercised on or before the record date for determining entitlements to the issue.
Notice of adjustments	DGO Gold will give written notice to the Option holder of any adjustment of the exercise price of the Options and any increase or decrease in the number of Options.
Dividend rights	While they remain unexercised, the Options will not give a holder an entitlement to receive any dividends declared and paid by DGO Gold for Shares.
Applicable law	Each Option is issued subject to: (a) the Corporations Act; (b) the Listing Rules; and (c) the Company's constitution.
Quotation	The Company will not apply to ASX for official quotation of any of the Options.

DGO Gold Limited


ACN 124 562 849


LODGE YOUR VOTE

 **ONLINE**
www.linkmarketservices.com.au

 **BY MAIL**
DGO Gold Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

 **BY FAX**
+61 2 9287 0309


 **BY HAND**
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138; or
Level 12, 680 George Street, Sydney NSW 2000

 **ALL ENQUIRIES TO**
Telephone: +61 1300 554 474

LODGE MENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **11:00am on Tuesday, 25 September 2018**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:

 **ONLINE**
www.linkmarketservices.com.au
Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the reverse of this Proxy Form).

 **BY MAIL**
DGO Gold Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

 **BY FAX**
+61 2 9287 0309

 **BY HAND**
Link Market Services Limited
1A Homebush Bay Drive, Rhodes
NSW 2138;

or

Link Market Services Limited
Level 12, 680 George Street,
Sydney NSW 2000

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

NAME SURNAME
 ADDRESS LINE 1
 ADDRESS LINE 2
 ADDRESS LINE 3
 ADDRESS LINE 4
 ADDRESS LINE 5
 ADDRESS LINE 6



X99999999999

PROXY FORM

I/We being a member(s) of DGO Gold Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the General Meeting of the Company to be held at **11:00am on Thursday, 27 September 2018 at BDO, Collins Square, Tower Four, Level 18, 727 Collins Street, Melbourne VIC 3008** (the Meeting) and at any postponement or adjournment of the Meeting.

Important for Resolutions 2, 3, 4, 5 and 6: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 2, 3, 4, 5 and 6, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Approval of previous Share issue on 4 April 2018	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Approval to issue Performance Rights to Mr Barry Bourne	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Approval to issue Performance Rights to the Executive Chairman, Mr Eduard Eshuys	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Approval to issue Performance Rights to Dr Neil Phillips	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval to issue Performance Rights to the Executive Director and Company Secretary, Mr Michael Ilett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11 Approval to issue Performance Rights to Ms Cindie Jupp	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval to issue Performance Rights to the Non-Executive Director, Mr Bruce Parncutt AO	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12 Approval to issue Performance Rights to Mr Gregory Marks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval to issue Performance Rights to the Non-Executive Director, Mr Ross Hutton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13 Approval to issue Performance Rights to Mr David Hamlyn	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval for Share and Option issue to Lion Nominees Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	14 Approval to issue Shares and Options to Costa Asset Management Pty Ltd as trustee for The Costa Asset Management Unit Trust (or its nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Approval to issue Performance Rights to Professor Ross Large	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	15 Approval to issue Shares and Options to Caroline House Superannuation Fund Pty Ltd as trustee for The Caroline House Superannuation Fund	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Approval to issue Performance Rights to Dr Stuart Bull	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



* If you mark the Abstain box for a particular Item, 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 on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

DGO PRX1802D

For personal use only

STEP 1

STEP 2

STEP 3

